2013

STRATEGIC MANAGEMENT
CA-IPCC

BY RAHUL SHARMA

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WITH MNEMONIC

BY

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HOW TO STUDY THESE NOTES

Refer these notes with Study Material. Revise at least 5 times before exam its take 1-2 hour maximum and very helpful for point's only. So very helpful to get good marks. Large no of MNEMONIC CODE is given in RIGHT SIDE which are Highlighted in YELLOW COLOUR and which are very helpful for remembering points.

Every effort is taken to avoid errors or omissions in this publication.

Chapter: 1

Business Environment

CHARACTERISTICS OF BUSINESS ENVIRONMENT: **DMRC**

D: Dynamic

M: Multifaceted

R: Reaching impact

C: Complex

COMPETITIVE FORCES IN AN INDUSTRY AS IDENTIFIED BY MICHAEL PORTER: **SCN**

S: Supplier (Bargaining power of supplier)

S: Substitutes (Treats from substitutes)

C: Current player (Rivalry from current players)

C: Customer (Bargaining power of customer)

N: New entrants (Threat of new entrants)

DIFFERENT STRATEGIC APPROACHES FOR GLOBALISATION OF COMPANY: **GMT**

G: Global strategy

M: Multi-Domestic strategy

T: Transnational strategy

ELEMENT OF MICRO ENVIRONMENT: **S.M. by I.O.C.**

S: Suppliers

M: Market

I: Inter-Mediaries

C: Consumers/Customers

C: Competitors

OBJECTIVE OF BUSINESS: **Efficiency by GPS**

Efficiency: Efficiency

G: Growth

P: Profitability

S: Survival

S: Stability

MANIFESTATION (effect) OF GLOBALIZATION: **C.M. FAIL**

C: Configuring anywhere in the world

M: Mobility of skilled resources

M: Market side efficiency

F: Formation of regional blocks

A: A Central economic role

I: Interlinked & interdependent economies

I: Increasing trend towards privatization

I: Infrastructural resources & inputs at international prices

L: Lowering of trade & tariff barriers

ADVANTAGES OF GLOBALIZATION: **GIRL** is **C.F.O.**

G: Global market, Global technology

I: Increasing emphasis on market forces

R: Rapid shrinking of time & distance

L: Lower transportation cost

C: Cheaper source raw material

F: Foreign investment

O: Oriented jobs means service oriented jobs

STRATEGIC RESPONSE TO THE ENVIRONMENT: **L.C.D.**

L: Least resistance

C: Caution

D: Dynamic response

Chapter-2

BUSINESS POLICY AND STRATEGIC MANAGEMENT

NATURE, SCOPE AND CONCERN OF CORPORATE STRATEGY: **HE** **IS** **D.C.**

H: Helps build the relevant competitive advantages for the firm

E: Ensure that the right fit in achieved between the firm & its environment

D: Design for filling the firm strategic planning gap

C: Concerned with the choice of the firm's products & markets

C: Can also be viewed as the objective strategy design of the firm