Vol. 4 · November 2020
PRINT ISSN: 2619-8428 • ONLINE ISSN: 2619-8436
International Peer Reviewed Journal
This journal is produced by the Asian Society of Teachers for Research, Inc.

Strategic Management System for Competitive Business Performance: A Literature Review

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Grammar Test: *94/100*
Originality*: 98/100*
Gunning Fog Index: *15.08*
Flesch Reading Ease: *29.93*

ABSTRACT

The strategic management system is essential to effectively sustain small, medium, and extensive enterprises' profitability and competitive business performance. A literature review was conducted to generate the conceptual framework that equates the independent variables and dependent variables to visualize and confirm the importance of strategic management system components, financial performance, customer satisfaction, and competitive business performance. With the review of related literature as the method, this study aims to determine the essential components of the strategic management system and the predictors for the private company's competitive business performance in the United Arab Emirates. This research describes the types of business strategies, methods, and techniques being recommended and implemented by renowned book authors and researchers based on the scholarly review.

Keywords: *Business, strategic management system, financial performance, customer satisfaction, competitive business performance, literature review, United Arab Emirates*

INTRODUCTION

"An organization without a strategy is just like a ship with no rudder and keep wandering around with no direction. It's like a homeless person with nowhere to go" (Ross & Kami, 1998; David, 2017). Business strategy is essential to effectively sustain the profitability and competitiveness of all aspiring and practicing small, medium, and extensive businesspeople. The question is, what lies behind the profitability and competitiveness in a business venture? Many researchers in the field ask the same questions from many perspectives; however, one recurring factor is that a profitable and competitive business entrepreneur is equipped with strategic management tools and an expert mind-set. This subject has been supported and testified worldwide by other distinguished researchers, authors of scholarly articles, and experts in entrepreneurship and business management. At present, most professionals and employees who have been part of the business organizations and exposed in the technical and commercial entities aspire and dream of becoming successful business entrepreneurs in their ways. However, not all of them have the potential and proper strategy to successfully sustain an entrepreneurial business endeavor of their own. The researcher wished to capture the essential strategy to align the arrow towards targeting the highest level of competitive business performance.

To support this study on the strategic management system for competitive business performance, the researcher had consulted most of the textbooks written by famous authors in business strategy made available on the Internet. Therefore, this paper discussed and demonstrated those literature reviews that have given strong support on the subject.

OBJECTIVES OF THE STUDY

This study aimed to determine the essential components of a strategic management system for competitive business performance and understand the components of strategic management, and predictors of competitive business performance in private companies in the United Arab Emirates.

METHODOLOGY

The research study utilized the literature review to capture published scholarly articles on strategic management models and predictors of competitive business performance. The readings of published literature and journals were utilized. These reliable articles were found by search engine platforms such as Google Scholar, international journals in business and economics, open textbooks, and other renowned websites. "A researcher cannot perform significant study without first understanding the literature in the field" (Boote & Beile, 2005; Randolfh, 2009). The related literature readings and analysis on the strategic management system for competitive business performance were presented in this study to support these variables.

Content analysis is a method utilized in psychological and social science research was used in the study. It has three steps; firstly, the concept aspects were examined; secondly, it discussed the components such as uniting and sampling; it concludes by showing the readers how to trace the analytical paths and apply evaluation techniques (Krippendorff, 2018).

With this method, the researcher found relevant articles using "strategic management system for competitive business performance" as a search keyword, and 17,600 articles in google scholar were initially found from the range year 2016 to 2020 and at any time was 3,610,000 results. The researcher preselected 147 articles and journals, then examined them for relevance to the subject. After thorough analysis, 45 articles were selected as references to be included in the study.

RESULTS AND DISCUSSION

Strategic Management System Planning

The discovery of a planning strategy that originated in 1950 became extremely popular between the mid-1960s and the mid-1970s. Since then and until today, strategic planning was commonly used for all problem's resolution (David, 2007, 2009, 2011, 2017). During the 1990s, the planning strategy and its process are revived and generally used today by business organizations (David & David, 2017). A company's strategic business plan is the road map to ensure reaching the objective successfully. Similarly, to a football team, a chance for winning requires a good game plan, the same with a company must have proper planning to compete successfully. During the pandemic crisis, revenue income among firms in all establishments has affectedly reduced the overall strategic plan to be adjusted by the global economic downturn. Choosing the best among good alternatives is the tough management decision that results in the formulation of a strategic plan. To generate an action plan and course of action that signifies dedication and commitment to a specific industry, business policy, method and procedure, and operations replacing others less important (David & David, 2017). One of the essential management elements is planning, followed by organizing, motivating, and controlling (Szopik, 2016). The involvement of decision-making and action during the process will lead to the achievement of specific objectives. According to (Ackoff's theory), planning is the design of what we want in the future and means to implement them effectively. The planning process's effect should be determined by selecting the right course of action that contributes to the decision-making process, which should reach the target objectives as possible. The primary concern and purpose are to plan the duration and milestones, budget and cash flow, determine the scope, and allocate resources adequately to estimate the required work and manage risk effectively during the execution of the project and business venture. The chances of achieving the right goals significantly reduce due to inadequate planning (Szopik, 2016). An old saying by Benjamin Franklin goes, "if you fail to plan, you plan to fail" (Jessie, 2013). This will accurately be proven in entrepreneurship endeavors, our daily business operations, and even our personal lives.

Consider setting up a coffee shop business in the town center without first planning your business.

- deciding on your ultimate goals (mission and vision),
- finding a model,
- checking the market and competitions,
- estimating the amount of start-up time and what are the required process needed.

There are unexpected events like delays and barriers due to government regulations and legal aspects, financial and economic, environmental, political, or other reasons, and will require you to revise the anticipated plan. To move forward and reach your objective, you'll need to know the required scope of works, get some kind of idea on how you're going to reach there (a business plan), who is joining you for the business, who is giving directions, and do not forget the most important, who's providing the financial resources, and you'll need to estimate the timeline and budgetary cost before proceeding. A good contingency plan is essential when hindrances and barriers happen along the way or any delays occur in your course. A specifically focused strategic action plan that includes achievable objectives, several goals that are defined, and scheduled programs is also useful. Allocation of enough resources to complete those goals and objectives must be included in the action plan. Experts and practitioners in business management debate that even resources are available, some small and medium enterprises still fail due to a lack of strategic planning (Majama1, 2017). Strategic planning is to focus your goals in your business target and develop an action plan to reach them. This involves reviewing your daily operations and asking where your business is headed and what it should be priorities. Making an active decision to expand a business or joining a new venture means accepting the risks or barriers that come within. Spend time to identify the exact level you want to take your business and how to get there, and then this should help you reduce and manage risks. Planning and strategy formulation becomes more complex as your business grows or encounters challenges, sustain growth, and helps keep the business developing. Start to collect and analyze a wide range of data about your business venture on how it operates internally and externally in the current and potential markets. The implementation of holistic planning will build a better result and direction of the business endeavor and setting effective channels among teams dramatically improves the chances for the success of your overall business strategy (Szopik, 2016). One of the widespread managerial practice is business planning, especially in the SME context (Jan Brinckmann, 2018). It produces fundamental decisions and action plans that guide an organization in shaping and realizing the goals, to whom it serves, doing what business, and why doing it, with the aim of the great future. Effective planning describes where a business or enterprise is going, and the action plan required to realize progress and predict and forecast if it is successful. The strategic planning processes (in which strategic planning includes internal and external analyses and formulation of goals, strategies, and plans) are essential to improvise organizational capability and performance (Bert George, 2019). In the United Arab Emirates, economic growth during the global crisis is significantly maintained, indicating robust strategic planning initiatives being meticulously executed by respective emirates, particularly sharing higher contributions, Dubai, and Abu Dhabi (Mohammed Al Sudain, 2017). To share and develop a long- term perspective, you need strategic planning in public sector organizations in anticipation of improving performances. The attribute of strategic planning and execution to grow the economy is dependent on public and private sectors' contribution to the overall success (Mohammed Al Sudain, 2017). One perfect example of this strategic planning is the creation of "Abu Dhabi Economic Vision 2030", which stipulates the expectations through a long-term action plan to enhance economic growth for the Emirate by the designing of a common model combining all policies and plans in collaboration with the private sector in their implementation (Dhabi, 2008). Therefore, planning is a formulation stage that deals with selecting a business venture, creating a business plan, identifying works to be done, budgeting, feasibility study analysis, timeline scheduling, action plan, and selection of a strategy for business continuity and venture creation.

Risk Analyzing

The assessment of risk and its concept has a long history. Analyzing the risk before making decisions 2400 years ago is practiced by Athenians (Bernstein,1996; Aven, 2016). However, the risk analysis and mitigation method as a tool and technique to prevent significant effects in business are young, not more than 30–40 years old. We read and learn basic principles and ideas on analyzing, assessing the impact, and managing risk from the classroom, training sessions, journals, youtube, and conferences during this period. Since then, the field of risk management has considerably given more attention than ever before. The latest style and in-deep analysis methods and techniques have been developed, and risk analysis approaches are now widely used in public and private business sectors (Aven, 2016). The vital aspect of project risk management is identifying and assessing risk, allowing proper risk mitigation planning and control (El-Sayegh, 2018). Identifying the barriers before reaching them allows us to plan earlier before crossing them. A business can walk into trouble and encounter unexpected challenges even planned carefully. Partners, clients, suppliers, staff members may quit and be terminated, resources become unavailable, and even natural calamities can throw you out of the loop (e.g., a COVID 19 Pandemic). This does not mean that you are helpless against problems. Risk analysis and mitigation planning are essential to determine problems that could cause harm to business, analyze occurrence and frequency, create an action plan to prevent the risks, and that you cannot avoid then minimize it (Watt, 2014). Risk is uncertain when you are planning to set-up your new enterprise. Some of the anticipated risks do happen that need to be dealt with. According to (Drucker 2005, David 2017), "surely tomorrow arrives, and it is always not the same. If a company has not planned for the future, even the mightiest one can be troubled. Risks that come by surprise that even the wealthiest company cannot afford, and even the smallest business need not run." Using checklists, the potential risks, and assessing the possibility of those events in the business is essential. Based on experience from the past, most companies and industries develop risk checklists. The checklists can help the organizations and team members identify risks and create countermeasures for the team. Experts in the team members' industry and past experiences can be essential sources for analyzing risk. Based on the book of Risk Management Planning 2nd edition chapter 16 by Watt, 2014, there are four ways to handle risk: avoid, mitigate, transfer, and accept.

- Avoidance and prevention are the best things to do. Moving away from danger can prevent it from happening.
- Mitigation and counter-solution if cannot be avoided. It means that you take some risk that will cause a little effect to your establishment as possible.
- Transferring the risk to someone else to accept it by buying insurance.
- Acceptance of risk when cannot avoid, mitigate, and transfer, then find alternative solutions if it happens and accept it is the only choice.

The creation of guidelines and checklists to figure out risk potential effects is essential. Likewise, it measures the scale of damage caused by the risk to your project and business. The classification of risk impact scale from minimal to severe or extremely low to too high is a risk management plan aspect that helps figure out the risk probability (Watt, 2014). Risk management is justified effective for an organization if they can measure it (Hubbard, 2020). According to management mentor Peter Drucker, the measurement is the "fourth basic element in the work of the manager," as risk management essential rule is the reduction and minimize risk in given opportunity, and deliberately negligible to the naked eye (Hubbard, 2020). An old proverb in management from Edward Deming says, "You cannot manage what you cannot measure" (Deming 1993, Hubbard 2020). Using data is necessary to evaluate what is working and what does not is a valuable management practice. Therefore, risk analysis is a formulation stage that deals with the determination of barriers. Its assessment would slow down and stop the business operations and develop countermeasures to avoid financial and property loss due to political and legal, economic, health, safety, and environmental concerns.

Organizing

To acquire coordinated effort by defining task and authority relationships is the purpose of organizing (David, 2017). By determining what to do, who will do, and who reports to whom means organizing. A well-organized firm dominates and defeats a much more reliable but less-organized enterprise. The organization succeeded due to committed managers and employees who are motivated by a well-organized firm. A well-organized firm allocates resources effectively and is used efficiently than in a disorganized firm. To make the employees' work appropriately directed and coordinated, the managers can group those employees based on specialty into departments. Right jobs should be divided and be given to the right people to reduce redundancy and inefficiency. It is essential to reach business goals through CEOs and managers; even careful planning can go to waste if organizing the company's assets and resources is not adequate. According to (H. Fayol 1916, Godwin, 2017), "To manage is to do planning and forecasting, coordinating and controlling, commanding, and organizing." The following items below are the benefits of organizing:

- Organizing can create collaboration among employee's goals towards the overall objectives of the business. The organization loses coordination to work as one unit if employees are working without a clear objective.
- The expansion of business activities depends on organizing a good team structure to improve tracking and accountability and determine growth resources.
- Organizing helps businesses to increase efficiency and minimize wastage. Other businesses make operations centralized to enhance efficiency, while some arrange operations with a third party or assign an external contractor.
- Organizing a team structure will show whose direction and chain of command will be followed by the employee. This is important for measuring and analyzing the results that also improve accountability and reward. The above mentioned are the shortlist of managers, entrepreneurs, and business owners› benefits when organizing is done properly. Organizing managers› functions may vary based on business size, industry, government policy such as public health and safety, and management choices that may be in place. During the presence of the COVID-19 outbreak, most organizations, managers, and people are forced to think differently than ever before. This crisis will take time to resolve; private and public organizations need to use an organizing strategy to ensure team members and employees (Mobilize, 2020). The company›s competitive advantage is essential in which an organized process, creation of innovative ideas, and realization is a must (Viliam Lendel, 2017). A well-organized company structure suitably deals with business operation and innovation activities. The company can respond quickly to any changes and new normal through dynamic organizational structure because of the flexible department, fewer management elements, and management decentralization. This organized company structure adopts the latest ideas and embraces a creative method and risk management that give higher added value for the organization. The innovation activities of the company are appropriately carried out by a dynamic team member structure. Duties and responsibilities for innovations, human resources, risk management, financial and accounts, marketing, production department, health and safety, quality, or any combinations can delegate through reliable and organized company structure (depending on size

and type of enterprise). Management support, teamwork, human and financial resources, organized and correct placement of staff, delegation, and responsibility sets are the essential success factors in organizing innovation activities (Viliam Lendel, 2017). Organizing are those tasks and authority resulting from structured managerial activities, such as team organization design, sorting specialized job, descriptions of works, control limitation, coordination, design of the job, and job analysis (Fred David, 2007,2009,2017). Therefore, organizing is a formulation stage that deals with developing and creating appropriate business policies, organizational development, operational workflows, health and safety policy, financial and account policy and HR policy, selection of right strategies, and action plan for the practical implementation stage.

Performing

The overall system fails if any one component fails to perform (Heizer, 2016). Each specific job is performed by individual interrelated components that compose of one system. Human resources have an essential role in cultivating a reliable system and culture, from the recruitment and selection of applicants who will share their beliefs and values in that culture. HR initiates orientation, training, development, employee performance evaluation programs, guideline policy that supports the company's core values, and makes sure to reward and recognize the employee's contribution to the organization. From the performing stage point of view, selection, designing, product definition, and transition into production is a useful product strategy (Jay Heizer, 2016). Proper implementation of this strategy can contribute to the organization's effective production process. A product development system used to conceive, design, and produce products that increase competitive advantage for the firm is the operations manager's responsibility. The operations manager must initiate change as the product move into their life cycle (introduce, grow, mature, retire) (Jay Heizer, 2016; Sraders, 2019). The aid in performing this activity efficiently, there are available techniques for both products and services. Action plan and work breakdown list includes preparation of datasheets, work to be done, materials list, and engineered drawings to help define products. Support in the actual production of the product, project, or service, process flow drawings, layout, assembly charts, route sheets, work instructions, and sequences are often used. Ensure maximized productivity and value analysis is appropriate once a product is in production. The most critical operations manager's job is to ensure the health, safety, and quality of products and services. Low-quality craft due to insufficient design and processes can result in higher production costs and lead to disasters, lawsuits, and government fines. From the performing stage point of view, selection, designing, the definition of the product, and transition into production is a useful product strategy (Jay Heizer, 2016). Proper implementation of this strategy can contribute to the organization's effective production process. A product development system used to can conceive, design, and produce products that increase competitive advantage for the firm is the operations manager's responsibility. The operations manager must initiate change as the product move into their life cycle (introduce, grow, mature, retire). The aid in performing this activity efficiently, there are available techniques for both products and services. Action plan and work breakdown list includes preparation of datasheets, work to be done, materials list, and engineered drawings to help define products. Assist in the actual production of the product, project, or service, process flow drawings, layout, assembly charts, route sheets, work instructions, and sequences are often used. Maximize productivity; value analysis is appropriate once a product is in production. The most critical operations manager's job is to ensure the health, safety, and quality of products and services to clients. Low-quality craft due to insufficient design and processes can result in higher production costs and lead to disasters, lawsuits, and government fines. To prepare for future fluctuations in their external and internal environments, high-performing companies tend to do systematic planning David, 2009,2017).

The firms generally exhibit superior long-term financial performance in their industry that utilizes strategic-planning concepts, tools, techniques, and organized management systems. Those high-performing firms seem to make more informed decisions with reasonable anticipation of both short- and long-term consequences. In contrast, firms that perform poorly often engage in activities that are shortsighted and do not reflect good forecasting of future conditions. Strategists of low-performing organizations are often preoccupied with solving internal problems and meeting paperwork deadlines. Therefore, performing is an implementation stage that mainly puts the formulated business plan, working policies, health and safety policy, action plans, and selected strategies into productive operational actions aimed to provide excellent results and profitability.

Evaluating

A significant and lasting consequence decision is the result of the strategic management process (David, 2017). A wrong selection of strategy can create severe penalties and can be impossible to reverse. According to Fred David 2017, an organization's well-being depends on evaluating strategy; the management can be alerted before a potential problem occurs by the on-time evaluation process. This examines the firm strategy, operational process, comparing the expected results with actuality and taking corrective actions to conform with the plan. An essential quality of effective evaluating strategy is the timely feedback of the process. Based on the study, identifying and taking corrective action when strategy initiatives are failing is to adopt an essential strategy evaluation process. (Nwachukwu, 2019). The weaknesses in the implemented strategic plan can be highlighted and make the entire process start again by using strategy evaluation. (Ivancic, 2013) Moreover, (Nwachukwu 2019) supports that strategy evaluation's vital activity is to determine if strategy execution meets the company goals. (Kumar, 2015) The strategy evaluation measurements of strategic planning steps have a significant and positive impact on company performance using correlation analysis. Evaluating strategies can be expensive, complicated, sensitive, and nonproductive if given much emphasis (Fred David, 2007,2009,2017). Pressure from top management can affect lower management to create an undesirable situation due to high expectations. An excellent model for evaluating a strategy is provided by SWOT analysis (Jay Heizer, 2016). The in-depth evaluation of the company's internal strengths, weaknesses, external opportunities, and threats is in-depth. To obtain a competitive advantage, the organization position themselves through strategy, beginning with the SWOT analysis. Evaluating the preconceived ideas about objectives is to ensure consistency with the use of SWOT analysis. Through this process, the strategy is developed to achieve the objective. The research conducted at Islamic University showed a positive impact between measuring and evaluating the performance that also achieved the objectives to control its performance from the members' perception (senior management, faculty and assistants, and members of the administrative board) (Naser, 2018). The criteria for evaluating strategy by (Richard Rumelt, 1980 from his book "The Evaluation of Business Strategy") is essential when setting goals and policies to strive for consistency (Fred David, 2017). Symptoms of managerial disorder and inconsistent strategies are organizational conflicts and departmental disagreement. According to Rumelt 1980; David 2017), There are three steps to determine if the organization's problems are the result of strategy inconsistencies:

- Despite changing personnel, the managerial problems continue,
- If success for one department is the failure of another department,
- If policy problems continue to reach the top management for resolution.

Using a review of the literature and expert's discussion of the criteria for evaluating business strategies is identified in small and medium businesses and then conducted a gap analysis to see the performance gaps of the business operations strategies and the set target performance. To highlight the areas in which business operation strategies gave the best or worst results and improve areas (Awasthi, 2016). By evaluating the overall marketing, the system examines the company's performance by adapting Starbucks's strategic approach that any company can follow and use an effective marketing audit that can help the organization understand its strengths and weaknesses (Cheikh, 2019). According to the book of (Heizer, Render, Munson 2017) Operations Management 12th Edition page 430; successful organizations organize both mental and physical capabilities to suit the jobs. A firm that manages its human capital ultimately determines its success, whatever the chosen strategy and efficient operations system required labor standards. They are essential for planning the production, labor, costing, and evaluating performance throughout all industries- from manufacturing to finance sales, and office. They can also be used for reward and promotion systems. Standards may be established via historical data, time studies, predetermined time standards, and work sampling. Therefore, evaluating is a monitoring and control stage that deals with the measurement, examination, and analysis of operational performance results derived from the implementation stage to create the right action plan and strategy for the improvement of business venture operations.

Realigning

At present, we are at the industrial revolution of 4.0 crossroads. During the past decades, economic growth and social progress were created by the platform of globalization, technology, and digitalization that worked as a system, but maintaining their form is not sustainable as we cannot bring back to how things it should be. An ongoing misalignment between business, economy, and acceptable societal results are due to present economic and political sudden change (Kelly and Sheppard, 2017). There is still time to reframe the alignment of these forces and reexamine the assumptions that will prepare us for any obstacles. To better meet human needs, we must realign our policies and organizational systems to address these issues. Firms with aligned business and marketing strategies demonstrated a significantly more reliable overall performance than those not aligned business and marketing strategies (Eric Olson, 2018). It shows the necessity of tailored human resources/marketing policies based on adopted strategy, the importance of marketing staff (selection, training, appraisal, and reward process), and pairing the right marketing and business strategies to enhance the overall firm performance. A substantial improvement in both execution and productivity has led the companies to adopt consistent, fully agile organizational models. During the crisis, this has been proven as agility and the quick response time of companies to launch the first crisis-related service. Companies tap into new labor groups and specialized remote experts that help organizations move at a faster clip by virtual remote working platform (Aamer

Baig, 2020). For those companies with large field forces, working remotely at home or in the office using the Internet of Things platform can also enable new product opportunities. Leaders must quickly set their digital agendas to succeed and meet new customer needs, anchor their support systems, and align their organization's model with operating at the highly effective speed. In other words, key management staff must focus their digital capability to the right goals and execute the action plan against them. Thus, regularly measure the progress of works against essential goals or objectives. These achievable goals within reach are as follows, restructuring critical decision models, winning the revenue race using digital platforms, and exerting more speed in development (Baig and Hall, 2020). As a guide in operational decisions in modern businesses, they must set several forecasting and planning models. Organizations must validate these models to restructure risk and financial model strategies that failed during the 2008 economic crisis. These models will need to be updated due to substantial economic pinch and new norm shifts caused by the COVID-19 pandemic around the world (Mckinsey and Company 2020). Examples of these models, time series forecasting, crude oil-price, or unemployment data, will need to be restructured, reevaluated, and realigned entirely. (Jos Akkermans, 2020), argued in their article that there is a major impact on people's work and careers brought by the Covid-19 pandemic. They set to achieve their two goals: (1) to present ways to understand this impact by current insights and literature, and (2) to assist future research based on these views. In other words, the impact will be the result of a dynamic action plan to realign context and individual factors, which will change people's careers and lifestyle. The effect of the Covid-19 pandemic has informed most stakeholders on how to improve conditions for flexible employment relationships in the long-term perspective by examining businesses and workforce experiences during the period (Daniel Spurk, 2020). Accordingly, the experiences during and after the pandemic will provide information on workers' demand using online platforms and outsourcing companies. The organization can use these experiences as parameters to align their structures and services towards sustainability by avoiding workers layoffs through support, enhancing their work performance, and improving the workforce quality results. It also highlights the health safety risk and opportunities of flexible employment relationships and creates an understanding of stakeholders' essential role such as IoT platforms, private and local government offices in directing business continuity in flexible working relationships. This leads to developing new policies and regulations that help workers and firms in a flexible working relationship. Ideally, this leads to the development and enactment of new policies and regulations that support workers in flexible employment relationships and become aware of the effect of their work conditions and health, safety and career development, and staff empowerment by self-care and rights. The organization's recommendation is to do an in-depth analysis of the Blue Ocean Strategy before implementation to see the suitability considering the company size, industry condition, and adaptability (Samsul Alam, 2017). As a result of research, it shows that the Blue Ocean Strategy has positively affected firm performance if applied in organizations. The overall study is effective in deciding the adoption of Blue Ocean Strategy within the organization. Therefore, realigning is a correction stage that deals with alignment and adjustment of all strategy, action plans, and policies due to internal and external forces affecting an active organization's operational performance or business venture derived from the evaluating stage.

Financial Performance

Financial performance is the primary mirror image of business sector outputs and results that signified the industry's overall financial health in a specified period (Farah Naz, 2016). This was a clear indication of how well an establishment was using its resources to increase the shareholder's wealth and profitability. The Pakistan cement industry studied financial performance and shown that parameters such as financial ratios, asset utilization ratios, leverage ratios, profitability ratios, and cash conversion cycle have a positive relation (Farah Naz, 2016). The study conducted by Jordanian manufacturing industrial firms reveals that liquidity, profitability, and revenues positively correlate with the return on assets. (Ali Matar, 2018). The financial ratio has been the instrument over the years to evaluate the financial state of construction companies in India (Neelu Nandan, 2020). Thus, the study revealed that a total of five significant financial performance indicators were determined, namely: investor return, business efficiency, operations management, activity efficiency, risk coverage, and asset management that can provide important information about the financial performance of the company (Neelu Nandan, 2020). The quality has been extensively measured in Lebanon healthcare services by financial approach and considered the most tangible indicators to evaluate the quality improvement strategies. The study highlights the main significant indicators were financial performance to measure the quality of performance, especially when competing for accreditation and sustainability (Hassan Alaaraj, 2016).

Commitment to Customer Satisfaction

Delivering customer satisfaction and obtaining profits in return is a critical concept in modern marketing ideas and practices that emphasize the rapid market growth in Asia (Nataraajan, 2018). Customer satisfaction and loyalty in the Bulgarian banking sector have shown promising results in the corporate brand image, especially in services that affect companies› market performance

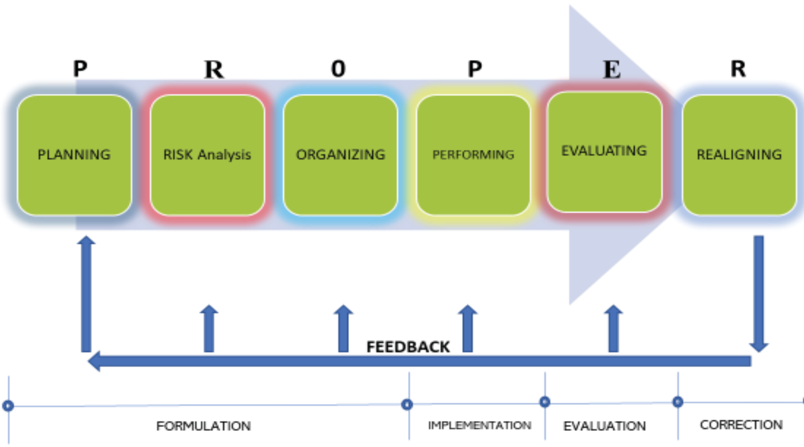
(Bistra Vassileva, 2020). The research study conducted in Asian Countries like China, Hongkong, South Korea, Japan, and Singapore, shown that all service quality has a positive influence on customer satisfaction that leads to customer loyalty and happiness that have a general similarity of economic values in the five countries (Yi, 2018). Clients must be attended to as assets, and they vary in their requirements, decisions, and selection behavior. The key factor in customer satisfaction highly depends on the behaviors of frontline service providers. The study results conducted in Taiwan showed that perceived quality had the greatest influence on customer satisfaction for satisfied and dissatisfied customers (Yu-Cheng Lee, 2016). The three major telephone companies in Greece customers revealed that customer care was found to have a positive significant positive effect on customer satisfaction. Customer relationship management practices were found to significantly impact the relationship quality (Veraki, 2017). The perception of customers staying at various hotels across six cities in India was analyzed using confirmatory factor analysis and found that the influence of customer brand identification and customer behavioral intention of loyalty is directly represented by affective commitment, customer satisfaction, and brand trust (Shehnaz Tehseen, 2019). To achieve a viable competitive position, effective and efficient change management leads to customer and stakeholder satisfaction. The research conducted in Nigeria found that the strategic management process is crucial to the organization›s survival. Therefore, effective formulation and implementation of strategies matched with the environmental scanning process can serve as a model for organizational sustainability and competitive advantage (Adewale, 2016).

Synthesis

During the 1990s, the planning strategy and process are revived and generally used today by business organizations (David & David, 2017). One of the essential management elements is planning, organizing, motivating, and controlling (Szopik, 2016). Experts and practitioners in business management debate that even resources are available, some small and medium enterprises still fail due to a lack of strategic planning (Majama1, 2017). The assessment of risk and its concept has a long history. Analyzing the risk before making decisions 2400 years ago is practiced by Athenians (Bernstein,1996; Aven, 2016). The vital aspect of project risk management is identifying and assessing risk, allowing proper risk mitigation planning and control (El-Sayegh, 2018). Identifying the barriers before reaching them allows us to plan earlier before crossing them. According to (Drucker 2005, David 2017), "surely tomorrow arrives, and it is always not the same. If a company has not planned on the future even the mightiest one can be troubled. Risks that come by surprise that even the wealthiest company cannot afford, and even the smallest business need not run." To acquire coordinated effort by defining task and authority relationships is the purpose of organizing (Fred David,2017). By determining what to do, who will do, and who reports to whom means organizing. According to (H. Fayol 1916, Godwin, 2017), "To manage is to do planning and forecasting, coordinating and controlling, commanding, and organizing." The following items below are the benefits of organizing: The company's competitive advantage is essential in which an organized process, creation of innovative ideas, and realization is a must (Viliam Lendel, 2017). The overall system fails if any one component fails to perform (Heizer, 2016). The operations manager must initiate change as the product move into their life cycle (introduce, grow, mature, retire) (Jay Heizer, 2016; Sraders, 2019). A significant and lasting consequence decision results from the strategic management process (David, 2017). According to Fred David 2017, an organization's well-being depends on evaluating strategy; the management can be alerted before a potential problem occurs by the on-time evaluation process. The study aims to enable identification and corrective action when strategy initiatives fail is to adopt an essential strategy evaluation process. (Nwachukwu, 2019). The implemented strategic plan's weaknesses can be highlighted and make the entire process start all over again by using strategy evaluation (Ivancic, 2013). Moreover, (Nwachukwu 2019) supports that strategy evaluation's vital activity is to determine if strategy execution meets the company goals. To highlight the areas in which business operation strategies gave the best or worst results and improve areas (Awasthi, 2016). The criteria for evaluating strategy by (Richard Rumelt, 1980 from his book "The Evaluation of Business Strategy") is essential when setting goals and policies to strive for consistency (Fred David, 2017). To highlight the areas in which business operation strategies gave the best or worst results and improve areas (Awasthi, 2016). An ongoing misalignment between business, economy, and acceptable societal results are due to present economic and political sudden change (Kelly and Sheppard, 2017). Firms with aligned business and marketing strategies demonstrated a significantly more reliable overall performance than those not aligned business and marketing strategies (Eric Olson, 2018). Companies tap into new labor groups and specialized remote experts that help organizations move faster by virtual remote working platform (Aamer Baig, 2020). These achievable goals within reach are as follows, restructuring critical decision models, winning the revenue race using digital platforms, and exerting more development speed (Baig and Hall, 2020). These models will need to be updated due to substantial economic pinch and new norm shifts caused by the COVID-19 pandemic worldwide (Mckinsey and Company 2020). The effect of the Covid-19 pandemic has informed most stakeholders on how to improve conditions for flexible employment relationships in the long-term perspective by examining businesses and workforce experiences during the period (Daniel Spurk, 2020). The organization's recommendation is to do an in-depth analysis of the Blue Ocean Strategy before implementation to see the suitability considering the company size, industry condition, and adaptability (Samsul Alam, 2017). Financial performance is the main mirror image of business sector outputs and results that signified the industry's overall financial health in a specified period (Farah Naz, 2016). Thus, the study revealed that a total of five significant financial performance indicators were determined, namely: investor return, business efficiency, operations management, activity efficiency, risk coverage, and asset management that can provide important information about the financial performance of the company (Neelu Nandan, 2020). Delivering customer satisfaction and obtaining profits in return is a key concept in modern marketing ideas and practices that emphasize the rapid market growth in Asia (Nataraajan, 2018). The research study conducted in Asian Countries like China, Hongkong, South Korea, Japan, and Singapore, shown that overall service quality has a positive influence on customer satisfaction that leads to customer loyalty and happiness that have a general similarity of economic values in the five countries (Yi, 2018).

CONCLUSIONS

Based on the results and discussions in the above review of related literatures, the researcher adopted the model derived from the book of Fred David 2007 Strategic Management, outlining the three stages of business formulation, implementation, and evaluation; combined with PDCA model cycle (plan, do, check, and act) by (Edward Deming and Walter Stewart 1993); SWOT analysis (strength, weakness, opportunity, threat) by Albert Humphrey 1960; and PEST analysis (political, economic, social, technological) by Francis Aguilar 1967; and the book of (Jay Heizer, Barry Render, Chuck Munson 2016) Operations Management. Therefore, the essential success factors or proper strategy to effectively implement and sustain the financial performance, commitment to customer satisfaction, and competitive business performance throughout the United Arab Emirates, was defined. These independent variables are planning, risk analyzing, organizing, performing, evaluating, realigning, as illustrated in the figure below:



The Researcher's Strategic Management System Components

RECOMMENDATIONS

The figure illustrated by the author shall be utilized as the Independent Variables (IVs) in his dissertation thesis entitled "Strategic Management System for Competitive Business Performance in the United Arab Emirates" as one of the requirements to fulfill his doctorate in business management for Philippine Christian University Graduate School.

These strategic management system components are also recommended to all practicing entrepreneurs and business owners, educators and trainers, community leaders, and students to be utilized as guide, tool, and technique for their present and future endeavors.

The researcher recommends to all the stakeholders to create personalized action plan based on SMS components for the implementation of any organizational operations.

Also, recommends future research to further examine the effectiveness of this business strategy framework of the author.

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