

Strategic Management – The Competitive Edge
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Lecture 38
Summary

In this session, I will give you a summary of what we have covered throughout this course with respect to this subject on Strategic Management - The Competitive Edge. So, we started with the basic concepts of corporate strategy, so how this term strategy came into being, initially it was corporate plan, then it became strategic plan, then if you look at the present day the time of this strategic plan is shrinking, earlier we used to look at five to ten years for the corporate plan, then came down to three years. Now, with respect to IT we are looking at one year with respect to strategic plan.

Then we looked at the 7s framework with respect to organizations, where it tells them whether the time is appropriate for change, introducing change with respect to strategy in the organization. Then we looked at corporate governance that is the role of the board of directors. We also looked at the code and laws for corporate governance and the social responsibility.

The first social responsibility exercise with respect to Indian petrochemicals, Vadodara done in 1987; that was the first time such an attempt was made to look at social responsibility. We also looked at the environmental landscape analysis, this landscape coming first with respect to external factors, then with respect to internal factors, both of them helping to come with strategic factors matrix.

See, we looked at a company and how this exercise was done that is the EFAS, the IFAS and the SFAS exercises, with respect to a company, a well-known company in US. We also looked at how strategy should be formulated in organizations. What is the method of formulation whether it is with respect to functional areas or whether with respect to portfolios.

We also looked at how strategy has got to be implemented in organizations, it is not enough if you just draw the strategy, it becomes one nice piece on the drawing board, effective implementation of the strategy is what holds as the key. And when this whole process is being implemented, you should have some checks and balances, that is evaluation and control, need not be very strict. So, should have flexible approach even when the implementation of the strategy is going on.

So, this system of checks and balances incidentally is what characterizes an academic institution

like the Indian Institute of Science as well. There is always room, even in the institute setup for some flexible manouvres, whether it is with respect to projects, whether it is with respect to so many cost expenditures which may be incurred.

In other words, the management structure even in an academic institution, enables you to have a certain leeway, which is very important for the researcher. So, he does not have to greatly exercise himself, am I on the right track if I incur this? So sometimes even if you are not in the right track, the organization enables you to come to the right track, and helps you incur that expenditure.

That brings you actually to strategic enablers which we discussed in quite good detail, that is with respect to R & D, so the most important thing which we came out with respect to R & D and strategy was to R & D in an industry, we always look at it from the applied context, this is different from the pure R & D.

So, even if you are working in an R & D in an organization, you are still evaluated, how is the R & D that you are working on beneficial to the company? Whether it has translated into coming out with new products or change in processes or new processes, etc. In the present day setup, we also looked at IT and strategy.

I strongly suggest you to kindly go through my book on Strategic Management, sixth edition published by Prentice Hall, this gives you some more inputs that is with respect to e-business, knowledge management, and also strategic risk, we did discuss strategic risk, but still, I suggest you to have a thorough reading of all these chapters in the book.

We also looked at some other strategic issues, where we looked at many organizations like the not-for-profit organizations. So, whether it is a management of technology or whether it is the environmental scan, all those types of issues were discussed.

After discussing all this, we looked at the cases. For this the Case Studies in Marketing book, seventh edition is extremely helpful. It as an admirable foil; purchase the book, this gives you how to analyse a case.

We analysed two cases, if you recall, one case was with respect to a PSU, which is becoming fast becoming extinct in this competitive market scenario. The other was with respect to a company which is performing very well in the competitive market, in fact a foreign company operating from India. The PSU we discussed was HMT the other company we discussed was the Gillette.

There are so many cases which are presented to you in the book on case studies which I strongly

suggest have a look. It helps you to sharpen your case analysis skills and it will make you a more informed decision maker, if you have to take decisions. So, this is what this course has enabled you.

So, we stop here, thank you.