

EMPIRICAL ANALYSIS OF THE IMPACT OF MANAGEMENT STRATEGIES ON SMS`S ORGANIZATIONAL PERFORMANCE

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Abstract

This paper explores the impact of management strategies on organisational performance, focusing on small and medium-sized enterprises (SMEs). The research combines a theoretical review with an empirical study based on qualitative data collected through semi-structured interviews with 34 respondents from various organisations. Key factors analysed include the influence of Porter's Five Forces: competition, supplier power, and customer power, emphasizing how these forces act as mediators for adopting specific generic strategies: cost leadership, differentiation, and focus, and their effects on performance, employee productivity, and organizational efficiency. The study also investigates how these strategies are communicated and implemented within organizations, highlighting the roles of internal factors (e.g., leadership, organizational culture, and employee involvement) and external factors (e.g., market dynamics) in determining their success. Findings reveal a novel perspective on Porter's framework and its practical relevance to SMEs, identifying leadership, a strong organizational culture, and employee engagement as critical drivers of successful strategy execution. The paper underscores the importance of tailoring management strategies to the unique context of each organization and integrating flexibility and innovation into managerial processes to enhance long-term sustainability and competitiveness. Practical recommendations are provided to optimize these strategies and improve overall organizational performance.

Keywords

Management Strategies, Organizational Performance, Cost Leadership, Impact

JEL Classification

D22; L20; M10

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