

# Chapter 11

## Strategic Management: Company Management Strategies in a Sustainable Economy

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### ABSTRACT

*The material presented in this chapter aims to capture some particularities of the strategic management of the company in managing risks and threats, to detect some interference between the managerial strategy and the organizational culture, and to bring to attention the correlations between the vision of the business, the strategic segmentation, and the corporate strategies through which strategic management ensures the behavioral change of the company on the market. The sustainable economy has put in front of the company's strategic management two directions of responsibility: the motivation of the change or the disappearance of the market.*

### INTRODUCTION

Romanian companies prior to Romania's acceptance into the European Union considered the natural environment as a "one time getting", in relation to which they had only exploitation rights and very few responsibilities. Since Romania became part of the community of the western civilized world, it has committed itself to act in all media in full accordance with the European Union strategy for sustainable development, a document that has also become a framework for Romanian legislation. The general objective of the European strategy calls on the European states to act responsibly in order to improve the quality of life of its inhabitants by using environmental resources efficiently, by employing the potential

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of ecological and social innovation of the economy, in order to ensure general prosperity in harmony with the natural environment. At the same time, the demands of the sustainable economy have become a turbulent environment for the Romanian companies, and their strategic management has been put in a position to adopt visions and strategies meant to maintain them and to affirm them fully in the new conditions required by the new market specific to the sustainable economy.

## **LITERATURE**

**Strategic management particularities of the company within the sustainable economy** The defining peculiarity of the strategic management of the company consists in defining the full connection of the company to a new philosophy of political and social development, namely sustainable development, which represents the central element of the company's competitive environment.

The company's management can be in the situation either to notice the meanings in which the general environmental policies will evolve, and in such cases it is necessary to adapt the lucrative processes to the predictable constrictive perspectives of the environment, or to have the vision of a qualitative change of the lucrative domain with obvious implications in terms of competitive advantage (Armstrong, 2004). In principle, most companies are surprised by the terrible changes in the sustainability plan, which are generated by major political decisions or superstate arrangements. Such companies are always in a situation to recover considerable gaps compared to companies that have already implemented processes suitable for sustainable development (Newton, 2009). With all the advances in the technological field, such companies always find that they are characterized by poor efficiency indicators, by quite high specific consumption, by the proliferation of threats to the functional security and by the deepening of vulnerabilities in the level of decision-making sovereignty (Druker, 2010). In the situations where the strategic management of the company has the vision of sustainable development, it has all the chances to position them in the top of the powerful companies of progress and to offer products and services that support a harmonious coexistence with the environment (Eppler, 2007). They tend to be a model of sustainable development, characterized as being a generator of high added value, centered on knowledge, innovation and coexistence, focused on the continuous improvement of the people's life quality inside the company, but also of the adjacent social systems, in harmony with nature (Gresoi & Gheorghe, 2011). For the companies that will always adapt to the requirements of sustainable development, their strategic management aims, as the case may be, to impose the following strategies in the short, medium or long term, as follows: the organic incorporation of the practices of sustainable development, according to the exigencies that have their origin in the environment externally, reaching an acceptable level according to the consideration of some basic indicators of sustainable development, generally accepted indicators, or the proximity, equalization, even exceeding, of the leading companies in the field, also based on the established indicators of sustainable development (Udrescu et al, 2016). Since the sustainable development becomes a fundamental option, the strategic management of the company is obliged to focus on the following directions of action, as follows: the acquisition of the conceptual framework with which the sustainable development operates at the zonal, national and global level; assessing the current situation of natural, anthropic, human and other capital according to which the performances of sustainable development are measured; materializing a vision of perspectives, over time horizons, strictly following the logic of the challenges that come from the companies and institutions that are dedicated to sustainable development; analyzing the specific problems that the current company faces

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