Abstract

In the global economic crisis and recession, strategic planning is a necessity. New business environment manifests a new approach to strategic planning and strategic thinking defines the activities with the organizational aspects of the movements in the region has the greatest influence firm size. The financial plan, the deficit of financial assets is a condition that requires new forms of adjustment to market conditions. The recession and the Serbian go hand in hand and the lack of funds, the impact of economic crisis and economic recession are conditions that require urgent and strategic action planning.

Ključne reči: Strategic Planning, Trends, Funds, Action.
1. Introduction

Strategic management positions is one of the initial concepts of strategic management. This concept belongs to the so-called ranking management systems. The most applicable when it comes to business and enterprise development, but in terms of discontinuity which are known or predictable. In this way provides the enterprise management by anticipating change. The environment, however the company provides opportunities to explore the predictability of threats and opportunities for the further successful development. The strategic position of companies includes firms in the market position against competitors. This means that the strategic position should correspond to the level of turbulence and turmoil in the market.

2. The tendency of strategic planning

The issue of strategic planning has become increasingly popular 60's of last century, primarily by works of Andrews (1965) and Ansoff (1965) and their rational, strategic analytical models. The events of the 70s and 80s of the last century (First and second oil crisis, etc.), pointed to one important fact: prescriptive approaches to strategic planning have little practical application in terms neizvesnog and highly turbulent business environment. A special contribution in compiling with the practice of strategic planning is considered to have originated when the made the difference between the anticipated strategy and the strategy of surprise. In the 90's, under the influence of information-technology boom, the Internet and globalization, there has been a change in business environment, which are manifested on a different approach to strategic planning and strategic management. In his works, a large group of leading by Mintzberg (1994), in strategic management theory introduces the notion of strategic thinking and analytical approach to the real distinction between the activities of strategic thinking and strategic planning activities.

The terminology in the field of strategic management often can be a contentious (Markides 2000), in the sense that different authors use similar terminology in different ways in an effort to present their ideas as fresh and new. This is the case with strategic thinking and differentiating strategic thinking from strategic planning. O 'Shannonassy (2003) defines strategic thinking as a way of solving strategic problems at the individual and institutional level, combining rational and generative thought process (p. 54). According to Eccles
Mintzberg (1994) argues that strategic planning in practice, really strategic programming, the articulation and elaboration of the strategic vision that already exist. For him, strategic planning is a label that should be rejected because the strategic planning prevents strategic thinking. Strategic planning is focused on the analysis (decomposition of the goal into steps or stages, the realization of each of the steps or phases and estimate the expected results of each step or phase). Strategic thinking focuses on the synthesis, i.e. use of intuition and creativity in formulating an integrated perspective, i.e. vision, where the organization should be heading. Proponents believe that strategic planning involves the synthesis analysis, and that the best practice, strategic planning, strategic development strategy thinking are synonyms. This opinion is based on the assumption that the prediction is possible and the process of developing a strategy can be formalized.

Opponents of the argument agree that some changes (e.g., seasonal) can be easily predicted, but prediction of discontinuities, such as technological innovation or the current global economic crisis, it is extremely difficult. The essence of strategy is a learning process, based on the action. "Formal systems can never acquire, understand, and synthesize quantitative information. Strategies can be developed and inadvertently, without conscious awareness of senior management, often through the learning process .... Learning inevitably plays a key role in the development of new strategies (p. 111)." Proponents of this idea, strategic planning practices are seen as strategic programming articulation and development strategies that already exist. According to them, only when managers understand the difference between planning and strategic thinking, it is possible to make the return process to the point where the strategy should be: "shaping what managers learn from all sources (both from his own experience or the experience of others in the organization, and the quantitative data such as market research, etc.), and then synthesizing the vision of the direction of learning in which an organization needs to continue operations (p. 107)."

For most companies strategically respond to the recession are extremely complicated and complex (Bigelow and Chan 1992). An important assumption in terms of recession environment is defined strategic action in large and small organizations, because their way of organizing requires different approaches to strategic planning. In a numerous literature in management and entrepreneurship, there is no agreement concerning the connection between the
size of the company and respond to changes in the environment (Briscoe, Fawcett, and Todd 2005; Kalantaridis 2004). However, there is agreement that the company response is mostly determined by the competitive advantages and distinctive competencies that are available to them.

Large companies their competitive advantage can derive from economies of scale, economies of scope and learning effects (Ghemawat 1986). These competitive advantages allow large companies to "cope" with the changing environment, such as legislative changes and globalization. This theory implies the small company in precarious conditions laid in the turbulent changes in the environment. By their nature, smaller or start-up companies do not have the volume that would reduce the fixed costs of production and limited production and geographical framework, and deficit in the institutional infrastructure that can provide the benefits of learning effect and the accumulation of knowledge.

However, some authors argue that the smaller, entrepreneurial firms may have a unique competitive advantage (Young and Shepherd 2005; Tavakoli and McKiernan 1999). According to them, entrepreneurial firms may possess a competitive advantage because, hypothetically, they are closer to the market and their customers and bring their business to changing market needs. The main reason for the increased vulnerability of small firms to changes in the environment is the lack of financial resources (Cooper, Gimeno-Gascon, and Woo 1994). Lack of resources to small firms reduces the maneuver space in the evolving environment and reduces the choice of available strategies. Consequently, it can be concluded that the smaller firms more sensitive to changes in the environment, as opposed to large companies often will not respond to changes.

Small companies, unlike large companies, often do not implement formal planning processes, so that when faced with threats from the environment, are not forced to follow routines that would otherwise have to follow when formulating policy responses (Ebben and Johnson 2005, Forbes and Milliken 1999). In line with this thinking, (Chen and Hambrick 1995) argue that the competitive advantage of small firms lies in their adaptability, they are not burdened by a numerous bureaucracy, which is often the case in large companies. Therefore, small firms can potentially have a competitive advantage, which stems from their sensitivity to changes in the environment and their ability to timely and promptly respond.

Impact of economic recession on small, entrepreneurial company was not subject to any special interest experts in this field. (Beaver and Ross 2000;

Shama (1993), believes that small businesses and large companies differ in the way they perceive the effects of the recession, and therefore differ in their responses to recession. The results of his research (Shama 1993), reveal that while a larger companies respond by cutting costs, smaller firms are focused on the tactics of market segmentation, which is led the author to conclude that "finally, this article shows that small companies is different enough from large companies and that require special attention to the business policy makers" (p. 72). By focusing on small firms and (Pearce 1997), argue that investments in sales and marketing during the recession period can positively affect business performance improvement. This means that small entrepreneurial firms can better protect yourself from the recession continued investment, than by reducing investment in the periods before or during the recession. Two-stage study was based on interviews with managers of small firms in the UK, and conducted by Beaver and Ross (2000), shows that for small firms that have advanced during the recession in common the following: long-term capital structure, building long-term close relationships with clients and proactive approach to strategic planning.

In a study of 110 different manufacturing companies from different industrial sectors, Dedee and Vorhies (1998) related the strategy applied during the economic recession with the performance, especially with the ROE - **Return On Equity** and net revenues from sales. The study reveals several important factors that positively and negatively influence the final effect. The companies whose balance sheet structure is dominated by long-term loans, and they are focused on developing new products and flexible manufacturing processes (lean manufacturing) have achieved a higher return on capital. They also found a similar correlation between the strategies that were applied during the recession and the performance measured by changes in cash flow from sales. Companies that produce cheaper products have achieved better business performance. In addition, companies that their intention was to expand distribution to another, developed geographic areas have shown a better cash flow to sales. However, the study authors caution that the organizations in which managers rely too much on cost reduction strategies, there is a tendency of declining cash flow to sales. In an effort to define more precisely the complexity of strategic responses to the recession, Dede and Vorhies (1998) conclude that "cost reduction is not without its risks, however... Overemphasis
on cost reduction (especially in advertising and sales and related areas) is often counterproductive" (p. 59).

The debate on the impact of firm size on the strategic activities of the recession is continuing, especially if the size of firms can serve as an important indicator of how you will react in a recession.

Generally, when a connection size of the company and its strategic response to the recessionary trends, the experts in this field provide two divergent strategic direction. On the one hand, proponents of traditional strategic management (which draws its roots from the industrial organization), assume that the size of the company provides a competitive advantage arising from economies of scale, economy framework and learning effects (Ghemawat 1986, Porter 1980, Bain 1956). On the other side are advocates of the opinion that the less that is, entrepreneurial companies can use their flexible organizational structure and processes when responding to recessionary tendencies in their environment (Carr et al. 2004; Andren, Magnusson, and Sjölander 2003; Dean, Brown, and Bamford 1998; Chen and Hambrick 1995; Bhide 1994; Julien 1993, Peters 1992).

Both theoretical approaches have received sufficient validation through empirical support, leading to two sets of diametrically opposed opinions about the impact on the size of the company a strategic response to the recession changes in the environment.

3. Where to focus the strategic action

The first problem that has crystallized in a crisis is reducing the financial liquidity of the global market. While one group of experts as the problem is virtual money, the other problem of liquidity is defined as a technical. However, although the problem is solved, even partially, problematic consequences that is "survived" is that the availability of credit conditions have become difficult. The financial sector is to first recover the insurance sector. On the one hand, the advanced economies or developed economies is the premise for the growth and development of the insurance sector, while the other side of the insurance sector has no impact on credit availability. Advanced economies does not suppress the real economic sector. However, with premium revenue from $ 1.753 billion, Europe was the leading region in 2008. (The year in which the crisis has escalated). Beyond Europe, the amount of premium income, there were North America with total income in 2008. of $ 1.356 billion and Asia, with 933 billion. The most developed four countries in the insurance sector accounted for more
than ½ the premium, while the U.S. and Japan viewed together account for 40% of the total assets of insurance (Anufrijev A., 2010, p.p. 52).

Series of bankruptcies of large financial organizations in the United States prompted an increase in systemic risk. Against systemic risk financial markets do not provide any insurance. According to the analysis of the extraordinary volumes Economic Outlook OECD, financial crisis originated in the United States expanded to the whole world has turned it into a big drop in the loan approval. Recapitalized banks by state money, now do not want to re-acquire non-performing and doubtful debts and assets held for fulfillment of obligations (Kovac O., 2009, p.15). When it comes to emerging market economies, they were at the end of 2008. faced with the outflow of foreign capital and experienced a weakening of local currencies in double-digit percentages.

Another clearly identified problem refers to the social aspect and the increase in unemployment. The problem is the impact on each country's macroeconomic stabilnost. Analyzing the U.S. unemployment rate in the period between 2006-2008. can be concluded that ranged between 4.5% and 5%. Due to the strong impact of the global economic crisis, which in March 2009. and transferred to the real sector of the economy, appeared the tide of layoffs. In the G8 countries, the unemployment rate in 2009. recorded the highest percentage since World War II. In the United States have lost their jobs during 2009. left 3.2 million people, ie. 7.2%. In Canada, the unemployment rate is 6.6% or 0.1 million workers lost their jobs. In the EU, rates range from 8.2% in France (0.2 million in personnel) to 6% in the UK (0.3% in men). In Japan, the unemployment rate is 3.1%, 6.1% in Russia. The highest unemployment rate recorded in China where unemployment is 9.4% in cities due to the fact that 10 million migrant workers lost their jobs.

OECD in November of 2010. in semi-annual report concluded that the low recovery uslad U.S. economy slows down global economic recovery. The same report notes that several factors indicate that the forecasts could be further reduced due to currency tensions and possible debt crisis in Europe. OECD report predicts that world growth in 2011. slow to 4.2% from 4.6% which was in 2010. and that the value from the 2010. reach only 2012. In comparison, the forecast in May of 2010. expect the global growth of 4.6% in 2010. and 4.5% in 2011, while the forecast for 2012. was not published. The same report predicts that the U.S. economy is expected to grow by 2.7% of 2010. 2.2% 2011. and 3.1% 2012. Only six months earlier OECD predicts that the world's largest economy recover from a deep recession in 2009. with growth of 3.2% and 2010.
and 2011. As for the Eurozone, the OECD expects it the 2010th and 2011. While the local governments are trying to reduce government spending, and states such as Greece and Ireland to fight against indebtedness.

Table 1. The performance of the U.S. and Europe financial markets, in 2009.

<table>
<thead>
<tr>
<th>Sectors</th>
<th>Markets</th>
<th>2008</th>
<th>2009</th>
<th>Europe</th>
<th>USA</th>
<th>Japan</th>
<th>Rest of Asia</th>
<th>Rest of world</th>
</tr>
</thead>
<tbody>
<tr>
<td>Banking</td>
<td>Investment banking revenue $bn</td>
<td>58.9</td>
<td>66.3</td>
<td>33</td>
<td>50</td>
<td>-</td>
<td>6</td>
<td>16</td>
</tr>
<tr>
<td></td>
<td>Commercial banking, assets $tn</td>
<td>31.2</td>
<td>30.0</td>
<td>65</td>
<td>10</td>
<td>8</td>
<td>16</td>
<td>11</td>
</tr>
<tr>
<td></td>
<td>Cross-border bank lending $tn</td>
<td>96.4</td>
<td>95.5</td>
<td>53</td>
<td>14</td>
<td>10</td>
<td>12</td>
<td>7</td>
</tr>
<tr>
<td>Insurance</td>
<td>Insurance, global premiums $bn</td>
<td>4220</td>
<td>4066</td>
<td>40</td>
<td>28</td>
<td>12</td>
<td>9</td>
<td>8</td>
</tr>
<tr>
<td></td>
<td>Marine insurance $bn</td>
<td>23.4</td>
<td>22.9</td>
<td>59</td>
<td>9</td>
<td>10</td>
<td>1</td>
<td>13</td>
</tr>
<tr>
<td>Fund mgt.</td>
<td>Pension assets $tn</td>
<td>25.9</td>
<td>28.8</td>
<td>21</td>
<td>63</td>
<td>4</td>
<td>5</td>
<td>12</td>
</tr>
<tr>
<td></td>
<td>Mutual funds assets $tn</td>
<td>18.9</td>
<td>23.0</td>
<td>33</td>
<td>48</td>
<td>3</td>
<td>25</td>
<td>11</td>
</tr>
<tr>
<td></td>
<td>Assets of high net worth indiv. $bn</td>
<td>32.8</td>
<td>59.0</td>
<td>24</td>
<td>27</td>
<td>-</td>
<td>6</td>
<td>24</td>
</tr>
<tr>
<td></td>
<td>Hedge funds $bn</td>
<td>1500</td>
<td>1700</td>
<td>23</td>
<td>68</td>
<td>-</td>
<td>15</td>
<td>3</td>
</tr>
<tr>
<td>Securities</td>
<td>Equity market turnover $tn</td>
<td>114</td>
<td>81</td>
<td>16</td>
<td>58</td>
<td>5</td>
<td>8</td>
<td>4</td>
</tr>
<tr>
<td></td>
<td>Domestic bonds $tn</td>
<td>59.3</td>
<td>65.1</td>
<td>29</td>
<td>38</td>
<td>18</td>
<td>2</td>
<td>7</td>
</tr>
<tr>
<td></td>
<td>Int. bonds $tn</td>
<td>27</td>
<td>25.6</td>
<td>24</td>
<td>59</td>
<td>1</td>
<td>19</td>
<td>15</td>
</tr>
<tr>
<td></td>
<td>New equity issues $tn</td>
<td>1010</td>
<td>1054</td>
<td>33</td>
<td>23</td>
<td>6</td>
<td>3</td>
<td>19</td>
</tr>
<tr>
<td>Derivatives</td>
<td>OTC derivatives $bn</td>
<td>2173</td>
<td>2698</td>
<td>65</td>
<td>24</td>
<td>2</td>
<td>-</td>
<td>5</td>
</tr>
<tr>
<td>Forex</td>
<td>Foreign exch. turnover $bn</td>
<td>4281</td>
<td>5056</td>
<td>56</td>
<td>18</td>
<td>6</td>
<td>13</td>
<td>2</td>
</tr>
</tbody>
</table>

Izvor: IFS

The financial sector in a mature economy is characterized by the fact that transfers are risky since the nineties of the twentieth century were encouraged through investment funds, either in equity or in speculation. They needed ever higher profits, because their investors voracity which progressively increased appetite and have lost the brakes and bounds. No doubt, shy, they were encouraged pension funds, which the demographics favored. The hypothesis of neoliberal economics in finance, said this: "All are equal in the economy, but the financial sector "more equal" than others."

One of the major causes of the crisis also were problems in corporate governance. The assumptions are, in the case of the current crisis, it is not just a mere expropriation of shareholders and the classical weak government oversight, but the problem is reflected in the limited understanding of complex and geographically all the increased business, which inevitably led to the wrong strategic choices. Numerous studies have shown that there are clear patterns of behavior that are repeated and which have significantly contributed to the deepening crisis occurs. These models include: a long director of the mandate, the asymmetry and concentration of power in the hands of an executive director who is also chairman of the board, passive non-executive directors and inexplicably low level of financial expertise on the boards of the most complex
financial institutions in the world. These features analyzed managing boards are certainly contributing to poor risk management and poor supervision of the administration.

4. The necessity of a strategy from the perspective of Serbia

Serbia is the world economic crisis faced in the maelstrom of their own crisis in the economic, social and political sphere. In other words, the local and the global crisis were crossed and poured into the obscure and potentially disastrous course. The strategic plans should aim to have a recovery should not be neglected dramatic economic indicators. To illustrate, here are a few. GDP growth in the 2010. was 1.5%, and it is estimated that in 2011. growth be 3%. Industrial production in 2009. reduced by about 12% in 2009. and was about 15.5% lower than in 1998. In 2010. its growth was 2.9%. In the same year compared to last year as the company recorded sales growth in retail trade at current prices increased by 6.8% in constant prices decreased by 1.2%. Of the 16 transition countries of Central and Southeastern Europe, Serbia is the competition on the penultimate 15th place. There has been an absolute decline in the competitiveness of grade point average from 3.9% in 2008. to 3.84% in 2010., and the relative decline, as it fell to the list of countries with 13th place in 2008. 15th place in 2010. The actual sale of Telekom Srbija could be only a link in a series of errors, because the state lost sales revenue of one billion euros of Telecom, and also, the sale would negatively affect the development of domestic industry. Compared to the previous year in the fall of 2010. planted by 0.6% less wheat in relation to the ten-year average autumn sowing (2000-2009) surface is less by 16.2%. In 2010. was achieved budget deficit amounting to 107.7 billion dinars. Revenue amounted to HRK 662.0 billion, while expenditures were made in the amount of 769.7 billion dinars. In December, the deficit amounted to 12.0 billion dinars. Serbia's debt at the end of January 2011. year was 12.13 billion euros, up 38 percent of gross domestic product (GDP). In Serbia, the year 2010. According to the Agency Bankruptcy Supervision were 691 active bankruptcy proceedings, and of that number 375 is a state-owned enterprises and 316 private. Through the log that is synchronized since 2005. when he made the bankruptcy reform law passed in 1447, a total bankruptcy cases. The number of poor persons is about 700,000 people and is growing. Bearing in mind that the number of unemployed increases, that the pensions and salaries of a large number of persons frozen and that inflation was high - standard of living for the huge number of people is reduced.
We believe that the economic but also social crisis in Serbia will not exceed new borrowing. Serbia on the basis of the previously stated above, we need long-term strategy of economic development and social reform, and such a strategy in addition to the unquestionable national interest, and must be of national and / or institutional in nature.

5. Conclusion

We analyzed changes in the business environment was carried out by the impact of strategic planning at three levels. At the most general level, instability and unpredictability of technological, economic and political environment significantly affects the flexibility and the way companies react. Second, this development has forced companies worldwide to review existing strategies and find new strategic solutions. For example, China's rapid industrialization and information-telekomunkacionog sector in India has encouraged the spread of outsourcing production to China and use of business services in India. The expansion of the telecommunications market, entertainment, computers and computer equipment and consumer electronics, requires the companies in these sectors to plan strategies to compete on a much larger market area. Finally, the new realities of the 21st century the need for a completely new approach to strategic planning and the nature of the business strategy and the increased role and responsibilities of company management. Without any doubt the impact of the crisis will be far less favorable than you at first assumed. The situation in Serbia is far from optimistic, because the crisis in Serbia synergy of national and local crisis. Crises are an integral part of the economic cycle and based on previous experience, we can assume that we are in a time of transformation into a new social order, and he will force the creation of new models of strategic management.

References


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**Apstrakt**

Strateški planiranje postaje neophodno u uslovima globalne ekonomskе krize i recesije. Novo poslovno okruženje traži nov pristup strategijskom planiranju, dok strategijsko razmišljanje definiše aktivnosti sa organizacionim aspektima kretanja i vrši najveći uticaj na veličinu preduzeća. Finansijski plan, usled
deficit finansijskih sredstava, postaje uslov koji zahteva nove oblike prilagođavanja tržišnim uslovima. Recessija i kriza idu ruku pod ruku u Srbiji, što je zapravo nedostatak sredstava, te su i kriza i recessija uslovi koji zahtevaju urgentno strategijsko akciono planiranje.

Ključne reči: strategijsko planiranje, tendencije, fondovi, delovanje.