



STRATEGIC MANAGEMENT

Analyzing Company Resources in Competitive Position

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MASTER OF BUSINESS ADMINISTRATION (ON WEEKEND BASIS)

Strategic Management

Course code: MBA 202

L-2, Credits: 3

Objective: To develop an understanding of the Strategic Management process in a dynamic and competitive global environment.

Course Contents

Unit I

Nature of Strategic Management: Concept of Strategy; Vision Mission, Goals and Objectives; External Environmental Analysis; Analyzing Companies Resource in Competitive Position; Mintzberg's 5Ps of Strategy; Strategic Management Process, Corporate Governance. (10 Hours)

Unit II

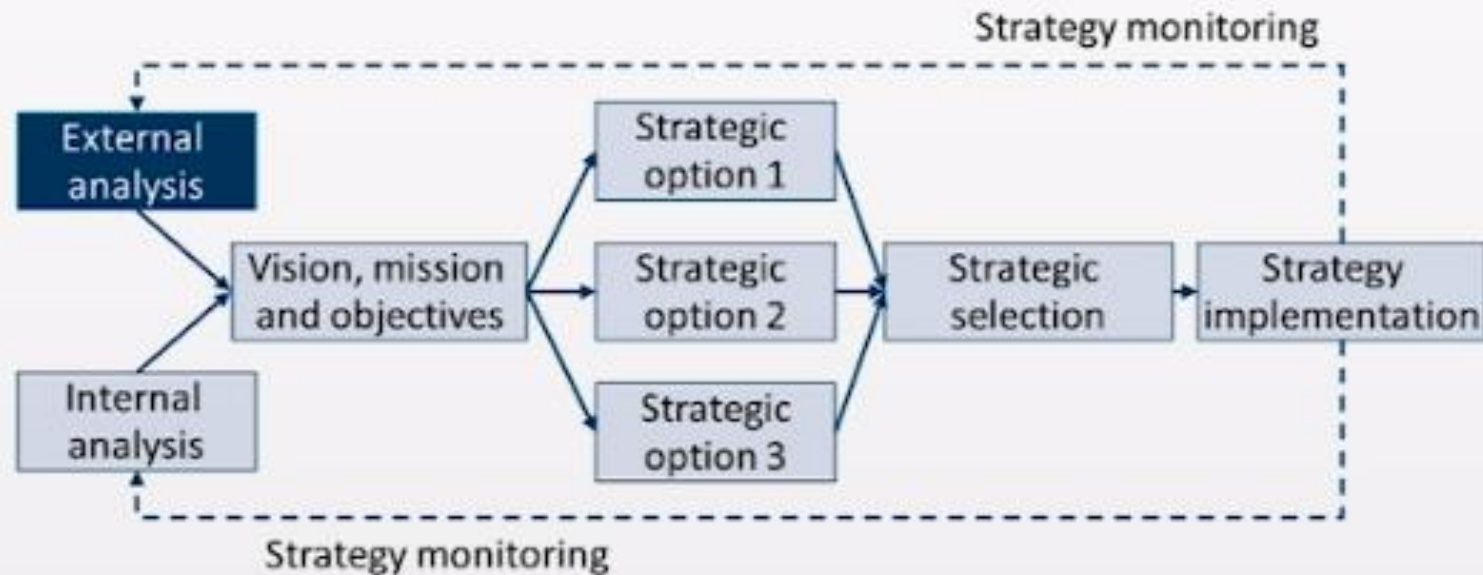


BY THE END OF THIS SESSION, YOU WILL KNOW...

- What company position in its market means?
- How to assess a company's resources and capabilities?
- Role of mission and vision for strategy development

WHERE ARE WE IN STRATEGIC MANAGEMENT?

Analytical Strategy Process

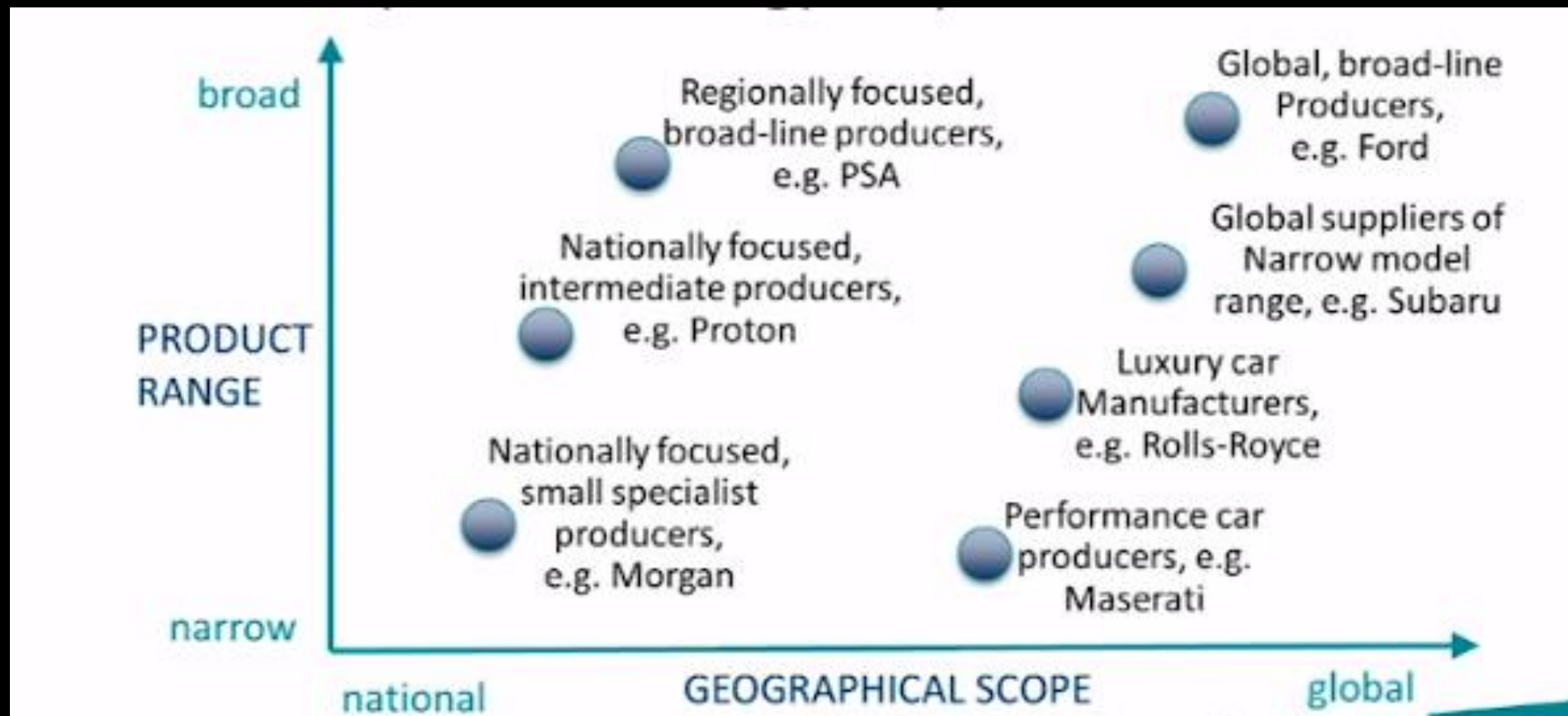


MARKET POSITION FOR AN ORGANIZATION MEANS...

It takes a specific position in the market:

- That is relative to its competitors
- The position can be assessed by strategic group and competitor analyses

STRATEGY MAP - EXAMPLE



CAPABILITIES AND RESOURCES

- Understand companies' capabilities by assessing its SWOT
- Answer questions like:
 - What are the strengths of the company in the market and those compared to competitors?
 - Where do the strengths come from?
 - What are the weaknesses ?
 - Where do the weakness come from?

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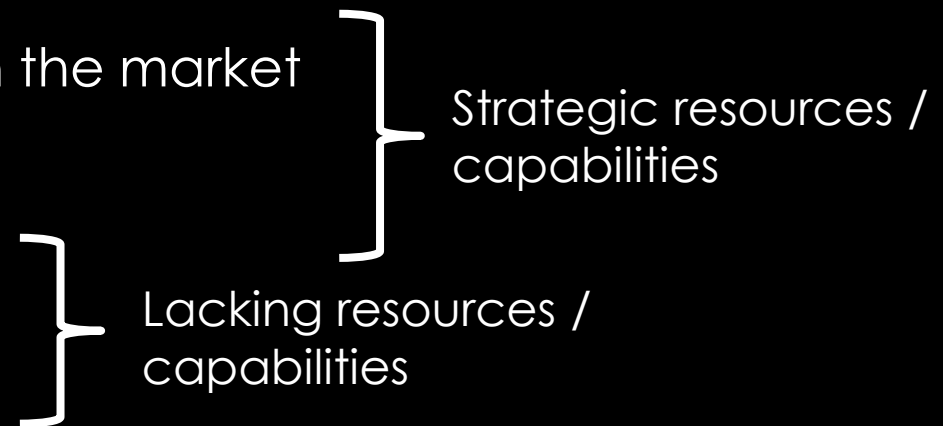
Strategic resources /
capabilities

CAPABILITIES AND RESOURCES

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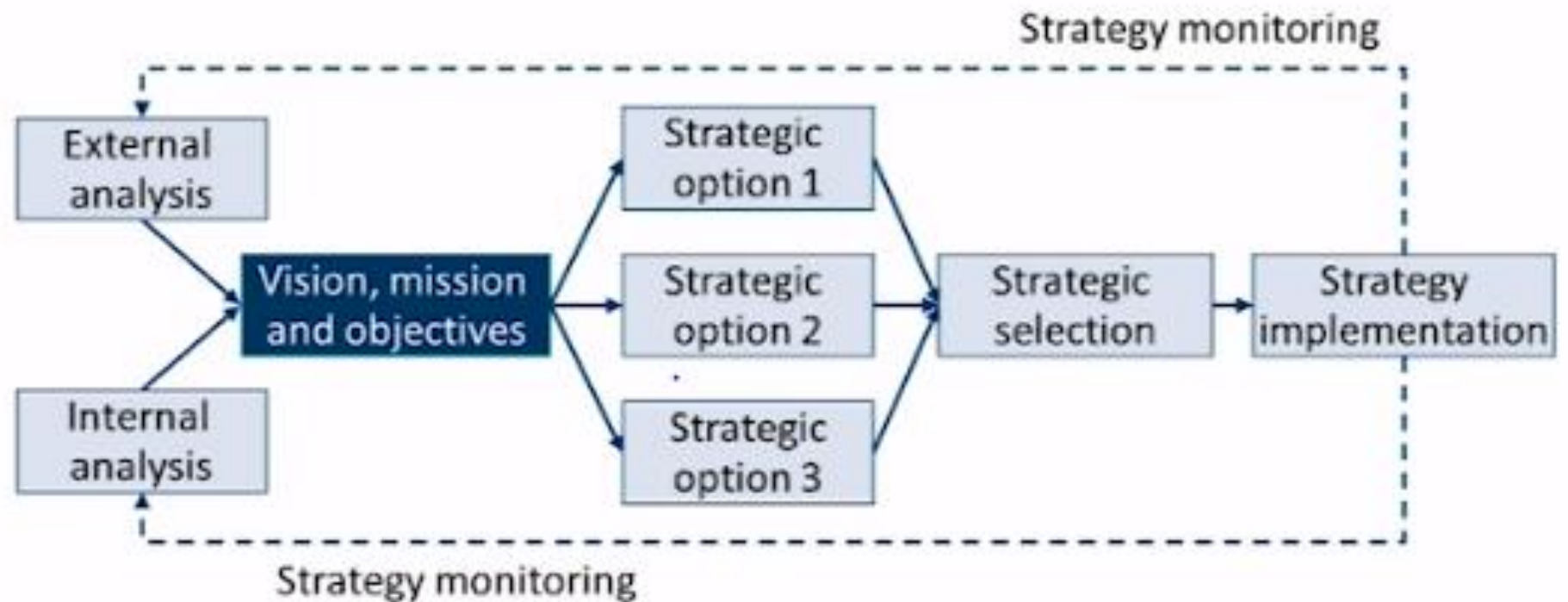
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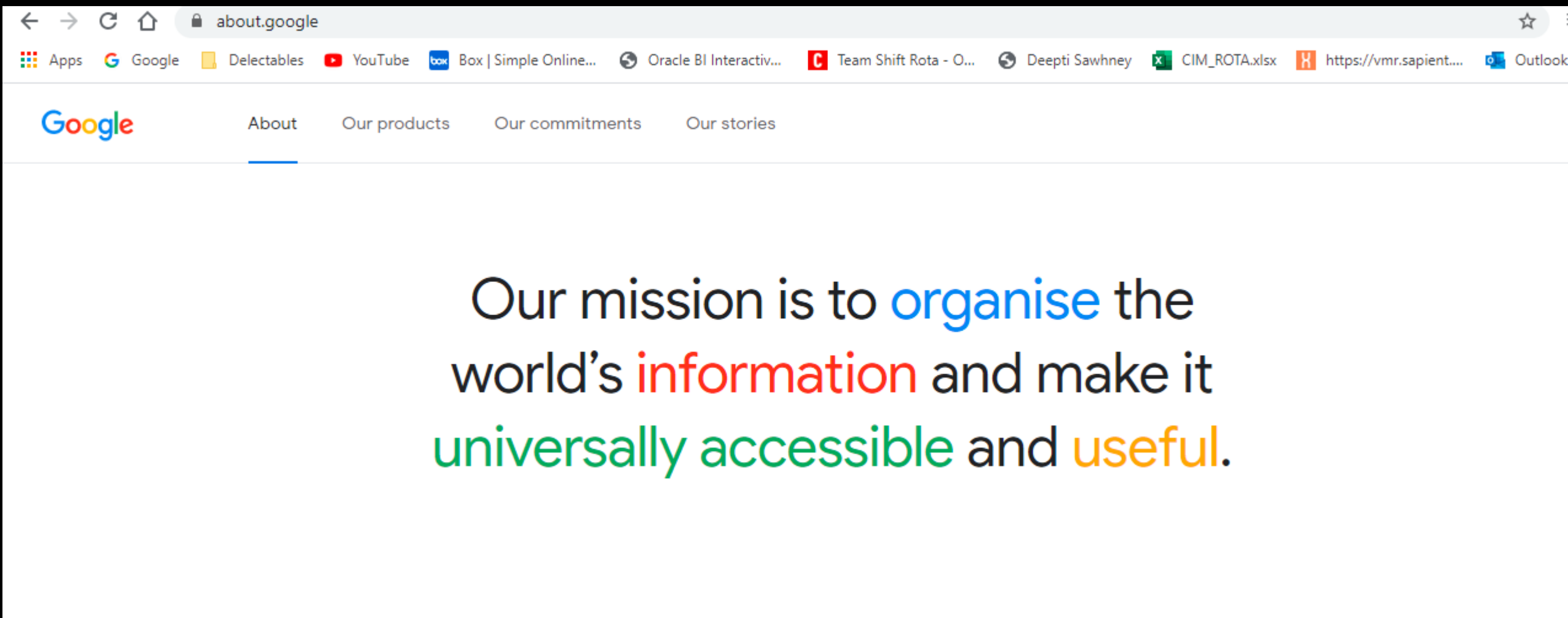
MISSION STATEMENT

...establishes the **purpose** and **values** that shape an organization's vision

- What is our purpose?
 - What do we want to achieve?
 - How do we want to achieve?
 - How are we distinct/ what are our principles (values)?
-
- Includes Vision, Mission, Values, Goals and Objectives
 - Vision – Big picture of **what** you want to achieve.
 - Mission – General statement of **how** you will achieve the **vision**.
 - Goals – General statements of what needs to be accomplished to implement a strategy.
 - Objectives –specific milestones with a specific timeline for achieving a **goal**.
 - Core Values – How you will **behave** during the process.



COMPANY MISSION: eg., GOOGLE



The image shows a screenshot of a web browser displaying the Google 'About' page. The browser's address bar shows 'about.google'. The page features the Google logo and a navigation menu with links for 'About', 'Our products', 'Our commitments', and 'Our stories'. The 'About' link is underlined. The main content of the page is the Google mission statement: 'Our mission is to organise the world's information and make it universally accessible and useful.' The words 'organise', 'information', 'universally accessible', and 'useful' are highlighted in blue, red, green, and orange respectively.

← → ↻ 🏠 about.google ☆

Apps Google Delectables YouTube Box | Simple Online... Oracle BI Interactiv... Team Shift Rota - O... Deepti Sawhney CIM_ROTAXLSX https://vmr.sapient... Outlook

Google About Our products Our commitments Our stories

Our mission is to **organise** the world's **information** and make it **universally accessible** and **useful**.

VISION

...is a challenging & imaginative picture of the future role and objectives of an organization, significantly going beyond its current environment and competitive position

- Where do we see our org in 10-20 years?
- main benefits: open up cognitive restrictions
 - Direct attention beyond the current market boundaries, resources and technologies available



VISION OF..

- Walt Disney – Make people happy
- Infosys – To be a globally respected organization that provides best of breed business solutions leveraging technology delivered by best in class people.

GOALS

- *Increase profit margin*
- *Increase efficiency*
- *Capture a bigger market share*
- *Provide better customer service*
- *Improve employee training*
- *Reduce carbon emissions*

Goals – A goal is a general statement of what you want to achieve.

More specifically, a goal is a milestone(s) in the process of implementing a strategy.

OBJECTIVES

- *Increase market share by 10 percent over the next three years.*
- *Lower operating costs by 15 percent over the next two years through improvement in the efficiency of the manufacturing process.*
- *Reduce the call-back time of customer inquiries and questions to no more than four hours.*

An objective turns a goal's general statement of what is to be accomplished into a specific, quantifiable, time-sensitive statement of what is going to be achieved and when it will be achieved.

Goal

Increase Profit Margin

Objective

Reduce operating costs by 10 percent in 18 months

Action Plan

Finance department will conduct an in-depth analysis of identifying low cost suppliers.

Improve Employee Skills

Conduct a training program in the next 12 months to improve employee skills.

A special committee will be formed to select and hire a professional trainer to conduct the training.

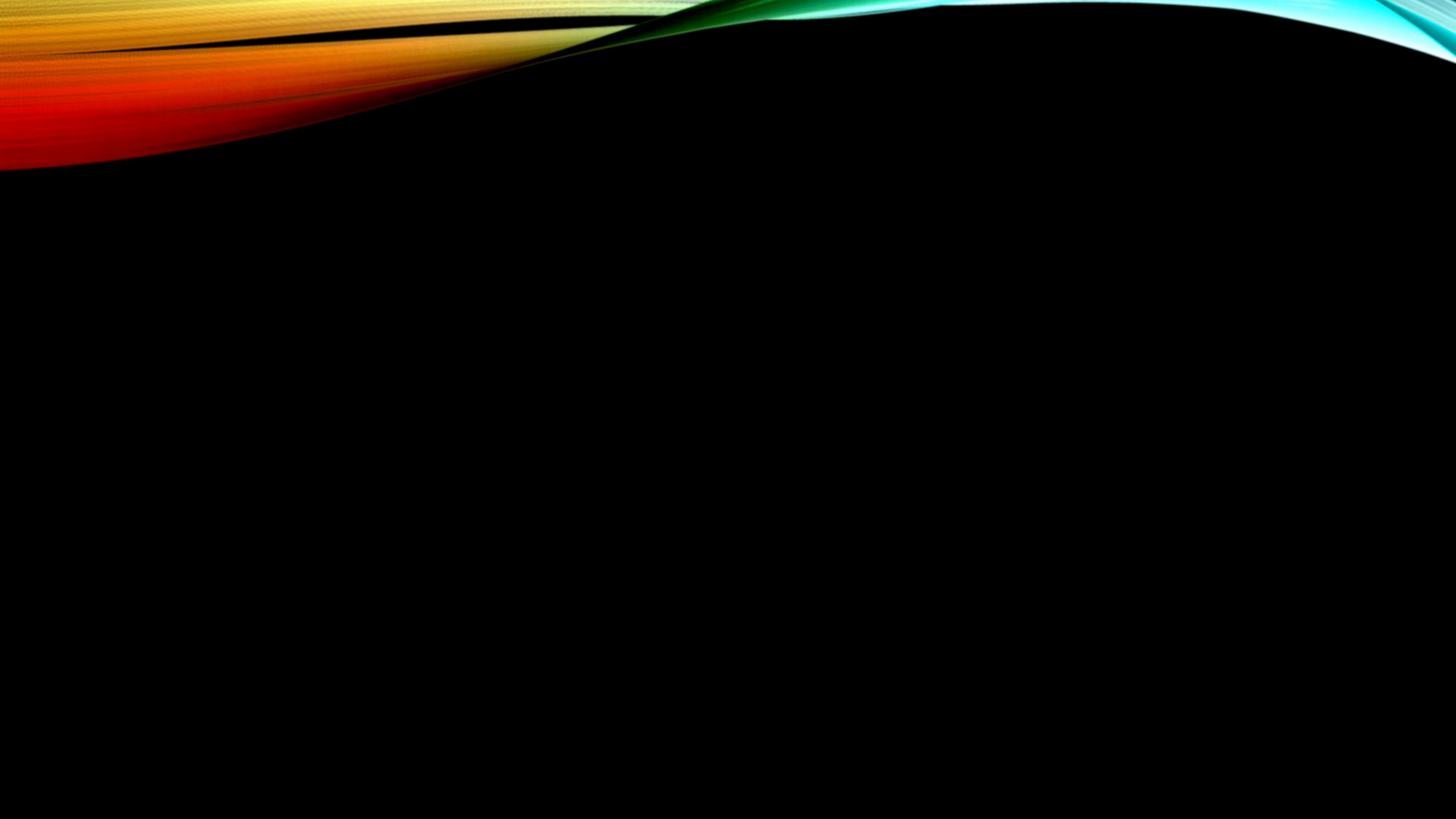
Increase Profit Margin

Increase sales volume by 20 percent in 12 months.

Marketing department will create and implement a plan to increase sales in regions 3 and 5.

ACTION PLANS

- Action Plans – Action plans are statements of specific actions or activities that will be used to achieve a goal within the constraints of the objective.



SUMMARY

- Analysis of the market position
- Internal analysis – involves assessment of company's resources and capabilities
- Vision and mission – explicate the company's identity and intent