Dr. Pramod Pandey
Ashok Bhat

STRATEGIC PLANNING AND MANAGEMENT

ALEXIS PRESS
JERSEY CITY, USA

STRATEGIC PLANNING
AND MANAGEMENT

STRATEGIC PLANNING AND MANAGEMENT

Dr. Pramod Pandey

Ashok Bhat

ALEXIS PRESS

ALEXIS PRESS

Published by: Alexis Press, LLC, Jersey City, USA
www.alexispress.us

First Published 2022

A catalogue record for this publication is available from the British Library

Library of Congress Cataloguing in Publication Data

Includes bibliographical references and index.

Strategic Planning and Management by *Dr. Pramod Pandey, Ashok Bhat*

ISBN 978-1-64532-952-7

CONTENTS

Chapter 1. The Impact of Effective Management Practices on Organizational Performance: A Determination Study 1
— Dr. Pramod Pandey

Chapter 2. A Comprehensive Outline to Strategic Management: Framework, Implementation and Impact 7
— Mr. Ram Srinivas

Chapter 3. Analysis and Exploration of Corporate Level Strategy 13
— Dr. Srinivasan Palamalai

Chapter 4. Exploring the Business Levels Strategies: A Review Study 19
— Dr. Ranganathan Kumar

Chapter 5. Formulation of Strategy and Strategic Management 26
— Dr. Muralidhar Sunil

Chapter 6. Analysis of Environment Scanning and their Goals 32
— Mr. Ashok Bhat

Chapter 7. Analysis of Management of Strategies and Culture 39
— Ms. Anandasrinivasan Deviprabha

Chapter 8. Analysis of Emerging Strategies in Tele-Communication Sector 45
— Mr. Anil Gowda

Chapter 9. Analysis and Determination of Management Information Systems 51
— Ms. Pramoda Hegde

Chapter 10. Analysis and Evolution of Intensive StrategiesManagement 58
— Dr. Yagnamurthy Raja

Chapter 11. Strategic Management in Nonprofit and Governmental Organizations 65
— Dr. Varsha Pratibha

Chapter 12. Strategic Alliances, Corporate Strategy and Corporate Governance 71
— Dr. Vinay Muddu

CHAPTER 1

THE IMPACT OF EFFECTIVE MANAGEMENT PRACTICES ON ORGANIZATIONAL PERFORMANCE: A DETERMINATION STUDY

Dr. Pramod Pandey
Associate Professor, Master in Business Administration (General Management),
Presidency University, Bangalore, India.
Email Id: pramodkumar@presidencyuniversity.in

ABSTRACT:

The purpose of this study is to investigate how efficient management techniques affect anorganization's performance. It examines different aspects of management and performance inside organisations, including innovation, employee motivation, strategic planning, and leadership. This research analyses the important variables that lead to effective management and increased performance via a thorough examination of the literature and empirical investigation.

A management principle is a wide, all-encompassing set of guidelines for conduct and decision-making. For instance, one management could take seniority into account when choosing whether to promote a worker, whereas another manager would follow the idea of merit. Management concepts may be distinguished from those found in pure science. The results highlight the value of effective leadership in articulating a clear vision, motivating team members, and promoting a productive workplace. Strategic planning has been found to improve decision-making and match organisational objectives with customer desires. High levels of performance and work satisfaction are proven to need high levels of employee motivation and engagement. The study also emphasises the significance of innovation in promoting organisational expansion and preserving competitiveness. The findings provide managers insightful information that will help them implement good management techniques and improve overall organisational performance.

KEYWORDS:

Management Practices, Organizational Performance, Leadership, Strategic Planning, Employee Motivation, Innovation.

INTRODUCTION

Managers are always on the go. Almost all studies of managers at work have shown that they "switch frequently from task to task, changing their focus of attention to respond to issues as they arise, and engaging in a large volume of tasks of short duration." Mintzberg watched CEOs while they were at work to obtain a sense of their activities and time management. For instance, he discovered that they had around 16 spoken and 36 written interactions every day, practically all of which were about unique or diverse topics. The majority of these activities lasted less than nine minutes. Over a five-year period, Kotter analysed a number of effective general managers and discovered that they spend the majority of their time with others, including coworkers, superiors, and other individuals from outside the company. According to Kotter's research, the typical manager only worked alone 25% of the time, most of which was spent at home, on aeroplanes, or while commuting. Few of them engaged in social activities for more than 70% of the time, while some did so for as much as 90% of their working hours.

Management

A crucial component of man's economic life, which is a planned collective activity, is management. For a corporate concern, a central directing and controlling agency is essential. Material, labour, money, and other productive resources are committed to the management's organisational skills, administrative prowess, and entrepreneurial innovation. As a result, management gives a commercial company leadership. The resources of production remain only resources and never transform into output in the absence of competent managers and effective management leadership. The calibre and effectiveness of managers affect both the survival and the success of any company firm in a competitive market and constantly changing environment. The role that management plays in the contemporary world is so significant that it has a significant impact on both the nation's future and the welfare of its citizens [1]–[3].

Principles of Management

A management principle is a wide, all-encompassing set of guidelines for conduct and decision-making. For instance, one management could take seniority into account when choosing whether to promote a worker, whereas another manager would follow the idea of merit. Management concepts may be distinguished from those found in pure science. The guiding principles of management are less strict than those of pure science. Given the needs of the circumstance and the fact that they deal with human conduct, they should be used creatively. Both human behaviour and technological advancement, which has an impact on business, are never static. Therefore, all of the principles must adapt to these changes. For instance, without information and communications technology (ICT), a manager could only supervise a limited workforce, and that too in a constrained geographic area. The development of ICT has increased managers' capacity to rule over vast, international commercial empires. The conference room at the Infosys headquarters in Bangalore has the biggest flat screen in Asia, allowing management to communicate with staff members and clients across the globe.

It helps to grasp what management principles are not in order to better comprehend what they represent. It is important to differentiate between management practises and management concepts. Techniques are processes or techniques that call for a set of actions to be completed in order to achieve desired outcomes. Principles serve as guidance for choosing what to do or how to do it when using a method. Similarly, principles should be seen as being separate from values. Values are things that are seen to be acceptable or desirable. They have moral implications. Principles are fundamental facts or rules of conduct. Values are broad guidelines for how people should behave in society that are developed via common practise, while management principles are developed through study in technical work settings. However, companies must uphold their social and ethical obligations to society, thus they cannot ignore management values principles while doing so.

Nature of Principles of Management

Nature refers to the attributes and traits of everything. Principles are generic statements that are true when certain circumstances are met. These were created using a combination of experimentation and observation, as well as the managers' own personal experiences. They contribute to the advancement of management as both a science and an art, depending on how they were developed and how well they explain and anticipate managerial conduct. These concepts may be considered to be derived in a scientific manner, and their imaginative application can be seen as an art. These guidelines give management practise the legitimacy of a teachable and learnable profession. As a result, attaining a management position may not be determined by birthright but rather by necessary credentials. Clearly, as management has been more professionalized, management concepts have become more significant.

These ideas serve as recommendations for action. They signify a connection between causes and effects. While the management practises of planning, organising, staffing, directing, and controlling are the activities to be performed, management principles assist managers in making choices while they carry out these tasks. The essence of management's guiding principles is summed up in the following statements [4]–[6].

Universal applicability

All sorts of companies, including for-profit and nonprofit ones, small and big, public and private, manufacturing and service industries, are supposed to be covered by management principles.

However, depending on the organization's nature, its line of work, its size, and other factors, the scope of their application may vary. For instance, work should be broken up into smaller tasks for increased productivity, and each person should be taught to carry out his or her specific job.

This idea is suitable to government offices where there are peons and officers, a data entry operator who enters data into the computer, a diary/despatch clerk who receives and sends mail or other papers, and so on. A limited corporation with distinct divisions like production, finance, marketing, and research & development, among others, may also use this idea. However, the extent of the division of tasks may vary from case to instance.

General guidelines

The principles provide guidance for action but do not offer pre-packaged, one-size-fits-all answers to every management issue. This is the case because actual business situations are very complicated, dynamic, and the outcome of several causes. But the value of principles cannot be overstated since even a modest set of rules may assist address a specific issue. In order to resolve a dispute between two departments, for instance, a manager could underline the importance of the organization's overall aims.

Developed through experience and experimentation: The collective knowledge of managers, experience, and experimentation all contribute to the formation of management principles. As an example, it is general knowledge that discipline is essential for achieving any goal. The philosophy of management makes reference to this idea. On the other hand, an experiment may be carried out to examine the impact of improving physical conditions to decrease stress in order to address the issue of worker tiredness in the industry. thus requires. They provide the management the necessary latitude to do so.

For instance, the conditions and circumstances of any firm will determine the degree of authority's distribution (decentralization) or concentration. Furthermore, as each principle may be compared to a variety of instruments used for various tasks, the manager must choose which tool to employ when. The primary goal of management principles is to change people's conduct.

As a result, management concepts are mostly behavioral in character. It's merely a question of focus; these principles do not in any way not apply to objects and phenomena. Principles also make it easier to comprehend how people and material resources work together to achieve organizational goals. For instance, orderliness would demand that processes be matched by material flow and human mobility while designing the layout of a plant.

DISCUSSION

Cause and effect relationships

The goal of management principles is to create a causal link between cause and effect so that they may be used in a wide range of scenarios. As a result, they describe what would happen if a certain principle was implemented in a specific circumstance. The management tenets are not flawless since they are primarily concerned with how people behave. Real-world circumstances are not always the same.

As a result, precise cause and effect correlations could be difficult to establish. However, management concepts are helpful since they help managers develop these linkages to some level. It is preferable for someone to take the lead in emergency circumstances while the others merely follow. However, a more participatory approach to decision-making might be advised in circumstances requiring cross-functional competence, such as the establishment of a new factory.

Contingent

The use of management concepts is reliant or dependent on the current circumstances at a certain moment. It is necessary to adjust how principles are applied based on circumstances. Employees, for instance, should get appropriate compensation. But there are many variables that affect what is reasonable and fair. They consist of the employee's contribution, the employer's ability to pay, and the going rate of pay for the job in question.

After reading about the attributes and traits that management principles have by their very nature, it should be simple for you to understand the importance of these principles in managerial decision-making. Before that, however, you may read the case study of "Kiran Mazumdar Shaw," a very successful Indian entrepreneur and CEO of "Biocon," in the box that comes with it. You should be able to see how she was able to build a very successful business out of a little-known field of biotechnology and achieve success that would make anybody envious.

Significance of Principles of Management

The importance of management ideas is derived from their usefulness. They impact management practises and provide helpful insights on managerial behaviour. These concepts may be used by managers to carry out their duties and obligations. Managers use principles to help them make and carry out choices. It may be seen that every good endeavour is guided by a fundamental premise. The goal of management theorists has been and should be to identify the fundamental ideas with the intention of applying them consistently in management situations. The following points may be used to highlight the importance of management principles:

Providing managers with useful insights into reality

The management principles provide managers practical insights into events in the actual world. Following these guidelines will improve their knowledge, skill, and comprehension of managing issues and scenarios. Managers will also be able to avoid repeating previous errors and save time by rapidly resolving persistent issues. Therefore, management concepts boost managerial effectiveness.

For instance, by adhering to the delegation principles, a manager may delegate ordinary decision-making to his/her employees and handle exceptional circumstances that call for her/his competence [7]–[10].

Optimum utilisation of resources and effective administration:

Resources, both human and material, are few inside the organisation. The best possible use must be made of them. By optimal usage, we mean that the resources should be used in a way that will provide the most benefit at the lowest possible cost. The adoption of principles enables managers to anticipate the causes and effects of their choices. As a result, the wastes brought on by a trial-and-error method may be avoided. Impersonalizing management behaviour is a need for effective administration in order to ensure that administrative authority is handled responsibly. Management principles set limits on managerial discretion to prevent personal biases and prejudices from influencing their actions. The notion of contributing to organisational goals, for instance, places limits on administrative discretion when determining the yearly budgets for various divisions. Making scientific judgements: Scientific decisions must be fact-based, deliberate, and defensible in light of the intended aims. They must be measurable and evaluated, as well as timely and reasonable.Making smart decisions is aided by management concepts. Instead than emphasising blind faith, they encourage rationality. On the basis of principles, management choices are free from bias and prejudice. They are based on an impartial evaluation of the circumstances.

Adapting to changing environmental needs: Although the principles are universal concepts in nature, they have been adjusted and as a result, they assist managers in adapting to changing environmental requirements. You already know that management concepts may be adjusted to fit a changing company context. Management concepts, for instance, place a strong focus on task division and specialisation. This idea has been applied to the whole firm in current times, and businesses are now focusing on their core competencies while selling off non-essential ones. One example in this regard is Hindustan Lever Limited's choice to sell its non-core chemical and seed operations. Some businesses use outside services to handle non-core tasks like share transfer administration and advertising. So much so that even fundamental tasks like research and development, production, and marketing are being outsourced.

Fulfilling social responsibility:

Due to the public's heightened knowledge, businesses, particularly small enterprises, are under pressure to uphold their social obligations.In response to these needs, management theory and concepts have also developed. Additionally, as time passes, the interpretation of the ideas takes on fresher, more modern connotations. So, if one were to discuss "equity" today, it would not just refer to pay. This idea would apply to working with business partners, providing value to the consumer, and caring for the environment. Using this theory as a guide, we see that PSUs have built whole townships, such as Ranipur in Hardwar (Uttaranchal), which was established by BHEL. Management education, training, and research: Management theory is based on management principles. . These guiding concepts serve as the fundamental building blocks for the advancement of management as a discipline. These concepts are covered in the introductory coursework of professional programmes like the MBA (Master of Business Administration) and BBA (Bachelor of Business Administration).

CONCLUSION

The important link between efficient management techniques and organisational success is highlighted by this research. The study's conclusions show that effective management, strategic planning, staff motivation, and innovation have a big influence on how well an organisation manages and performs. A shared vision, motivating staff, and promoting a happy work environment are all key components of effective leadership, which leads to higher performance results. Organisations may improve performance by using strategic planning to better match their objectives with consumer expectations and make educated choices. Additionally, it becomes clear that employee engagement and motivation are crucial components in reaching high levels of productivity, performance, and work satisfaction. The last factor highlighted as being crucial to organisational development and competitiveness is innovation. Managers may use efficient management techniques with the help of the study's findings, which will eventually improve organisational performance as a whole.

REFERENCES

[1] B. J. Ackermann, “How Much Training Is Too Much?,” *Medical problems of performing artists*. 2017. doi: 10.21091/mppa.2017.1011.

[2] A. Gabriel Villavicencio, P. Breul, C. Bacconnet, A. Fourie, and A. Raúl Espinace, “Liquefaction potential of sand tailings dams evaluated using a probabilistic interpretation of estimated in-situ relative density,” *Rev. la Constr.*, 2016, doi: 10.4067/s0718-915x2016000200001.

[3] A. S. Cohen *et al.*, “Education Research: Variation in priorities for neurocritical care education expressed across role groups,” *Neurology*, 2018, doi: 10.1212/WNL.0000000000005682.

[4] H. Sakaguchi, “Cardiac Re-synchronization Therapy for Patients with Severe Heart Failure in Infancy,” *Pediatr. Cardiol. Card. Surg.*, 2017, doi: 10.9794/jspccs.33.85.

[5] S. Plano and S. Plano, “Date Date,” *October*, 2011.

[6] M. Rodríguez-Arribas *et al.*, “IFDOTMETER: A New Software Application for Automated Immunofluorescence Analysis,” *J. Lab. Autom.*, 2016, doi: 10.1177/2211068215600650.

[7] M. Imaduddin, “Determinants of Banking Credit Default in Indonesia□: A Comparative Analysis,” *Tazkia Islam. Financ. Bus. Rev.*, 2008.

[8] S. Raju and M. Chandrasekaran, “Performance analysis of efficient data distribution in P2P environment using hybrid clustering techniques,” *Soft Comput.*, 2019, doi: 10.1007/s00500-019-03796-9.

[9] J. Burger, “Environmental management: Integrating ecological evaluation, remediation, restoration, natural resource damage assessment and long-term stewardship on contaminated lands,” *Sci. Total Environ.*, 2008, doi: 10.1016/j.scitotenv.2008.06.041.

[10] M. A. Obeidat, “Examining the Impact of Information Technology on Supply Chain Management: an Analysis of Hospitals in Jordan,” *Int. J. Econ. Commer. Manag. United Kingdom*, 2015.

CHAPTER 2

A COMPREHENSIVE OUTLINE TO STRATEGIC MANAGEMENT: FRAMEWORK, IMPLEMENTATION AND IMPACT

Mr. Ram Srinivas
Assistant Professor, Master in Business Administration (General Management),
Presidency University, Bangalore, India.
Email Id: ramsrinivas@presidencyuniversity.in

ABSTRACT:

His study offers a thorough explanation of strategic management, a vital step in helping organisations accomplish their long-term objectives and keep their competitive edge. The study examines the essential elements of strategic management, such as the analysis of the external environment, the vision, mission, and objectives, the design, execution, assessment, and control of strategies, as well as the function of strategic leadership. This study provides important insights into the framework and application of strategic management practises by a rigorous examination of the literature and analysis of real-world case studies. It emphasises the value of developing clear vision and mission statements, aligning internal capabilities with external opportunities and threats, developing successful strategies, putting them into practise with the right resource allocation, and regularly monitoring and assessing performance. The results underline how crucial strategic management is to forging long-lasting competitive advantage, adjusting to changing business circumstances, and fostering organisational success. For practitioners and scholars looking to improve their comprehension and implementation of strategic management ideas, this study is an invaluable resource.

KEYWORDS:

Strategic Management, Strategic Planning, Competitive Advantage, Leadership, Organizational Strategy.

INTRODUCTION

Strategic was well-liked but from the 1980s, strategic management took its place to deal with the fierce competition brought on by globalization There are numerous instances where businesses have while others died, others have flourished. A careful examination of these situations demonstrates that the firm's chosen policies are the primary factors in both success and failure. This is referred to as corporate policy. Top management decisions about the future are referred to as business policy. Senior management provides these recommendations to staff in order for them to function. It is the methods and ends, shaping the identity and character of the organization, and ongoing direction of actions to achieve the goal [1]–[3].

Normally the business policy consists of

1. Researching the roles and duties of senior management in relation to organisational issues that have an impact on the overall success of the business.

2. It specifies the course of action that organizations must take moving forward.

3. Deciding on the organization's objective and identifying its issue or need.

4. Lastly, it concerns the efficient mobilisation of resources to enable the Organisation to quickly achieve its objective.

Meaning And Definition of Strategy

A strategy is a cohesive, all-encompassing, and integrated plan that links the firm's strategic advantages to environmental concerns. Its purpose is to make sure that the organisation carries out its fundamental goals in a professional manner.

Nature of Strategic Management

Strategic management is the art and science of developing, carrying out, and assessing cross-functional choices that help an organisation accomplish its goals. Compared to other management functions, strategic management is distinct in nature. One particular The majority of the time, managers must deal with operational issues. He typically concentrates on issues that arise on a daily basis, such as the effective manufacture of products, the supervision of a sales force, the evaluation of financial results, or the development of a new system that will raise the bar for customer service. Achieving management objectives and ensuring a firm's long-term existence are two aims emphasised by strategic management. A desired future, resource allocation, management of the company environment, and competitive business ethics are all parts of the substance of a strategy-making process. However, several conflicts may arise while establishing the substance of strategy, such as disparities in associate engagement styles, inadequacies in the resources at hand, and inconsistencies between the firm's goals and its surroundings.

Need for Strategic Management

No corporate organisation can afford to travel carelessly. It must travel with the assistance of a route map. The company's road plan is provided by strategic management. It enables the company to make future choices with a better understanding of their repercussions. It gives the business direction and outlines potential development strategies. Any organization's management practises are influenced by the external environment. The organisation and the outside world are connected via strategy. The position of an organisation is affected by changes in these external influences in both positive and negative ways, but most importantly, they cause uncertainty. Planning strategically provides a methodical way to deal with uncertainty and adjust to change. Managers may use it to define and coordinate suitable courses of action, think about how to seize opportunities and avoid issues, and set goals for accomplishment. Thirdly, strategic management facilitates the development of better strategies by using a more methodical, logical, and reasonable approach. Managers and staff become dedicated to helping the company via participation in the process.

Benefits of Strategic Management

When the environment was relatively stable, as it was in the 1950s, with consistent positive economic growth, low debt, manageable budgets, and relative environmental stability, managers could focus almost entirely on the internal aspects of their organisations and assume that the external environment would remain constant. Planning was mostly an arithmetic activity since inputs were predictable and forward calculations were straightforward. Systems are now much more open, the economy is growing in an environment that is more unstable, budgets are continually amended, inputs are completely unexpected, and conventional planning is no longer viable. Therefore, in order to take advantage of business opportunities, counter risks, and maintain competitive advantage, businesses today require strategic management. While long-term planning aims to maximise today's trends for tomorrow, strategic management's goal is to seize and create new and different chances for the future. Today, strategic management is practised by all leading businesses. They are figuring out how to adapt to rivals, deal with challenging environmental changes, satisfy shifting client wants, and efficiently utilise resources.

DISCUSSION

Strategic Management Process

Strategic analysis, strategic decision, strategy execution, and strategy assessment and control are the four basic components of developing an organisational strategy. Each of them incorporates additional phases that make up the foundation of the strategic management process, each of which corresponds to a sequence of choices and actions.

First, a strategic analysis A definition of organisational purpose serves as the cornerstone of strategy.This outlines an organization's mission and the kind of entity that it aspires to be. In the form of vision and mission statements, many organisations create comprehensive declarations of purpose. These serve as the jumping-off points for the creation of more focused goals and the decision of how to go about achieving them. The next phase in the strategy process is environmental analysis, which involves evaluating both the internal and external settings. In light of the organization's strengths and limitations and bearing in mind the expectations of the stakeholders, managers must evaluate the opportunities and dangers of the external environment.

This research enables the firm to establish more precise goals or objectives that may outline where employees should concentrate their efforts. Managers may then devise a strategy for achieving the goals after having a more detailed set of objectives. Strategic Decision: The analysis stage serves as the foundation for making a strategic decision. Given the organization's objective, environment, and skills, it enables managers to make decisions that represent their own values as well as those of other stakeholders [4]–[6].

Since managers often have a variety of strategic alternatives available to them, they frequently need to assess each one in terms of its viability, applicability, and acceptability before deciding on a course of action.

Strategy Implementation: Successful strategy implementation relies on the organisation having the appropriate structure, resources, and competences (skills, finances, technology, etc.), as well as the proper leadership and culture. Operational elements must be in place in order for a strategy to be implemented. Evaluation and Control of Strategy: Organisations establish suitable monitoring and control systems and create standards and performance objectives to assess performance.

Levels of strategy:

There are businesses that operate in several business lines with relation to markets, technology, or products while yet being led by the same senior management. These businesses must thus develop new strategies. The three stages of execution for the strategies are as follows: Corporate level, business level, functional/operational level, and third level Corporate level strategies are comprehensive plans of action that cover the various tasks carried out by various SBUs (strategic business units, involved in a key line of business). The plan addresses the company's goals, resource allocation, and coordination of SBUs for best performance.

Business level strategy is a comprehensive plan aimed at fulfilling the goals of SBUs, allocating resources across functional areas, and coordinating amongst them to effectively contribute to the accomplishment of corporate level goals. A functional level approach is only applicable to that function. It deals with the distribution of resources among various activities within that functional area and their coordination for greater success at the SBU and corporate levels. The process of strategic management is dynamic.It is an ongoing, dynamic process that is iterative. It follows that it cannot be a fixed, stepwise collection of a select few activities ordered in a sequential sequence, but must instead be a dynamic mosaic of pertinent activities. Depending on the position they are in at the moment, managers may complete these tasks in any sequence. And as the circumstance dictates, this must be repeated time and time again. The process of strategic management involves four main stages, which are listed below.

A) The definition of the strategic purpose.

B) Developing a plan of action.

C) Putting plans into action.

D) Strategic assessment.

Establishment of strategic intent

It is the initial phase in the process of strategic management. It has to do with the hierarchy of goals that an organisation has established for itself.

Generally speaking, it entails the establishment of the hierarchy of strategic purpose, which starts with 1. Developing and expressing a vision.

The mission statement's creation.

3. Outlining the company.

4. Taking the business concept on board.

5. Establishing goals.

Any organization's strategic management is built on the hierarchy of strategic purpose. What the organisation stands for is made evident by the strategic objective. The vision intent performs the function of outlining what the organisation hopes to accomplish in the long term in the hierarchy. The organisation and society are connected through the mission. The organization's businesses are described in terms of customer demands, customer groupings, and alternative technologies in the business description. The business plan explains how the company generates income. Additionally, the organisations' goals outline what is expected to be accomplished within a certain time frame.

Strategy Implementation

Implementing the strategies comes next once they have been developed. Six subprocesses project, procedural, resource allocation, structural, behavioural, and functional implementation are used to carry out the strategic plan. The establishment of organisations is a topic covered by the project implementation. The many facets of the regulatory framework, within which organisations must function, are addressed through procedural implementation.The acquisition and commitment of resources for implementation are related to resource allocation. The creation of organisational structures and systems as well as reorganizing to adapt the structure to the demands of strategy are all part of the structural component of implementation. The behavioural factors take into account the leadership style used to carry out plans as well as other factors including company culture, corporate politics, and the use of power, as well as individual beliefs and business ethics and social obligations.

The functional elements have to do with the policies that need to be developed in various functional domains. The productivity, procedures, personnel, and speed of executing the strategy are all part of the operational implementation.

There are five main phases in implementing any plan.

Including

1. the creation of plans.

2. Determining the actions.

3. Activity grouping.

4. arranging resources

5. Resource distribution.

Strategic Evaluation

Strategic assessment assesses how well plans are being implemented and gauges how well organisations are doing. The strategic management process is intended to be controlled by the strategic evaluation's comments. Here, the managers work to ensure that the firm's goals are being met while the strategic decision is being appropriately carried out. It includes the following components, which are listed below [7]–[10].

1. Establishing standards: In order to put plans into action, strategists must first establish standards and goals. It should be measured in terms of cost, time, quantity, and quality. The standard has to be clear, supported by the workforce, and attainable.

2. Performance Measurement: In this case, the quality, quantity, cost, and time of real performances are all taken into account.

3. Actual Performance Comparisonwith Set Targets: The actual performance must be compared to benchmarks to identify any discrepancies.

4. Analysing Deviation and Taking remedial Action: If any deviation is discovered, higher authorities attempt to determine its reasons and take remedial action in accordance with its nature. Here, authority may sometimes re-set its objectives, aims, or plans, policies, and standards.

CONCLUSION

In today's complicated and quickly changing business world, strategic management is essential to the success and long-term viability of organisations. Organisations may obtain a competitive edge by carrying out effective strategic planning and execution that aligns their resources, capabilities, and activities with the external market circumstances. Organisations may analyse their internal and external environments, identify opportunities and risks, develop suitable strategies, and carry them out effectively by using strategic management frameworks and tools. Effective leadership is essential to strategic management because it guides strategy implementation, motivates staff, and inspires others. However, obstacles to change, resource limitations, and environmental unpredictability may be encountered by organisations throughout the strategic management process. As a result, organisations must adopt a proactive, flexible, and agile approach to strategic management. Organisations may improve their competitiveness, deal with uncertainty, and achieve long-term success by adopting strategic management as a continuous and iterative process.

REFERENCES

[1] K. D. Miller, “A Framework for Integrated Risk Management in International Business,” *J. Int. Bus. Stud.*, 1992, doi: 10.1057/palgrave.jibs.8490270.

[2] C. P. Killen, K. Jugdev, N. Drouin, and Y. Petit, “Advancing project and portfolio management research: Applying strategic management theories,” *Int. J. Proj. Manag.*, 2012, doi: 10.1016/j.ijproman.2011.12.004.

[3] A. Osterwalder and Y. Pigneur, “Designing business models and similar strategic objects: The contribution of IS,” *J. Assoc. Inf. Syst.*, 2013, doi: 10.17705/1jais.00333.

[4] J. K. Visser and M. W. Pretorius, “The Development Of A Performance Measurement System For Maintenance,” *South African J. Ind. Eng.*, 2012, doi: 10.7166/14-1-300.

[5] A. Rasche and D. Seidl, “A Luhmannian perspective on strategy: Strategy as paradox and meta-communication,” *Crit. Perspect. Account.*, 2020, doi: 10.1016/j.cpa.2017.03.004.

[6] E. Gavrikova, I. Volkova, and Y. Burda, “Strategic aspects of asset management: An overview of current research,” *Sustain.*, 2020, doi: 10.3390/su12155955.

[7] P. Sharma, J. J. Chrisman, and J. H. Chua, “Strategic management of the family business: Past research and future challenges,” *Fam. Bus. Rev.*, 1997, doi: 10.1111/j.1741-6248.1997.00001.x.

[8] R. E. Lewis and R. J. Heckman, “Talent management: A critical review,” *Hum. Resour. Manag. Rev.*, 2006, doi: 10.1016/j.hrmr.2006.03.001.

[9] R. E. E. Freeman and J. McVea, “A Stakeholder Approach to Strategic Management,” *SSRN Electron. J.*, 2005, doi: 10.2139/ssrn.263511.

[10] D. S. Siegel, “Green management matters only if it yields more green: An economic/strategic perspective,” *Acad. Manag. Perspect.*, 2009, doi: 10.5465/amp.2009.43479260.

CHAPTER 3

ANALYSIS AND EXPLORATION OF CORPORATE LEVEL STRATEGY

Dr. Srinivasan Palamalai
Associate Professor, Master in Business Administration (General Management),
Presidency University, Bangalore, India.
Email Id: srinivasanp@presidencyuniversity.in

ABSTRACT:

A crucial component of strategic management that focuses on the broad scope and direction of an organization is corporate level strategy. It requires making choices at the highest levels of the organization, including selecting the markets to enter, running many company divisions, and wisely allocating resources. This essay gives a general overview of corporate level strategy, emphasizing the role it plays in achieving organizational objectives and adding value. It examines several corporate-level tactics, such as diversification, vertical integration, and globalisation. Corporate level strategies primarily deal with resource distribution across the firm's many companies, portfolio management, and company development, among other things, and they aid in the organization's decision-making process. Corporate strategy often falls into one of three broad categories: stabilisation, expansion, or retrenchment Corporate level strategies primarily deal with resource distribution across the firm's many companies, portfolio management, and company development, among other things, and they aid in the organization's decision-making process. Corporate strategy often falls into one of three broad The difficulties and factors to be taken into account while developing and executing corporation level plans are also covered in the study.

KEYWORDS:

Corporate Level Strategy, Strategic Management, Diversification, Vertical Integration, International Expansion**.**

INTRODUCTION

Corporate level strategies primarily deal with resource distribution across the firm's many companies, portfolio management, and company development, among other things, and they aid in the organization's decision-making process. Corporate strategy often falls into one of three broad categories: stabilisation, expansion, or retrenchment. These three tactics will be covered in more depth. Corporate level strategies are primarily concerned with decisions regarding the distribution of resources among various businesses within an organization, the transfer of resources from one set of businesses to another, and the management and nurturing of a portfolio of businesses to ensure the achievement of the overall corporate goals.

Stability strategy

The company uses this tactic while attempting to maintain their present market position. By slighly altering one or more of its companies in terms of their respective client group, customer function, and technology, either separately or jointly, it also tries to incrementally increase its performance. It doesn't imply that the company doesn't wish to expand. It makes modest efforts to expand the same business line. For instance, any business that provides a particular service to institutional buyers in order to boost sales by enticing large orders is using improved market efficiency as part of their stability strategy [1]–[3].

Growth Strategy

This tactic is sometimes referred to as an expansion plan. Here, there are initiatives to achieve significant growth. This tactic will be used when a company raises its goals in a big way that is far higher than what it has accomplished in the past.The company may enter new markets, develop new product lines, or enter extra market segments in order to surpass its previous goals. Compared to the stability method, it entails more risk and effort. The two components of the growth strategy are the internal growth strategy and the external growth strategy. Diversification and intensification initiatives make up the bulk of the internal growth plan. Merger, takeover, international partnership, and joint venture are all components of an external development plan.

The major objectives of adopting of growth strategies are

i) Survival: Every company has a natural drive to expand. If it doesn't, new competitors will enter the market, endangering its existence. In order to meet the difficulties of the corporate environment, survival is also required.

ii) Innovation: Innovation is critical to company since it creates new products, processes, and business models that allow for the desired level of expansion. This company achieves strong performance and outcomes, which are signs of growth.

iii) Employee motivation: A growth plan results in better performance and allows the company to reward staff with both monetary and non-monetary incentives.

iv) Customer happiness: Using a growth strategy, the company may increase customer satisfaction by offering high-quality goods at competitive prices.

v) Corporate image: Establishing a positive perception of the company in the eyes of all stakeholders is referred to as corporate image. Only the company's growth plans will be able to do this, as they provide customers with high-quality products, investors with solid returns, and workers with fair pay and salaries thanks to their increasing production volume and improved performance.

vi) Economies of scale: As a consequence of growth strategies, there is a rise in product demand, which leads to large-scale manufacturing and, ultimately, economies of scale. Saving money on labour or materials costs might be the goal.

vii) Efficiency: The ratio of profits to costs is known as efficiency. Innovation, technological advancement, personnel training and development, and research and development are all results of growth strategies, and they all enhance production, lower costs, and boost profit.

vii) Best use of resources: A product's demand has expanded as a result of a growth plan. Large-scale manufacturing and distribution result from this. Thus, the company may employ its resources to their fullest potential.

viii) Business expansion: The growth strategy enables business unit expansion. because business units are doing better in terms of sales, market share, and profit. As a result, the business unit may transition from doing local-level tasks to those that are national or worldwide in scope**.**

ix) Reduce risk: As a result of corporate growth, market segments and product sales have changed. In this scenario, if a company loses money on one product or market, it will be made up for it in another market or product. As a result, the risk to the firm will be reduced.

DISCUSSION

Intensification Strategy

With an intensification strategy, a company aims to expand inside already established markets via product creation, market development, and market penetration. Market penetration refers to boosting sales in the present market by aggressive actions like intense advertising, price reductions, and sales promotions, etc. Market development entails expanding into existing markets as well as new ones. Here, business units carry out market research and develop effective pricing policies, marketing strategies, and distribution networks. Product development also refers to the introduction of new, enhanced products. It can be in the same market or a different one.

Diversification Strategy

One form of internal growth strategy is diversification. It is altering the product or service line. In this scenario, a company starts a new service or product that is an expansion of an already existing activity or there may be a significant disparity in talent, technology, and expertise. There are a few reasons why businesses want to diversify. The factors are listed under point a. Risk spreading: - Diversification makes it possible to distribute the risk. This involves the operation of the firm in other areas, so losses in one market may be made up for in another while maintaining the same levels of profit.

Enhances corporate image

A company's corporate image is how customers and clients perceive it. Through product and knowledge improvements brought about by firm diversification, better goods and services are provided, which has a favourable psychological influence on consumers.

Deal with competition successfully: Due to firm diversification, a broad variety of goods and services are introduced. This makes it possible for the business to keep making sales. Utilisation of resources: Because the corporation has extra production capacity, diversification allows it to utilise resources as efficiently as possible. If management of facilities devotes staff and other resources to the production department and other tasks [4]–[6].

Economies of scale: Diversification, particularly in the domain of diversification, generates economies of scale. With the use of the same distribution network, the corporation may integrate the distribution of both old and new items Customer satisfaction: When the firm entered a new market, it made a commitment to provide high-quality goods and competent services. This results in happy customers. Synergistic advantages: These are those that are obtained by slightly improving an existing product or process that is linked to an earlier product in order to produce a new one. Through diversity, this will be simple to do.

Turnaround Strategy

Turnaround strategy involves turning a failing business into a successful one. When a corporation restructures its business processes, it is feasible. Its goal is to increase declining sales, market share, and profit due to high material costs, lower price utilisation for goods and services, increased competition, the recession, and managerial inefficiency. It is broad in nature and includes divestment strategy (where business gets out of certain activities or sells off certain units or divisions). The following business scenarios need the use of the turnaround approach. Specifically, I) A liquidity issue II) A loss of market share III) A decrease in profit IV) An underutilization of plant capacity V) A high level of inventory

Liquidation Strategy

This is an extreme example of a divestiture plan, and it is used after all attempts to revive the firm have failed. There is no chance that the company will ever turn a profit again. In such a circumstance, the firm decides to sell everything and use the proceeds to fund the start of a new venture. It is known as liquidation after it is finished. Typically, tiny firms do this There are a few reasons why the liquidation occurred, including the following:

i) When all a ttempts to turn around the business's ongoing losses were unsuccessful.

ii) When there is a competitive offer from other companies.

iii) When the business unit has acquired new business and the existing business is not keeping up with or matching it, and the current business is not lucrative. iv) When the business unit has discovered that it is difficult to handle the current business.

According to the Company Act of 1956, once this kind of circumstance has happened, a firm may file for liquidation. The benefit of liquidation to the firm is that it (i) provides benefit to financial institutions by allowing them to recover their money.

ii) It helps the company to start up new ventures.

iii) The acquirer is given the opportunity to consolidate its market.

iv) The liquidation company's stockholders may receive shares or other compensation from the new business or buyer.

v) The staff members may not lose their jobs since the new management can keep them on in the new venture.

Modernization strategy

Modernization is nothing more than an enhancement or upgrade to already-existing physical facilities (plant, equipment, processes, etc.). It is carried out to produce goods of higher quality and to provide value to customers. Additionally, efforts are made to actively engage the competitors and gain an edge. Currently, every company is doing this continuously to stay relevant in the current business environment and to maintain its survival, development, and profitability [7]–[10].

It should be emphasised that modernisation comes at a cost, therefore the company should do a cost study before implementing it to see if it would have a long- or short-term effect. Modernization, however, has certain benefits.

i) Modernization may boost overall organisational effectiveness as well as product quality.

ii) The capacity of the factory will be used effectively, high-quality goods will be created, and sales will rise.

iii) Business may better compete in the market with the support of modernization.

In reality, as a result of liberalisation, MNCs and TNCs are entering the market with cutting-edge technology, making it difficult for Indian businesses to compete. This is where modernisation aids.

iv) As excellent quality is a byproduct of modernity, it also helps to create a positive business image in the marketplace.

v) By lowering the cost of manufacturing per unit, modernization also promotes production efficiency. This occurs as a result of less waste and increased effectiveness.

Merger Strategy

A merger is a merging of two or more businesses in which one continues to operate while the others go out of business. To be taken into consideration, the merger occurs. Here, the purchasing business compensates it using either cash or stock.

1. The ability to pool resources and streamline processes, which leads to increased operational efficiency, is one of the merger's benefits.
2. Mergers have the power to revive ill units. The issue of industrial illness may be avoided by merging the ill units with strong businesses.
3. i Business mergers accelerate growth since they provide benefits in a variety of sectors, including marketing, manufacturing, finance, R&D, and more.
4. Mergers may be a successful tool for tax planning, particularly if one of the merging firms has accrued losses.
5. There are certain financial benefits to mergers, including the integration of resources and assets, stability in cash flow, and the potential to leverage the market for more funding.

Joint Venture Strategy

A joint venture might be thought of as an organisation born out of a long-term contract between two or more parties, conducted for mutual gain. It is a particular kind of partnership, and when both parties set up new units, they exercise supervision and control over the new company. In a joint venture, ownership is also shared. Joint ventures are quite common these days since they allow for the pooling of development costs, the distribution of risk, and the combination of experience and resources. It is the finest method for establishing a foreign partnership. Joint ventures are often used by Indian businesses to collaborate with overseas businesses.

CONCLUSION

A company's corporate level strategy is essential in determining the scope and general direction of an organisation. Organisations may coordinate their resources, talents, and activities to meet their long-term objectives and provide value by developing and executing successful corporate level strategies. The main corporate-level strategies that organisations might pursue are vertical integration, international growth, and diversification. Organisations may avoid risk and seize growth opportunities by diversifying by expanding into new markets or sectors. In order to acquire control over important operations and improve efficiency, vertical integration includes combining several stages of the value chain. Organisations may enter new geographic markets and take advantage of global possibilities by expanding internationally. Making and putting into action corporate level strategy, however, presents difficulties, including finding the correct opportunities, overseeing many business divisions, and adjusting to the complexity of global marketplaces. Conducting in-depth analysis, taking into account their key skills, and coordinating their corporate level strategy with their overarching vision and purpose are essential for organisations. In a changing business world, achieving this enables organisations to increase their competitiveness, provide value for stakeholders, and achieve sustainable development.

REFERENCES

[1] Y. Li and L. Gao, “Corporate social responsibility of forestry companies in China: An analysis of contents, levels, strategies, and determinants,” *Sustain.*, 2019, doi: 10.3390/su11164379.

[2] C. Maranesi and P. De Giovanni, “Modern circular economy: Corporate strategy, supply chain, and industrial symbiosis,” *Sustain.*, 2020, doi: 10.3390/su12229383.

[3] J. Xie, W. Nozawa, M. Yagi, H. Fujii, and S. Managi, “Do environmental, social, and governance activities improve corporate financial performance?,” *Bus. Strateg. Environ.*, 2019, doi: 10.1002/bse.2224.

[4] J. Peters and A. Simaens, “Integrating sustainability into corporate strategy: A case study of the textile and clothing industry,” *Sustain.*, 2020, doi: 10.3390/su12156125.

[5] M. Arasti, M. Khaleghi, and J. Noori, “Corporate-level technology strategy and its linkage with corporate strategy in multi-business companies: IKCO case study,” *Technol. Forecast. Soc. Change*, 2017, doi: 10.1016/j.techfore.2016.02.013.

[6] S. M. Fernández-Miguélez, M. Díaz-Puche, J. A. Campos-Soria, and F. Galán-Valdivieso, “The impact of social media on restaurant corporations’ financial performance,” *Sustain.*, 2020, doi: 10.3390/su12041646.

[7] S. Fortunati, L. Martiniello, and D. Morea, “The strategic role of the corporate social responsibility and circular economy in the cosmetic industry,” *Sustain.*, 2020, doi: 10.3390/su12125120.

[8] N. E. Landrum and B. Ohsowski, “Identifying Worldviews on Corporate Sustainability: A Content Analysis of Corporate Sustainability Reports,” *Bus. Strateg. Environ.*, 2018, doi: 10.1002/bse.1989.

[9] T. Hahn, J. Pinkse, L. Preuss, and F. Figge, “Tensions in Corporate Sustainability: Towards an Integrative Framework,” *J. Bus. Ethics*, 2015, doi: 10.1007/s10551-014-2047-5.

[10] R. M. Daniel, “Revisiting the strategic management process through the levels of strategy analysis,” *Asian J. Manag. Res.*, 2015.

CHAPTER 4

EXPLORING THE BUSINESS LEVELS STRATEGIES: A REVIEW STUDY

Dr. Ranganathan Kumar
Associate Professor, Master in Business Administration (General Management),
Presidency University, Bangalore, India.
Email Id: drsenthilkumar@presidencyuniversity.in

ABSTRACT:

A crucial element of strategic management that concentrates on the particular business units or divisions within an organisation is business unit strategy, sometimes referred to as SBU strategy. It entails making choices and developing strategies at the level of specific business units in order to get a competitive edge and satisfy the particular requirements of various market segments. This essay gives a general review of business unit strategy and emphasises its significance in determining an organization's performance and profitability. Business strategies function inside a framework that is established by corporate level strategies. Business strategies function inside a framework that is established by corporate level strategies. For instance, a corporation may decide to stabilise, grow, or cut costs, whilst a firm must develop its own strategy to contribute to the accomplishments. Business strategies are the actions taken by an organisation for each of its businesses separately For instance, a corporation may decide to stabilise, grow, or cut costs, whilst a firm must develop its own strategy to contribute to the accomplishments. It examines several business unit strategies, such as focus, differentiation, and cost leadership. The presentation also goes over the important factors and difficulties in developing and putting into practise business unit strategy.

KEYWORDS:

Business Unit Strategy, Strategic Management, Competitive Advantage, Cost Leadership, Differentiation, Focus.

INTRODUCTION

Business strategies function inside a framework that is established by corporate level strategies. For instance, a corporation may decide to stabilise, grow, or cut costs, whilst a firm must develop its own strategy to contribute to the accomplishments. Business strategies are the actions taken by an organisation for each of its businesses separately. They are designed to help each business in the company's portfolio gain a competitive edge while also maximising the company's use of resources, skills, and synergies. The corporation, which has several goods and operates in multiple geographies, establishes strategic business divisions to efficiently handle each of the items.

For instance, Hindustan Unilever Ltd., a multi-product company, has embraced the idea of a strategic business unit. Each approach focuses on certain items, such as cosmetics, drinks, laundry products, and hygiene [1]–[3]. The Strategic Business Unit (SBU) strategy is another name for it. In order to manage its multi-product company, General Electric Company of the USA created this. Multi-product or multi-geographical organisationsutilise it to manage each product or set of products efficiently. For instance, a multi-product company like Hindustan Unilever Ltd. may use the idea of SBU. It is possible to establish distinct SBUs, each specialising on a certain kind of product, such as toiletries, drinks, ice cream, laundry supplies, cosmetics, and so forth. Each SUB must consider these four crucial factors in order to manage its operations effectively: a) Each unit is managed separately.

b) Using the organisational plan as a guide, each SUB develops its own strategy.

c) The SBU manages in accordance with organisational objectives and has its own resources.

d) The SBU ought to compete with other SBUs within the same organisation.

Advantages of SUB

The corporation that uses a business level strategy offers the following benefits.

1. Effective Management: Because the SUB is managed independently, it is able to focus on developing its own product. It examines the organisation, planning, direction, and efficient use of its own resources. Additionally, it finds strong profitability in its own marketing strategies.

2. Internal competition: Due to the fact that each activity is managed individually, each manager will want to demonstrate his effectiveness, and from that standpoint, he will compete with the other SUBs within the same organisation.

3. Greater efficiency: Efficiency is determined by the ratio of input to output. Each SUB will work to reduce waste, make the best use of resources, and coordinate all available resources in an effort to lower production costs.

4. Improved customer service: Every SUB makes an effort to provide helpful customer assistance. In order to provide the consumer with the greatest level of pleasure, the SUB works to understand the demands and concerns of the customer. By doing this, it fosters customer relationships and provides customers with top-notch services.

5. Employee motivation: Each SUB manager fosters a sense of camaraderie among staff members. Knowing that their efforts are appreciated, they exert all of their effort and produce the most for the organisation.

6. Corporate image: This is a strategy for improving a company's reputation and goodwill with the public. With the assistance of a) Better customer services, this will be finished.

b) Cutting-edge and novel items

b) Market expansion through advertising, marketing, etc.

Functional (Operational) Level Strategies

Business and corporate strategies are the source of functional strategies, which are then carried out via functional implementations. Functional strategy deals with relatively constrained plans created to accomplish goals in a particular functional area, resource distribution among various operations within that functional area, and coordination between various functional areas for the best possible contribution to the accomplishment of business- or corporate-level goals [4]–[6].

Aligning organisational skills or activities with the organization's goals is the main goal of strategy implementation. Coordination between the tactics at various levels is required for this.

Production, marketing, finance, and human resource strategies are the primary components of the operational strategy.

Production Strategies

The major goals of production strategies are to increase quantity, improve quality, and lower production costs. The following actions must be taken into consideration for this reason.

Production capacity

A company needs to determine its manufacturing capability. This is arbitrary and is determined by the market's demand for the product as well as changes brought on by competition, the economy, a market boom, etc. However, some organisations base their decisions on their sales projections. Today, several businesses produce a portion of their own products while also buying from other businesses. In light of all of these factors, the company should determine its production capacity.

Location and size of plants

The availability of infrastructural facilities as well as a skilled workforce are all factors that the firm takes into account when choosing a site. Other factors include local circumstances, the availability of raw materials and the proximity of the location to the market.

The size of the plant will be chosen based on the anticipated demand for the product and the reliance of the company on other businesses that offer partly made items.

1. Technology: This relates to knowledge, machinery, tools, and other items. When deciding on a production plan, it is important to take these factors into account since they have an impact on capital expenditures, labour costs, and other factors.

2. Research and development: Because R&D lowers manufacturing costs and improves quality, it should be taken into account from an investment standpoint. Its methods and decentralised or centralised character should also be taken into consideration.

3. Product quality: Product quality is a problem for manufacturing strategy. Quality refers to a product's suitability. And this varies from one buyer to the next. Here, the company must first understand its target market before determining if the product's suitability for that market can be determined. They could decide to proceed with manufacturing if they like its quality, pricing, etc.

DISCUSSION

Marketing strategies

Marketing is the study of the customer's desires for a product from the perspective of how he perceives such items. It is crucial to every organisation since the effectiveness of the marketing is largely responsible for its success. Therefore, each firm must develop appropriate marketing plans in light of the following [7]–[9].

Product strategy

Anything that is accessible for human consumption is referred to be a product. Additionally, they often want high-quality goods. Because of this, the business unit decides on the product line/mix under this approach. If it determines that there is no need to consider varied items, it will continue to place emphasis on core products. The business unit may then think about creating new items. Here, the business unit determines whether to create new items or modify existing ones in order to compete in the market and satisfy client demands. Additionally, a corporation may consider additional product policies within the same strategy, such as product packaging, branding, or positioning.

Pricing strategy

Price is a delicate marketing component. The impact on sales from a little price adjustment would be higher. In order to determine a price for the product, the business unit takes into account a number of price element sub-variables, including the credit duration, the discount, the price list of the competition, etc.

The business unit should then take into account the many ways to apply a price to a product, and the price should be applied depending on the convenience of the client and the state of the market. In addition to this, business units may also explore the following strategies:

Skimming pricing strategy

In this instance, the prices of the items are quite expensive at first, and when the proportional growth in sales volume occurs, the price of the product will decrease. This kind of pricing is used to recoup significant research and development costs by realising enormous profits. Distribution is the supply of commodities from the maker to the client.

The only way for marketing to run smoothly and effectively is if the product is supplied in a consistent, timely, and decent manner. From this stage, the marketer decides on distribution channels, geographic areas, dealer networks, and dealer efficiency programmes like incentives, commission rates, etc.

Promotional strategy

Promotion is the sharing of information about goods and services with the consumer. This company employs a variety of tactics and marketing strategies, such as advertising, sales promotion, publicity, personal selling, and more. Here, the marketer's job is to carefully observe each medium before developing tactics for each one. For instance, he should have considered the advertising budget, media planning strategies, media selection strategies, etc. in the same manner as other plans.

Human Resource Strategy

Among all the resources needed by an organisation, human resources are the most crucial. This is the sole resource that is exciting and alive. Therefore, any organisation that wants to quickly expand and thrive should be extremely careful with these resources and make plans on how to get the most out of them. If a firm is able to achieve this, it will easily reach its pinnacle degree of success. In order to do this, the organisation must decide on its recruitment and selection approach.

1. The training method is intended to increase employee competence.
2. Their method of performance evaluation.

Benefits of strategic management

The following are a few advantages or reasons why strategic management is important.

1. Strategy Selection: Strategic management aids management in choosing the best available alternative for a strategy. The organisation may then experience internal or external development. For instance, it may use an intensification or diversification approach in the case of internal growth.

2. Increases Employee Productivity: Strategic management explains to staff what to do, how to accomplish it, and when to do it. This enables the person to carry out a task with accuracy and skill, which increases efficiency.

3. SWOT Analysis: A comprehensive examination of a company's internal and external environments helps one to pinpoint its strengths and weaknesses as well as its opportunities and threats.

This aids the company's ability to adapt to its environment, which is always changing. And only with the aid of strategic management is this achievable.

4. Facilitates planning: Strategic management aids in creating doable plans.

5. Organizing Resources: By properly allocating and using resources, company goals may be achieved. Only a methodical strategy, which comes from strategic management, can make this happen.

6. Assists in Evaluation: An essential component of strategic management is the assessment of plans or strategies. Here, actual performance will be compared to established criteria, and remedial steps will be performed if any discrepancies are discovered.

7. Encourages Coordination and Communication since the techniques have been well thought out. At all stages of operations, appropriate coordination and communication are required for its efficient implementation.

8. Aids in facing Competition: Strategic management allows a business to more successfully handle competition. This is so that competitive strategies may be developed via strategic management.

All of an organization's important business choices, including those regarding companies, goods and markets, manufacturing facilities, investments, and organisational structure, are framed by strategic management.Strategic planning functions as both a corporate defence mechanism and a pathfinder to diverse business prospects in a successful organisation. It helps the company avoid expensive errors in product market decisions or investment decisions. The ultimate responsibility of strategic management is to provide a corporate organisation certain core capabilities and competitive advantages in its struggle for survival and expansion.

Strategy Formulation

The process of deciding on acceptable courses of action for attaining corporate goals and so fulfilling organisational purpose is known as strategy formulation.

The creation of a strategy is essential to the success of a business or organisation. It generates a concise list of suggestions, backed by rationale, that update the organization's purpose and goals as appropriate and provide the means of achieving them. In order to increase the organization's success, we are attempting to adjust the present goals and tactics. This involves making an attempt to establish "sustainable" competitive advantages, despite the fact that most competitive advantages are slowly being eliminated by rivals [10]–[13].

CONCLUSION

By coordinating resources, competencies, and activities at the level of individual business units, business unit strategy plays a crucial role in determining the success and profitability of organisations. Organisations may develop a competitive edge, address the particular requirements of various market segments, and provide value for their clients by developing and putting into practise successful business unit plans. A company's ability to provide competitive pricing and draw in price-conscious consumers depends on having the lowest production or operating costs in the industry. A differentiation strategy is developing one-of-a-kind and distinctive goods or services that distinguish the business from rivals, appeal to consumer preferences, and foster brand loyalty. Focus strategy focuses on providing a particular market segment or niche with specialised goods or services, addressing the demands of that segment specifically, and gaining a dominant market position.Price is a delicate marketing component. The impact on sales from a little price adjustment would be higher. In order to determine a price for the product, the business unit takes into account a number of price element sub-variables, including the credit duration, the discount, the price list of the competition, etc. The business unit should then take into account the many ways to apply a price to a product, and the price should be applied depending on the convenience of the client and the state of the market.

REFERENCES

[1] B. Hutahayan, "The mediating role of human capital and management accounting information system in the relationship between innovation strategy and internal process performance and the impact on corporate financial performance," *Benchmarking*, 2020, doi: 10.1108/BIJ-02-2018-0034.

[2] S. F. Slater and E. M. Olson, "Marketing's contribution to the implementation of business strategy: An empirical analysis," *Strateg. Manag. J.*, 2001, doi: 10.1002/smj.198.

[3] V. Govindarajan and A. K. Gupta, "Linking control systems to business unit strategy: impact on performance," *Accounting, Organ. Soc.*, 1985, doi: 10.1016/0361-3682(85)90031-5.

[4] S. Kotha and D. Orne, "Generic manufacturing strategies: A conceptual synthesis," *Strateg. Manag. J.*, 1989, doi: 10.1002/smj.4250100303.

[5] M. Kownatzki, J. Walter, S. W. Floyd, and C. Lechner, "Corporate control and the speed of strategic business unit decision making," *Acad. Manag. J.*, 2013, doi: 10.5465/amj.2011.0804.

[6] V. Govindarajan and J. Fisher, "Strategy, Control Systems, and Resource Sharing: Effects on Business-Unit Performance," *Acad. Manag. J.*, 1990, doi: 10.5465/256325.

[7] M. Queiroz, T. Coltman, P. Tallon, R. Sharma, and P. Reynolds, "The complementarity of corporate IT Alignment and Business Unit IT alignment: An analysis of their joint effects on business unit performance," 2018. doi: 10.24251/hicss.2018.614.

[8] S. F. Slater and E. M. Olson, "Marketing's contribution to the implementation of business strategy: an empirical analysis," *Strateg. Manag. J.*, 2001, doi: 10.1002/smj.198.abs.

[9] A. D. Szilagyi and D. M. Schweiger, "Matching Managers to Strategies: A Review and Suggested Framework," *Acad. Manag. Rev.*, 1984, doi: 10.5465/amr.1984.4277370.

[10] I. Hilman, "Sharia Business Unit Spin-off: Strategic Development Model of Sharia Banking in Indonesia," *Int. J. Islam. Bank. Financ. Res.*, 2018, doi: 10.46281/ijibfr.v2i2.43.

[11] M. J. de S. Queiroz, "Strategic information technology alignment□: conceptualization , measurement , and performance," *PhD Diss. (University Wollongong Thesis Collect.*, 2014.

[12] N. A. Morgan and N. F. Piercy, “Interactions between marketing and quality at the SBU level: Influences and outcomes,” *J. Acad. Mark. Sci.*, 1998, doi: 10.1177/0092070398263002.

[13] S. S. Durmuşòlu, R. C. McNally, R. J. Calantone, and N. Harmancioglu, “How elephants learn the new dance when headquarters changes the music: Three case studies on innovation strategy change,” *J. Prod. Innov. Manag.*, 2008, doi: 10.1111/j.1540-5885.2008.00308.x.

CHAPTER 5

FORMULATION OF STRATEGY AND STRATEGIC MANAGEMENT

Dr. Muralidhar Sunil
Assistant Professor, Master in Business Administration (General Management),
Presidency University, Bangalore, India.
Email Id: sunilrashinkar@presidencyuniversity.in

ABSTRACT:

The environment of a firm refers to those external elements. Whether it is alive or not, it must support and respond positively for a company to run well. As a result, we might define environment as all those elements or circumstances that exist alongside a firm and have an impact on its operations or different business choices. Within the larger topic of strategic management, the process of formulating strategy is essential. It entails the creation of a thorough and detailed action plan to accomplish organisational goals and create a competitive edge. This essay gives a general overview of strategy formation and emphasises the importance of strategy in directing organisational decision-making and resource allocation. The SWOT analysis, Porter's Five Forces, and PESTEL analysis are only a few of the methodologies and frameworks examined. The capacity of a corporate organisation to adapt to its environment will be crucial to its success since environmental forces are beyond of its control. In other words, if the company is able to plan its properties and modify the internal (controllable) components to take advantage of opportunities and counteract risks in the surroundings. The relevance of coordinating strategy with organisational objectives and the part that strategic leadership plays in the formulation process are both covered in the paper. It also looks at the difficulties and factors that go into developing a strategy, such the necessity for flexibility and the unpredictability of the external environment.

KEYWORDS:

Formulation Of Strategy, Strategic Management, Competitive Advantage, Swot Analysis, Porter's Five Forces, Pestel Analysis.

INTRODUCTION

Two categories of elements internal environmental factors and external environmental factors—have an impact on business choices. Therefore, each firm must consider these two aspects carefully while making judgements. Since the company may manage and control the internal variables in accordance with its needs, requirements, or needs, they are also referred to as controllable factors. These elements are classified as internal since they are present on business property. External forces are uncontrollable since they are outside of the company. Here, the firm must adapt or shape its resources to get support. The capacity of a corporate organisation to adapt to its environment will be crucial to its success since environmental forces are beyond of its control. In other words, if the company is able to plan its properties and modify the internal (controllable) components to take advantage of opportunities and counteract risks in the surroundings.These are some difficulties that business units encounter; dealing with environmental dynamics of change is the most difficult problem of them. It often takes on the characteristics of turbulence. In reality, the organisation faces two problems as a result of the business environment, including: i) the difficulty of addressing environmental threats [1]–[3].

ii) To take advantage of commercial possibilities. There is a new kind of environmental analysis that can be used to solve these two problems. Strategic management begins with environmental study. Here, strategists keep an eye on the business's potential and risks by monitoring the economic, political, legal, market, technical, geographical, and social environments.

Business Environment

It is stated that a company cannot thrive or survive in solitude. It needs assistance from a variety of sources in its environment. The environment of a firm refers to those external elements. Whether it is alive or not, it must support and respond positively for a company to run well. As a result, we might define environment as all those elements or circumstances that exist alongside a firm and have an impact on its operations or different business choices. According to Keith Davis, the term "environment of the business" refers to the whole of all circumstances, occurrences, and forces that surround and have an impact on it.Business environment, in the words of Arthur M. Weimer, "includes the climate or set of conditions, economic, social, political, or institutional in which business operations are conducted."

Components

With the aid of the definitions and meaning mentioned above, we can point out some of its characteristics.

1) The environment is dynamic by nature; it is always changing as changes occur.

2) It has both a direct and indirect effect: The environment has a direct and, at times, indirect influence on how a company operates.

3. It contains two different kinds of factors: Environmental elements, both internal and external, make up the majority of the environment.

4) It cannot be separated from business: Business and the environment go hand in hand. Business cannot function or operate without the backing of either internal or external factors.

5) Effect on business choices: To improve operations, businesses might make decisions that are proactive or reactive in response to the environment.

6) It controls the company's scope: Whether or whether it must take into account internal or external influences, the environment has an impact on the business. For instance, if the government outlaws something, business should consider it and go on.

7) It is multidimensional: It always takes into account both a force's positive and negative effects.

Internal Environment

These are internal environmental elements that exist inside a company's boundaries and are simple to alter and manage. In order for commercial activity to go safely and successfully, the company shapes these aspects to fit its needs and expectations.

Value System

The helm (the point of control) of the founders' affairs is their value system. Therefore, it is a commonly accepted truth that one of the key success factors in an organisation is the degree to which its value system is shared by all members. If the founder has strong values, he won't engage in any activities that aren't within reason. For instance, the Murugappa Group acquired the E.I.D. Porry Group, one of the most lucrative companies. Liquor was one of its failing businesses, and Murugappa sold it off since it did not align with the company's values.

The company's mission is the essential reason for its existence. It is the focus, objectives, or methods of growth of the organisation. In general, business goals and mission statements align. As a result, it is generally essential for the business to first frame a mission statement before listing down numerous goals. The organisation was able to determine whether or not the goals aligned with the mission statement thanks to the research and analysis of the internal environment.

Plans and policies are nothing more than decisions made in advance on a certain activity, such as what should be done, how it should be done, when it should be done, etc., and how they should be carried out in order to achieve success. Here, the business unit must develop its strategies and policies after consulting with the company's goals and resources. Here, internal environment analysis will assist the company in determining if goals and policies are acceptable. Human Resources: Of all the resources needed by the company, human resources are the most crucial. They are highly perceptive resources; therefore, every business must handle them carefully and cautiously since the viability and success of the company primarily rely on the calibre of its human resources. The internal environmental analysis of human resources uncovers the deficiencies of human resources and calls for taking action to foster its creativity.

DISCUSSION

External Environment

External Environment: The external environment plays a role in the business unit's existence and success. External environment refers to those elements or influences that exist outside of a firm yet have an impact on how that business operates. Since these factors are external, he has no influence over them. The terms "micro environment" and "macro environment" refer to two different categories of environmental elements [4]–[6].

Micro Environment

Micro environmental variables are those that have a highly localised and immediate impact. Suppliers, clients of rival businesses, marketing middlemen, and the general public are all included. Compared to macro issues, these variables have a closer relationship with the firm. As opposed to affecting a certain sector, these elements are having a unique impact on each organisation. Let's examine each of these elements in more depth.

Suppliers are a crucial factor in the microenvironment. This force provides the supply, including raw materials and other inputs. This is significant because it enables more efficient corporate operations. The supply is quite delicate. So many businesses place a great priority on vendor growth. The business never relied entirely on one supplier since if they pulled out or had any other issues, it may have a negative impact on the business. Clientele: The clientele is king in the market. Therefore, it is the goal of any business to acquire and retain clients. in order for it to thrive and succeed in the market. In actuality, keeping an eye on client sensitivity is a must for corporate success.

Customers may be divided into several groups, including people, home businesses, other commercial entities, the government, etc. Dependence on a single client puts the business in a risky position when negotiating, and if the customer switches to a rival, the business may close. Therefore, the profitability, demand stability, development potential, and level of rivalry should all be fully taken into account when choosing a consumer segment.

Competitors: In a nutshell, competitors are businesses that advertise similar goods. Here, everyone who calculates a consumer's discretionary income is seen as a competition. Consumers who have discretionary resources choose items for requirements that are similar to or identical to their own. For a television maker, for instance, a competing television manufacturer is not just a rival but also a rival for buyers of refrigerators, cooking ranges, and other saving and investing institutions.

Marketing Intermediaries: Marketing intermediaries are anyone who assists a business in supplying goods from a manufacturer to a customer. This includes sales agents and merchants who assist a business in locating customers for product sales as well as those who physically transport the goods from their point of origin to their destination. It covers storage, shipping, marketing businesses, or product promotion for businesses. These middlemen are a crucial connection between the business and the customers. Therefore, choosing the incorrect marketing middlemen might end up costing the organisation a lot of money.

Macro - Environment

The local environment of a corporation is not as much the macro environment. Although these macroenvironmental elements are external to the corporation, they have indirect impact on how well businesses operate. 6The macro environment, which is quite powerful, forms possibilities and poses challenges to the organisation, while the micro environment functions inside it. It encompasses environmental influences or elements related to the demographic, economic, natural, social, and technical spheres.

Demographic environment

It has to do with the human population in terms of its number, density, literacy rate, gender, age, and vocations, among other things. Business units determine their production and distribution strategies by considering all 35 components of the demographic environment. If there is a high population growth rate, it also has an impact on businesses that rely heavily on technology for their products, and vice versa. Once again, business is impacted by the vocational and geographical nobilities of the people. In other words, if workers can be moved quickly from one company to another, as well as to other regions, then its supply will be seamless; otherwise, businesses would have a manpower shortage.

Economic Environment: Important external elements that shape the economic environment for a firm include economic circumstances, economic policies, and the economic system. The type of the economy, the degree (slope) of development of the economy, economic circumstances, the level of income of the populace, or the distribution of wealth are all examples of a country's economic conditions. These elements are significant for formulating company plans. For instance, in a developing nation, low income may be the root of extremely low product demand. In this situation, businesses are unable to raise consumer buying power to improve product demand. Therefore, the business should emphasise a price decrease for increased sales. In this instance, the government's economic policy has a significant influence on business, both favourably and unfavourably. For instance, if the government seeks to defend domestic sectors, this will have an impact on foreign competitors. On the other hand, if the import policy is liberalised, domestic industry may face challenges.

Natural Environment

It includes of geographical and ecological features that are important to business, such as endowments of natural resources, weather and climatic conditions, locational considerations in a global perspective, port facilities, etc. The placement of certain enterprises is influenced by geographic and ecological considerations. For instance, an industry with a high material index would often be situated close to the sources of its raw materials, much as some businesses, such as the cotton textile industry, place great importance on temperature and weather. The ecological aspects are quite significant. Say that government regulations intended to protect ecological balance and environmental purity have given businesses more obligations and challenges. The same of these have declining sales as a result of rising manufacturing and delivery costs [7]–[10].

Social - Cultural environment

When forming corporate plans, sociocultural fabric is one of the key environmental aspects that will be examined. A successful business must take into account the people's purchasing and consumption patterns, their languages, beliefs and values, customs and traditions, tastes and preferences, and educational levels before deciding on a strategy that will fit into the social and cultural environment.

Technical environment

Technological environments have to do with business-related technical know-how. It is anticipated that businesses would need to use and utilise the newest technologies in their operations. But sometimes, as a result of businesses' inability to keep up with advanced technology, technical advancements cause issues for the business world, putting the latter's continued existence in jeopardy. The demand for a production could also rise as a result of technical advancement. For instance, if a company offers voltage stabilisers, the demand for electrical equipment in India, where power flections are common, would undoubtedly increase.

Political climate

The government is responsible for looking after all of us. As a result, it also handles business. Government creates specific policies based on its ideology while working on business. Therefore, if the government, by its policies, brightens the prospects of certain firms, the same others may be in danger. For instance, liberalisation has given the same businesses more chances, but it has also caused some of those businesses to experience setbacks The government of our nation is dynamic. After every five years, it changes. Therefore, anytime a new government takes office, its policies are changed, which may have a beneficial or bad impact on business.

CONCLUSION

A key component of strategic management that determines an organization's course of action is the formation of strategy. Organisations may accomplish their objectives and acquire a competitive edge by participating in a systematic and thorough strategy creation process that aligns internal resources and capabilities with external market circumstances. Frameworks for analysing the internal and external environment, identifying strengths, weaknesses, opportunities, and threats, as well as developing effective strategies are provided by methods like SWOT analysis, Porter's Five Forces, and PESTEL analysis. In order to ensure alignment with organisational objectives and to steer the formulation process, strategic leadership is essential. The dynamic and unpredictable character of the corporate environment, the need for flexibility and adaptability, and possible opposition to change are all obstacles to strategy formation. Organisations must adopt a proactive and flexible approach to formulating their strategies, always keeping an eye on their external environment, exercising strategic foresight, and adopting strategic agility. By doing this, businesses may overcome obstacles, seize chances, and improve their ability to compete in the market. Effective strategy creation prepares the basis for effective strategic management as well as the expansion and sustainability of organizations.

REFERENCES

[1] A. Sarbah and D. Otu-Nyarko, "An Overview of the Design School of Strategic Management (Strategy Formulation as a Process of Conception)," *Open J. Bus. Manag.*, 2014, doi: 10.4236/ojbm.2014.23029.

[2] G. Fuertes, M. Alfaro, M. Vargas, S. Gutierrez, R. Ternero, and J. Sabattin, "Conceptual Framework for the Strategic Management: A Literature Review - Descriptive," *Journal of Engineering (United Kingdom)*. 2020. doi: 10.1155/2020/6253013.

[3] M. Ali and W. Qun, "Strategic Management Practices And Performance Of The Sme S In Bangladesh," *Int. J. Adv. Res.*, 2019, doi: 10.21474/ijar01/8298.

[4] E. Knight, J. Daymond, and S. Paroutis, "Design-Led Strategy: How To Bring Design Thinking Into The Art of Strategic Management," *Calif. Manage. Rev.*, 2020, doi: 10.1177/0008125619897594.

[5] R. Slagmulder and B. Devoldere, "Transforming under deep uncertainty: A strategic perspective on risk management," *Bus. Horiz.*, 2018, doi: 10.1016/j.bushor.2018.05.001.

[6] M. J. B. Kabeyi, "Organizational strategic planning, implementation and evaluation with analysis of challenges and benefits for profit and nonprofit organizations," *Int. J. Appl. Res.*, 2019, doi: 10.22271/allresearch.2019.v5.i6a.5870.

[7] A. Clarke and M. Fuller, "Collaborative Strategic Management: Strategy Formulation and Implementation by Multi-Organizational Cross-Sector Social Partnerships," *J. Bus. Ethics*, 2010, doi: 10.1007/s10551-011-0781-5.

[8] Julius Tapera, :"The Importance of Strategic Management to Business Organizations," *Res. J. Soc. Sci. Manag.*, 2014.

[9] F. AlDhaheri, A. Ameen, and O. Isaac, "The influence of strategy formulation (Vision, Mission, and Goals) on the learning and growth," *J. Crit. Rev.*, 2020, doi: 10.31838/jcr.07.17.245.

[10] R. I. Ramírez, N. D. Lay, and H. B. Sukier, "Management strategy for people management in the mining sector of Venezuela, Colombia and Chile," *Inf. Tecnol.*, 2020, doi: 10.4067/S0718-07642020000100133.

CHAPTER 6

ANALYSIS OF ENVIRONMENT SCANNING AND THEIR GOALS

Mr. Ashok Bhat
Assistant Professor, Masters in Business Administration,
Presidency University, Bangalore, India.
Email Id: ashokbhat@presidencyuniversity.in

ABSTRACT:

The environment of a firm refers to those external elements. Whether it is alive or not, it must support and respond positively for a company to run well. As a result, we might define environment as all those elements or circumstances that exist alongside a firm and have an impact on its operations or different business choices. Gathering and analysing data on the external environment in which an organization works is a critical step in the strategic management process known as environment scanning. It helps organisations to comprehend the trends, opportunities, and risks that may have an influence on their plans and operations in the present and the future. This essay presents an outline of environment scanning while emphasising its importance for organisational adaption and strategic decision-making. It examines a range of environment scanning strategies and tactics, such as PESTEL analysis, industry analysis, and scenario planning. The usefulness of environment scanning is often discussed in relation to technology and data analytics. It also looks at the difficulties and factors involved in undertaking environment scanning, including information overload and the need for ongoing monitoring. Overall, this study emphasises the value of thorough environment scanning in fostering strategic foresight and empowering organisations to maintain an edge in a business environment that is continually changing.

KEYWORDS:

Environment Scanning, Strategic Management, External Environment, Pestel Analysis, Industry Analysis, Scenario Planning.

INTRODUCTION

Environment refers to the circumstances under which a firm may operate reliably, constantly, and smoothly. Here, scanning refers to examining every component of the surroundings. A corporate company may identify its strengths, weaknesses, opportunities, and dangers through environmental analysis in this case. An organisation may develop successful strategies in a number of its functional areas by doing a good assessment or study of the environment. I'll describe the importance of environment scanning in more detail below.

Importance of Environmental Scanning

The factors listed below highlight the significance of scanning the business environment. Identification of strengths: Each organisation makes every effort to retain and enhance its strengths, which are identified via an investigation of the internal environment. Every company, for instance, will observe how we keep on board individuals that are capable and devoted.

How can we seek excellent HRP and HRD, and what are the best approaches to get good, upgraded, and cutting-edge technology, among other things?

Determining flaws

The business analysis provides insight into the company's vulnerabilities. The shortcomings act as roadblocks to progress. Because of this, every organisation tries to identify its weaknesses and work to fix them. Then the company's technology, human resources, lack of funding, or any other aspect, might be a problem.

Opportunity identification

Opportunities often exist outside of the business. Therefore, external environment analysis aids in highlighting and using for company advantages. Businesses also make these efforts in order to seize these chances. For instance, the government may provide subsidies or concessions. The company may therefore lower the price of its goods while still enjoying significant product sales advantages [1]–[3].

Identifying the threat: The company may face risks from customers, suppliers, competitors, and other parties. Environmental analysis thus aids in identifying these hazards and aids in their neutralisation before they have an impact on company or its operation.successful planning: Environmental scanning aids in the creation of successful plans for businesses. The planning is the business's map, thus it must be created flawlessly. Environmental analysis does this while assisting business. Business survival and growth: Any business's two main goals are survival and expansion. The existence of company is meaningless without achieving those two goals. Therefore, environment analysis assures the continuation of the two goals and corresponding business unit.

Facilitates resource organisation: Business units need a variety of resources, including human, physical, and natural resources. Resources are few and few in number. As a result, it should only be used extremely carefully. Businesses are able to organise all of these resources in the necessary and logical ways thanks to environmental analysis.

Operational flexibility: By studying the environment, a company may modify its operations in response to shifting circumstances. Corporate image: To establish a mental image of a company in a customer's head, refer to it as corporate image. The examination of the environment has led to an overall increase in business performance, which has a positive impact on the company's reputation with customers, suppliers, and other stakeholders. Employee motivation: As a result of environmental analysis, the organisation has made wise choices, seen increased performance, and implemented new HR policies.

The term "business environment" refers to all internal and external influences that have an impact on how a firm operates. It speaks about the circumstances, forces, occurrences, and circumstances under which commercial organisations must function. Businesses succeed or fail based on how well they engage with their environment, which is strongly tied to business. Two general categories may be used to categorise the business environment. A. Internal Setting B.

The Environment Outside A business unit's surroundings is examined and studied in order to determine its prospects of survival and success. This process is known as environmental scanning.

It entails keeping an eye on the internal and external company environment and comprehending how it affects business possibilities. Additionally, it entails being aware of potential threats to the business unit as well as risks and uncertainties.

DISCUSSION

Forms of Corporate Restructuring

Corporate restructuring may be a one-time activity for an organisation, but owing to its extensive considerations and enormous benefits, such as increased corporate performance and stronger corporate governance, it has a long-term effect on the enterprise and other related agencies. A firm may consolidate its business activities via corporate restructuring, which also strengthens the organisation's position for accomplishing both short- and long-term corporate goals while being synergistic, dynamic, and a successful and competitive entity.

Corporate Restructuring Types

The most often used methods for corporate restructuring include mergers, demergers, acquisitions, joint ventures, and disinvestments, among others. Restructuring a corporation is the same as doing so. It could include a significant restructuring, as in the case of mergers, or a modest restructuring, as in the case of personnel reductions. Making the greatest use of resources to increase return on investment is the major goal of corporate restructuring.

DISCUSSION

Corporate Portfolio Analysis

Top management perceives its product lines and business divisions as a collection of investments from which it anticipates generating a profit. In multi-product and multi-business enterprises, it is generally utilized for competition analysis and corporate strategy planning. Business organisations may employ a variety of portfolio analysis methodologies. The following are some crucial business techniques:

Boston Consulting Group (BCG) Matrix

United States-based Boston Consulting Group created the BCG Matrix.

This methodology assigns companies or goods a poor or high-performance rating based on:

1. Market Share of the Firm;
2. Industry Growth Rate

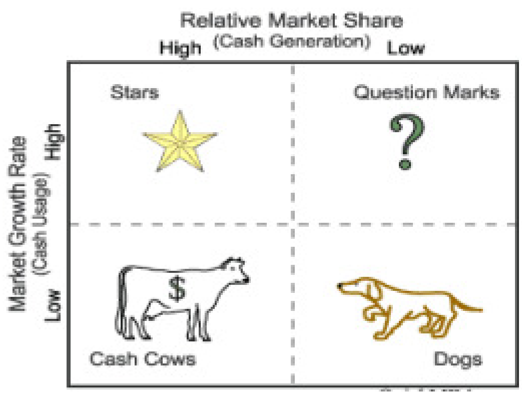

Figure 1: Represents the Boston Consulting Group (BCG) Matrix.

Profit Impact Of Market Strategy (Pims)

Sidney Schoeffler began the PIMS project when he was employed by General Electric in the 1960s, and the Marketing Science Institute took over management of the project in the early 1970s. Since 1975, American Strategic Planning Institute [4]–[6]. Senior GE management started it because they wanted to understand why some of their business divisions were more lucrative than others. Between 1970 and 1983, 2600 key business units from 200 organisations participated in the original study. Each SBU provides details on the market they serve, the goods they have commercialised, and the success of the tactics they have used. The PIMS research assessed how strategic planning affected the affirmation of return on investment (ROI). This research sought to pinpoint the critical elements influencing earnings. The PIMS research gathered information from several business units in various sectors. The research determined the most significant variable that influences profitability based on the data that was gathered. Market share, investment intensity, corporate diversity, product or service quality, product marketing, product price, product design, and other factors are some of the factors that affect profitability.

Criticisms Of Pims Mode

The study results of the PIMS model, including the presence of a linear connection between market share and profitability with smaller market shares, have drawn criticism from a number of quarters. This hold true in the following circumstances:

1. When economies of scale in manufacturing and distribution lead to a decrease in unit cost together with a rise in market share.
2. When companies deliver premium quality items and charge premium prices that more than pay the expenditures expended on R & D increase quality, greater would be the demand, which in turn would lead to higher production and distribution.

Strategic Change

Meaning and Nature of Organizational change

A There are both internal and external elements that might affect change. Any modification to how an organisation functions is considered an organisational change. Changes are made to people, strategy, processes, goals, technology, and work designs. The characteristics of organisational transformation are as follows:

Pervasive in nature: Every organisation must undergo change.

Without change, no organization can prosper. A change in one area of the organisation may have an impact on changes in other areas. There may be a differential impact on different organisational components. While certain components could have an indirect effect, others might have a direct effect. As a result, it is crucial for management to consider the effects of each change on the organisation.

Prerequisites A change to any aspect of an organisation upsets the equilibrium that has been there, creating a new equilibrium. A shift calls for the organisation to find a new balance. Constantly occurring: Organisational transformation is constantly occurring. Changes would continue as long as the organisation was in existence. Proactive vs. Reactive Changes may be either proactive or reactive.

An unanticipated reactive change occurs as a result of environmental changes. A proactive transformation effort is one that the organisation does on purpose.

Overcoming Resistance to Change

Organisational change faces opposition, which management must overcome. Overcoming change resistance in the organisation is a major problem. Due the formal power of management, employees may be compelled to accept the change imposed on them. They may not, however, provide their willing assistance and dedication to bringing about the change in the organisation. The numerous strategies to get over organisational change resistance include the following:

Employee involvement: Through ongoing communication, management should ensure that the workers who might be impacted by the change are involved. This would include outlining and then debating the adjustments being suggested. The management has to learn what the workers think about the suggested improvements for the company and get their feedback. Such engagement is a means of fostering trust. The degree of resistance to change may diminish as the contact goes on, and personal engagement in the change process may rise. **Group dynamics:** Changes may have an impact on both the groups within an organisation and its individual members. As a result, management has to be aware of group dynamics' effects. The management may identify the group's key influencers and work with them to implement change inside the organisation.

Competent Leadership: Managers should possess strong leadership abilities to persuade the workforce to voluntarily embrace organisational change and contribute to the achievement of organisational objectives. An successful e leader proposes change based on objective needs rather than subjective preferences.

benefits share: Management should commit to share benefits from the planned change. Employees will be more inclined to accept and execute change in the organisation if incentives are guaranteed. Both monetary and non-monetary incentives must be given to workers.

Employees value more than only wage raises or promotions; they also value learning new skills, improved working conditions, management recognition, etc.

Employee Security: It is important to safeguard the security of current employees. In the event that new technology is implemented inside the company, management must ensure that employees are protected against wage reductions. Additionally, the company should defend seniority rights, prospects for advancement, and other such perks [7]–[9].

Education and communication:

Through education and communication, management may effectively implement change throughout the organisation. Getting support for change requires effective communication. Even if the planned change only impacts a single or small number of group members, all group members must be made aware of such changes in order to secure support from the group in the event that it becomes necessary.

Counselling and training: Management may implement training programmes to improve employees' knowledge, abilities, and attitudes towards the change and its efficacy. When it comes to time management, you could provide psychological counselling to help you adopt a flexible mindset.

Union Consultants: Before implementing a change inside an organisation, management should speak with the employees' union. Prior to the implementation of the change inside the organisation, union representatives should be engaged. Such engagement is necessary to achieve the employees' voluntary collaboration and commitment to the organization's reforms as well as to prevent opposition [10].

CONCLUSION

An essential procedure known as "environment scanning" helps organisations to proactively recognise and react to changes in the external environment. Organisations may learn important information about market trends, client preferences, legislative changes, technical breakthroughs, and other elements that can have an influence on their plans by doing comprehensive and systematic environment scanning.

Frameworks for evaluating the macro and microenvironment, finding opportunities, and minimising risks are provided by techniques like PESTEL analysis, industry analysis, and scenario planning.

The development of technology and data analytics has further improved the efficacy and efficiency of environment scanning, allowing businesses to gather and analyse massive amounts of data in order to get insightful knowledge.

However, carrying out environment scanning has several difficulties, such as the requirement to control information overload, correctly analyse data, and continually keep an eye on the surrounding environment.

Organisations must develop reliable procedures for monitoring their environments, allocate resources wisely, and promote a culture of strategic foresight. Organisations may use environment scanning to acquire a competitive advantage, spot new trends, and exploit opportunities in a business environment that is quickly changing by being watchful, proactive, and adaptable. Strategic decision-making and organisational resilience in the face of uncertainty and change are both based on effective environment scanning.

REFERENCES

[1] Business-to-you, “Scanning the Environment: PESTEL Analysis,” *Business To You*, 2016.

[2] De L. Bruin, “Scanning the Environment: PESTEL Analysis,” *Bus. To You*, 2016.

[3] R. J. D. Dimaano, “ANTIPARA (Analysis of Tiny Particles in Aquatic Environment): A Water Scanning Device for Microplastics,” *Int. J. Adv. Trends Comput. Sci. Eng.*, 2020, doi: 10.30534/ijatcse/2020/150942020.

[4] M. Krishna and S. Dayma, “International Business: Expansion of Starbucks to Pakistan,” *Int. J. Sci. Eng. Res.*, 2019.

[5] V. B. Hans, “Business Environment – Conceptual Framework and Policies,” *Int. Educ. Sci. Res. J.*, 2018.

[6] Z. Szabó, A. Schlosser, Z. Túri, and S. Szabó, “A review of climatic and vegetation surveys in urban environment with laser scanning: A literature-based analysis,” *Geogr. Pannonica*, 2019, doi: 10.5937/gp23-24675.

[7] B. O. Babatunde and A. O. Adebisi, “Strategic Environmental Scanning and Organization Performance in a Competitive Business Environment,” *Econ. Insights - Trends Challenges*, 2012.

[8] Ş. K. Avcı, A. N. Çoklar, and A. İstanbullu, “The effect of three dimensional virtual environments and augmented reality applications on the learning achievement: A meta-analysis study *,” *Egit. ve Bilim*, 2019, doi: 10.15390/EB.2019.7969.

[9] L. A. Kristofco and B. W. Brooks, "Global scanning of antihistamines in the environment: Analysis of occurrence and hazards in aquatic systems," *Sci. Total Environ.*, 2017, doi: 10.1016/j.scitotenv.2017.03.120.

[10] X. Mi, B. Yang, and Z. Dong, "Fast Visibility Analysis and Application in Road Environment with Mobile Laser Scanning Data," *Wuhan Daxue Xuebao (Xinxi Kexue Ban)/Geomatics Inf. Sci. Wuhan Univ.*, 2020, doi: 10.13203/j.whugis20180380.

CHAPTER 7

ANALYSIS OF MANAGEMENT OF STRATEGIES AND CULTURE

Ms. Anandasrinivasan Deviprabha
Assistant Professor, Masters in Business Administration,
Presidency University, Bangalore, India.
Email Id: deviprabha@presidencyuniversity.in

ABSTRACT:

Strategies and culture are two interconnected aspects of organisations that have a big effect on their success. While an organization's strategies specify its course of action, its culture encapsulates the common attitudes, standards, and customs that guide how work is carried out. In order to achieve organisational objectives and provide a healthy work environment, this study highlights the link between strategy and culture. A government entity that wants a certain product produced locally under its supervision is often the customer. Turnkey operation is a version of the BOT idea, which stands for Build, Operate, Transfer. When the facility is finished, the corporation manages it for a certain amount of time to recoup its investment plus a profit rather than handing it over to the host nation. It investigates how culture affects the development, application, and results of organisational strategies. The study also explores how leadership influences both strategy and culture. It also looks at the difficulties and factors involved in matching organisational culture with strategy. In order to support the effective execution of plans and promote organisational performance, this study emphasises the need of cultivating a strong and congruent culture.

KEYWORDS:

Strategies, Culture, Organizational Performance, Strategy Formulation, Strategy Implementation, Leadership.

INTRODUCTION

Each organization has an own organizational culture. Every organization has unique corporate cultures that are defined by its values, attitudes, beliefs, business practises, and personalities. For instance, the commitment to customer satisfaction, enthusiastic pursuit of quality, and a strong work ethic forms the basis of the culture of the Tata Group.

Strategy and Culture

The company plan cannot be implemented without a strong culture. The culture and the plan must be compatible.

A devoted and dedicated work force is developed thanks to the alignment of culture and strategy. Two ways in which a culture-strategic alignment influences how workers carry out organisational responsibilities are:

1. An office with a culture that supports the successful execution of a plan has a system of unwritten norms and is under more pressure to perform well in order to achieve this achievement.

2. Employees are inspired to do organisational responsibilities successfully when there is a strong strategy and supportive culture. It enhances employee identification with the company's purpose, performance goals, and strategy and offers a solid value system from which to operate.

Managing Culture and Strategy Relationship

The business culture must be consistent with the plan chosen by the strategy developers. Any aspect of the business culture that impedes strategy implementation has to be changed, according to the strategy implementers [1]–[3]. A culture is hard to modify once it has been formed.

Because most workers stick to established and trusted views and values, changing a problematic culture may be challenging. Prior to implementing a plan, senior management must identify the aspects of the current culture that are impeding it. To change the culture, the speech must be swiftly followed by forceful, visible actions. To be in line with the business plan, every member must comprehend that the activities are meant to create a new culture.

Strategies For Foreign Direct Investment

Foreign Direct Investment (FDI) is a long-term, direct investment in a foreign business made by a person or a corporation from another country. It may take the form of purchasing a firm, investing in shares, or extending the operations of an already established foreign business. FDI differs from portfolio investment in that the latter often involves a brief period of passive investment in foreign assets.

FDI helps the host nation in a number of ways, including:

1. Capital inflows that increase the balance of the capital account and, if there is a partnership with local businesses, allow those businesses to employ the capital for growth and modernisation.

2. The foreign company's training and development programmes for skill development.

3. Technology transfer by the foreign investment company. There are many methods for luring and encouraging FDI:

1. Green filed Investment: By establishing a new company in a foreign nation, a foreign corporation may invest new equity capital investments.

This could be in reaction to actions done by the governments of the nations receiving FDI. For instance, by raising the FDI restrictions, the government may promote FDI. Currently, 100% FDI is permitted in industries including the hotel and tourist sector, export industry, pharmaceutical business, telecom industry, etc.

2. Reinvestment of earnings: Several nations promote reinvestment of earnings by foreign businesses by offering unique incentives such tax advantages. No foreign currency is lost as a consequence of this strategy's dividend payments or profit transfers. By increasing the capital stock of the host nation, this method boosts its production capability.

Intra-company Loans: When a parent firm lends more money to a subsidiary, it often employs this tactic. This method may initially result in foreign capital inflows that the subsidiary may employ for growth and modernisation. However, this tactic can need a greater outflow of money in the form of interest payments and loan repayments from the subsidiary to the main company.

4. Mergers and acquisitions: The government of the host nation may sometimes use merger and acquisition strategies to attract FDI. Generally speaking, it is not the preferred form of FDI unless FDI is essential to the success of another privatisation of a loss-making public firm, or in the event of the merging of a domestic company with a foreign corporation that occurs on an equal footing [4]–[6].

5. FDI that does not include equity may take the form of subcontracting, licencing, franchising, etc. agreements. Such an arrangement may not require foreign money inflows. However, these agreements support the economic expansion and development of the host nation.

DISCUSSION

Strategies For Competing in International Markets

A company that intends to enter the global market and develop outside of its home one has a number of strategic possibilities.

Joint Ventures:A business organization's primary method of entering overseas markets is to organise a joint venture with a foreign company. Compared to other tactics, joint ventures provide a number of benefits. With the assistance of its international partner, the company can quickly adjust to cultural differences in other markets.

Franchising strategy:Some businesses may use franchising to penetrate international markets. A franchise is a legal agreement between two parties, frequently between nations, that involves the transfer of resources and rights. In a contract with the franchisee, the franchisor commits to provide the franchisee access to a variety of resources, including: the right to use the franchisee's name and logo; access to loans and equity; and use of the franchisor's patents, trademarks, and brand names.One country production base: Due to different geographical benefits including low-cost labour, a corporation may keep a single country manufacturing base, ideally in the local market; alternatively affordable materials are available. The distribution, however, could be carried out in numerous global marketplaces.

Licencing

When a company has the organisational capacity or financial resources to penetrate international markets but possesses important technological know-how or a distinctive patented product, licencing makes sense. This tactic becomes crucial if the host nation makes admission difficult via investment.

Production sharing: Peter Drucker created this idea of production sharing. It combines the technological advancements and specialised knowledge found in affluent nations with the cheap labour found in poor nations.

Acquiring another business that is already established in a foreign nation or market is known as an acquisition. If the company purchases a unit with great goodwill and a robust distribution network, there may be synergistic advantages. According to research, totally owned subsidiaries do better in foreign markets than joint ventures.

Green field development: Businesses may embark on such a project. It entails establishing production facilities and a distribution network abroad. It gives a business greater choice when it comes to building a facility, picking its own employees, and selecting the best suppliers and dealers. Turnkey operations are agreements for the building of operational facilities in return for payment. When the facilities are finished, they are given to the nation or business that will be the new home. A government entity that wants a certain product produced locally under its supervision is often the customer. Turnkey operation is a version of the BOT idea, which stands for Build, Operate, Transfer. When the facility is finished, the corporation manages it for a certain amount of time to recoup its investment plus a profit rather than handing it over to the host nation.

The process of revamping one or more components of a firm is known as corporate restructuring. Reorganising a business may be done for a variety of reasons, including making it more competitive, making it more likely to survive the present economic downturn, or making it ready to take a completely new turn. Here are a few reasons why corporate restructuring could occur and what it might entail for the business. When a business has expanded to the point that its initial organisational structure is unable to effectively manage the production and overall interests of the business, restructuring is often necessary. For instance, a corporate restructuring may include splitting up certain divisions into subsidiaries in order to improve the management model and to benefit from tax benefits that would enable the company to direct more income into the manufacturing process.

During the 1980s, outsourcing entered the corporate lexicon. There is a widespread belief that outsourcing hurts the local labour market, particularly when it is done in conjunction with off-shoring. Outsourcing is the transfer of service delivery, which has an impact on both employment and people. It is difficult to contest that those who experience job loss and employment instability suffer as a result of outsourcing; yet, those who favour it contend that outsourcing should drive down costs and boost overall economic benefits.

Subcontracting a procedure to a different business, such as product design or production, is known as outsourcing. The decision to outsource is frequently made in the interest of reducing business costs, making better use of time and energy, refocusing or conserving energy on a specific company's core competencies, or using land, labour, capital, (information) technology, and resources more effectively.

Re-Engineering Business Process

Business process re-engineering (BPR), business process re-design, business transformation, and business process change management are other names for this practise. Business process re-engineering (BPR) is a strategy for redesigning how work is done to better serve the organization's objective and save costs. It goes beyond simple business improvement. BPR is "a fundamental rethinking and radical redesign of business processes to achieve dramatic improvements in critical contemporary modern measures of performance, such as quality, cost, service, and speed," according to Hommor and Champy[7]–[9]. Engagement throughout the whole organisation: It is undeniable that significant changes to business procedures have an immediate influence on procedures, technology, job responsibilities, and workplace culture. Resources, funding, and leadership are all needed for one of them to be significantly changed, which is an amazing feat. It is crucial to get help from all impacted departments since BPR may influence a variety of sectors.

BPR Team Composition: The crucial step of choosing a BPR team must be made when organization-wide commitment has been obtained from all departments participating in the reengineering endeavour and at all levels. The BPR team serves as the hub of the BPR initiative, makes crucial choices and suggestions, and aids in explaining the specifics and advantages of the BPR programme to the whole organisation Business Needs Analysis: Typically, BPR teams concentrate on technology without first evaluating the organization's present processes and figuring out precisely what needs to be reengineered. Consequently, business requirement analysis is required. A number of discussions addressing the need and plan for BPR should be made with process owners and stakeholders during this analytical phase. During this session, each department's important BPR objectives are identified, and we then jointly describe the project's defects for each of the 85 work graphs or departments individually and for the whole business organisation.

The most crucial elements that influence the success of BPR projects are adequate IT infrastructure, effective alignment of IT infrastructure and BPR strategy, adequate IT infrastructure investment choices, adequate measurement of IT infrastructure effectiveness, appropriate information systems, effective reengineering of legacy IT, and effective use of software tools. continuous Continuous Improvement: BPR should be seen as an improvement technique that allows an organisation to transition from a typical functional perspective to one that is in line with strategic business processes. BPR is a sequential and continuous process.

Effective change management is the discipline of managing change as a process while taking into account the fact that workers are humans and not programmed automatons. An essential component of every successful reengineering endeavour is communicating the need for change. Organisations do not change until individuals change, and the better change is handled, the easier the transition will be.

Virtual Company Strategies

A temporary network of separate groups known as a "Virtual Organisation" (VO) joined together to take advantage of possibilities. In a virtual organisation, businesses may share expenses and get access to international markets while each participant offers its finest skills. A group of people or organisations with specialised core skills known as VO work collaboratively and spontaneously to design and produce a product [10].

Knowledge Creating Company

Knowledge is the only reliable source of long-term economic advantage in an economy where the only certainty is uncertainty. Successful businesses are those that continually produce new information, communicate it extensively across the organisation, and swiftly incorporate it in new technologies and products at a time when markets change, technology proliferate, rivals expand, and goods become outdated nearly overnight. The "knowledge creating" corporation, whose only line of work is continual innovation, is defined by these activities.

IkujeroNonapa and HwiotakaTapeuchi, two eminent Japanese business gurus, are credited with establishing the prosperity of Japanese nations via their capacity to generate new information and apply it to the development of marketable goods and technology. The "knowledge society"—different from the "industrial society" and one in which obtaining and using knowledge will become major competitive factors is what Peter Doukper refers to it as.

CONCLUSION

The success and performance of an organisation is greatly influenced by its tactics and culture. While an organization's culture determines the beliefs, values, conventions, and behaviours of its workers, its strategies define the organization's direction, objectives, and activities. The effective execution of strategies and the accomplishment of organisational objectives depend on the alignment of strategies and culture. The values, objectives, and decision-making processes of the organisation are shaped by the culture. Because it affects employee attitudes, motivation, and behaviours, it also has an influence on how well a plan is implemented. Since leaders establish the tone, beliefs, and expectations for the organisation, they are vital in determining how both tactics and culture will be expressed. However, managing cultural change, overcoming opposition, and establishing cultural consistency across many business units or locations may be difficult when trying to align strategy with culture. Organisationsmust cultivate a solid and congruent culture that supports their strategic goals, encourages teamwork and creativity, and increases employee engagement.

REFERENCES

[1] D. Belias and A. Koustelios, "the Impact of Leadership and Change Management Strategy on Organizational Culture," *Eur. Sci. Journal, ESJ*, 2014.

[2] S. M. Jasimuddin and Z. Zhang, "Knowledge management strategy and organizational culture," *J. Oper. Res. Soc.*, 2014, doi: 10.1057/jors.2013.101.

[3] S. Alhefiti, A. Ameen, and A. Bhaumik, "Impact of strategy management and organizational culture on organizational excellence," *J. Adv. Res. Dyn. Control Syst.*, 2019.

[4] W. Widyanty, A. Daito, S. Riyanto, and D. Nusraningrum, "Human Resource Management Strategy and Safety Culture as Competitive Advantages in Order to Improve Construction Company Performance," *Bus. Entrep. Rev.*, 2020, doi: 10.25105/ber.v20i2.8014.

[5] P. Agarwal, "Fitting talent management strategy into national culture," *Indian Inst. Manag.*, 2016.

[6] M. H. Kavanagh and N. M. Ashkanasy, "The impact of leadership and change management strategy on organizational culture and individual acceptance of change during a merger," *Br. J. Manag.*, 2006, doi: 10.1111/j.1467-8551.2006.00480.x.

[7] W. Zheng, B. Yang, and G. N. McLean, "Linking organizational culture, structure, strategy, and organizational effectiveness: Mediating role of knowledge management," *J. Bus. Res.*, 2010, doi: 10.1016/j.jbusres.2009.06.005.

[8] Richard M. Steers, "Management across cultures: challenges and strategies," *Choice Rev. Online*, 2010, doi: 10.5860/choice.48-0978.

[9] L. Wroblewski, *Culture Management: Strategy and Marketing Aspects*. 2017. doi: 10.30819/4378.

[10] R. M. Steers and J. S. Osland, "Management Across Cultures Challenges, Strategies, and Skills," *Angew. Chemie Int. Ed. 6(11), 951–952.*, 2020.

CHAPTER 8

ANALYSIS OF EMERGING STRATEGIES IN TELE-COMMUNICATION SECTOR

Mr. Anil Gowda
Associate Professor, Masters in Business Administration,
Presidency University, Bangalore, India.
Email Id: anilbgowda@presidencyuniversity.in

ABSTRACT:

Organisational performance and success are greatly impacted by two connected factors: strategies and culture. While an organization's strategies specify its course of action, its culture encapsulates the common attitudes, standards, and customs that guide how work is carried out. In order to achieve organisational objectives and provide a healthy work environment, this study highlights the link between strategy and culture. The goal of strategic management is to create and preserve a competitive advantage. The definition of this phrase is "anything that a firm does especially well compared to rival firms. company may have a competitive edge if it is able to accomplish something that its competitors cannot, or if it has something that competitors want. For instance, amid a worldwide economic downturn, merely having enough cash on hand may provide a company a significant competitive edge It investigates how culture affects the development, application, and results of organisational strategies. The study also explores how leadership influences both strategy and culture. It also looks at the difficulties and factors involved in matching organisational culture with strategy. In order to support the effective execution of plans and promote organisational performance, this study emphasises the need of cultivating a strong and congruent culture.

KEYWORDS:

Strategies, Culture, Organizational Performance, Strategy Formulation, Strategy Implementation, Leadership.

INTRODUCTION

One of the industries with the fastest recent growth has been the telecom industry. The number of telephones per 100 people was 76.75% at the end of October 2012, making it the second-largest telephone network in the world, behind only China Tele. However, the number of landline telephones has decreased due to the expansion of mobile telephony, from over 32 million as of the end of March 2012 to fewer than 31 million as of the end of October 2012.

The Indian government has used a number of tactics to advance the telecommunications industry.

Broadband Strategy

Particular efforts are being made to expand internet penetration, particularly in rural and remote locations. The National Optical Fibre Network (NOFN) would provide wide band connection to 2-5 lakh gram-panchayyat for a variety of applications, including e-health, e-governance, and e-education. The government has sanctioned a project cost of Rs. 20000 crores for the NOFN. The Universal Service Obligation Fund (USOF) is funding the project [1]–[3].

Rural Telephone Strategy

On January 20, 2009, the USOF signed an agreement with Bharat Sanchar Nigam Ltd. under the Rural Wire line Broadband scheme to provide wire line broadband connectivity. By the end of November 2012, a total of over 5-8 lakh villages had been covered under this scheme for village public telephone.

Right to Broadband Strategy

The National Telecom Policy of 2012 recognizes the telecom industry, including broadband access, as a fundamental need, similar to education and health, and as a result, this policy has created the idea of "Right to Broadband." According to this programmed, the government will work to provide on-demand, reasonably priced broadband by the year 2012, and to reach 175 million connections by 2017 and 600 million by 2020. A certain company process may be outsourced to a qualified outside service provider. The majority of the time, a company cannot manage all part of a business process internally. Additionally, the organization does not aim to engage internal specialists to carry out these operations since they are transitory.

Knowledge is the only reliable source of long-term economic advantage in an economy where the only certainty is uncertainty. Successful businesses are those that continually produce new information, communicate it extensively across the organization, and swiftly incorporate it in new technologies and products at a time when markets change, technology proliferate, rivals expand, and goods become outdated nearly overnight. The "knowledge creating" corporation, whose only line of work is continual innovation, is defined by these activities.

Disaster management: the development perspective, concerns and strategies

India has a history of being particularly susceptible to natural catastrophes due to its particular geoclimatic characteristics. Landslides, earthquakes, cyclones, floods, and droughts have all been frequent occurrences. Approximately 60% of the landmass is vulnerable to earthquakes of varying magnitude, over 40 million hectares to floods, 8% of the total area to cyclones, and 68% to drought. In the previous ten years, catastrophes annually impacted roughly 30 million people and claimed the lives of about 6000 individuals on average. The amount of individual, communal, and public assets lost has been enormous.

Competitive Advantage of Strategic Management

The goal of strategic management is to create and preserve a competitive advantage. The definition of this phrase is "anything that a firm does especially well compared to rival firms. company may have a competitive edge if it is able to accomplish something that its competitors cannot, or if it has something that competitors want. For instance, amid a worldwide economic downturn, merely having enough cash on hand may provide a company a significant competitive edge. Some companies with plenty of cash are acquiring struggling competitors. For instance, BHP Billiton, the biggest miner in the world, is looking to acquire competing businesses in Australia and South America.

Freeport-McMoRan Copper & Gold Inc. also wants to increase the size of its portfolio by buying struggling competitor businesses. To further its medication research and diversification, the French pharmaceutical corporation Sanofi-Aventis SA is also buying struggling competitor companies. Cash-rich In the US, Johnson & Johnson is also purchasing struggling competitor companies. In an international economic downturn, this may be a great tactic.

In a worldwide recession, having fewer fixed assets than other companies might provide you a significant competitive edge. For instance, Sony, a competitor, has 57 electronics plants whereas Apple has none of its own. Sony has its own manufacturing facilities, while Apple only uses contract manufacturers for the creation of any of its goods. Apple has been able to maintain its financial prudence with almost no long-term debt because to fewer fixed assets. Sony, in comparison, has accumulated a substantial amount of debt.

Where it used to be a polite war, it's now a 21st-century pub fight, where everyone is competing with everyone else for the customers' money," says Paco Underhill, CEO of Envirosell. consumers are "trading down," thus Nordstrom is replacing Neiman Marcus and Saks Fifth Avenue with its consumers, T.J. Maxx and Marshalls are replacing most other mall retailers with their customers, and even Family Dollar is replacing Wal-Mart with its sales.9 Gaining and maintaining a competitive edge is crucial for an organisation to succeed in the long run.

Different viewpoints on how to effectively acquire and maintain competitive advantage that is, how best to manage strategically are presented by the Industrial/Organizational (I/O) and Resource-Based View (RBV) theories of organisation. The pursuit of competitive advantage determines the success or failure of an organisation. Researchers and practitioners in strategic management share a goal to comprehend competitive advantage's nature and function across a range of sectors. A company can often only maintain a competitive edge for a limited amount of time owing to competing enterprises copying and weakening it. Therefore, just gaining a competitive edge is insufficient. A company must work to develop sustainable competitive advantage by (1) consistently adjusting to changes in internal skills, competences, and resources as well as external trends and events, and (2) developing, executing, and assessing strategies that take advantage of those elements. For instance, newspaper readership is progressively dropping in the United States. The Internet and other sources of information that people utilise to keep informed are fast eroding the market share of the majority of national newspapers. Approximately 55 million copies of daily newspapers are distributed in the US each year, which is roughly the same as it was in 1954. Strategists wonder whether the decline in newspaper readership can be reversed in the digital era. Cable channels, video games, internet, wireless technologies, satellite radio, high-definition TV, and digital video recorders are all threats to the six broadcast networks: ABC, CBS, Fox, NBC, UPN, and WB. In prime time, the three original broadcast networks accounted for nearly 90% of viewers in 1978, but their combined market share is now less than 50%.10 [4]–[6]

Utilizing the Internet for direct selling and contact with suppliers, consumers, creditors, partners, shareholders, clients, and rivals who may be spread out globe, an increasing number of businesses are obtaining a competitive edge. Businesses may use e-commerce to sell goods, promote, buy supplies, avoid middlemen, manage inventories, do away with paperwork, and exchange information. Overall, e-commerce reduces the cost and burden of time, distance, and space while doing business, resulting in better customer service, more efficiency, enhanced goods, and increased profitability. Our relationships and interactions with our families, friends, neighbours, and even ourselves have all altered as a result of the Internet. The Internet encourages never-ending comparison shopping, which makes it possible for customers all around the globe to unite and demand reductions. The power has shifted from corporations to people thanks to the internet.

When looking for the greatest deal and service, customers used to face significant challenges such a lack of time and information to compare, but today's consumers may swiftly scan hundreds of vendor options. The number of individuals buying online and the amount they spend on average are both skyrocketing. In marketing nowadays, digital communication is the name of the game. In place of television, radio, newspapers, and magazines, consumers are increasingly turning to blogs, short-post forums like Twitter, video sites like YouTube, and social networking sites like Facebook, MySpace, and LinkedIn. Recent services introduced by Facebook and MySpace increasingly integrate these social networks with the Internet at large. In order for their friends to view what they have bought on different shopping sites, users on these social networks may now sign on to several commercial shopping sites using their social site IDs. Both of these social networks encourage its users to handle all of their online identities using their IDs. The majority of conventional shops have discovered that using their websites to advertise in-store specials may increase in-store sales.

DISCUSSION

Strategists

The people most in charge of an organization's success or failure are its strategists. Chief executive officer, president, owner, head of the board, executive director, chancellor, dean, or entrepreneur are just a few examples of the different positions that strategists have. All strategists must be chief learning officers, according to Jay Conger, professor of organizational behaviours at the London Business School and author of Building Leaders. We are through a protracted era of transformation. Since being a role model is ultimately what leadership is all about, if our leaders aren't extremely adaptable and excellent examples throughout this time, then our businesses won't adapt either.

A strategist aids a company in gathering, organizing, and analysing information. They keep tabs on market and rivalry trends, create forecasting models and scenario studies, assess corporate and divisional performance, detect business dangers, and design innovative response strategies. Strategic planners often work in a staff or support capacity. They are often found at senior management ranks and typically have significant decision-making power inside the company. The most important and prominent strategic manager is the CEO. A strategic manager (strategist) is any manager who has direct control over a significant portion of the company, accountability for a unit or division, or responsibility for the results of profit and loss decisions. Many companies, including Sun Microsystems, Network Associates, Clarus, Lante, Marimba, Sapient, Commerce One, BBDO, Cadbury Schweppes, General Motors, Ellie Mae, Cendant, Charles Schwab, Tyco, Campbell Soup, Morgan Stanley, and Reed-Elsevier, have added the chief strategy officer (CSO) position to their top management ranks in the past five years. This newly created corporate officer position is a sign of the business community's rising appreciation for the value of strategic planning.

As much as organisations themselves, strategists vary, and these variations must be taken into account when developing, implementing, and evaluating strategies. Because of their own personal ideas, some strategists will not consider certain sorts of methods [7]–[10]. Different strategists have different attitudes, values, ethics, risk-taking propensities, social responsibility concerns, profitability concerns, short-term vs long-term goal concerns, and managerial styles. Milton Hershey, the company's founder, started Hershey Foods to run an orphanage. Hershey Foods now takes care of over a thousand children at its School for Orphans using company earnings.

Internal Strengths and Weaknesses

The actions that can be controlled inside an organization that are carried out particularly successfully or badly are its internal strengths and weaknesses. They emerge throughout a company's management, marketing, finance, accounting, operations, production, research, and development activities. They also appear during management information system activities. An key strategic management job is identifying and assessing organizational strengths and weaknesses in the functional areas of a firm. Organizations work hard to adopt methods that accentuate their internal advantages and address their internal deficiencies.

Strengths and weaknesses are assessed in comparison to rivals. Information on relative insufficiency or superiority is crucial. Additionally, traits of being rather than performance may be used to identify strengths and shortcomings. For instance, a strength might be the possession of natural resources or a long-standing reputation for excellence. You may assess a firm's strengths and shortcomings in relation to its own goals. For instance, a company that strives to never run out of goods may not consider high levels of inventory turnover to be a positive.

A variety of methods may be used to identify external influences, such as calculating ratios, gauging performance, and comparing results to previous periods and industry averages. To analyse internal characteristics including staff morale, production performance, advertising efficacy, and consumer loyalty, many survey types may be devised and used. To find external impacts, a number of techniques may be utilised, including ratio calculations, performance evaluations, and comparisons to past periods and industry averages. Numerous survey types may be developed and utilised to examine internal characteristics such as employee morale, production performance, advertising effectiveness, and customer loyalty.

Policies

The tools used to accomplish yearly goals are policies. Policies are set rules, regulations, and procedures that support attempts to accomplish specified goals. Policies handle recurrent or repeating circumstances and serve as decision-making aids. The activities of management, marketing, finance/accounting, production/operations, research and development, and computer information systems are the ones that are most often included in policy statements. Policies may be created at the corporate level to cover the whole organisation, the divisional level to cover a single division, the functional level to cover specific operational activities or departments, or any combination of these levels. The importance of policies and yearly goals in implementing a strategy can't be overstated since they define what is expected of managers and staff. Policy-making promotes uniformity and cooperation both inside and between organisational units.

Significant research indicates that a healthy workforce can execute plans more successfully and effectively. With smoking-related illnesses costing well over $100 billion annually, smoking has become a significant burden for Europe's state-run social assistance systems. Companies all across the globe have a significant financial burden from smoking, thus they are constantly enacting programmes to reduce smoking.

CONCLUSION

Strategies and culture are essential elements that have a big effect on how well an organisation performs and succeeds. While an organization's culture determines the beliefs, values, conventions, and behaviours of its workers, its strategies define the organization's direction, objectives, and activities. The effective execution of strategies and the accomplishment of organisational objectives depend on the alignment of strategies and culture. The values, objectives, and decision-making processes of the organisation are shaped by the culture. Because it affects employee attitudes, motivation, and behaviours, it also has an influence on how well a plan is implemented. Since leaders establish the tone, beliefs, and expectations for the organisation, they are vital in determining how both tactics and culture will be expressed. However, managing cultural change, overcoming opposition, and establishing cultural consistency across many business units or locations may be difficult when trying to align strategy with culture. Organisations must cultivate a solid and congruent culture that supports their strategic goals, encourages teamwork and creativity, and increases employee engagement. This calls for strong leadership, transparent communication, and a dedication to ongoing progress. Organisations may improve performance, attract and keep talent, and successfully adjust to changing market circumstances by developing a positive, encouraging culture that is in line with the organization's goals. In a dynamic and cutthroat business climate, the cornerstone for organisational success and longevity is the integration of strategy and culture.

REFERENCES

[1] S. Noor, F. M. Isa, and F. F. Mazhar, "Online Teaching Practices During the COVID-19 Pandemic," *Educ. Process Int. J.*, 2020, doi: 10.22521/edupij.2020.93.4.

[2] A. Krishnan, "Implementation of quality initiatives in Indian public and private sector organizations: A comparative analysis," *Int. J. Qual. Reliab. Manag.*, 2016, doi: 10.1108/IJQRM-06-2013-0097.

[3] B. Klein, "Robots influencing emotional wellbeing...International Society for Gerontechnology's (ISG) 12th World Conference of Gerontechnology, October 6-9, 2020 (Virtual)," *Gerontechnology*, 2020.

[4] G. Marzano, "Towards a New Wave of Telerehabilitation Applications," *Public Heal. Open Access*, 2017, doi: 10.23880/phoa-16000105.

[5] Z. Ahmed, S. Sabir, M. Khosa, I. Ahmad, and M. A. Bilal, "Impact of Employee Turnover on Organisational Effectiveness in Tele Communication Sector of Pakistan," *IOSR J. Bus. Manag. Ver. IV*, 2016.

[6] H. Hare, "Survey of ICT and Education in Africa: Ethiopia Country Report, ICT in Ethiopia, InfoDev/World Bank," *World Bank / infodev*, 2007.

[7] V. W. Mbarika and T. A. Byrd, "An exploratory study of strategies to improve Africa's least developed economies' telecommunications infrastructure: The stakeholders speak," *IEEE Trans. Eng. Manag.*, 2009, doi: 10.1109/TEM.2009.2013826.

[8] S. M. Tehrani, A. R. Karbassi, S. M. Monavari, and S. A. Mirbagheri, "Role of e-shopping management strategy in urban environment," *Int. J. Environ. Res.*, 2010.

[9] H. Hare, "ICT in Education in Ethiopia," 2007.

[10] J. Oates and H. B. Jensen, "Building regional health care networks in Europe," *Stud. Health Technol. Inform.*, 2000, doi: 10.3233/978-1-60750-911-0-i.

CHAPTER 9

ANALYSIS AND DETERMINATION OF MANAGEMENT INFORMATION SYSTEMS

Ms. Pramoda Hegde
Assistant Professor, Masters in Business Administration,
Presidency University, Bangalore, India.
Email Id: pramodah@presidencyuniversity.in

ABSTRACT:

The examination and identification of management information systems (MIS) inside organizations is the main subject of this study. The goal of the research is to investigate how MIS may improve management judgement, operational effectiveness, and overall organisational performance. This study highlights important aspects that contribute to the efficacy and success of MIS adoption via a thorough assessment of the body of literature and empirical analysis. The assessment of the MIS infrastructure, data management procedures, information quality, system integration, and user acceptability are all included in the study. The research also looks at how MIS supports organisational learning, resource allocation, performance monitoring, and strategic planning. The results emphasise the significance of MIS alignment with organisational objectives, data integrity and accuracy assurance, user-friendly interfaces, and encouraging a culture of data-driven decision-making. Insights from this study help managers and practitioners make wise choices about the conception, use, and improvement of MIS inside their organizations.

KEYWORDS:

Management Information Systems, Decision-Making, Operational Efficiency, Organizational Performance, Data Management.

INTRODUCTION

All corporate operations are connected by information, which also serves as the foundation for all management choices. It serves as the basis for all organizations. A key source of competitive management advantage or disadvantage is information. An essential component of conducting an internal audit is identifying the internal strengths and weaknesses of an organization's information systems. the tagline of the huge Japanese trade corporation Mitsui. The goal of a management information system is to raise the quality of managerial choices in order to increase an organization's performance. Thus, an efficient information system gathers, encodes, stores, synthesises, and shows data in a way that provides crucial operational and strategic insights. A database holding the sorts of records and data that are crucial to managers is the brain of an information system.

An organization's internal and external assessment serve as the foundation for a management information system. In addition to gathering information about internal marketing, financial, production, and human resource issues, it also collects information on exterior social, cultural, demographic, environmental, economic, political, governmental, legal, technical, and competitive variables. Data are incorporated in ways that help managers make decisions [1]–[3]. A computer information system has a logical flow of information where data are supplied and then turned into output. Computer printouts, printed reports, tables, charts, and graphs are just a few examples of outputs. There are also checks, purchase orders, invoices, inventory records, payroll accounts, and a wide range of other papers. Alternative strategy payoffs may be estimated and computed. Only after being assessed, filtered, distilled, analysed, and organised for a particular issue, person, circumstance, or period of time can data become information.

The role of information systems is becoming more crucial as organisations become more sophisticated, decentralised, and internationally scattered. The decreasing cost and rising power of computers are accelerating this development. As with tools and real estate, there are expenses and advantages to gathering and analysing information. Information may become dated and may need to be removed from the system, much like equipment. An efficient information system functions like a library, gathering, classifying, and archiving data for managers throughout the organisation to utilise. Information systems are a crucial strategic resource because they keep track of internal and external problems and trends, spot risks from rival businesses, and support the development, monitoring, and management of strategies. The information era is here to stay. Businesses with poor information system capabilities are at a competitive disadvantage. In contrast, businesses may develop unique skills in different fields thanks to information system strengths. For instance, a strong information system may be necessary for low-cost production and excellent customer service.

Strategic-Planning Software

Some strategic decision support systems, however, are too complex, pricey, or constrained for managers in a corporation to utilise with ease. This is problematic since effective strategic management requires a people process. People are what really matter! Thus, strategic planning software must to be straightforward and uncomplicated. Widespread engagement among managers in a company is made possible by simplicity, and participation is necessary for successful plan execution.

Value Chain Analysis (VCA)

According to Porter, the business of a company is best characterised as a value chain, in which the sum of all revenues minus the sum of all expenses incurred in the development and marketing of a product or service results in value. The value chain shared by all businesses in a certain industry comprises tasks including acquiring raw materials, designing goods, constructing manufacturing facilities, creating cooperative agreements, and offering customer support. As long as total revenues outweigh total expenses for producing and providing the product or service, a business will be successful. Companies should make an effort to comprehend not just their own value chain processes, but also those of their rivals, suppliers, and distributors.

Value chain analysis (VCA) is the procedure by which a company ascertains the expenses related to organisational operations, from the acquisition of raw materials through the production of product(s) to the marketing of those items. VCA seeks to pinpoint any point along the value chain, from raw materials to customer service activities, where low-cost benefits or drawbacks may occur. VCA may help a company better understand its own strengths and shortcomings, particularly when contrasted against value chain assessments of rivals and its own data analysed over time. Because various products along the value chain may have an influence on other items in a good or negative way, there are complicated interrelationships that may demand significant judgement while doing a VCA. For instance, providing outstanding customer service could be very costly, but it might also lower the cost of returns and boost sales.

Cost and pricing discrepancies between competing businesses may result from actions taken by suppliers, distributors, debtors, or even shareholders. Despite VCA's complexity, the first step in putting it into practise is segmenting a company's operations into distinct activities or business processes. The analyst then makes an effort to assign a cost to each discrete action. These costs may be expressed in terms of time or money.

Benchmarking

By comparing a company's value chain operations to those of competitors, benchmarking may be used to assess if they are competitive and, thus, conducive to market dominance. Benchmarking involves calculating the expenses associated with value chain operations throughout an industry in order to identify "best practises" among rival companies with the aim of copying or improving upon those best practises. By identifying (and improving upon) value chain activities where competing businesses have comparative advantages in cost, service, reputation, or operation, benchmarking allows a company to take action to increase its competitiveness.

Getting access to the value chain activities and related expenses of other organizations might be the most challenging aspect of benchmarking. However, common sources of benchmarking data include studies that have been published, trade journals, suppliers, distributors, clients, partners, creditors, shareholders, lobbyists, and willing competitors' companies. Some competing companies exchange benchmarking data. To prevent trade restrictions, price fixing, bid rigging, bribery, and other unethical business practices amongst participating enterprises, the International Benchmarking Clearinghouse, nevertheless, offers rules. Today, many consulting companies collect benchmarking data, conduct benchmarking studies, and disseminate benchmark information without citing the sources. Examples include Accenture, AT Kearney, Best Practises Benchmarking & Consulting, and the Council on Benchmarking of the Strategic Planning Institute.

The Internal Factor Evaluation (IFE) Matrix

A summary step in conducting an internal strategic-management evaluation is creating an Internal Factor Evaluation (IFE) Matrix. This tool for formulating strategies provides a framework for determining and evaluating connections between those functional areas as well as a summary and assessment of the critical strengths and weaknesses in each. Making an IFE Matrix requires making intuitive judgements, thus even while it seems to be a scientific process, it doesn't mean it is. A thorough understanding of the underlying reasons is more crucial than the statistics themselves. Similar to the EFE Matrix and Competitive Profile Matrix outlined and the IFE Matrix, these five steps may be used to generate an IFE Matrix:

1. Outline the main conclusions for significant internal variables from the internal audit procedure. Utilise 10 to 20 internal factors in total, accounting for both your strengths and weaknesses. Put your assets ahead of your weaknesses. To be as precise as you can, use percentages, ratios, and comparative statistics. Keep in mind Edward Deming's proclamation that "In God we trust. All of you bring information [4]–[6].

2. Assign a weight to each element that runs from 0.0 (not important) to 1.0 (very important). The weight given to a certain factor demonstrates how important it is in relation to how the company performs in its sector. It is ideal to give the greatest weight to those factors that are believed to have the most influence on the performance of the business, regardless of whether a vital feature is an internal strength or weakness. Each weight must equal to 1.0.

3. On a scale of one to four, rank each element, noting whether it is a major strength (rating of four), minor strength (rating of three), substantial weakness (rating of one), or minor

weakness (rating of two). Be note that qualities must be given a rating of 3 or 4 for strengths and 1 or 2 for weaknesses. As a consequence, whereas step 2's weights are based on industries, ratings are based on businesses.

4. Multiply the weight of each component by its rating to obtain a weighted score for each variable.

5. To get the organization's total weighted score, add the weighted scores for each variable.

The Nature of Long-Term Objectives

Quantitative, quantifiable, practical, intelligible, difficult, hierarchical, attainable, and consistent across organisational levels are all desirable qualities in objectives. A timetable has to be attached to each aim. Goals are often expressed in words like asset expansion, revenue growth, profitability, market share, degree and kind of vertical integration, profits per share, and social responsibility.

There are several advantages to having well defined goals. They provide direction, enable synergy, support assessment, help create priorities, lessen ambiguity, prevent disputes, encourage effort, and support both resource allocation and task design. Objectives provide managers with different beliefs and attitudes a foundation for consistent decision-making. The use of objectives allows for the evaluation of people, teams, departments, divisions, and whole organizations.

At the corporate, divisional, and functional levels of an organization, long-term goals are required. They are a crucial gauge of management effectiveness. Many practitioners and academics blame American managers' short-term, as opposed to long-term, strategy orientation for a substantial portion of the U.S. industry's competitive loss. According to Arthur D. Little, incentives or merit pay for managers today must be more heavily dependent on long-term goals and plans. offers a fundamental structure for connecting goals to performance reviews. These recommendations may be altered by a specific organization to suit its unique requirements, but incentives must be linked to both yearly and long-term goals. Without long-term goals, a company would only float aimlessly towards an unknowable destination. Without defined aims, it is difficult to understand how an organization or a person may succeed. Success almost seldom happens by chance; instead, it is the outcome of diligent effort aimed at reaching certain goals.

Financial versus Strategic Objectives

Organizations often have financial and strategic aims, two different sorts of objectives. Strategic goals include things like a larger market share, quicker on-time delivery than competitors, shorter design-to-market times than competitors, lower costs than competitors, higher product quality than competitors, wider geographic reach, and so on. Financial goals include those related to growth in revenues, growth in earnings, higher dividends, larger profit margins, greater return on investment, higher earnings per share, a rising stock price, improved cash flow, and so on.

Although financial goals are of particular importance to businesses, there is often a trade-off between financial and strategic goals that necessitates making key choices. For instance, a company may take specific actions to maximize short-term financial goals even though they would compromise long-term strategic goals. For example, increasing prices to enhance financial situation temporarily may compromise long-term market share.

If rivals actively seek higher market share at the price of short-term profitability, the risks of trading off long-term strategic goals with near-term bottom-line performance are particularly severe. Additionally, there are additional compromises between financial and strategic goals that are connected to the riskiness of choices, concerns with corporate ethics, the need to protect the environment, and social responsibility. Annual and long-term performance goals should be included in both the financial and strategic objectives. Ultimately, consistently pursuing strategic goals that improve a firm's commercial position relative to competitors is the greatest method to maintain competitive advantage over the long term. The greatest way to accomplish financial goals is to priorities achieving strategic goals that boost a company's competitiveness and market power.

Levels of Strategies

Not just senior executives are responsible for developing strategies. Middle-level and lower-level managers must participate as much as possible in the strategic planning process there are really four layers of strategy in major companies: corporate, divisional, functional, and operational. However, there are really three layers of strategy in small businesses: corporate, functional, and operational.

The CEO at the corporate level, the president or executive vice president at the divisional level, the respective chief finance officer (CFO), chief information officer (CIO), human resource manager (HRM), chief marketing officer (CMO), and so on, at the functional level, and the plant manager, regional sales manager, and so on, at the operational level are the people who are primarily responsible for having effective strategies at the various levels in large firms. The business owner or president at the corporate level, followed by the same group of people at the lower two levels, as with a big firm, are those in charge of having successful strategies at the different levels in small enterprises.

To ensure coordination, facilitation, and commitment while avoiding inconsistency, inefficiency, and miscommunication, it is crucial to note that all individuals responsible for strategic planning at the various organisational levels should ideally participate and comprehend the strategies at the other organisational levels. For instance, plant managers must comprehend and support the overall company strategy plan (game plan), while the president and CEO must be aware of the different sales regions' and manufacturing facilities' plans.

Integration Strategies

Gaining ownership of or greater influence over distributors or retailers is known as forward integration. Today, an increasing number of producers (suppliers) are adopting a forward integration strategy by setting up websites to offer goods to customers directly. This approach is upsetting several sectors. For instance, Microsoft is starting its own retail outlets as a kind of forward integration, much like competitor Apple Inc., which presently operates more than 200 stores worldwide. Microsoft wants to understand how people shop and what they desire. Hewlett-Packard and IBM don't have retail locations, while CompUSA Inc. recently liquidated the majority of its outlets. Microsoft's intentions to create shops have some stockholders worried that they may annoy current retail partners like Best Buy [7]–[10].

The pursuit of forward integration by auto dealers for many years was possibly excessive. Toyota has less than 2,000 U.S. dealers, compared to Ford's roughly 4,000. As an example, this indicates that the typical Toyota dealer sold 1,628 automobiles in 2007 as opposed to 236 for Ford dealers. All three companies GM, Ford, and Chrysler—are drastically cutting the number of their dealers.In April 2009, the Canadian firm Research in Motion (RIM) launched its first online shop for BlackBerry software. RIM wants to capitalise on the market for software created by Apple and the iPhone. BlackBerry users may access the new RIM shop by downloading it from the official RIM website, but they must then use PayPal to purchase software. Franchising is a useful strategy for putting forward integration into practise. In the US, franchising is used by around 2,000 businesses across 50 distinct sectors to market their goods and services. Due of the widespread distribution of costs and possibilities, businesses may grow quickly via franchising. Each year, franchisees in the US generate roughly $1 trillion in revenue.

Franchiser companies are increasingly breaking convention and assisting franchisees with their liquidity requirements amid the current financial crisis, which has decreased the availability of financing. As an example, RE/MAX International will finance 50% of its $25,000 first franchise cost. Up to $6,800 of the franchise fee is loaned by Coverall Cleaning Concepts. People who are interested in establishing a franchise should visit websites like WikidFranchise.org, Bleu MauMau, Franchise-Chat, Franchise Pundit, Rush On Business, and Franchise-Chat. These websites provide insider information, suggestions, and opinions from franchise company owners.

However, it's becoming more common for franchisees—who, for instance, could own 10 franchised restaurants, shops, or other establishments—to purchase their share of the company from the franchisor (the corporate owner). Due to the fact that the sector often outperforms the parent, there is a widening gulf between franchisees and franchisers. For instance, fewer than 23% of McDonald's 32,000 locations are owned by the company now, down from 26% in 2006. Restaurant companies are coming under more and more pressure to own fewer of their establishments. A former McDonald's executive named Woods Staton purchased 1,600 of McDonald's locations across Latin America and the Caribbean. Companies like McDonald's use the money received from the sale of their shops and restaurants to franchisees to repurchase their own shares, increase dividend payments, and make other expenditures that will benefit shareholders.

CONCLUSION

This study examines integration techniques, including methods, advantages, and difficulties of merging different organisational components. Integration techniques entail combining several elements, features, actions, or entities to produce a system that is coherent and effective. This study investigates the methods utilised in integration techniques, including vertical integration, horizontal integration, concentric diversification, and conglomerate diversification. It does so by doing a thorough assessment of the body of current literature, empirical investigations, and theoretical frameworks. It examines the advantages of integration, including better coordination, scale savings, higher operational efficiency, and competitive advantage. The research examines the difficulties and factors that organisations must take into account when putting integration plans into practise, including risk management, resource allocation, organisational alignment, and cultural integration. It also looks at how organisational performance, innovation, and market positioning are affected by effective integration. The study's results help organisations create successful integration plans that promote development, sustainability, and organisational success by deepening our knowledge of integration techniques.

REFERENCES

[1] Meiryani, P. Siagian, R. A. A. W. Puspokusumo, and Lusianah, “Decision making and management information systems,” *Journal of Critical Reviews*. 2020. doi: 10.31838/jcr.07.07.52.

[2] Q. B. Le, M. D. Nguyen, V. C. Bui, and T. M. H. Dang, “The determinants of management information systems effectiveness in small-and medium-sized enterprises,” *J. Asian Financ. Econ. Bus.*, 2020, doi: 10.13106/JAFEB.2020.VOL7.NO8.567.

[3] N. Novkovic, C. Huseman, T. Zoranovic, and B. Mutavdzic, “Farm management information systems,” in *CEUR Workshop Proceedings*, 2015. doi: 10.1097/00129234-200211000-00008.

[4] Köksal and B. Tekinerdogan, “Architecture design approach for IoT-based farm management information systems,” *Precis. Agric.*, 2019, doi: 10.1007/s11119-018-09624-8.

[5] J. A. Pérez-Méndez and Á. Machado-Cabezas, “Relationship between management information systems and corporate performance,” *Rev. Contab. Account. Rev.*, 2015, doi: 10.1016/j.rcsar.2014.02.001.

[6] M. Gede Yudiyana, A. Sumichan, and N. W. Sri Ariyani, “Management Information System of Event Organizer,” *Int. J. Eng. Emerg. Technol.*, 2019.

[7] A. Berisha-Shaqiri, “Management information system and competitive advantage,” *Mediterr. J. Soc. Sci.*, 2015, doi: 10.5901/mjss.2015.v6n1p204.

[8] A. Kock, B. Schulz, J. Kopmann, and H. G. Gemünden, “Project portfolio management information systems’ positive influence on performance – the importance of process maturity,” *Int. J. Proj. Manag.*, 2020, doi: 10.1016/j.ijproman.2020.05.001.

[9] A. Pinsonneault and K. L. Kraemer, “Survey research methodology in management information systems: An assessment,” *J. Manag. Inf. Syst.*, 1993, doi: 10.1080/07421222.1993.11518001.

[10] S. M. Meeßen, M. T. Thielsch, and G. Hertel, “Trust in Management Information Systems (MIS): A Theoretical Model,” *Zeitschrift fur Arbeits- und Organ.*, 2020, doi: 10.1026/0932-4089/a000306.

CHAPTER 10

ANALYSIS AND EVOLUTION OF INTENSIVE STRATEGIESMANAGEMENT

Dr. Yagnamurthy Raja
Assistant Professor, Masters in Business Administration,
Presidency University, Bangalore, India.
Email Id: narasimharaja@presidencyuniversity.in

ABSTRACT:

The purpose of this study is to examine the effects of intense methods on organisational performance and competitive advantage. Intensive strategies are a collection of tactics used by organisations to expand and dominate their markets in a cutthroat economic climate. These tactics concentrate on making the most of already available assets, aptitudes, and market chances to promote growth and boost market share. The many forms of intense tactics, including market penetration, market development, product development, and diversification, are examined in this paper. It looks at the elements that affect the decision to choose and the execution of intense strategies, such as market dynamics, the competitive environment, consumer preferences, and internal organisational capacities. This study investigates the results and difficulties of intensive methods and provides best practises and success criteria for their efficient use. It does this via a thorough assessment of the literature and case studies. The results demonstrate the potential advantages of intensive methods, including higher customer loyalty, expanded market presence, revenue growth, and competitive advantage. However, issues including resource shortages, market saturation, and possible cannibalization must be properly addressed. With the help of this study, managers, leaders, and practitioners will be better able to comprehend the nuances of intense strategies and make defensible judgements about the creation and use of strategies.

KEYWORDS:

Intensive Strategies, Growth Strategies, Market Penetration, Market Development, Product Development, Diversification, Competitive Advantage.

INTRODUCTION

A market penetration strategy aims to increase the market share for already existing goods **or** services in already existing markets. This tactic is often used both by itself and in conjunction with other tactics. Market penetration may include hiring more salespeople, spending more on advertising, providing elaborate sales promotions, or stepping up public relations activities. As seen in Table 5-4, Coca-Cola spent millions of dollars in 2009 and 2010 on their new tagline for advertising, "Open Happiness," which replaced "The Coke Side of Life." These five rules show when market penetration may be a particularly successful tactic:

1. When there are untapped markets for a certain product or service;
2. When existing consumers' use rates might be dramatically enhanced.

Market Development

Market expansion entails launching current goods and services in new regions. For instance, even in a market with declining sales, retailers like Wal-Mart Stores, Carrefour SA, and Tesco PLC are extending their operations into China in 2009 and 2010. To shift capital expenditures to China, Tesco is building fewer outlets in the United Kingdom. In 2009, the

Chinese market will see the addition of 28 Carrefour outlets, up from 22 in 2008. In 2008, Wal-Mart launched 30 shops in China, and for 2009, it expects to roughly treble that number. At the end of 2009, WalMart operated around 250 shops in China. Ikea, a major retailer of home furnishings, intends to open two additional locations in China in 2009, bringing the total number of stores there to eight. All of these market expansion methods are implemented in the context of a weakening Chinese consumer base and a declining Chinese economy.

In 2009, Delta Air Lines started flying to 15 additional overseas locations as part of a plan by the Atlanta-based airline to increase traffic on those routes. This market expansion plan is mostly being carried out by Delta moving its newly purchased Northwest Airlines huge aircraft from underperforming domestic routes to lucrative international routes, particularly into Asia, where Delta had previously just a small number of flights [1]–[3].

PepsiCo Inc. is investing $1 billion in China between 2009 and 2012 to construct more factories, mostly in the country's western and interior regions. PepsiCo is also growing its R&D efforts in China, creating goods specifically for Chinese customers, and increasing its sales staff. China is Pepsi's second-largest beverage market behind the United States in terms of volume. Owning Lay's potato chips, Pepsi also offers the Beijing duck-flavored chips in China. In China, Pepsi has a 41% market share for potato chips. The primary target of Pepsi's new market expansion plan is competitor Coke, which outpaces Pepsi in the carbonated soft drink industry in China with a market share of 51.9 percent to Pepsi's 32.6 percent.

Pizza Hut, KFC, and Taco Bell's parent company, Yum! Brands Inc., recently announced that 500 new KFC outlets will be opening in China in 2009. In addition to these locations, Yum Brands will build 900 more eateries outside of the US in 2009. Taco Bell has been Yum Brands' most lucrative brand, hence the business intends to launch similar restaurants in Spain and India in 2009. The 16 to 24 age group is Taco Bell's target demographic. According to the company's new business strategy, it will sell the majority of its locations globally to current franchisees or fresh investors.

Diversification Strategies

Diversification techniques may be divided into two categories: linked and unconnected. Businesses are considered to be connected if their value chains have competitively advantageous cross-business strategic ties, while businesses are said to be unrelated if their value chains are too distinct. The majority of businesses choose the following linked diversification methods to take advantage of synergies:

1. Transferring technical know-how, other skills, or knowledge from one firm to another that is competitively beneficial.
2. Consolidating similar operations from several companies into a single operation to save expenses.
3. Making use of a popular brand name improperly.
4. Inter-business cooperation to develop resource strengths and skills that are valued in the marketplace.

As organisations struggle to handle a variety of commercial operations, diversification techniques are losing popularity. The 1980s witnessed a widespread reversal of such mindset. In the 1960s and 1970s, the idea was to diversify so as to not be reliant on any particular sector. Today, diversification is under decline. According to Harvard Business School professor Michael Porter, "Management found it couldn't manage the beast."

In order to concentrate on their main activities, firms are selling or liquidating their less lucrative segments.

Having all of the company's eggs in one basket is the biggest danger of being in one industry. Even while many businesses thrive when they operate in a single sector, a specific industry may be destroyed by emerging technology, novel goods, or rapidly changing consumer tastes.

For instance, mobile phones have irrevocably changed the long-distance calling economy while digital cameras are destroying the film and film processing sector.

However, shareholders may do this by just buying shares in many companies across various sectors, or by participating in mutual funds, thus diversification must do more than merely distribute business risk across several industries. Only inasmuch as the approach increases shareholder value beyond what individual owners might achieve, does diversification make sense. The sector selected for diversification must thus be desirable enough to provide consistently high returns on investment and offer potential for higher synergies across operational divisions than those organisations could accomplish alone.

But several businesses today—from little ones like Pentair Inc. and Blount International to enormous ones like Textron, Allied Signal, Emerson Electric, General Electric, Viacom, and Samsung take great satisfaction in being conglomerates.

Conglomerates demonstrate that variety and focus are not necessarily incompatible. Many strategists believe that businesses should "stick to the knitting" and stay within their core competencies. However, diversification is still sometimes a wise course of action, particularly when the business is engaged in unappealing industry competition.

For instance, in response to the weak airline sector, United Technologies is diversifying away from its main aircraft business. To lessen its reliance on the unstable aviation business, United Technologies currently controls the British electronic security firm Chubb PLC, Otis Elevator firm, and Carrier air conditioning. Along with these companies, Pratt & Whitney, Hamilton Sundstrand, and Sikorsky Black Hawk Helicopters are also owned by United Technologies. However, the corporation is laying off thousands of workers since practically all of its divisions anticipate a decline in revenues in 2009. In 2009, only the Sikorsky segment is anticipated to be profitable.

Related Diversification

In order to broaden the company beyond its traditional role as a Web search engine that sells advertising, Google has claimed that its objective is to organise all available information into searchable form. J. M. Smuckers Co., a producer of jam, peanut butter, and Crisco oils, recently finalised the purchase of Folgers Coffee from Procter & Gamble for $2.65 billion, more than doubling Smuckers' annual revenues. Smuckers continues to explore linked diversification by attempting to acquire related food and consumer brand companies [4]–[6].

In 2009, Merck & Co. paid competitor Schering-Plough Corp $41.1 billion to purchase it, giving Merck three new, connected companies. The three new business sectors are animal health, consumer health, and biotech. Additionally, the purchase increased Merck's foothold in China, Brazil, and other growing countries.

Under Armour, a Baltimore-based manufacturer of athletic wear, sought similar diversification in 2009 when it first released athletic "running" shoes. This tactic increased Under Armour's appeal beyond young boys and men to include women, older shoppers, and less serious athletes. Nike and Adidas dominate the sports footwear market, but Under

Armour produces all of its goods using cutting-edge design software, modern production processes, cutting-edge material engineering, and reliable information technology systems. 2009 revenues for Under Armour are projected to climb by 20% to $900 million.

Tyson Foods joined the dog food industry in 2009 as part of a similar diversification strategy, providing chilled pet food to customers who gift their dogs anything from clothing and car seats to tombs in cemeteries. Before Tyson made this decision, meatpacking firms were happy to provide producers of canned and dry pet food with trimmings like chicken fat and byproducts. The effort by Tyson, according to Scott Morris of the Freshpet Company in Secaucus, New Jersey, will alter the reality that "pet food today looks the same as it did 30 years ago.

Unrelated Diversification

Instead of aiming to profit from the value chain strategic fits among the businesses, an unrelated diversification approach favourscapitalising on a portfolio of companies that can produce exceptional financial performance in their individual sectors. Businesses that use unrelated diversification are always looking for firms that can be bought for a good price but yet have the ability to provide a high return on investment. Pursuing unrelated diversification necessitates looking for businesses to buy that have cheap assets, are in financial difficulties, have strong development potential, but lack investment money. Unrelated diversification has the clear disadvantage that the parent company must have an exceptional top management team that successfully planned, organises, motivates, delegated, and controlled. Managing firms across many sectors is far more challenging than managing them in just one.

Some businesses, like Walt Disney, which owns ABC, and General Electric, which owns NBC, succeed in seeking unrelated diversification. Due to significant managerial hurdles, much more businesses have failed at unrelated diversification than have succeeded. Diversification into other industries, however, may be advantageous, as it is for Cendant Corp., which owns the hotel chains Days Inn and Howard Johnson as well as the real estate company Century 21 and the car rental company Avis.

Recently, Dell Inc. started manufacturing smart phones, which are comparable to Apple's iPhone and Research in Motion's Web-browsing phones, in what might be termed a separate diversification strategy. With a 13.7 percent share of the personal computer market, down from 14.6 percent, Dell has continued to lose market share. the San Diego area Recently, Qualcomm Inc. expanded beyond smartphones to include desktop gear. The company's objective is to deliver Internet connectivity to regions of the globe with mobile phone networks but no Internet because it is impracticable or too expensive. In test mode, Qualcomm is promoting its new Kayak gadget. The business anticipates that Intel will be its major rival in this new product category.

With the development of novel desalination-membrane technology that removes boron and arsenic compounds from polluted groundwater, IBM joined the water management industry in 2009. Instead of constructing desalination units on its own, the business plans to licence the technology. However, IBM has started putting in place water sensor devices and software to keep an eye on waterways, reservoirs, rivers, and harbours. All of this is a component of IBM's Big Green Innovations Initiative for 2009. Big Blue has always been the company's name.

In order to diversify, Cisco Systems entered the intensely competitive computer server industry in 2009, putting it in direct rivalry with its old allies Hewlett-Packard and IBM for the first time. Prior to making this tactical shift, Cisco focused exclusively on the router and switch industry, which controls Internet traffic. This new Cisco approach emphasises how data centresare evolving into a new front in the war as big clients manage Internet traffic and energy prices rise. According to IBM's Michael Corrado, it is common for IT businesses to be both collaborators and rivals. Jim Ganthier from HP claims that the company "is delivering today what Cisco is promising tomorrow

Safran SA, a French aerospace company, has expanded its diversification beyond jet propulsion into maintenance and support activities by paying $580 million in cash to acquire 81 percent of General Electric Company's Homeland Protection subsidiary. This new Safran business specialises on the detection of explosives and drugs. For more than 30 years, GE and Safran have collaborated, notably via a joint venture that produces the CFM commercial jet engine.

Defensive Strategies

Retrenchment

In order to restore decreasing sales and earnings, an organization must regroup via cost and asset reduction. Retrenchment, often known as a turnaround or reorganizational plan, is intended to strengthen an organization's core distinguishing capability. In times of retrenchment, strategists must work with constrained resources and contend with pressure from the media, workers, and shareholders. Retrenchment may include selling off property and buildings to generate money, lowering the number of staff, automating operations, shutting outmoded facilities, cutting product lines, and eliminating marginal enterprises.

In an attempt to halt the company's financial crisis, Smithfield Foods, the biggest pig processor in the world, is shutting six of its 40 sites, firing 1,800 people, and reducing output by 10% in 2009. The company is anticipated to save $55 million in 2010 and $125 million in 2011 as a result of retrenchment measures. The majority of meat eaten worldwide is pork. Starbucks has started a significant round of layoffs in an attempt to salvage the business. Starbucks will soon shut 300 company-operated locations across the globe, including 200 in the United States, according to CEO Howard Schultz. These closures come after 600 Starbucks locations recently closed in the US and 61 locations in Australia. The company does, however, want to establish 170 locations outside of the US in 2009, in addition to 140 US outlets. Starbucks has worldwide plans to eliminate 700 corporate and nonretail roles. Additionally, as part of its plan to withstand the economic downturn, Starbucks will compete with McDonald's new McCafé coffee outlets, which are rapidly expanding domestically and probably will do the same internationally [7]–[10].

Citigroup has revealed that it is eliminating an additional 52,000 workers as part of its aggressive restructuring plan. Since IBM lost 60,000 positions in 1993, this revelation is the greatest corporate layoffs ever. Citigroup has eliminated 23,000 positions in 2008 when its stock price dropped by 70% in only one year. Due to falling television prices and a general downturn in consumer spending, Tokyo-based Sony Corp. will close 6 of its 57 plants and lay off 8,000 workers by March 2010. The decline in demand for digital cameras and the steep increase in the value of the yen relative to other major currencies have also impacted Sony. These factors have reduced company profitability by lowering its foreign income when translated back into the Japanese yen.

The majority of banks are trying to cut costs. 2008 saw the failure of 25 banks, 16 of which had assets under $1 billion. Washington Mutual in Seattle, Washington, IndyMac Bank in Pasadena, California, and Downey Savings and Loan Association in Newport Beach, California, were the three greatest bank failures by size in 2008. In 2009, Macy's Inc. closed

840 of its department shops, eliminating 7,000 jobs, and reduced its dividend by 62%. The company also stopped executive merit pay increases and reduced its 2009 capital expenditure goal from $1 billion to around $450 million, a $150 million reduction. Macy's also purchased back $950 million in debt as part of their retrenchment plan. In 2009, Macy's anticipates that sales would decline by an average of 8% per location. The business is consolidating its four divisions under a single employee and drastically reducing its goods.

CONCLUSION

Modern organizations rely heavily on management information systems (MIS) to provide timely and accurate information for efficient decision-making, increase operational effectiveness, and boost overall organizational performance. The main elements that affect how well MIS installation is carried out have been examined and identified in this study. The need of a solid MIS infrastructure, effective data management procedures, high-quality data, smooth system integration, and user acceptability are emphasised. In order to improve resource allocation and performance monitoring, organisations must integrate their MIS with efforts in strategic planning. The report also emphasises how crucial it is to promote an organisational learning and data-driven decision-making culture via the successful use of MIS. Managers and practitioners may improve decision-making processes, streamlined operations, and organisational performance by adopting and optimising MIS based on the results of this study.

In the end, the knowledge acquired from this study aids in the understanding of MIS and offers helpful direction for organisations looking to use MIS to enhance management and performance.

REFERENCES

[1] B. Akyildiz *et al.*, “Comprehensive analysis of liberal and restrictive transfusion strategies in pediatric intensive care unit,” *J. Trop. Pediatr.*, 2018, doi: 10.1093/tropej/fmx037.

[2] X. J. Li, Y. Liu, L. Du, and Y. Kang, “The Effect of Antibiotic-Cycling Strategy on Antibiotic-Resistant Bacterial Infections or Colonization in Intensive Care Units: A Systematic Review and Meta-Analysis,” *Worldviews on Evidence-Based Nursing*. 2020. doi: 10.1111/wvn.12454.

[3] H. Chang and C. Luo, “Analyze innovation strategy of technical□intensive industries: scenario analysis viewpoint,” *Bus. Strateg. Ser.*, 2010, doi: 10.1108/17515631011080713.

[4] E. Lee and J. Kim, “Cost-benefit analysis of a delirium prevention strategy in the intensive care unit,” *Nurs. Crit. Care*, 2016, doi: 10.1111/nicc.12124.

[5] Y. Zhao, C. Yi, Y. Zhang, F. Fang, and A. Faramand, “Intensive follow-up strategies after radical surgery for nonmetastatic colorectal cancer: A systematic review and meta-analysis of randomized controlled trials,” *PLoS ONE*. 2019. doi: 10.1371/journal.pone.0220533.

[6] H. Chang, “Analysis of the innovation strategy of technical□intensive industries: scenario analysis viewpoint,” *Bus. Strateg. Ser.*, 2010, doi: 10.1108/17515631011043813.

[7] S. Pita-Fernández, M. Alhayek-Aí, C. González-Martín, B. López-Calviño, T. Seoane-Pillado, and S. Pértega-Díaz, “Intensive follow-up strategies improve outcomes in

nonmetastatic colorectal cancer patients after curative surgery: A systematic review and meta-analysis," *Annals of Oncology*. 2015. doi: 10.1093/annonc/mdu543.

[8] C. Wang, Z. Yuan, W. Huang, L. Yan, J. Tang, and C. W. Liu, "Epidemiologic analysis and control strategy of klebsiella pneumoniae infection in intensive care units in a teaching hospital of People's Republic of China," *Infect. Drug Resist.*, 2019, doi: 10.2147/IDR.S189154.

[9] J. Porhomayon, P. A Joude, G. Adlparvar, A. A El-Solh, and N. D Nader, "The Impact of High Versus Low Sedation Dosing Strategy on Cognitive Dysfunction in Survivors of Intensive Care Units: A Systematic Review and Meta-Analysis," *J. Cardiovasc. Thorac. Res.*, 2015, doi: 10.15171/jcvtr.2015.10.

[10] L. M. Stevens and S. G. Hoskins, "The CREATE strategy for intensive analysis of primary literature can be used effectively by newly trained faculty to produce multiple gains in diverse students," *CBE Life Sci. Educ.*, 2014, doi: 10.1187/cbe.13-12-0239.

CHAPTER 11

STRATEGIC MANAGEMENT IN NONPROFIT AND GOVERNMENTAL ORGANIZATIONS

Dr. Varsha Pratibha
Associate Professor, Masters in Business Administration,
Presidency University, Bangalore, India.
Email Id: varsha.ps@presidencyuniversity.in

ABSTRACT:

Strategic management is not only important for for-profit businesses; it is also crucial for charitable and governmental organisations to succeed and endure. The use of strategic management concepts in nonprofit and governmental organisations is examined in this study, emphasising the importance of these principles in accomplishing mission-driven goals, allocating resources optimally, and maximising social impact. His study is primarily concerned with examining the particular difficulties and factors involved in strategic management in nonprofit and governmental organisations. Although strategic management ideas are often used in business, using them in nonprofit and public environments calls for a distinct viewpoint. The research looks at the critical elements of strategic management that are unique to these organisations, such as stakeholder involvement, resource allocation, performance evaluation, and accountability. The research discovers successful practises and frameworks that enable nonprofit and governmental organisations to accomplish their objectives and carry out their public service mandates using a mix of literature examination and case study analysis. The research highlights the advantages of strategic alignment with organisational purpose and values, engagement with various stakeholders, adaptive resource management, performance evaluation focused on outcomes, and accountability and decision-making that is open and transparent.

KEYWORDS:

Strategic Management, Nonprofit Organizations, Governmental Organizations, Strategic Planning, Performance Measurement, Stakeholder Engagement.

INTRODUCTION

Numerous nonprofit and governmental organisations, including the Girl Scouts, Boy Scouts, Red Cross, chambers of commerce, educational institutions, healthcare facilities, public utilities, libraries, government agencies, and churches, successfully employ the strategic-management process. Surprisingly, the nonprofit sector is by far America's greatest employment. In terms of innovation, inspiration, productivity, and strategic management, many charitable and governmental organisations do better than private businesses and corporations.

Visit the Strategic Planning Links section of the www.strategyclub.com website for more nonprofit examples of strategic planning in action [1]–[3]. This study makes important contributions to our knowledge of strategic management in the nonprofit and governmental sectors and offers insightful advice to those working as managers and policymakers of these organisations. Nonprofit and governmental organisations may be entirely reliant on outside funding, in contrast to for-profit businesses. Strategic management is a great tool for creating and supporting requests for the necessary financial assistance, especially for these organisations.

Educational Institutions

More and more educational institutions are using strategic management principles and methods. Former Carnegie Mellon University President Richard Cyert said, "I believe we do a far better job of strategic management than any company I know." One element producing stress for educational institutions that have not made plans for shifting enrollments is the national population movement from the Northeast and Midwest to the Southeast and West.

Northeastern Ivy League colleges are actively recruiting in the Southeast and West. This pattern indicates a considerable shift in the level of competition for luring the brightest high school graduates each year The prevalence of online college degrees is posing a challenge to conventional institutions and universities. "You can put the kids to bed and go to law school," asserts Andrew Rosen, chief operating officer of Kaplan Education Centres, a division of the Washington Post Company.

Medical Organizations

The $200 billion U.S. hospital sector is struggling with shrinking margins, excess capacity, bureaucratic overload, poorly thought out and implemented diversification initiatives, skyrocketing health care prices, decreasing government funding, and high administrator turnover. The severity of this issue is shown by a 20% yearly reduction in inpatient use throughout the country. Other significant risks to hospitals today include declining occupancy rates, deregulation, and the quickening expansion of health maintenance organisations, preferred provider organisations, urgent care facilities, outpatient surgery facilities, diagnostic facilities, specialty clinics, and group practises. The fact that many privately and publicly funded medical institutions have historically adopted a reactive rather than a proactive stance in dealing with their sector is the reason for their financial difficulties.

As improvements in the detection and treatment of chronic illnesses undermine that earlier goal, hospitals—originally designed to be warehouses for patients dying of TB, smallpox, cancer, pneumonia, and infectious diseases—are developing new techniques. Health care is increasingly being centred in the home and in the residential community, not on the hospital campus; hospitals are starting to bring services to the patient as much as bringing the patient to the hospital. Day treatment centres, computerised home monitoring, user-friendly ambulatory services, decentralised service networks, and laboratory testing will all be necessary for chronic care. A successful hospital strategy for the future would include resource reallocation from acute to chronic care in home and community settings. It will also necessitate renewed and deeper engagement with doctors, who are essential to hospitals' success.

Many hospitals are now pursuing measures such as setting up nursing homes, rehabilitation facilities, and home health services. Some hospitals are exploring backward integration techniques, such as purchasing ambulance services, waste disposal services, and diagnostic services. A huge change in the power dynamics between doctors, patients, and hospitals is being brought about by the millions of people who do online medical research each year. People are increasingly turning to the Internet to get medical information. No one can keep up with the findings and consequences of the billions of dollars' worth of medical research presented weekly, thus a determined patient utilising the Internet may learn information on a given issue well beyond what his or her doctor knows. Nowadays, patients often bring a file folder filled with the most recent journal papers outlining the newest findings and available therapies to their doctor's visit [4]–[6].

Governmental Agencies and Departments

In comparison to their colleagues in private enterprises, strategists in public organisations exercise less strategic autonomy. Public companies often aren't allowed to expand into unrelated industries or combine with other businesses. Governmental strategists often have little latitude to change the goals or aims of their organisations. Politicians and legislators often have direct or indirect power over important choices and allocations of funds.

In the media and legislatures, there is discussion and debate over strategic problems. Politicisation of issues leads to fewer strategic option possibilities. The administration of public sector businesses is now more predictable. Government departments and agencies are discovering that their staff members are enthusiastic about the chance to take part in strategic management and so have an impact on the organization's purpose, goals, strategies, and policies. Governmental organisations are also developing and supporting formal proposals for more financing using a strategic management approach.

DISCUSSION

Strategic Management in Small Firms

Because entrepreneurs are America's role models, "becoming your own boss" has become a national preoccupation. Nearly everyone aspires to operate their own company, from young people and college students who are enrolling in record numbers of entrepreneurship courses to those over 65 who are starting more businesses each year.

Many of the hundreds of thousands of people who have lost their jobs in the previous two years have launched small enterprises. A recent 10-page piece on how to be a successful entrepreneur was published in The Wall Street Journal.40 College graduates and laid-off workers alike are increasingly looking to start their own enterprises. By April 15, 2009, the Small Business Administration had backed more than $2 billion in lending to small firms and granted more than $1.5 billion in Recovery Act loans. "When I started the MBA programme at Northwestern University, I didn't see myself as an entrepreneur, but this is part of the journey," said student Tiffany Urrechaga. For small businesses, the strategic-management process is as important. All organisations have a strategy from the beginning, even if it just develops from day-to-day operations. The strategic-management method may considerably boost small businesses' development and success, even if it is implemented haphazardly or by a single owner/entrepreneur. More people are becoming strategists as a result of the rising number of men and women beginning their own enterprises in the United States [7]–[9].

Widespread corporate layoffs have fueled a boom in start-up companies and innovative concepts. Applying strategic-management principles to small enterprises has been the subject of several magazine and journal articles. The main takeaway from these articles is that many small company owners face significant challenges due to a lack of strategic management skills. Lack of adequate money to take advantage of outside possibilities and a day-to-day cognitive frame of reference are further issues that often arise when applying strategic management principles to small enterprises. According to research, strategic management in small organisations is less formal than in big firms, but those that use it do better than those who don't.

The Process of Generating and Selecting Strategies

Since there are an endless number of viable actions and a similarly limitless number of methods to carry those actions through, strategists never take into account all realistic options that may be advantageous to the company. Therefore, it is necessary to create a reasonable list of the most alluring alternative techniques. It is important to assess the positives, negatives, trade-offs, costs, and benefits of various tactics. The method that many businesses use to choose a suitable collection of alternative strategies is covered in this section.

Many of the managers and staff who previously put together the organisational vision and mission statements, completed the external audit, and carried out the internal audit should be involved in identifying and assessing alternative methods. As was the case in earlier strategy-formulation exercises, representatives from every department and division of the company should be included in this process. Recall that participation gives managers and staff the greatest chance to learn what the company is doing and why, and to develop a desire to assist the company in achieving its goals. The firm's internal and external audit information should be close at hand for every participant in the strategy analysis and decision-making process. This knowledge, together with the company's mission statement, will aid participants in identifying specific tactics that they feel might best serve the company. In this cognitive process, creativity should be promoted.

The Strengths-Weaknesses-Opportunities-Threats (SWOT) Matrix

A crucial tool for comparison is the SWOT Matrix, which helps managers in creating four different sorts of strategies: There are four types of strategies: SO (strengths-opportunities), WO (weaknesses-opportunities), ST (strengths-threats), and WT (weaknesses-threats).3 The hardest element of creating a SWOT matrix is matching important external and internal components, because there is no one ideal set of matches. The first, second, third, and fourth tactics are SO, WO, ST, and WT, respectively. In order to take advantage of external possibilities, SO Strategies make use of a company's internal strengths. Every manager wants their company to be in a position to capitalise on external trends and events by using internal strengths. In order to be in a position where they can use SO Strategies, organisations often adopt WO, ST, or WT strategies. When a company has significant shortcomings, it will work to eliminate them and turn them into strengths. When an organisation is faced with significant risks, it will want to stay away from them in order to focus on opportunities.

WO Strategies seek to strengthen internal flaws by seizing possibilities from the outside world. There are occasions when significant external possibilities exist, but a company's internal issues hinder it from taking advantage of those chances. For instance, a specific auto parts manufacturer could not have the technology necessary to produce the electrical components that are in great demand for controlling the quantity and timing of fuel injection in automotive engines (weakness). One potential WO strategy would be to establish a joint venture with a business that has this expertise in order to obtain this technology. A other WO strategy would be to recruit and train individuals with the necessary technical skills. ST Strategies make use of a company's advantages to prevent or lessen the effects of external threats. This does not imply that a powerful organisation must constantly confront external dangers head-on. Texas Instruments' deployment of a strong legal team to recover approximately $700 million in royalties and penalties from nine Korean and Japanese companies that violated patents for semiconductor memory chips is an example of the ST Strategy in action.

The Boston Consulting Group (BCG) Matrix

A company portfolio is made up of an organization's autonomous divisions (or profit centres). When a company's divisions compete in several sectors, it is common for each business to need its own strategy. The Internal-External (IE) Matrix and the Boston Consulting Group (BCG) Matrix were created expressly to support a multidivisional company's attempts to develop strategies. (BCG is a Boston-based private management consulting company. Around 4,300 consultants work at BCG globally.)

Some corporations do not publish financial information by segment in a Form 10K or Annual Report, making it impossible for outside parties to do a BCG portfolio analysis. the author believes that there are more reasons to reveal by-division financial information than to not. Differences across divisions in terms of relative market share position and industry growth rate are visually represented by the BCG Matrix. By comparing each division's relative market share position and industry growth rate to all other divisions within the company, the BCG Matrix enables a multidivisional organisation to manage its portfolio of companies. The ratio of a division's own market share (or revenues) in a certain industry to the market share (or revenues) held by the biggest competing company in that industry is known as relative market share position.

The Internal-External (IE) Matrix

The BCG Matrix and the Internal-External (IE) Matrix both entail displaying organisational divisions in schematic diagrams, which is why they are both referred to as "portfolio matrices." The IE Matrix places an organization's different divisions in a nine-cell display. Additionally, in both the BCG and IE Matrix, the size of each circle depicts the proportion sales contribution of each division, and pie slices show the percentage profit contribution of each division. However, there are a few significant distinctions between the IE Matrix and the BCG Matrix. The axes are different, to start. Additionally, compared to the BCG Matrix, the IE Matrix demands more details regarding the divisions. Furthermore, each matrix has a varied impact on strategy. For these reasons, when constructing alternative strategies, strategists in multidivisional businesses often create both the BCG Matrix and the IE Matrix. Creating a BCG matrix and an IE matrix for the present before creating projected matrices to represent aspirations for the future is a typical practise. This before-and-after study predicts the anticipated impact of strategic changes on the portfolio of divisions within an organization.

Economic Losses Due to Disasters-Issues And Strategies

Natural and man-made disasters are taking a heavy toll on all forms of life, including people, animals, plants, and resources. urbanisation and industrialisation, which are both growing trends, Natural catastrophes happen as a result of disruptions in the balance of nature brought on by human greed and the desire to exploit natural resources for monetary gain. There have always been disasters of many kinds, such as earthquakes, floods, accidents, cloud bursts, cyclones, etc. In recent years, nevertheless, their occurrence, size, and area have multiplied greatly over the world [10]–[12].

CONCLUSION

For charitable and governmental organisations to successfully traverse their complicated and mission-driven settings, strategic management is a crucial process. These organisations may coordinate their objectives, actions, and resources to maximise their social effect and accomplish their missions by adopting strategic management concepts. A road map for setting goals, evaluating internal and external elements, and developing strategies to attain desired results is provided by strategic planning. Data-driven decision-making is made possible by performance measurement, which enables monitoring and assessing the progress made towards these goals. Understanding and meeting the many needs and expectations of stakeholders, including recipients, funders, governmental agencies, and the general public, depend on effective stakeholder engagement. Additionally, to react to changing social, political, and economic circumstances, charitable and governmental organisations need adaptive tactics. However, these organisations have particular difficulties with strategic management, such as limited financial resources, intricate stakeholder interactions, and the impact of political issues. To meet these issues, it is crucial for these organisations to place a high priority on accountability, transparency, and efficient governance. Nonprofit and governmental organisations may improve their efficacy, optimise resource allocation, and increase their social impact by using a strategic management strategy.

REFERENCES

[1] M. Bashir, "Toward excellence in public relations: identifying practices and barriers in Kuwaiti corporate, governmental and non-profit organizations," *J. Public Relations Res.*, 2019, doi: 10.1080/1062726X.2019.1679633.

[2] L. Benjamin, "Book Review: Measuring Performance in Public and Nonprofit Organizations," *Nonprofit Volunt. Sect. Q.*, 2006, doi: 10.1177/0899764005279553.

[3] J. Herranz, "The multisectoral trilemma of network management," *J. Public Adm. Res. Theory*, 2008, doi: 10.1093/jopart/mum004.

[4] S. Cohen, "A strategic framework for devolving responsibility and functions from government to the private sector," *Public Adm. Rev.*, 2001, doi: 10.1111/0033-3352.00047.

[5] Basil John Thomas, "Organizational resilience of NGOs in Oman," *GIS Bus.*, 2020, doi: 10.26643/gis.v14i6.16858.

[6] M. James, "Strategic Readiness," in *The International Encyclopedia of Strategic Communication*, 2018. doi: 10.1002/9781119010722.iesc0178.

[7] M. R. Farooqui, D. Y. Salman, P. D. Z. I. Jadoon, P. D. N. Jabeen, and D. S. Irfan, "Institutional Complexity of Civil Service Reforms in Pakistan: Challenges and Impediments," *J. Polit. Stud.*, 2019.

[8] B. Eugenia Quiceno-Castaneda, "Social Media and NGO in Colombia, strategic use or response to the trend?," *Rev. Int. Relac. PUBLICAS*, 2019.

[9] M. T. Flores Mayorga, F. Cabezuelo-Lorenzo, and P. Chalá Mejía, "The Communication and Public Relations Practices in International NonProfit Organizations in the Fight against COVID-19 Crisis: The case of Mexico," *Observatorio*. 2020. doi: 10.15847/obsOBS16220221986.

[10] S. Lakshminarayanan and S. Best, "Career forms: Organizational, gig, and in-between," *Bus. Manag. Rev.*, 2020, doi: 10.24052/bmr/v11nu01/art-23.

CHAPTER 12

STRATEGIC ALLIANCES, CORPORATE STRATEGY AND CORPORATE GOVERNANCE

Dr. Vinay Muddu
Professor, Masters in Business Administration,
Presidency University, Bangalore, India.
Email Id: muddu.vinay@presidencyuniversity.in

ABSTRACT:

The link between corporate strategy, corporate governance, and strategic alliances in organizations is the main topic of this study. In today's economic environment, strategic partnerships are more common than ever as companies want to strengthen their competitive advantages and broaden their markets. In order to maximize their advantages and reduce their dangers, strategic partnerships may be successfully incorporated into business strategy and controlled. This study analyses critical elements, such as strategy alignment, partner selection, governance structures, and performance assessment, that contribute to successful strategic alliances by performing a thorough examination of the available literature and case studies. In order to guarantee alignment with the entire business strategy and safeguard the interests of stakeholders, it also looks at the function of corporate governance in supervising and directing strategic partnerships. The results underline the significance of open governance structures, clear strategic goals, good communication and coordination among alliance members, and routine monitoring and assessment of alliance performance. Managers, executives, and boards of directors may use the insights from this study to make wise choices about strategic partnerships, incorporate them into company strategy, and set up solid governance systems that will promote organizational success.

KEYWORDS:

Strategic Alliances, Corporate Strategy, Corporate Governance, Collaboration, Resource Sharing, Organizational Performance.

INTRODUCTION

In the corporate sector, strategic partnerships are rather prevalent. They are crucial for achieving synergy. Because participants in a strategic alliance pool their resources and work together, there is synergy as a result. However, since there are many parties involved, there may be some issues or challenges, such as disagreements between parties, government interference, delays in decision-making, differences in values and cultures, losses, unjust terms and conditions, and so on.

Meaning Of Strategic Alliances, Types and Structures

The word "alliance" comes from the word "ally" or the ancient French word "aligre," which means to join or cooperate with another for a shared goal or interest. Therefore, an alliance is an organisation that incorporates cooperation, collaboration, and the fusion of complementary interests in order to attain both individual and shared aims and objectives. A strategic alliance is a partnership between organisations that is marked by the fusion of complementary interests, the exchange of confidential information, and meaningful engagement and cooperation to accomplish strategic goals and objectives. The firms may profit from the strategic partnership in terms of technology, operations, and/or money. Non-equity contracts and joint ventures that engage in cooperative research and development, product creation, knowledge sharing, joint marketing and distribution, and joint quality control and research are examples of strategic alliances [1]–[3].

Problems In Indian Strategic Alliances

In the corporate sector, strategic alliances are rather prevalent. They are crucial for achieving synergy. Synergy is the term used to describe greater productivity or success brought about by group effort or collaboration. Synergy is produced through strategic alliances because parties pool their resources and work together. However, the following factors may contribute to issues or challenges with how Strategic Alliances operate.

1. Partner conflict - Partner conflict may arise as a consequence of joint ownership. Equal distribution of management increases the likelihood of conflict. In this situation, decisions are made without consulting the management of either party. Establishing unequal ownership, whereby one partner retains 51% ownership and has the last say on choices, helps alleviate this issue.

2. Government Interference - When the local government is a participant in the Strategic Alliance, it may result in a loss of control over the activities of a joint venture. This problem happens in fields like broadcasting, infrastructure, and defence that are seen to be crucial to national security. Due to the local government's potential for interfering with the operations of the strategic alliances due to national interest-based objectives, the strategic alliance's profitability might suffer.

3. Decision Making Delay - When many parties are involved, decision-making is often delayed. This might result in ineffective operations. Opportunities could be missed, which might hinder a company's growth.

Corporate Strategy

A corporate organisation functions as a result of a variety of environmental pressures or circumstances. An organisation must continually engage with diverse environmental influences in order to thrive and develop, and it must modify its strategy in response. Therefore, the cornerstone for developing strategic alternatives that an organisation might explore for adoption is environmental and organisational study.

Choosing the companies that the corporation will be involved in is discussed in the corporate level strategy. They choose the course that the company will follow to accomplish its goals. The corporate strategy might specify the courses of action for increasing the profitability of a small company enterprise. Corporate strategy in the case of a big company entails managing the many companies to maximize their contribution to the accomplishment of overarching corporate goals.

Corporate Level Strategies:

Corporate level strategy possibilities may be categorised in one of four broad ways: stability, expansion, retrenchment, or combination. Firms take into account these strategy alternatives when developing their business strategies since they can only identify the specific path that is most effective for accomplishing the desired goal via general strategies. A corporation uses the stability strategy when it determines that it should stay in the present business since it is doing quite well there and there is no room for considerable development. Adoption of a growth plan might result in the addition of additional goods, markets, or functions. Numerous businesses expand the scope of their operations significantly even without changing the way they define their businesses. Growth is often seen as the best approach to increase a company's market share, sales volume, and profitability.

DISCUSSION

Mergers and Acquisitions / Takeovers:

In a merger or acquisition, only one of the two firms survives, losing its identity in the process. In other words, the company that buys the other company keeps doing its business, while the merging company ceases to exist. In a merger, the acquiring business acquires the liabilities and assets of the target company. The merging firm's shareholders get shares of the acquiring company. The process of allocating and reallocating a firm's resources in response to shifting economic circumstances and technical advancements is represented by mergers. The basic justification for a merger is that operational economies, tax advantages, chances for diversification, the capacity to compete, and other factors should cause the value of the combined business to be higher than the sum of the independent values of merging enterprises.

Conglomerate, vertical, or horizontal mergers are all possible. Both merging and merged firms operate in the same industry in a horizontal merger. In a vertical merger, the merging businesses are involved in the various manufacturing and marketing phases. In a conglomerate merger, the merging businesses are involved in unconnected, unrelated business activity. A little distinction exists between an acquisition and a takeover. Both businesses are open to joining forces during an acquisition. In a takeover, the seller's management lacks the willingness. Acquisition is done with mutual permission and persuasion, while takeover is done with force, i.e. without the consent [4]–[6].

Joint Ventures

In a merger or acquisition, only one of the two firms survives, losing its identity in the process. In other words, the company that buys the other company keeps doing its business, while the merging company ceases to exist. In a merger, the acquiring business acquires the liabilities and assets of the target company. The merging firm's shareholders get shares of the acquiring company.

The process of allocating and reallocating a firm's resources in response to shifting economic circumstances and technical advancements is represented by mergers. The basic justification for a merger is that operational economies, tax advantages, chances for diversification, the capacity to compete, and other factors should cause the value of the combined business to be higher than the sum of the independent values of merging enterprises. Conglomerate, vertical, or horizontal mergers are all possible. Both merging and merged firms operate in the same industry in a horizontal merger. In a vertical merger, the merging businesses are involved in the various manufacturing and marketing phases. In a conglomerate merger, the merging businesses are involved in unconnected, unrelated business activity.

A little distinction exists between an acquisition and a takeover. Both businesses are open to joining forces during an acquisition. In a takeover, the seller's management lacks the willingness. Acquisition is done with mutual permission and persuasion, while takeover is done with force, i.e. without the consent. Both the public and private sectors are open to joint ventures.

Utilising cutting-edge technology for industrial production and undertaking sizable capital-intensive industrial projects with the assistance of reputable international businesses are the goals. They are helpful for using the nation's natural resources as well. An integration of two entities is not a joint venture. Since the two businesses continue to operate independently even after the joint venture agreement, it is not a business combination in the traditional meaning of the word. It simply makes suggestions for collaboration and involvement in the establishment of a new industrial facility in the nation.

Retrenchment Strategies

Different internal and external events hurt business enterprises' future in various ways. Companies operating in failing sectors must deal with risks such dwindling demand, the advent of more alluring competitors, unfavorable government regulations, and changing consumer tastes and demands. In addition to external events, there are issues unique to each organization, such as poor management and unsuccessful business strategy. In these situations, businesses, marketplaces, and sectors run the risk of seeing their sales and profits drop, and they thus plan to substantially cut down on their activities. The problem regions are located and the root causes of the issues are determined for this aim. After then, actions are conducted to address the issues that give rise to various retrenchment techniques.

The following sorts of retrenchment tactics are possible:

1) Reverse strategy

2) The divestment approaches

3) A plan for liquidation

Turnaround Strategy

Turnaround strategy is the process of turning a failing business into a successful one. Making the firm profitable once again is a turnaround, according to the Dictionary of Marketing. Typically, the goal of a turnaround plan is to increase earnings and improve falling sales or market share. There might be a number of internal and external to the company causes contributing to the diminishing sales or market share. High material costs, lower pricing for products and services, greater competition, the recession, management inefficiency, etc. are a few of these potential contributing causes. Only when the corporation can reorganise its business processes is a turnaround feasible. Changing the management is one method that may be utilised to turn things around.The company's strategic emphasis may be changed, undesired assets can be sold, surviving businesses can be more profitable, core activities can be rebuilt via acquisitions, and so on.

Divestment Strategy

A division, facility, or other business unit of one company is sold to another as part of a divestiture. From the seller's perspective, it denotes portfolio reduction, and from the buyer's perspective, it denotes portfolio increase.

Following are some possible causes for divestment:

1) Capital Raising Companies may raise capital to increase their liquidity.

2) Reduction of Losses - When divisions or units generate poor returns or experience losses, they are sold.

3) Concentration on Core Business - In order to focus on their core business, some companies may sell off part of their units or divisions.

4) Increase in Efficiency - Through divestiture, a company may focus more effectively on its current operations, which might increase the firm's total efficiency.

A proactive divestiture program's principal goal is to launch new enterprises. Companies must develop growth strategies aimed at bolstering the surviving firms while they eliminate unprofitable ones. Create a cycle of renewal with the intention of continuously reinventing the corporate portfolio of company. Divestment, therefore, is not a goal in itself. Instead, it serves as a tool for achieving a longer-term goal of creating a firm that can expand and thrive. Smart business leaders sell their companies so they may start new ones or grow current ones. The ultimate goal should be to use resources as efficiently as possible to maximize shareholder value.

Liquidation Strategy

The total shutdown of a company's operations is known as "winding up" or "liquidation." In essence, it refers to a process where a firm is permanently dissolved and then its assets are sold to settle its obligations. The surplus, if any apportioned among the members in accordance with their corporate rights. Only when it is impossible to continue the business in its current shape are decisions to shut or liquidate a firm made after serious study. Additionally, a future firm reversal should not be conceivable. The adoption of a liquidation plan should only be used as a last option since it has negative effects that may be severe, including people losing their jobs, other employees losing their job possibilities, and the failure stigma [7]–[10]. The interests of the company's shareholders, investors, and members should be considered while deciding whether to liquidate the business and reduce losses. A corporation must be wound up or closed in conformity with the regulations outlined in the Companies Act of 1956

Combination Strategies

An organisation is considered to use combination tactics when it combines stability, growth, and retrenchment either concurrently or sequentially to boost performance. Combination methods may be used concurrently in many firms or intermittently in a single company. No company has ever developed or survived by sticking to a single strategy. Due to the complexity of businesses, it is necessary to adopt various strategies depending on the circumstance. For example, when corporations sell operations, they must also develop growth plans aimed at enhancing the surviving businesses, beginning new ones, or making acquisitions. A company that has been pursuing a stability plan for a while might think about expanding, while one that has been on a growth road for a while should take a break to consolidate its companies. Multi-business organisations must implement many strategies either concurrently or sequentially.

CONCLUSION

Strategic alliances, business strategy, and corporate governance are all interrelated factors that help organisations succeed and expand. Strategic alliances provide chances for cooperation, resource sharing, and market growth, allowing businesses to take use of each other's complimentary qualities and gain an advantage. Corporate strategy determines how resources are distributed and strategic choices are made, directing the general direction and scope of an organisation. It enables organisations to ensure coherence and focus by helping them match their actions with their vision, purpose, and goals. Corporate governance creates the foundation for ethical behaviour, accountability, and transparency inside organisations, protecting stakeholder interests and fostering long-term viability. Corporate strategy, corporate governance, and strategic alliances are all intertwined since these partnerships must adhere to good corporate governance principles and be in line with the broader business plan. The implementation and management of strategic alliances, the creation of an effective corporate strategy, and the promotion of sound corporate governance practises all face difficulties due to cultural differences, problems with coordination, and the need for effective stakeholder participation and communication.

REFERENCES

[1] K. S. Cravens, E. G. Oliver, and S. Ramamoorti, "The reputation index: Measuring and managing corporate reputation," *Eur. Manag. J.*, 2003, doi: 10.1016/S0263-2373(03)00015-X.

[2] M. H. Sadegh, M. A. S. Hosseini, and A. Heidari, "Extracting the Effective Factors on Corporate Governance Formation in Strategic Alliances with Focus on International Joint Ventures through Systematic Literature Review," *J. Bus. Manag.*, 2020.

[3] M. W. Peng, H. W. Nguyen, J. C. Wang, M. Hasenhüttl, and J. Shay, "Bringing Institutions Into Strategy Teaching," *Acad. Manag. Learn. Educ.*, 2018, doi: 10.5465/amle.2017.0120.

[4] D. L. Levy, H. Brown, and M. de Jong, "The contested politics of corporate governance: The case of the global reporting initiative," *Bus. Soc.*, 2010, doi: 10.1177/0007650309345420.

[5] G. L. Anderson and L. M. Donchik, "Privatizing Schooling and Policy Making: The American Legislative Exchange Council and New Political and Discursive Strategies of Education Governance," *Educ. Policy*, 2016, doi: 10.1177/0895904814528794.

[6] D. L. Levy and P. J. Newell, "Business Strategy and International Environmental Governance: Toward a Neo-Gramscian Synthesis," *Glob. Environ. Polit.*, 2002, doi: 10.1162/152638002320980632.

[7] N. A. F. A. Aniqoh, "A Strategy Framwork For Deciding Between Alliances Or Acquisition Of Johnson & Johnson Pharmaceutical Company (Case Study: Strategy Farmwork of Johnson & Johnson And Cipla Inc in The Production of Anti-Infectious Drugs)," *J. Digit. Mark. Halal Ind.*, 2020, doi: 10.21580/jdmhi.2019.1.1.4730.

[8] K. Cravens, E. Goad Oliver, and S. Ramamoorti, "The Reputation Index:," *Eur. Manag. J.*, 2003, doi: 10.1016/s0263-2373(03)00015-x.

[9] J. Sanchez-Gutierrez, E. G. Gonzalez-Uribe, and M. A. López-Lomelí, "Proposal for a Strategic Corporate Social Responsibility Model as a Competitive Factor for the Tequila Manufacturing Industry," *Compet. Forum*, 2019.

[10] E. Todeva and D. Knoke, "Strategic alliances and models of collaboration," *Management Decision*. 2005. doi: 10.1108/00251740510572533.