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### PARADIGMATIC BASICS OF STRATEGIC MANAGEMENT

In recent decades, the demand for strategic management dramatically enhanced. Separate individuals, households, companies, municipalities, regions, multinational companies, government and supranational structures create your own strategies. For instance, the international standard ISO 9001 indicated the need for setting goals of the organization from top management (5.4.1 of ISO 9001: 2008). According to this standard at the beginning of 2015 more than 1.1 million companies has been certified [1]. In fact, strategic management, or at least some of its elements have become a universal attribute of management, which leads to the relevance of the study of this problem, especially in the transition to a post-industrial society and the postmodern logic.

Science-based approaches to strategic management were laid down in the second half of the twentieth century [2, 239]. This theme is actively studied by famous scientists, among them R. Ackoff, I. Ansoff, H. Mintzberg, Porter, P. Krugman. As result, over the past half century, number of schools that have specific differences and characteristics were formed [3].

However, there remain a number of unanswered questions. Why strategic management, as a science-based discipline and a common practice, haven't arisen in the past? For instance, in ancient times or times of the Enlightenment when the logic of positivism became common rule in all life areas. How belief in God or the perception of space and time influenced the formation of strategic management? Thus, there is available, the unresolved problem of the influence on the formation of world outlook paradigm of strategic management and its further development in the framework of the postmodern and the transition to a postindustrial society logic.

The purpose of the article is to show the influence of modernist paradigm on the formation of strategic management and the possibility of changing it according to the logic of postmodernism. The strategy in this paper is defined according to the logic of modernity, as "described way of converting existing reality in long term target reality" [4, p.39].

The modern structure of the strategy is almost canonized, and includes the following elements: mission, vision, values, strategic goals and plans of the implementation goals, implementation risks. Standardization experts say: "despite the fact that none of these standards are say on the mandatory formation of the mission, the vision (of the future) and the strategic plan of the organization, the majority of companies ... are developing these documents" [5, p.198]. Thus, it can be argued that the development of the mission, vision and

strategic plan is not a special case for some large companies, and it is massive activity.

The mission is the ontological element of strategy. It gives answer for the question, "What for (why) is the organization exist?"

The vision and goals reflect the space-time side. It gives answer for the question, "Where is organization plan to be in the future?" The risks of the strategy depend on goals and reflect measure of deviation from them.

Values characterize the ethical component of the strategy. It gives answer for the question, "What are the moral and ethical conditions correspond to the organization's mission and goals?"

The subject of strategy is organization which implementing the strategy. Strategist is a subject of strategy formation.

The object of strategy is internal and external environments of organization.

Epistemological component manifested at the stage of the strategy, and characterizes interaction strategist with environment.

Therefore, any strategy can be presented in the ontological-epistemological and spatiotemporal context according to premodern, modern and postmodern paradigms. It's allowed evaluate the strategy formation through the interpretation of categories such as subject, object, space, time and their relationship. It should be noted that these paradigms cannot fully considered independently from each other. The premodern and postmodern are comprehended according to logic of modernity. But each of paradigms can be associated with a certain type of society, geographical and time bounds (Table 1) [6, p.26].

As shown in table 1, the formation of strategic management be located on border of transformation human civilization. And 9 from 13 classification types point to this. Each type of society has own philosophical paradigm.

A common set of markers that characterize the paradigm in the context of strategic management elements and the factors influencing them, is given in table 2.

Within the logic of premodern era (Indian religions) object is identical to the subject and his cognition through analysis is not provided. For instance identity of the object and the subject can be shown as the possibility of transformation of man into a tree or a deity. It does not involve any physical activities and physical effort on the part of the subject, but only his contemplation. As a result, creation a strategy in the ontological-epistemological context doesn't have sense.

Social stages in the history of human civilization \*

Chronology												
B.C.					A.D.							
2.5 M	8000	3500	500	0	500	1500	1750	1914	•	1970	2000 +	
Traditional Society					Modern Society			tmodern ociety				
Pro-Industrial Society						Industrial Society			ndustrial ociety			
Primitive Society			Agricultural Society					Industrial Knowledge Society Society				
Primitive Society			Agricultural Society				Industrial Society		-	ormation ociety		
Primitive Society			Agricultural Society					Industrial Network		ork Society		
Primitive Society			Agricultural Society				Industrial Society			ological ociety		
Primitive Society			Agricultural Society				Industrial Risk Society		Society			
G&H** Society		ultural eiety	Agra Soci		A	gricultu Society		In	Industrial Society			
G&H Society		ultural eiety	Pasto Soci		A	gricultu Society		Industrial Society		у		
G&H Society		toral riety	Agra Soci			itional ( ion Soc	-	In	Industria		1 Society	
Primitive Society		Slav Soci	-	Feudalism ( Society		Capitalism Society	Socialism (Communism) Society		-			
G&H So- ciety		cultural ciety	Pasto Soci		_	icultura ociety	1 (	Capitalism Soc	lism Society		capitalism ociety	
G&H So- ciety			Pasto Soci		Agricultural Society			Industrial Society		ndustrial ociety		

<sup>\*</sup> The table is based on sources [6]

Given the cyclical and closure of the time impossible the formation of goals to achieve them in the future, because the future as such in our usual (linear) understanding is not existing. It can be assumed that such a worldview initially appear due to the agrarian basis of the economy, when the whole life is subject to changing of seasons, and you can easily argue that a generation later everything will be as before. Accordingly, the formation of a strategic plan for the long term is absurd, and impossible manage development of organization taking into account the strategic perspective.

As part of the creationism logic God determines ontological essence of any organization. Forming their own unique missions by companies, organizations and institutions would be seen as heresy against God. So these attempts could not have a mass character. However, it should be noted that it is theoretically possible formation of mission in the context of God's purposes. Accordingly, the subject-object relationship in the development and implementation of the strategy is pos-

sible only with the direct "participation" of God. Direct implementation of the strategy is impossible.

In the understanding of "time" category is interrupted circular closure. Time takes the form of a vector that defines the movement from the "creation" by God to the time of "Last Judgment". The organization cannot deviate from this direction. The general vector of development for the organization is set by God. So "vision" of the future destined outside the organization.

Therefore, the formation of the strategy and using "management by objects" does not fit creationist logic.

Only the transition to the modern era creates the conditions for the formation and mass use of strategic management. Industrial society subjugates agricultural and secularization leads to the alienation of God functions in the direction of individuals and organizations. Ontological monopoly of God is destroyed. Physicists have proved that creation of World begins from the "Big Bang." Objective reality is perceived as reality without God and subject can cognize it directly.

<sup>\*\*</sup> G&H – gathering and hunting

<sup>▼ –</sup> time formation of strategic management from 1950's to 1960's.

Key features of philosophical paradigms for the formation of a strategy \*

Paradigm	Premodern (Indian religions)	Premodern (Abrahamic religions; Creationism)	Modern	Postmodern	
Type of society	Prehistoric, agrarian	Agrarian	Industrial	Postindustrial, knowledge, risk	
Entity (ontological aspect)	From nonexistence	From God	From the "Big Bang"	Not defined (cannot be determined)	
Object	A copy with inter- nal original	A copy with exter- nal original	Original	A copy without original	
Subject	Inseparable from the existence	Aimed at cognition of God	The individual as "epistemological Robinson»	The existence of the "subject" and "object"	
The subject-object relationship (Epistemological aspect)	The subject is identical to the object	The subject recognizes the object through God	The subject recognizes the object directly	is called into question. Only the text and context exist.	
Time	Cyclically	Linear (from the creation to the "Last Judgment")	Linear, continuous, irreversible	Nonlinear, set of trajectories, reversible	
Space	Live (each item corresponds to the "spirit")	Make alive by God	Dead (mechanis- tic model)	Virtual (can be constructed)	

<sup>\*</sup> The table is based on sources [6] and the author's own development.

The "arrow time" goes to infinity because offensive "Last Judgment" is replaced by "the heat death of the universe" and is postponed indefinitely in the distant future

This is a set of philosophical presuppositions creates conditions for the formation of strategic management. The realization of this possibility has been started at the period of the emergence postmodern logic, or watching from the other side at the time of "sunset" of the modernity logic. A lot of organizations are finding the strength to predict and program their future only when the modern paradigm is completely covered by a retrospective glance. At the same time functioning of socio-economic system is becoming fully understandable not only in theory (mechanistic Newtonian), but in practices of management at the micro and macro levels.

The chronological gap between the appearance of the basic ideas of the modern era and the emergence of industrial society is at least 100 years, and if you count from the time of early modern ("New Time") is about 250 years old. Thus, it is difficult to predict how the logic of constructing postmodern translates into economic life in the future. It is already clear that it will be quite difficult to implement the theoretical basis of postmodern in strategic management. High complexity of the mission formation arises because of the ontological specificity of the postmodern. The uncertainty of the subject and the object makes it impossible to conduct a classical strategic analysis, formulation and implementation strategy. Features of the definition of the spacetime continuum, as a virtual space with a variety of tra-

jectories and the reversible time, are blocking formation of the vision and strategic objectives of the organization.

However, given that the practical transition to the logic of modernity cannot fully take place. So in the foreseeable future the transitional forms will be dominate and we can only suppose some of trends in strategic management.

Lack of opportunity to formation mission in the postmodern logic, cannot be regarded as an insurmountable obstacle to the further use of strategic management in practice. However given the role of the mission as the main tool of motivation of the personnel from it is not necessary to give up. Here it is advisable to apply the classical logic of Descartes: "I think therefore I am" (7, p.317], and uncover the ontological role of the organization through epistemological activity. We can make universal purpose of the organization like changing or formation virtual space and discourse, and the "vision" as the direction of these changes.

Virtual space could be constructed by strategist in much more greater scale than the real space. Therefore, initially the organization should not be reflect environment, it must form it to achieve success. This is corresponds with the concept of "blue ocean" [8]. Only possibilities for the formation these "blue oceans" is much more because of fundamentally new market niches. Formation of discourse in global scale lifts restrictions from "weak" starting position of the subject of the strategy, and creates preconditions for overcoming the strengths of competitors. Thus, the subject (organization) during realization of strategy not aimed on specific object

(users of strategy), but in aimed on the formation discourse, which also changes the potential object (consumers and other interested parties) and the subject itself (the organization).

Summing up the results can be demonstrated that only a modern logic allows generate full strategy in the usual form for business (table 3).

Table 3

The possibility of formation of strategy in the context of the logic of world view paradigms

	Paradigm							
Element strategy of the organization	Premodern (Indian religions)	Premodern (Abrahamic religions; Creationism)	Modern	Postmodern				
Mission (unique)	_	+/-	+	?				
Values	+/-	+/-	+	+				
Vision and goals	-	+/-	+	+/-				

Within the framework of other paradigms, such a possibility does not exist in a variety of ways. At the same time the least adapted to the use of strategic management is considered logic Indian religions. Strategic management in the logic of creationism is theoretically possible, provided the will of God is in each of the elements of the strategy. Postmodern, remaining largely the unknown with a positive point of view, contains both obvious limitations for the implementation of strategic management as well as the potential for its improvement.

#### **Conclusions**

- 1. Strategic management is a phenomenon of modernity that emerged in the sunset of its existence, which corresponds to the beginning of the postmodern logic formation. Organizations are able to use the holistic socio-economic picture of the world for forecasting and programming of its development.
- 2. Formation of strategic management in a primitive and agrarian society according to premodern logic cannot be due to differences in the ontological, epistemological and space-time perception of the world in comparison with modernity.
- 3. Transition to post-industrial society and the logic of postmodern forms the background for the change of strategic management. First of all, such a change will be implemented by changing the understanding of the category of "space" (in the direction of its virtualization) and the perception of the subject-object relationship of the organization and the external environment. You can predict the further transformation aspirations of the organization from "meeting client needs" to their formation through changes in common discourse.

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# Вишневський О. С. Парадигмальні основи стратегічного управління

У статті досліджено світоглядні передумови формування стратегії та використання стратегічного управління в компаніях, організаціях та установах. Для цього розглянута сучасна структура стратегії, як продукт суб'єкт-об'єктних відносин в просторово-часовому континуумі. Сформульована і доведена гіпотеза залежності стратегічного управління від світоглядних інтерпретацій його окремих елементів. Продемонстровано неможливість зародження стратегічного управління (в сучасному його розумінні) в епоху, що передувала модерну, і обгрунтовано його формування в межах логіки мого

дерну. Ставиться під сумнів можливість адекватного застосування сучасних підходів до стратегічного управління в рамках подальшого укорінення логіки постмодерну, яка передбачає перегляд суб'єкт-об'єктних відносин та зміщення реального простору в бік віртуального. У заключній частині розглядаються можливості адаптації сучасного стратегічного управління до логіки постмодерну.

*Ключові слова:* філософія стратегування, стратегія, стратегічне планування, стратегічне управління, модерн, премодерн, постмодерн.

## Вишневский А. С. Парадигмальные основы стратегического управления

В статье исследованы мировоззренческие предпосылки формирования стратегии и использования стратегического управления в компаниях, организациях и учреждениях. Для этого рассмотрена современная структура стратегии, как продукта субъектобъектных отношений в пространственно-временном континууме. Сформулирована и доказана гипотеза зависимости стратегического управления от мировоззренческих интерпретаций его отдельных элементов. Показана невозможность зарождения стратегического управления (в современном его понимании) в эпоху предшествующую модерну и обосновано его формирование в рамках логики модерна. Ставится под сомнение возможность адекватного применение современных подходов к стратегическому управлению в рамках дальнейшего укоренении логики постмодерна, которая предполагает пересмотр субъект-объектных отношений и смещение реального пространства в сторону виртуального. В заключении рассматриваются возможности адаптации современного стратегического управления к логике постмодерна.

*Ключевые слова:* философия стратегирования, стратегия, стратегическое планирование, стратегическое управление, модерн, премодерн, постмодерн.

### Vishnevsky A. S. Paradigmatic Basics of Strategic Management

The article presents the worldview prerequisites for the formation of strategy and the use of strategic management in companies, organizations and institutions. For this there was considered the present structure of the strategy as a product of the subject-object relations in space-time continuum. The hypothesis about accordance elements of strategic management with philosophical paradigms was formulated and proved. There were shown the impossibility of the creation of the Strategic Management (in its modern sense) in the era preceding the modernity and were described its formation in the logic of modernity. The adequacy using of current approaches to strategic management in logic of postmodernism was doubted. Because this paradigm involves the revision of the subject-object relationship and displacement from real space to virtual space. In conclusion considers the possibility adaptation of modern strategic management to the logic of postmodernism.

*Keywords:* philosophy of strategizing, strategy, strategic planning, strategic management, modern, premodern, postmodern.

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