



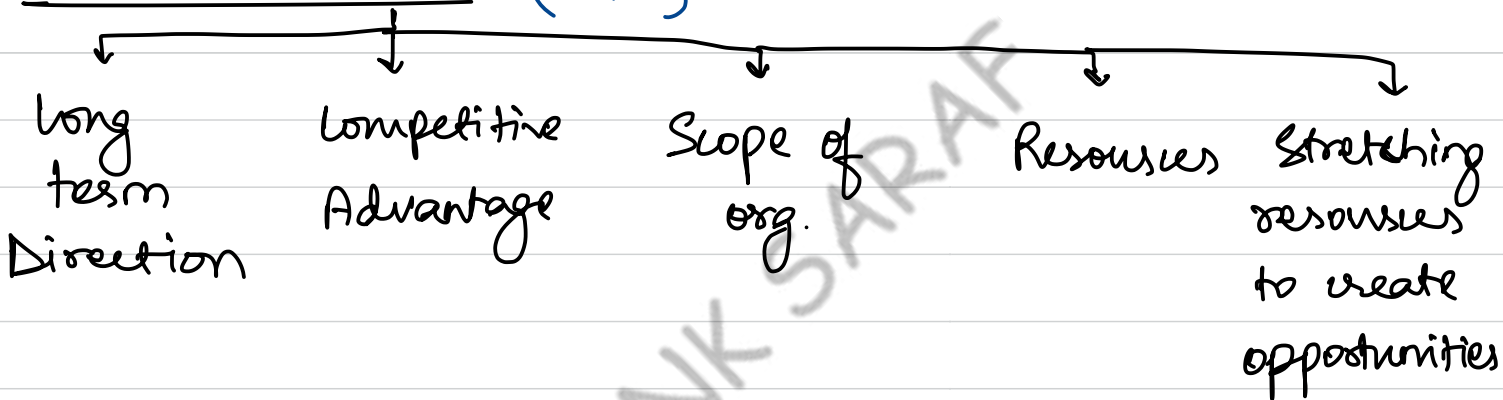
Ch 1 → Introduction

Strategy (Uoi & Jio)

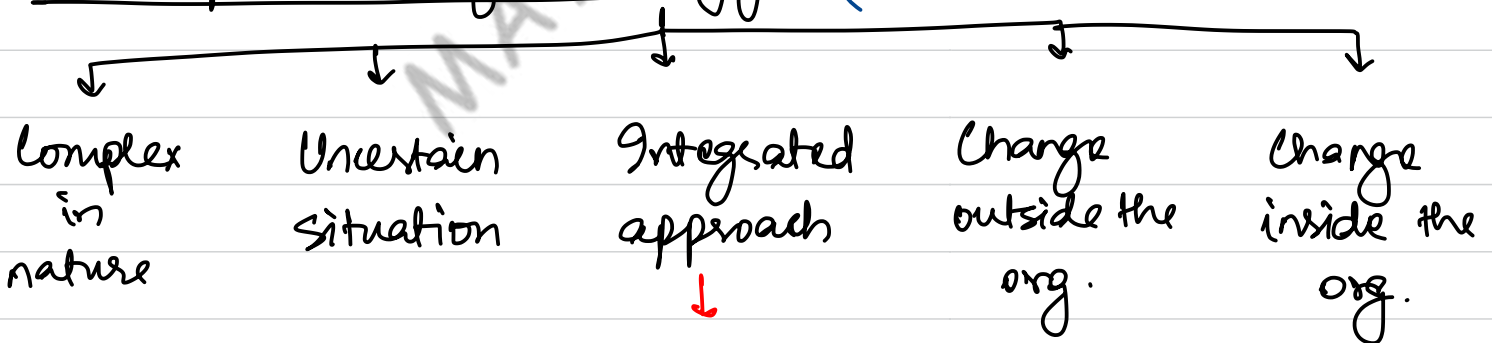
It is a plan of action to achieve goals & objectives.

It helps in achieving competitive advantage.

Characteristics (Jio)



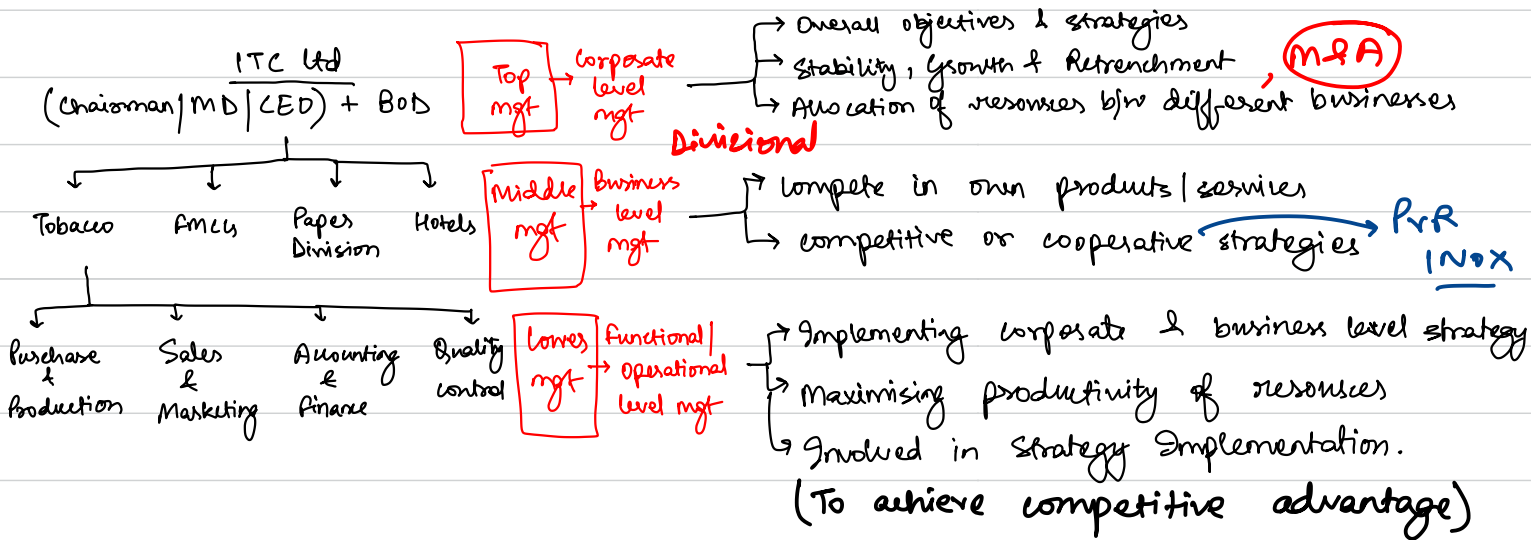
Consequences of Strategy (Aistel)



Involves everyone in the org.

[Top mgt, Middle mgt, Lower mgt, Emp]

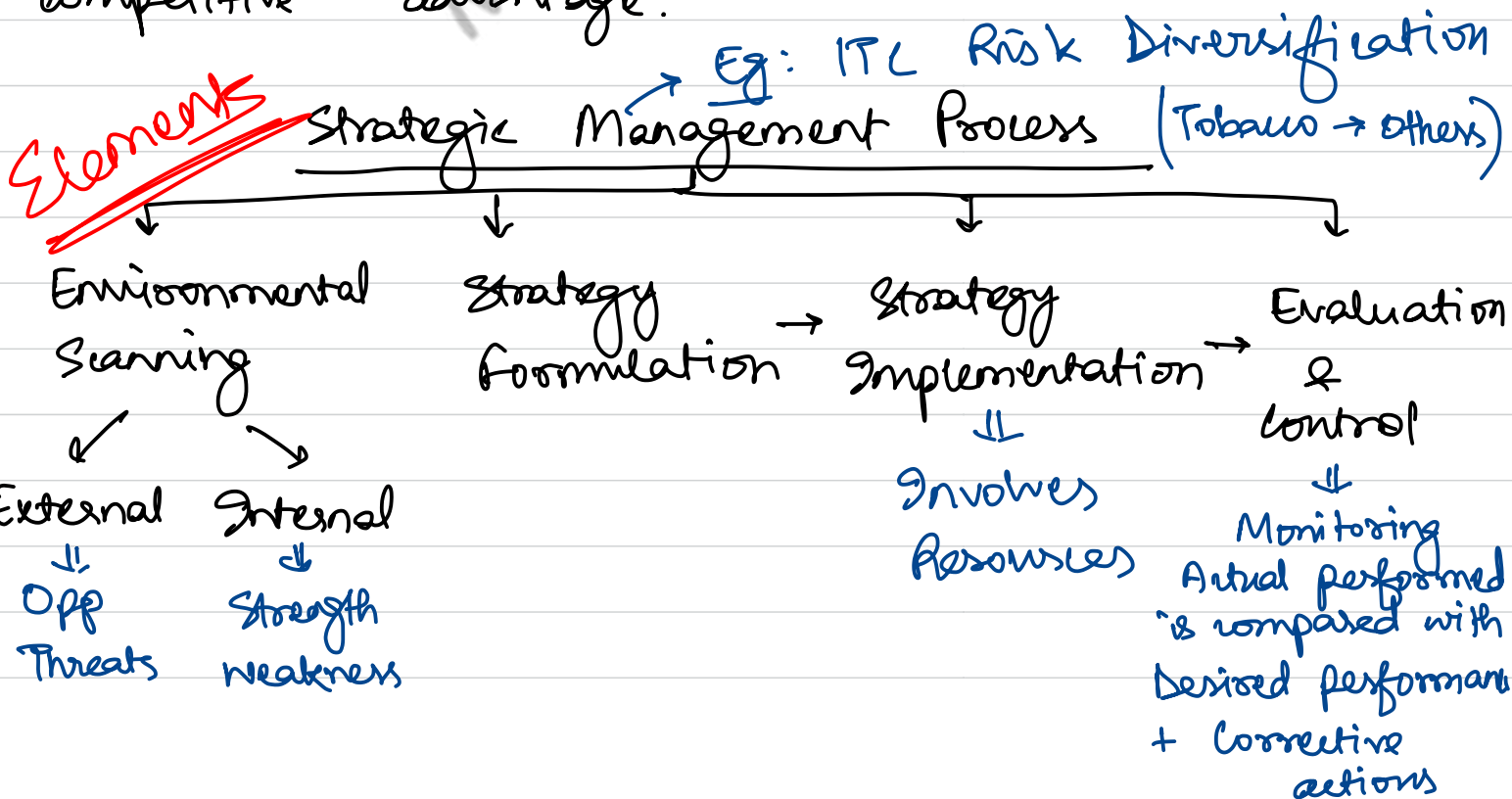
Types of Strategies



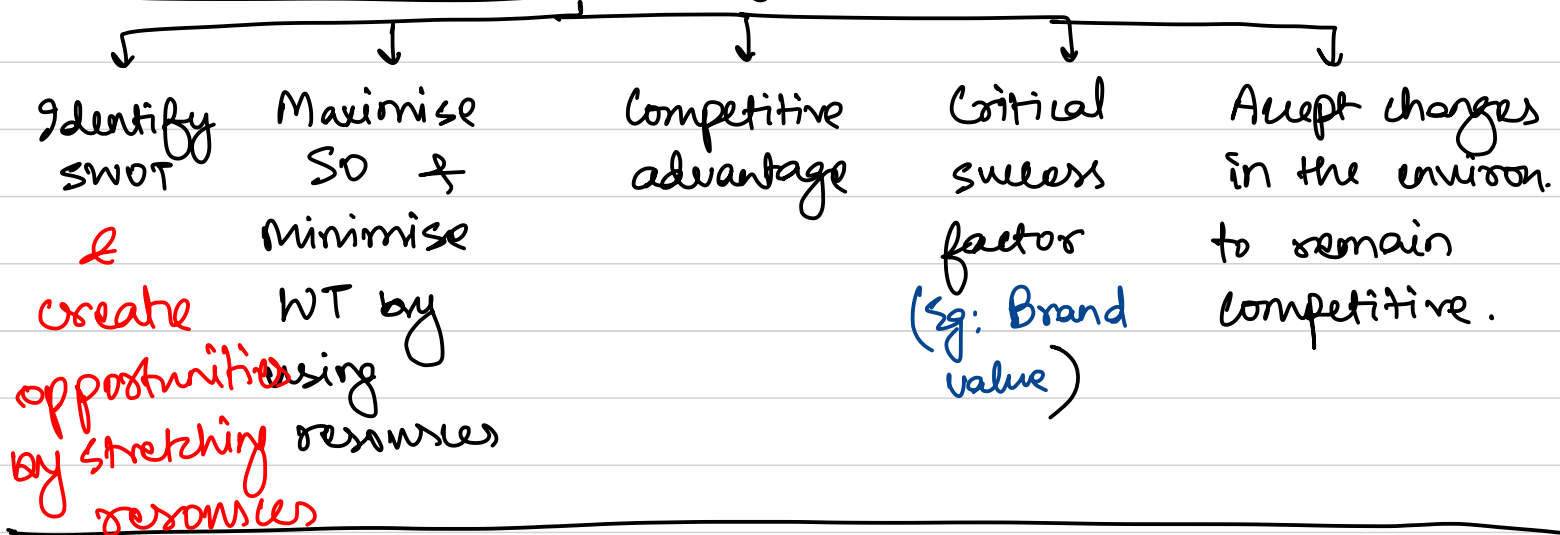
Strategic Management



Strategic Management is the process through which strategies are formulated to achieve competitive advantage.



Objectives of SM (Pg 404)



Vision, Mission, Goals & Objectives

Eg for Self understanding

- Vision - WHERE? the co. wants to go
- future statement
 - provides direction
 - long term

Jio
Digital India
(Har Ghar Jio)

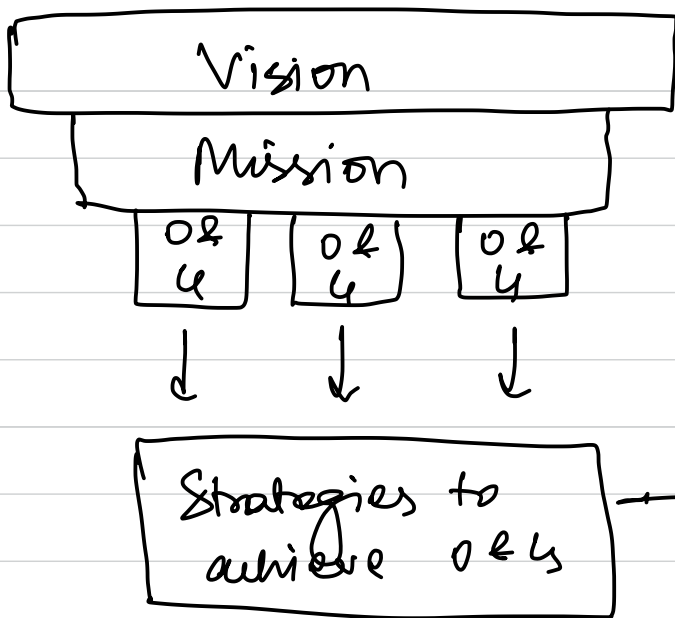
Products + Services

- Mission - WHO? & WHAT? are we doing
- Present business scope

Jio voice, Jio fiber,
Jio phone, Jio Cinema,
Jio mast - - - - -

- Goals & Objectives
- Targets to achieve
 - Benchmark
 - serve as performance measurement tools.

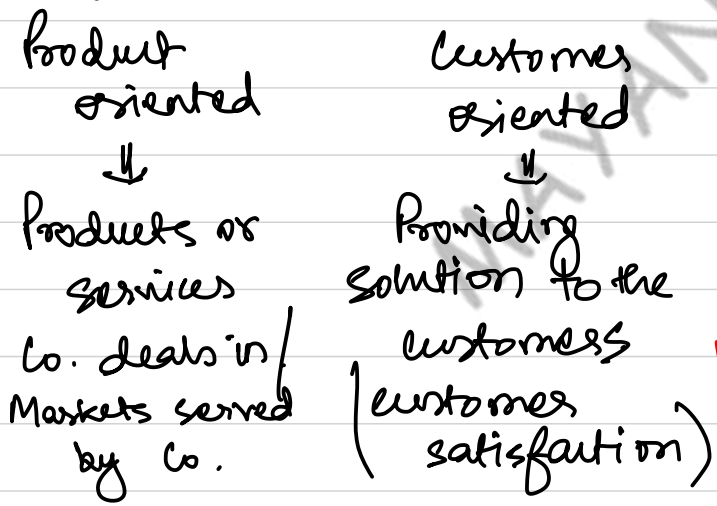
Market share ~~uptake~~
increase by 30%.



If LIC does not have a good vision, usko IGV mein bhanti hona padega.

Vision (Pg 392)

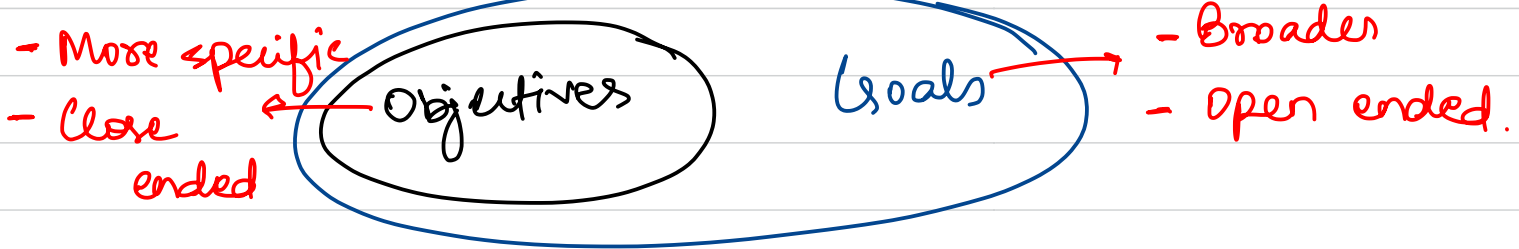
Types of Vision & Mission



Benefits of good vision

- Inspiring (Motivating)
- Common identity
- Original & Unique
- long term
- Integrity (Benefit of people)
- Customer oriented or product oriented

Goals & Objectives (Pg 399)



Eg: Goal → To increase market share by 30%

Existing market
meir sales increase
by 20%.

To enter into
new markets (Another
country).

Characteristics of GTO:

Zindagi ka Objective hai SMARTU banna & FAST
age badhna.

Characteristics (Pg 399)
SMARTU
S → Specific
M → Measurable
A → Attainable
R → Relevant
T → Time bound
V → Understandable
(old concept)

Core Principles (Pg 410)
FAST
F → Frequently Discussed
A → Ambitious
S → Specific
T → Transparent.
(modern concept)

Performance Objectives (Pg 411)

Performance objectives are set for Employees.

Examples

(Quantity)

Productivity
[Amt of work done]

(Quality)

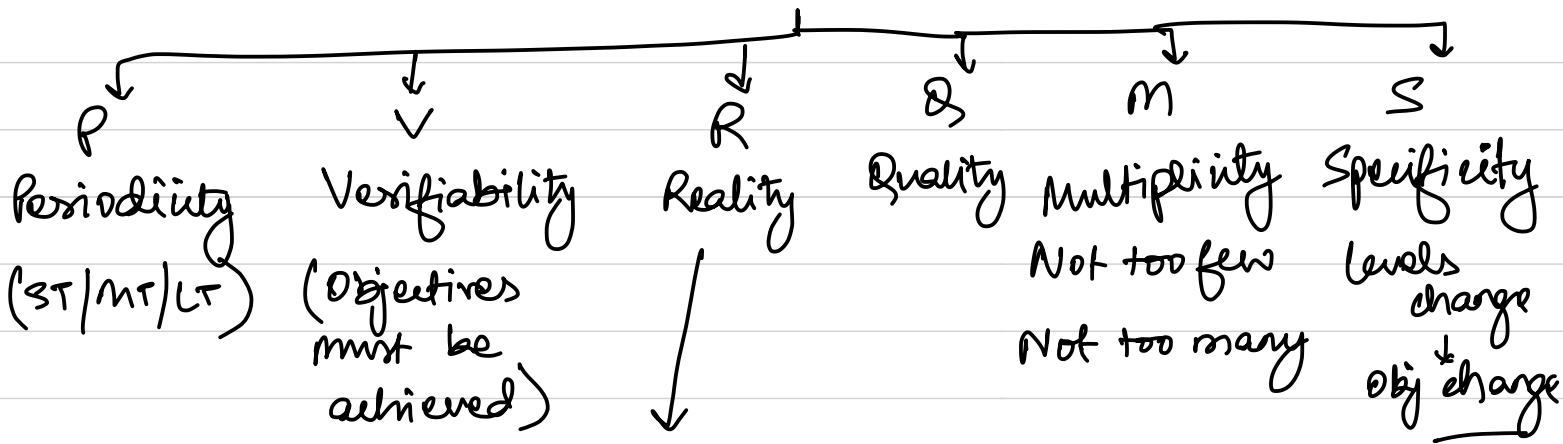
Quality
[Reducing human error]

(Emp Development)

Education & Self
Development
[Personal growth & dev]

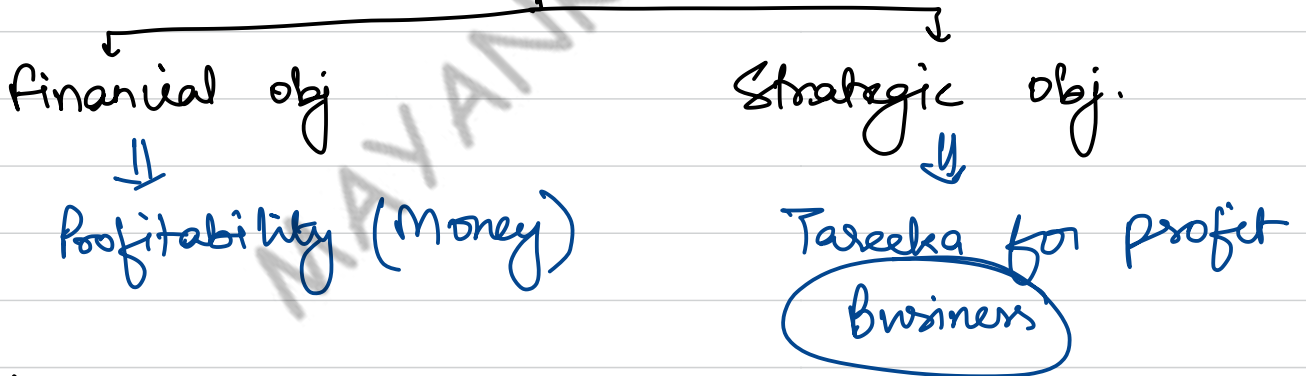
Issues to be kept in mind while setting objectives

PVR mein QMS ka issue hai.



Official obj + Resources = Operative obj
(Set) (Meet)

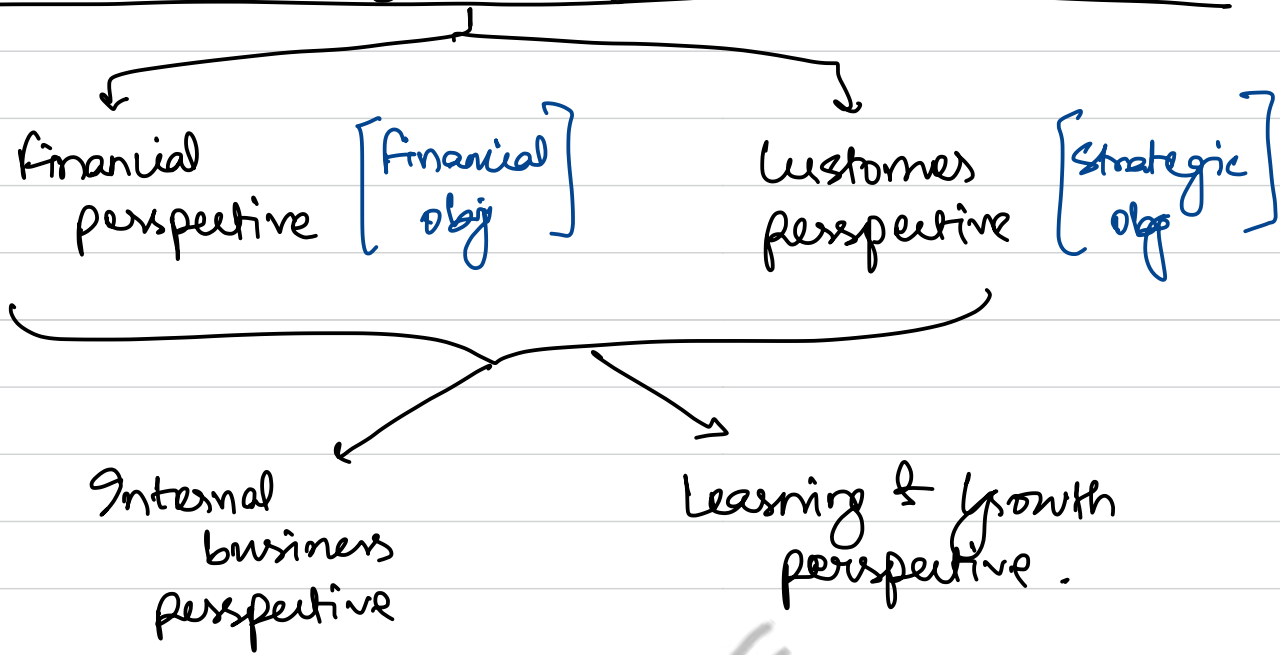
Types of Objectives



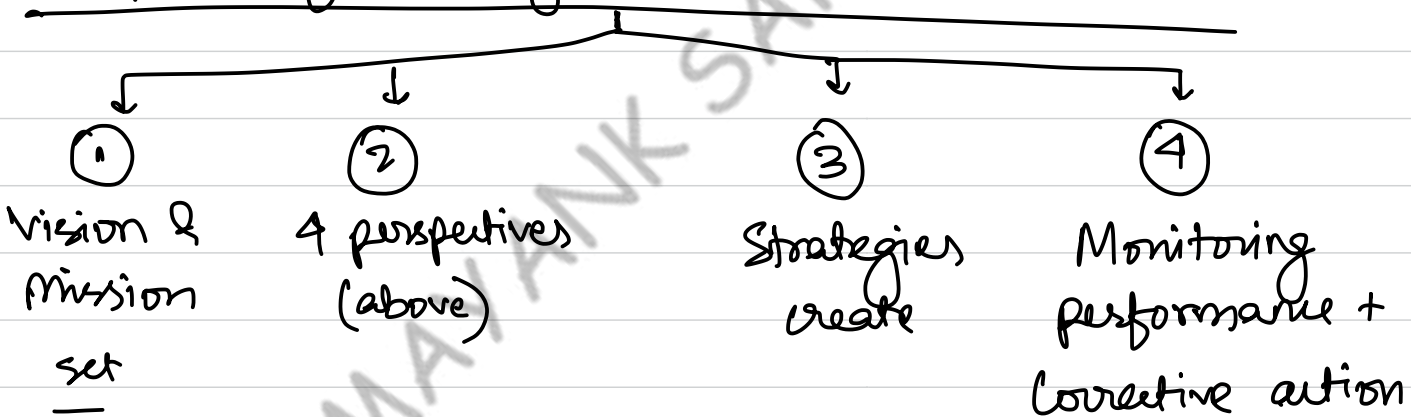
Balance b/w the 2 objectives

⇓
Balanced score card (Pg 412)

Perspectives while formulating Balanced score card:

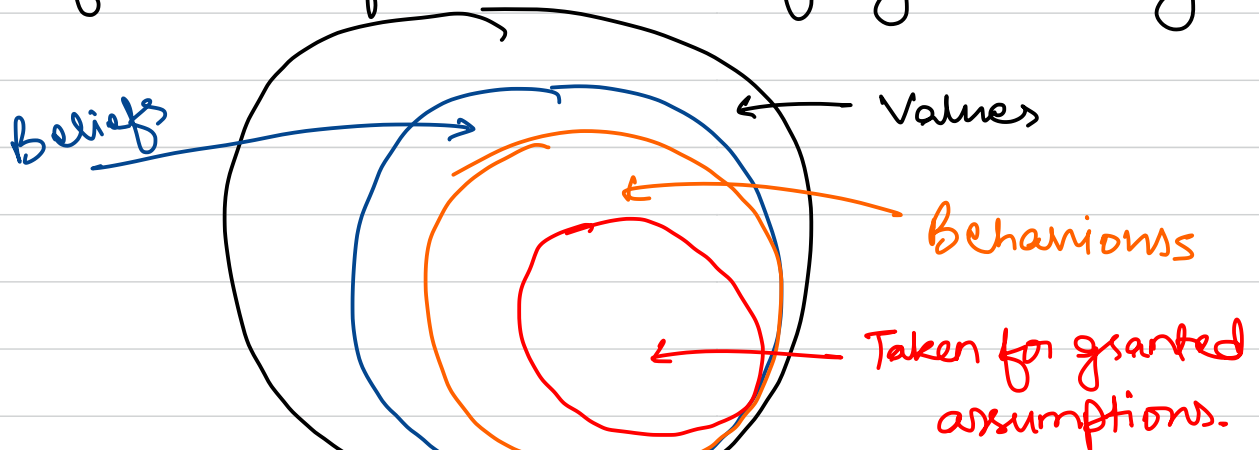


Steps in formulating Balanced score card:



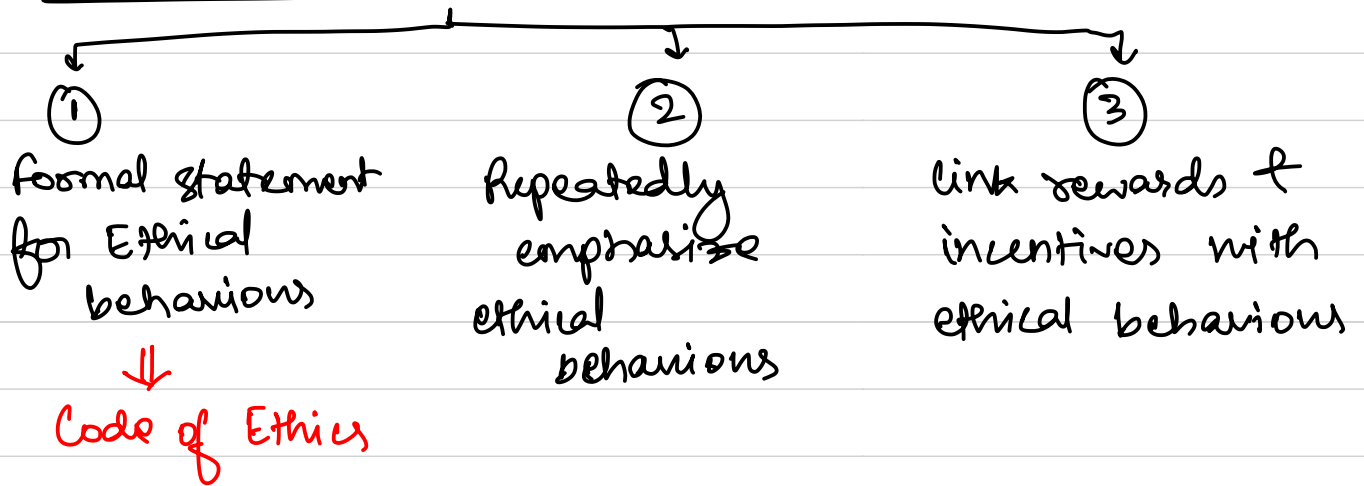
Organisational culture (Pg 397)

Beliefs & assumptions + taken for granted ways

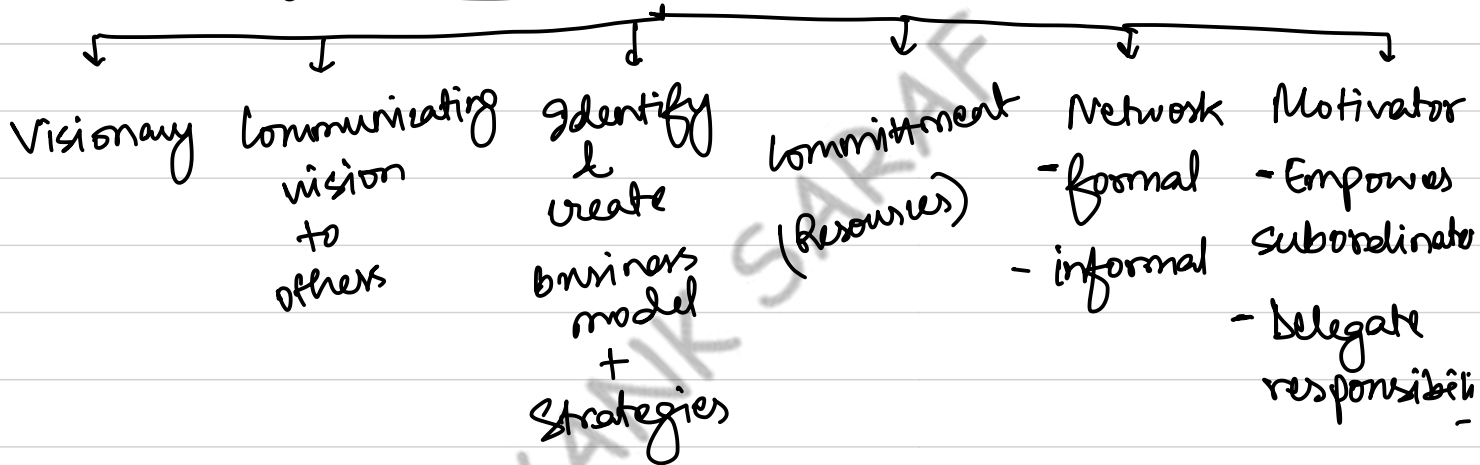


* contd below

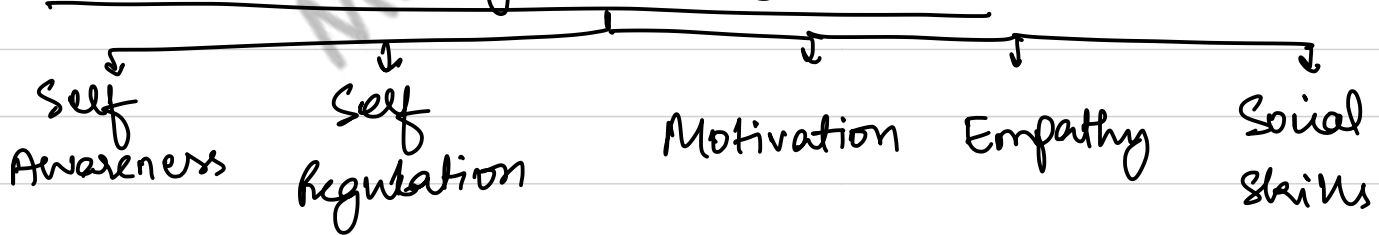
Ethical Behaviours (Pg 399)



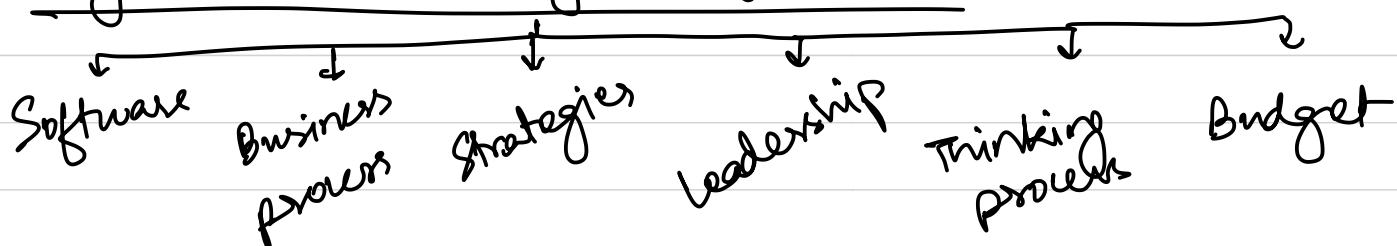
Strategic Leadership - Qualities (Pg 406)



Emotional Intelligence - (Pg 406)



Organisational Change (Pg 407)



* Continuation of culture (Pg 399)

Culture's influence on Strategy:

Culture must be in alignment with Strategy

If not



Managing Culture

Changing the culture to be in alignment with Strategy

Modify Strategy

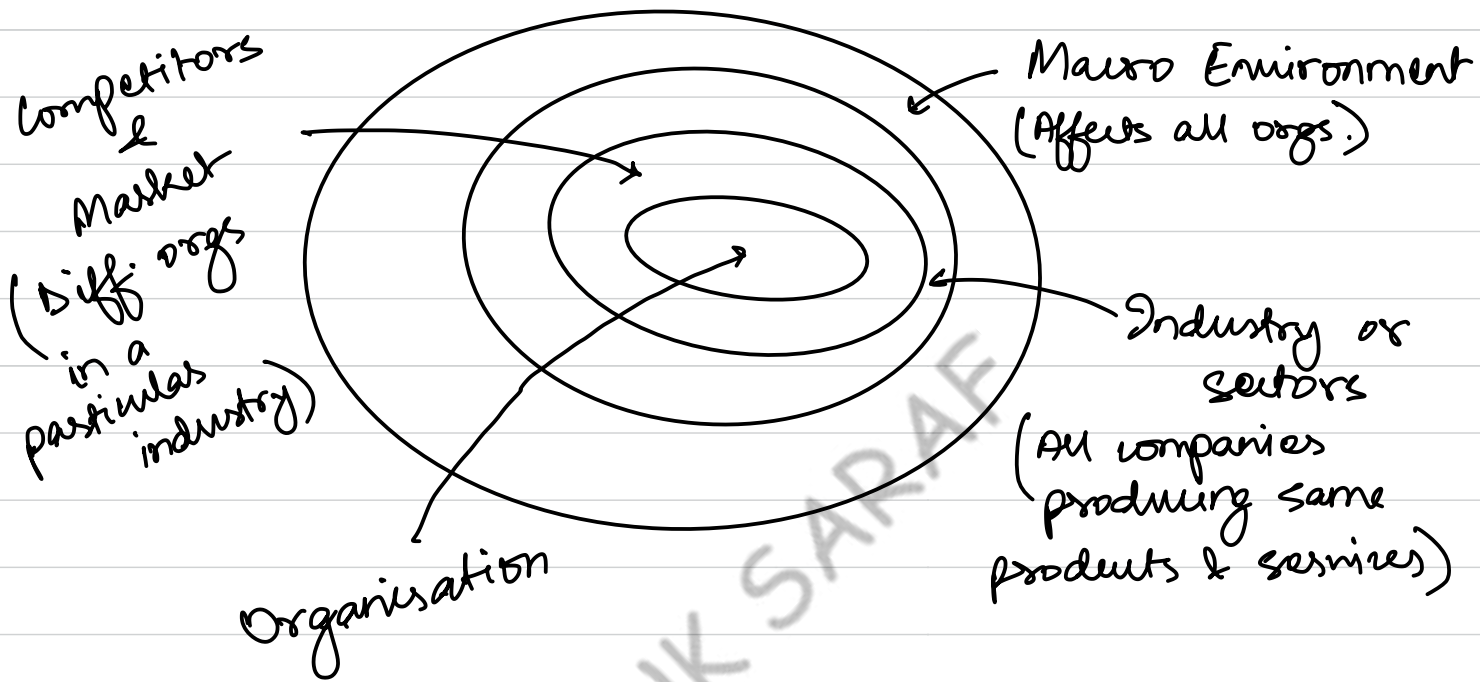
Modify the strategy to be in sync with culture.

MAYANK SARAF

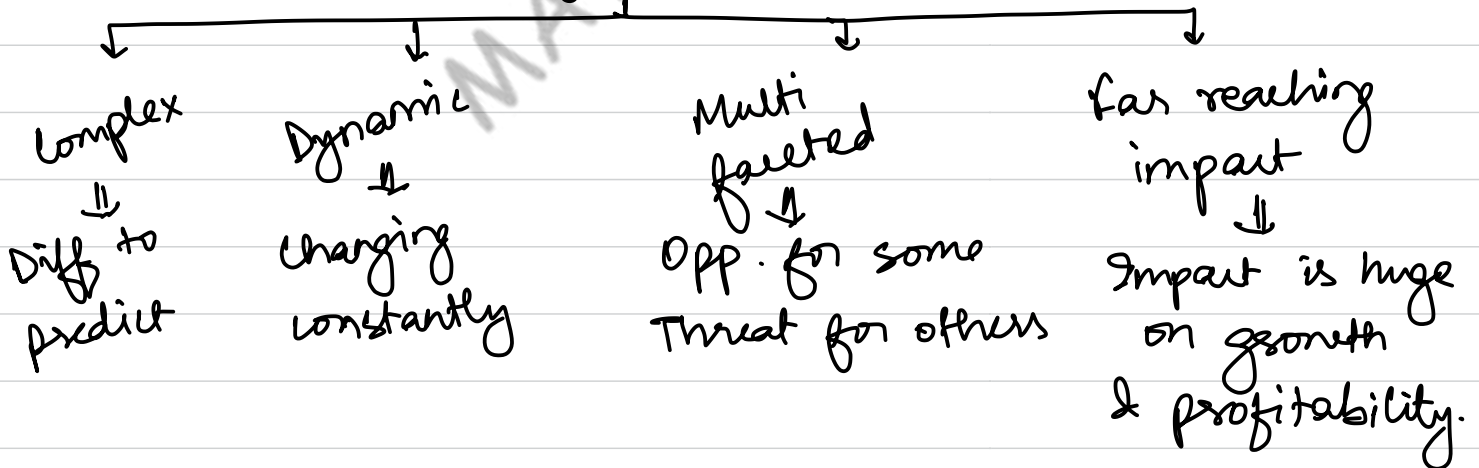
Ch 2 → Strategic Analysis & Strategic Planning

Business Environment

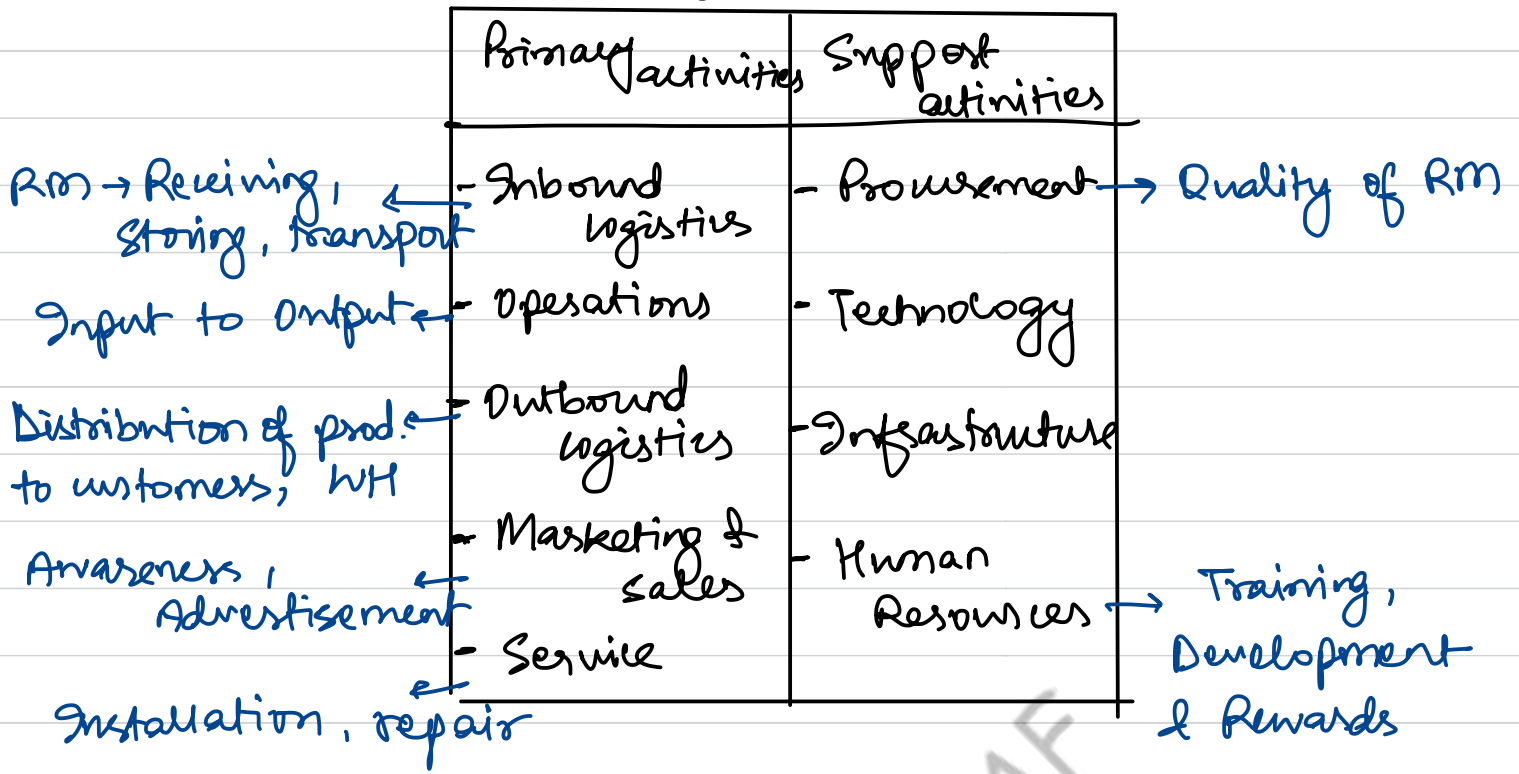
Layers of Environment (Pg 428)



Characteristics of Business Env.



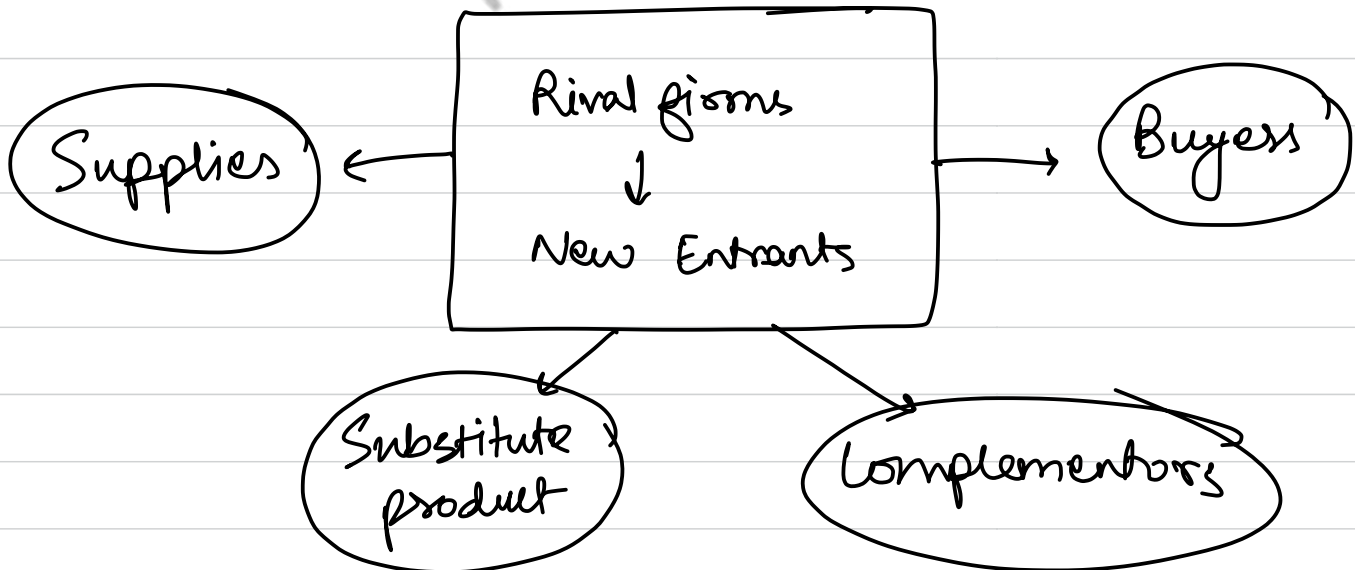
Organisation



Porter's 5 forces model

Competition

→ Michael Porter



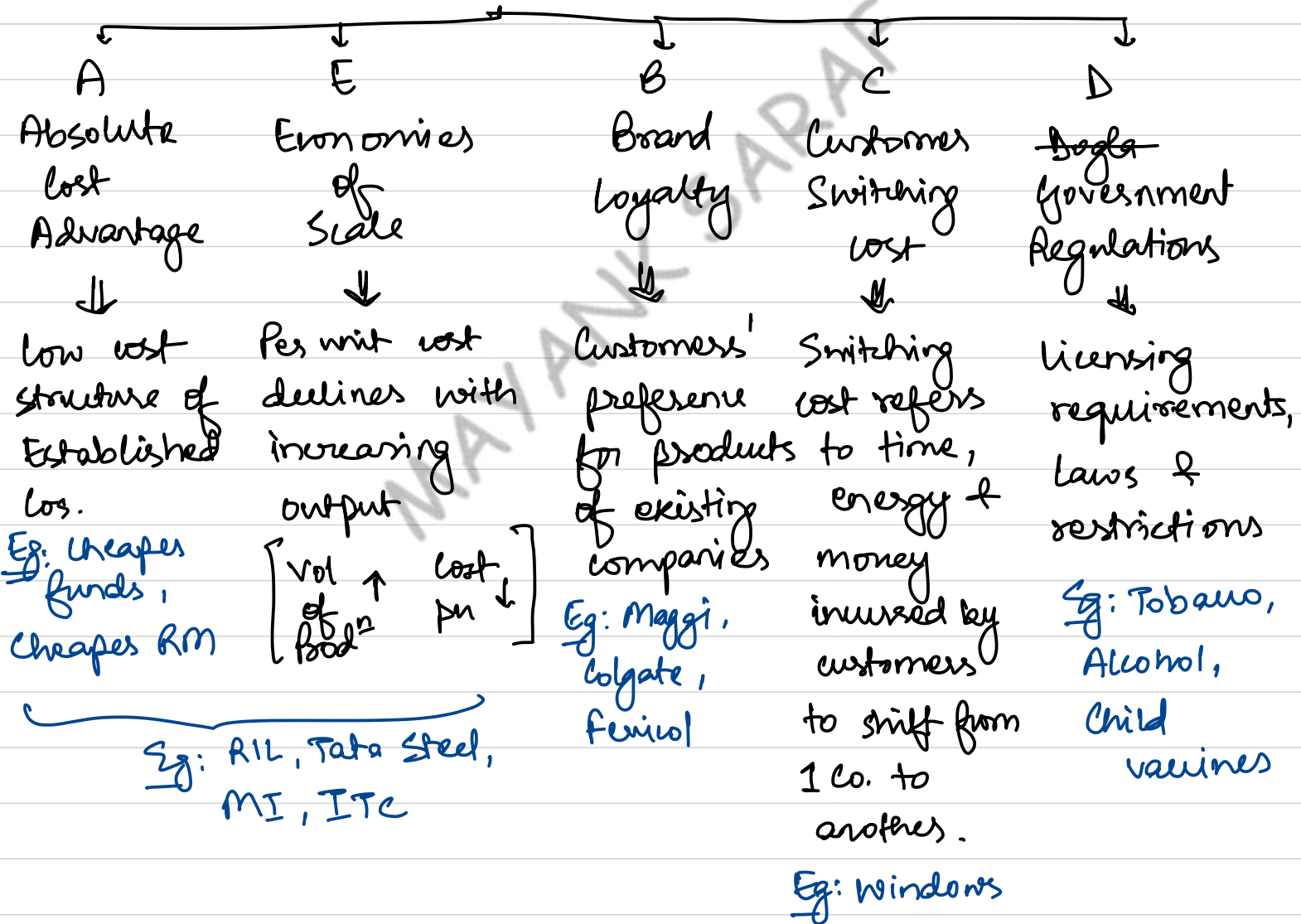
New Entrants \Rightarrow Barriers to Entry

Potential competitors

High Barriers to entry \Rightarrow Risk of Potential Competitors low \Rightarrow Competition low

Factors affecting Barriers to Entry:

A B C D E



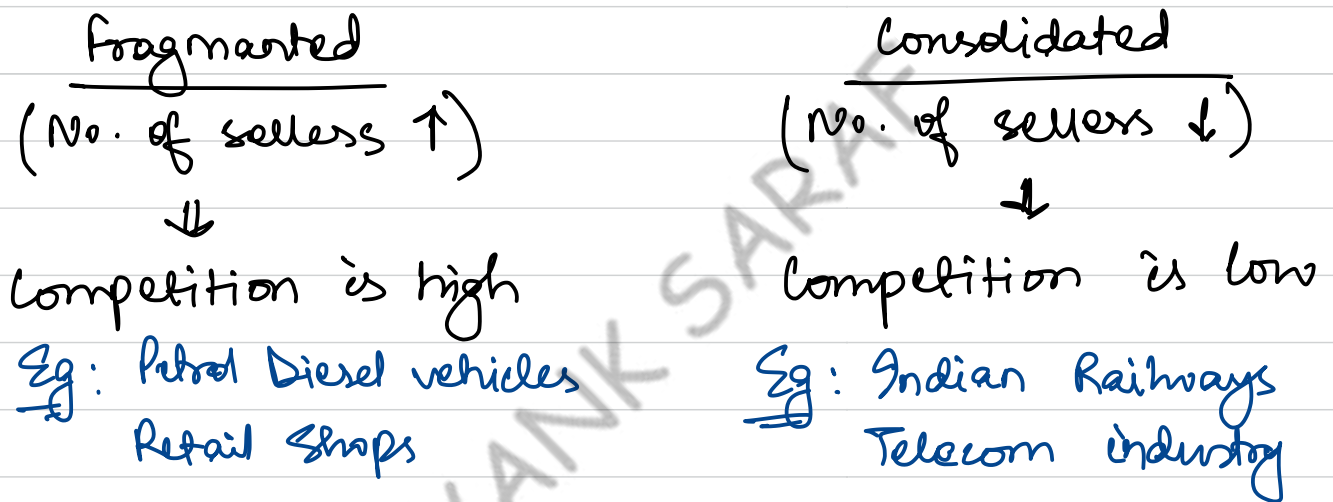
Rivalry Among Established Companies

Competition between existing companies in a particular industry to gain market share.

Factors

(a) Industry Competitive Structure

No. of sellers in an industry



(b) Industry Demand

Stagnant or Declines

Competition is high

Growing

Competition is low

Turn bhi
karna, Hum
bhi karnaye

(c) Cost Conditions

Fixed cost high

Competition is high

Fixed cost low

Competition is low

FC Recovery
is diff.
∴ Price ↓

(d) Exit Barriers (Jaane nahi denge tujhe)

(It refers to selling assets & shutting down the business)

Exit Barriers high
(Difficult to exit)



Competition is high

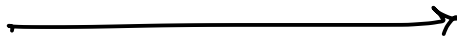
Exit Barriers low
(Easy to exit)



Competition is low.

Bargaining power of Buyers & Suppliers

Buyers



Suppliers

Small Suppliers

Big Buyers

Big Suppliers

Small Buyers

(i) Buyers purchase in large quantities



(i) Buyers purchase in small quantities.

(ii) B2B → Buyer constitutes a large portion of supplier's total sales



(ii) B2C Buyer constitutes a small portion of supplier's total sales.

(iii) Buyers have a choice
⇓
Large no. of sellers Availability of substitutes



(iii) Buyers don't have a choice
⇓
Less no. of sellers (monopoly) Non availability of substitutes

(iv) Buyers can enter into Seller's industry



(iv) Sellers can enter into Buyer's industry

(v) Buyer switching cost is low

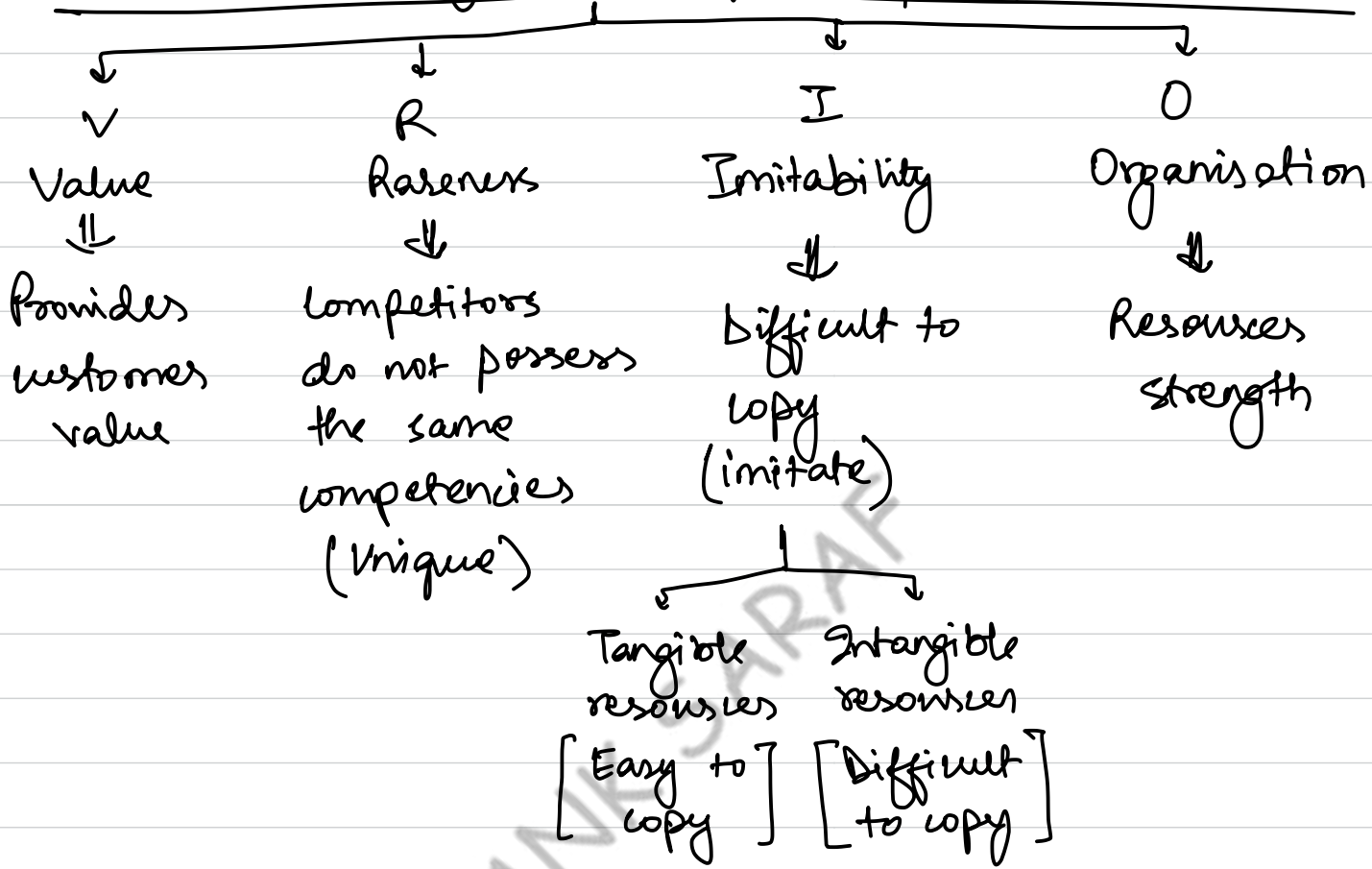


(v) Buyer switching cost is high.

VRIO framework

Eg: Apple / Tesla / Google / SII

Characteristics of Core Competence | Competitive Adv.

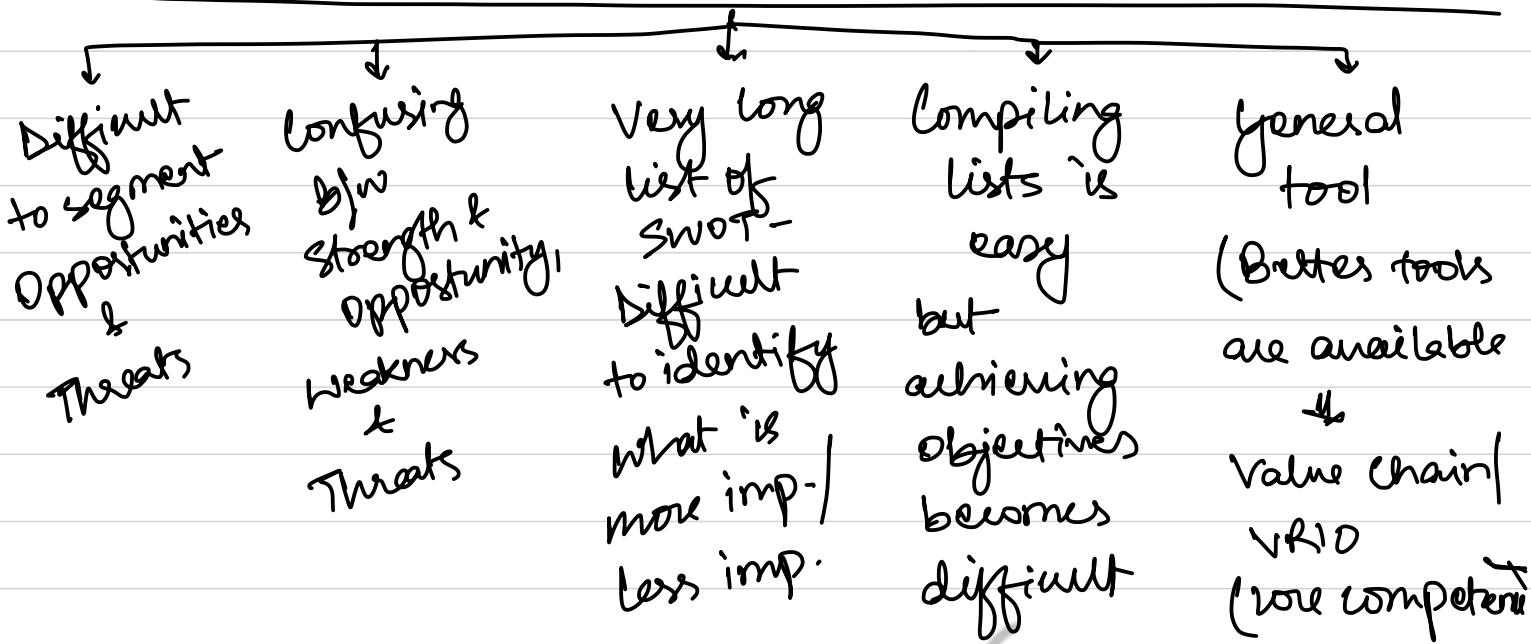


SWOT Analysis

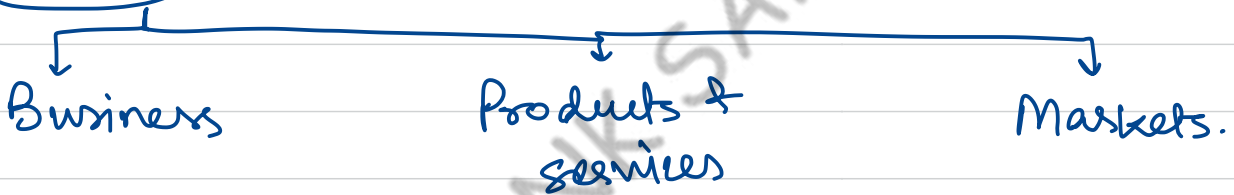
Steps in SWOT Analysis

- (i) Setting objectives & Goals
- (ii) Identify SWOT
- (iii) Maximize Strength → Eg. (low pu cost / funds)
- (iv) — Opportunity → Eg. (Export / Demand ↑)
- (v) Minimize Weakness → Eg. (efficiency ↓ / Opposite of strength)
- (vi) — Threats → Eg. (cheap imports, Tax rate ↑)
- (vii) Formulate Strategies.

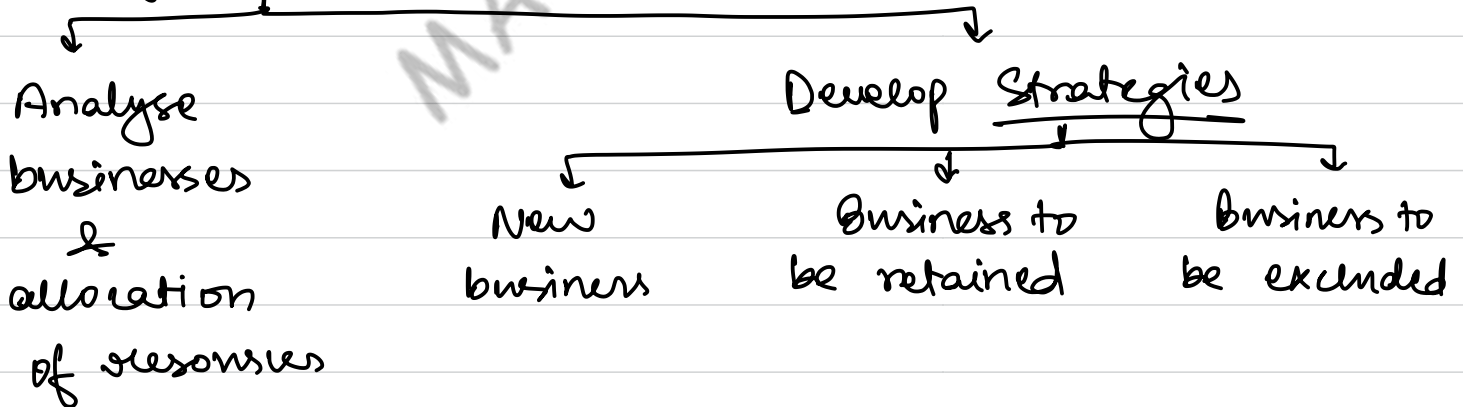
Dangers / Drawbacks / Limitations / Disadv of SWOT



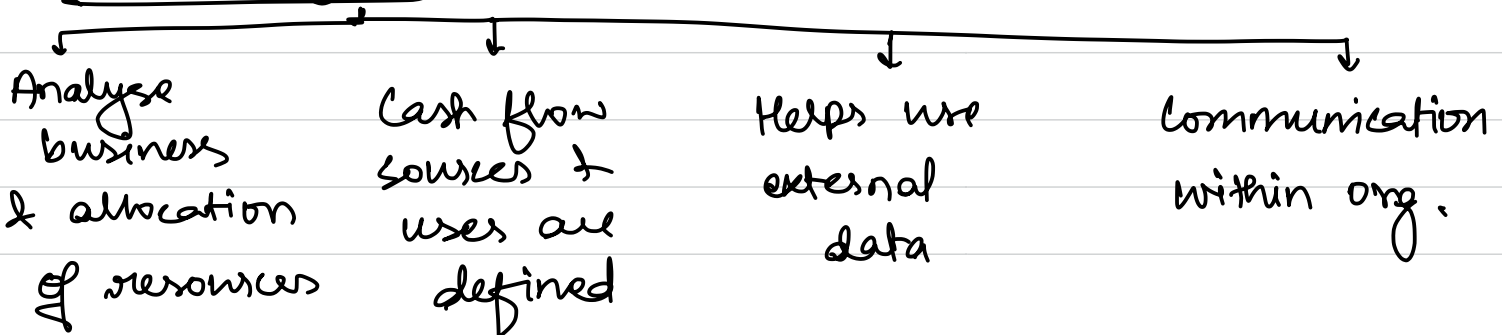
Portfolio Analysis



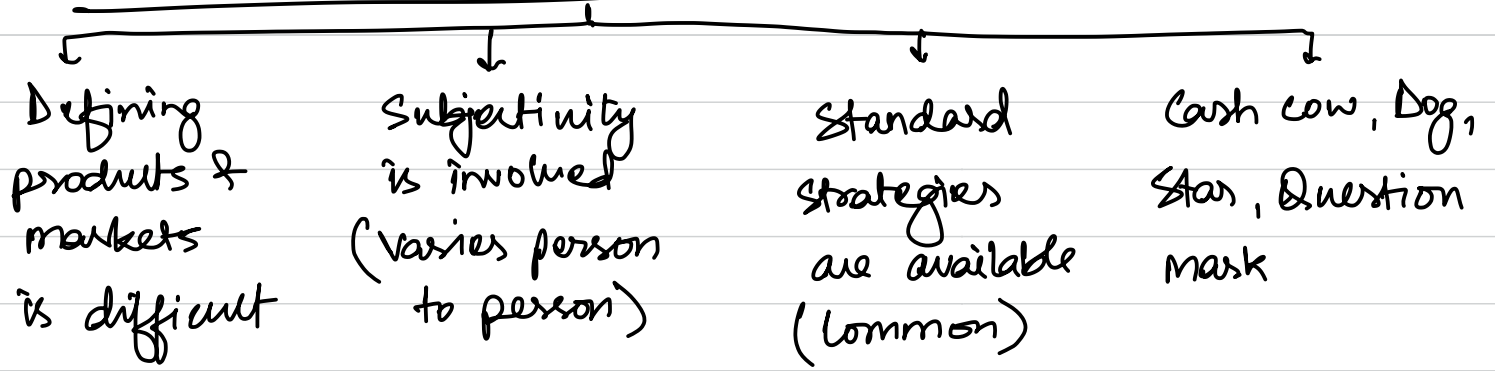
Objectives



Advantage



Disadvantage / limitation



BCG Matrix

OPP \Leftarrow High

Market Growth

Threat \Leftarrow Low

<p>QUESTION MARK</p> <p>Apple watch / Yippee</p> <p>Disinvest</p>	<p>STAR</p> <p>iPhone / Amli Hotels</p> <p>Invest/grow</p>
<p>DOG</p> <p>iPod / John Player Wills lifestyle</p> <p>Liquidate</p>	<p>CASH COW</p> <p>iPAD / tobacco</p> <p>Harvest</p>

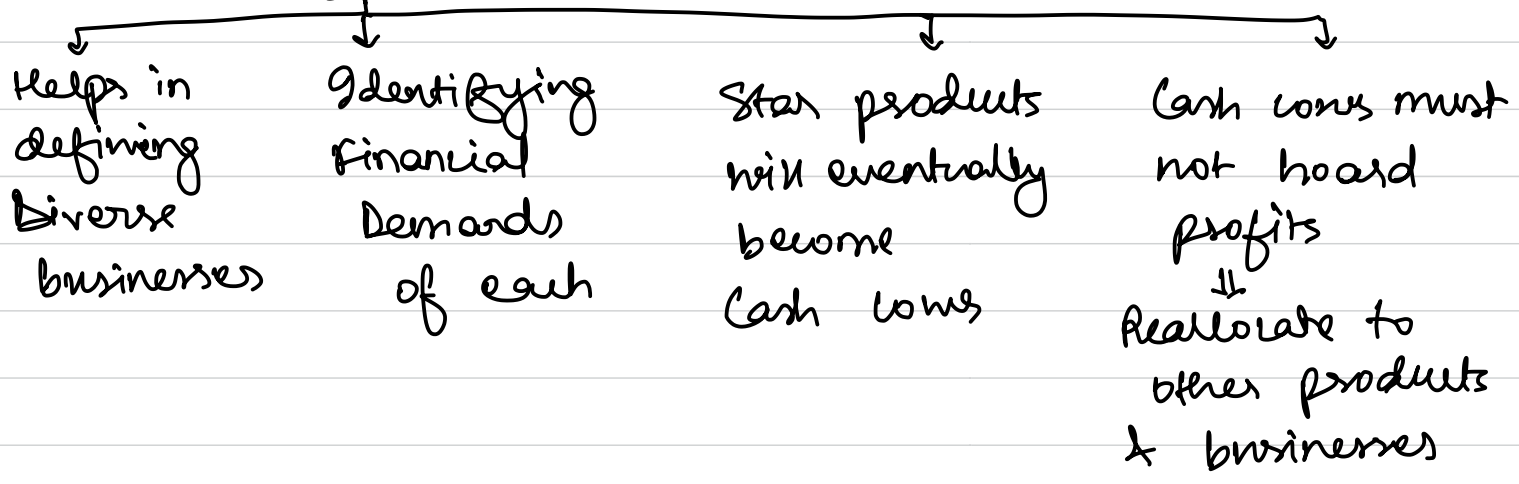
Aaj ka Star, kal ka Cash Cow

Low \Downarrow Weakness

High \Downarrow Strength

Market Share

Advantages

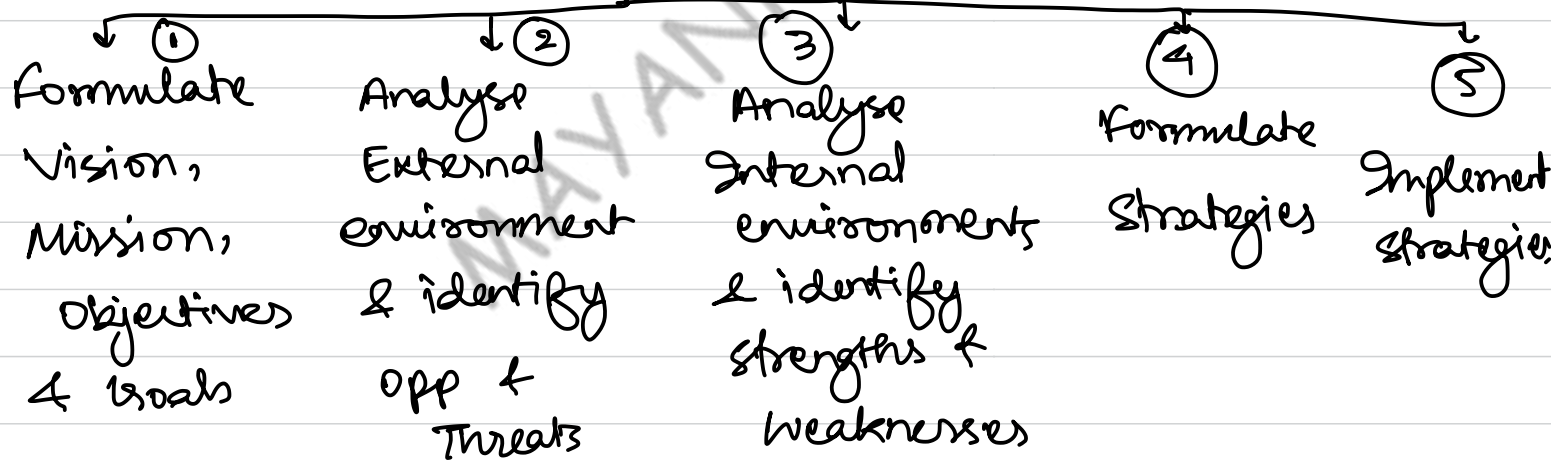


Disadvantages



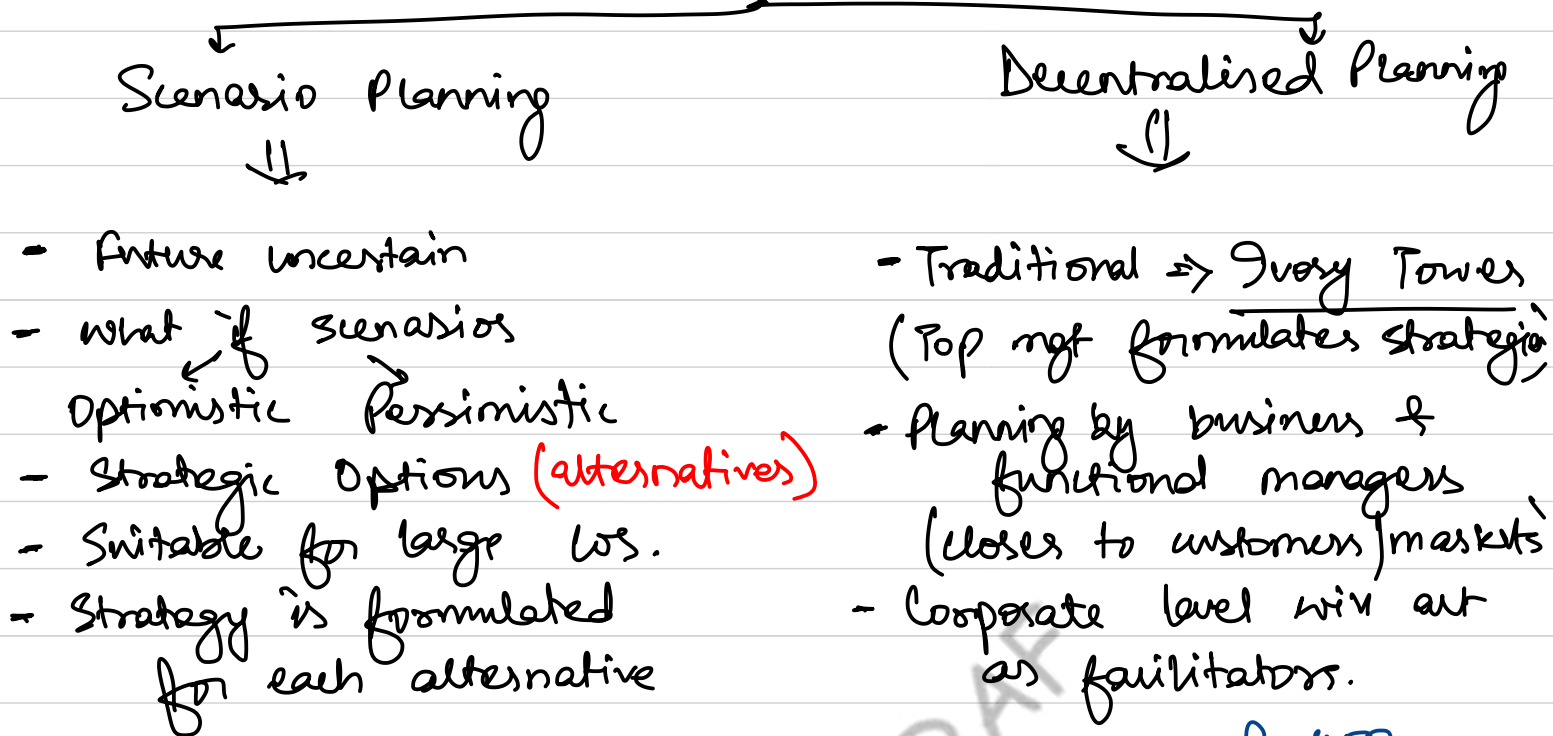
* Co's with low market share are Dogs / Question Marks as per BCG

Strategic Planning (Steps)



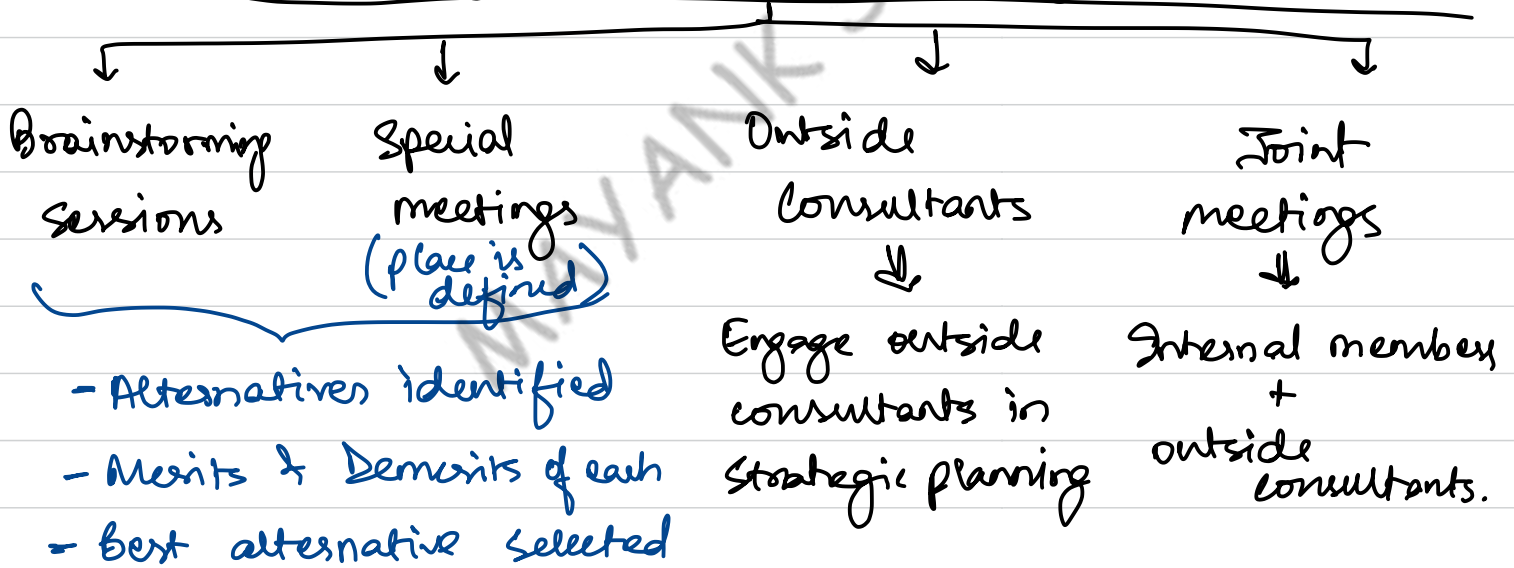
Feedback loop

Alternatives in Strategic Planning (Pg 443)

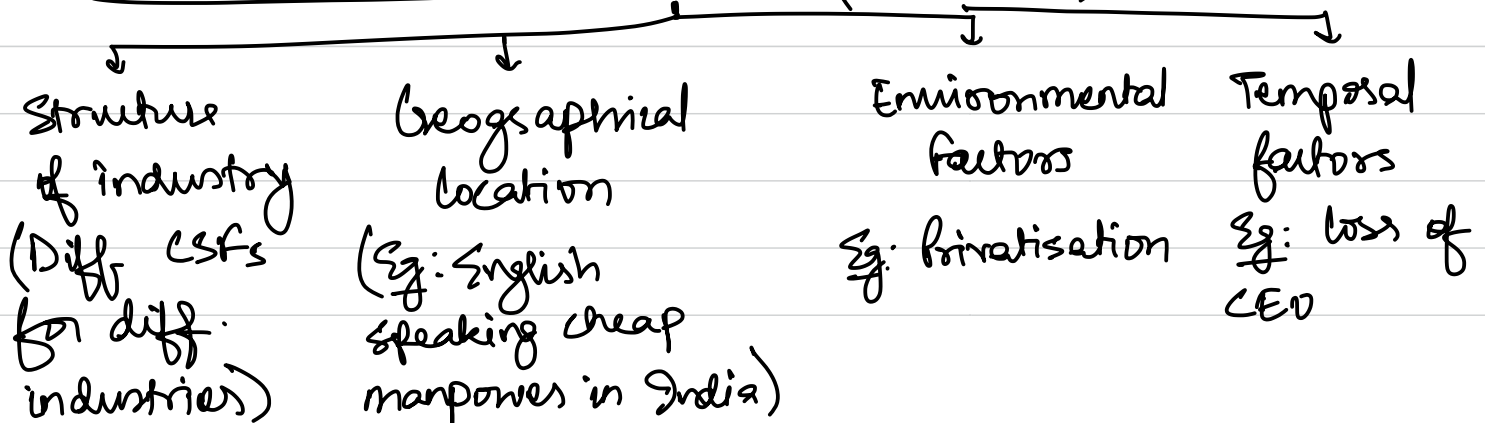


Pg 450

Mechanisms for Identifying Strategic Alternatives



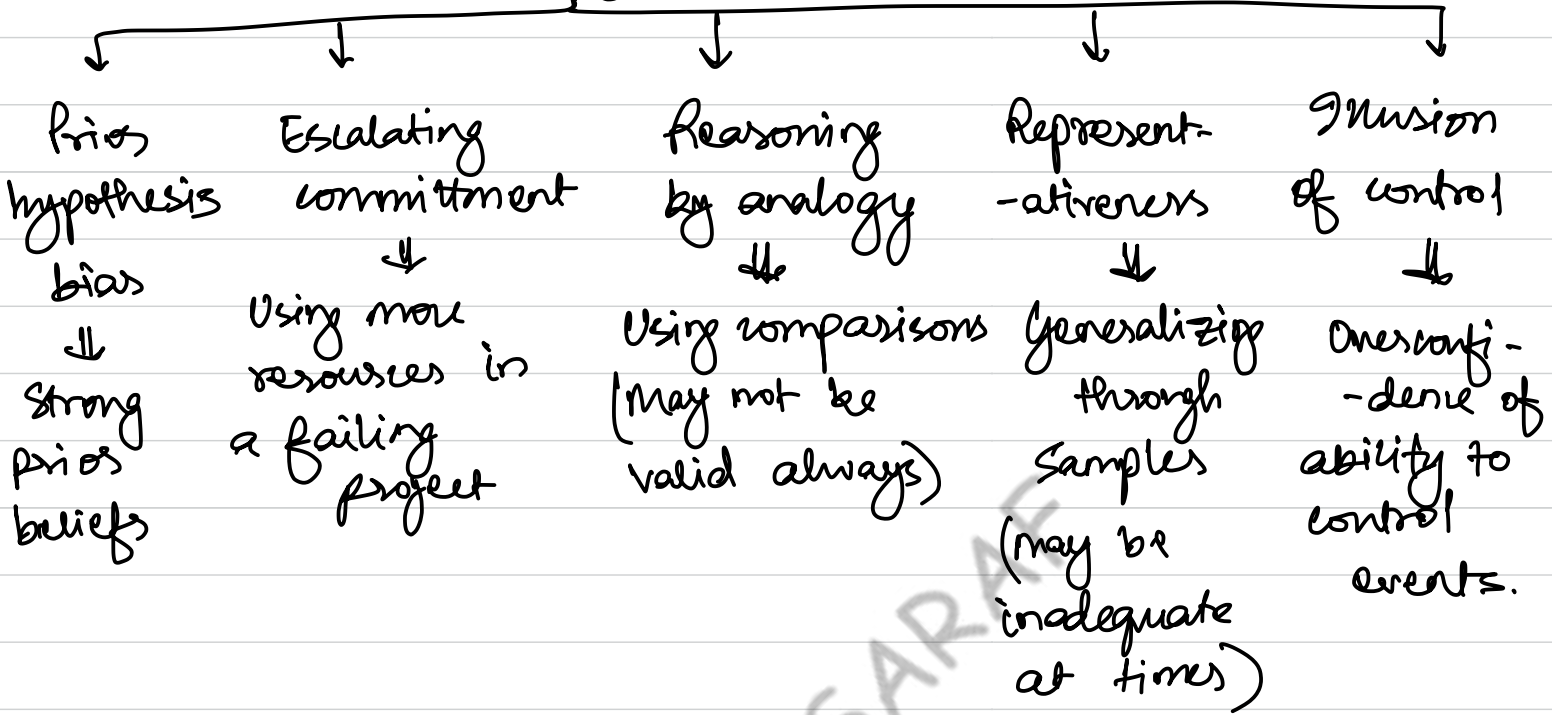
Critical Success Factors (Sources)



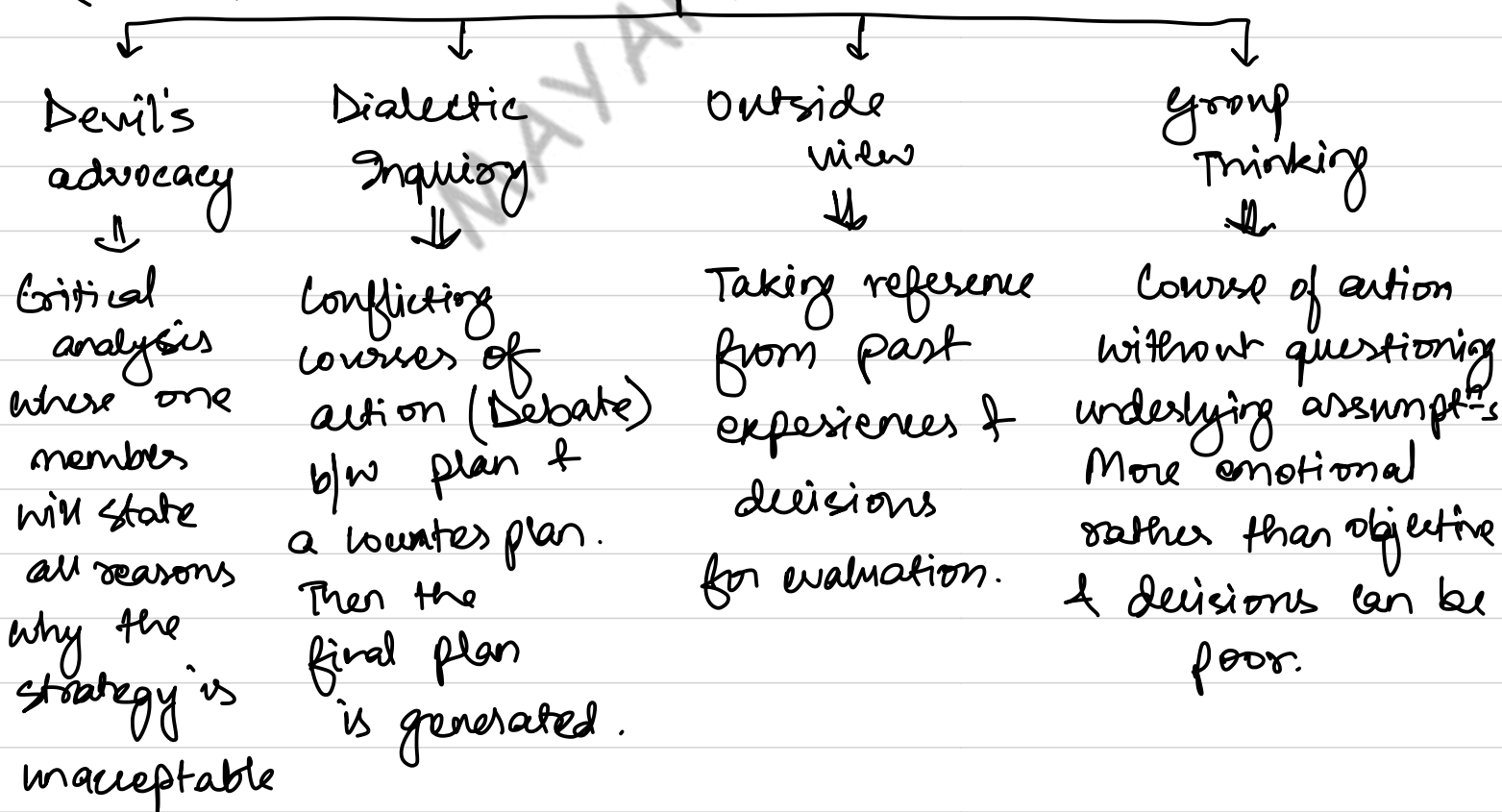
Strategic Decision making

Biases in Strategic Decisions

Hurdles

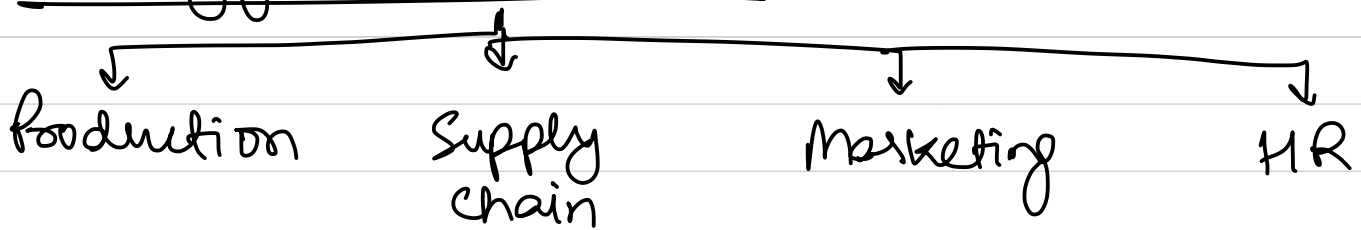


Techniques for Improving Decision making



Ch 3 → Strategy Formulation & Strategy Implementation

Strategy Formulation

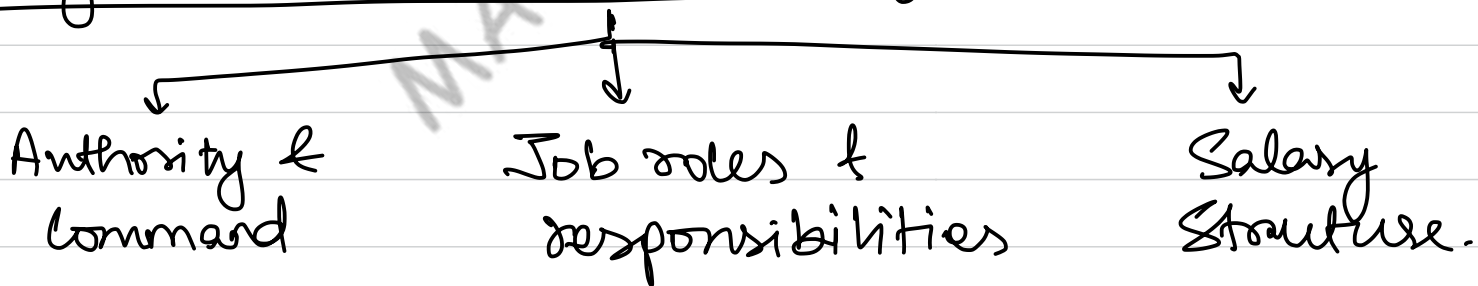


(covered at the end)

Strategy Implementation



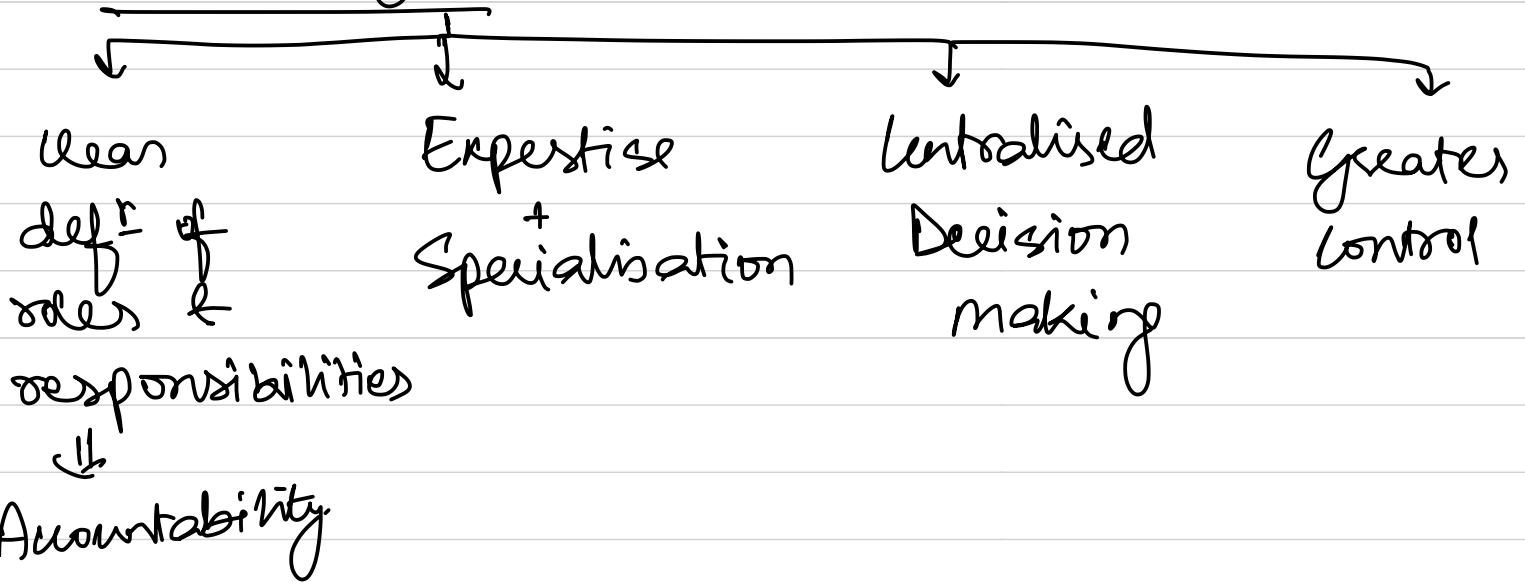
Organisation Structures (Pg 468)



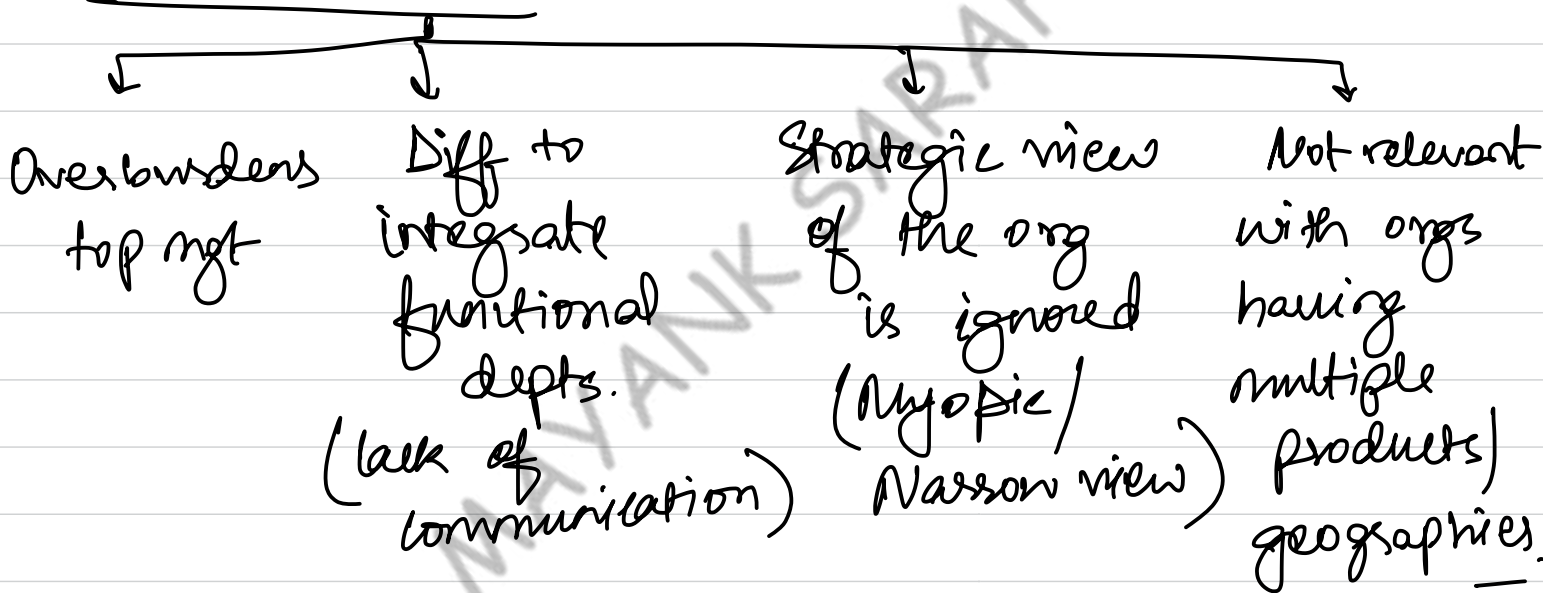
① functional Structure

Diagram + Explanation from book (Pg 468)

Advantages



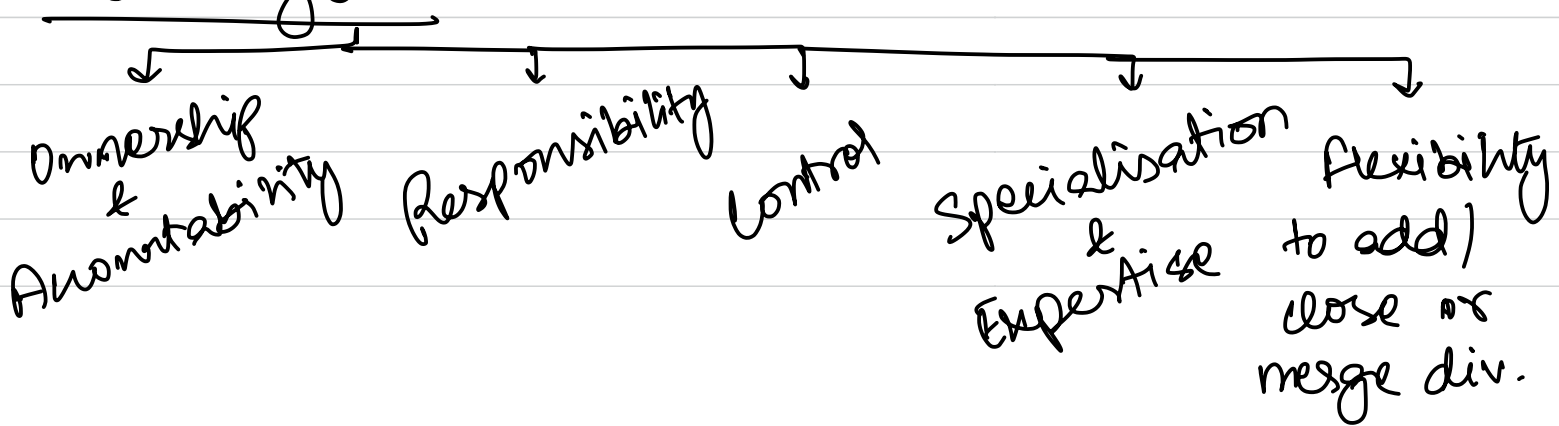
Disadvantages



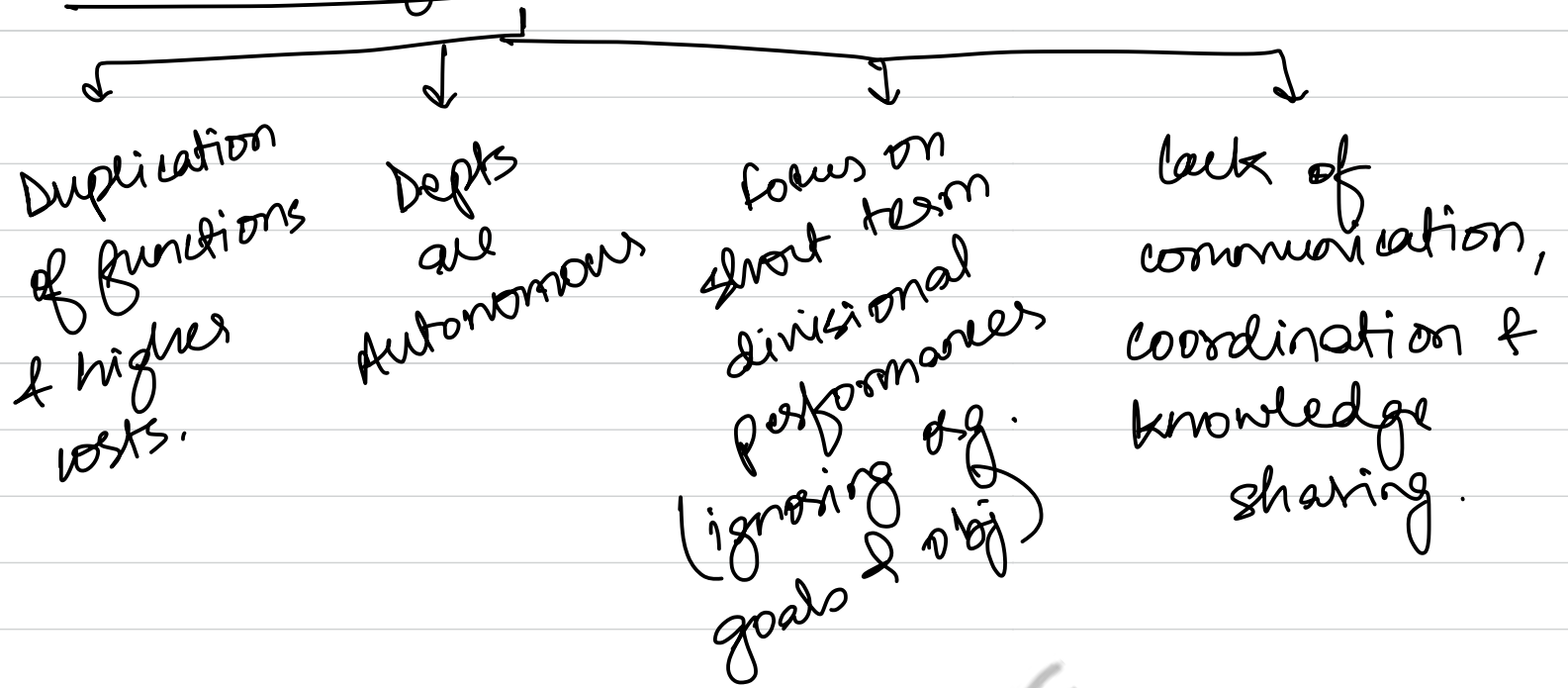
② Multi Division Structure

Diagram → Pg 470

Advantages



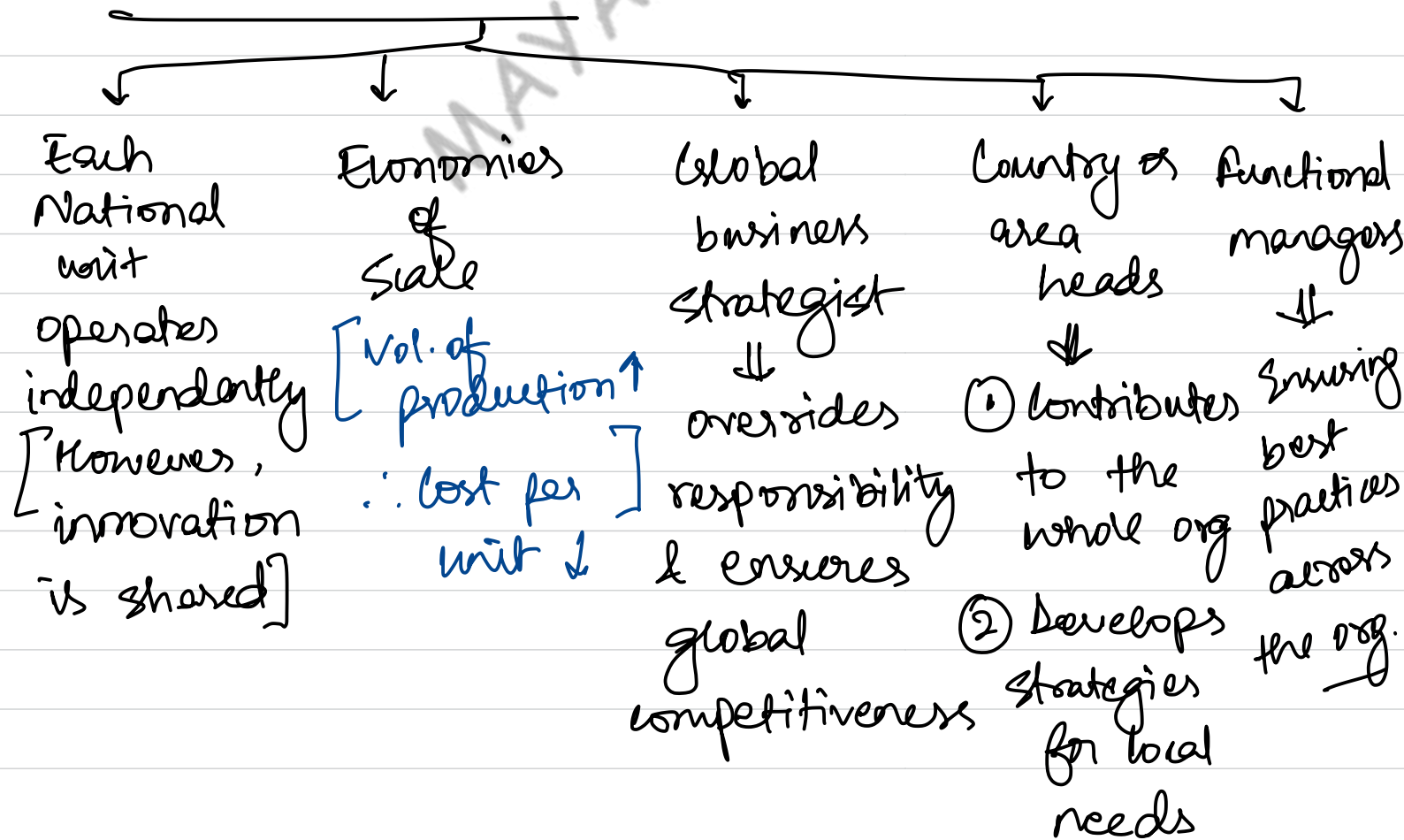
Disadvantages



③ Transnational Structure

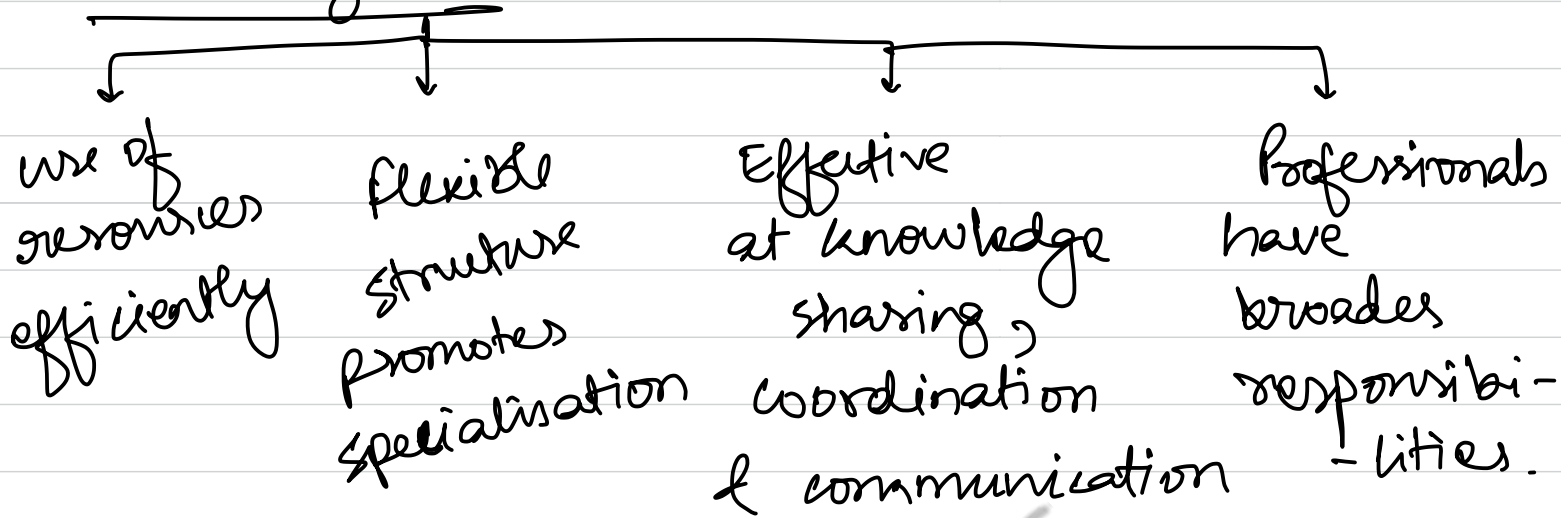
Relevant for global product companies.

Characteristics

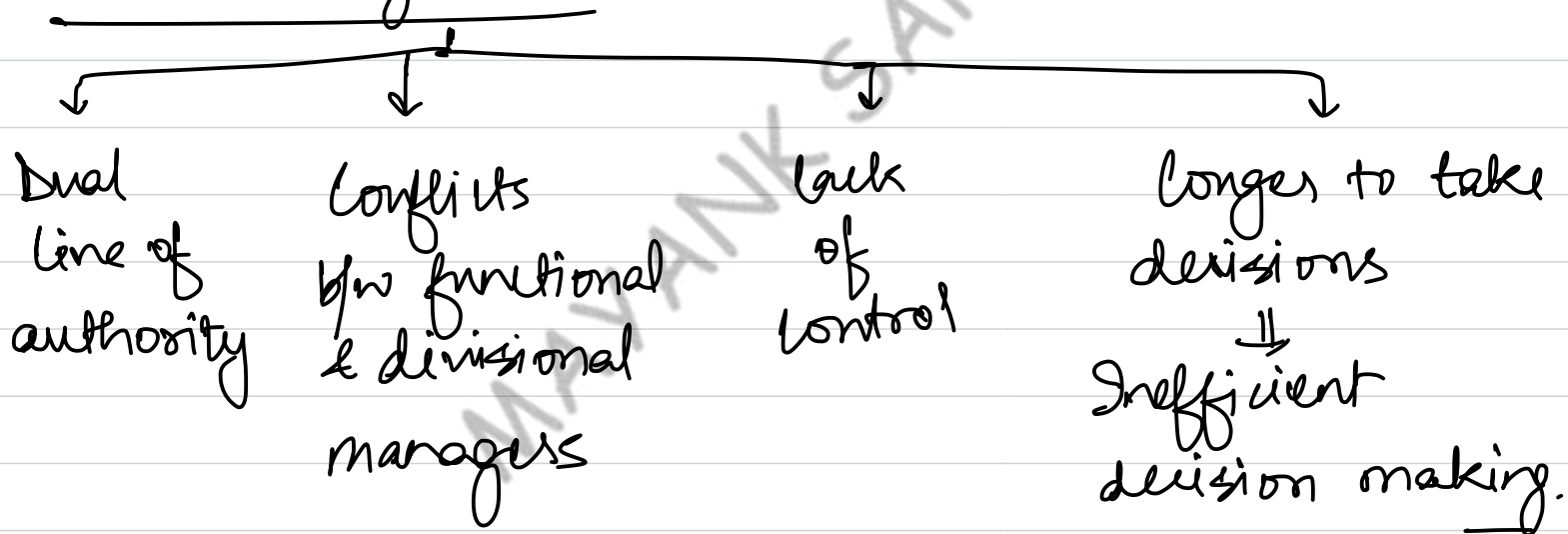


④ Matrix Structure (Pg 471) ← Diagram

Advantages



Disadvantages

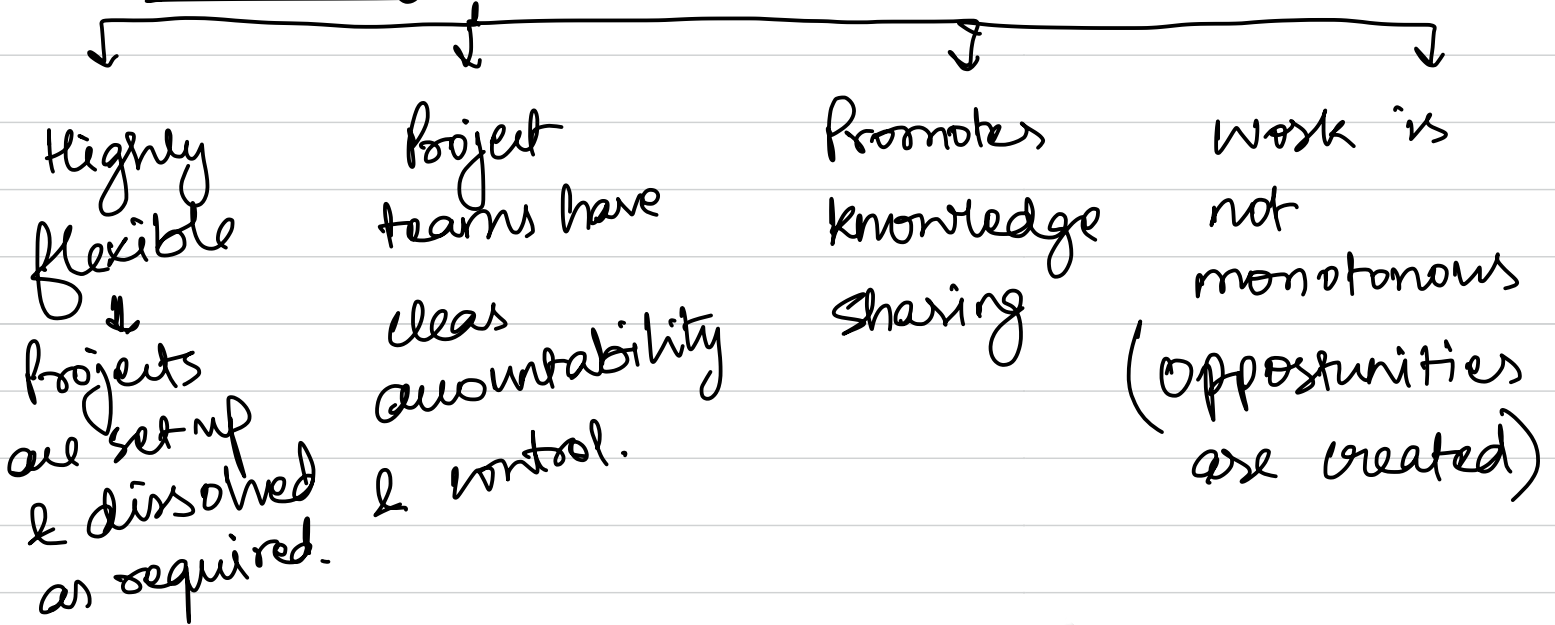


⑤ Project Structure

Taskforce is created, work is done & dissolved.

Eg: Construction companies

Advantages



Disadvantages - similar to Matrix structure

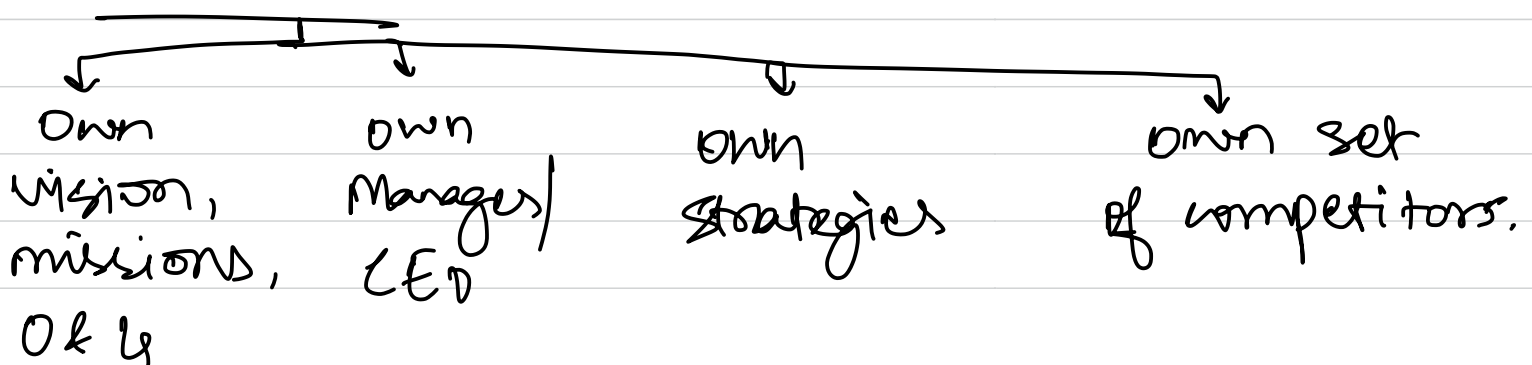
6) Strategic Business Unit

Diagrams → Pg 476

A Business within a business.

Each business is different from the others in terms of products, services, markets, etc.

Features



Identification of SBU

Market based

Capabilities based

Same SBU for similar customer types.

Same SBU for similar strategic capabilities

Eg: ITC Tobacco & Hotel SBU

Eg: Pantaloon's own boards & outsourced boards.

Business Process Re-engineering (BPR) Pg 478

It involves fundamental rethinking, radical redesign of business processes to achieve dramatic improvement.

Examples of BPR / Characteristics

Combining several jobs into 1

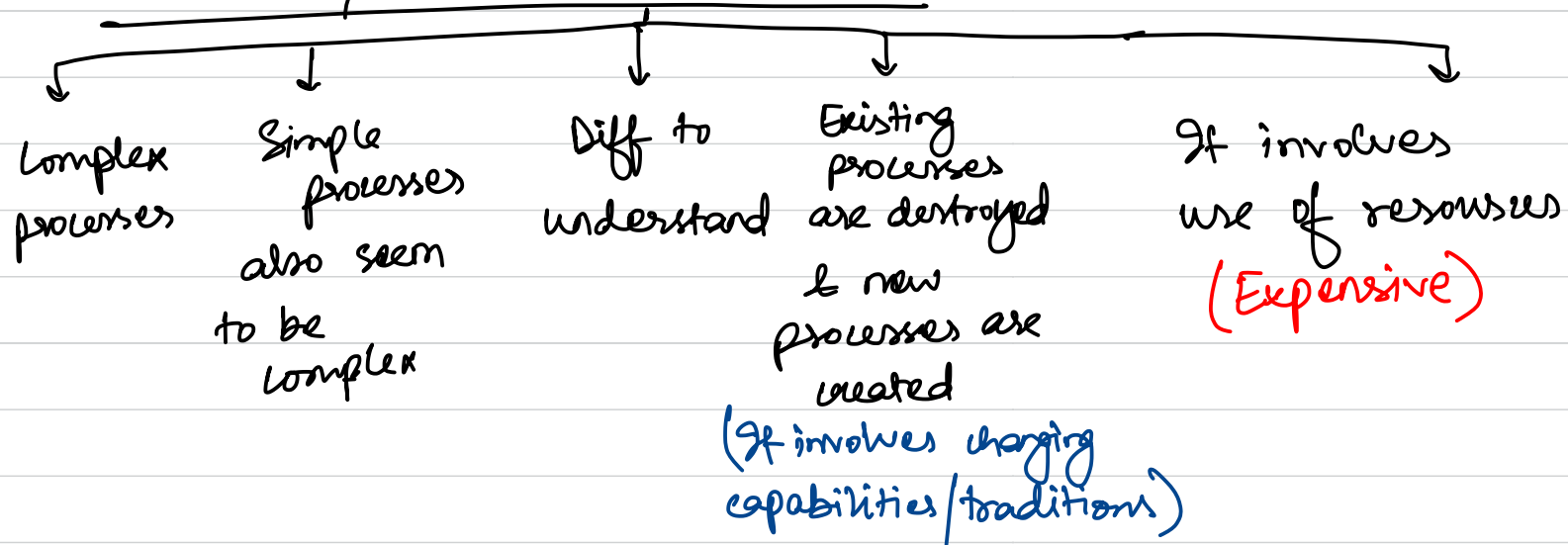
Workers are allowed to make decisions
(Integrated approach)

Performing processes where it makes the most sense.
(Eg: Stationery to be purchased by the Depts. itself)

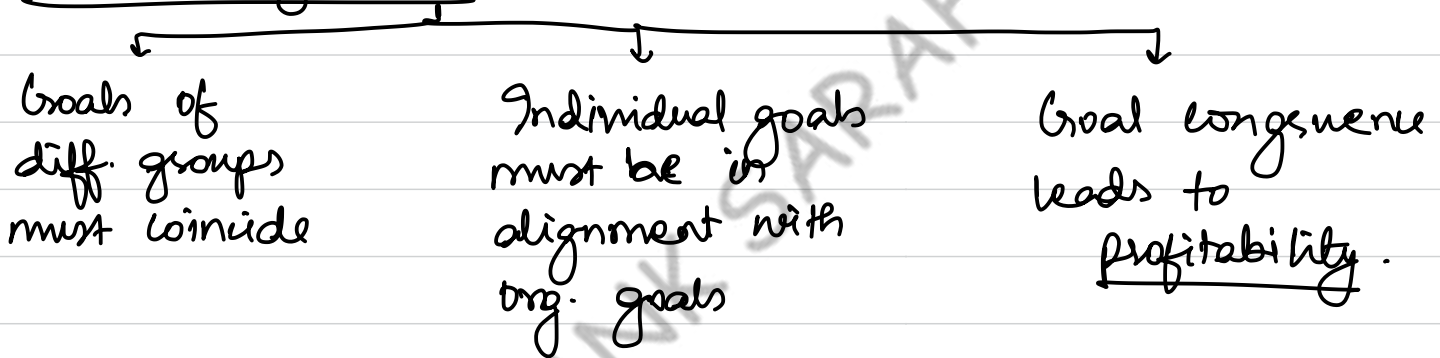
Minimizing reconciliation
(Involves use of IT)

Shared Database

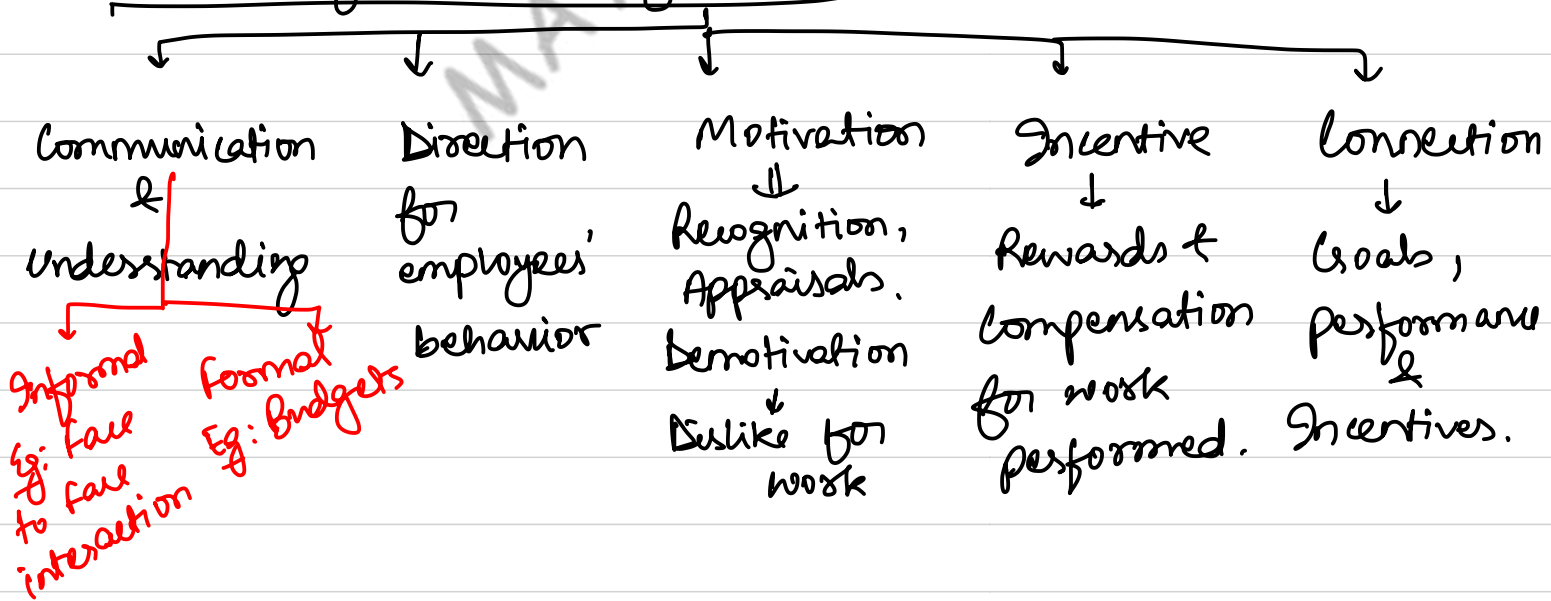
Concerns / Drawbacks in BPR :



Goal Congruence

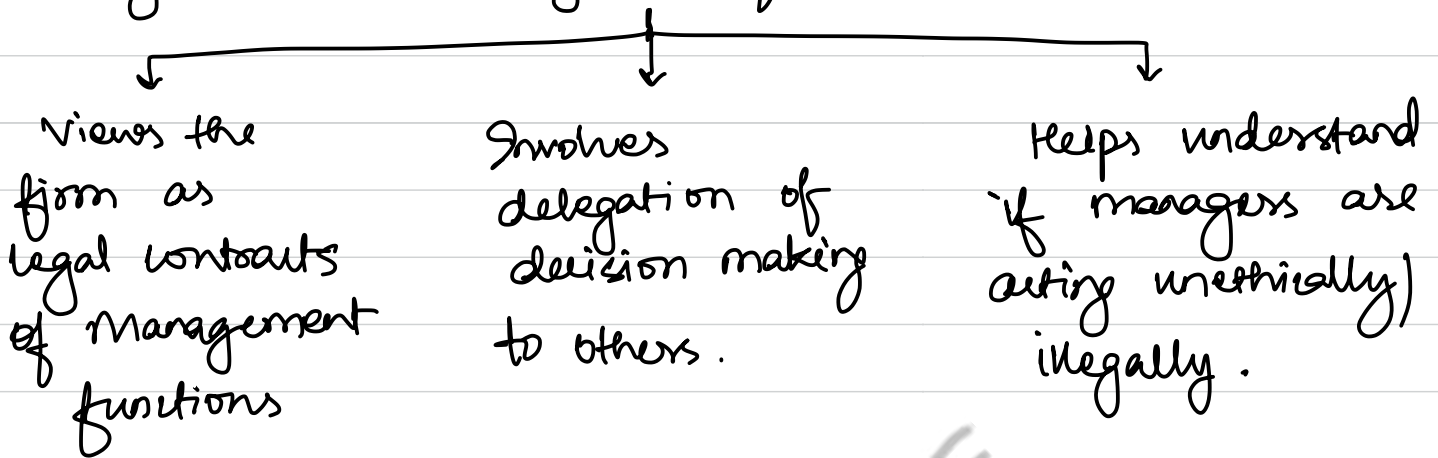


Aspects of Goal Congruence

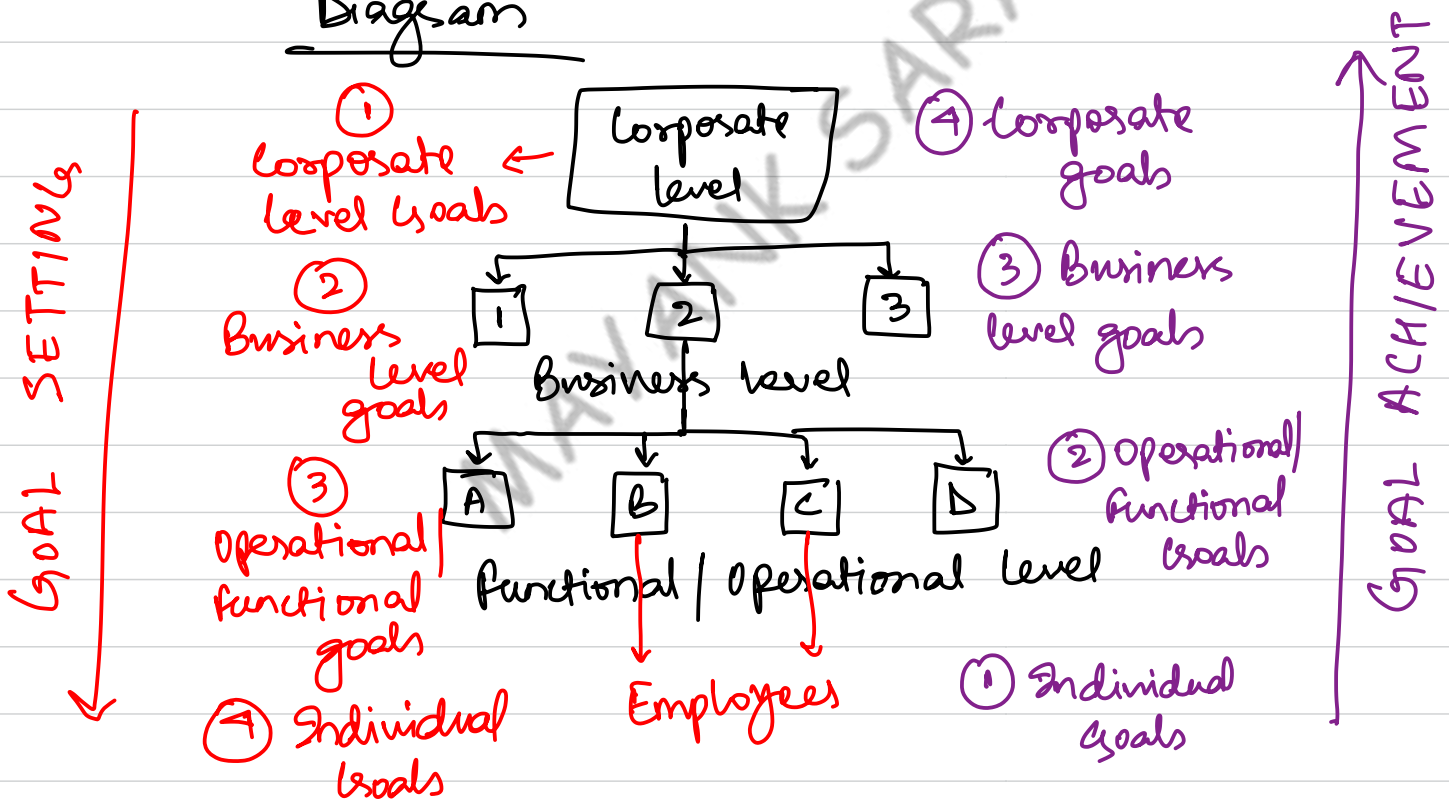


Agency Theory

It is means to achieve good consequence where Managers act as agents of the Co.



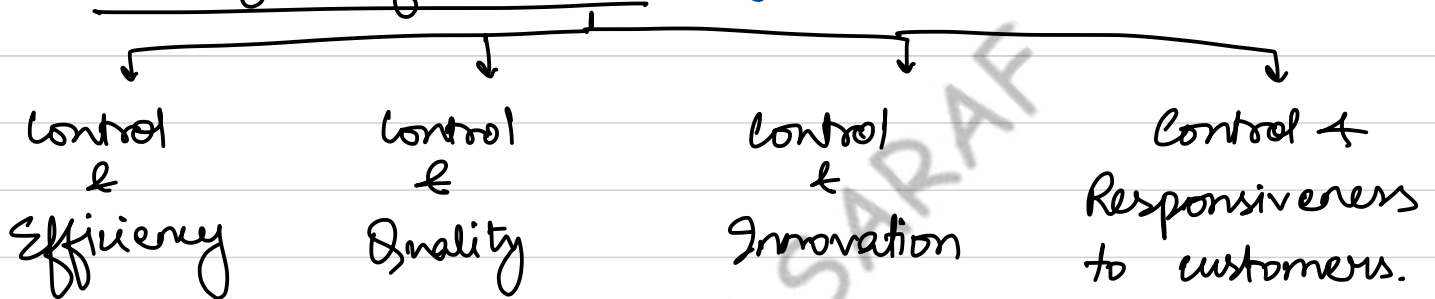
Diagram



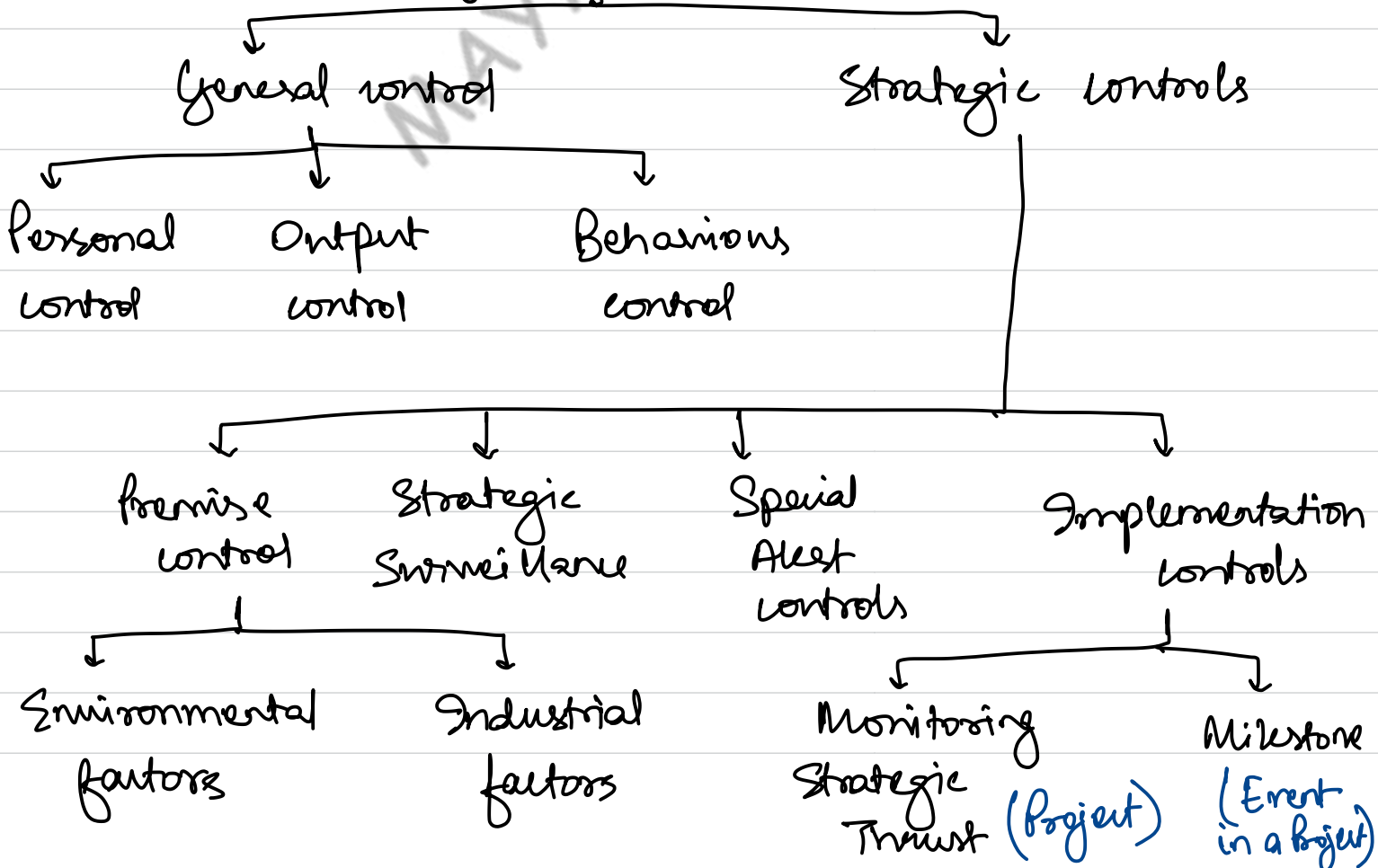
Control

It refers to the deviation between actual results & desired results (planned) & taking corrective action. (Eg: Standard Costing / Budgeting)

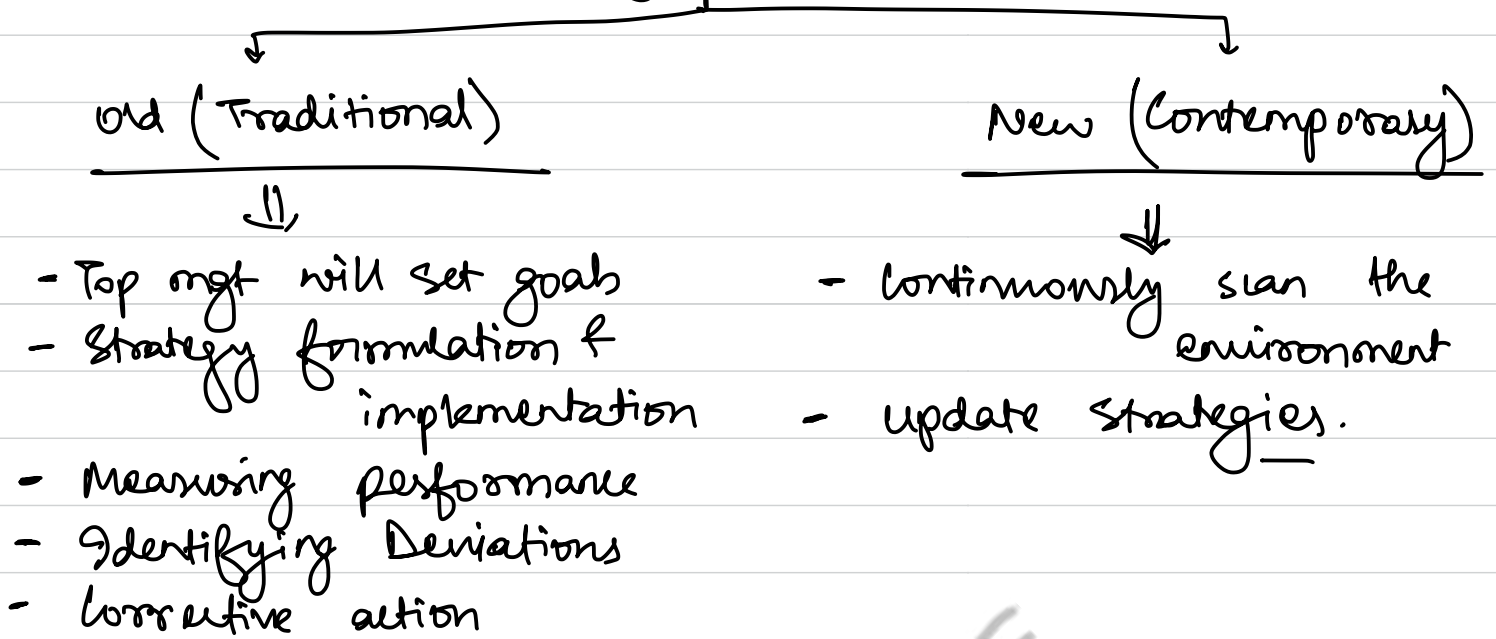
Benefits of control (Pg 480)



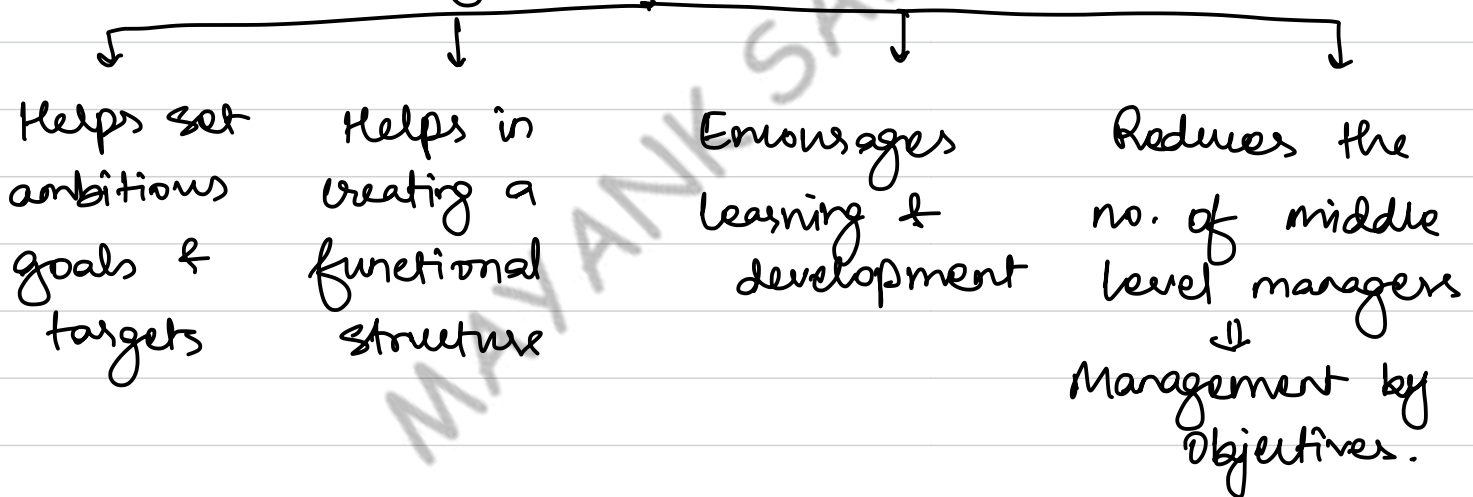
Types of Control Systems (Pg 481)



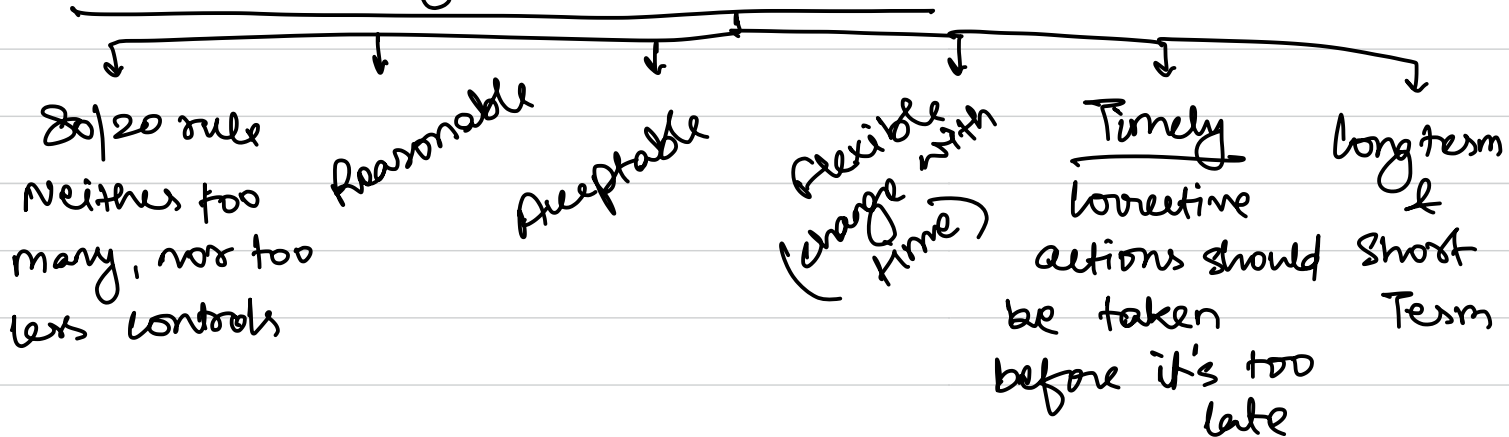
Approaches to Strategic Control



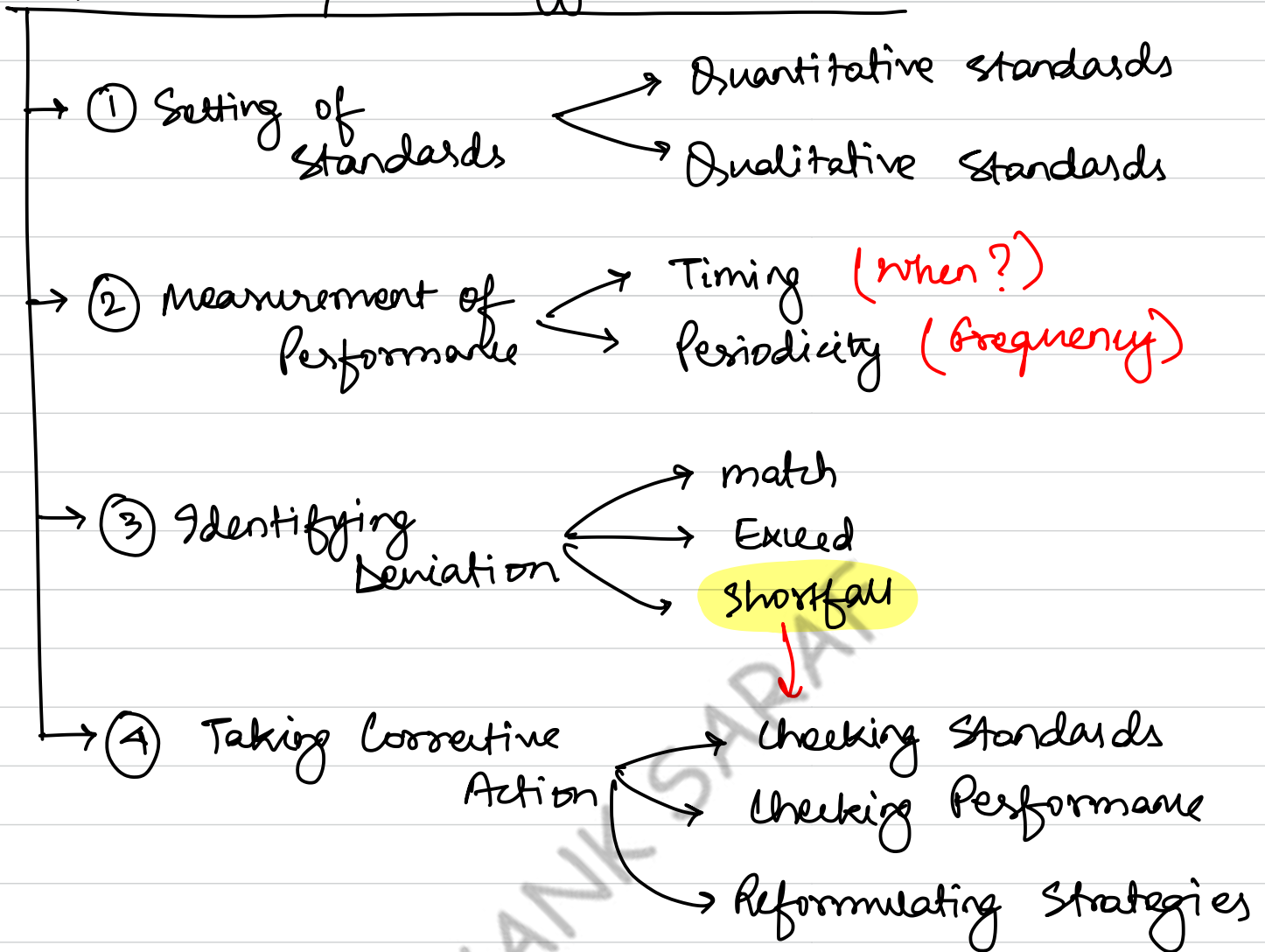
Role of Strategic Control



Guidelines for Proper Control (Pg 485)



Steps to set/create effective controls:



KRA | KPA | KPI

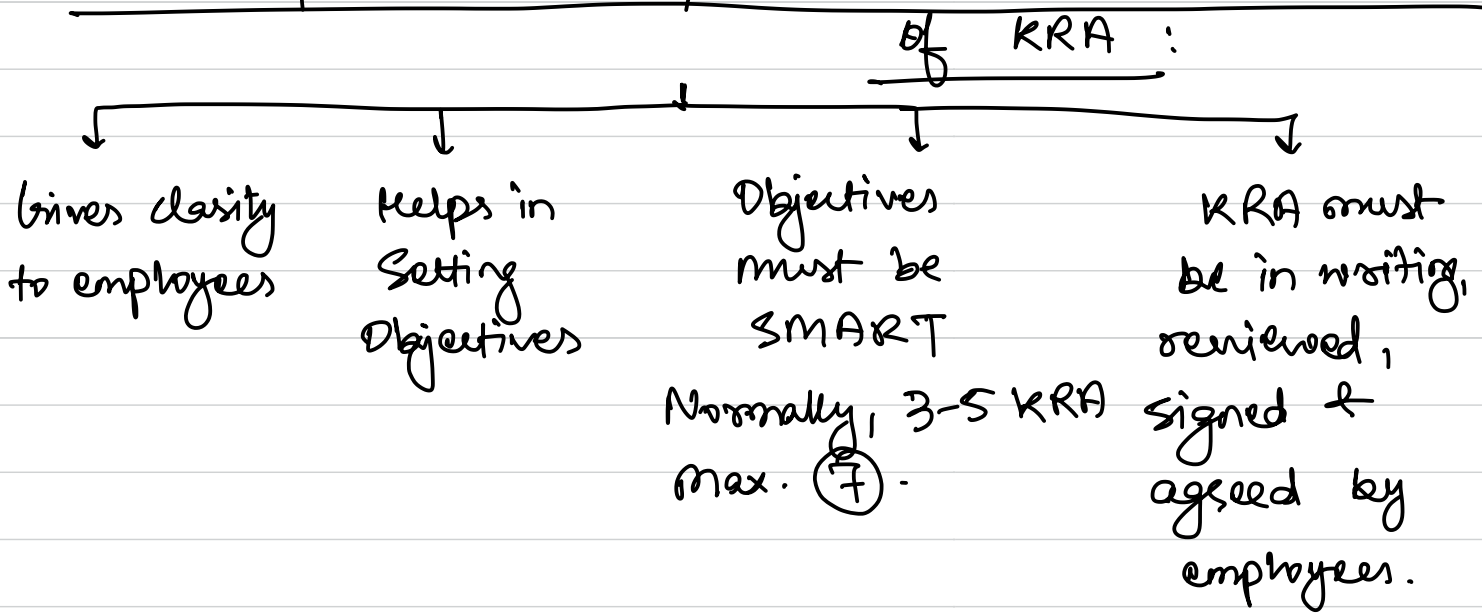
KRA = Key Result Area

KPA = Key Performance Area

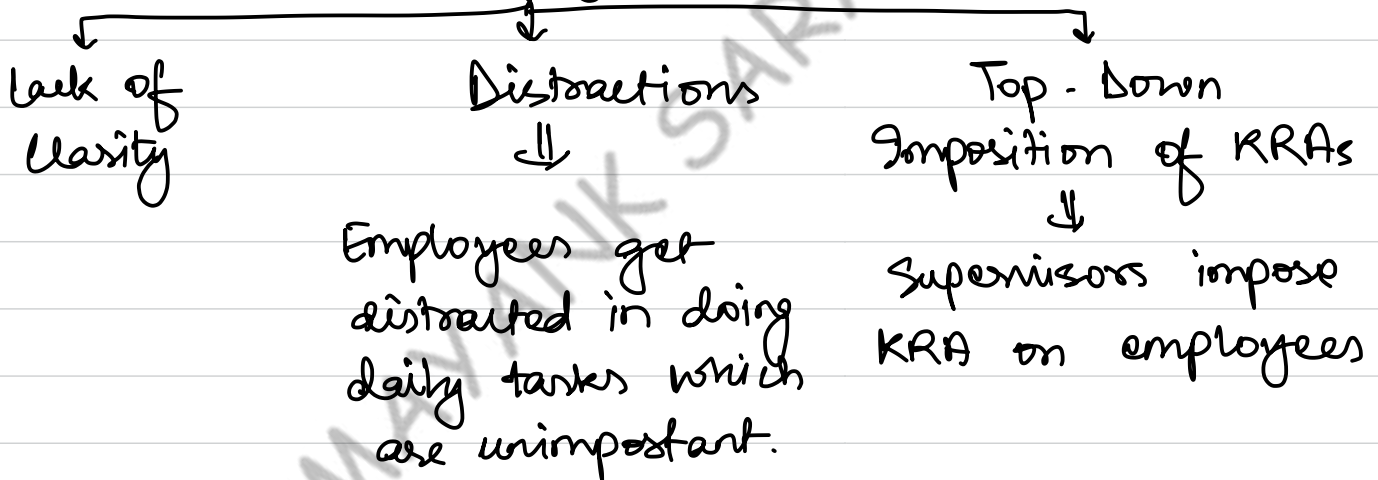
KPI = Key Performance Indicator

KRA involves use of Pareto principle → 80/20 rule
focus on 20% customers which results in 80% sales.

Features | Characteristics | Attributes in development



Problems in Developing KRA



Ch 4 - Digital Strategy

Technology + Resistance (Culture)

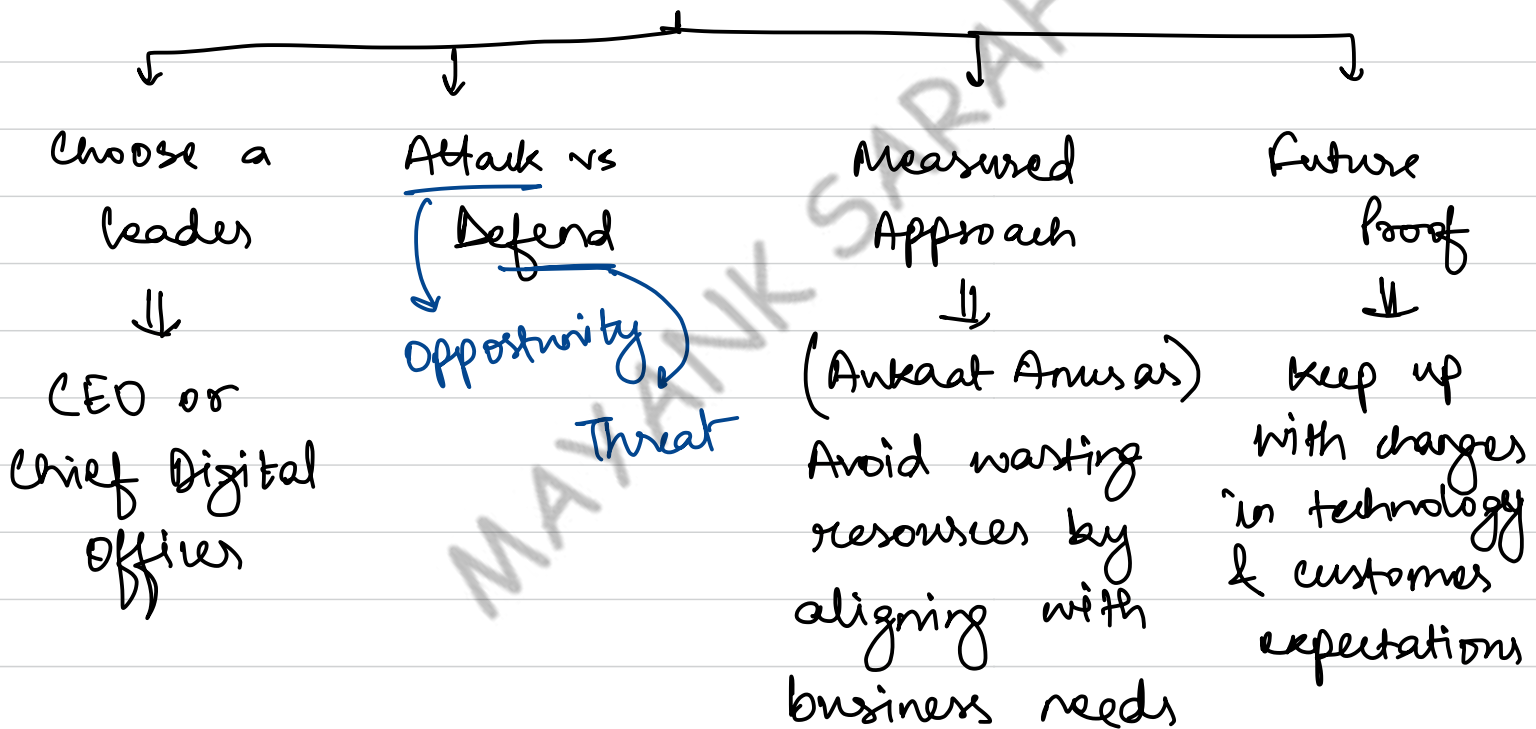


Digital Strategy

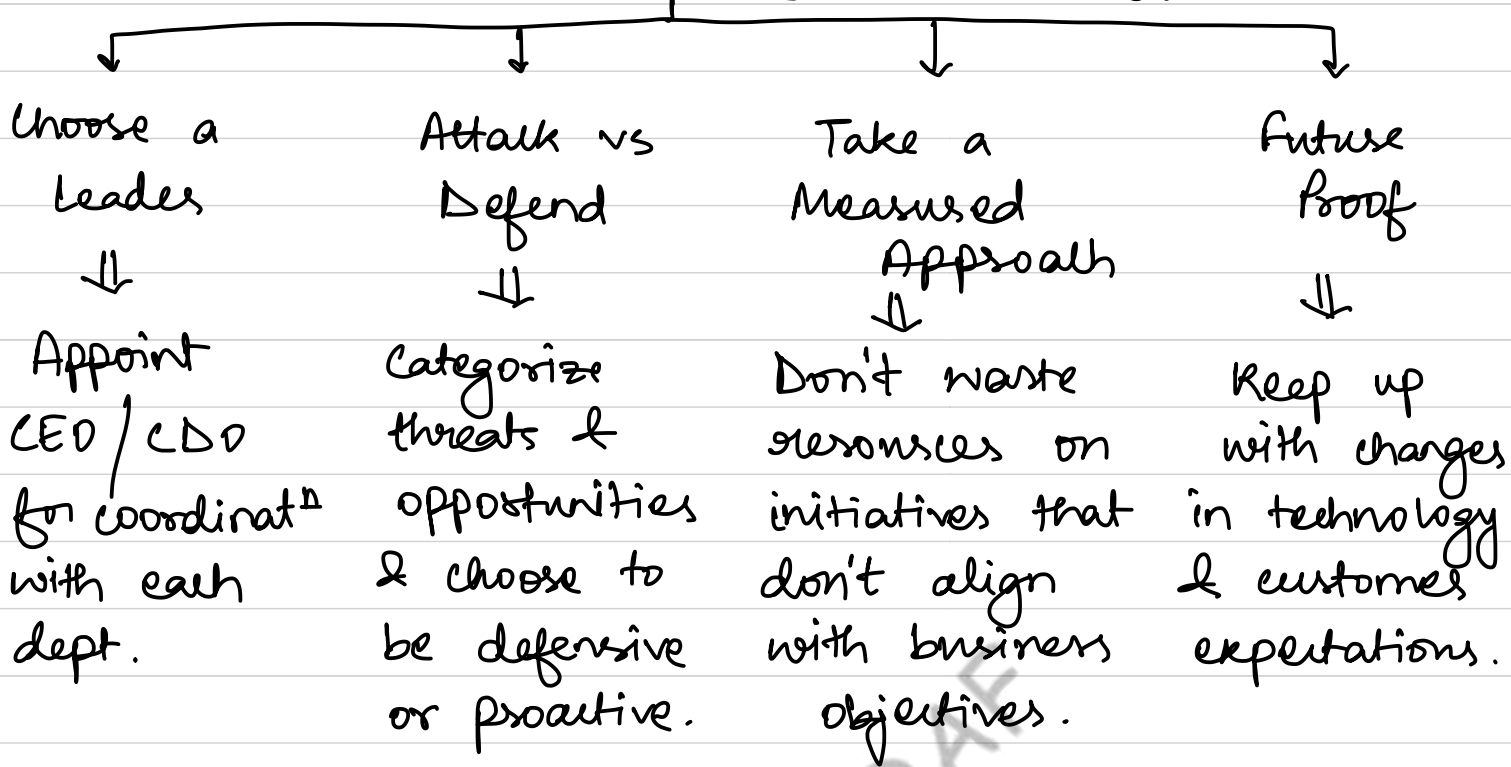


Digital Transformation

Common Elements of Digital Strategy:



Common Elements of Digital Strategy :

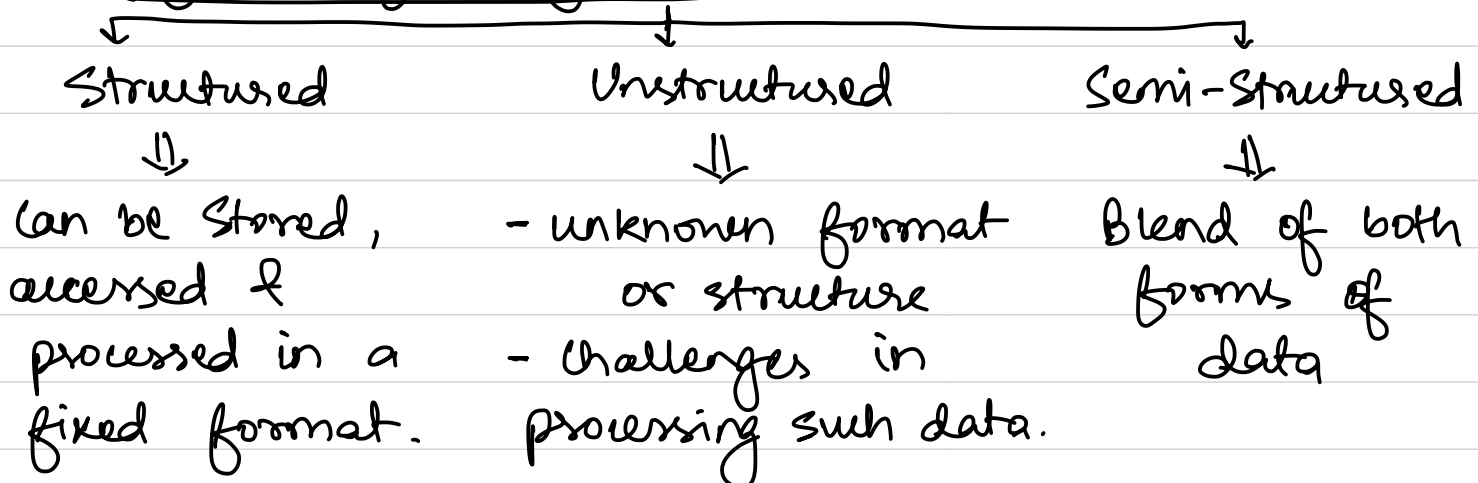


Various concepts related to technology :

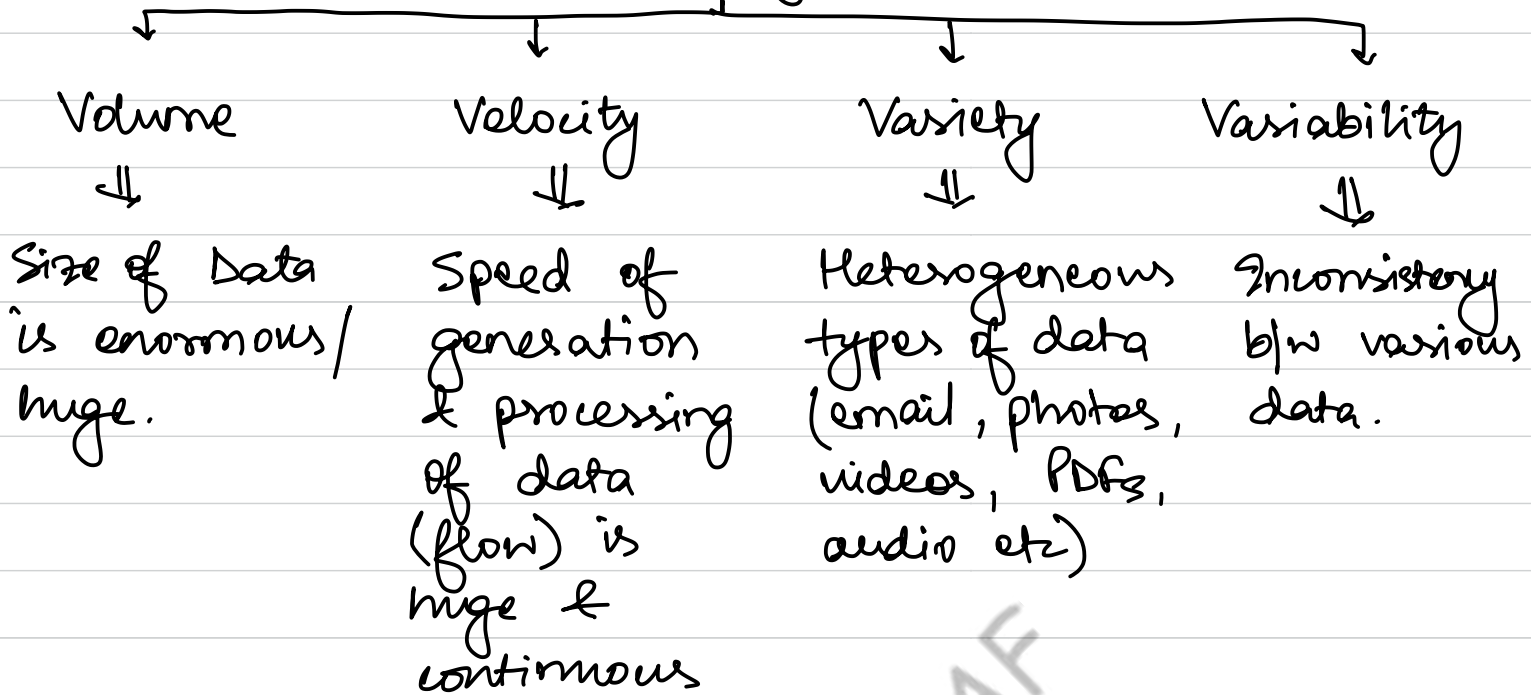
Big Data

- Collection of Data
 - ↳ Huge in volume (large size)
 - ↳ Grows exponentially over time.
- Complex for traditional data management tools.

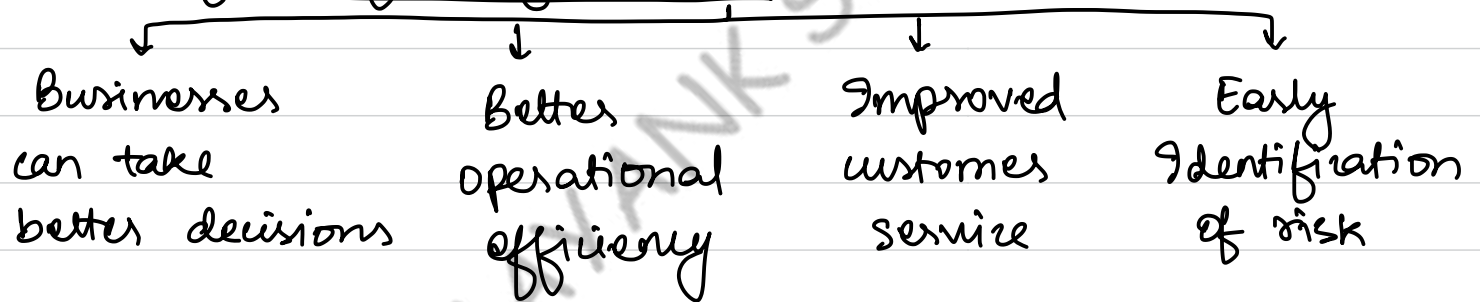
→ Types of Big Data



→ Characteristics of Big Data



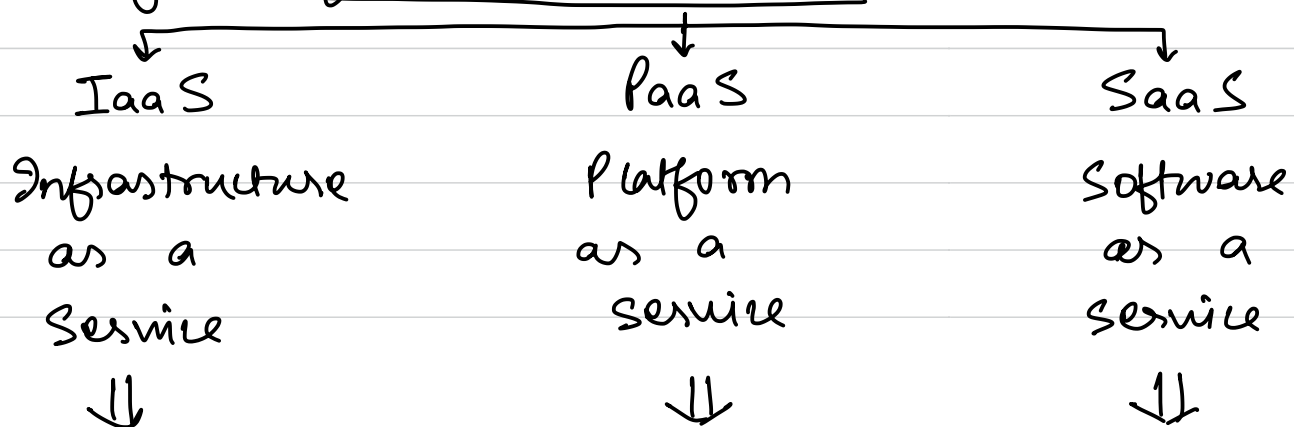
→ Benefits of Big Data



Cloud Computing

→ Delivering services over the Internet.

→ Types of cloud services :



Infrastructure (i.e. storage & servers) are supplied.

Eg: AWS

Development tools are supplied for general software development

Eg: Shopify / Google App Engine

Software services are supplied (web services) which can be accessed from anywhere

Eg: Gmail

→ Types of Cloud :

Private cloud



A proprietary network which supplies services to a limited number of people with limited access & permissions.

(Eg: Internal network of a Co. like Reliance)

Public cloud



Services are supplied to anyone on the internet.

(Eg: Gmail / Whatsapp / Youtube)

→ Benefits of Cloud Computing

Cost management



Data & workload mobility



Business Continuity & Disaster Recovery



Cloud computing helps in reducing capital costs, expertise cost & downtime cost

Allows users to access data from anywhere with any device having an internet connection.

Users can always access data even if their devices (laptops / smart phones) are inoperable. Data is available even if business suffers damage or disruption.

→ Demerits / Limitations of Cloud Computing

Cloud security

Cost unpredictability

Lack of capability & expertise

Cloud performance

Cloud migration

↓
Lack of transparency (sensitive info. is trusted with cloud providers.)
Data breaches & Hacking risk.

↓
Pay as you go plans (fluctuating workload demands make it difficult to predict final cost)

↓
Lack of employees with proper skill sets

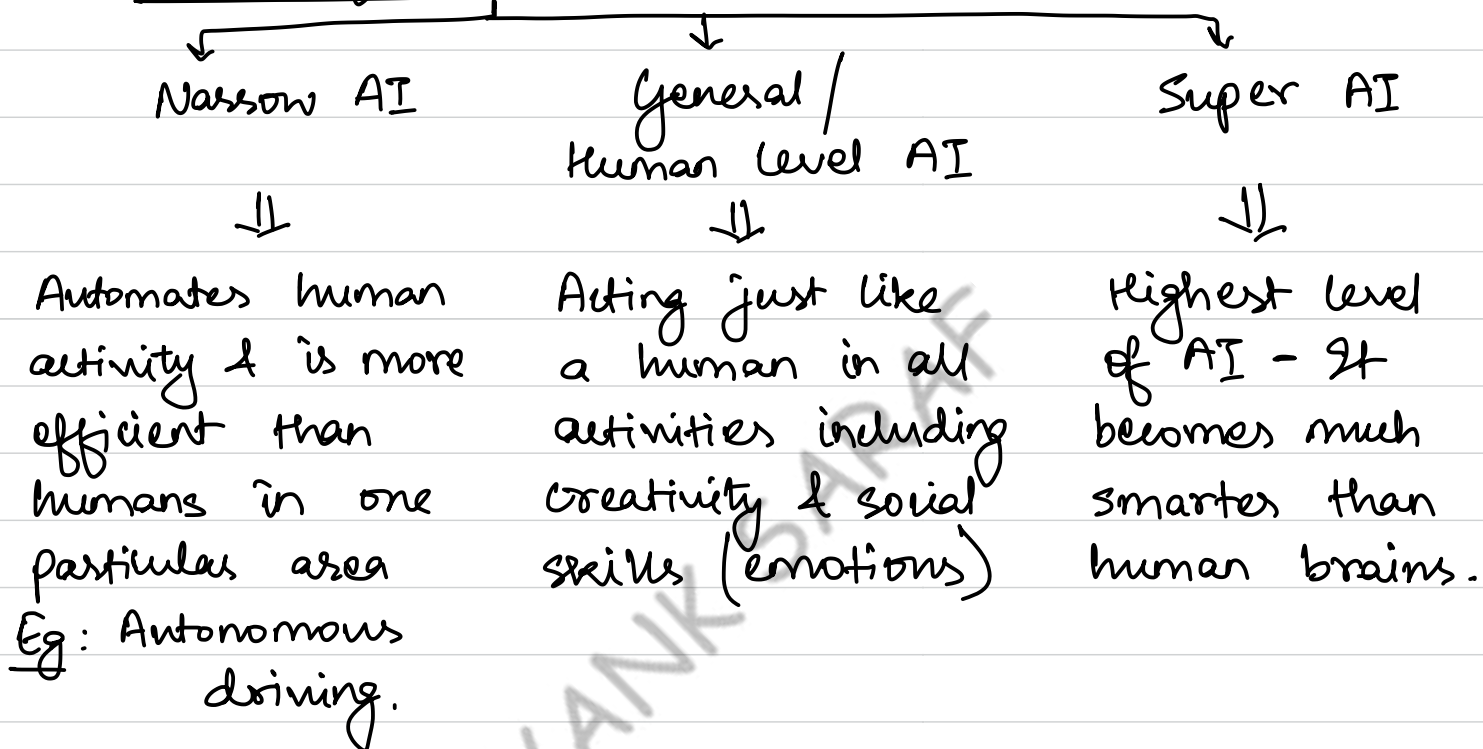
↓
Network outages / Internet failure disrupt business

↓
Moving application & data from one cloud to another is difficult

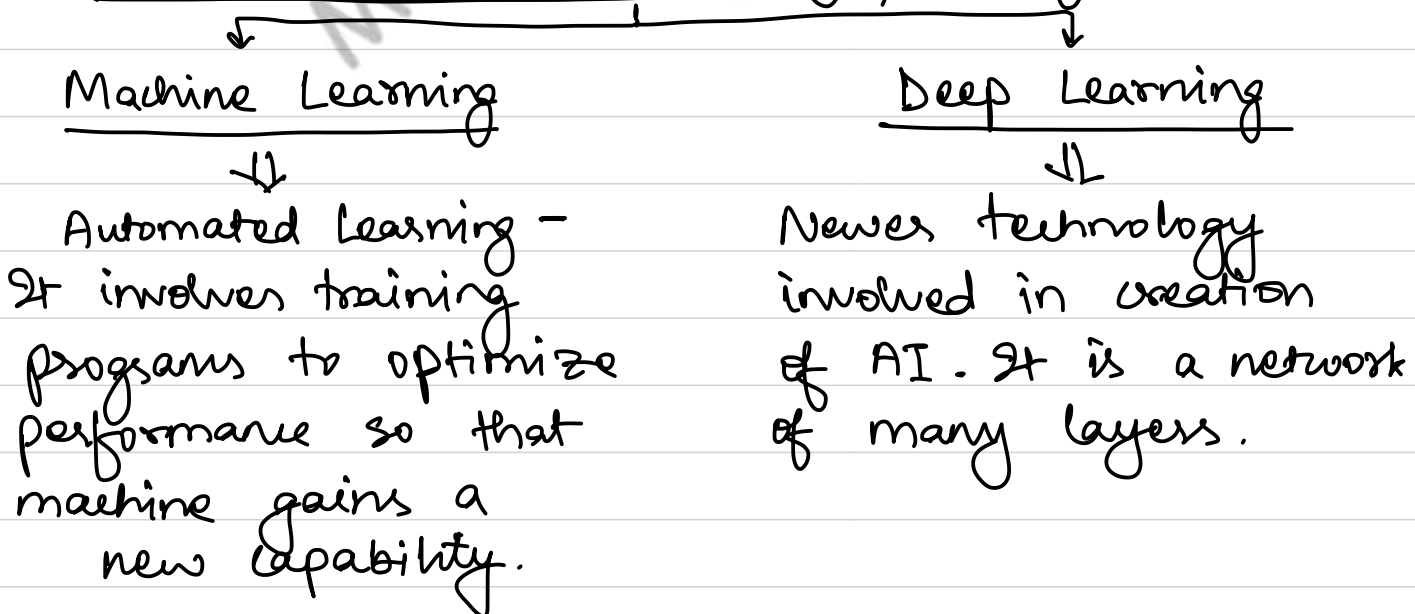
Artificial Intelligence

→ Intelligence exhibited by machines & systems imitating human functions.

→ Levels of AI



→ Approaches to implementing / creating AI



Blockchain

→ It is a shared ledger which facilitates recording transactions & assets.

→ Components / Characteristics of Blockchain



Distributed ledger technology

⇓
No centralised control - All participants have access.

Immutable records

⇓
Cannot change or tamper with a transaction after recording. In case of error, a new transaction must be added.

Creates security

⇓
Transactions cannot be deleted (not even by system administrators)

Increased trust

⇓
only members can access data. & data is accurate & timely.

Increased efficiency

⇓
Reconciliations are not required, thus saving time.

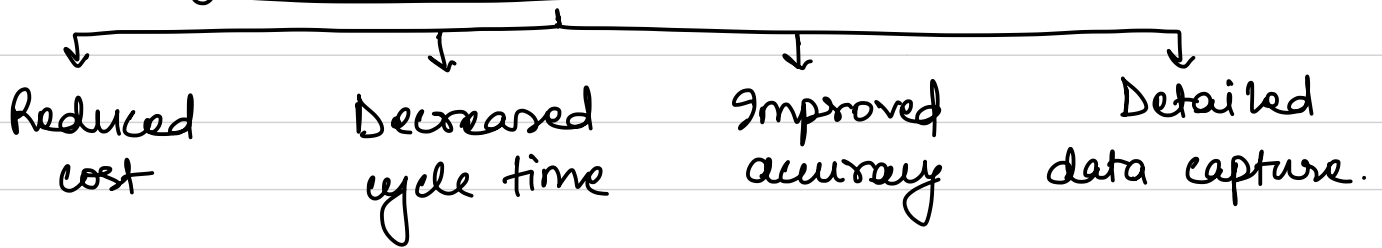
Robotic Process Automation

→ It is a form of BPA which allows anyone to define set of instructions for robot/bot to perform.

→ Helps in carrying out huge volume of error-free tasks at high speed.

(Eg - ATM, Ticket Vending machines)

→ Benefits of RPA :

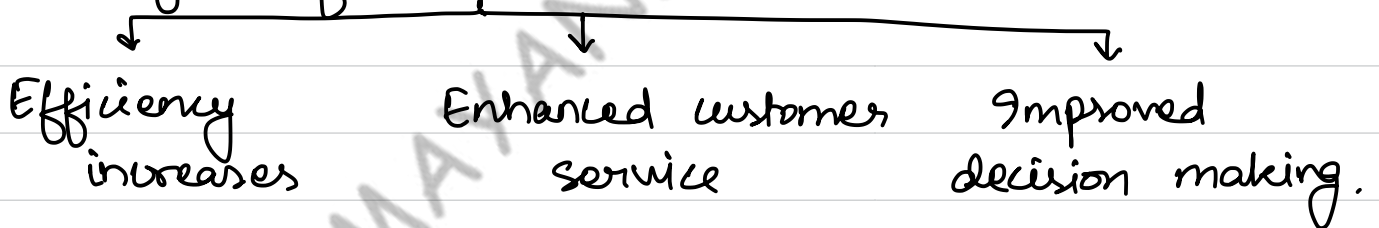


Internet of Things

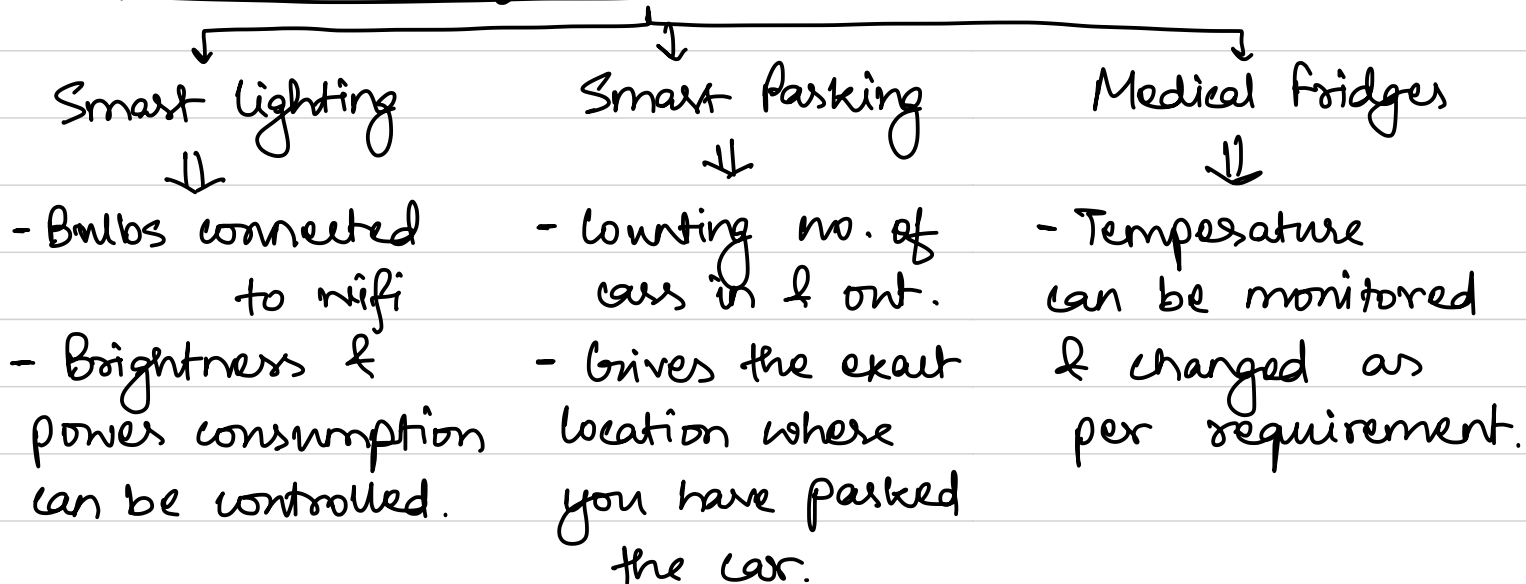
→ System of inter-related computing devices & objects.

→ Every device has a unique identifier (IP address) through which data can be transferred over a network.

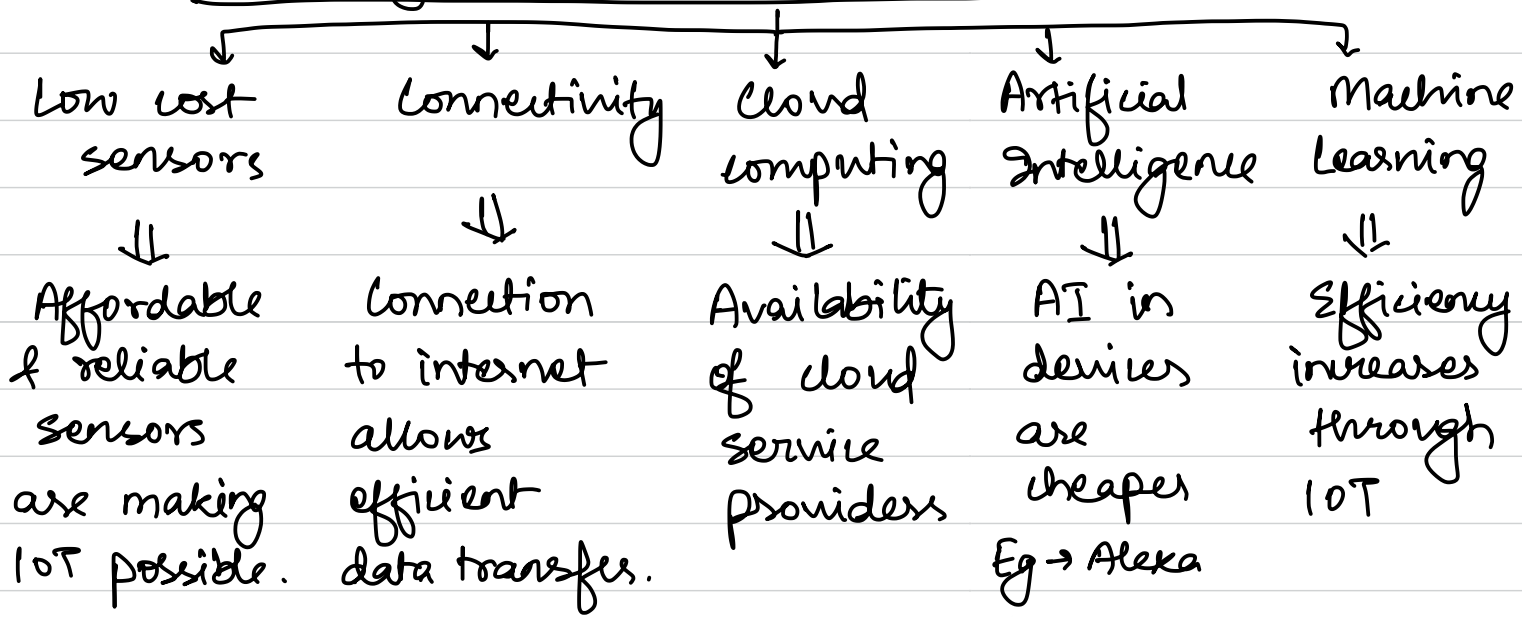
→ Benefits of IoT



→ Application of IoT



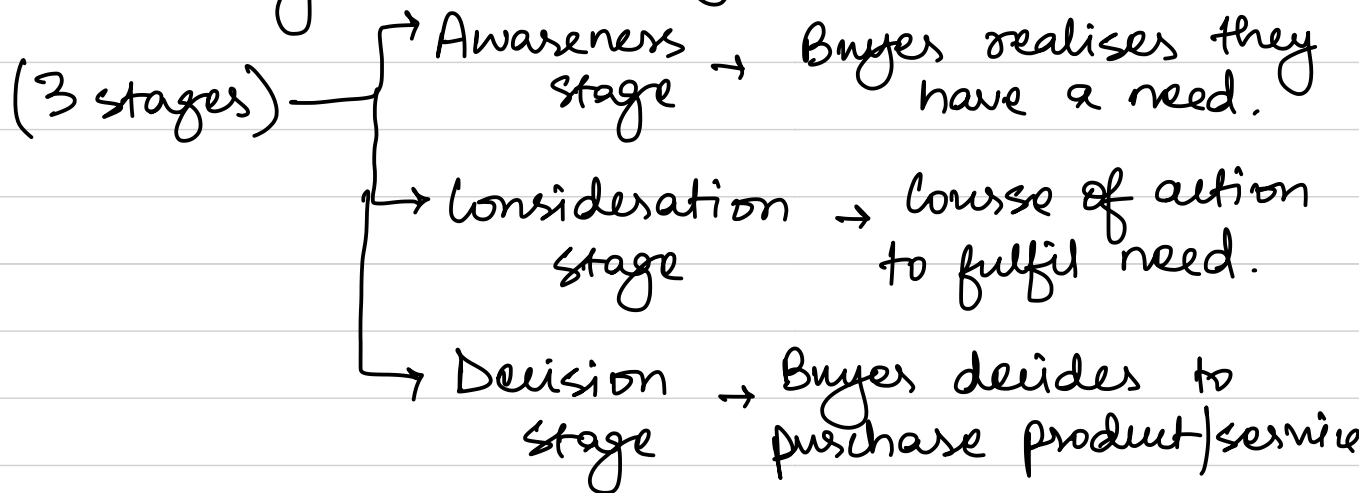
→ Technologies related to IoT :



Digital Marketing Strategies

- ① Social Media Marketing platforms ⇒
 - Instagram, fb, linkedIn, Snapchat
 - Products & services are promoted through paid ads + sponsored content.
- ② Influencer marketing ⇒
 - Brands partner with celebrities, sites & experts in their fields
 - Goal is to reach influencer's followers & promote products
- ③ Email marketing ⇒
 - Customised offers & newsletters are sent based on past shopping history.
 - Eg: 10% off or free shipping.

→ ④ Content marketing ⇒ - User's questions are answered through content



→ ⑤ Search Engine Optimization (SEO) marketing ⇒ - Trying to be on top of buyer's search results to be their first choice.

→ ⑥ Pay per click ⇒ Ads on websites / search engines & a fee is charged each time the ad is clicked.

→ ⑦ Affiliate marketing ⇒ - Referral programs
- Agreement with individuals / companies for promoting products or services in exchange for a commission

→ ⑧ Mobile marketing ⇒ Push notifications on mobile devices (usually through apps)

MAYANK SARAF