



Time Horizons Management within Corporate Strategies

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ABSTRACT

For any planning, especially for strategic planning, time is a fundamental issue. The units of time were the necessary foundation in order to classify the different categories of enterprise planning: strategic, tactical as well as operational planning. Through established tradition, strategies have been linked to long time horizons. This approach has faced new challenges in recent decades. For a start, one of the specific challenges for this approach was the so-called turbulent environment. The second fails to stop the problems in the effort to identify successful strategies in practice. The failure of the strategies led to a constant process of attempts to improve the current management as well as the doctrines of strategic management. The final challenge refers to the new potential represented by the informational techniques as well as to the beginning of the theories of real-time management and hyperelastic company. In the context of the above, the question of the existence of a practical basis to support the company's long-term strategy is clearly outlined. The main objective of this paper is to present the conclusions of research and studies on a time scale in corporate strategies. The main empirical data include written reports on the strategies of global companies. For the beginning, the specific approaches for the time horizons are examined, realized by the different schools with reputation in the strategic planning of the time horizons. In the next part of the study, the main factors that shape the time unit scale of strategies are recognized. The increasing complexity of strategic objectives is one of the most important factors. Concepts of polychronic and monochronous strategies are recommended based on both research and studies. The last part of this paper investigates the ways of assimilating long time horizons in small and medium enterprises (SMEs). In the circumstances of the strategies accessible to these enterprises, the time horizons for SMEs are examined.

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1. The strategic category called time

For everything, time is a fundamental attribute. In management, it is also a fundamental category. Time is personified as an asset, not just an attribute. The research of Adamiecki, Gant or Taylor was marked by the efficient use of the notion of time. One of the first objectives of strategic management was to support managers in planning the future (Bordean, O., N., Borza, A., 2014). In the next period, due to the current global economic context, it is necessary to define a new strategic framework to support future development (Borcosi, C., A., 2015). For the field of strategic management, which is derived from management theory, time periods are fundamental aspects in terms of enterprise strategy. However, we can say that time horizons are insufficiently analyzed in the literature specific to strategic management (Judge, Speitzfaden, 1995). The competitiveness and performance of the company are the fundamental objectives of any organizational strategy as well as representative and main indicators of its success, if they are evaluated against their own previous results or compared with those of its competitors (Ogrean, C., 2018). Strategic management has developed concepts and theories that mainly examine the environment and look inside the company, developing methodological advances and ideas that will predict the transformation of management practice (Bordean, O., N., Borza, A., Glaser, S., D., 2011).

Being an initial category, the strategy is not based in a specific way on the natural consideration of time. Within the military forces of antiquity, when strategy evolved as a concept, the argument of the strategy was to separate troops in order to gain victory and not to allocate time.

In the nineteenth century, Von Clausewitz used time as a strategic element: "strategically records where, when and what tools are needed to carry out the battle" (von Clausewitz, 1967). As the timetable was an important way of coordinating military activities, developments over a longer period of time were not as important. The assumed objectives of the war were: gaining a good opinion, the most precious goods of the enemy as well as conquering the enemy (von Clausewitz, 1967).

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The strategy can be defined as the totality of the optimal, organizational, economic and technical decision measures adopted within a company in a certain period of time for the realization of profitable and efficient activities (Enea, C., 2010). Assuming strategy in management sciences did not mean using time as a fundamental element in strategy. The essence of the strategy was the combination of tools and targets (Lyon, 1926). Lyon, one of the pioneers in introducing the strategy into contemporary use, recommended the mission of the relationship between environmental change and the company's resources. He noted the fundamental purpose for which any company has the strategic mission in coordinating the strategy (Sharma, 1999; Prymon, 1982).

In using the notion of long-term planning, time is assessed as a fundamental aspect in developing the strategy. Strategic planning involves recognizing and assuming all external and internal factors that have the ability to influence the enterprise. More precisely, it refers to customers and marketing opportunities as an intrinsic part of the many elements needed to make the business profitable (Puiu, M., Stanciu, M., Sirbu, M., 2009). There is a belief that strategy in itself is a concept expressed over a longer period of time. Longer-term planning was intuited precisely by the strategic planning model. The main assumption of this finding was that the planning periods, related to the planning developed for longer distances, were not appropriate to cope with sudden changes (Aaker, 1988). Very long time horizons were still accepted. During the 70's and 80's of the last century, a doubt began to appear regarding the practicability of elaborating strategies in the form of long-term concepts as well as formal strategic planning.

Thomson and Martin summarize the weaknesses of formal strategic planning as follows:

- ✦ the elaboration of the planning was often done by the planners than by the managers, generally directly affected by the obtained plan,
- ✦ in conclusion, very often the consequence of planning was a plan that had a limited effect, in reality, on the actual decisions of the management and, consequently, was not implemented,
- ✦ usually the fundamental elements of total management and culture are omitted, within the techniques used specific to planning (Thomson, Martin, 2005).

Among the critical points regarding planning can be mentioned:

- ✦ absence of activity expressed in time, noticed between strategies,
- ✦ the weaknesses that characterize the applied methods, including difficulties regarding the evaluation of the strengths and weaknesses for a company,
- ✦ application of a small group of standardized methodologies,
- ✦ removal of behavioral solutions (Perry et al., 1993),
- ✦ a necessary justification for failure to act,
- ✦ absence of innovation,
- ✦ absence of flexibility.

To a very large extent it can be concluded that the techniques used in planning were criticized and not the longer time horizons. For some of the authors, long cycles were still a feature of the strategies, contrary to the change in manifestations regarding the specific role of time horizons. Krupski points out that ...planning processes could lead to long-term growth goals (Krupski, 1998). According to Stabryła, (2002), strategic planning is generally a long-term planning. Dynamic analysis, ie analysis according to the time factor, has always been absolutely necessary in any field of practice or science, including the specific components of socio-economic activities. Dynamic approaches developed and designed efficiently add knowledge and information and contribute to obtaining superior performance (Nicolescu, O., Nicolescu, C., 2014).

Within the so-called management process school, time projections start to be unimportant. Moreover, in this context, formalized planning limits learning, creativity, adaptability and managerial flexibility. Finally, the strategy should not be developed, but rather presented as a model of action (Bower, 1974; Quinn, 1978). Specifically, the emerging strategy is not a useful alternative to the concept of strategy advanced by the planning school. If the strategy is really emerging, it defines the behavior more than the practicable managerial principle. He cannot make any recommendations as to what a company might do.

Moreover, with regard to the emerging school, the specific behavior of a particular company could be passive rather than active.

According to Mintzberg and Waters (1985) the emerging school should not specify that management does not have a certain type of control, but only-in certain cases-it is receptive, flexible but also open, in other words it is prone to learning. Unfortunately, they do not clarify how the control could be carried out.

For strategies, Mintzberg and Waters advanced a special typology: imposed strategies, consensus strategies, unconnected strategies, process strategies, umbrella strategies, ideological strategies, primitive strategies, planned strategies. The company's strategy represents the core of the direction of major actions (Paștiu, C., A., Mureșan, M., 2015).

An examination of the strategies outlined above indicates that the main difference between these strategies is not whether they are planned or not, but rather what the origins of the strategy ideas are and who actually participates in the strategy development process. By default, the maker of the typology also states that most of the stated strategies are partially planned.

In the conditions of the school of resource-based management (RBV), the attention is directed especially to the management of internal resources, with priority to the main competences (Hamel, Prahalad, 1994), than on the concepts of the large market. The resource-based perspective states that the key good skills can enable an enterprise to be able to offer impeccable products in a given market. The central point is represented by the absence of criteria and management mechanisms in terms of directing the growth of resources. Regarding the time horizons correlated with the environment, they are ignored here, considering the fact that the launch of necessary, opportune but also competitive products on a certain market is at hand for an enterprise.

According to Stonehouse et al., (2000), the similarity between RGB and strategic planning leads to the conclusion that RGB only adds evidence to support strategic planning. Demarcation of time horizons is also a feature in other concepts: real-time management (Perry, Scott, Smallwood, 1993), weak signal management and strategic management (Bronn, Bronn, 2002; Ansoff, McDonnell, 1990); Ansoff, 1990), surprise management (Bracken, Bremmer, Gordon, 2008) as well as contingency planning.

It is very possible that the greatest deviation from the idea of subordinating the company's activities to long-term considerations will occur in a circumstance related to chaos theory. The main implications of this theory are:

- ✚ remote planning is useless given that the future cannot be predicted,
- ✚ the company environment that is stable so far, without obvious reasons, can change quite quickly in an unstable environment,
- ✚ because environmental factors are totally unpredictable, management is not able to control its future activities (Bennett, 1999).

The results presented above are bombastic, even if they are detached from the examinations related to the failures of corporate strategies. Under these conditions, some of the trends present in the market become predictable. Even the thought of the future becomes inevitable in the specific decision-making processes. The real problem is the following: the degree of circumstance of the predictions, even the manner of elaborating the predictions, the period of the strategic time intervals as well as the specific elasticity of the planning must be included in the strategic process.

2. Parameters that change the strategic time horizons

In order to elaborate the answer to the question regarding the lengths of the strategic periods, an appropriate answer must be given to the question if someday, why, the strategy is necessary to correspond to the long time terms?

The general arguments needed to operate with long time horizons are:

- ✚ some of the strategic objectives could only be achieved in longer periods of time. For example, we can mention objectives such as developing and promoting a new product demanded by the market or reformulating specific behaviors for some consumers.
- ✚ in a long period of time, connections between some of the different processes within a market are observed.
- ✚ application of strategic tools requires a longer time horizon, for example the implementation and (or) development of new technologies. If the above premises are accepted, it is also necessary to anticipate market changes that are capable of requiring shorter time horizons.
- ✚ currently growing competition is the first change. Taking into account the competition, even if the forecasts for the whole industry are credible, the forecasts for market shares specific to certain companies are much less credible. As a result, large-scale forecasts for the whole market become much less attractive, with less competition. Competition is motivated not only by the globalization of all sectors and deregulation in the markets, but also by the growing popularity of mergers and acquisitions.
- ✚ the second change represents a new technological potential responsible for the appearance of shorter life and technological cycles of the product. As a result, the application of new technologies may be less time consuming. All this time, life cycles that are shorter develop a much greater uncertainty about a very likely behavior of competitors in the market.
- ✚ the third change is the exponent of the new alternatives of elastic supply, such as the manufacture of contracts, strategic alliances. In conclusion, some of the goals set by the company could be achieved in a much shorter period of time than before.
- ✚ the fourth change, which usually represents a shared observation, exemplifies the ever-increasing agitation manifested by the environment. In Mintzberg's view, strategic plans have met their goals only on days of greater stability and become much less effective in today's more turbulent environment (Mintzberg, 1994).

Regarding the last change, we can doubt the real convulsions as a really new situation. To the extent that today the degree of turbulence manifested is high, it can be accepted that in the past the environment characteristic of companies was quite turbulent.

In 1926 L. S. Lyon mentioned environmental changes in order to be able to demonstrate the obligation of an enterprise to have a strategy. There were, of course, periods in the twentieth century, characterized by a more favorable environment for many companies: periods in which the nationalization of certain sectors took place, periods characterized by government protection for some companies or periods in which some industries have been monopolized. In a more general context, it is not a plausible assumption regarding the balance of older times, which is a common assumption.

With priority especially in the late nineteenth and early twentieth centuries, the level of confrontation was particularly high. Starting with the period of the Industrial Revolution, technological changes began to appear.

The above findings were not applied in order to reject the role of turbulence. More precisely, it may lead to the emergence of the theory that the current level of turbulence is not sufficient to prevent companies from looking at strategic concepts developed over longer periods of time. Moreover, it is further added that such turbulence is not necessary to govern disregard for longer periods of time. At the time of the turmoil, a company can indeed focus on the subject of survival overnight. Also, the disappearance of the specific aspects of a longer perspective could lead to the sinking of the problems characteristic of the company resulting from the misuse of assets.

3. Specific time scales required for strategic plans

Taking into account the diversity of strategy schools as well as the diversity of approaches regarding strategy, the explanation of the assumptions regarding the philosophy of strategy becomes stringent.

It is suspected that the minimum requirement for a concept to become a strategy is to harmonize four necessary conditions:

- ✦ strategy is a certain type of vision,
- ✦ the concept has the main role for the company,
- ✦ the concept encompasses the objectives of the enterprises,
- ✦ concepts cover the specific redundancy of resources owned by the company (Prymon, 2010).

This hypothesis precludes the adoption of such an interpretation of the strategy regarding the concept of unconscious strategy as well as the uncoordinated behavior of an enterprise by any concept. Those who support a certain strategy expressed in the form of a plan, use it in order to propose some time scales necessary for the strategy. It primarily helps to separate operational and tactical plans from strategic plans. Most experts used to correlate the concepts of strategy for a period of 5 years, at the same time leaving the tactics of periods of time between 2 and 3 years. The operational application needs to be correlated with the concept developed for a time horizon of up to one year. According to other authors, these horizons could be slightly shorter. According to Best, (1997), tactical strategies (marketing strategies) are strategies developed in the short term (1-3 years), while strategic planning developed for the market is attracted by longer time limits (3-5 years). In the opinion of Smith, (2007), relatively recently, some authors believe that tactical plans have a time scale ranging from one to five years and also that strategic plans that present visions have a time horizon generally up to ten years or more.

Proposals related to the time horizons used to involve the authors' special approach to the relationship between time horizons and strategy. One of them, probably the most popular approach, is to set the timetable before developing the strategy. As a result, the whole strategy is subject to time horizons. A specific rule for such approaches is to indicate the deadlines applied to the strategies, for example the year 2022 or 2032. The second approach is related to the differentiation of time horizons mainly in correlation with a number of factors of an individual nature. Within such approaches, the recommendation made by P. Drucker also appears.

He answered the question on the time required to set targets and also pointed out the factors responsible for influencing the time scale. As a main factor, P. Drucker showed that it is the very nature of business. In the textile industry, sales that are forecast for a two-week horizon are long-term estimates. For the energy sector, the energy blockade over a six-year period may represent the "nearest future". Also, the profile of strategic instruments can be another representative factor. A number of companies with an organizational profile require more time. According to Drucker, it can be the very building of a corporation with a marketing profile that needs a time horizon of at least five years. In metallurgy or chemistry, the effective implementation of an innovation requires a much longer time than five years. Drucker proposes, as a necessary tool for harmonizing the near future (2-3 years) as well as the longer term (5 years), a so-called "managed expenditure budget" - the main expenditures that are centrally controlled (Drucker, 1966). In conclusion, in this case the stress is directed towards the characteristics of the business, their technological requirements but also towards the characteristics of the strategic instruments.

The factors stated above are general factors. There are also factors that can influence individual time horizons. The first level is represented by the degree of measurability in terms of objectives. It is usually estimated that the time horizons are shorter for the objective that is presented in more detail. The possible explanation would be that the possibility of achieving an extremely detailed objective is very small. The

second factor is the way managers express themselves on time scales as well as their desire to take risks. Some managers may be a little more cautious and others may take risks.

The degree of likelihood of achieving the objective must be correlated with the level of environmental turbulence. In conclusion, the third factor is the level of turbulence. Ansoff proposes the hierarchy of turbulence based on a five-level form (Ansoff, McDonell, 1990):

- ✚ for level one, defined as a "stable" level, the environment does not show any change, the present is identical with tomorrow.
- ✚ the second level is "extended" and the change is certainly predictable, slow, visible but also incremental.
- ✚ the third level represents the level of the "changing environment", in which the change is very fast and at the same time is visible and incremental.
- ✚ levels four and five are levels called "discontinuous and surprising" because level four still allows partial predictability and level five becomes more concerned with unpredictable change, without prior notice and very fast.

In view of the classification presented above, we can conclude that the lower the turbulence, the more space there is dedicated to longer time horizons.

The fourth factor is the factor indicated by Mintzberg as "structure". This factor is able to indirectly influence the time horizon - the greater the complexity of the organization, the more reasons it has to adopt a "deliberate" strategy. Regarding the categories of the company's objectives, it can be supplemented on the list of factors.

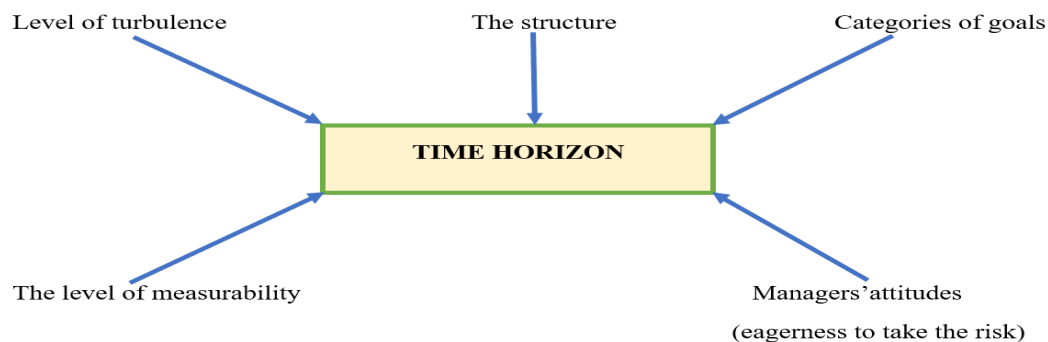


Figure 1: Factors that influence the time horizon of a strategy.

4. Composition of strategic objectives

As long as the strategic objectives have been defined as qualitative and simple effects (ie market share or sales volume) it is very possible to set simpler strategic "deadlines". In conclusion, it is possible to justify, which can be called, monochronic strategies. Today, only a small proportion of companies continue to decide on a general date for a single strategic objective. The structure of the strategies has become much more complicated. This is visible with priority in terms of the structure of company-specific objectives. Instead of a quantitative objective or group of correlated objectives, they elaborate: business models, sustainability programs, social responsibility programs, quantitative objectives, values, missions, visions and strategic priorities.

Moreover, in addition to those presented above, it capitalizes on the use of a general strategic framework, such as strategic forecasts. The notions presented above do not necessarily have to be seen as representative types of strategic objectives. For example, it is often said that the vision or mission are elements stated at the beginning of the strategy development process itself. Even in these conditions, when these notions contain fundamental options for the company and if they represent mandatory and defining elements for the company, there is an obvious justification for considering them as an intrinsic part of strategic objectives. When Sony, in its vision, declares that it is the most important global provider in the field of entertainment and electronics, this is the concrete choice, namely the continuation of the electronics business. Similarly, when BMW's stated mission is to be the leading provider of services and products in the upper segment of retail transport, it is a clear choice for continuity in the personal car business segment. It is obviously a demanding and responsible strategic choice.

Of course, there are also a number of missions and visions developed in an extremely general way and which have a rather specific role in propaganda slogans. In such situations, it is not necessary to correlate them directly with the strategies.

In order to include the categories presented above in the objectives, they must meet the following criteria:

- ✚ to represent categories responsible for directing the activities of companies,
- ✚ to be categories capable of being transferred quickly to the concrete decisions of the enterprises.

Certain categories of objectives, as noted, do not need to be directly subordinated to the same single framework. There is a real argument behind the use of different schedules for different forms of objectives. Starting from the very general and large-scale business forecasts and reaching the very detailed financial objectives necessary to be achieved in a very short time. Moreover, some of these forms are capitalized as timeless. For example, corporate values could be "timeless", which can also be said of some missions or visions. Regardless of their specific content, some business models are timeless (Zott, 2011). Different horizons could be correlated with technological or market forecasts only if the individual objectives have different time horizons. Forecasts could be considered as "instant" strategies for some companies, and for others the forecasts can only express hypotheses announced for the future.

Taking into account the complexity, multilateralism and plurivalence of strategic objectives, the category called "polychronic strategies" can be introduced. These are strategies characterized by the fact that their particular strategic objectives define different periods of time. These polychronic strategies could be compared to monochronic strategies, characterized by the inclusion of unique objectives and marked by unique terms.

Figures 2 and 3 show a comparison between polychronic and monochronic strategies.

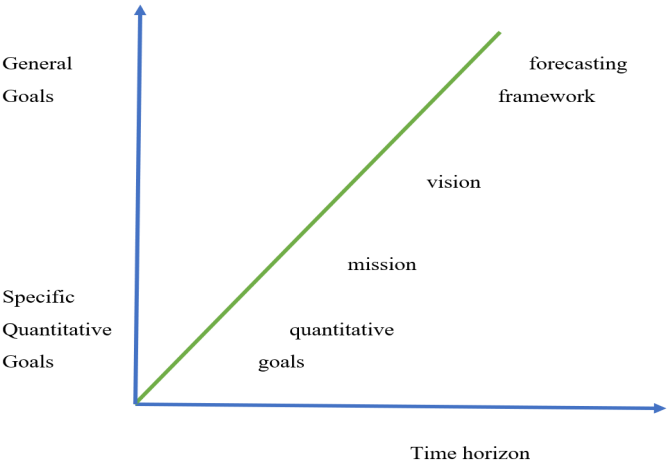


Figure 2: Polychronic strategy

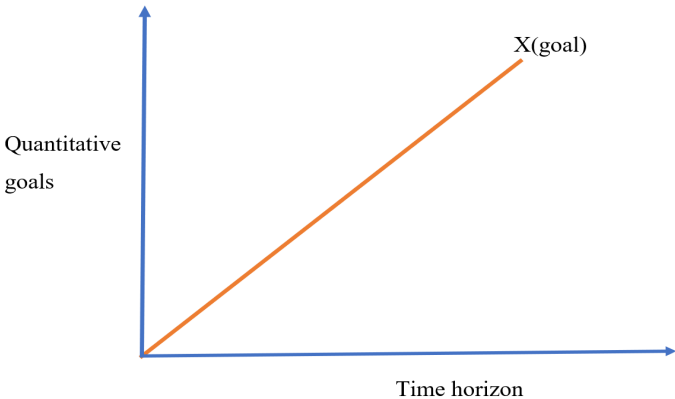


Figure 3: Monochronic strategy

The above statement is a way of effectively interpreting time as an attribute or result of strategic categories, such as strategic objectives. This proposal is different from the vision described by N. Lee, Ch. Bygrave and E. Jaques. For them, different time horizons refer directly to distinct units responsible for making decisions. The specific concept of multiple time horizons makes a favorite reference to the slightly higher levels of the corporate hierarchy as well as to shorter time horizons for lower order levels (E. Jaques et al., 2001).

Baghai, (1999), made a different recommendation regarding multiplied time horizons. Baghai's proposal to the company is to have a consistent business portfolio characterized by different time horizons. In terms of maturity, some businesses are different. A distinct version of the approach to multiplied time horizons was recommended in the context of the change triangle. This concept makes an express reference to the scenario method in order to establish the strategic objectives of the organization (Hodgson, Sharpe, 2007).

5. Time horizons of practice

The studies on corporate strategies were conducted in 2012. They were supported by written press releases regarding the strategy of 81 companies present in the Global Business Handbook presented by Hoover. Other large institutions were also joined. Studies highlight a wide variety of approaches to time horizons related to strategies. Unanimously, a series of logics are observed here.

Enterprises in industries have implemented strategic, time-consuming, high-priority objectives for long-term strategies. In the case of the oil industry, the time horizons are between 10 and 14 years (Petrochina, Petrobras, Shell, Gazprom). Simultaneously with this, a certain forecast projection is established for a period of 20 years (Petrobras), for a period of 40 years or for a much longer period of time (Gazprom). In the case of quantitative objectives, such as cash flow, all these companies choose shorter time horizons (in the case of Petrobras - business plans). For some of the companies present in this industry, the specific time horizons could be much shorter, estimated only for a maximum period of 5 years (MOL, Orlen). Moreover, longer time horizons are characteristic of companies present in the chemical industry. In 2010, BASF set its strategic objectives (capital investments, sales composition) for 2020 and an identical time horizon was accepted by 3M Company or Air Products and Chemicals. Estimated time horizons over a longer period of 10 years are also used by corporations in the pharmaceutical industry, for example Abbot Laboratories.

When the technical aspect of a business could demand plans of a certain amplitude and a certain scope, obviously ten-year time horizons will be adopted. For example, the 10-year time horizon is accepted for other industries such as those related to the operation of airports (Heathrow Airport, Dubai Airport), forest products (Weyerhaeuser), media industry (ABC, Inc.), transportation (ATC in Australia). A really interesting detail is that several financial institutions and banks have treated 2020 as a time limit present in their strategies (Canadian Payments Association, Goldman Sachs, Asian Development Bank). Retail chains (ASDAs) or consulting firms have adopted similar strategies in terms of scope.

For many other companies, the time horizons of 4-5 years have remained "classic". For Fiat, the strategy is developed for a period of 5 years and is called a Business Plan. This time frame is also operated by British Telecom, France Telecom-Orange, General Motors, Philips, John Deere (especially for sales targets), Johnson & Johnson (with a preference for new products, sales values) or Novartis (sales targets). Deutsche Post has developed a company strategy for a period of 6 years. Moreover, particularly tangible profits are planned taking into account a longer period of time. In 2007, BMW decided on its strategic objectives (for production activity) for 2020. For 2020, Ford Motor has advanced concrete objectives such as: the structure of sales by geographical areas and the production structure of cars (trucks, personnel and dimensions).

Within a group of enterprises, the fundamental strategy is elaborated for a relatively short term, of 3 years. A business plan developed for a period of 3 years was introduced by Isuzu. Even for quantitative financial targets, which have been allocated shorter time horizons, what is really special is that a number of companies apply a timeless formula, such as the annual development of financial targets (without actually setting a deadline).

For different components present within the structure of the strategies, there is a predilection for a certain differentiation made in terms of time horizons. There is no evidence for the general replacement of long time horizons with short time horizons.

6. Time horizons specific to SME strategies

If admitted, longer-term strategies are mainly associated with large companies, and the question is whether small companies can adopt these long-term strategies. Can a small company identify any reason to base its main activities on long time horizons?

When a strategy is strongly influenced by external and internal conditions, it is particularly important to compare these conditions for large enterprises but also for smaller companies. We can assess the differences that exist between different companies that have different dimensions in terms of internal conditions, using the following criteria: general business reasons; the ability to achieve synergy between assets or between activities; management complexity / simplicity, determined by the size of the company; level of elasticity; single use resources.

Disposable resources. It is obvious that the competitive advantage of a large company lies mainly in its much larger resources. Specifically, the amplitude of resources must be measured and especially dimensioned taking into account the potential of strategic objectives. Therefore, there may be a certain balance between different companies of different sizes. Obviously, regarding the general objectives of the market, a series of objectives, without any doubt, are within the resources of small companies.

Level of elasticity. It is a habit to have a more elastic action or a smaller one than to have a greater action. In view of these aspects, no evidence to that effect has been found. In the opinion of Wang et al., only a percentage between 5% and 10% of SMEs are dynamic enterprises (Wang et al., 2007). It is very likely that the bankruptcy rate will be more representative compared to small companies. We can add that this elasticity may require a certain protection of special resources, not available to small companies.

The size of the company. The size of the company could create a series of managerial problems. Therefore, including the selection of strategic options may have direct implications in choosing a certain

compromise between different groups present in a large company. From this point of view, the smaller size that a certain company has can be an advantage.

The general reasons for a business. Where it is clear from the general arguments of a business owned by a company, the role of strategy is particularly important. For an ordinary business it is assumed that the main general reason is growth and perhaps less profit maximization. In a broader context, there could be a certain increase in the value of stakeholders, including in relation to customers. Regarding small companies, it is very possible that they can assume the growth as a reason. According to Wand et al., The vast majority of business owners do not prioritize the goals of maximizing growth / profit. This explains the lack of strategic planning in many SMEs (Wang et al., 2007). Personal fulfillment goals could be an alternative to growth / profit. Personal financial well-being is not the same meaning as independent lifestyle, quality and responsibility, personal desire for involvement (Jennings and Beaver, 1997).

Skill to achieve synergy effects. This factor has advantages for larger companies. For an enterprise that uses synergistic effects, some of the strategic objectives could be more easily achieved.

With regard to external conditions, the gaps between small and large enterprises are examined using the following criteria: strength in dealing with specific environmental factors, the ability to benefit from the experience curve, the ability to use scale effects, the resources needed to influence environment, the degree of influence manifested in relation to the environment.

Degree of influence on the environment. It should be emphasized that a larger company in particular has a much greater influence on the environment. Even under these conditions, it is not necessary for that influence to be understood as such. Assuming that there is strong competition in a market with oligopolistic characteristics, there are no solid arguments for believing in a certain comfort held by a large company. In highly developed countries, the bankruptcy rate is the only one that reveals the true scale of this problem.

Resources. The resources needed to influence the market create a competitive advantage for a large company.

Effects due to experience curve and scale. Within large companies, the effects of the experience curve and the scale allow the long-term financing of certain strategic projects. There are no possible correspondents for small companies for such advantages.

Power manifested in relations with the environment. Last but not least, larger companies have much more favorable opportunities to withstand market risks. There is a very good chance that a large company will be able to secure a certain monopolistic position. This can happen because large companies have the best opportunities to protect intellectual property rights or to overcome certain difficulties encountered in the market. Contracts that are made over a longer term and which are typical contracts of very large companies such as oil companies, generate a certain convenience and therefore justify the strategies made over a longer period of time.

In conclusion, can we formulate the answer regarding the strategy within SMEs? Most often, the practice uses the typical classifications for strategies, which also apply to SMEs. Therefore, Ansoff's strategies may be correlated with product-specific market options (Kipley, Davis, 2007), concentration or differentiation (Porter, 1999), and Porter's strategies for cost management.

The general idea is that the opportunity to gain the competitive advantage from consumer appreciation is a common feature for both small and large company strategies. Given these issues and taking into account the specific conditions for smaller companies, the following generic strategies should be recommended:

- ✚ specific niche strategy. This strategy involves shorter time horizons and appears to be addressed by several companies. Even in these conditions, over a longer period of time, the niche is not safe. Therefore, after many years of fierce competition between small neighborhood stores and large retailers, local small shops were no longer a haven when large retailers seized the chains of smaller stores. Thus, the specific niche strategy is safe when an enterprise becomes able to provide a certain truly unique value. In the opinion of Brouthers et al., (1998), in part, this strategy is becoming natural even in markets where larger firms are reluctant to enter due to unattractive considerations based on profitability or economic issues.
- ✚ horizontal integration strategy. This strategy is developed to juxtapose the specific resources of the smaller organizations present within the same sector. These accumulated resources are able to support SMEs in their competition with large companies. According to Kotler (1988), regarding this strategy, the time horizon could be identical to the time horizon of large companies.
- ✚ specific strategy for vertical integration (Kotler, 1988). This strategy refers to the cooperation present between companies that show independence within the value chain. The strategy of this chain is developed by larger companies. According to Varadarajan and Rajaratnam, (1986), smaller companies only have to adopt a certain symbiotic strategy. Under these conditions, the symbiotic strategy may require a smaller company to take an estimated longer-term approach to its role in the value chain. This could help the company control its position.
- ✚ cooperation-based strategy (Morris et al., 2007; Asaro, 2012). Such a strategy encompasses cooperation between companies that are often in competition. This strategy could include both juxtaposing existing

chains and supporting the larger organization. Assimilating long time horizons could help the smaller company to assess its position and ultimately to change partner companies.

7. Conclusions

The strategies of an enterprise require perspectives of a certain magnitude. Indeed, companies apply strategies characterized by long time horizons. Compared to small companies, large companies have the most influence on market trends. Moreover, depending on the nature of the strategies followed, smaller companies may need to adopt longer time horizons.

The size of the time horizons present in the strategy could be the effect of individual factors. In the situation where in general the long projections become very important, the particularly complex structure characteristic of the strategic objectives could demand different time horizons for the same strategy. The study of the realities of today's markets as well as the amplification of both the practice and the theory of strategic planning support the authorization of the polychronic approach for the time scale.

The advantage of this study is the verification of the approaches related to the strategic time scales. This argues that no real reasons are identified for trying to establish a concrete date for the whole strategy of a company. An estimated long-term perspective becomes particularly useful for all companies, without any connection to the specific conditions in which they operate. Forecasts for the long term, from a strategic point of view, are particularly important for both large and small enterprises. The results also highlight the fact that today's strategies require a broader approach in terms of the very structure of the company's objectives.

Future studies should cover surveys of managers' attitudes toward strategic time horizons. This can support the identification of certain new elements needed to choose specific time horizons. Various other studies could contain research on the relationships between the longevity of small and medium-sized enterprises and their strategies.

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