

Chapter - 1 Introduction of Strategic Management

Goal & objectives and values.

- company wants to increase market share
 (goal)
- company wants to increase market share of cement by 20% in next 2 years.
 (objective)

Goals	objective
• general	• very specific
• goal is goals	• objectives are made to achieve goals
• long term	• short term
• non-measurable	• measurable
• no time bound	• time binding

Characteristics of Goals & objective (SMART DAEU)

- S - Specific
 — cement manufacture
- M - measurable
 — 20%
- A - Achievable
 — certain which can achieve, challengeable
- R - Relevant
- T - Time binding
- D - Decision making
- A - Appraisal
- E - challenging
- U - understandable

Values

Goal - Tata group — value values

unity, integrity, Responsibility, Excellence, pioneering
 ↓
 honest
 ↓
 best
 ↓
 UK me
 ↓
 hostile me
 ↓
 Indian alliance
 ↓
 Tata has to look
 time establish

* Mission

- it is ~~for~~ present-oriented
- Key of success
- it is the reason of your existence
- it answers what we are, what we do
- Ex:- we provide a error free telecom services - Airtel

Vision

- it is future-oriented
- Success
- it answers what we want to be
- air-orient to be the globally admired company

* what is mission:-

- ↳ present oriented
- ↳ it answers what we are, what we do
- ↳ it is customer oriented
- ↳ it helps to achieve vision
- ↳ it should be short, simple and understandable
- ↳ it ~~show~~ should show the potential of organisation
- ↳ it is the reason of our existence. - youtube - fast/easy
- ↳ it creates unanimity - (एकमत)
- ↳ it develop standard
- Ex:- youtube
- ↳ we provide fast/easy video access

skype

real-time ~~network~~
 we are fabric of communication

what is vision?

- ↳ vision is future oriented
- ↳ it answers where we ~~are~~ want to be
 हम कहां जाएंगे
- ↳ it is the view about company directions
- ↳ on the basis of vision we make strategy
- Ex:- Amazon
- ↳ to be the most customer centric company in the world

Flipkart

↳ to be the amazon of india.

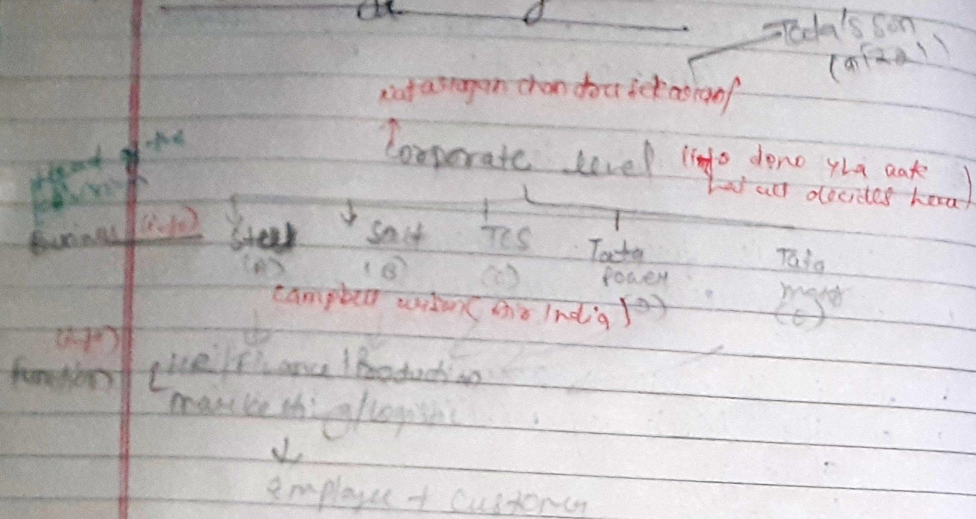
Nykaa

↳ to bring an inspiration, and motivation to every athlete in the world
 Shoes/shirt banorage

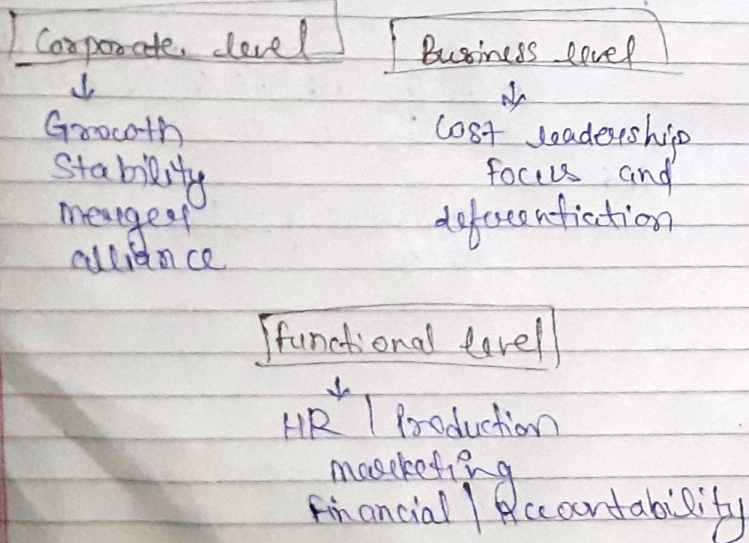
Tesla

↳ to create most compelling car co. of 21st century.

level of management



- corporate level
- Business level
- functional level



* Net of relationship b/w level three:-

→ functional and divisional relationship
 ↳ Independent relationship

↓
function or division is run independently

→ Horizontal Relationship
 ↳ Same hierarchical position

↓
Everyone considered at same level

→ matrix relationship
 ↳ grid like structure

↓
team up with people from various department

① Limitation of strategic management

- Environment is highly complex and turbulent
- It is difficult to understand the complex environment and exactly pin-point how it will shape up in future
- Strategic management is a time-consuming process
- Strategic management is costly process
- Organisation trying to move strategically.

② Importance of Strategic management

- The strategic management gives direction to the company to move ahead.
- Strategic management
 - ↳ proactive instead of reactive
- Strategic management provides
 - ↳ all major decision
- Strategic management
 - ↳ prepare organisation to face future
- helps to enhance longevity of business
- help organisation in development
 - ↳ core competencies
 - ↳ Competitive advantage
- helps corporate against
 - ↳ mistake & pitfalls