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## A STUDY ON ARTIFICIAL INTELLIGENCE IN THE USE OF STRATEGIC MANAGEMENT PLANNING AND DECISION-MAKING PROCESS

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### **Abstract :**

### **Introduction :**

*Artificial Intelligence (AI) has become a critical path of an innovation in strategic management by collecting data, decision-making, forecasting, and improved organizational growth.*

### **Aims :**

- 1) To examine the role of artificial intelligence in strategic management.*
- 2) To examine the concept and evolution of artificial intelligence in the context of strategic management in business.*
- 3) To examine the new applications of artificial intelligence in strategic planning and decision-making process.*

### **Methods :**

*This research totally based on secondary data collection by the helps of news paper, magazines, articles, journals, etc.*

### **Result :**

*This paper examines the role of artificial intelligence in strategic management, major factors of this study technologies, applications, benefits, and challenges. This study demonstrates how AI helps businesses for decisions about the business.*

### **Conclusion :**

*The importance of ethical governance and artificial intelligence collaboration in the business for development of business.*

**Keywords :** Artificial Intelligence, Strategic Management, Decision-Making, Business, Strategy, governance.

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## **Introduction :**

Strategic management focuses on formulating and implementing the strategies that encourage business enterprises to achieve long-term objectives and sustainable growth of Business. (Wheelen et al., 2018). The rapid growth of business, enlarge the advances in computing power, has accelerate the adoption of Artificial Intelligence in strategic management in decision-making process. A business enables organizations to analyze critical environments, market trends, and responded quickly to uncertainty (Davenport & Ronanki, 2018). This paper found how AI is important in strategic management processes and influencing organizational behaviour. Strategic Management Foundations Strategic management involves the business environmental condition, strategy formulation, implementation, growth and evaluation (David & David, 2017). Traditional formates such as SWOT analysis and Porter's Five Forces have guided the manage in understanding business (Porter, 2008).

## **Artificial Intelligence in strategic Management :**

AI refers to systems capable for performing tasks that normally required human intelligence, such as learning, data collection, reasoning, and new pattern recognition (Russell & Norvig, 2021). In management research process, AI is increasingly used to support decision-making process, automate processes, and expand organizational learning (Brynjolfsson & McAfee, 2017).

AI and Strategic management Decision-Making shows that AI increase the strategic decision making process and quality by reducing few bias, increasing speed, and enhancing accuracy (Shrestha et al., 2019). However, research has also emphasize on AI should complement, rather than the replacement, human judgment in strategic management process. (von Krogh, 2018).

AI Technologies Relevantly to understand the Strategic Management process, Machine learning process algorithms analyze historical form and real-time data collection to identify the trends and predict for future (Jordan & Mitchell, 2015). Natural thing that is processing (NLP) enables business organization to extract insights from unstructured data base such as news articles and customer reviews (Davenport et al., 2020). Decision making process support systems powered by AI helps to executive in evaluating the strategic alternatives and resource allocation management. Applications of AI in Strategic Management.

AI supports strategic management planning process by simulating the business areas and scenarios and forecasting market developments (Wamba et al., 2021). In AI formulates and monitor customer behavior and industrial trends in real time management. AI analytics also optimize resource allocation and risk management process to evaluated by identifying the inefficient and potential resources. (Bughin et al., 2018).

Benefits of AI in Strategic Management process that integration of AI enhancement decision accuracy, speed, and scalability (Davenport & Ronanki, 2018). Business Organizations benefit from improved forecasting, planning personalized strategic insights, and



the ability to adapt rapid growth into an environmental changes. These ability to contribute directly to sustained competitive advantages (Porter & Heppelmann, 2015).

### **Challenges :**

Artificial intelligence adopts present challenges related to data, ethical concerns, and decision-making process (Floridi et al., 2018).

Lack of explainability can understand the trust in AI strategies. Additionally, organizations often in the skill gaps and cultural resistance when integrating the AI into strategic management process. (Raisch & Krakowski, 2021).

### **Findings of the Study :**

Artificial intelligence enhances the strategic management decision-making process quality. This study finds that artificial intelligence significantly improves the accuracy and consistency of strategic management process decisions by enabling data collection analysis and reducing the managerial cognitive bias.

Improved environmental scanning and future forecasting to enhance the business organization's ability to monitor market trends, competitor behavior, and customer satisfaction and better preferences in real time, leading to more reliable strategic forecasting.

Increased business organizational ability and responsiveness to organize and adopting AI in strategic management process. Faster response to environmental changes compared to those relying on the traditional strategic management tools. Optimization of resource allocation Artificial Intelligence support efficient allocation of financial resource, human, and operational resources by identifying the optimal investment options and reducing waste ideas.

### **Conclusion :**

Artificial intelligence is reshaping the strategic management tools by enabling data collection, and forward decision-making process. While challenges related to ethics, governance, and implementation, decision-making process. AI offers substantial potential to enhance the strategic management benefits. Business organization that effectively integrate AI with human expertise are more likely to understand to achieve sustainable development.

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