

what is strategy



1. The Determination of basic long-term goals and objectives of an enterprise.
2. what management decides about future direction.
3. Commitment of specific Productmarket.
4. Competitive moves to achieve objectives.
5. Strategy is called
↓
the game plan of management.
6. matching resources to
changing environment
7. determining what the enterprise ought to be changed.
8. Resource allocation
used to relate
to its environment

9. The master strategy refers to mission and long-term objectives.

From the text of

DATE

10. Programme strategy is a specific action plan.

11. Involving improvement in

1. Product design
2. market Penetration
3. sales Promotion.

② Scope of strategic management



The management Processes and decisions



which determine the long-term structure and activities of the organisation



This definition incorporates

the following key themes



1. management Process

2. management decisions

3. Time scales

4. structure of the organisation

5. strategic decision makers

6. stages of strategic management

1. management Process



management- Process as relate
to how strategies are created
and changed.

2. management decisions



The decision must relate
clearly to a solution of
Problems



how to avoid a threat.
how to capitalize on an
opportunity

3. Time scales



Time frame is prepared
for sales level,
Production level,
Technology Changes.

4. structure of the organisation



An organisation is managed by people
within a structure

The managers work together
within the structure

From the desk of



DATE _____

The strategic change
should be adopted.

~~Strategic decision makers~~

5. Strategic decision makers



1. Top management
2. Other managers and staff members
3. Board of directors

6. Stages of Strategic Management



strategy
~~strategy~~ Formulation
strategy Implementation
strategy Evaluation and Control,

③ Benefits of Strategic Management

14. Key Benefits of Strategic Management



After forming strategic Department
what ~~are~~ the benefits are there?



- ① Proactive approach is created
↓
positive, forward looking.
- ② Building an executive team → It is benefit
- ③ Horizontal team work.
- ④ Strategic orientation Process - It is benefit
- ⑤ outcome measures of success
- ⑥ making intelligent budgeting decisions
- ⑦ clarifying Competitive Advantage
- ⑧ Reducing conflict
- ⑨ Providing clear guidelines for
day-to-day decision making
- ⑩ Creating a critical mass for change
- ⑪ Simplifying the technical activities
- ⑫ Empowering middle managers
- ⑬ Speeding up Implementation of strategy
- ⑭ Providing tangible tools for
dealing with the stress of change

④ Risk management strategy



It Provides a structured and coherent approach



to identifying, assessing
The management Risk.

1. Regular updating is must - otherwise risk.
2. mgt must review old and move to new development - otherwise risk.
3. Risk assessment is must



1. where uncertainty surrounding.
2. To protect the organisation.

≡

4. A separate mgt Committee member



is appointed to deal about

Risk of organisation.



- every 6 months, committee members must report to the next higher committee.

5

Before sea risk



reter

1. Time
2. Environment
3. Problem ~~or~~ solving
4. strategic planning
5. lack of potential participants
6. Future is difficult to determine

⑥ Strategic management Approaches

From the desk of _____

DATE _____

~~Strategic~~ strategic planning is
an organisation's process

① Industrial organisational Approach

- Based on Economic theory



assumptions — rationality
self-discipline
behaviour
Profit maximization.

② The sociological Approach



It deals primarily with
human interactions

measure → ↓ attitude, taste

assumptions — rationality
satisfying behaviour

④ strategic management models

From the desk of

DATE _____

↓
It means strategic planning model

It is a tool used by managers to plan,
Implement the business strategy
strategic management model or plan

↓ Can be 6 stages

→ ~~Basic model of strategic concept~~

1. mission,
2. objectives
3. situation analysis,
4. strategy formulation,
5. application,
6. control

mission

1. top mgt team decides
2. roughly outline

objectives

1. objectives follow from its mission.



↓
It is aim is
to achieve mission

3. Situation Analysis



- It is 3rd stage
- Assessing current Environment
- used SWOT Analysis
- Strengths - market
Weakness - Competitors
Opportunities - see the situation
Threats - Competitor Strengths

4. Strategy Formulation



formed based on

Objectives
Environmental situation

5. Application



Application stage
Actual Implementation stage

most difficult stage

organisation members cooperation is

must

This stage is longer to complete.

6. Control

final step.

After implementation

Analyse the completed strategy

evaluation and control,

⑦⑧ Strategic change

From the desk of _____

DATE _____

1. A restructuring of business.
2. restructuring of marketing plan.
3. It is critical one, not ordinary one.
4. Changeable strategy provides — Direction.
5. By outlining the unique characteristics, what is changeable one.
6. outline newly its future risks.
7. frame team partness.
8. change should impact on people.
9. slow adoption of change.
10. study the situation for change.

Three steps for strategic change

① Identify change characteristics ③ Create a Change

1. How is the change possible
 2. who will affect — create team
 3. what is the Timeline — risks ^{structure} assessment
- scope of change — responsibility assigned.
- to know the impact — different solution to the same problem
- Time frame.

② Assess the organisation.

- assess the organisation's history and culture
- How much change is going on right now?
- compare with vision at present

⑧ Strategic leadership

From the desk of

DATE

1. It is ability to take decisions
2. It is the Prospects of the organisation
3. leadership approaches are different
varying from leader to leader

SL → aims to reach vision
gives the direction for growth

4. strategy is potential of leader
qualities of effective strategic leader

↓
1. Loyalty, 2. Keeping them updated

3. Judicious use of power
wider outlook

4. Motivation, 5. self control

6. Social skills 7. self-awareness

8. Readiness to delegate and authorize

9. Reliability → organisational
Swiss army knife

Strategic leader skills

1. The ability to align

one program is not master alone
alternate is must

1. Building an expanding skill set
by training

→ face new challenges

→ need new knowledge
new education

2. Having no fear of decision making



□ Fear may be
by inability

→ The ability to interpret and communicate



receiving information

filtering → to essential
matters

3. A willingness to challenge
or be challenged



seek out challenges.
looking forward
anticipating needs
new goals tomorrow

⑨ strategic decision making

From the desk of

DATE _____

Decision making is done for the attainment of the objectives.



1. operating Decisions
2. Strategic Decision.
3. Administrative Decision

1. operating decisions



① to maximise the Profitability \neq by current operations

② It is firm's resource Conversion Process



Raw material - work in Progress - Finished Products



for these decision is made.

③ operating decision based on



Resource Allocations, budgeting,

Supervision of Performance.

Apply Control operations,

Apply Control actions

④ operating decisions → Includes → 1. Production schedule
Inventory level, Pricing, marketing strategy

Strategic decision



It is top level decision

See - market opportunities

Administrative Decision



structuring of authority and responsibility

Characteristics of strategic Decision

1. Future orientation.

2. Value orientation → money based

3. Scope of the organisation decisions.

↓
to where strategy is needed

4. means to end

↓
mission and goal

5. Resource Commitment without loss.

6. Strategic fit to be know or change the strategy

7. Intent and stretch

8. Competitive orientation to be analysed.

9. Ramifications

10. Complexity should be simplified.

11. Uncertainty try to know

12. Comprehensive and Integrated

strategic decision is supporting to other activities also

Unit - II

①

Situation Analysis

From the desk of _____

DATE _____

Managers analyse the organisation's Environment
Analyse → Environment
 ↓
 Internal
 External

↳ to understand the organisation's
 ↓
 Capabilities
 Customers

To know the Business Environment,

→ Situation analysis

 ↓
 may be called as environmental analysis.

It examines the current status

→ A complete situation analysis

 gathers information on 4 areas.

↓

1. The Problem, → Its ^{causes} Causes

2. To know the people

 ↓
 who affected by the Problem.

3. where the people are → to know

4. Factors facilitating behaviour change

 ↓
 originally factors behaviour and

Change using any of

→ A small team → should conduct

↓

Situation analysis.

The team members
should include

↓



Communication staff }
social service staff } → all should involve
Research staff } in situation
analysis
work.

Team members should also

Consider



How to engage stakeholders.
sta

② SWOT Analysis

From the desk of _____

DATE _____

Strengths and weaknesses

Strengths

1. Strong brand Image ^{marketing}
2. Strong distribution network
3. Efficient and motivated Sales Force
4. High Quality Product

Weakness

1. Poor brand Image
2. weak distribution
3. Poor sales force
4. Poor product quality

Production

- | | |
|----------------------------|---------------------|
| 1. Economics of scale | 1. High cost |
| 2. Efficient inventory mgt | 2. Inefficient mgt |
| 3. Strong R & D support | 3. No R & D support |
| 4. New Technology | |

Finance

- | | |
|------------------|---|
| 1. High dividend | 1. very high Interest rate ^{payments} |
| | 2. poor Reserves |

Human Resource

- | | |
|--|------------------------------|
| 1. Qualified and Experienced ^{Human being resource} | 1. Excess Manpower |
| 2. Motivated Human resource | 2. Poor morale |
| 3. Good Industrial relations | 3. Poor industrial relations |

Management

- | | |
|-------------------------------------|-----------------------------------|
| 1. Efficient Board of Directors | 1. Inefficient Board of Directors |
| 2. Efficient and motivated managers | 2. Conflict between managers |
| | 3. Inefficient managers |

opportunities and Threats

opportunities

1. Import liberalisation
2. Technology policy
3. Capital market ~~reform~~ reforms

Threats

1. Liberalization of Foreign Investment
2. Technology policy
3. Political instability

③ Environmental scanning and

From the desk of

Industry Analysis

DATE _____

Environmental Scanning

External

Environmental variables



1. Strategic managers

must aware of



External environment

to identify possible

- Opportunities

- Threats

- strengths & weakness



monitoring
Evaluating

2. Technological forces.

3. Problem Solving

3. Political forces.

4. Sociological forces

Internal

Environment



within organization



To ensure

long term health



④ Forecasting (Prediction)
Predict or estimate.
(assumption)

From the desk of

Environmental Scanning - Provides

↓
data of

Present situation
Current trends

↓
result can be Predict

- forecasting ← Correct
Error
↓ Implement strategic plan

Projection of future
by present

Forecasting

↓
Techniques can be used

1. Time series method

↓ either occasionally
or frequently

↓ short run

Historical trend.

2. Brainstorming → knowledge based
ability - decisions.
development of
strategy

3. Regression analysis
↓
(union on L21)

⑤ Internal scanning



From the desk of

It is organisational analysis

1. Identifying - resources
2. developing →

organisation
men
money
material

resources



Strengths &
Weakness
Analysis.



1. Asset
 2. Competency
 3. Process
 4. skill
 5. knowledge
- ↓
Co-operation.
6. Potential.

Comparing



1. company's past Performance
2. Company's key competitors.
3. Financial situation.

Appraise



profit potential

Identifying resources gap.

⑥ mission (7) objectives

From the desk of
organisation's current mission should be
reexamined

↓
objectives should be made

↓
before the alternative strategies can be generated

→ First objectives framed, framed,
than alternative strategies can be generated.

↓

→ The formulation strategies → can be prepared
after the preparation of
mission and objectives.

→ Problem in Performance.

It is ↓ possible (when)?

If it is inappropriate statement of mission

→ If the company's objectives can
also be inappropriately ^{stated} ~~statement~~

↓

The strategy will fail.

The appropriate → mission should be
there.

→ If gap occurs → strategy should be
~~has to be~~ changed to improve the
Performance (or)

objectives should be

adjusted

objectives should be constantly reviewed to

8 Stakeholder Theory

From the desk of

Expectations are both sides. DATE _____

Internal holders

External holders

↓
Shareholders/owners
managers
Employees.
Directors

↓
customers
Suppliers
Government, regulators
Banks / Creditors
Trade unions

Internal holders

External holders

↓
organisation tries to satisfy
the expectations of the
Stakeholders

↓
1. customers pay the Price
for the Product

1. Shareholders buy Shares
2. Employees provide skill
3. Labour, managers undertake
decision-making
4. directors ~~provide~~ offer guidance
and supervision

2. Suppliers may supply
materials
3. Creditors provide finance
4. Govt. provides support
↓ regulations.

vat
GST

⊗ Stakeholders Power will influence on Strategy
formulation

Govt. influence are high
media influence is low

organisation is not able to satisfy all
stakeholders equally
↓
because Everyone's
expectation is varying
Employees through their unions may expect
and claim higher wages.

management requires → stakeholder analysis



to identify the relative importance.

Stakeholder analysis follows the steps

stakeholders

strategy should be used → to get the success ^{and} favour of powerful stakeholders.

They talk about

⑨ Cyert and March's Behavioural Theory

From the desk of modern Business → Computer, Telephone, ^{DATE} ~~for~~ usage of Business.

↓
Cyert and March → Two persons → gave Behavioural Theory

- single decision maker is an entrepreneur → It is old.
- Cyert and March → told → group of individuals who are engaged in the decision making process
- group of individuals can deal not only the internal organisation
- ↓
But also problem of uncertainty

→ Individual will have only limited information imperfect decisions.

→ Cyert and March regard the modern business firm Decision making process should be analysed in variables

↓
that affects organisational goals, expectations, choices.

→ They talk about

1. Production Goal, behaviour
2. Inventory goal "
3. Sales goal "
4. Market share goal, "
5. Profit goal "
6. Conflicting goal "
7. Price, ^{goal} behaviour

(6) Objectives of Non-Profit Organisation

From the desk of

DATE _____

~~Profit organisations will not provide~~

Certain things (social welfare)

- Non-Profit organisations will provide objectives social welfare activities.

- Provide road by non-Profit organisation

- Police Protection - not for Profit

- museums - Not for Profit

- schools - not for Profit

- Laboratories - Not for Profit

Non-Profit organisations act to uplift the culture and quality of life of the region.

different

Non-Profit organisations and its objectives

1. Religion organisation → uplift Religion
2. Education organisation → uplift Education
3. Charities → dnyanam
4. Clubs, Interest groups, unions
5. Health Care
6. Government

Non-Profit organisations

Private non-Profit organisation

Hospitals, Institutes, Private Colleges, organised charities.

Public Governmental

units/ agencies/ welfare departments, Prisons, state universities.

Free heart Checkup on street



From the desk of Business Ethics DATE _____

- Corporate Social Responsibility is → Considers Ethical issues.
- [strategic decisions of a] Company .
- ↓
- has Consider Social and economic Consequences
- Business provides to the Society
1. Employment
 2. Development of the society
 - 3 Provide benefits to the society
 - 4 should not spoil the humanity
- Social responsibility requires sound knowledge of society
- Economic responsibility ↓ sound financial knowledge
- Ethical responsibility ↓
- Positive Contribution to the society
 - ethics involves — learning what is right or wrong in work place
 - maintain moral principles in work place
 - science of conduct
 - values which guide how we ought to behave honest, fairness, responsibility
 - relationship with stakeholders.
 - How they should act
 - Business must retain a strong moral principle
 - Ethics will provide values / corporate values.

- Appropriate course of action to achieve its defined goals.
- actions that will lead to the anticipated results
- formulation and implementation of major goals.

Strategy Formulation

1. Setting organisations' objectives

- a) Long term objectives
- b) Short term objectives

- selection of objectives may be analysed.

- Then decisions on strategy is easy

2. Evaluating the organisational Environment

- Evaluate economic and Industrial Environment
- Review of organisations position
- Review for - quality purpose
- New market can be discovered

- To know competitors strengths and weakness

3. Setting Quantitative Targets

↓
so many no. of Targets

4. Aiming in context with the divisional plans

- strategic planning is done for each sub-unit

5. Performance Analysis

- discovering and analysing the gap between

- Analyse the past performance.
- To know the Present Condition.
- To know the gap — Plan
- To think possible future performance

6. choice of strategy

- Considering organisational goals.
- Considering organisational strengths.

Strategy formulation

↓ steps

1. define the organisation
- 2 " " strategic mission
- 3 " " strategic objectives
- 4 " " competitive strategy
- 5 Implement strategies
- 6 Evaluate Progress

② Business Strategy

Business Strategy

From the Desk of

For Business Growth

DATE _____

Competitive position

strong financial performance.

When high level strategy fails

↓ Business must either.

Change its approach or go out of Business

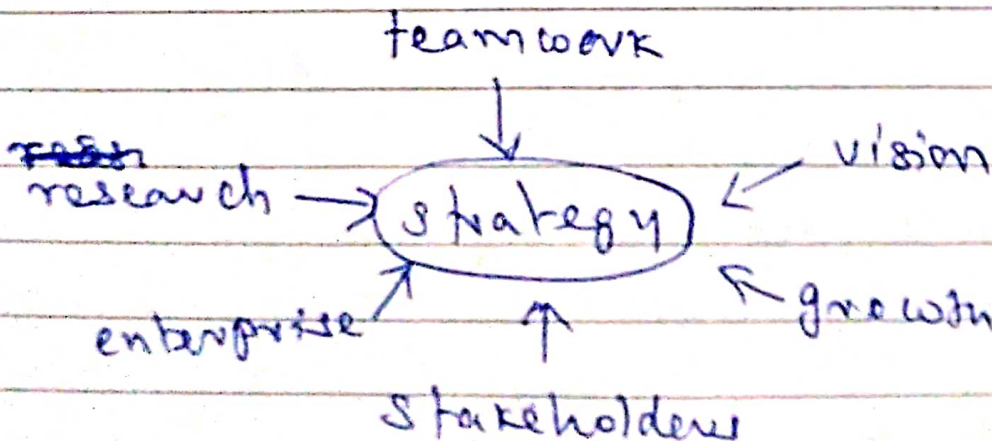
Business strategy →

1. marketing strategy
2. Competitive Strategy
3. financial strategy
4. Pricing strategy
5. Operational Strategy
6. Product Strategy
7. Advertising " "
8. Growth " "

Strategic Framework

↓

- To make Coherent-activities.
- Strategic framework is a hierarchy
- specific business objectives for each
- mapping relationships between the various strategies



③ Corporate strategy

From the desk of

main task of Corporate strategy

DATE _____

① Allocation of resources

- ↓
- Two resources → People
Capital
- How to utilise these resources.

1. People →
1. competencies.
 2. time based Priorities.
 3. supply of talent

2. Capital →
1. highest risk adjusted return

② organisational Design

① role of the Corporate head office

- centralised, decentralised approach.

② reporting → Commitments

- Integrating business units
— risk and return

- separating responsibility
- Delegation of authority

③ Portfolio management

- what business to be in

- vertical Integration.

- managing risk through diversification

- seeding new opportunities.

④ Strategic Tradeoff challenging aspects.

① managing risk

1. risk is largely depending upon strategy
2. very high risk strategy could result in a market leadership position
3. Based on risk - modify the strategy
4. fully aware of strategy and associated risk across the firm

② Generating returns

High risk strategy create ~~the~~ -
higher rate of return

③ Incentives

1. Incentive structures big role

How much risk }
How much return } → managers

2. Short term risk.
Long term risk.

④ Diversification strategy

DATE _____

From the concept of

aim

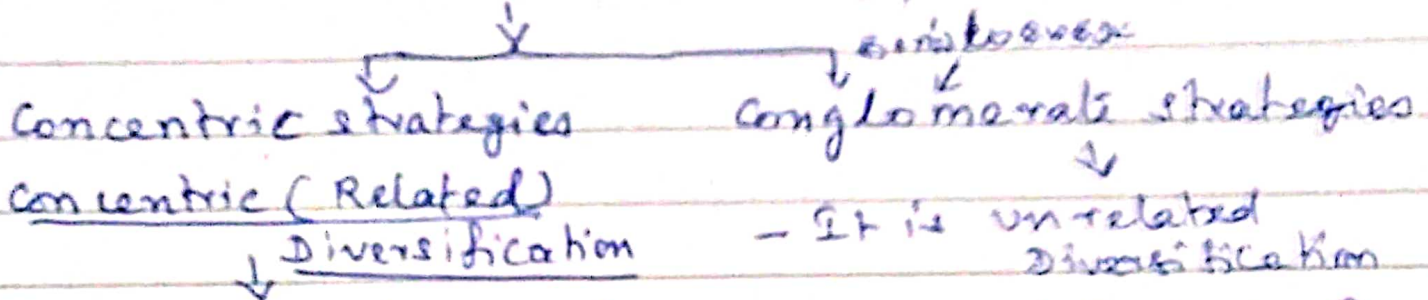
Product diversification

→ Intended for a particular market.
Are diverted to be sold in another market.

Diversification of a } enter into new market or
Corporate strategy } new Business

↓
win by new strategy

Diversification strategy



↓
- It is related diversification
refers to growth into a
related industry

- This is not an appropriate
↓ strategy
when a firm has a
strong competitive position

- ~~is~~ Diversification related to
Technology, Customer usage,
logistics, Skill, Product.

↓
strategy diversification
is needed. But
related diversification
should be there

↓
- It is unrelated
diversification
- Current Industry is
unattractive
- It does not have
ability or skill
- which could be easily
transferred to other
Industries

↓
In this situation
this unrelated
strategy can be
used.

- usual products
should be stopped
unrelated products
should be produced.

- market may be
new

- Here the firm is
mainly concentrated with
cash flow considerations
and risk reduction.

5) A Large Analytical Portfolio Analysis

How balance the investments?

From the point of

It involves the balancing of the company's investment

- to refer the investments of firm
- It is useful for highly diversified
- multi-product companies operating in a limited market

It requires different subsidiaries.

For subsidiaries require (new market)

To consider

1. Net cash flow
2. state of development
3. Risk

Net cash flow

- a company may have different businesses different cash flow.
- a growing new business in profitable way may also require additional cash investments
- a mature business on other hand with less profit may not require such investment.
- cash can be balanced in different business
- overall cash flow position in harmony with desired financial strategy

state of development

1. Business \rightarrow PLC is must, \rightarrow Introduction
growth
maturity
decline

The company should not be closed

when product comes to the decline stage
↓

It may be too late to start on a new product

The company should have stability

— different products → should be introduced at a time
↓

That will give development

Risk

Business should

— A corporate portfolio should aim to reduce the risk

in critical financial setback.

— market forces — will give risk.

— different ~~market~~ market different
↓
solution is diversification

different economic forces,

— different ~~to~~ cycles of development

↙
seasonal sales cycles growth decline,

⑥ BCG Growth share matrix

From the desk of

DATE _____

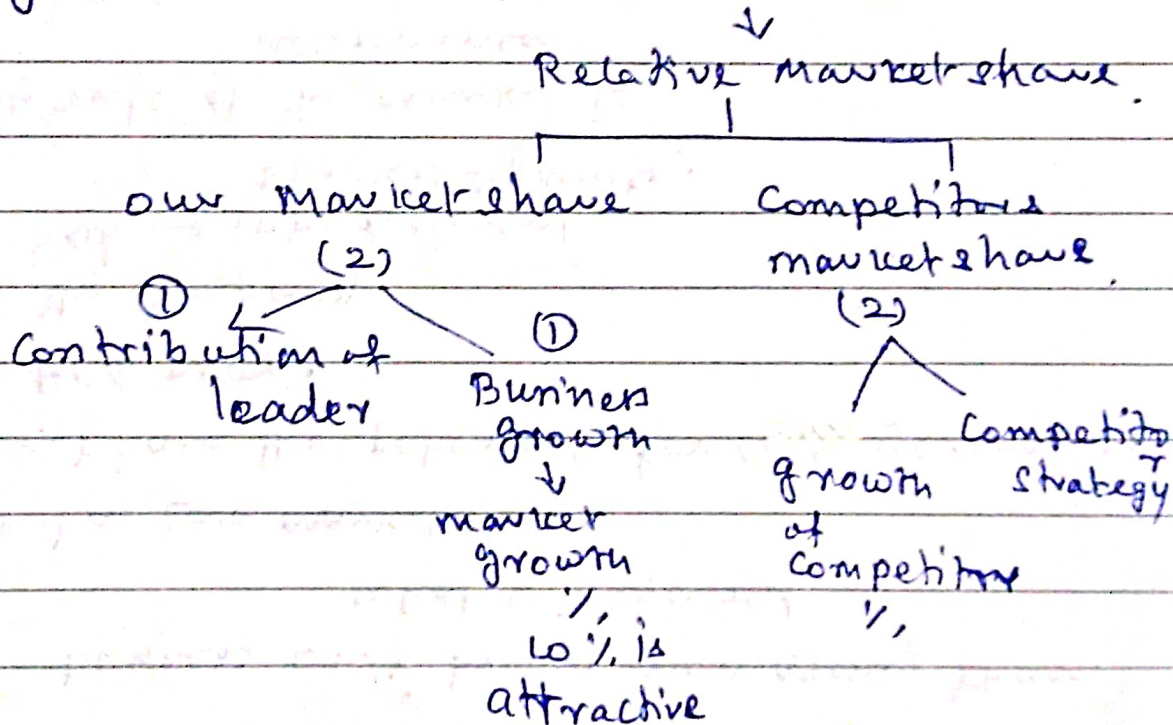
large
Portfolio analysis makes use of display
to allocate resources for best revenue

BCG Growth Share matrix

Boston Consulting Group's Growth share matrix
↓
calculation

This Group proposes a separate
strategy to be developed for
each of the units

↓
depending on its location → 2 x 2 matrix



Business units are categorised
as one of the following four types

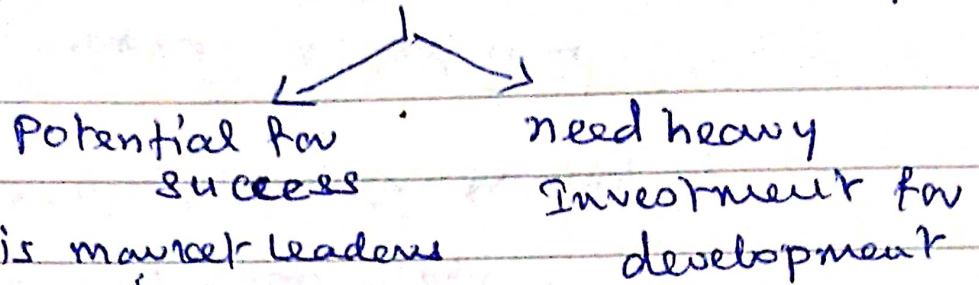
↓
for strategic decision making

Neelgagan

1. Question marks
2. Stars

3. Cash cows
4. Dogs

① Question marks → ~~not~~ Business must have what?



② Stars → It is market leaders
↓
They are liable for PLC

③ Cash cows → To maintain market share
↓
Business unit brings more money than what is required

④ Dogs → It has low market share
do not have the potential for cash generation

Building the BCG matrix

- ↓
- activities of the company are classified → into different business segments.
- The growth rate of the market is determined
- market share
↓
for different market segments are estimated

From the desk of _____

From a variety of strategies used selected strategies.

DATE _____

⑦ Strategic choice

It describes the role that leaders

- ① It involves whole process in decision is taken to choose a particular option from various alternatives.
- ② Decision makers take into mind internal, external environment
- ④ Initial process is → Identifying the Problem
- ⑤ one problem → so many solutions
↓
the best choice should be selected.
- ⑥ It relates to leaders decision.
- ⑦ It formed part of an organisational learning process
- ⑧ Strategic choice was studied
↓
Individual's responses in
 - ordinary
 - every day
 - disputes
 - findings
- ⑨ It is organisation process
- ⑩ Strategic choice
↓
must have time scale
How to handle the uncertainties
- ⑪ It is Commitment Package
- ⑬ Strategic choice → is done by people with different background and skill

- (13) It is related to —
1. Decision Area
 2. Comparison Area
 3. Uncertainty Area

(14) Strategic choice



has four modes



1. shaping ← Problems
2. Designing
3. Comparing
4. Choosing

↓
Decision.

⑧ Development of Policies

From the desk of

DATE _____

Designing any human rights in the organisation
Policy will decide

① All procedures are followed (rules) (policies)

② talk about responsibility of organisation
and addressing human rights issues

③ Preventing, reviewing and removing barriers

④ Anti-harassment and anti-discrimination

⑤ Procedures for resolving
Complaints

⑥ An accommodation policy and Procedure

⑦ an education and Training Program Policy
Policy development

↓
involves

↓
1. Identifying needs

Child Protection Policy

2. Identify who will take lead
responsibility

based on policy
↓

It is right committee role in
Policy development.

3. gather information
↓

for legal responsibility

4. Draft Policy

when frame the policy
ensure wording
length
complexity

↓
all must be appropriate

5. Consult with appropriate stakeholders

↓
Policy must be most effective
Policy should be supportive
for affected people
policy should develop
the internal & External
Environment

⑥ Finalise/approve policy

↓
policy is approved by
Mgt Committee

↓
within the organisation

↓
committee is responsible for

⑦ Implement all activities within the organisation

⑧ monitor, review, revise

⑨ Strategic Alliances

From the desk of

DATE _____

① Two businesses have an agreement to use strategy ↓

'A' company's strategy can be used by 'B' company

↓

i.e. strategic alliances

② It is used for long-term-win.

③ mutual consent is there for strategy

④ Strategic Alliance

↓

occur when two or more organisations join together to pursue mutual benefits

⑤ Partners may provide the strategic alliance with resources

↓
cooperation or collaboration

↓
TVS
SUZUKI

1. Product ↓

2. distribution channel

3. manufacturing capability

4. Project Funding

5. Capital, Knowledge

6. Intellectual Property

⑥ Technology Transfer.

⑦ shared Exp, shared risk.

Unit - IV (1) Strategy Implementation

From the desk of _____

DATE _____

- It is total of the activities
- Execution of a strategic plan,
- It is a Process of strategy
- Put into action by programmes.
- Implementation is a key Complement of strategic mgt.
- Strategy formulation and implementation, can be considered as two sides of the same coin

- Strategy formulation	Implementation
↓	↓
good	Proper.

1. who will carry out the strategic plan,?
2. what is new direction of company
3. when and how should everyone respond for strategy

Strategic Implementation

- It is critical to a company's success,
- who where, when and how reaching the goals.
- Implementation occurs after environmental scans
 - after ~~scan~~ SWOT analysis.
 - Identify strategic issues

A strategic map is created,

↓
It has key ways → It will direct the Performance
↓
It has key ingredients → Finance, Market work environment, operations, People, (Partners - Investors)

For implementation

- right people must be ready

↓
must have unique skill and abilityⁿ

- Time and money should be planned,

- scheduled meetings ~~with~~ for updates,

- step-by-step plan for implementation.

② organization for action

From the desk of _____

DATE _____

① Before actual implementation

↓
a Company should be appropriately organized in terms of staffing
↓

to take the activities to achieve objectives

② Changes in Corporate strategy may result in the change of organisational structure

↓
Said by Chandler

↓
change the authority based on skill

③ Changes in Corporate strategy is

↓
reduce inefficiencies

④ New strategy is created.

- New administrative problems are created.

- Economic performance declines.

↓
Low Profit.

- New appropriate structure is invented

- Profit returns to ~~its~~ raise its previous level.

⑤ Chandler ~~quote~~ ~~quote~~ quotes

↓
centralised functional organisation structure.

↓
- Producing and selling limited range of products

- new products → are added.

- new distribution channels come into being

It ~~comes~~ becomes too complex ~~for~~ as a centralised structure.

- centralised structure
↓

Shift to decentralised structure
with many semi-autonomous divisions

⑥ Chandler's proposition
↓

has been supported by research

- strategy
Structure (mgt)
Environmental need] to be closely aligned
↓

If not
organisational performance will
suffer.

↓

It is organisation for action.

③ Staffing

From the desk of

DATE _____

① Strategy implementation often calls for new priorities

↓
based on knowledge
skill, experience.

Human resource management.

②

Involves staffing issues.
↓
hiring new people

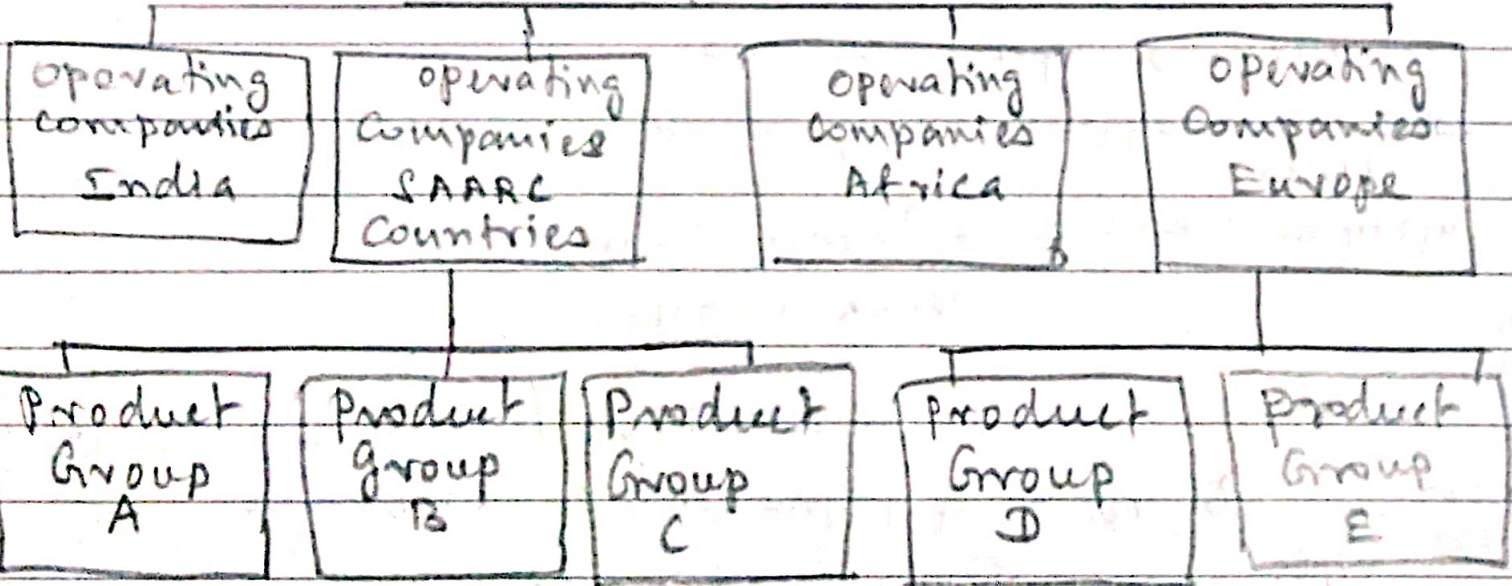
Staffing
↓

Board of Directors

↓
Chairman & managing Director.

R & D

Corporate Staff.



Geographical Area Structure for an MNC

② statting requirements

↓

follows

↓

· new people for change in strategy

manager → must match to - strategy

④ The company may employ

↓

in different routes.

Like, Creating a dynamic industry

expert
An analytical Portfolio manager

· A cautious Profit planner

A turnaround specialist
out of managers

④ Strategic Leadership

From the desk of

DATE _____

To ensure the right people
↓
in positions responsible
for implementation of the strategy

First dimension of leadership is

↓

right strategists are needed.

CEO → chief executive officer

↓

should have 1 ability

2 integrity

3 Commitment

Other TOP executives

↓

very critical to meet the successful
strategy — requires a leader

↓

who can drive organisation
inspire its people

possess

↓

strong interpersonal
skill

leader — style and skill

↓
reflect the quality

Thinking

character.

→ leader role is critical in
strategic mgt.

some time CEO → can create
strategic changes.

leader - aim is improvement of profit.

(5) MBO

From the desk of

management by Objectives DATE _____

- ① It helps to purposeful action towards objectives.
Action links plans with performance.
- ② objectives — leads to establishment of objectives.
— Communication of Objectives.
- ③ setting individual objectives through supervisor — subordinate interaction.
- ④ To achieve objectives — Development of action plan.
- ⑤ Periodical review of performance.
- ⑥ MBO — Provides functional goals to achieve corporate business.

⑥ Total Quality Management

From the desk of



DATE _____

① It is related to customer satisfaction.

Continuous Improvement



It has 4 objectives.



① Better, less variable quality of a Product
garibadhi

~~② Quicker~~

② Quicker, less variable response
↓
to customer needs

③ Greater flexibility and adjusting
↓
to the change of customer need

④ Lower Cost
↓
Through quality improvement.

The essential ingredients of TQM
anugrah

1. Intense focus on customer satisfaction
ajyana

2. Internal and External customers
↓
India ↓
 outside India

3. Accurate measurement of critical variables.

4. Continuous improvement of Product.

5. New work — team work

According to Berry and Parasuraman → says 5 service quality

↓
(PTO)

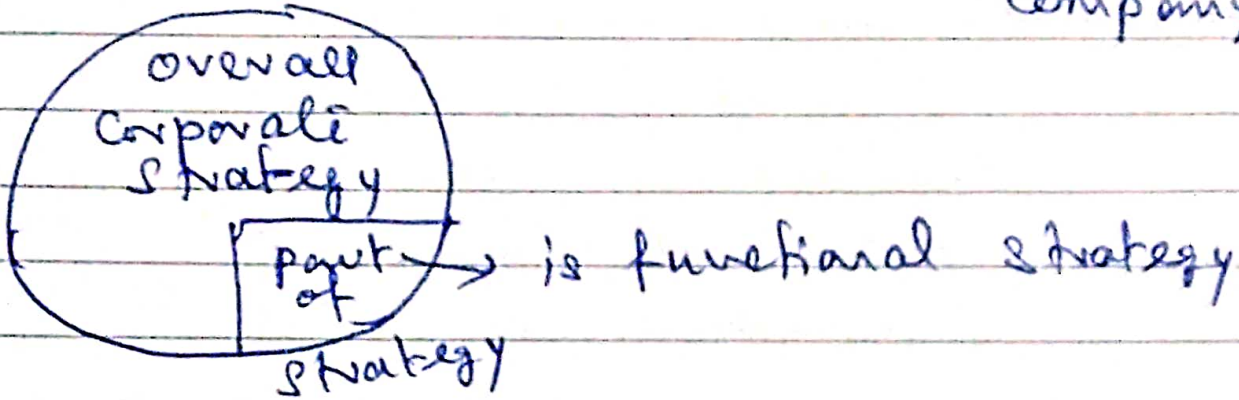
- ① Reliability → satisfy ~~to~~ the customers what was promised
- ② Assurance → employees ability to convey the confidence
- ③ Tangibility → Professional appearance of Personnel.
- ④ ~~Empathy~~ Empathy → Individual customer attention.
- ⑤ Responsiveness → willingness to help customers long or long service.

⑦ Functional Strategies

From the desk of

DATE _____

① Organisational plans prepared for various functional areas of a Company



strategy → Can be implemented within the functional areas.

where is our customers upto that area

our Company functions should be reached

upto that area our strategy should be reached.

i.e. functional strategy

② Functional Strategy

1. marketing strategy → sales strategy

2. financial strategy → search source of funding

3. Production strategy → Purchase from suppliers

issue of shares

bank loan

Credits, Profit

Functional level strategy



- Considers
1. Promotional techniques
 2. Price level
 3. Structure of Production
 4. Public relations

⑧ Growth strategy

From the class of

DATE _____

strategy aimed at winning — large market share
+ broad growth strategy

- ↓
1. Diversification
 2. Product development
 3. market Penetration
 4. market development

1. Diversification

↓

- move to new product
- Launching — new product
- It is riskiest strategy
- It involves in marketing new product — new market

high return
↑

d) Conglomerate diversification

(moving to new products)

(Technological relation,
(appeal to new group of customers))

a) Horizontal Diversification

Note Book to Pen.

b) vertical diversification

Company reconstruction of the houses and offices to

- selling Pains
other construction materials

c) Concentric diversification

development of a new line Products

② product development

to increase their turnover

Investment in research for additional Products

③ market Penetration

- aim of this strategy is
↓
to increase sales of existing products
↓
in existing market
- Increase your market share
- Price decrease
- Increase in Promotion

④ market development

- Increasing sales of existing products
- market expansion.
- offer is given in new market
- different customer segments
- market → new area
regions
Country
Foreign

⑨ Diversification

From the desk of _____

DATE _____

- The action of diversifying something
- From risk escape.
- 4 reasons to diversify

① Not all types of investments }
Perform well } needs diversification.

② Due to changes in }
Economic factor } → needs diversification.
Interest rate }
Exchange rate }
Inflation rate }

③ If risk in Portfolio }
related to Capital } needs diversification

④ If accept }
unnecessary risk } needs diversification

- specific investment has specific risk

- If a business diversifies - It starts making new products.

- market ^{is} different from its core business
Investors can change their business



due to seasonal fluctuations

- on Profit point of view → Diversification is needed

- on risk point of view - Diversification is needed.

(b) Acquisition and joint venture

From the desk of _____

DATE _____

Acquisition



Something that is bought by a Company



another Company
building
Piece of land.

↓
may be merger

Acquisition = one company buys another Company
which may or may not be doing well

joint venture = after the Project / job is completed
the joint venture is dissolved.



takeover
another
Company

Two business entities to build a
Contractual ~~ag~~ arrangement
and work together to achieve
The Common goal

for a
purpose.

entering into new

Reason for acquisition

1. Two separate companies join together
create more value - being on an
individual stand.
2. For wealth maximization.
3. For Lower Exp., yield higher revenues.
4. Giving ~~the~~ ^{new} life.
5. Improving Performance

- ⑥ Diversification for higher growth, Products & market
- ⑦ Acquisition of Technology
- ⑧ Increase ~~in~~ market share.
- ⑨ Diversification of risk.

Reasons for Jointventure

1. ability to combine — asset
Capital
expertise
Technology
Strengths
- 2 It is unlimited liability
- ~~3 Entered into potential competitor~~
- 3 To eliminate competitor

(11)

Recovery - ISL4

From the desk of

DATE _____

- regaining or possibility of regaining something lost
- return to health from sickness
- return to better state or better condition.
- time required for recovering
- An improvement in the economy marking
- refuse waste products - by economic calculations
- Company may obtain our assets by the judgement of a court of law.

12 Recession and Divestments

From the desk of

Strategies DATE _____

Strategic

reject

A period of temporary economic decline
↓ goes on for more than a few months
during which trade and Industrial activities
are reduced

↓
Identified by a fall in GDP

Gross Domestic Product

① Economic decline can be known
and reflected in Industrial Production
employment
real Income

③ In 2009 — brought a great amount
of attention to the risky investment

④ Numerous government policies were
implemented to help prevent

↓
do not happen

similar future financial crisis

⑤ Increase — unemployment —

⑥ quality of life, standard of living
for most people start to decline

Divestment strategy

↓
Strategic strategy
Investment



① Divestment can be used as a social tool to protect Particular Corporate Policies.

↓
Policy should be positive to the employees and customers

one Company has child labour abuses



That should be disclosed

② To protect Investment
But opposite of Investment



unethical and ambiguous



Investments should be disclosed
eg. Stock, bonds, Investment funds

Kill

⑬ Management Burnout

From the desk of _____

DATE _____

① burnout can affect one's existence

eg) one teacher can be very stressful
many teachers burnout

② Organisation's People → causes of burnout
at work
mentally physically how to tackle it
emotionally

people are unable to find pleasure
Problem may be from personal life
stress may arise from → NO time to

③ Emotional
↓
failure
self-doubt
Isolated
eat, sleep ~~etc~~
by this reacting to stress

④ Behavioural
↓
change in behaviour is evident to others
multiple ~~etc~~ problems
headaches, skin infections

⑤ avoiding social contact
It reach out to friends & loved ones.

⑥ invest in positive relationship.
overwork load
control
rewards
requirements

Unit - V ① Strategic Control and

From the desk of

② Evaluation

DATE _____

Types of Strategic Control,



1. Promise Control
2. Implementation Control
3. Strategic Surveillance
4. Special Control.

- ① Promise Control → 1. test the strategy
2. whether strategy is valued or not?
↓
To know
3. take corrective action.
4. To know the right time
5. responsibility can be assigned

- ② Implementation Control
Identifying intermediate goals
↓
monitoring strategic thrusts - ~~by~~

- ③ Strategic Surveillance
↓
How long that period - strategy is going

- ④ Special Control
↓
special purpose control
Integral Control action is always required.

strategic Evaluation → take correct
↓ action

It is Process ~~that provide~~

It is Executives and managers performance.

To meet Business goals

measuring performance.

goals Provide criteria and benchmarks

milestones you should create

to analyze strategy quantitative and
qualitative.

15/07/2020
③ Establishing Strategic Control

From the desk of

DATE

1. actions required to achieve strategic goals
2. Impact of strategy
3. Executed Plans
4. managers monitor the ongoing activities
5. managers need some decision making freedom.

6. what needs to be achieved

7. How best to go

8. managers must know the operational control.

9. Strategic Control. → takes

↓
changing assumptions

10. Evaluation of Strategy is Control Process.

11. Pre-action Control

Post-action Control.



After implementation
Evaluation is possible.



From the desk of

Premise Control

DATE _____

Analysis's assumption → based on plan

↓
to determine the changes

↓
Promise to control
the changes,

↓
Introduce light of need

↓ information
for long term growth and
success

↓
to find areas of strength
and weakness

↓
⚠ without strategic control
company will fail

↓
to adopt
external changes



Implementation Control

From the desk of _____

DATE _____

Identify the Problem
Strategy is formulated

Control the strategy

ensure the achievement of the strategy

Controlling of marketing plans

Evaluation of the marketing activities.

efficient use of Capital

human

} To control the strategy

See the Result of strategy

Analyse the result-

Then implement a new strategy

when implementation is done

Control Process is must.

⑥ Strategic surveillance

From the desk of _____

DATE _____



- ① It means the observation of events,
the observation of situations
- ② make customer interviews
- ③ make review of industry related research.
- ④ monitoring websites
social media
- ⑤ observation is made inside and
outside
- ⑥ Business should do Environmental
scanning
- ⑦ to face competitive environment
- ⑧ to face the market threats
- ⑨ A number of model strategy have been
developed
- ⑩ Tactics are needed for specific actions.
- ⑪ strategic surveillance is a war
- ⑫ External Environment — competitive
oriented
Internal Environment — Decision and
action
oriented.

⑦ Special Alert Control

From the desk of

any ^{or} crisis time - need special Alert Control

DATE

- It is the last process in control
- reassessment of strategy
- to know the unexpected events
- It can be exercised through the formulation of contingency strategy and assigning the responsibility
- special alert control is needed
 - ↓
 - when the sudden fall of a government at the central or state level,
 - unfortunate industrial disaster
- critical situations that occur ^{सुदृढ़} unexpectedly need special ~~control~~ alert control.
 - ↓
- many of the tasks required for strategic control,
- Environmental appraisal may also be useful for strategic control,
- Control may be done through a regular ~~to~~ scanning of business newspapers, magazines and Trade journals
 - attendance of seminars and conferences
 - social networking and general observations.
 - ↓
 - by this help special ~~at~~ alert control will be easy

⑧

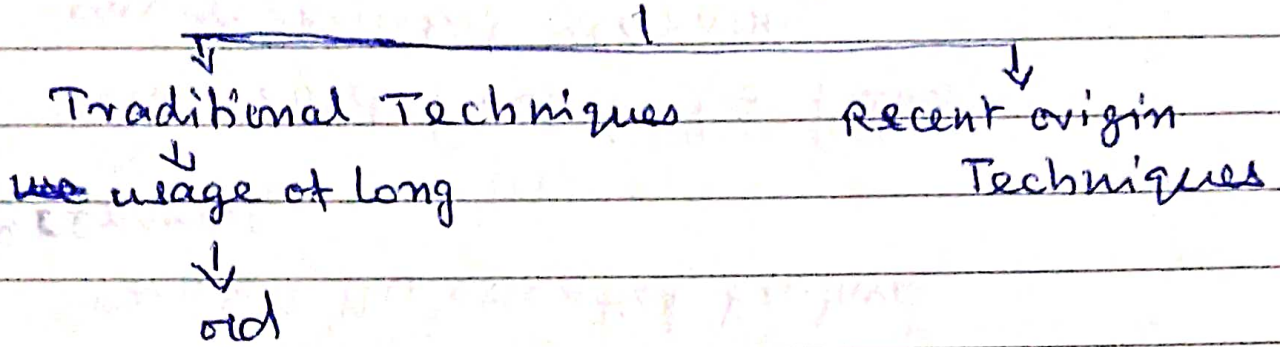
Evaluation Techniques

From the desk of

DATE _____

①

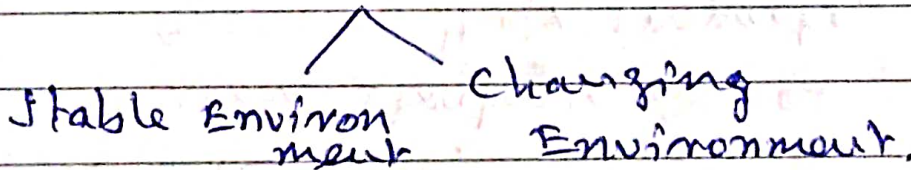
Evaluation Techniques are



② Evaluation Techniques for Strategic Control,

Continually assess the changing environment

Environment



Strategic Momentum Control

1. Responsibility Control Centres

mgt- control system → 4 types

each has measurement of input output.

- 1. Revenue
- 2. Expenses
- 3. Profit
- 4. Investment

2. The underlying success factors

organisation focus on critical success

③ Generic Strategies

↓
strategy is adopted similar to another firm

Strategic Leap Control!

↓
make significant changes.

↓
Environment is unstable
Conuro

↓
new strategic requirements

Techniques of Evaluation are ④

1. Strategic issue mgt.

↓
move strategic issues
assessing their impacts

2. Strategic field analysis

↓
to assess ability of the firm.

3. systems modelling

↓
computer based models

stimulate the essential features,

4. Scenarios

↓
firm could face in the future
Environmental scanning

(9) managing change

From the desk of

management change

DATE

change is all of strategy

comes under

general mgt

organisational & Behaviour

both deal various aspect of mgt of change
Its another name is strategic change.

- It deals dynamic situations inside and outside organisation.
 - strategy formulation change
 - strategy implementation change
 - ↓ change agents to face future challenges
- Plan to Change

Identify the need of the change

~~do~~ change process

change the task. → corrective action.

change ~~pro~~ process is

features of change

← Innovation, learning. → from mistakes.

New things, new way

↓ not repeating

to ~~be~~ tackle problematic situations.

change → ① Degree of change

② Time of change

③ Activity area of change.

~~Degree~~

Degree of Change



change in major transactions
within the organisation

- redesign of strategy implementation
- change the top mgmt team
- change in planning system

~~Time change~~

Timing of Change

reaction to a crisis within or
outside

①

Strategic Issues in

From the desk of

Managing Technology and

Innovation

Strategic issues



- critical challenge affecting Technology
- people issue, time issue,

create ↓ planning committee

- resolve your strategic issues
- Business is making money
- In strategic issues in which environmental sustainability plays a key role

- Technology issues.

Innovation

It is continuous process

Alteration, revolution, Transformation
restructuring
renovation,
new method, new idea.

④

Strategic Effectiveness

From the desk of

DATE

- We are very much concerned about organisational Effectiveness.
- Effectiveness means \rightarrow degree to which an organisation is able to achieve its objectives
- to achieve a return on investment of 10%
achieved 10% or more
it is effectiveness
current next year
- It is organisation's ability to set the right goals

The Formulation stage

(See) Current situation develops a clear strategic direction for the future

Formulate a strategic map

The Implementation stage

focused on effective implementation of the strategic priorities

The Review and Adjust stage

check, Test, Adjust, modify

see next page

Strategic Effectiveness

Current

MAP

Future

1. Strengths	Strategic	Mission
2. Areas of improvement	Priorities	Vision
	Key objectives	Central
3. Critical issues		Challenge.