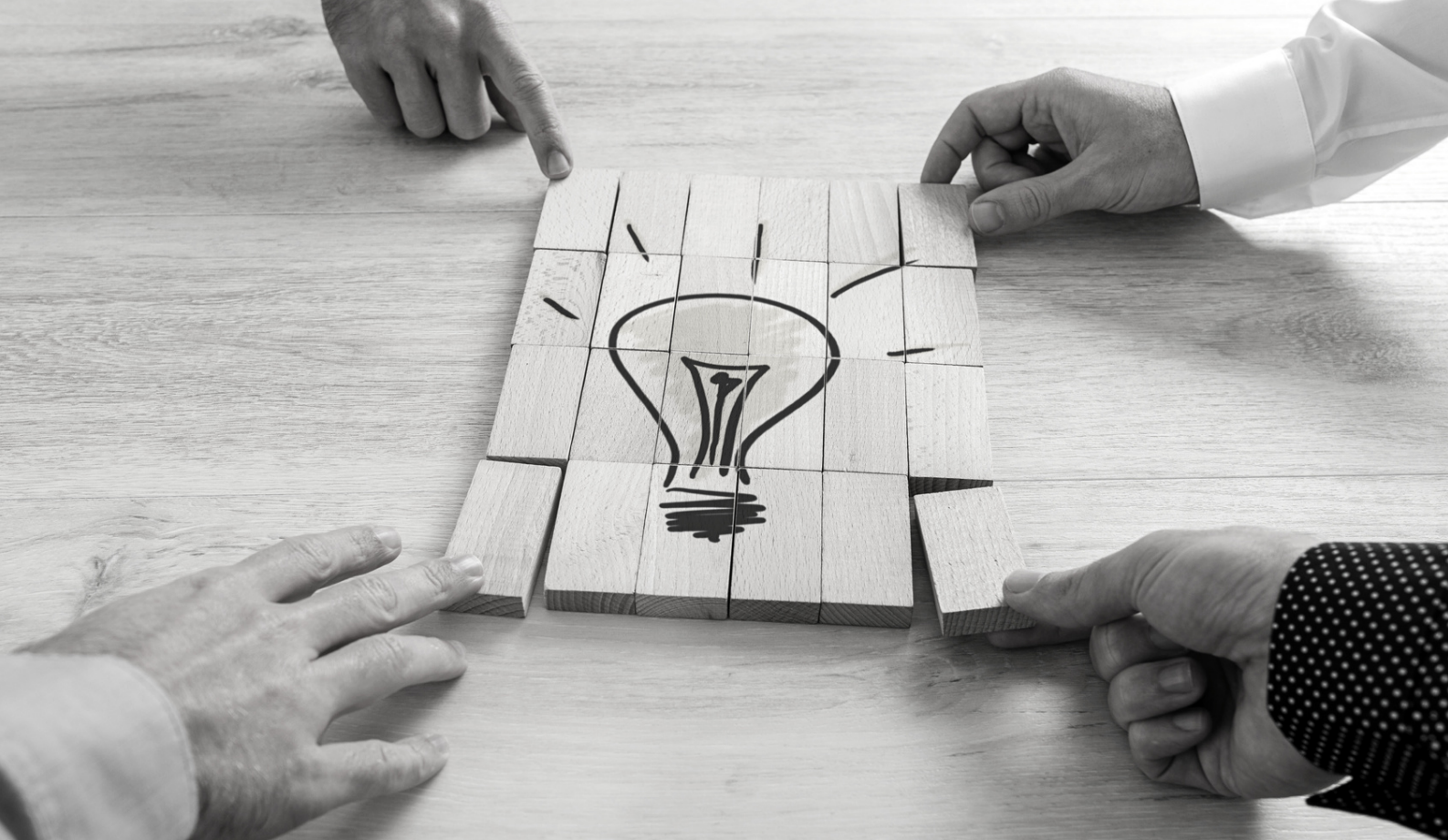


A woman with long, dark, curly hair, wearing a white button-down shirt and a black belt, stands in a meeting room. She is gesturing with her hands while holding a yellow marker. In the background, there is a whiteboard with some diagrams and a bar chart. Other people are seated around a table, but they are out of focus. The image has a yellow and black geometric overlay.

What's So New About Corporate Strategy in the Innovation Era?

BY MOSTAFA SAYYADI

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Strategy and innovation are the two pillars of success for a post-pandemic recovery.

“What does the post-pandemic corporate world look like?”

Well, you are in it now. As an international management consultant, I am seeing these things happening now: better-managed desk spaces, rightsizing, restructured workweeks, and a talent age gap as many seasoned executives, and the career devoted, decide to retire. And I am predicting that all of these trends will continue. This all begs the question: Does remote work get the job done? The right formula for the post-pandemic world is a sweet spot that keeps people engaged but allows some freedom as they work from remote locations. Corporate strategy and innovation are now the two pillars of business success to move an organization to post-pandemic recovery.

This article presents some beneficial managerial implications for executives and simply extends the current business literature by showing how executives can implement an effective corporate strategy aimed at improving organizational innovation. Innovative strategic approaches will help companies innovate and survive. And the

organizations that can develop more effective corporate strategies will survive. Particularly, executives can build a suitable workplace for better implementing corporate strategy by facilitating the four strategic dimensions of analysis, proactiveness, defensiveness, and futurity. I suggest that executives from across the globe can make the effective changes that are posited in the four dimensions of corporate strategy.

WHAT IS CORPORATE STRATEGY?

Any organization has plans going well into the future. Strategic goals span five to fifteen years, while short-term goals are more tactical and just as important. Two prominent strategic management scholars, Charles Hofer and Dan Schendel, in their book *Strategy Formulation: Analytical Concepts*, see strategy as a fundamental pattern of present and planned resource deployments and environmental interactions that indicate how the organization will achieve its objectives.

Another scholar, Kenneth Andrews, in his book *The Concept of Corporate Strategy*,

describes strategy as a pattern of decisions and plans that are directed at interacting with the external and internal environment and allocating capabilities effectively and efficiently to achieve organizational objectives. The strategy primarily aims to develop goals and plans to restructure unclear and vague situations into a set of organizationally resolvable problems. As a result, a strategy is formed to efficiently deploy capabilities and interact with environments—both internal and external. There are different types of strategies, and one of these can create better results for organizational innovation when compared to others.

HOW DOES CORPORATE STRATEGY WORK?

N. Venkat Venkatraman, an author and scholar in the area of strategic management at Boston University, in his article “Strategic Orientation of Business Enterprises: The Construct, Dimensionality, and Measurement,” outlines the dimensions of corporate strategy and recommends the four strategic dimensions of analysis, proactiveness, defensiveness, and futurity.

Analysis strategy is defined as the tendency to search for problems and their root causes, and generate better alternatives to solve them. When executives analyze strategy, they can create more knowledge and find the best solution by using a problematic search of various options. This strategy stimulates companies to apply information systems in their decision-making processes to investigate various alternatives and options.

According to Wei Zheng, Baiyin Yang, and Gary McLean, in their article “Linking Organizational Culture, Structure, Strategy, and Organizational Effectiveness: Mediating Role of Knowledge Management,” executives also analyze strategic milestones to meet the goals of employee development. Analysis strategy can develop opportunities for employee development through assessing current situations in detail. This strategy

provides new and more innovative solutions for organizational problems as they arise.

Proactiveness is a strategy element used by executives who take a proactive approach to search for better positions in the business environment. As executives use the proactiveness strategy, which refers to finding new opportunities and proactively responding to current challenges in external environments, they can enhance their span of control. In many ways, this strategy could enhance knowledge transfer by developing interactions with both departmental units and the business environment.

Defensiveness recommends undertaking defensive behaviors that will enhance efficiency and cut costs while maintaining continuous budget analysis and break-even points. While executives can take an offensive strategy, in this case, they employ a defensive strategy. A defensive strategy utilizes modifications in order to efficiently and effectively use organizational resources, decrease costs, and control operational risk. Some executives feel that a defensive strategy, while necessary, sets a negative connotation on their span of control. A defensiveness strategic approach, in fact, enhances organizational learning through the reuse of commercial knowledge.

Futurity is reflected in the degree to which the strategic decision-making process takes a two-way approach—an emphasis on both long-term effectiveness and shorter-term efficiency concurrently. Executives use futurity strategy to expand the growth opportunities available to a company to close the gap between success and failure. Futurity strategy implements basic studies to identify and actively respond to changes that occurred in the external environment and provides better outcomes. When adopting a futurity strategy, executives can enhance the process of knowledge utilization, develop guidelines for future pathways and determine future trends in the external environment, and allocate their



resources accordingly.

HOW TO DO IT RIGHT

To develop analysis strategy, executives can develop a workplace in which there is/are:

- Emphasis on effective coordination among different functional areas
- Extensive use of information systems to support decision making
- Comprehensive analysis undertaken when confronted with an important decision
- Use of planning techniques
- Effective deployment of management information and control systems
- Use of manpower planning and performance appraisal of senior managers

To cultivate proactiveness strategy, executives can develop a workplace in which there is/are:

- Constant search for new opportunities
- Attempt to introduce new brands or products in the market
- Constant search for businesses that can be acquired
- More effective expansion of capacities when compared to our competitors
- Strategic elimination of those operations that are no longer profitable in later stages of lifecycles

To foster defensive strategy, executives can develop a workplace in which there is/are:

- Regular modifications to the manufacturing/service technology
- Use of cost control systems for monitoring performance
- Use of current management techniques to ensure that we move smoothly at the required level

- Emphasis on product/service quality through the use of work improvement teams

To create futurity strategy, executives can develop a workplace in which there is/are:

- Specific criteria used for resource allocation which generally reflect short-term considerations
- Emphasis on basic research to provide us with a competitive edge for the future
- Key indicators of operations forecasted
- Formal tracking of significant and general trends
- Regular analyses of critical issues

In this article, I've outlined practical applications for executives to create effective corporate strategies, so that organizations will innovate, survive, prosper, and live to see new horizons. By channeling organizational processes into corporate strategy and employing a supportive strategy, executives can help companies continue to prosper. Executives can see how they can cultivate an effective corporate strategy, which can enable organizational innovation to achieve business objectives and satisfy careers.

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