

The prevailing paradigm of strategizing, or, as it is often called, strategic management, is that of a multilevel, iterative, and widely participatory process. It is an integrated set of planning, control, and decision-making processes looking outward to the HSO's/HS's environment; inward to its strengths, capabilities, and deficiencies; and forward to its future. [Figure 9.2](#) illustrates the entire strategizing process, and each of its component activities is discussed in subsequent sections, beginning with situational analysis.

Situational Analysis

Situational analysis (see [Figure 9.2](#)) forms the basis for strategizing. It involves gathering and evaluating information about the past and present and making assumptions about the future. It is informed by external environmental analysis and internal environmental analysis. The results of assessment include identifying internal organizational strengths and weaknesses and external environmental opportunities and threats (hence the name *SWOT analysis*: strengths, weaknesses, opportunities, and threats), as well as risks, issues, and deficiencies.

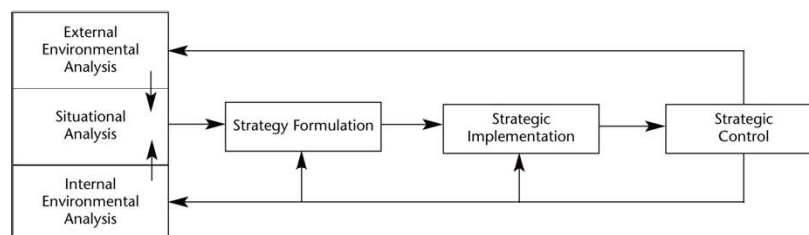


Figure 9.2. The strategizing process.

In essence, situational analysis is an ongoing review of strategic position and strategic alternatives. The senior-level managers are responsible for the assessment and for presenting its results to the GB for consideration, adjustment, and final approval. ¹⁵