



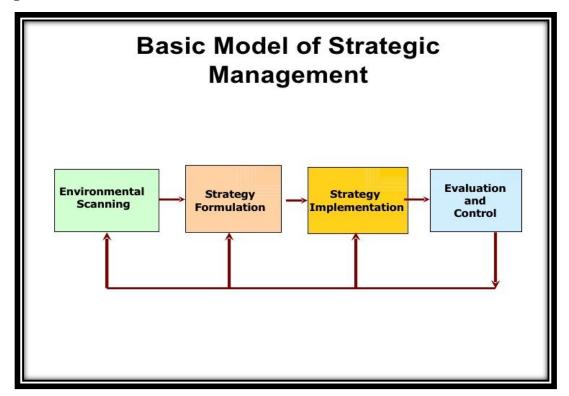
The ART of WAR

By:-Sarthak Sakhala & Varad Nagapurkar



STRATAGIC MANAGEMENT:

In the field of management, **Strategic Management** involves the formulation and implementation of the major goals and initiatives taken by an <u>organization</u>'s top <u>management</u> on behalf of owners, based on consideration of <u>resources</u> and an assessment of the internal and external environments in which the organization operates. Strategic management provides overall direction to an enterprise and involves specifying the organization's <u>objectives</u>, developing <u>policies</u> and <u>plans</u> designed to achieve these objectives, and then allocating resources to implement the plans.



Strategic management can also be defined as a bundle of decisions and acts which a manager undertakes and which decides the result of the



firm's performance. The manager must have a thorough knowledge and analysis of the general and competitive organizational environment so as to take right decisions. They should conduct a <u>SWOT Analysis</u> (Strengths, Weaknesses, Opportunities, and Threats), i.e., they should make best possible utilization of strengths, minimize the organizational weaknesses, make use of arising opportunities from the business environment and shouldn't ignore the threats.

Strategic Management and the role it plays in the accomplishments of firms has been a subject of thorough research and study for an extensive period of time now. Strategic Management in an organization ensures that goals are set, primary issues are outlined, time and resources are pivoted, functioning is consolidated, internal environment is set towards achieving the objectives, consequences and results are concurred upon, and the organization remains flexible towards any external changes.

The Art of War

"The art of war is of vital importance to the state. It is a matter of life and death, a road either to safety or to ruin. Hence it is a subject of inquiry which can on no account be neglected." -Sun Tzu

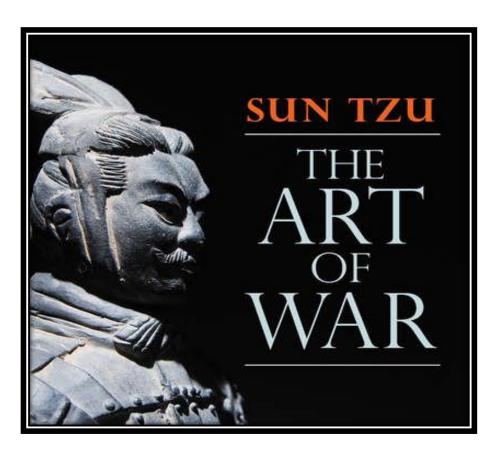
In a highly volatile, uncertain, complex, competitive and ambiguous world, organisations need to be agile and strategic to compete and survive.

Sun Tzu's Art of War is considered to be the ultimate business strategy guide. The Art of War's author was a Chinese military head 'Sun Tzu'. The Art of War still resonates with readers today. It is a book written



over 2500 years ago and is really the first and the most fundamental book studied.

Its principles aim to enable leaders, their teams, and organisations to know themselves, know their 'enemy', and know their terrain. They are widely used to help businesses today, sustain a competitive advantage and succeed.





Principles of Art of War in Business

Business should be operated like a war because survival is important.

1) Capture your market without destroying it

"Generally in war, the best policy is to take a state intact; to ruin it is inferior to this....For to win one hundred victories in one hundred battles is not the acme of skill. To subdue the enemy without fighting is the acme of skill." Sun Tzu

Sun Tzu calls this the need to "win-all-without-fighting". Since the goal of your business is to survive and prosper, you must capture your market. However, you must do so in such a way that your market is not destroyed in the process. A company can do this in several ways, such as attacking parts of the market that are under-served or by using subtle, indirect, and low-key approach that will not draw a competitor's attention or response. What should be avoided at all costs is a price-war. Research has shown that price attacks draw the quickest and most aggressive responses from competitors, as well as leaving the market drained of profits.

2) Avoid your competitor's strength, and attack their weakness

"An army may be likened to water, for just as flowing water avoids the heights and hastens to the lowlands, so an army avoids strength and strikes weakness." Sun Tzu

The Western approach to warfare has spilled over into business competition, leading many companies to launch head-on, direct attacks against their competitor's strongest point. This approach to business strategy leads to battles of attrition, which end up being very costly for everyone involved. Instead, you should focus on the competition's

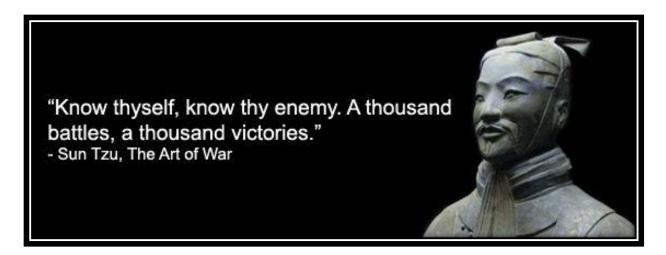


weakness, which maximizes your gains while minimizing the use of resources. This, by definition, increases profits.

3) Use foreknowledge & deception to maximize the power of business intelligence.

"Know the enemy and know yourself; in a hundred battles you will never be in peril" Sun Tzu

To find and exploit your competitor's weakness requires a deep understanding of their executives' strategy, capabilities, thoughts and desires, as well as similar depth of knowledge of your own strengths and weaknesses. It is also important to understand the overall competitive and industry trends occurring around you in order to have a feel for the "terrain" on which you will do battle. Conversely, to keep your competitor from utilizing this strategy against you, it is critical to mask your plans and keep them secret.





4) Use speed and preparation to swiftly overcome the competition.

"To rely on rustics and not prepare is the greatest of crimes; to be prepared beforehand for any contingency is the greatest of virtues." Sun Tzu

To fully exploit foreknowledge and deception, Sun Tzu states that you must be able to act with blinding speed. To move with speed does not

mean that you do things hastily. In reality, speed requires much preparation. Reducing the time it takes your company to make decisions, develop products and service customers is critical. To think through and understand potential competitive reactions to your attacks is essential as well.

5) Use alliances and strategic control points in the industry to "shape" your opponents and make them conform to your will.

"Therefore, those skilled in war bring the enemy to the field of battle and are not brought there by him." Sun Tzu

"Shaping you competition" means changing the rules of contest and making the competition conform to your desires and your actions. It means taking control of the situation away from your competitor and putting it in your own hands. One way of doing so is through the skilful use of alliances. By building a strong web of alliances, the moves of your competitors can be limited. Also, by controlling key strategic points in your industry, you will be able to call the tune to which your competitors dance.

6) Develop your character as a leader to maximize the potential of your employees.



"When one treats people with benevolence, justice and righteousness, and reposes confidence in them, the army will be united in mind and all will be happy to serve their leaders." Sun Tzu

It takes a special kind of leader to implement these strategic concepts and maximize the tremendous potential of employees. Sun Tzu describes the many traits of the preferred type of leader. The leader should be wise, sincere, humane, courageous, and strict. Leaders must also always be "first in the toils and fatigues of the army", putting their needs behind

those of their troops. It is leaders with character that get the most out of their employees.

Relevance of Art of War in Today's World:-

Business

The Art of War is widely popular in business because it has the many of the same attributes that war does. There are several translations and variations of The Art of War so that it better accommodates the needs of Businesses. The aspects of war and business are very much alike. You have a competitor. It's very situational; you need to play the right cards at the right time. You must have a united team or else all will fall. Do not go into a fight blindfolded. Meaning, do you research and really know all there is to know before battle. Reading and understanding the whole concept of the book has now been required for most business related classes and companies. The leaders of the organization and CEO's will most likely be the ones to really apply to their company. Following the guidelines that are given to you within this book and it will lead you to a prosperous company.



Law

The great military theorist, von Clausewitz explained, "War is a mere continuation of policy by other means", and then by analogy, "A trial is a mere continuation of social conflict by other means". The Art of War isn't so much exposed to Legal system as it is to business, but still plays an essential part in it. A small portion within the Legal system is the

trials. Trials contain alike components that warfare may possess. You must always show superiority. You need to find a weakness in your enemy then exploit it and see it as a beneficial opportunity. Know your armoury and use it efficiently. Obviously, know what you're talking about. They must do research prior to the trial. They must know all types of situations that could put them in a bad spot, and know how to get out

of it. The lawyer will be fine as long as he is prepared. The ones that the art of War applies to are usually The Lawyers, and the defendants.

Sports

What most people don't realize is that most sports require a lot of mental thinking. Psychological warfare plays a major role in certain sports behind the physical aspect of all of it. Sports are very similar to warfare in that experience, strength and strategies play a huge role in the outcome. The way an athlete prepares for a game is very similar to how a general prepares his army for battle. The thought process that goes through an athlete's head during the competition is similar to a general planning for his next step. It needs to a quick and efficient decision. One wrong move can mean the end of their journey. Even though they all start from a like base each sport requires a different strategy to accommodate the needs of that sport. They must study the opposing team before the game and even during the game. The team may have to determine their next move based on what the opposing team decides to



do. They must exploit the team's weakness. The Art of War most likely applies to team based sports such as basketball, soccer, football and a few individual sports like mixed martial arts or M.M.A. If a team wants to grab a win they must treat each game if it was an actual battle and each one is important as the last.

Conclusion:-

A strategic management team creates a successful management program. This program combines the resources and energies utilized by the organization. An organization reaches its goals because of the strategic management program. Supervisors and employees consolidate the strategic process with their daily schedule. In the end, success derives from good leadership. "Good leadership is essential for the success of any organization. In a healthcare organization, good leadership is more than just important it is critical to the organization's success". Successful strategic management occurs when all participants cooperate. The process involves supervisors and staff. With the cooperation and efforts of everyone, possible problems eventually decline or never occur.

In the last 20 years, strategic management in government has been seen as more than a management decision-making technique and, arguably, it has come to be seen as at the heart of the reform of public governance. This means we have got way beyond simply saying civil servants and public managers as individuals should be good at strategic thinking. There has been a continuous call for governments as institutions to become strategic to have strategic capabilities in carrying out their role on behalf of society.





The Strategic Management Process

By:- Mrugendra Patil & Twinkle Burad



INTRODUCTION:-

There is specific idea that strategic management is concerned with the strategic processes that produce desired responses to an organization's changing environment.

The strategic management process is concerned with a long-run perspective. The time horizon involved often is at least 3 years and normally may be 5 or 10 years into the future. However, in certain extremely dynamic industries, the strategic management process could be concerned with much shorter time frames.

Strategic management is the management of change. This involves the system of corporate values, the corporate culture, and all managerial process of change, such as leadership, planning, control, and human resources management.

Hence, strategic management can be viewed as a series of steps in which top management should accomplish at least the following 13 step program:-

- > SWOT Analysis
- > Set Vision
- > Set Mission
- > Set Objectives
- ➤ Identify Alternatives
- > Evaluation of Alternatives
- > Selection of best alternative
- > Implementation
- Create Control
- ➤ Identifying Flaws
- ➤ Take corrective Actions
- ➤ Set New Strategy



SWOT ANALYSIS:

A SWOT analysis is a high-level strategic planning model that helps organizations identify where they're doing well and where they can improve, both from an internal and external perspective.

It is an acronym for "Strengths, Weaknesses, Opportunities, and Threats."

It is a framework for identifying and analysing the internal and external factors that can have an impact on the growth of a project, product, place or the plan.

SWOT analysis is most commonly used by business entities, but it is also used by <u>non-profit organizations</u> and, to a lesser degree, individuals for personal assessment. Additionally, it can be used to assess initiatives, products or projects.





SET VISION:

Your vision is your dream. It's what your organization believes are the ideal conditions for your community; that is, how things would look if the issue important to you were completely, perfectly addressed.

It might be a world without war, or a community in which all people are treated as equals, regardless of gender or racial background.

Whatever your organization's dream is, it may be well articulated by one or more *vision statements*. Vision statements are short phrases or sentences that convey your community's hopes for the future.

By developing a vision statement or statements, your organization clarifies the beliefs and governing principles of your organization, first for yourselves, and then for the greater community.

There are certain characteristics that most vision statements have in common. In general, vision statements should be:

- Understood and shared by members of the community
- Broad enough to include a diverse variety of local perspectives
- Inspiring and uplifting to everyone involved in your effort
- Easy to communicate for example, they are generally short enough to fit on a T-shirt

Here are some examples of vision statements that meet the above criteria:

- Caring communities
- Healthy children
- Safe streets, safe neighborhood's
- Education for all



SETTING MISSION:

Mission Statement – A general statement of how the vision will be achieved. The mission statement is an action statement that usually begins with the word "to".

Mission of an Example Business – To provide unique and high quality dairy products to local consumers.

A **mission statement** outlines a start up's underlying motivation for being in business. It spells out the contribution to society that the organization aspires to make.

The mission statement is not a strategic objective, but rather the basis on which the **strategic objectives** and strategic plan are developed. This ensures that the start up's goals derive from the basis on which the company was founded.





SETTING OBJECTIVE:

An objective is a specific step, a milestone, which enables you to accomplish a goal. Setting objectives involves a continuous process of research and <u>decision-making</u>. Knowledge of yourself and your unit is a vital starting point in setting objectives.

The strategic objectives of the organization are linked to its <u>mission</u> and formulated <u>vision</u>. Strategic objectives may not necessarily meet the conditions and principles of <u>SMART</u> (specific, measurable, achievable, realistic and time availability), if they are further disintegrated into the <u>specific objectives</u>.

Use of strategic objectives in the organization: The strategic objectives of the organization are crucial to clarify its vision, which they



specify. The strategic goals of the organization are generally defined by the <u>owner</u> or top management, who is also <u>responsible</u> for achieving them. Strategic objectives broaden the vision and help <u>managers</u> to manage and motivate staff at the <u>organization</u>.

IDENTIFYING ALTERNATIVES:

Strategic alternative refer identify the alternative to strategies that organization might pursue, it serves at the basis for making the choices of direction that a firm adopts in order to achieve its objectives and provides basic direction to the organization. The strategic alternatives are s ometimes used as strategic choices and strategic option.

They enhance managers to identify strategic option. For the strategic optionthe business should analyse strengthand weakness and threats and opportunities. At the same time organization economic, personnel, administration, products market and pricing policies should be analysed. Strategic options are the alternative directions and methods available for

formulating the organizations strategy. This phase develops strategic alternatives or options.

"Organization should develop the strategic alternatives to link between organizations strength and weakness with environmental opportunity and threat. Analysis of strategic options seeks to determine the alternative courses of action that could best enable the firm to achieve its mission and objectives. Strategic alternative is a choice between three options which may depend on the particular situation of the organization.



EVALUATING ALTERNATIVES:

A key component to strategic management which is often overlooked when planning is evaluation. There are many ways to evaluate whether or not strategic priorities and plans have been achieved, one such method is <u>Robert Stake</u>'s Responsive Evaluation. Responsive evaluation provides a naturalistic and humanistic approach to program evaluation. In expanding beyond the goal-oriented or pre-ordinate evaluation design, responsive evaluation takes into consideration the program's background (history), conditions, and transactions among stakeholders. It is largely emergent, the design unfolds as contact is made with stakeholders.

The purpose of evaluating alternatives is to help the Planning Committee make sound decisions about the management strategies so that they will advocate in the resource plan. Alternatives are evaluated to determine

their effectiveness in addressing the concerns, taking advantage of opportunities, and meeting objectives in the planning area.



SELECTION OF BEST ALTERNATIVE:

Experimentation

Trying one of the alternatives and see how it goes is a usual way of choosing an alternative. This kind of experimentation is often used in scientific inquiry. It is frequently suggested that this method should be used quite often in management.

Because only by trying various alternatives a manager can be sure about the best way, especially in view of the intangible factors involved in the decision process.

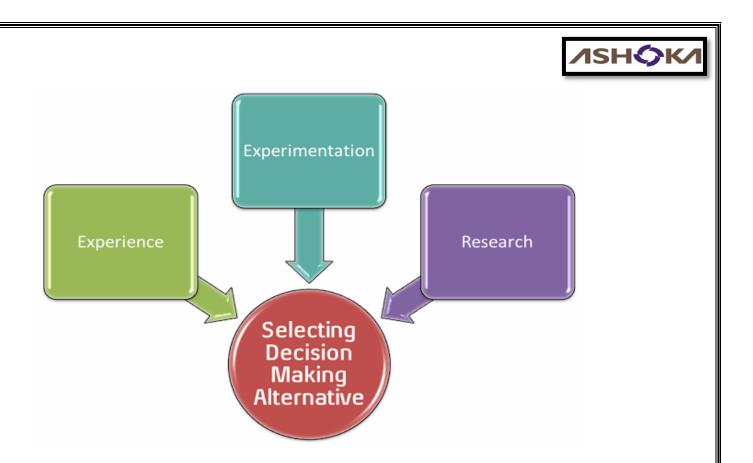
Moreover, even after carrying out an experiment, doubts may remain about its certainty and real nature. Therefore, this should be used only after considering other alternatives.

Research and Analysis

One of the best techniques for selecting from among alternatives when major decisions are involved in research and analysis.

This approach means solving a problem by understanding it at first. It, therefore, involves a search for relationships among the more crucial features, limitations, and places that bear upon the goal sought.

It is the pen-and-paper approach to decision-making. The <u>solution to a planning problem</u> and making a decision about it involves dividing the problem into its component parts and studying their various quantitative and qualitative aspects.



STRATEGIC IMPLEMENTATION:

Strategic implementation is critical to a company's success, addressing who, where, when, and how of reaching the desired goals and objectives. It focuses on the entire organization. Implementation occurs after environmental scans, SWOT analyses, and identifying strategic issues and goals. Implementation involves assigning individuals to tasks and timelines that will help an organization reach its goals.

Basic Features

A successful implementation plan will have a very visible leader, such as the CEO, as he communicates the vision, excitement and behaviours necessary for achievement. Everyone in the organization should be engaged in the plan. Performance measurement tools are helpful to



provide motivation and allow for follow-up. Implementation often includes a strategic map, which identifies and maps the key ingredients that will direct performance. Such ingredients include finances, market, work environment, operations, people and partners.

Necessary Elements

To successfully implement your strategy, several items must be in place. The right people must be ready to assist you with their unique skills and abilities. You need to have the resources, which include time and money, to successfully implement the strategy. The structure of management must be communicative and open, with scheduled meetings for updates. Management and technology systems must be in place to track the implementation, and the environment in the workplace must be such that everyone feels comfortable and motivated.

Sample Strategic Assessment Plans

Several of the sample strategic plan documents allow you to set up a system for tracking the plan and managing the system with rewards. Typically, the plan is presented to the entire organization and includes a schedule of meetings, annual review dates for reporting progress and a means of modifying current assignments or adding new assessments.



Strategy Implementation Model



CREATING CONTROL:

"It is the process by which managers monitor the ongoing activities of an organization and its members to evaluate whether activities are being performed efficiently and effectively and to take corrective action to improve performance if they are not" -Sam Walton

Managers exercise strategic control when they work with the part of the organisation they have influence over to ensure that it achieves the strategic aims that have been set for it. To do this effectively, the managers need some decision making freedom: either to decide what needs to be achieved or how best to go about achieving the strategic aims. Such decision making freedom is one of the characteristics that differentiate strategic control from other forms of control exercised by

managers (e.g. Operational control – the management of operational processes).



Strategic controls take into account the changing assumptions that determine a strategy, continually evaluate the strategy as it is being implemented, and take the necessary steps to adjust the strategy to the new requirements. In this manner, strategic controls are early warning systems and differ from post-action controls which evaluate only after the implementation has been completed.

IDENTIFYING FLAWS:

Problem identification provides the platform for investigating a broad range of interventions and generating options. Initiatives developed in subsequent steps of the Framework should address the problems identified here.

The process of problem identification involves the development of clear, straightforward problem statements that can be linked directly with the specific goals and objectives already identified in Step 1. These statements should clarify how the problem prevent the goals and objectives identified in the previous step from being achieved. This should include the full range of objectives identified in the previous step – including objectives for different levels of planning and markets.

Problem identification should consider not only 'problems' or 'challenges', but also constraints on opportunities that are preventing the goals and objectives from being achieved.



Identification should be based on empirical observations, such as data and information obtained from surveys, demand modelling, interviews and studies from a wide range of sources.

TAKE CORRECTIVE ACTION:-

The final step in the control process is determining the need for corrective action. Managers can choose among three courses of action:

- 1) They can do nothing
- 2) They can correct the actual performance; or
- 3) They can revise the standard.

Maintaining the status quo if preferable when performance essentially matches the standards. When standards are not met, managers must carefully assess the reasons why and take corrective action. Moreover, the need to check standards periodically to ensure that the standards and the associated performance measures are still relevant for the future.

The final phase of controlling process occurs when managers must decide action to take to correct performance when differences occur. Corrective action depends on the discovery of variations and the ability to take necessary action. Often the real cause of variation must be found before corrective action can be taken. Causes of deviations can range

from unrealistic objectives to the wrong strategy being selected achieve organizational objectives. Each cause requires a different corrective action.



Not all deviations from external environmental threats or opportunities have progressed to the point a particular outcome is likely, corrective action may be necessary.

There are three choices of corrective action:

- Normal mode follow a routine, no crisis approach; this take more time.
- An ad hoc crash mode (emergence mode) saves time by speeding up the response process, geared to the problem ad hand.
- Pre-planned crisis mode specifies a planned response in advance; this approach lowers the response time and increases the capacity for handling strategic surprises.

SETTING NEW STRATEGY:-

Whenever you set off across new territory you'll want to consult a map, otherwise you'll get lost.

Stepping forward into the unknown (also known as 'the future') is what companies do every day.

And what do they need to make sure they don't get lost? A strategy, of course, which some may also call a roadmap.

Whether you're looking to set new business priorities, outline plans for growth, determine a product roadmap or plan your investment decisions,

you'll need a strategy. Coming to the realisation that your organisation needs one is easy. Actually creating a strategy is a little trickier.



The reality is that strategy is at some level about all those things, and you can't do a satisfactory job with your analysis alone, or your big picture alone, or your changes alone. You have to do a bit of work on all of them.

That's actually a lot easier than it sounds. The preferred approach is to treat strategy- making as developing a set of answers to five interlinked questions.

The questions — which cascade logically from the first to the last — are as follows:

- 1. What are our broad **aspirations** for our organization & the concrete **goals** against which we can measure our progress?
- 2. Across the potential field available to us, where will we choose to play and not play?
- 3. In our chosen place to play, **how** will we choose **to win** against the competitors there?
- 4. What **capabilities** are necessary **to build** and maintain to win in our chosen manner?
- 5. What **management systems** are necessary **to operate** to build and maintain the key capabilities?

Crafting your strategy in relatively small and concrete chunks and honing the answers to the five questions through iteration will get you a better strategy, with much less pain and wasted time.



CONCLUSION:

Leaders of firms, ranging from the smallest sole proprietorship to the largest global corporation, must make decisions about the delegation of authority and responsibility when organizing activities within their firms. Deciding how to best divide labour to increase efficiency and effectiveness is often the starting point for more complex decisions that lead to the creation of formal organizational charts.

While small businesses rarely create organization charts, firms that embrace functional, multidivisional, and matrix structures often have reporting relationships with considerable complexity.

To execute strategy effectively, managers also depend on the skillful use of organizational control systems that involve these 13 step program explained in detailed above.

Although introducing more efficient business practices to improve organizational functioning is desirable, executives should avoid letting their firms become "out of control" by being skeptical of management fads.

To put in into nutshell, the legal form a business takes is an important decision with implications for a firm's organizational structure.







Strategic leadership

By:-Mohit Asija & Ayush Tejwani.



INTRODUCTION:-

"Leaders move among the various stages each day. But effective leaders move among the right stages at the right times." Therefore leadership can be defined as the ability to influence others to voluntarily make decisions that enhance the prospectus for the organisation's long term success while maintaining long term financial stability. Strategic leadership provides techniques that focus organizations when they are deciding on their purpose and best business practices that are critical for remaining competitive and relevant. For a strategic leader to remain successful requires a different way of thinking about how to marshal the resources and deliver services. There are many leaders who face the continuing challenge of how they can meet the expectations of those who placed them there. Addressing these expectations usually takes the form of strategic decisions and actions. For a strategy to succeed, the leader must be able to adjust it as conditions require. For a strategy to succeed, the leader must be able to adjust it as conditions require. let me tell you a incident related to the war between U.S.A and Vietnam, as Vietnam is a small country but still they defeated their colonisers (U.S.A) with a small army. The main reason for their victory was their leader Ho Chi Minhwho formed his strategy by analysing the book written by one of our greatest leader CHHATRAPATI SHIVAJI MAHARAJ.



A strategic leader is strategically future oriented. A strategic leader's eyes are always on the horizon, not just on the near at hand. Now let me

tell you a leadership model that was introduced Batty and consists three Quinn components: who, how, and what. The interdependent processes of this model are thinking, influencing. and acting, (Beatty and Quinn, 2010). Strategic leaders have the ability to determine effective points. intervention This means that the strategy of an



effective leader is to develop new visions, create new strategic and move in a new, sometimes unexpected, direction. At these strategic opportunity points, the most important component is the timing of when to intervene and directing change verse what the intervention is put in place. The significance of strategic leadership "is making decisions about whether and when to act."

According to a study it suggests that strategic leaders are more likely to be women nearly around 10% while the men are about 7% only and the highest proportion of strategic leaders was among respondents age 45 and above and all these leaders have several common personality traits

that they challenge prevailing views without provoking outrage or cynicism. Here are few traits which will help them in superior performances.



- Loyalty
- Judicious use of power
- Motivation
- Self-control
- Social skills
- Readiness to delegate and authorize
- Articulacy
- Reliability

Now we would like to tell you 7 basic priciples of Strategic leadership:

- 1. <u>Distribute responsibility</u>: Distribution of responsibility gives potential strategic leaders the opportunity to see what happens when they take risks. It also increases the collective intelligence, adaptability, and resilience of the organization over time, by harnessing the wisdom of those outside the traditional decision-making hierarchy.
- 2. Be honest and open about information: A Leader must be honest and should share enough information so that people shouldn't lack information as it can undermine their confidence in challenging a leader or proposing an idea that differs from that of their leader.

3. Create multiple paths for raising and testing ideas:

Developing and presenting ideas is a key skill for strategic leaders. Even more important is the ability to connect their ideas to the way the enterprise creates value. By setting up ways for people to bring their innovative thinking to the surface, you can help them learn to make the most of their own creativity.

4. <u>Provide access to other strategists</u>: Give potential strategic leaders the opportunity to meet and work with their peers across the organization. Otherwise, they remain hidden from one another, and may feel isolated or alone. Once they know that there are others in the



- company with a similar predisposition, they can be more open, and adept in raising the strategic value of what they do.
- 5. Bring your whole self to work: Strategic leaders understand that to tackle the most demanding situations and problems, they need to draw on everything they have learned in their lives. They want to tap into their full set of capabilities, interests, experiences, and passions to come up with innovative solutions. And they don't want to waste their time in that don't align with their values.
- 6. Find time to reflect: Reflection helps you learn from your mistakes, but it also gives you time to figure out the value of your aspirations, and whether you can raise them higher. It allows you the chance to spot great ideas using what you are already doing or things that are going on in your life.
- 7. Recognize leadership development as an ongoing practice: Reflection help you learn from your mistakes, but it also gives you time learning and development is now done, however experienced the may be.

CONCLUSION:

Thus I would like to conclude here be saying that "strategies are not formed or created, they are bore with a good strategic leader."





Strategic Management -Indian Legends

By:-Shruti Shinde & Anushka Pande.

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INTRODUCTION:

Strategic management involves the related concept of strategic planning and strategic thinking. Strategic management is often described as involving two major processes: formulation and implementation of strategy.

In 1950s decade, their was industrial revolution which demanded change in the business structure and in 1980s finally the business revolution took place which gave re-birth to strategic management and a underlying person other than CEO who is a strategic manager are:

- a)To cope with ever changing business environment.
- b)To meet never ending and ever growing competition.

Did strategic management come into light in 1980? Had any economist discovered this concept?

The answer to all above questions is NO. The invention of strategic management takes us back in history. All the fundamental factors such as strategic intention, strategic intelligence, six sigma, SWOT analysis, etc. are discovered then were owned by many legendary and dignified kings like ShivajiMaharaj, PeshwaBajirao, ChandraguptaMaurya and many more. These intelligent and solemn kings are the impeccable examples of a strategic manager.

"The nonpareil strategic managers are in history"

The strategy served as and was considered as a perfect plan and ploy. The way in which they formulated strategy against their foes and its implementation, performance and the execution this concept is called



strategic management which is now premeditated as a vital subject in Commerce stream and essential attribute of corporate world.

In this article, we should scrutinize the application of strategic management and evaluate its element in the wars.





Shivaji's Combat with Afzal Khan

"Never bend your head, Always hold it high."

Elements to be evaluated

1)Strategic intelligence
2)Strategic intention
3)SWOT analysis

ShivajiBhonsle was an Indian warrior king and a member of the Bhonsle Maratha clan. Shivaji carved out an enclave from the declining Adilshahi sultanate of Bijapurand



formed the genesis of the Maratha empire. In 1674, he was formally crowned as the Chhatrapati of this realm at Raigad.

There are many junctures of ChhatrapatiShivajiMaharaj which delineate's the paradisiac attributes of strategic management. The very first and the most paramount instance that took place was the

encounter with the humongous and gigantic personality Afzalkhan.

ShivajiMaharaj and Afzalkhan were two contradictory personalities. The resources getable with ShivajiMaharaj were restrained and delimited but the competitive advantage he had was his intelligence and fortitude. On inimical, Afzalkhan had an enormous and gargantuan force with many competitive advantage such as behemothic body and astute brain. But the fundamental discrepancy between them were the ethics and values they possessed.



As Adilshah was displeased at his losses to Shivaji's forces, which his vassal Shahaji discovered. Having ended his conflict with the Mughals and having a greater ability to respond on 1657 Adilshah sent Afzalkhan a veteran general, to arrest Shivaji. Before engaging him the forces desecrated the TuljaBhavani and Pandharpur temples.

The first facet which is emulated is strategic intent, **Strategic Intent** implies the purpose, which an

organization or person endeavor of achieving. It can be understood as the philosophical base of strategic management process. ShivajiMaharaj was definitive and explicit about his intention that should be defined during the war. He was clear that his foe should never be left alive though he is dead.

Then the two met in a hut at the foothills of Pratapgad fort on 10th November 1659. The arrangements had dictated that each come armed only with a sword, and attented by one follower. Shivaji, either suspecting Afzalkhan would arrest or



attack him or secretly planning to attack himself wore armour beneath his clothes, concealed a baghnakh on his left arm and had a dagger in his

right hand.

This eludicates the second attributes: **Strategic intelligence** . Strategic intelligence is the masterpiece element of strategic management and is of utmost importance. This aspect can be ligatured with another aspect that is **SWOT analysis**

(Strenght, Weakness, Opportunities and Threats). With the use of strategic intelligence he found out the strengths and weaknesses and also the opportunities and threats whose culmination was that such a broad and husky man was



debacled and his whole army was cut down. After the victory, a grandreview was held by Shivaji below Pratapgad.

This combat and enmity between ShivajiMaharaj and Afzalkhan evaluated three most vital attributes which are the part and parcel of strategic management. ShivajiMaharaj brings out ideal and superb example of strategic management.

Attack on Shaistkhan

Elements to be evaluated

1)Six sigma

2)Strategic intelligence

3)Strategic intent

The second instance that tote's the gravity of strategic management is the attack onShaistakhan.

Upon the request of Badi Begum of Bijapur, Aurangzeb, the Mughal emperor, sent his maternal uncle Shaistakhan with an army numbering over 1,50,000 along with a powerful artillery division in January 1660 to attack Shivaji in conjunction with Bijapur's army led by SiddiJauhar. Shaistakhan, with his better equipped and provisioned army of 80,000

seized Pune. He also took fort of Chakan, beseizing it for a month and a half before breaching the walls. Shaistakhan pressed his advantage of having a larger, better provisioned and heavily armed and made inroad into some of the Maratha territory, seizing the city of Pune and

establishing his residence at Shivaji's palace of LalMahal.



Shaistakhanhad brought a battalion of 80,000 thousand sentinels in a city



of population of 30-35 thousand. The residents in Pune chiefly women were wringed and oppressed and the men were enslaved. In April 1663, Shivaji launched a surprise attack on Shaistakhan with a band of 200 followers, using a wedding procession.

It was not a piece of cake to

conquer such a massive and monumental fort ringed with soldiers almost 400 times the followers. It needed proper planning and execution which is a salient and prime part of strategic management.

They manoeuvred a strategy to enter the fort, succor of wedding procession. This was the Strategic intelligence which is also depicted in this incidence where Shivaji Maharaj acts as a strategic manager using his leadership skills.

This incidence took place at night as it was aphotic, it was strenuous and arduous to recognize the nemesis. The strategy implemented by them was that when they will enter the fort they will begin to screech, "Enemy! Enemy!" which will awake all the soldiers and their foe in the fort. It did the same. As all were awake they began to extirpate their enemies. As all of it was over they again dovetailed the people in wedding procession.

The another imperative attribute of strategic management is Six Sigma which is cast back through this attack on Shaistakhan by Shivaji Maharaj. This attack cast upon minimum error of 0.00034% and have 99.99966%



veracity and accuracy in his management and strategies. The attack was so well-plannned that its execution was flawless and indefectible and

had very minute errors. This attack perfectly construe's the element of Six Sigma. This attack is a apt example to limn the efficiency and skills of ShivajiMaharaj as a strategic manager.

This was the way in which a exemplary strategy was formulated and executed through strategic intelligence and also with the aid of strategic leadership which was completely constructed on the basis of their strategic intent to slaughter Shaistakhan.

Did You Know?

- 1)Known as the Father of Indian navy, Shivaji was the first to realize the importance of having naval force
- 2)ChhtrapatiShivaji was called as the 'Mountain Rat' and was widely known for his Guerilla warfare tactics

Bajirao Peshwa Battle Tactics

ShrimantBajiraoPeshwa's quote-

"Remember that night had nothing to do with sleep. It was created by God to raid territory held by your enemy. The night is





your shield your screen against the cannons of vastly superior enemy forces"

Elements to be evaluated



- 1)Competitve advantage
- 2)Strategic intelligence
- 3)Strategic mobility

BajiraoPeshwa was a general of the Maratha empire in India. He served as Peshwa to the fifth Maratha ChhatrapatiShahu from 1720 until his death. He is also known by the name

BajiraoBallal. Bajirao is credited with expanding the Maratha empire in India which contributed to its reaching a zenith.

Bajirao was renowned for rapid tactical movement in battle using his cavalry. BajiraoPeshwa had confined resources in comparison to his antagonists. But his intelligence which he turned into advantage whose by-product was the **competitive advantage** that is speed attained by them. A competitive advantage is a condition or circumstance that puts aorganisation in a favourable or superior positon. The competitive advantage of Bajirao was speed which bolstered him to cover long distances in short span of time and quell and quanch his enemy and conquer the battle. The strategic intelligence of BajiraoPeshwa to limit the number of elephants and cannons led to his competitive advantage of speed. Bajirao concentrated on using local terrain to cut the enemy supply lines with the help of rapid troop movement. He followed Maratha traditional tactics of encircling the enemy



quickly, appearing from the near of enemy, attacking from the unexpected direction, distracting the enemy's attention, keeping the enemy off balance and deciding the battlefield on his own terms. It made him gold star in his

every combat. Thus, BajiraoPeshwa was always in a favourable position due to his competitive advantage.

British general Montgomery called Bajirao's victory at Palkhed as a "masterpiece of strategic mobility".

The three influential attributes that have impact on war or business are **strategic intelligence**, strategic mobility and Six Sigma which are revealed through the strategies of BajiraoPeshwa which can be considered as golden rules for the prosperity and boom of the organization or to conquer a war.

Conclusion

In this way, strategic management was envisioned in the history and now is devised through it to administer the organization and the everchanging and mobile business environment. Its application can be apparently and evidently be inferred by the war strategies formulated by the great legends. The strategic management is the need of today's corporate world and the strategic manager is the brain of the organization. The strategic management as a subject was discovered decades before and is now soul of each and every giant company who wants to capture the market.

"Strategy without tactics is the slowest route to victory

Tactics without Strategy is the noise before defeat"



Test Yourself

Now, let's brush up your knowledge.

Down:-

- 1)Significant battle of BajiraoPeshwa
- 2)Attribute which lays 99.99966% accuracy
- 3)Important battle led by MaharanaPratap
- 4)One of the vital attribute of strategic management

Which makes the objective clear is

Across:-

- 1)Secular king of India
- 2) Masterpiece of element of strategic management
- 3)Regarded as cavalry general of India
- 4)Acronym for analysis important for determination of business environment





Reaching Strategic Age:-

By:-Naaz Maniyar & Jhalak Agrawal.



INTRODUCTION:-

The concept of BPR was laid out in a 1990 Harvard Business Review article, "Reengineering Work: Don't automate, obliterate" by the late Michael Hammer, a management author and professor of computer science at the Massachusetts Institute of Technology (MIT). Hammer contended that the usual methods for boosting performance had failed to yield the improvements enterprises needed to operate in the 1990s. Product development cycles were too slow, order fulfillment errors too high and inventory levels were out of sync with demand at many companies, making large enterprises ill-equipped to succeed in a time of rapidly changing technologies, rising customer expectations and global competition. Hammer believed that information technology (IT) failed to improve results in performance or customer service, because it was simply being used to automate existing, deficient processes. He saw the need for companies to stop and rethink how technology could be used to create entirely new processes.

Business Process Reengineering:

Business process is a set of related work activities that are performed by employees to achieve business goals. Business process is a way we perform our work and business process reengineering is the process of changing the way we do our work so we do it better to accomplish the goals of our business.



Through the years, there have been many different notions about what business process reengineering (BPR) is and how successful it has been as a process improvement approach. In the early 1990s, Michael Hammer and James Champy authored a best-selling book, "Reengineering the Corporation: A Manifesto for Business Revolution,", in which they promoted that sometimes radical redesign and reorganization of a process by wiping the slate clean was necessary to lower costs and increase quality of service.

What is Business Process Reengineering?

Business Process Reengineering (BPR) aims at cutting down enterprise costs and process redundancies, but unlike other process management techniques, it does so on a much broader scale. BPR also known as process innovation and core process redesign - attempts to restructure or obliterate unproductive management layers, wipe out redundancies, and remodel processes differently. An important goal of BPR is to analyze workflows within and between enterprises in order to optimize end-to-end processes and eliminate tasks that do not provide the customer with value. The objective of BPR is to make an organisation more flexible, responsive, efficient and effective.

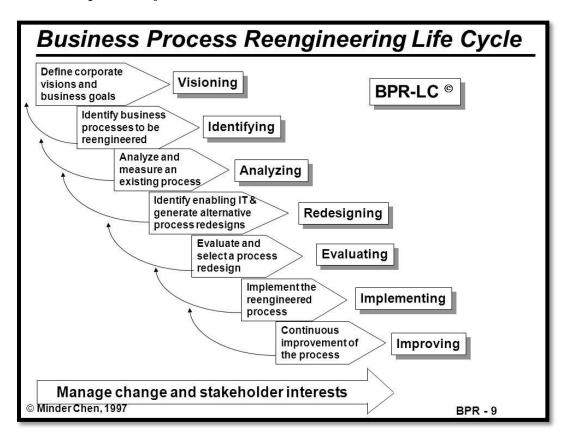
Principles of business process reengineering:

The book, "Reengineering the Corporation: A Manifesto for Business Revolution," suggested seven principles for reengineering a work



process and achieving a significant level of improvement in quality, time management, speed and profitability which are as follows:

- ➤ Organize around outcomes, not tasks.
- ➤ Identify all the processes in an organization and prioritize them in order of redesign urgency.
- ➤ Integrate information processing work into the real work that produces the information.
- ➤ Treat geographically dispersed resources as though they were centralized.
- ➤ Link parallel activities in the workflow instead of just integrating their results.
- ➤ Put the decision point where the work is performed and build control into the process.
- Capture information once and at the source.





5 Steps to business process redesign:

Business leaders use a five-step approach to radically change workflow:

- Develop the business vision and process objectives.
- Identify the processes to be redesigned.
- Understand and measure the existing processes.
- *Identify IT levers.*
- *Design and build a prototype of the new process.*

BPR team member roles

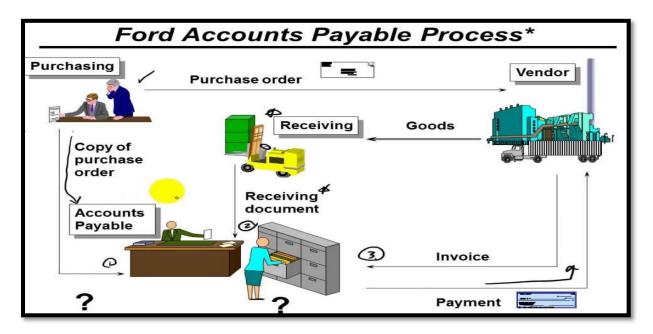
- 1. <u>Team Leader:</u> a senior executive who has envisioned and authorized the overall reengineering effort. The team leader is responsible for appointing the process owner.
- 2. <u>Process Owner</u>: a senior-level manager in charge of a specific business process. The process owner is responsible for assembling a team to reengineer the process he or she oversees.
- 3. <u>Reengineering Team</u> a group that is composed of insiders whose work involves the process being reengineered and outsiders whose jobs will not be affected by changes in process. The reengineering team is responsible for analyzing the existing process and overseeing its redesign.
- 4. <u>Steering Committee:</u> a group of senior managers who have championed the concept of reengineering within the organization and set specific goals for improving performance. The steering committee, which is led by the Team Leader, is responsible for arbitrating disputes and helping process owners make decisions about competing priorities.



5.<u>Reengineering Czar:</u> an individual who is responsible for the day-to-day coordination of all ongoing reengineering activities. The czar's responsibility is to be a facilitator and develop the techniques and tools the organization will use to reengineer workflow.

Case study:

One of the companies that successfully utilised BPR in the initial years is Ford for its accounts payables system. Initially the companyhad the following accounts payable system.



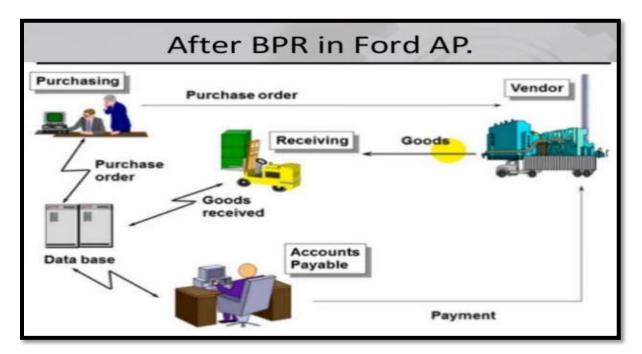
It starts with purchasing. The purchasing department send out a purchasing order to a vendor to acquire certain product or service, a copy of which will be send to the accounts payable department. Once the vendor shipped the goods to the receiving unit on the warehouse, the

receiving document or the shipping slip etc would also be send to the accounts payable department, so that would be the second document.



Eventually an invoice will be send by the vendor to the accounting department and with the three documents, if they all match then the payment was sent out to the vendor.

On their visit to Mazda, a Japanese car manufacturer, Ford found that one of the document that it generated was not required by Mazda for the payment, which was the invoice. It is because if you order something through the purchase order and you know you have received everything that you have ordered usually the payment term and the total payment has been documented in the purchase order. So to certain extent there is no need to receive the invoice before you pay to the vendor.



Trigger for Ford's account payable engineering:

Mazda uses only 1/5th personnel to do the same accounts payable (Ford-500, Mazda-100)

When the goods arrived at the loading dock at Mazda:

1. Bar-code is used to scan the delivered goods,



- 2. Inventory updated instantly,
- 3. Production schedule may change accordingly, and
- 4. The electronic payment will be send to the supply without their invoice.

Ford's Account Payable

Before:

- More than 500 account payable clerks matched purchase order, receiving documents and invoice and then issued payment.
- It was slow and cumbersome
- Mismatches were common

After:

- Reengineering procurement instead of accounts payable process
- The new process cuts head count in accounts payable by 75%
- Invoices are eliminated
- Matching process is computerised
- Accuracy has been improved
- Information system based on the central database has been used to consolidate the purchase order, the receding document and eventually the payment information.

So the process has streamlined and improved dramatically.



Business Process Re-engineering - Saviour or Foe?

Of all the disciplines that guide the enterprise world and its management of processes, nothing comes close to a solution that is as radical and controversial as Business Process Reengineering (BPR).

BPR is radical because it often ignores the rules that apply to the current processes. And it is argued over because it usually demands heavy investment, budget cuts across department lines and many times results in employee layoffs. Radical change proved to be expensive and risky, but the most frequent critique of BPR was that it placed too much emphasis on technology and cost reduction and didn't consider how dramatic change affects people and company culture. By the end of the 1990s, the word reengineering was being used as a synonym for two practices that were radically impacting corporate life -downsizing and outsourcing.

However one must know that BPR takes a look at every system and tries to find ways to reengineer them to be faster, more efficient, and smoother. While solutions like business process management (BPM) and business process integration (BPI) center around at enterprise's profit and productivity, customer needs and the organization's missions are at the heart of Business Process Reengineering (BPR). In BPR, the process always starts with companies putting down new ideas on a clean slate to rethink the existing processes from ground up.



Six Sigma

Six Sigma is a problem solving methodology rooted in data. Born in Motorola in 1896, it was introduced by engineer Bill Smith. The approach quickly gained recognition among global corporations thanks to Jack Welch at G.E.

Today Six Sigma is applied across organisations of all sizes whether small or big as it involves rigorous data driven approach to improve process performance instilling continuous improvement.

Six Sigma is much more than simply a set of tools; it is a methodology that brings road maps, roles, language and culture change to an organisation.

The term "six sigma" comes from <u>statistics</u> and is used in <u>statistical</u> <u>quality control</u>, which evaluates <u>process capability</u>. Originally, it referred to the ability of manufacturing processes to produce a very high proportion of output within specification. Processes that operate with "six sigma quality" over the short term are assumed to produce long-term defect levels below 3.4 <u>defects per million opportunities</u> (DPMO). The 3.4 dpmo is based on a "shift" of +/- 1.5 sigma created by the psychologist DrMikel Harry.

The maturity of a manufacturing process can be described by a *sigma* rating indicating its yield or the percentage of defect-free products it creates. A six sigma process is one in which 99.99966% of all opportunities to produce some feature of a part are statistically expected to be free of defects (3.4 defective features per million opportunities). Motorola set a goal of "six sigma" for all of its manufacturing.







The common Six Sigma symbol

Six Sigma doctrines asserts:

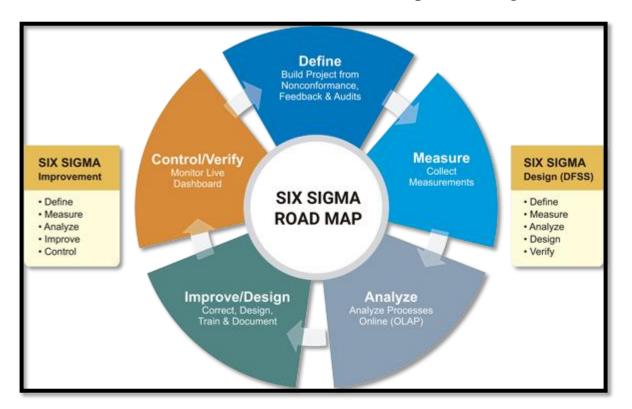
- Continuous efforts to achieve stable and predictable process results (e.g. by reducing process <u>variation</u>) are of vital importance to business success.
- Manufacturing and business processes have characteristics that can be defined, measured, analyzed, improved, and controlled.
- Achieving sustained quality improvement requires commitment from the entire organization, particularly from top-level management.

Features that set Six Sigma apart from previous quality-improvement initiatives include:

- A clear focus on achieving measurable and quantifiable financial returns from any Six Sigma project.
- An increased emphasis on strong and passionate management leadership and support.



• A clear commitment to making decisions on the basis of verifiable data and statistical methods, rather than assumptions and guesswork.



Methodologies

Six Sigma projects follow two project methodologies inspired by <u>Deming</u>'s <u>Plan-Do-Study-Act Cycle</u>. These methodologies, composed of five phases each, bear the acronyms DMAIC and DMADV.

- DMAIC is used for projects aimed at improving an existing business process.
- DMADV is used for projects aimed at creating new product or process designs.

DMAIC





The five steps of DMAIC

The heart of six sigma methodology is DMAIC roadmap which combines sound problem-solving methods with proven rules.

"Goals in a DMAIC project are to identify the most significant variables affecting the outputs of the process you are concerned with and to ensure that a problem is never going to comeback."

The DMAIC project methodology has five phases:

- *Define* the system, the voice of the customer and their requirements, and the project goals, specifically.
- *Measure* key aspects of the current process and collect relevant data; calculate the 'as-is' Process Capability.
- Analyze the data to investigate and verify cause-and-effect relationships. Determine what the relationships are, and attempt to ensure that all factors have been considered. Seek out root cause of the defect under investigation.
- *Improve* or optimize the current process based upon data analysis using techniques such as <u>design of experiments</u>, <u>poka yoke</u> or mistake proofing, and standard work to create a new, future state process. Set up pilot runs to establish <u>process capability</u>.
- *Control* the future state process to ensure that any deviations from the target are corrected before they result in defects. Implement <u>control systems</u> such as <u>statistical process control</u>, production boards, visual workplaces, and continuously monitor the process. This process is repeated until the desired quality level is obtained.

Some organizations add a *Recognize* step at the beginning, which is to recognize the right problem to work on, thus yielding an RDMAIC methodology.



DMADV or **DFSS**

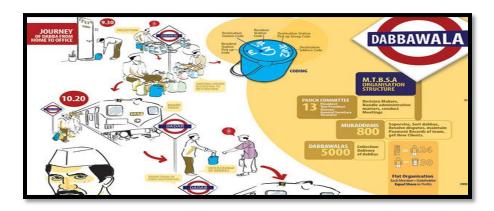


The five steps of DMADV

The DMADV project methodology, known as DFSS ("Design For Six Sigma"), features five phases:

- *Define* design goals that are consistent with customer demands and the enterprise strategy.
- *Measure* and identify CTQs (characteristics that are Critical To Quality), measure product capabilities, production process capability, and measure risks.
- Analyze to develop and design alternatives
- *Design* an improved alternative, best suited per analysis in the previous step
- *Verify* the design, set up pilot runs, implement the production process and hand it over to the process owner(s).

Mumbai Dabawalas:





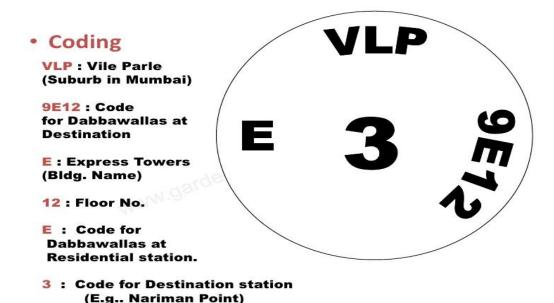
In 1890 Bombay, MahadeoHavajiBachche started a lunch delivery service with about a hundred men. In 1930, he informally attempted to unionize the Dabawalas. Later, a charitable trust was registered in 1956 under the name of *Nutan Mumbai Tiffin Box Suppliers Trust*.

The basic function of the Mumbai Dabawalas is to deliver home-cooked food from home to the workplace of the customer. One tiffin box shifts hands in transit at least six times before it reaches its customer's office. Same is the case in its return journey as an empty tiffin. There are 2.4 million manual movement in transit and 1lakh deliveries within a time span of 3-4 hours pre-noon and 3-4 hours afternoon.

The Dabawalas operate in autonomous group of 20-30 members leaded by the highest age member know as the Mukadam(group leader). Everyone is expected to serve 40 customers on the collection as well as distribution fronts respectively. They are easily identifiable by their Gandhi caps and id which is mandatory for them to carry.

Handled by 5000 dabawalas, except the train everything is manually handled with no technology at all. The crucial element of their service include their speed and precision in handing the tiffins. In today's world of six sigma quality standards and super technologies for supply chain and logistics management, it is a miracle that the mistakes or failures in the service of Mumbai Dabawalas is 1 in 16million and delivers that to by accidents or act of god and not by human failure.





Dabawalas are literate only to the level of understanding alphabets i.e their average literacy rate is up to 8^{th} grade pass. They don't have a legal department as in their 120 years history there has been no strike, no police case and no court case.

It is renowned for its availability of service for 365 days whatever the weather conditions be. It is rightly said by Mumbaikars, "In heavy rains local trains may stop but Mumbai Dabawalas will never stop". Besides this they charge a nominal fees of 350-500rs per month with value added services.

No one in the world has got six sigma certification without an application except for the Mumbai Dabawalas. It was possible because of their hard work, dedication, passion and their belief that their work is worship and customer is god.



Important points of dabawalas:

- *5000+ employees*
- 200000+ customers
- Availability of services 365 days
- Average literacy rate-8th grade pass
- Error rate-1 in 16 million

