

# FORMATION OF AN ALGORITHM FOR BUILDING A STRATEGIC PLANNING SYSTEM IN BBMG CORPORATION LTD

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Currently, the strategic planning of modern organizations has changed significantly. They manifested themselves, firstly, in the system of interaction between organizations and other economic entities, and secondly, in the internal principles of functioning of the organizations themselves. These changes have somewhat improved financial work in modern organizations, but also created a lot of problems at different stages of its implementation: strategic planning, strategic analysis, strategic control. Today there is no doubt that the well-being of a company primarily depends on its good organization. A company cannot count on prosperity without using modern management technologies, developing financial plans and monitoring their implementation.

Taking into account the fact that BBMG Group plans to develop its business, it is advisable to develop its strategy by improving strategic planning.

To improve the quality of strategic plan development and ensure an organization's long-term competitive advantage, it is useful to develop, establish and monitor strategic planning rules.

An important advantage of this solution is the presence of clear recommendations for preparing the main sections of the Strategic Planning Regulations, taking into account the characteristics of the enterprise. The solution has no significant disadvantages, but its

effectiveness will depend on the level of training and professionalism of the staff.

Regulating strategic planning has the following advantages:

1. At the implementation stage:
  - formalization of activities, ensuring a common understanding of the requirements by employees;
  - coordination of interaction between structural divisions of the organization;
  - identification and elimination of areas of irresponsibility and overlap of responsibilities;
  - creating prerequisites for delegation of authority and increasing management efficiency;
  - search and implementation of changes that increase the efficiency of processes.
2. At the stage of use:
  - “transparency” of the strategic planning process;
  - increasing efficiency;
  - reducing the risks associated with the departure of specialists involved in strategic planning;
  - creating opportunities for auditing the strategic planning system;
  - creating prerequisites for subsequent effective automation of strategic planning.

Goals for developing strategic planning regulations in BBMG Group:

- finding and eliminating system bottlenecks strategic planning, which may be the reason for its ineffectiveness;
- process standardization strategic planning, development of specific templates for each of them;
- accumulation of experience and knowledge. When there is no specific regulation, everything happens spontaneously, and the accumulation of a knowledge base is impossible;
- full and high-quality control over the procedure strategic planning at all stages;
- reducing the number of errors during the development process strategic plan, reducing the time for its development;
- internal audit.

When developing regulations strategic planning in BBMG Group, it is necessary to take into account that the content of this document may

vary dramatically depending on the industry specifics, the size of the organization, and its position in the market. However, it must contain sections that reflect:

- basic provisions;
- powers of strategic planning bodies;
- procedure for development, approval and adjustment;
- final provisions.

In the general part of the document regulating strategic planning in BBMG Group, should be disclosed:

- general purpose of the document (for BBMG Group this may be an approval of the principles for developing a strategic plan, strategic planning procedures);
- goal and objectives of strategic planning (increasing competitive advantages BBMG Group in the long term);
- key terms and explanations. Needed to ensure correct interpretation of the regulations by employees of structural units participating in the development of the strategic plan;
- the principles on which strategic planning is based (for example, consistency, focus on long-term results, certainty, etc.).

To streamline the work of departments or employees responsible for strategic planning, you can allocate an entire section of the regulations to describe their powers and distribution of responsibilities. Considering that the definition of strategy is the prerogative of business owners, the regulations must indicate the founders, who make key decisions in this area, as the highest level of strategic planning.

Considering that a significant amount of information necessary to develop a strategic plan will come from structural units BBMG Group, the regulations must highlight the powers of employees responsible for strategic planning (for example, the right to request the necessary information). They must also be duplicated in the job descriptions of the relevant employees.

In addition, in the same part, all tasks (activities) within each of these stages should be described in detail. At the same time, indicate the deadlines for their implementation. For example, note that the director is obliged, by September 30 of the year preceding the two-year planning period, to develop key performance indicators and agree on them with shareholders.

During the implementation of the strategic plan, changes are possible in both the external and internal environment of the organization. And if the previously planned indicators are not promptly adjusted in accordance with these changes, all activities will not benefit the business. Therefore, the strategic planning regulations must include a section containing the mechanism and procedure for adjusting the approved strategic plan. This will make it possible to timely update the approved indicators.

In the final section of the strategic planning regulations in BBMG Group must reflect the approval process for all additions and changes to this document. For example, the fact that all adjustments to the regulations must be approved by the founders.

Also in this part of the regulations it is possible to explain how to solve problems not covered in the regulations. For example, it can be described as follows: “All issues not regulated in these regulations are regulated by the laws of the People’s Republic of China, the Company’s Charter and its other internal documents”.

In addition, in the same section it is important to indicate what should be done if the content of the regulations contradicts current legislation. For example, this can be described by the following phrase: “If, as a result of changes in the legislation of the People’s Republic of China and (or) the Charter of the Company, certain provisions of these Regulations conflict with the current legislation and (or) the Charter of the enterprise, they lose force until the corresponding changes are made the Regulations do not apply”.

Action plan for the development of strategic planning regulations in BBMG Group is presented in table 1.

The action plan presented in Table 1 for the development of strategic planning regulations is advisory in nature; if necessary, adjustments can be made to it.

Thus, taking into account the fact that the BBMG Group plans to develop its business and it is advisable to develop its strategy by improving strategic planning.

To improve the quality of work on developing strategic plans at BBMG Group, it is advisable to develop regulations. The regulations will include such sections as main provisions, powers of strategic planning bodies, procedures for development, approval and adjustments, and final provisions.

Table 1

**Action plan for the development of strategic planning regulations  
in BBMG Group**

Events stage	Execution period
1. Analysis of the requirements of the owners and managers of the organization for the planning system	10 days
2. Development and agreement with the management of the organization of a refined concept of the strategic planning system	15 days
3. Preparation of the text of the Strategic Planning Regulations	15 days
4. Approval of the Strategic Planning Regulations	3 days
5. Familiarization of the organization's employees with the enacted Regulations and conducting the necessary training	30 days
6. Test operation of the Strategic Planning Regulations	90 days
7. Analysis of test operation results, making adjustments	as needed
8. Re-approval by the manager and informing employees about changes	as needed

### References

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