

LO1: STRATEGY FORMULATION AND IMPLEMENTATION

Formulation is a "Planning function". It refers to "Courses of action."

Implementation is a "Doing Function". It refers to "translating thought into action".

Basic Elements:

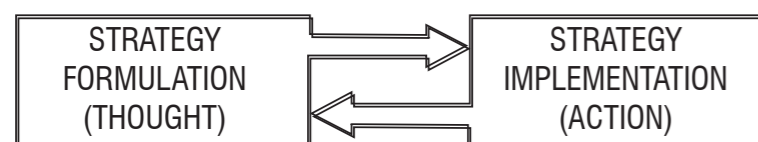
1. **Strategic Analysis** (understanding and Identify)
2. **Strategic choice** (selecting strategic option)
3. **Strategic Implementation** (convert into action)

Efficiency-Effectiveness (EE) matrix

1. It achieves its right goals with an efficient output/input ratio
2. Company will slowly die out because it is not focusing on right things
3. Is better off than that in 2.
4. Will die almost instantly.



Link between formulation and implementation:



Two-way Linkage

- Forward** [Formulation provide direction Implementation]
- Backward** [Formulation gets affected by Implementation]

LO2: ISSUE IN STRATEGY IMPLEMENTATION

Issue 1: From Intent to Result

- a. Project Implementation (Project creates facilities)
- b. Procedural Implementation (Based on rules & Regulation)
- c. Resource allocation (Allocated to various SBU's)
- d. Structural Implementation (Simple and Flexible Structures)
- e. Functional Implementation (Guidelines to operate)

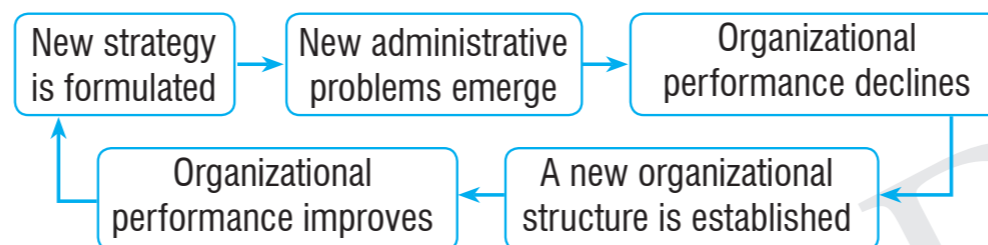
Issue 2: Why do implementation problems arise (Shift in responsibility)

STRATEGY IMPLEMENTATION AND CONTROL (1)

LO3: ORGANISATION & STRATEGY IMPLEMENTATION

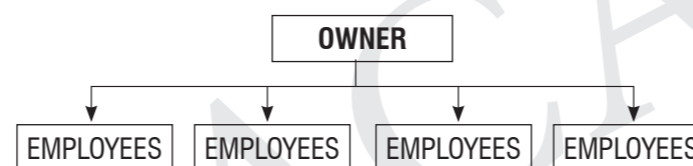
Need Structure, Resources, MIS & HR

Chandler's Strategy – Structure Relationship

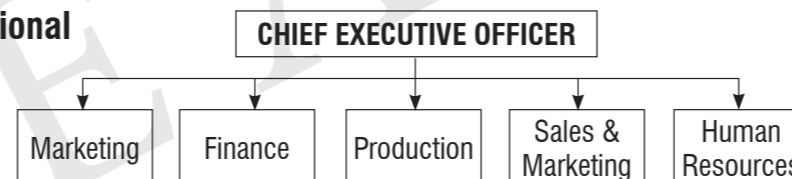


Types of Organization Structure:

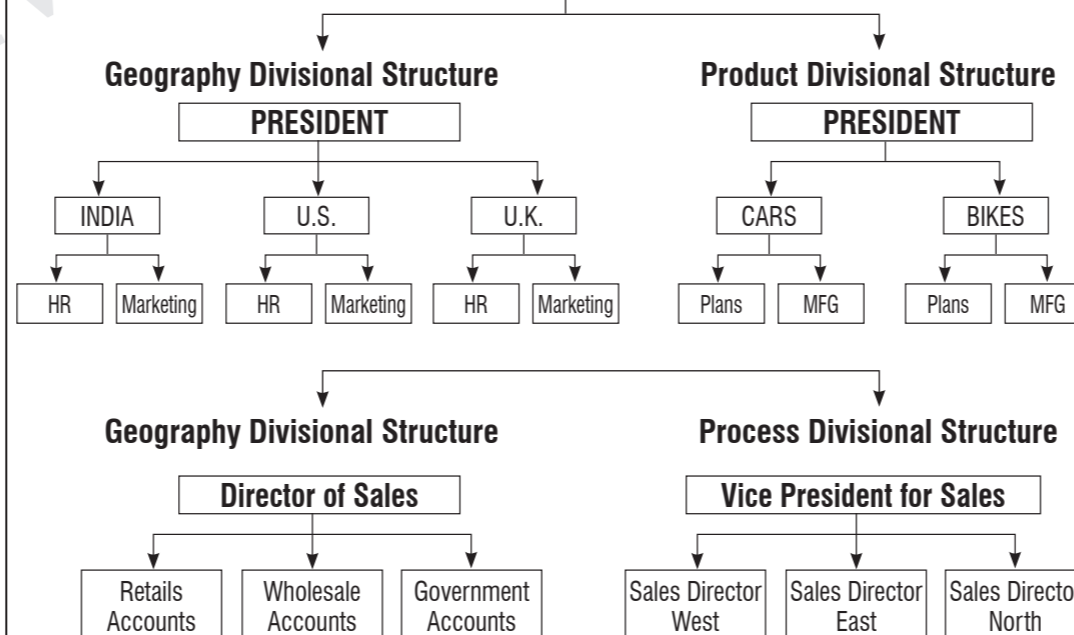
1. Flat



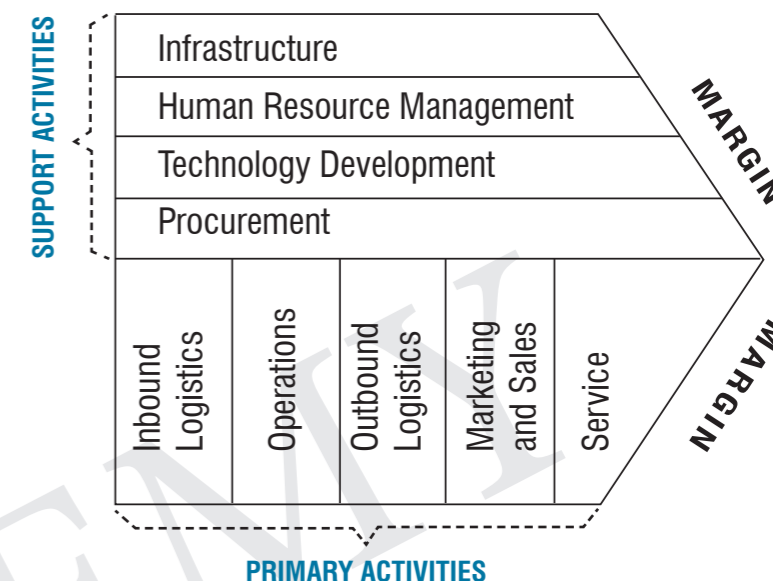
2. Functional



3. Divisional



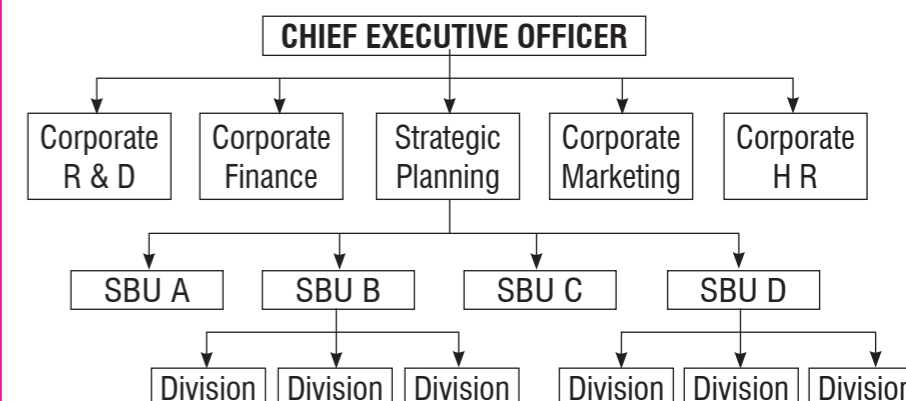
LO4: VALUE CHAIN-ANALYSIS



4. SBU Structure (Strategic Business Unit)

Segment of a company analysed to develop organised strategy aimed at future business.

SBU Structure



5. Matrix Structure

- Ideas to be cross fertilized
- Abilities to process info must improved
- Resource are scarce

Phase 1: Cross-functioned task forces [new product]

Phase 2: Product/brand management [more permanent]

Phase 3: Mature matrix [Both functional and product structures are permanent]

6. Network Structure

Each function handled by different entity. Production by one, marketing by one, Finance of one, retains overall strategy and control function.

STRATEGY IMPLEMENTATION AND CONTROL (2)

LO5: IDENTIFYING CORE COMPETENCIES
 May be in Design, Process, Quality, etc.,

- It is not easy for competitors to imitate.
- It can be leveraged widely to many products

LO6: MANAGING LINKAGES
 Core competency based on managing linkages

Key points: 1. Important, 2. Easy to miss, 3. May based on core-competency 4. Activities and also support activities

LO7: LEADERSHIP AND STRATEGIC IMPLEMENTATION
 For good strategy, Staying on top, Promoting culture, Responsible, Ethical and Corrective actions.

<p style="text-align: center;">Transactional Leadership</p> <p style="text-align: center;">↓</p> <p>A: Motivated by carrot & Stick (Rewards & Punishment)</p> <p style="text-align: center;">↓</p> <p>Style: Work on principle and also exceptions</p> <p style="text-align: center;">↓</p> <p>Limitation: Largely motivated by money & simple reward</p>	<p style="text-align: center;">Transitional Leadership</p> <p style="text-align: center;">↓</p> <p>A: People will follow who inspires them</p> <p style="text-align: center;">↓</p> <p>Style: S/He had a vision and also mission</p> <p style="text-align: center;">↓</p> <p>Limitation: Traps of this leadership is that passion and confidence can be easily mistaken for truth</p>
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LO8: STRATEGIC CHANGE

Step 1: Recognize the need for change
 [Not after getting into troubles, Better to do SWOT]

Step 2: Create a shared vision to manage change
 [Lack of vision can cloud efforts]

Step 3: Institutionalize the change.
 [Implement, Monitor, feedback]

LO9: STRATEGIC CONTROL
 A process to assure actual performance

Involves: Establishing standards, compute actual & variance

ORGANIZATIONAL CONTROL

Operational Control

Need:
Achieving Excellence.
Control concerned with Individual and group

Management Control

Need:
Resources obtained.
Control includes. Return of investment – Cost – Product – quality

Strategic Control

Need:
Various Strategies. Adopted are. Helping in External Opportunities and Threats

LO10: BUILDING A STRATEGY – SUPPORTIVE CORPORATE CULTURE

Culture refers to a company
Values, Beliefs, Business Principle, Traditions, Ways of operating, Internal work Environment

in as are in

Strategy-culture conflict:
 Culture is out of sync with strategy, culture has to be changed.
 A prolonged strategy culture conflict weakens, efforts of managerial becomes strong.

Changing in Problem culture:

Step 1: Identify facts of present culture
Step 2: Specify new actions
Step 3: Talk openly about problems
Step 4: Follow with visible forceable actions.