

APPLYING A STRATEGIC VISION TO CREATE A SUSTAINABLE MANAGEMENT FOR THE 21ST CENTURY

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ABSTRACT

The main objective of the present paper is to propose a guide for obtaining and maintaining a sustainable management in the 21st century, which is based on different approaches from the specialty literature, regarding the influential impact of a strategic vision, in this sense. The guide stands on its own, in terms of its intended contribution, as a tool that can be used by practitioners in any domain of activity, with the purpose of improving the outlook of the organization and developing a management, which will be able to stand against the challenges of the 21st century. The most important results and conclusions of this study revolve around the idea that the impact of applying a strategic vision is greatly related to the creation of a new, modern and sustainable management, capable of adapting to the necessities of the current economic and social environment.

KEYWORDS: *strategic vision, sustainable management, sustainability strategy*

JEL CLASSIFICATION: *M14, Q01, Q56, O32*

1. INTRODUCTION

The main objective of the present paper is to propose a guide for obtaining and maintaining a sustainable management in the 21st century, which is based on different approaches from the specialty literature, regarding the influential impact of a strategic vision, in this sense. The guide stands on its own, in terms of its intended contribution, as a tool that can be used by practitioners in any domain of activity, with the purpose of improving the outlook of the organization and developing a management, which will be able to stand against the challenges of the 21st century. The guide is comprised of steps to be followed, in the process of establishing a strategic vision, which can lead to the obtainment of a sustainable management.

The 21st century is a time of riddled social, ecological and economic challenges, which each member of the society is facing with. Concepts such as corporate social responsibility, environment friendly, sustainable development, knowledge economy have become the main characters of this scene and need to be treated accordingly, as valid subjects of debate and research. Even though, the main purpose of any organization is the obtainment of profit, the situation is becoming increasingly more multi-faceted, as everybody understands that achieving performance isn't the only end all, but that the way in which we obtain it and maintain it is more important.

"The 21st century is said to be a paradoxical environment in which learning is a key issue. Learning at individual, group, and organizational levels depends mainly on humans" (Sarлак & Nikzad, 2011). In the matter of sustainable development, learning is exactly what we need. To be more specific, learning how to set and implement a strategy is the potential key with which organizations of all types can become durable and adaptable to the challenges of the past, present, and future.

The organizations of the 21st century need to be aware of the society in which they live in and develop in a way that is sustainable in more terms than one. The problem that this study is trying to

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resolve revolves around the following questions: What does it mean to be an organization of the 21st century? How can sustainable management increase performance for organizations? What needs to be done in order to achieve a sustainable management for the 21st century? Will approaching sustainable management in the form of a strategic vision, help its odds of success?

2. SUSTAINABLE MANAGEMENT – CONCEPT, CHARACTERISTICS AND CHALLENGES

“It is crucial to improve the environmental and sustainability performance of businesses and organizations in order to achieve a more sustainable society” (Grecu & Ipina, 2014).

One of the first things that is important to be mentioned is the fact that sustainable management should be considered a concept on its own, without it being related to the notion of resource use, allocation and development (in the ecological sense). It should, simply put, refer to the sustainability of management itself, thus relatable to economic agents and the innerworkings of an organization or institution.

The first appearance of the “sustainability” concept and the notion of sustainable development was in the Brundtland Report. According to this report, “sustainable development is development that meets the needs of the present without compromising the ability of future generations to meet their own needs. It contains within it two key concepts: the concept of 'needs', in particular the essential needs of the world's poor, to which overriding priority should be given; and the idea of limitations imposed by the state of technology and social organization on the environment's ability to meet present and future needs” (United Nations, 1987). It would be interesting to extrapolate this view upon management, and create a modern management that is present and able to achieve the best performance for the now, but also leaves behind a legacy, which can easily be “taken over” and adapted by the one who follow in their lead.

According to Rogers et. al. (2008) “the economics of sustainability deals with natural, human-made, and human capital. It is thus more than environmental economics, because it includes the development of an economy and society, not just management of environmental issues”

In the opinion of Leon Ramona-Diana, “since 1987 when the Brundtland Report was published, concepts and principles of sustainable development and sustainability started to be used frequently. They aimed to highlight the complex correlation that exists between economic, environmental and social aspects on the short and long term. Despite this, the concept of sustainability is the most controversial and the least understood one” (Leon, 2003). Thus, a base for future research directions is unveiled, and terms such as sustainability, leadership, management, performance, strategy having the opportunity to be approached in an inclusive manner in which you can “get” more than you bargained for, if given the proper attention.

“The unexpected, but also meaningful contribution of variables corresponding to concepts of management and leadership to explain in almost equal extent three of the four factors/dimensions of competitiveness, puts the spotlight on the concepts of sustainable management and leadership” (Stefan et. al., 2016).

It is extremely imperative that when talking about sustainability, all its relevant parts be taken into consideration, more exactly, it should involve not just the ecological aspect, but also the social and economic ones. “At the heart of implementing sustainable strategic management in organizations is the development of integrated sustainable management systems...successful strategic management requires expanding the scope of EMSs (environmental management systems) to fully account for the social dimensions of sustainability, thus becoming an integrated system that focuses on all three dimensions of sustainability - economic, social, and ecological” (Stead & Stead, 2004).

“While one-dimensional frame-works may appear to provide a useful starting point as sustainability issues mature in their socio-political dimensions, and as organizational, institutional and stakeholder environments evolve, there will be a need to understand the complexities surrounding sustainability issues through combining perspectives from multiple theoretical insights...Corporate sustainability

in any given organization is often not a one-dimensional construct" (Wells, 2013). The complexity of the sustainability concept is underlined by a series of specialists, and more so when related to management and company performance.

"Thus, the goals of economic and social development must be defined in terms of sustainability in all countries - developed or developing, market-oriented or centrally planned. Interpretations will vary, but must share certain general features and must flow from a consensus on the basic concept of sustainable development and on a broad strategic framework for achieving it" (United Nations, 1987).

"In building a strategy for sustainability, companies must accept that a constant state of change is becoming the status quo. Sustainable organizations celebrate positive action in the face of bureaucracy and indifference" (Werbach, 2009). In a sense, sustainability can be viewed as the way of acting in the future for achieving the best performance for now and in the future. In my opinion, the thing that makes a strategic vision help in creating a sustainable management for the 21st century is the fact that you don't just think of what you can get now, its setting long terms goals, to establish a free-standing management, capable of achieving durable performance no matter the challenges of the times to come. In 1994, John Elkington invented the "triple bottom life of sustainability", which consists of the "people, planet, and profit" relation that should be regarded by all business and organizations. The 3 P's basically consist of three different types of performance: social (people), environmental (planet), and economic (profit), which the author consider to be essential in terms of obtaining a sustainable business (Elkington, 1997). Viewing sustainability in this way, creates a more complex and dynamic picture of the economy in which economic agents act, and it allows them to approach management and the performance they wants to achieve in various ways.

"Once you realize that sustainability itself involves many paradoxes, the "right" course of action for business becomes a bit hazy" (Kopnina & Blewitt, 2015). Therefore the necessity of creating and implementing a strategic becomes the way in which the path can more easily be contoured. Another interesting concept that is known to be correlated with sustainability is innovation, which can be used in many different ways as a firestarter for performance generating activities.

"Innovations will be the core to achieving this alignment between success and sustainability. These innovations do not come about automatically, but are rather initiated by entrepreneurs and managers who are leading their business in a new direction" (Weidinger et al., 2014). The direction of any organization should be set by a sustainable management, which desires the long term success of the company, even if and when the people in charge change. The creation of a legacy for the company and its management improves the outcome by creating an entity that is dynamic and proactive. Some companies do not yet believe in the idea of sustainability, for them, "making money is job number one, happy customers and low costs are the keys to this, and these companies see no meaningful way sustainability can help achieve those ends" (Blackburn, 2007). In this sense, we need not forget all the dimension (environmental, economic and social) that comprise sustainability, and which are the base for a sustainable management in any type of organization.

3. APPLYING A STRATEGIC VISION TO CREATE A SUSTAINABLE MANAGEMENT FOR THE 21ST CENTURY

3.1 Influence and importance of a strategic vision for the creation of a sustainable management

A strategic vision should reflect the needs and wants of the management, and it should be the first established thing when setting a new direction for a company, in general, but more so, when it comes to sustainability. Starting with a vision, the management of an organization should contour the goals they want to achieve and determine the path they want/should follow to achieve them. In terms of sustainability, and sustainability management, such an approach is more than valid, given the fact that it is such a complex and ambiguous notion, which involves a lot of determinants, and requires such an adaptive behavior; thus, viewing sustainability management as an X step process

permits the management to compartmentalize the involved factors and create a course of action, to be followed, not just now, but also in the future (long term, from three to five years). Also, trying to achieve a sustainable management, using this strategic approach, improves the chances of successfully using change in a positive manner, for example using the increasing growth of innovations (of all sorts, products, technologies, and so on), know-how, knowledge workers, and other up and coming concepts.

But first, what needs to be considered is the meaning of a strategic vision, and then to conjure this meaning, in terms of its impact regarding the creation of a sustainable management for the 21st century. But most of all, to underline the need for viewing the process of developing and implementing a sustainable management as one of strategic nature.

"The most effective way to set the future direction is to develop a shared vision of what that organization will be in the future, contrast it to the way the organization is now, and then create a plan for bridging the gap – the Strategic Plan" (Cowley & Domb, 1997). It is impossible for any type of entity to grow and become viable without it first establishing a direction to be followed in the future. Without setting goals and setting the rules to be followed in the achievement of such set objectives, the path lies unknown, and thus difficult to cross.

"True visions (as opposed to slogans) emerge from creative processes that combine an organization's core values and core purposes (its core ideology) into an image of the future complete with challenging goals that require thinking beyond current capabilities (a stretch) and a vivid description of what it would be like to achieve these goals (a dream)" (Stead et al., 2004). What more than the idea of a strategic vision could be beneficial to obtaining a sustainable management, sustainable development, and business sustainability.

In this period, economic development relies on the IT field, followed by shy manufacturing companies, and the share of industries is outlined around the automotive sector - where national research and innovation is hardly fructified and stimulated. That is why they are to a large extent dependent on imports - from raw consumable materials to the most complex technologies. The measures that should be imposed are to implement strategies at national level in areas of national interest (industry), which contribute to the overall development of any country's economy (and especially our own). The attention, however, is slowly starting to shift from end goal of economic performance, to a more inclusive approach, which considers the path that is taken to achieve that performance, and more interestingly, its sustainability over time. In this sense, it is possible to prioritize at government level a broader vision that is specific to the current century of technological industrialization. It is important not only to have political goodwill (by prioritizing funding, by making legislation easier and reducing bureaucracy, by using EU funds, favoring foreign investment), but also by creating an optimal workplace and business environment at institutional level. This depends largely on the top managerial system, the ability to adapt managerial strategies to the specifics of the organization. The art of management can influence the course of the respective institution / organization / company and finally through feedback from the current and future economic and social environment, gradually improving the level of competitiveness compared to the global market. Our country, being part of European and NATO structures, has an additional chance in terms of its obligations to these forums to use an important part of the budget to re-technologize and reindustrialize some areas (especially the army).

But is this enough? What can be done to improve the chances of creating and implementing a sustainable management for the 21st century?

To maximize efficiency, managerial programs / strategies should be put in place to make not only acquisitions (as they are now in imports, where only the so-called compensations are received, which cannot really stimulate the economy), but especially investments in creating jobs, in the use of Romanian intelligence and innovation. Long-term benefits are brought by / through the implementation of innovative and successful technological information both with foreign and domestic capital. Recording progress is based on programs that can combine activities and services from other areas that have been successful in others with highly skilled human potential - as is the

case in Romania. There are many examples of success, but they contribute not only to the managerial vision that can develop and modernize one area or another (as we have seen above), but also the decision-making at national level, to stimulate the internal decision makers by means of effective measures at the level of relevant institutions. Using this global opportunity can show the degree of economic maturity of each country involved in the current global race.

3.2 Research methodology and necessity

The intended contribution of the research is both theoretical and practical, since the concept of sustainable management has not yet been fully analyzed and developed by specialists, in terms of its conceptual independence, being related still to the ecological field. Moreover, the necessity of creating a knowledge-base to be used by economic agents to increase organizational performance adds to the novelty of this proposal.

After a detailed literature survey, several approaches were analyzed, compared and categorized, resulting in a series of conclusions, which were, in turn, piled up to create a comprehensive guide, comprised of steps to be followed, in accordance with the strategic objectives formulated, in order to obtain and maintain a sustainable management for the 21st century. This guide is yet but a start to an approach which will further be detailed and will act as a systematic how to, in terms of not only achieving the performance possible, but also creating a path of obtaining it which permits the taking into consideration of other elements that have slightly been forgotten by profit driven companies (such as legacy, social responsibility, adaptiveness, and so on).

3.3. Guide for obtaining and maintaining a sustainable management in the 21st century, by using strategic vision

Seeing the process of creating/developing a sustainable management, to be used in all types of organization to increase performance, as a strategy oriented one, presumes the creation of a vision, which consists of conceptualizing the objectives of the entity, which, in term are formulated with the purpose of obtaining a certain desired outcome. If these objectives are then detailed into steps that need to be taken, the created strategy then becomes a practical guide, to be used and adapted accordingly by any different kind of entity, acting in the current modern society of the 21st century. Sustainable management is a concept that might benefit from such an approach, and the strategic vision could create a base framework, necessary to real in such a complex and somewhat abstract notion, which can at times be considered difficult to quantify or less palpable.

In my opinion, the steps that need to be underwent to obtain and maintain a sustainable management consist of the following:

1. Contouring the process of creating a sustainable management as strategy-based - defining and implementing a strategic approach to be followed with the end goal of obtaining a sustainable management.
2. Establishing the strategic vision of a sustainable management for the organization - The vision itself, created by the management of the entity should be directed towards sustainability and formulated accordingly so that the organization has a clear view on what the process entails exactly.
3. Setting the strategy components (mission, strategic objectives, strategic options, resources, terms) for the company – by defining each strategic component, the path towards obtaining a not just profitability, competitive advantage, but most important a sustainable management able to gain such performance in the present and future, permits management to have a grip on the direction and to control it accordingly, by using specific methods and continuously improving it.
4. Understanding the necessity for implementing a sustainable management and communicating it to the stakeholders of the organization – minimizing the resistance to change of the company stakeholders needs to be achieved, and this can only happen through communication; only by making sure that every party involved understands the relevance of creating a sustainable

management, the organization creates an appropriate environment not only for implementation, but also for the development of an "everlasting" legacy.

5. Making the creation of sustainable management as the main purpose/goal of the entity, since it is the best practice to achieve increased performance – by shifting the focus of the stakeholders from obtaining economic performance, towards the creation and implementation of a sustainable management.
6. Implementation of sustainable management, based on the strategic approach created through the previous steps.
7. Continuous control and evaluation of the created process, to modify it accordingly, based on specific needs and changes that will undoubtedly appear with the passing of time – the idea itself of sustainability, and more so now in terms of management requiring a special attention awarded to this faze, given the past-present-future connection.
8. Final control and evaluation of the results of implementation of a sustainable management, at the end of the strategic set deadline, which will, on its own, create a knowledge-based filled with best practices, to serve as a future learning tool, and also will stand as a starting point for all future strategies of the entity.

Though at an incipient level, the formerly mentioned guide represents a starting point for helping organizations improve, not only their own performance, but also to create added value for the society they live in. But most of all, it is important to remember that the lesson to be learned is that views need to adapted, opinions need to be shifted, approached need to be contoured, so that organizations achieve their highest potential, no matter the times or environments they act in. Continuing this idea, in order for a more in-depth analysis and for the development of a more detailed guide, this research will be further continued in the future.

4. CONCLUSIONS

Therefore, in conclusion, it is extremely important to give attention to the idea of not only sustainability and sustainability management, but to consider it an important core objective for the organizations of the 21st century. Also, approaching this subject from a strategic point of view creates the opportunity of obtaining the desired performance, with regard to the future leaders of tomorrow.

The proposed guide model should be further analyzed and developed, to create a more in-depth path to lead organizations to better outcomes, which are more easily adaptable and maintainable. It merely stands as a base starting point, which adds to the specialty literature, a new approach that can turn into something significant in the field, if given the proper attention and care.

What, undoubtedly, remains of significant relevance, is the importance which needs to be granted to the influence of contouring and following a strategic vision in the creation of a sustainable management for the 21's century. Also, the link between implementing a sustainable management, and achieving increased performance in an organization, as a result, is undeniable.

Another aspect, which, in my opinion, has a lot of weight, and needs to be underlined, is the fact that sustainability is a complex notion, gaining more and more actuality in the current society, which should be treated as a defining concept for a better economy, society, and all together world. The different components which comprise sustainability and sustainable development, are "obliging" managers, in a sense, to include it in their agendas, so that the organizations they lead become the organizations of the future, capable of facing the multiple changes yet to come. Sustainable management, therefore, is a new concept, which still has a lot of "growing up to do", its character not yet being fully formed. In this sense, the role of specialists and economic agents is without a doubt the cinder block of the foundation of the 21st century world.

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