

# Reinterpretation of the Strategic Concept Based on Mintzberg's Strategic 5p Model

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**ABSTRACT.** *In order to help people understand the whole process of enterprise strategy, we explore the definitions of plan, ploy, pattern, position, perspective based on Mintzberg's strategic 5p model and think about the relationship between these concepts.*

**KEYWORDS:** *Strategic 5P model; Enterprise strategy, Henry Mintzberg*

## 1. One Definition of the strategic 5P model

Henry Mintzberg draws on the four elements of marketing, and proposes the strategic 5P model, namely, plan, ploy, pattern, position, and perspective. Strategy is a plan that can be understood as a clear path for the future of the company; strategy is a ploy that can be understood as a specific action of the company in a specific situation, in order to consolidate its position and threaten the competitor; strategy is a pattern that can be understood as not necessarily formed by prior design, but the result of human behavior; strategy is a position that can be understood as an enterprise that effectively allocates resources by correctly understanding the position of the industry in which it is located, and ensures the enterprise's competitive advantage; strategy is a perspective that can be understood as the value orientation of the enterprise to the environment and the individual's inherent perception of the objective world. By sharing the expectations and behaviors of the members, the expectations and actions of individuals in the group are in agreement with the enterprise.

### 1.1 Strategy is a plan

Strategy is a solution to how a company can move from its current location to its future position before it conducts its business activities. This is a forward-looking, overall, and systematic plan. The primary task of the plan is to set a strategic goal for the enterprise. The various departments of the enterprise need to run this strategic goal in an orderly manner. The plan provides the development direction and access to the enterprise, which is the conceptual guidance before the enterprise's action, and is the result of the actions taken at each stage of the company's future

development.

### ***1.2 Strategy is a ploy***

Although Mintzberg does not discuss strategy as a ploy alone, companies can't just formulate a general strategy, not solve the problem that lies in front of the eyes, that is, ploy is a rapid strain behavior made by enterprises in the face of external unfavorable factors. The result of Mintzberg's survey shows that most managers do not consider the long-term future of the company when making decisions. Their activities are characterized by short-term, diversified and discontinuous, which determines the quickness and inaccuracy of management implementation by managers. And most managers prefer soft information such as verbal information to hard information such as documents. Therefore, under the complexity and dynamic nature of the external environment, the managers of the enterprise can only deal with the current situation in an acute manner. For example, after a vigorous exercise in the summer, a person immediately took a sip of water. Although this saliva solves the problem of thirst, drinking water immediately after taking exercise may stimulate the stomach of the person and make the body feel uncomfortable. This thirst-quenching water is a ploy that only stresses the enterprise and avoids the current unfavorable environment in a stressful and rapid manner. It is an action that only pursues rapidity and does not contain accuracy.

### ***1.3 Strategy is a pattern***

The company can rely on past experience to deal with similar emergencies, which is the stable action formed by enterprises. We call the external environment full of uncertainty, complexity and unpredictability a chaotic environment. The strategy at this time can be regarded as an enterprise establishes adaptive pattern based on chaotic environment. Such a pattern cannot be used in theory at a glance, and can only be gradually formed in practice. For example, steel companies can consider the integration of vertical integration in the face of rising raw material prices and still very strong demand for steel. A strategy like this in which enterprises directly apply the analysis of the chaotic environment is a pattern that has been polished in practice.

### ***1.4 Strategy is a position***

It is crucial for enterprises to constantly self-inspection, understand their strengths and weaknesses and to identify unique positions in the market. The positioning of the enterprise is reflected in the internal resource allocation focus and the external brand image characteristics. Although the degree of strategic execution and the total amount of resources owned by the enterprise are uncertain, the limited resources of the enterprise can be fully utilized and the effective reserve of the enterprise can be guaranteed in limited time and space through the strategy. Then from the establishment, expansion and consolidation of the brand, it needs strategic

guidance. Only by fully understanding the core cultural values of the brand can we further strengthen the brand image and promote the development of the company with the correct strategy. By identifying the product positioning, enterprises can enhance the competitiveness of their products in the market, thus effectively combating the enterprise's competitors.

### ***1.5 Strategy is a perspective***

Mintzberg thinks that from the view of internal organization, there is no strategy, but in collective action, making individual actors as a whole is precisely a strategy. In the face of the same dilemma, each company will choose different strategies, and the differences depend on the difference of corporate perspectives. Such different choices can be said to be the instinctive actions of enterprises. The solution that the managers of the enterprise are willing to adopt is the successful strategy that the enterprise has implemented in the past. Every enterprise's perspective is different. There are some enterprises sticking to the rules, some enterprises innovating actively. And in a constantly changing environment, enterprises are not sure whether the strategy will have a good impact or a bad impact.

## **2. Conclusion**

The five factors of Mintzberg's strategic 5P model cannot be treated as a complete strategic definition of the enterprise alone. The viewpoint ( i ): although the plan is the guide of long-term action of enterprises, and the ploy is the guide of short-term action of enterprises, the plan is not a simple summation of the plan; the viewpoint ( ii ): the pattern is the enterprise's adaptive strategy to the chaotic environment, and the position is the strategy that the enterprise formulates through the continuous self-inspection. Therefore, the perspective of the enterprise is based on the pattern and the position; the viewpoint ( iii ): The objectives of the perspective should be consistent with the objectives of the plan, then the enterprise can develop better; the viewpoint ( iv ): If the perspective does not change, the pattern and the position of the enterprise are also difficult to change; the viewpoint ( v ): The plan is a theoretically feasible strategy conceived before the enterprise's actions. And the pattern is accumulated by a continuous practical action. For enterprises, the plan and the pattern are equally important and complement each other, are indispensable. All in all, in Mintzberg's point of view, although the strategy is dynamic and stable, the environment in which the enterprise lives is unstable and constantly changing, so strategy cannot completely and effectively avoid risks. Therefore, the effectiveness of strategies is equivocal.

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