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Department:

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Paper: Strategic mang

Submitted to:

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Question #1

By citing detail from HBR article of Michael E. Porter. Describe what is strategy in detail.

Michael argues that operational effectiveness, although necessary to superior performance, is not sufficient because its techniques are easy to imitate. In contrast the essence of strategy is choosing a unique and valuable position rooted in system of activities that are much more difficult to match.

Operational effectiveness is not strategy

Strategy rests on unique Activities

A sustainable strategic position requires trade offs

Fit Drives Both Competitive advantage and sustainability

Rediscovering strategy

strategy is the creation a unique and valuable position involving a different set of activities. Strategy requires you to make trade offs in competing to choose what not to be do. strategy involve creating "fit" among a company's activities.

⇒

Operational effectiveness means performing similar activities better than rivals perform them. In contrast strategic positioning means performing different activities from rival or performing similar activities in different ways.

⇒

Competitive strategy is about being different it means deliberately choosing a different set of activities to deliver

a unique mix of value.
A company can outperform
rival only if it can
establish a difference that
it can preserve.

⇒ A strategic position is not
sustainable unless there
are trade offs with other
position. Trade-offs occur
when activities are incompat-
table. It means that more
of one thing necessitates
less of another for
example airline.

⇒ Fit lock out imitators by
creating a chain that is
as strong as its strongest
link.

⇒ The harder to choose.
Internal trade manager have
become confuse the
necessity of making choice.

- External trade changes an technology on behavior of competitors.

Question No 2:-

Explain origin of strategy with the help article by Bruce Henderson.

Adaptive advantage:-

- Fine unpredictability of the environment
- Seek limit of detective analysis and classical strategies.

⇒ Strategy style:-

Classical, adaptive shaping and visionary

⇒ Ingenious interprise:-

Achieving highest competitive advantage.

High market
share



Leadership
and competitive
edge



Valuable
experience



Cost
advantage

⇒ Ambidexterity

Strategies of efficiency and innovation

⇒ Transformation

Renewing strategic post saturation.

- Developed by Bruce Henderson
- Evolution of industry structure and leadership.
- Stable competitive industry will never than have more significant competitors.
- They will find equilibrium when the market share the three companies reach a ratio of 4:2:1
Bruce Henderson 1976.
- A company's production cost would fall by 20-30% in real term. for each doubling of "experience" or accumulated production volume.

⇒ Market Share:-

Market share is the total percentage of the total market that is being served by a company.

→ Relative market share:-

Indexes a firm's or a brand market share against that of its leading competitor to assess its success and position in the market.

⇒ Market Share Growth:-

Show attractiveness of market.

Question No 3:-

Discuss five competitive forces that shape industry.

Answer:-

To establish a strategic agenda for dealing with these contending current and to grow despite them, a company must understand how they work in its industry and how they effect the company in its particular situation. The author detail how these forces operate and suggest ways of adjusting to them and where possible of taking advantage of them.

The trade of new entrants

The bargaining power of customer

The industry

The bargaining power of supplier

The trade of substitute produce or services

the jockeying among current constant

⇒ Threat of entry :-

New entrants to an industry bring new capacity they desire to gain market share and often substantial resources.

Companies diversifying through acquisition in the industry from other markets after leverage their resources to cause a shake. u

reducing costs, and providing new value proposition to the customers. The coca cola company has to manage all these challenge and build effective barriers to safeguard its competitive edge.

⇒ Bargaining Power of Suppliers:-

All the companies in the Beverages soft drink industry buy their raw material from numerous suppliers. Supplier in dominant position can decrease the margins the coca cola company can earn in the market.

⇒ Bargaining Power of Buyers:-

Buyer are often a demanding lot. They want to buy the best offering available by paying the minimum price as possible. The coca cola

company profitability in the long run. The smaller and weaker the customer base is of the coca cola company the higher the bargaining power of the customer and higher their ability to seek increasing discount and offers.

⇒ Threats of Substitute Product :-

When a new product or services meets a similar customer need in different ways, industry profitable suffers. For example services like Dropbox and Google drive are substitute or service to storage hardware drives. The threat of a substitute product or services is high if it offer a value proposition that is uniquely different from present offering of the industry.

Rivalry among the Existing Competitors:

If the rivalry among the existing players in an industry is intense then it will drive down prices and decrease the overall profitability of the industry. The Coca Cola company operate in a very competitive Beverage - soft Drink industry. This competition does take toll on the overall long term profitability of the organization.

Question No 4:-

Discuss in detail what you personally have learned about strategic management in this course

Strategic management

Strategic management involves setting objective, analysing the competitive environment, analysing the internal organization, evaluating strategy, and ensuring that management rolls out the strategy across the organization.

⇒ Importance:-

Strategic management is the ongoing planning, monitoring, analysis and assessment of all necessity in

organization need to meet its goals and objective changes in bussiness environment will require organization consisstantly assess. Their strategy for success.

Benefit of strategic management:-

Strategic management is generally thought to have financial an non financial benefit.

A strategic management process help in organization and its leadership think about and plan for it future existance

fulfilling achieve responsibility of director.
strategic management
set a direction for the
organization and its
employees.