

**CONTEMPORARY TRENDS IN STRATEGIC PLANNING THROUGH
EMPLOYEES INVOLVEMENT AND APPLICATION OF
ORGANIZATIONAL INTELLIGENCE**

**SAVREMENI TRENDOVI STRATEŠKOG PLANIRANJA KROZ
UKLJUČIVANJE RADNIKA I PRIMENU ORGANIZACIONE
INTELIGENCIJE**

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Abstract: *Strategic management, as a modern management discipline, has its successful implementation based on a well-prepared strategic plan, which should give clear directions and strategies that the organization will follow in the future, i.e. a well-defined vision, mission, goals and activities. However, to be able to properly formulate them relevant information is necessary, which, with its timeliness, relevance and accuracy, represent the most important starting point for strategic planning. Of particular importance to any organization is that it has a real vision, achievable, practically applicable, repeatedly analyzed in detail and complemented. Therefore, the formulation of objectives and strategies in organizations, and even more their implementation, exceeds the actual individual abilities, including those of part of the employees of the organization. The process requires team collaboration and active involvement of all employees in the process of their formulation. Only by actively involving the employees in creating a strategic direction, they can completely understand and fully dedicate to it, and only dedicated employees are an important human resource for achieving the objectives.*

Within the context given above, the paper aims to give an overview of the situation of SMEs in the Republic of Macedonia, the situation in the strategic planning process, especially in the area of organizational intelligence and involving employees in the process of creating strategic plans.

Keywords: *strategic plan, organizational intelligence, employees.*

Sadržaj: *Strateški menadžment, kao savremena disciplina upravljanja, nalazi svoju uspešnu primenu zasnovanu na dobro pripremljenom strateškom planu, koji bi trebalo da jasne smernice i strategije koje će organizacija pratiti u budućnosti, odnosno dobro definisanu viziju, misiju, ciljeve i aktivnosti. Međutim, da bi mogli da ih pravilno formulišu potrebne su relevantne informacije, što sa aktuelnošću, relevantnošću i tačnošću, predstavlja najznačajniju polaznu tačku za strateško planiranje. Od posebnog značaja za bilo koju organizaciju je da ima pravu viziju, dostižnu, praktično primenljivu, u više navrata detaljno analiziranu i dopunjavanu. Stoga, formulisanje ciljeva i strategija u organizacijama, a i njihovo sprovođenje, prevazilazi stvarne individualne sposobnosti, uključujući i one dela zaposlenih u organizaciji. Proces zahteva timski rad i aktivno učešće svih zaposlenih u procesu njihove formulacije. Samo aktivno uključivanje zaposlenih u kreiranje strateškog pravaca, može omogućiti da ga oni razumeju i posvećuju mu se u potpunosti, te samo posvećeni zaposleni su važni resurs za postizanje ciljeva.*

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U kontekstu gore navedenog, rad ima za cilj da pruži pregled situacije MSP u Republici Makedoniji, situacije u procesu strateškog planiranja, posebno u oblasti organizacione inteligencije i uključivanja zaposlenih u proces stvaranja strateških planova.

Ključne reči: *strateški plan, organizaciona inteligencija, zaposleni.*

THEORETICAL SECTION

For top managers there are no doubts that for successful planning, design and implementation of the strategic plan into practice, it is crucial to have timely and accurate information about market conditions. Hence, one of their top priorities is precisely the gathering and analysis of information essential for proper designing of the organizational plan. In the current conditions prevailing in the market, imposed primarily by the speed of information sharing made possible by technological advances, it is clear that the primary consideration is getting and mastering timely and reliable information on the situation and competition. Organizational performance in this extremely competitive environment requires special attention in every phase of strategic planning. If this is given, then it is clear that organizational intelligence has a positive influence in the planning process of organizational strategy, facilitating the adoption of the final decision on the vision, mission, strategic goals and activities.

The number of investments or organizational action is very small in areas where there is no or very little competition in the wider environment. Vision, idea and skill are not enough in the development of strategy, and depending on whether it is a medium or long term plan, it is necessary to correctly determine objectives and priorities. What is the task of organizational intelligence here? Above all, it is necessary to provide relevant information and data, which will serve to make a proper analysis of the current market situation in the environment, will enable locating the position of the organization as opposed to competition, determining strong and weak points, will contribute to making as realistic picture of projected expectations as possible. Certainly, the clear definition of objectives and strategy by the management team is the essence of the need for information, which is required of organizational intelligence. The management team must clearly highlight the most important goals, so the main focus in the collection of the information can be in that direction, because planning requires systematic involvement on all management levels. In fact, it is from here the need to emphasize the higher priority from lower priority information emerges. Thus, in addition to determining the priority of the information, the usage of appropriate methods and ways of getting to information is determined.

Also, it is important to emphasize that the gathering of information is mainly based on the resources available to the organization. Only such information, which, in addition of being credible, is collected and delivered on time, has the real value. Only then there will be conditions for developing a successful plan, whose implementation will be conducted in the predicted way and at the desired time. This activity allows modification and adaptation of the plan depending on the intensity and impact of unforeseen changes in the environment. In the conditions that govern today's dynamic global landscape, the strategy of organizational intelligence is obliged to consider the multiple sources of information. The selection of sources and information is needed because of making an appropriate selection for the reliability of the source, and hence the credibility of the information. It also shortens the time required for processing and analysis. Given that the organizational intelligence products are used when analyzing the environment, the responsibility for adopting the final decision remains for the strategic planning teams.

Modern trends of strategic planning, expressed in the literature and verified in practice, point to the conclusion that in the creation of the strategic plan as well as in the collection, selection and analysis of the necessary information, it is desirable to engage all employees in the organization. Of course, this depends mostly on the size of the organization (large corporations need to find ways to engage employees), as well as on the culture that has been built within the organization, in particular the creation of important guidelines that determine the growth and competitiveness of the organization (adapted according to Stefanovska 2014).



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It is worth noting that the involvement of employees in the planning process emphasizes the sense of importance that the organization has of every member of the staff, also, the sense of belonging to the organization is strengthened among the employees. Thereby, the engagement of the team in charge of organizational intelligence is facilitated, because feeling relevance and reliability, every employee will want to contribute to collecting and sharing information relevant to the organization. This is confirmed by many studies that have been conducted on this issue and represent modern trends of the strategic management, as opposed to the traditional model, in which strategic planning is solely the responsibility of top management. According to the author Charles Hill (Hill & Jones, 2011), there are several explanations why the formal strategic planning system cannot provide the desired results:

1. Because planning is performed in conditions of great uncertainty in the environment, where unforeseen turbulence is constant, it is necessary for the strategic managers to understand and have information on the dynamics and complexity of the environment of their organization.

2. Planning according to the principle Ivory Tower means successful strategic planning, which should cover managers of all levels in the organization. This particularly includes operational managers, who are "closest" to the information and should be maximally involved in the process of strategic planning.

3. Because according to the balancing strategy, organizational strategy should be consistent with existing human resources and their skills with the external environment of the organization. For a good evaluation of the performance of human resources and their upgrading for the needs of the strategy, the employees of all levels have the most important role.

Therefore, what characterizes contemporary trends in the business sector is the training and education of employees. In the contemporary market conditions, investing in staff is a key investment for the organization. Hence, during strategic planning, in addition to the main objectives for a successful operation of the organization, we are obliged to consider the upgrade of the values of the staff. Thus, in addition to the emphasis on the value of the employees, their value and responsibility for the organization is emphasized through active participation in future strategic planning. Furthermore, the improvement of existing knowledge of staff gives higher quality and overall better performance to the organization. This organizational strategy greatly facilitates not only the planning process, but its implementation and realization also. The introduction and implementation of training should be dimensioned according to the strategic plan and the expected developments in the environment. Thus, the influence by internal and external factors on organizational strategy is equally anticipated. (Stefanović, Dukić, 2011). In fact, the primary purpose of the strategy in any organization is to achieve competitive advantage. It is



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achieved primarily by means of existing tangible and intangible resources and existing organizational capability, which makes the organization distinct from the competition. But, it should not be concluded that the organization should implement the strategy only on the basis of the current resources and organizational capability, it is also necessary to build additional resources and organizational capabilities that develop new competencies upon which to achieve long-term competitive advantage. Improving the competitive ability and the role of employees is mostly projected in the process of achieving and maintaining a competitive advantage, underpinned by the fact that managers are increasingly interested in the ideas through which they will continuously increase their ability to achieve the desired results.

RESEARCH SECTION

The research, aimed to detect the conditions of organizational intelligence and involvement of employees in the process of strategic planning, is formulated based on the problems and situations that have been discovered in the area of research and is based on information obtained from the field with practical application of strategic management. The scientific justification of the paper is aimed at generating new scientific knowledge that will find the appropriate application not only among MSMEs, but also for future students studying programs of study in the field of professional management and at fostering awareness of the practice of modern trends of strategic management. The research results in this paper will be presented for part of organizations in the Pelagonija region in the Republic of Macedonia, which are within the MSMEs from the private sector.

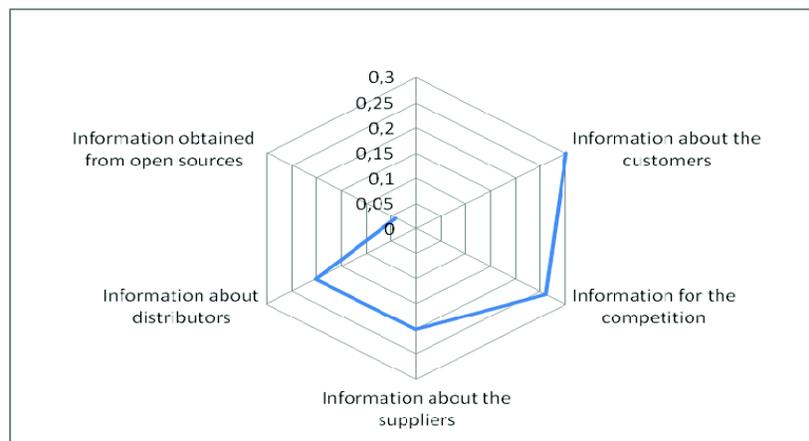
In order to obtain reliable data, a questionnaire was used in the research, which was conducted in 31 organizations and completed by the top management, as well as a questionnaire for employees. In this way, the basic requirements in research have been met, which are: objectivity and comparability to obtain data by statistical processing in direction of the scientific objective of the paper. In the section referring to the discussion of the results, a division of organizations into production and service activities has been used, in order to recognize certain differences or similarities in the answers.

RESULTS AND DISCUSSION

Part of the attention and the data that we wanted to get by the questionnaire was about what information from the external environment are the most important to organizations in the process of strategic planning. In this context we offered several categories that managers ranked according to priority of importance. Here are the results.

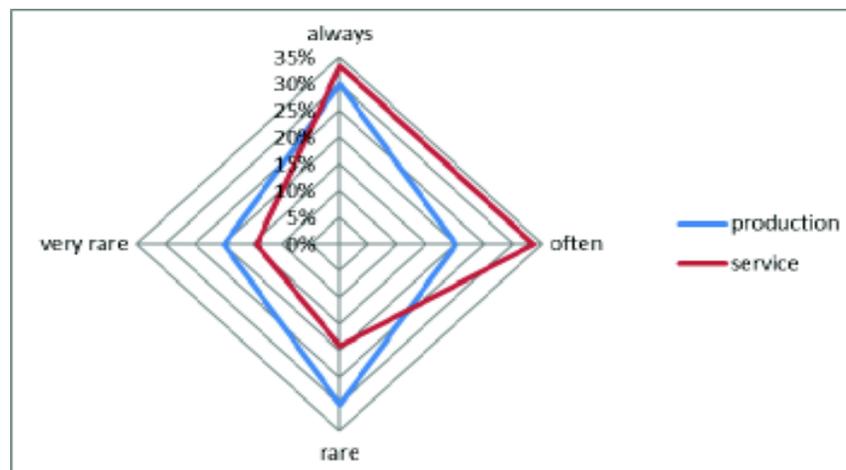
If we analyze the results from the graph above we can see that for the preparation of a successful strategic plan, organizations need information. Classification of information by the top management leads us to the conclusion that most organizations are interested and need information about clients, less about the competition, then information about suppliers and distributors, and the least attention is paid to the information obtained from open sources such as websites, portals, newspapers, etc.

Table 1: Ranking of the types of information needed in the process of strategic planning



Within the open sources of information, fairs are also included and all the information you can get by visiting them. For this purpose, of particular importance in the research was to get the opinion of top management about this phenomenon. The results of the question: "Does the visit of fairs take part of your time to obtaining information about the activities of your competitors?" are given in the table below. The responses to the questions are classified into two parts, i.e. a comparison is made between the answers of the top management of organizations of production activity and the organizations of service activities.

Table 2: Results of top managers answer the question: "Does the visit of fairs take part of your time to obtaining information about the activities of your competitors?"



When analyzing table 2, it can be determined that both production organizations and organizations of service activity "spend" part of the time on their competitors when visiting the fairs i.e. visit their stands, review their flyers, brochures, catalogs, ways of promotion and so on. The biggest difference is in the answer "often", i.e. 20% of the top managers of the production activity, as opposed to 33.33% of the answers by the top management of the service activity.

The data is processed by SPSS program, so below the detailed results and chi - square test are presented.

VAR00001 * VAR00002 Crosstabulation

			VAR00002		Total
			production	service	
VAR00001	always	Count	3	7	10
		% within VAR00001	30,0%	70,0%	100,0%
		% within VAR00002	30,0%	33,3%	32,3%
	often	% of Total	9,7%	22,6%	32,3%
		Count	2	7	9
		% within VAR00001	22,2%	77,8%	100,0%
	rare	% within VAR00002	20,0%	33,3%	29,0%
		% of Total	6,5%	22,6%	29,0%
		Count	3	4	7
	very rare	% within VAR00001	42,9%	57,1%	100,0%
		% within VAR00002	30,0%	19,0%	22,6%
		% of Total	9,7%	12,9%	22,6%
Total	Count	2	3	5	
	% within VAR00001	40,0%	60,0%	100,0%	
	% within VAR00002	20,0%	14,3%	16,1%	
	% of Total	6,5%	9,7%	16,1%	
	Count	10	21	31	
	% within VAR00001	32,3%	67,7%	100,0%	
	% within VAR00002	100,0%	100,0%	100,0%	
	% of Total	32,3%	67,7%	100,0%	

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	,935a	3	,817
Likelihood Ratio	,943	3	,815
Linear-by-Linear Association	,379	1	,538
N of Valid Cases	31		

According to the values of Chi - square test, it can be concluded that there are no statistically significant differences in statements in frequencies among respondents from production and service sector, which is pointed out by the values of X^2 (3,n=31)=0,935, $p = 0.817$ (Sig. = .817).

To examine the involvement of employees in the process of strategic planning through a questionnaire intended for employees, we asked "Which employees actively participate in setting the strategic direction of the organization's vision, mission, goals and objectives?" The choices were the following statements:

- a) all employees actively participate;
- b) only employees close to the leader and top management participate and
- c) I do not know what and how it is adopted in the organization.

The results are summarized and provided the following:

Table 3: Results of the responses to the question, intended for employees "In setting the strategic direction of the organization's vision, mission, goals and tasks, which employees actively participate?"

In setting the strategic direction of the organization's vision, mission, goals and tasks which employees actively participate?		Percent
All employees actively participate	34	48,57%
Only employees close to the leader and the top management participate	27	38,57%
I do not know what and how it is adopted in the organization	9	12,86%

If we analyze the responses of employees it can be concluded that the majority of employees in the surveyed organizations, i.e. in 48.6%, all employees actively participate in determining the strategic direction (which is usually expressed in organizations with few employees) but still a significant percentage of employees (38.6%) stated that when creating only employees who are close to the top management participate, without having to hear the opinions and recommendations of most employees who perform different tasks.

CONCLUSION

Although more than half of the respondents in the questionnaire said that in setting the strategic direction all employees participate, however, there is a significant number of respondents who believe that only employees who are close to the management team participate in the process and it was surprising that there are such employees who do not know what is decided in their organization or how business decisions are made. That is why it is recommended that in creation of strategic direction successful leaders should not act alone or make decisions far from the eyes of employees. Namely, they should create teams comprised of employees from all departments in the organization, who will jointly determine the "fate" of the organization. The clear understanding of the duties of team members not only helps to define strategic direction, but also to see ways to achieve the strategic goal. Team members must link their personal visions and visions of individual sectors with the organizational vision i.e. the goals of the organization. Understanding the objective to be achieved, or understanding of how and why you should invest efforts in the realization process, creates a strong common vision within the organization. That is why the leadership team should spread the common vision throughout the organization, explaining the essential question "where the organization goes", through a clear and visible picture of the future, i.e. by constantly emphasizing the belief in the capabilities of the organization and its employees. Such support builds high level of trust among employees. The efficient and full contribution to the implementation of the set organizational goals can only be achieved by significant changes in the system of managing human resources. Such changes, however, mean abandoning the practice of strategic decision-making at the highest level and encouraging the practice of delegating responsibilities, which will stimulate the accountability of the staff and will especially encourage motivation. In this context, the employees will understand the essence of timely information that is needed in the planning process, and therefore the importance of organizational intelligence as a complex but necessary process that will ensure efficiency and long-term competitiveness of the organization.

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