

Notes of Strategy Implementation & Control

1. Distinction between Strategy Formulation and Strategy Implementation:

• Strategy Formulation	Strategy Implementation
• Is a positioning forces before the action	• Is a managing forces during the action
• It focuses on effectiveness	• It focuses on efficiency
• Is an intellectual process	• Is an operational process
• Require good analytical skill	• Require motivation and leadership skill
• Require coordination among few individual	• Require coordination very widely

2. Competitive advantage is the unique position of the firm from which it attract more customers towards its products or services. Competitive advantage means the firm has something which does not has with other firms e.g. very low cost leadership among all firms in the industry. It is very important position to maintain and sustain market position. It is the ability to offers buyers something new and different which provide more value of money to the customers. This position is also helpful for increase the market share and demand of products or services.

3. Network structure is newer organizational design. In this structure enterprise are eliminating in house business functions and many of functions are outsourced to others. A corporation organized in this manner is a virtual organization.

Notes of Strategy Implementation & Control

4. Core competence is the unique strength of an organization which may not be shared by the others. Core competencies are very important to achieve competitive advantage.
5. Value chain includes primary activities like inbound logistic, operations, outbound logistics, marketing & sales and services and supporting activities like procurement, human resource management, technology development and infrastructure. It refer to separate activities which are important for organizational strategies and are connected together both within and between the organization. On one of the key aspect of value chain analysis is the recognition that Organization are much more than random collection of machines, money and people. These resources are of no value unless it uses into regularly activities properly. It helps in maintaining long term competitive position and providing high value for money in its products or services. It originally introduced as an accounting analysis to know separate steps in complex manufacturing process in order to identified where cost improvement is made or value creation is possible.
6. Corporate Culture refer to a company's values, beliefs, business principles, traditions and way of operating and internal work environment. Culture affects not only the way managers behave but also the decisions they make about the organization. Every company has its own organizational structure. Each has its business philosophy and principles and practices. Therefore corporate culture need not be identical in all organizations. Corporate culture builds around such principles as listening of the customers, encourage employees to take part in decision making process

Notes of Strategy Implementation & Control

and also for take pride in their work. Corporate culture as strength and as weakness are describe as follow:

- **As a Strength :-** It can facilitate communication, decision making and control. An organizational structure is more strong when it conduct its business according to explicit set of rules and principles which are communicated by the management to employees and which are shared across the organization.
- **As a Weakness :-** Culture can also be as weakness when many sub cultures exist and very values are shared and traditions are rare. In this employees do not have any type of commitment and loyalty. It can stop the implementation of the strategy.

7. Strategic Business Units (SBU) is an unit of the company that has separate mission and objectives. The planning is also done differently in it from other organization. The most important characteristics are (i) is a single business or collection of related businesses (ii) has its own set of competitors (iii) has a manager who is responsible for planning and performance. The SBU is given the authority to make its own decisions within corporate guidelines. The advantages of SBU are as follow:

- Establishing coordination between the divisions
- Facilitate strategic management and control upon large structure of the organization
- Fixes the accountability at the level of distinct business units
- Helps in allocating resources to areas with greatest growth opportunities

Notes of Strategy Implementation & Control

- The task of strategic review make more effective and objective
8. Strategic leadership is the ability to influencing others to voluntarily make decisions that enhance long term success while maintaining short term financial stability. It sets the firm's direction by developing and communicating a vision of future and inspire employees to move into that direction. Managerial leadership is different from strategic leadership as it is concerned with short term, day to day activities. There are two basic approaches of leadership are as follow:
- **Transformational Leadership Style** use enthusiasm to inspire people. It may be appropriate in turbulent environment in the industries at very start or end of their life cycle. It is very important when there is need to inspire the company for major change. It offers excitement and personal satisfaction. It also motivates to employees for increasing their self confidence and also promote innovation throughout the organization.
 - **Transactional Leadership Style** is to be related with improving the current situation. Transactional leaders try to build the existing culture and enhance current practices. They prefer formalized approach of motivation with rewards and penalties for achievements and non achievements. It may be appropriate in settled environment.
9. A strategic manager has to play many roles in pushing for a good strategy execution, which describe as follow:

Notes of Strategy Implementation & Control

- Closely monitoring every process and working through obstacles and issues.
- Promoting a culture that motivating to members for executing good strategy execution and perform at high level.
- Keeping the organization for changing conditions so that it takes the benefit of opportunities.
- Leadership is must be ethical so that organization can conduct its business as it is citizen of an India.
- Taking corrective actions in timely manner for improving strategic execution and overall performance of the enterprise.

10. Businesses are required to make modification in the existing strategy or implement new strategy according to change in the environmental forces. Strategic change is complex process and it involve a strategy which focused on new products, markets, services and new ways doing business. There are three stages of strategic change which are describe as below:

- **Unfreezing the situation :-** This process make aware to individuals and organization to necessity for change and prepare them for change. The change should not come as surprise to the members of the organization. So the management must unfreezing the situation so that everyone is willing and ready for change. This can be possible by making announcement, held meetings and promoting ideas throughout the organization.
- **Changing to new situation :-** Once the above process is completed members are recognized the need for change and

Notes of Strategy Implementation & Control

prepared for accept the change. There are three methods for this (i) Compliance (ii) Identification (iii) Internalization

- **Refreezing** :- It occurs when new behaviour is become the normal way of life, The new behaviour must replace the old one completely for successful and permanent change to take place. Change of process is not one time process but a continuous process due to changing environment. The above three processes are cyclical one and remain continuously in action.

11. Responsibilities of strategic leaders are as describe as follow:

- Environment Scanning
- Dealing with the diverse and competitive situations
- Managing human capital
- Managing the company's operations
- Maintaining high performance for long time
- Willing to make candid decisions
- Decision making responsibilities which can't be delegated
- Take feedback through face to face communication
- Being spokesman for the organization

12. Operational control is focus on individual tasks where management control is focus on all business functions. When compared with operational management control is more inclusive as it include activities of whole department or division or even for a whole organization. In the organization many of the controls are in the nature of operational for which a set of standards, plans and instructions are formulated. On the other

Notes of Strategy Implementation & Control

hand the basic objective of management control is to achieve the short term or long term goals of the organization in an effective and efficient manner.

13. Strategic control are basically focuses on two questions (i) the strategy is being implemented as planned (ii) the result produced by the strategy are those intended. There are four types of strategic controls which are as follow:

- **Premise control** :- A strategy is formed on the basis of certain assumptions about the environment. It is a tool of continuous monitoring of the environment to verify the validity of the assumptions on the basis of which the strategy is formulated.
- **Strategic surveillance** :- It is unfocussed. It involve the monitoring the various sources of the information to uncover unanticipated information.
- **Special alert control** :- There are certain events which are unexpected may force organization to reconsider their strategy. Sudden change in government, natural calamities, merger or acquisition by the competitors, industrial disasters etc may force to enterprise to review of strategies.
- **Implementation control** :- Managers implement the strategies by converting major plans into actions. Implementation is directed towards assessing the need for change in overall strategy in the light of unexpected events.

Notes of Strategy Implementation & Control

14. Outbound logistics relates to collection, storage and distribution of the products to customers. It include all the activities storage, order processing, operational vehicles etc.
15. Change in strategy is require to make a change in structure as the structure decide how the resources are allocated. Structure should follow strategy. Without strategy companies find difficult to made effective structure.

The above notes are very helpful to students at the last minute rush at the time of exam. I hope that i am helping you and i am able to remove your little bit of tension through the above notes. Thank you very much. In case of any query you can contact with me through my mail id :- divyeshpithava@rediffmail.com.