

**STRATEGIC THINKING PRACTICES IN YEMENI SMALL AND
MEDIUM SIZED ENTERPRISES (SMEs)**

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**STRATEGIC THINKING PRACTICES IN YEMENI SMALL AND
MEDIUM SIZED ENTERPRISES (SMEs)**

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ABSTRACT

Strategic management scholars and practitioners concur that strategic thinking is one of the integral components of the strategic management, and consequently suggest that firms that infuse strategic thinking practices would be able to realize better performance through the formation and implementation of more innovative and effective strategies. Despite the proposition, the literature review indicated studies that examine strategic thinking remain limited. This research presents an attempt to explore the strategic thinking practices of small and medium size enterprise (SMEs) in Yemen. In this research, questionnaires were sent to 50 SMEs selected from the sampling frame. All of the 50 SMEs completed and returned the questionnaires providing a response rate of 100 percent. The findings of this study indicate that in general the SMEs adopt some form of strategic thinking practices. More specifically the SMEs that participated in this study tend to emphasize strategic thinking practices that include, obtaining foresight, holistic perspective, acquiring insight, focus on creativity pragmatic aspect maintaining objectivity achieving relative advantage and maintaining focus.

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CHAPTER 1

INTRODUCTION

1.0 INTRODUCTION

Organizations nowadays look towards strategic thinking as a substitute for traditional directions of strategic management which is focused on strategic planning (Younis, 2000). Strategic thinking has become an important key to success to every organization and became the major pathway that management must pass through, so as to face the challenges of modern day environment (Jaugh & Glueck, 1988).

Previous studies explained that the basic term of strategic thinking is focused on the present situation of the organization and what could be done in this context Person (1999). Stump (1984) pointed out that strategic thinking involves the definition of the different methods to reach the individuals chosen targets, and identify the activities which those individuals need to get to where they desire. Rowe & Mason (1994) showed that strategic thinking generates a concept regarding the changes of circumstances and how they take place.

The Hamilton strategic management group (1999) explained that strategic thinking shows clearly the stages necessary to start reforming the basic pillars for the future of organizations. Ohmae (1982) also showed that the initial step in strategic thinking is to look for a clear understanding of the characteristic of each element from the situation

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