Plan: A Realastic plan by which we can acheive a goal.

Mission: A Purpose for organization's existence

Vision: Where is the organization seeing itself in future period.

Values: Values means acceptable norms (cultural aspects) that can be varied from society to society.

Goals: Objective that are realastic, acheivable, specific in time.

SWOT-analysis: Shows an industry strength, weakness, Threat & opportunities.

Strategic Managment: It includes setting objectives f[...] company, analyzing actions of competitors, reviewing int[...] structure. Strategic Managment is identification of ac[...] goals

Personal learning from this course

Personaly right strategy ensures successful outcome, a wrong/outdated strategy wastes valuable resources

1- Strategic managment taught me how to plan/take de[...]

2- how to execute a plan

3- Setting up goals

4- It helped me professionaly and personally

5- By This i can accept changes, by this I will be[...] in changing environment

track progress/acheivements.

I can

adaptation to Darwininian natural selection based on which we can achieve
including business and survival of all living system
Here in both competition of ecosphere and in
Competition of trade and commerce, the chance is
Probably the major. This chance determines the
variation that survive from generation to generations.
Strategy by Bruce D. Henderson
Imagination and logics makes strategy more possible.
Strategy also requires the ability to understand the
complex web of natural competition. The competitors
that makes their living in same way can't exist
(no more in business than in nature).
Strategy is a deliberate search for plan of action that will
develop business competitive advantage.
Example
For company, the search is an iterative
process that begin with recognition of where you
are and what you have.
The difference between you and your competitors is
on basis of your advantage.
In a business, you are self supportive having
some kind of competive advantage (small / medium)
In short, Charles Darwin on Origin of Species
published in 1859, outlined more fruitful perspective
for developing business strategy.

Q.4) Discuss in detail, what you personally have
learnt about strategic managment in this course
As the course name suggests "Strategic
Managment", we have learnt few topic i.e
about
strategy: A plan of action designed to ac
long term aim.

Porter's also states that
"A Combination of ends (goals) for which the firm is striving and means by which it gets there". Thus Porter's seems to embrace strategy as both plan and position. "Strategic Position can be based on Customer needs, Customer's accessibility, Company's product /services.
Example
Strategy for a Japanese Company were exception rather rule
HBR article of Micheal E Porter
According to this article Operational Effectiveness is not treated as Strategy. Competitive Strategy is somewhat different
Example
South West Company (Airline) offers Point to point services in large cities. it do not uses fly ports

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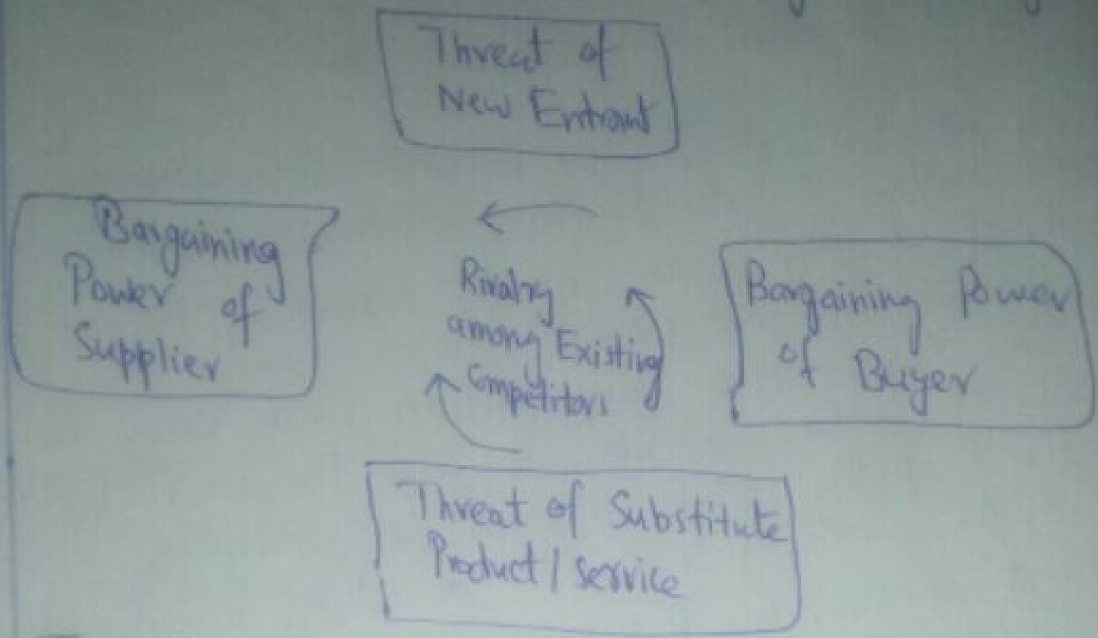
Q2) Explain Origin of the strategy with help of article by Bruce D Henderson -
Origin of Strategy by Bruce D. Henderson
In 1934, Professor G.F i.e father of mathematical biology Published set of results of experiment in which he put two small animal (protozoans) for same species animals they will survive and for two same species animals can't survive and persist together. This Observation led to Gause Principal That states "No two species can coexist that make their living in the identical way.
Competition starts long before strategy began with itself
As life evolved when resources where there to great became a food chain for others
For millions of years, natural competition involved strategy. This was originaly not a strategy but

examined, and how to make profit. The threat of Substitute is informed by switching cost (long term)



Industry Analysis

The strength of Competitive forces affects prices, costs and investment required to compete, thus forces are directly tied to income statments.

Q1) By citing details from HBR article of Micheal E Porter Describe what is Strategy - in detail

Strategy According to Micheal - E - Porter

According to Porter's competitive strategy is "about being different", he adds up "It means deliberately chosing a different set of activities to deliver unique mix of value".

In Short Porter argues that strategy is about competitive position, about differentiating yourself in eyes of customers.

b) Threat of new Entry

Entrant to an industry brings new capacity and desire to gain market share that puts pressure on prices, costs and rate of investment necessary to compete.

Example

- Pepsi when it entered the bottled water industry
- Apple when it entered music distribution business.

The threat of entry in an industry depend on height of entry barriers that are present.

In short, these forces consider how easy or difficult it is for competitors to join the market place. Barriers to entry include absolute cost advantage, access to inputs, economy scale and a strong brand identity.

c) Threat of Substitute Products/Services

Substitute means serving in place of other. A substitute forms same or similar function as industry product do.

Example

Plastic is substitute to Aluminium
E-mail is substitute to Express mail

Sometimes, threat of substitute is indirect, when it replaces buyer industry product

Example

Software sold agents is threatened when airlines and travel websites substitutes for travel agents.

Substitutes are present everywhere they appear different from industry products. The threat of substitutes is high when:

- High price performance
- Buyer cost switching to industry product

In short, these forces shows how it is easy for consumers to switch from business products to competitors. It examines how price and quality of a business ...

Bargaining power of supplier depend on wide range of different supplier input. Supplier group's powerful if

- It is more concentrated than the industry it sells to

Example

Microsoft's near monopoly is coupled with PC assemblers that exemplifies the situation

- The supplier group does not depend on industry for its revenues
- Suppliers offers such products that are differentiated

Example

Pharmaceutical companies that offers drugs having medical benefits have more power over hospitals, organization and other drug buyers.

c) Bargaining Power of Customer /Buyer

Buyer's are powerful if they have negotiative power relative to industry participants

A buyer group is price sensitive if:

- Product it purchase from industry represent cost budget/structure
- The Buyer group earns low profit, high profit in contrast are Less price sensitive
- The Quality of buyers product /service is less affected by the industry product.
- The industry product has little effect on buyer's other cost. Here buyers focus on price.

Example

Tax Accounting, Similarly buyers tend to be price sensitive for Investement Bankings

In Short these forces examines the power of consum and its effect on pricing and quality. Consumers have power when they are few in number but there ar plentiful sellers and it's easy for consumers to swit

[illegible] Sohaib Shafiq
Roll No: 17022
Subject: Strategic Management
Submitted to: Sir Azmat Ali Shah
Final Term Exam

Q3 Discuss Five Competitive forces that Shape Industry.

Five Forces that Shape Industry Competition

The five forces that shape an industry competition are

a) Competitive Rivalry

By the word rivalry means competition in same field, by this force examine how intense is the competition is in the marketplace. It considers the number of existing competitors and what each one can do.

Rivalry competition is high when there are few businesses selling a product/service when consumers can switch easily to other competitors for small/Lit cost. When Rivalry competition is high, advertising and pricing starts.

In other words Rivalry among existing competitors takes many forms such as including price discounts, new product introductions, advertisement & services improvement.

The Intensity of Rivalry is greatest if:

- More the Competitors are roughly equal in size.
- Industry growth is slow more be rivalry.
- More be rivalry if firms can't reach with each other (lack of familiarity) with one another

Rivalry is especially destructive to profitability if it gravitates to price competition transfers directly from industries to competitors.

b) Bargaining Power of Suppliers

This force states how much power a business supplier has and how much control it, has potential to raise its prices, which inturn lowers business profitability. It also asseses number of suppliers of raw materials that are available. Business be in better position when there are multiple suppliers