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STRATEGIC MANAGEMENT IN LIBRARIES

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Abstract

Like any other social activity, culture and cultural institutions require strategic management. Although cultural institutions are funded from stable sources, namely the state, and are protected from the realities of the global market, their work must and should align with management principles. Implementing effective management in daily operations leads to success and the achievement of set goals. Strategic management is crucial for the long-term success of cultural institutions, such as museums, archives, libraries, and others, as it enables them to adapt to a changing environment, identify and capitalize on new opportunities, enhance efficiency and effectiveness, and maintain a competitive advantage. Libraries in Macedonia, regardless of their type, purpose, number of employees, or end users, should implement strategic management to enhance their influence in the community and adapt to changing social conditions and the evolving needs of their users.

Keywords: libraries, management, strategic management.

Introduction

Regardless of their activity and ultimate goal, all organizations should recognize the importance of implementing management. High-quality strategic management ensures the development of processes within the organization while improving operations and enhancing knowledge and skills. Numerous management theorists have long recognized the potential for improving the performance of both for-profit and non-profit organizations by implementing models and techniques that lead to success through effective management.

Management is a universal and omnipresent process that involves strategic planning, goal setting, and the proper management of available human, financial, and other resources. It is essential for all social organizations, including those in the political, production, non-profit, service, and public sectors, as well as cultural institutions, educational institutions, and other relevant organizations.

Management comprises several interconnected processes and phases, including planning, organizing, leading, staffing, and controlling. All phases are interdependent, and it is best to utilize them all in accordance with the organization's capabilities and resources. Some authors emphasize the significance of particular processes. For example, F.W. Taylor highlights the importance of engineering, Elton Mayo emphasizes human relations, George R. Terry underscores the decision-making process, Ralph Davis considers leadership the most crucial aspect, while others believe that the integrative or coordination aspect is the most important.

Harold Koontz, an American organizational theorist, professor of business management at the University of California, and consultant to many of the most prominent American business organizations, defines management as the art of getting things done through people in formally organized groups. The most commonly used definition of management describes it as a universal process of effectively and efficiently completing work with the help of other people and utilizing resources to achieve predefined organizational goals (Donev, 2014).

Planning is considered one of the most important elements of strategic management. In the 20th century, decisions regarding organizational activities underwent significant changes. Until the 1960s, a goal-achievement approach mediated by policies was applied. This approach was suited to a stable environment but was inflexible. From 1960 to 1985, a goal-achievement

approach mediated by strategy was introduced, suitable for unstable environments. The third approach, which is applied today, is strategic management, whose core functions include:

- Strategic analysis,
- Strategy definition,
- Strategy evaluation (assessment of past strategies and forecasting the success of future strategies),
- Strategy implementation, and
- Strategic controlling.

In the Republic of North Macedonia, often referred to as the birthplace of literacy, education, and culture, approximately 70 cultural institutions are engaged in activities related to film, drama, galleries, music, museums, and libraries.

All institutions in North Macedonia must adopt strategic management, a fundamental discipline that enables organizations to position themselves for long-term success.

The Emergence and Development of Management – Examples from the Past

Management as a process has its roots in ancient history. As early as 5000 BCE, Sumerian priests developed an accounting system derived from their religious tax system. This system allowed Sumerian priests to maintain control over property and revenues.

Another historical example of management and managerial functions can be found in ancient Egypt. During the construction of the pyramids of the Third and Fourth Dynasties of the Old Kingdom, around 3000 BCE, various activities typical of modern management were employed. For instance, labor was divided among workers, and different types of clothing were prescribed depending on their occupation. Additionally, there was a limit on the number of workers a supervisor could control—typically ten workers per group.

In other words, constructing the pyramids required technical knowledge and expertise in mobilizing and utilizing human and economic resources. This indicates that a high level of knowledge in the practical application of management functions was necessary to construct the pyramids.

Additionally, ancient Egypt had a highly developed and complex system of state administration, which encompassed activities such as measuring river water levels that impacted agriculture, predicting grain yields (and consequently, state revenues), allocating state income across various sectors of the administration, overseeing all trade and industry activities, and other related tasks. Other significant management-related functions, such as work planning and division of labor, were also present and considered quite advanced. (Petrovski, 2011).

In ancient China, the construction of the Great Wall began in the 7th century BCE and continued through many dynasties. The project involved managing thousands of workers, coordinating logistics for materials, and strategic planning for defense and security. The emperor and his advisors had to establish systems for training, recruitment, supervision, and supplying workers with food, materials, and other necessities.

In ancient Mesopotamia, complex systems were crucial for agricultural production. Managing these systems required planning, organization, and coordination of large groups of workers to construct and maintain irrigation channels. The Babylonians even developed laws to regulate water usage, as seen in the Code of Hammurabi. This code contained 282 laws detailing legal procedures concerning minimum wages, property rights, inheritance laws, debtor-creditor relationships, management of obligations, and penalties for non-compliance. It

also included early references to accounting, making it one of the oldest and best-preserved legal documents from the ancient world.

A biblical example from the Old Testament illustrates Joseph's role as a manager at the state level in ancient Egypt. His ability to manage grain storage facilities, forecast agricultural yields, and plan for the consumption of available reserves highlights fundamental management principles (Holy Bible: The Book of Genesis). Another biblical figure, King Solomon, renowned for his wisdom, practiced management through contractual agreements with neighboring nations, hiring skilled artisans to construct temples.

The Roman Empire was renowned for its advanced infrastructure, which included extensive roads, sophisticated aqueducts, and impressive public buildings. The construction and maintenance of these structures required efficient management and organization. The Romans introduced innovative administrative techniques to coordinate these projects, such as hierarchical structures and documentation systems. A notable example is the construction of the Roman road network, which facilitated the rapid movement of military forces and trade throughout the Empire.

Other globally significant examples of management practices and their functions can be found in ancient Greece, ancient Japan, the Venetian Republic, the Ottoman Empire, and ancient China—particularly in the teachings of Confucius and the strategies of the Chinese general Sun Tzu (600 BCE)—as well as many other historical civilizations.

Concept of Strategic Management

Strategic management is a process that encompasses the decisions and actions taken by an organization to achieve long-term goals and competitive advantages. This process comprises several phases: environmental analysis, strategy definition, implementation, and control. Strategic management is formulating, implementing, and evaluating decisions that enable an organization to focus on a long-term vision and adapt to changing market conditions. Most authors define strategic management as the science and art of defining, executing, and measuring results that involve various business functions, enabling the organization to achieve its objectives. Strategic management is an integrative process that involves activities across various organizational functions, including marketing, finance, accounting, production operations, research and development, information systems, and information technology. (Stanković, 2021).

The term "strategic management" derives from two key concepts: strategy and management. The word "strategy" comes from the Greek word "στρατηγία" (stratēgia), meaning "the art of the general" or "military art." This word is composed of two parts: "στρατός" (stratos), meaning "army," and "ἄγω" (ago), meaning "to lead." In its original sense, strategy referred to the military plans and tactics employed by generals to achieve their military objectives. Over time, the concept of strategy began to be applied in other contexts, including business.

In its original sense, management refers to coordinating activities, resources, and personnel to achieve goals. With the development of the Industrial Revolution and the emergence of large corporations, the concept of management became a key tool for the efficient functioning of organizations.

Today, the term strategy is used in various areas of everyday life, and specific decisions are made in different forms of work. Strategic management, a combination of strategy and management, refers to the process of managing an organization by formulating and implementing long-term, strategic plans.

In the modern business context, strategic management involves analyzing internal and external factors, formulating long-term goals and strategies, implementing these strategies, and

continuously monitoring progress toward achieving the set goals. Contemporary literature connects strategic management with strategic planning, as strategic planning is the first phase in strategic management. (Stanković, 2021).

Strategic management is a concept that has evolved through the contributions of many theorists and practitioners over time. Although it cannot be attributed to a single individual, several notable authors have made significant contributions to the development of this discipline. Among them are Alfred Chandler, Igor Ansoff, Peter Drucker, Michael Porter, Henry Mintzberg, Jay Barney, and others.

Strategic Management in Culture

Culture, like any other social activity, requires planning, organizing, leadership, team building, and control. This means that management is universally applicable and necessary. The cultural development strategy should be applied in the context of socio-political changes and be participatory, involving members of the public, civil society, private sector, and other relevant stakeholders. Above all, the strategy should be based on democratic principles, particularly the principle of accessibility to cultural content. (Grujić, 2020- DOI: 10.19090/cit.2020.36.103-114). Strategic management in cultural institutions is essential in modern times, as it fosters market success, economic viability, and operational efficiency. (Dragičević-Šešić, 2003). British literary historian and cultural theorist Raymond Williams defines culture as the work and practice of intellectual activity, encompassing beliefs, practices, and ways of life that distinguish one ethnic group from another. (Trajanova, 2019). According to the Law on Culture, culture in the Republic of Macedonia is a fundamental value. It encompasses creativity, the publication of artistic works, and their protection and utilization. (Trajanova, 2019).

Strategic Management in Libraries

Strategic management in libraries encompasses processes and techniques that facilitate the planning, development, and implementation of long-term goals and strategies to enhance services, resources, and operational efficiency. It also includes analyzing internal and external factors, setting and defining goals, developing strategies, and monitoring and evaluating the results. Strategic planning in the culture field, including libraries, is not a novelty, as its implementation has been discussed for some time. Countries worldwide and in the region are adopting strategies to develop their culture. Similarly, the Republic of North Macedonia has a strategic plan for the period 2024-2026, a document prepared by the Ministry of Culture, aimed at providing an overview of cultural activities in the country, the developmental trends of the cultural and creative sector, and presenting an action plan to create a favorable environment to increase the role of culture in the development of the country's stability, its society, and every individual. On a global level, there is a high awareness of the role of libraries in overall economic and social development, which is supported by the International Federation of Library Associations (IFLA).

Library management can be defined as a process involving a series of interconnected activities related to planning, organizing, leading, and controlling that are carried out through collaboration with others and the effective use of available resources in the library, all aimed at fulfilling the mission in the modern world. (Kasapović, 2012). Strategic management in libraries should assess the current situation, identify the reasons that may hinder potential success, and evaluate the completion of tasks, among other key considerations. When determining the development strategy in libraries, the so-called 7S4 framework can be considered, which includes:

- Strategy
- Structure
- Systems
- Skills
- Shared values
- Staff

This approach helps determine whether the strategy aligns with the library's goals and values.



Fig. 1. 7S Model (Majstorović, 2013)

Conclusion

Strategic Management is essential for the long-term success of organizations. Through strategic management, continuous governance, informed decision-making, efficient use of available resources, and adaptation to changing social conditions, these objectives are enabled. By carefully planning and organizing strategies, all organizations can achieve a competitive advantage and ensure long-term stability and growth. Every current or future manager should base strategic management on key activities and principles related to setting a clear mission and vision for the organization. The vision should be clearly defined to inspire and guide employees toward achieving the common goal. The mission should describe the core priorities of the organization. Another important activity is analyzing the current state, setting long-term goals, and focusing on their implementation. The manager, as the leader of the organization, must possess specific skills and capabilities related to flexibility and adaptation, continuous learning, teamwork, leadership, and organizational skills, and culture—both personal and corporate, which implies the development of a positive and productive atmosphere within the organization, as well as fostering good internal and external communication, etc. In other words, the manager should be a person who fosters equal participation in processes, promotes understanding, motivation, and personal and organizational development for all involved.

Strategic management should be applied by all societal organizations, regardless of their activity. Institutions in the field of culture should also pay special attention to it, as its use simplifies all processes and decisions. Cultural institutions, such as libraries, should also

implement strategic management more frequently, as important institutions connected with education, science, and culture play a crucial societal role. Libraries worldwide recognize the importance of strategic management in daily operations, particularly in decision-making, as it helps libraries achieve their vision, mission, and long-term goals more efficiently.

Macedonian libraries must also use strategic management more extensively and frequently in their processes, as they have an important cultural and educational mission. Each library determines its goals differently, depending on various factors, such as the type of library, financial resources, the number of users, and population size. Implementing strategic management in libraries primarily depends on the managerial knowledge of the leaders.

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