



International Journal of Control Theory and Applications

ISSN : 0974-5572

© International Science Press

Volume 9 • Number 44 • 2016

Strategic Thought and TIC as Tools of Management of Neighborhood Grocery Stores' Owner

Eduardo Chang Muñoz^a and Nohora Mercado-Caruso^b

^{a-b}Universidad de la Costa, Barranquilla, Colombia. Email: ^aechang1@cuc.edu.co; ^bnmercado1@cuc.edu.co

Abstract: Neighborhood grocery stores in Colombia and Latin America had strengthen and it looks like they are winning the struggle against chain supermarkets. A lot of experts had predicted that these - Neighborhood grocery stores- would disappear as global operators come into the scene. With non experimental transversal descriptive design, positive focus and field research with the application of a questionnaire of measurement on a 4500 grocery store population. Results showed that a neighborhood grocery store owner tends to make an analysis or reflection seeking consent from close related people for taking and adopting immediate decisions. Regarding the use of TICs, he reports having access to computers as a the main mean for being in touch relatives; in third place, for the business, it can be concluded: for neighborhood grocery store owners, the main competitors are other neighborhood grocery stores or local barns, but not the big chain supermarkets.

Keywords: Strategic thought, information and communication technology, neighborhood grocery store owner.

1. INTRODUCTION

In the 90's big chain stores and supermarkets arrival took place in latin america. Colombia wasn't the exception and they got into competence; Éxito (Casino group from France) in 1999, Macro (Netherlands) in 1995, Carrefour (group from France) in 1998, Alkosto in 1999. This scenario was pointed as a great threat to neighborhood grocery stores as theses operators arrived with their power, operative capacity and growth. In 1992 commerce's guru Henry Salem, facing this change, was invited to Colombia by Fenalco (National Federation of Traders), anticipated that in 2002, due consolidation of this big chains, their scale economies, variety of products, variety of brands and low prices offered, neighborhood grocery stores would disappear. The neighborhood grocery store didn't weakened, it had shown its strength along the years and ratified in moments of zenith and crisis of the economy which is the best allied of business men for reaching final consumers [1].

Supermarkets win battles but not wars. Today, 54% of consumers prefer shopping in neighborhood grocery stores rather than in big super markets (Money Magazine, 2011), this means that 54% of retail sales are done this way [2]. This phenomenon is more complex in other zones where 70.4% of the sales are done in neighborhood grocery stores and only 24.9% are done in supermarkets [3].+

It will be necessary look inside the neighborhood grocery store owner's thoughts to understand the result of this type of business. [4] proposes the importance of looking inside the collective strategist's head, but with a wider vision. Strategic thought can be defined, on one hand, as the way it is visualized in the outside world, mainly in defying and uncertain situations. On the other hand, as the way of applying a group of techniques for defining and solving problems. Strategic thought allows identifying and localizing opportunities for obtaining a competitive advantage as well as risks and threats, which must be avoided.

Handling of information and communication technologies in any field includes counting with an integral ability in order to use any means for transmitting, comprehending and receiving ideas and thoughts as a part of verbal, written and digital knowledge. Technological development, globalization and regular use of computer has given free pass to digitalization of the information, making easier the access to information generating an alternative for communicating. Under this context a change has been generated for the re conceptualization of the system, introducing a new tool which wasn't handy before: Machines.

Neighborhood grocery stores are part of latin american culture, which makes necessary finding new ways of inviting the continuity of the family business, adapting it to the needs of the information era and tendency to develop people, knowledge of management can have a fundamental role for empowering managers of the neighborhood grocery stores letting them seeing and finding new sources of business through strategic thought and use of strategies in the application of TICs which would allow new ways of thinking, acting, managing and adopting practices which take organizations to survive and being competitive in the globalized world.

2. STRATEGIC THOUGHT AND TECHNOLOGIES OF INFORMATION AND COMMUNICATION

Prussian general Carl Von Clausewitz (1780 - 1831) is considered the father of strategic thought. In early XIX century, he wrote a treatise about war and its principles that regulate it, as well as the way of managing armies in times of war. In the academy and in management, over all, the term strategic thought has escalated. [5] makes a synthesis on how different authors define strategic thought: Combination of analytic methods and mental elasticity for obtaining competitive advantages; method for finding vision and obtaining "perpetual vigor" for that vision; individual, includes application of judgement based on experience to determine future directions, strategic thought of the business and coordination several creative minds in one common perspective which allows business to go on towards the future in a satisfactory way; state of conscience, attitude and culture oriented to be proactive, gets ahead of the future to reach comprehension, knowledge of the enterprise and business in a more global way; habit that allows observing reality from a different perspective and the environment should be seen as a part of a complex system. Strategic thought emphasizes synthesis using intuition and creativity for a better integrated perspective of the business. When organizations are analyzed, it is observed that men don't act by just individually, but as a representative of that organization.

Strategic attitude [6] points out the need of a change of attitude in the direction for making possible a quick adaptation of the business to the environment, more turbulent everyday and emphasizes that the direction's center of attention should displace from the internal ambit and efficiency, to the core of the relation between environment and efficiency. Strategic purpose points out the way that should be followed in the future of the organization, which possesses the attributes of orientation, discovery and destiny. In this sense, [5] point out that the anticipation to the industry's future should be based in a "deep comprehension of the life styles' tendencies, technology, demographics and geopolitics, but it must be based on imagination and prediction. Nevertheless, [4] proposes that the starting point of strategic thought is understanding that the human brain is the tool that is going to be used in the process. It is not based on linear thought. It is also accepting that the recipe for reaching success in the strategy's execution consists in combining analytical method with mental flexibility to accept that

the strategy's logic is paradoxical. The term strategic thought encircles multiple concepts like intuition, creativity, integrated perspective, mental flexibility, strategic management attitude and proactive anticipation of the events.

The adoption of technologies of information and communication and e-commerce, in particular, benefit enterprises in the way they make possible reductions in transactions costs and increase processes and organizational operations' speed and efficiency. They are tools that allow a better communication and interaction with customers, partners and providers, giving information about products, online shopping among others. In the case of micro, little and middle sized enterprises, their innate fragility, due lack of resources, sharpens when facing the rapid changes of technology and market [7].

Technologies Information and communication don't constitute a competitive advantage by themselves in the knowledge of science of the XXI century, given that as their availability rises and their costs lowers, they become regular factors of production. Nevertheless, TICs can contribute intangible resources like generation of knowledge, creation of synergies or transformation of the processes of business, creating competitive advantages [8].

The technologies of information and communication (TIC) [9] which have turned into a catalyzer of organizational processes, no doubt constitute themselves of support tools of enterprise management stumbling upon construction of strategies oriented to competition and innovation, generating sustainability for the organization and society. Incorporation of TIC to the enterprise environment is a complex process, because it involves multiplicity of dimensions. In colombia's and latin america's MiPymes TIC's availability and use are very low in internet environment. This shows an important competitive disadvantage in an environment which demands being prepared to participate in a market that is day by day more interconnected in a national level and in an international one too [10].

Other authors remark theoretical proposals about effects of technology in the development and modernization of the organizations have two main focuses: The first one talks about originated benefits which come along the use of innovations and see in technology the key for civilization's development. The second one, questions the results practical applications of science, its influence in human development and remarks the negative effects of technological growth. Innovation allows the organization so it can respond efficiently to changes imposed by the market, with the goal of obtaining competitive advantages sustainable in time [11] and this way it can promote economic growth. Nevertheless, not all enterprises make innovations due to the lack of ease nor resources. They face limitations when undertaking innovation activities, like in the case of Latin American Pymes that have an important role in the economic development of countries, given their contribution to the economic growth and generation of wealth. Enterprises should establish internal and external knowledge flows for taking advantage of their innovative potential, requiring the development of some capability for recognizing that external valuable knowledge and subsequently getting to transferring and exploiting it [12].

3. METHODOLOGY

It was used a non experimental transversal descriptive correlational design with quantitative focus, which has as purpose empirically measure the degree of relation between strategic thought and use of TIC in neighborhood grocery store performance. Addressed stores were pic ked randomly with a 5% error margin and a 95% confidence level. Data was recollected through a structured survey with hierarchized and Lykert type of questions to 273 neighborhood grocery store owners.

4. RESULTS

Results, that from the qualitative point of view respond to [4] theory and other authors who affirm that strategic thought develops itself in an individual manner and collective also, supporting the experience with the coordination

of several minds and collective mental elasticity for projecting itself forward, basing itself in experience and putting in practice what was learned in previous situations.

It is presented through Figure 1 the statistical representation of strategic thought as individual and collective integrated attitude.

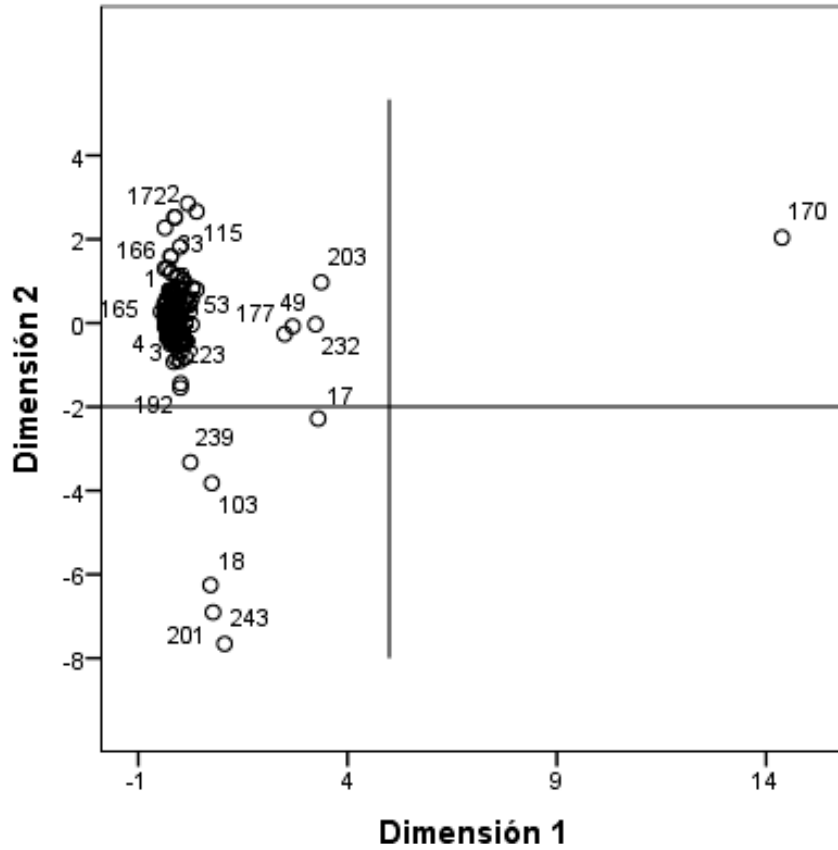


Figure 1: Bispacial for experience component

When making an analysis of multiple correspondence, it is observed that the stores, for their most part, have similar characteristics, due great concentration of dots in a specific quadrant (see graphic 1). Variables that best discriminate within dimension are: Determination of assortment and supply 0.703; Setting of prices 0.677, setting of sum and credit 0.623 and setting of customer pleasure and need 0.786 (see Table 1). This similar characteristics of neighborhood grocery stores allow us to infer that somehow neighborhood grocery store owner's acting is individual and based on his own experience, allowing him to understand this way the system in which he develops. Managers of the majority of enterprises manifest they know the selling price for supplying his costs and expenses (98.46%) [14].

In the same way, results show the scant predominance of consent and collective mental elasticity in the decisions of the entrepreneur. According to the theoretical fundamentals that support this dimension, the impact of strategic thought as an intuitive resource for development and growth of neighborhood grocery stores is distinctly individual based on his experience.

Results show a predominance of a vision of the neighborhood grocery store owner's future specifically in posture and answer before the changes in market and environment. 50.8% take immediate decisions and adapts immediately, while 19.2% don't think in that, 11.3% just let things happen and 18.8% take decisions slowly.

Table 1
Discrimination measures for experience

	<i>Dimension</i>		<i>Measure</i>
	1	2	
People who work at the store	,072	,046	,059
Years of work in the bussieness	,026	,146	,086
Setting of settlement	,015	,205	,110
Assortment and supply	,560	,703	,632
Price setting	,525	,677	,601
Setting of sum and price	,623	,178	,400
Setting of choice and need	,786	,016	,401
Active Total	2,606	1,970	2,288

Table 2
Discrimination measures for vision of future

	<i>Dimension</i>		<i>Average</i>
	1	2	
Process of analysis and reflection before changes in the environment	,138	,176	,157
Posture before changes in market	,483	,203	,343
Realization Objectives, mission and vision as vision of future	,057	,342	,199
Knowledge of objectives, mission and vision as vision of future	,036	,553	,295
Business success	,207	,058	,133
What's most important of the business	,541	,002	,272
Active total	1,463	1,334	1,399

Posture before changes in market (0.483), knowledge of objectives, elements of mission and vision of future (0.553), what's most important of the business (0.541) described in Table 2 are the variables that best discriminate within this component and support the results according the interpretation and theoretical contrast.

Table 3
Discrimination measures for the environment

	<i>Dimension</i>		<i>Average</i>
	1	2	3
Takes as ground point prices of competition	,002	,403	,202
Greater competitors	,193	,032	,112
Store's location helps the sales	,152	,132	,142
management of assortment and supply criteria	,290	,135	,212
Setting of price criteria	,005	,474	,240
Perception of service providing comparing it with the competition	,446	,220	,333
Active total	1,579	1,466	1,523

Likewise, discrimination measures for the environment component, the most important ones, are the criteria for setting prices 0.474 and the perception of the competition on how the service is provided with 0.446 (see Table 3). The owner's importance of choice making can be inferred acting from the inside of the enterprise when setting prices from his rationality and efficiency and acting under a perspective of efficiency facing the

environment, observing competitors capacity in the way and quality of the service they provide. Results respond to [6] postulate when establishing the strategic attitude. It points out the need of a change of the direction's attitude for making possible the enterprise's quick adaption to an environment everyday more turbulent. The center of attention must displace from the internal of the enterprise and efficiency to the relations enterprise-environment and efficiency. 55% of the owners says having a computer in his house or business. Its principal use corresponds to the opportunity of communicating with relatives (27.8%). 24.8% uses it for the business. 89.5% don't use any program or information system in their business. In cases where they do, 51.7% use the program themselves, 28.5% their children, 14.8% relatives and 5.3% an employee. 87.2% reported the use of a cellphone as main electronic device for personal use, 6.7% use small laptops, 5.5% has digital cameras and 0.4 use tablets. Among other electronic devices used in business, Tv systems stand out and some of them with cable (45.1%) and the use of a digital scale (39.5%). 75% of owners do not have a Facebook account. 64% don't have access to an email client. Also, 83% haven't got the chance of counting with any sort of training for the use of computers or any sort of specific office automatization program. 79% considers that the use of any information system or calculation program could optimize the management of their business. Also, 85% considers they would like to receive any training for using a program or information system oriented to make their business better and bigger.

5. CONCLUSION

The determination of the assortment and supply (0.703), setting of prices (0.677), setting of sum and credit (0.623) and pleasure and need of customers (0.786) show that the owner's acting is individual and based on his experience. About a proactive perspective of strategic thought as a vision of future are evidenced in the posture and immediate answer facing the changes of the environment with a discrimination indicator of 0.483, what makes us understand a proactive attitude of perdurability in the future.

The most important discrimination and the setting of prices (0.474), the competition's perception on how the service is provided shows internal choice taking in the setting of prices and knowledge of the environment and competitors in the quality of the service they provide. Owners report having a computer at their houses as a mean of communication with they relatives and use it as a tool for their business in the third place. The majority don't use a program or system of information in their business.

REFERENCES

- [1] Revista Dinero 2003. La tienda no se Rinde. Edición 184.
- [2] Revista Dinero, 2011. "Tiendas de barrio, siguen siendo las favoritas de los colombianos", obtenida de: www.dinero.com/economia/articulo/tiendas-barrio-ssiguem-siendo-favoritas-colombianos/138787 consultado 16.8. 2016.
- [3] (Fenalco, 2011).
- [4] Mintzberg, H. (1998). Mintzberg on Management. Inside Our Strange World of Organization Madrid España. Ediciones Diaz de Campo. 1991.pp 130-135.
- [5] Alvarado, Yajaira y PAZ, Dirmero (2010). "Elementos del pensamiento estratégico en las empresas cooperativas". Revista de Ciencias Sociales, vol XVI no 3, septiembre-diciembre, 2010, pp. 430-441. Universidad del Zulia, Maracaibo, Venezuela.
- [6] Menguzzato, M. (2001). La Importancia del Empresario en el crecimiento de las Pymes: Una aplicacion al sector de la Ceramica Española. *Investigaciones Europeas de Dirección y Economía de la Empresa*, 87-98.
- [7] Jones, c., Motta, j. & Alderete, m. (2016). "Gestión estratégica de tecnologías de información y comunicación y adopción del comercio electrónico en Mipymes de Córdoba, Argentina". *Estudios Gerenciales* 32 (2016) 4-13.

- [8] Carr. (2003). Effects of exemplar training in exclusion responding on auditory-visual discrimination tasks with children with autism. *Journal of Applied Behavior Analysis*, 507-524.
- [9] Stern. (2002). A Strategy for Development. Washington D.C.: The World Bank. *Estudios Gerenciales*, 355-364.
- [10] Gálvez, E Riascos, S. & Contreras, F. (2014). “Influencia de las tecnologías de la información y comunicación en el rendimiento de las micro, pequeñas y medianas empresas colombianas”. *Estudios Gerenciales* 30 (2014) 355–364.
- [11] Vermeulen, H. (2004). Models and modes of immigrant integration... and where does southern Europe fit? In C. Inglessi, A. Lyberaki, H. Vermeulen, & G. J. van Wijngaarden (Eds.), *Immigration and Integration in Northern versus Southern Europe*. Athens: Netherlands Institute in Athens.
- [12] Flatten, T., Greve, G. y Brettel, M. (2011). Absorptive capacity and firm performance in SMEs: The mediating influence of strategic alliances. *European Management Review*, 8(3), 137–152.
- [13] Gabriela Citlalli López-Torres, G. M. (2016). Collaboration and innovation activities in SMEs. *Contaduría y Administración*, 568-581.
- [14] Velandia, G., Hernandez, L. Portillo, R y Otros (2016). “Rasgos de la Administración de la Microempresa en Barranquilla, Colombia”. *Revista Espacio*, 7-30 en: <http://www.revistaespacios.com/a16v37n09/16370907.html>. consultado 16.8. 2016.

