

Planning and Strategy

Exercise

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- First, assume that you oversee a startup that's having 5 games online games and having **1 Million** users, whereas one of your game is very popular among all age group. Your company is a pioneer in bringing innovative gaming experience to its customers.
- If you were the Head of **Gaming App Company**, what is your
 - Vision, Mission and core values would you want to guide the behavior of your employees? Identify Four core values that you would want to guide the behavior of your employees.
 - What is your strategy and tactics to reach to **10 million consumers**.
 - What are your **objectives**
 - What is Long term and short term plan to achieve **10 million consumers**
 - What is your business model?
 - What are your short term and long term objectives.
 - Which areas of management like Marketing, finance, HR is most important for you.
- Note: You have office in Bangalore, with 35 employees. You are facing tough competition from existing big gaming companies and some new start ups. Market is very volatile, consumers retention is very low. A recent research survey says that a average consumer change his/her gaming preference after 1 month.

Vision & Mission

- V-----Creating a **trustworthy, reliable** and **heaven** for gaming app. -----
- V? Best gaming app, and **entertainment value.**
 - *Reaching 10 million, regulated environment, privacy of users.*
 - *Elevating the experience in online gaming.*
 - *Profit through innovation, best infrastrure so that no technical issues for the users.*
 - *To retain customers of all age group*
 - *Inspire the world to play.*
 - *Unite the teams through a gaming platform, their presence is valued.*
 - *Develop scientific development of brain.*

Core Values

- Excellence
- Commitment to our goals
- Team spirit
- Quality
- Integrity
- Respect
- Transparency
- Innovation
- Consistency
- Service excellence
- Determination

Strategy

Q? 1 Million-----10 Million customers

- Presence on social media
- Group of customers to reach. Specific age group to be motivated.
- Testimonials by gamers on various social media.
- Prize money in terms of points.
- Add on weekly and fortnightly which create sustenance so that the user may feel interesting and retained
- Partnering with other companies
- Opinions of the players so that the company can upgrade the game.
- USP
- Monthly Live gaming battles on youtube/facebook/ Platform for gamers...to showcase their talent.
- Certificates
- Features and benefits if they use more.

- I need to be present all over India
- I need to be present only in Metros
- I need to be present only among youngsters.

- Distribution of the game on subscription pattern

Concept of Planning

Koontz and O'Donnell have defined planning in terms of future course of action. They state “that Planning is the selection from among alternatives for future courses of action for the enterprise as a whole and each department within it”.

“Planning involves defining the organization's goals, establishing overall strategy for achieving goals, and developing a comprehensive set of plans to integrate, coordinate organizational work.”

Planning

The process of *establishing goals* and a suitable course of action for achieving those goals.

It requires *decision making*

The necessity of planning arises because of the fact that business organizations have to operate, survive and progress in a highly dynamic economy where change is the rule, changes gives rise to the problems and throw countless challenges

Difference between planning and decision-making

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Decision-making is the part of the planning process

Decision-making involves choosing among the various alternatives.

It is the *process* of identifying problems and opportunities and then resolving them.

Features of planning

Planning is goal-oriented

Planning is primary function

Planning is all-pervasive

Planning is mental exercise

Planning is continuous-process

Planning involves decision making

Planning is forward looking.....100 million

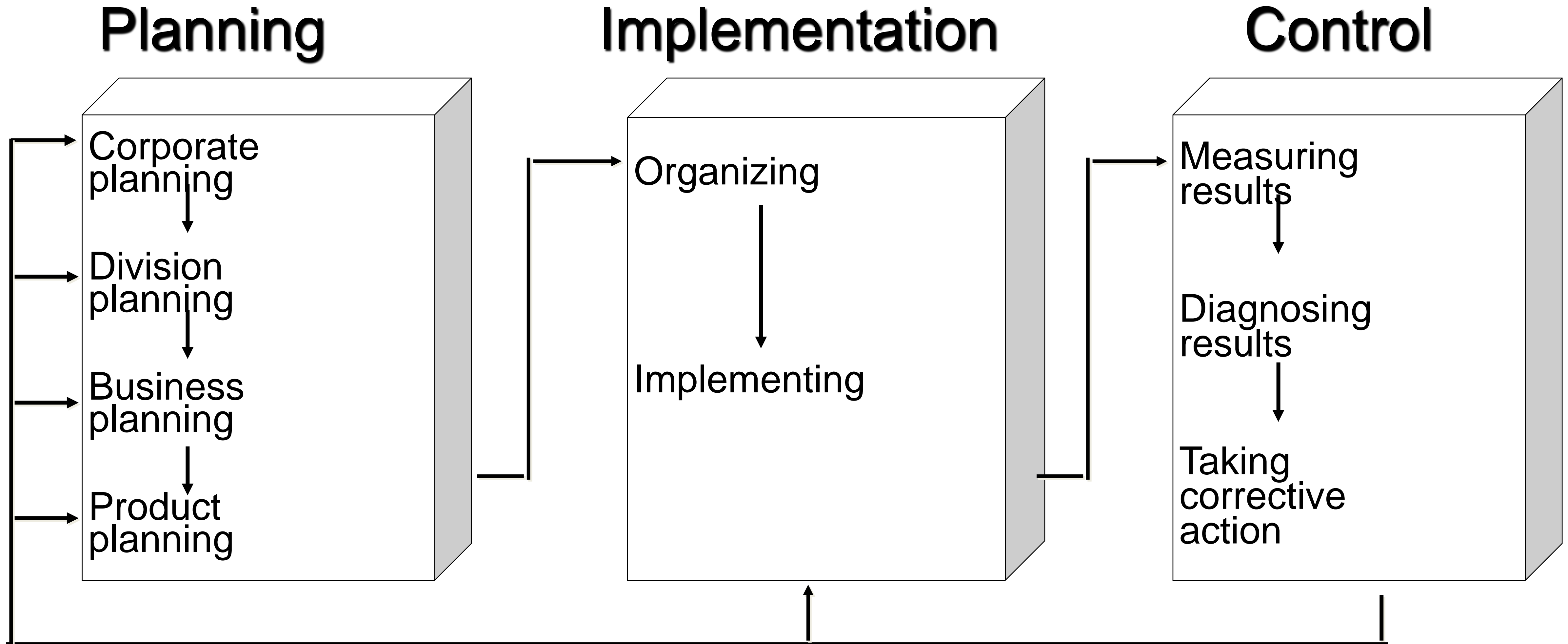
Planning is flexible

Planning is an integrated process

Planning includes efficiency and effectiveness dimension

Strategic Planning, Implementation, & Control Process

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Importance of Planning

According to G.R. Terry

“Planning is the foundation of most successful actions of all enterprises”. An enterprise can achieve its objectives only through systematic planning on account of the increasing complexities of modern business. The importance and usefulness of planning can be understood with reference to the following benefits.

Importance of Planning

Minimizes uncertainty

Emphasis on objectives

Promotes coordination

Facilitates control

Improves competitive strength

Economical operation

Barriers to effective Planning

Influence of external factors

Non-availability of data

People's resistance

Time and Cost

Inflexibility

Requirements of a Good Plan

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Clear objective

Proper understanding

Flexible

Stable

Comprehensive

Economical



The Planning Process

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Types of Plans

Strategic
plans

Tactical
plans

Operational
plans

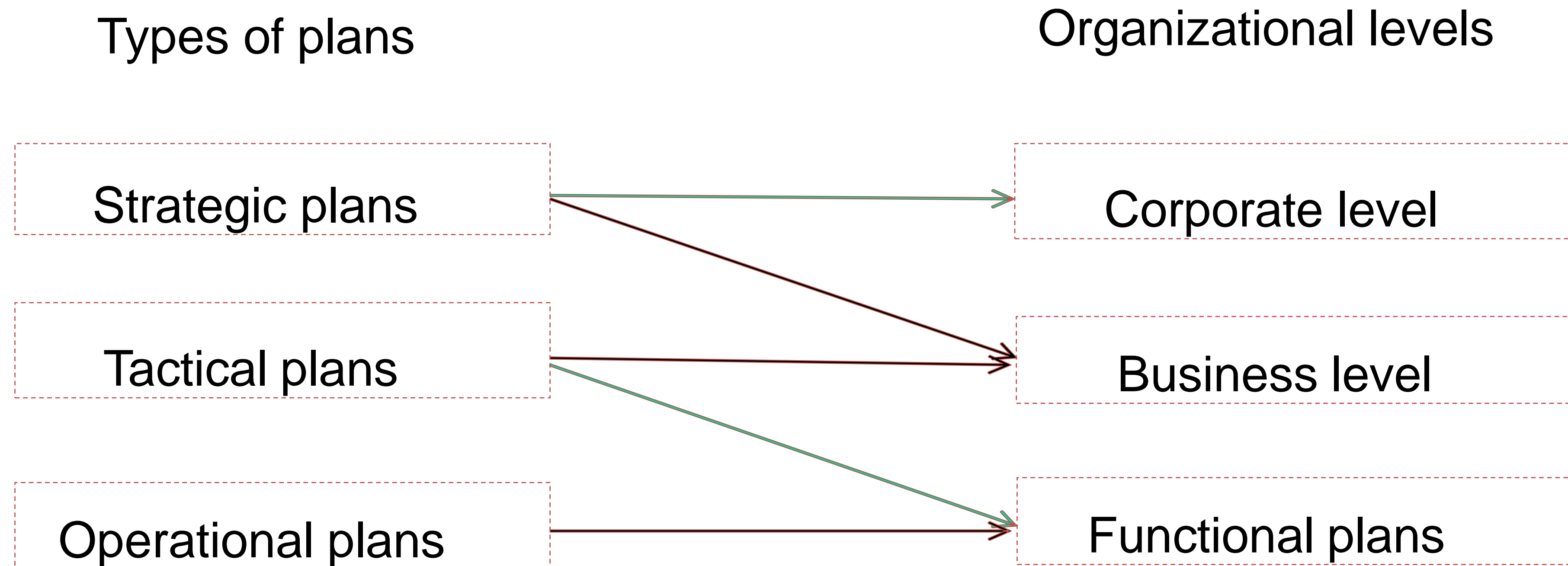
Long term
and short
term plans

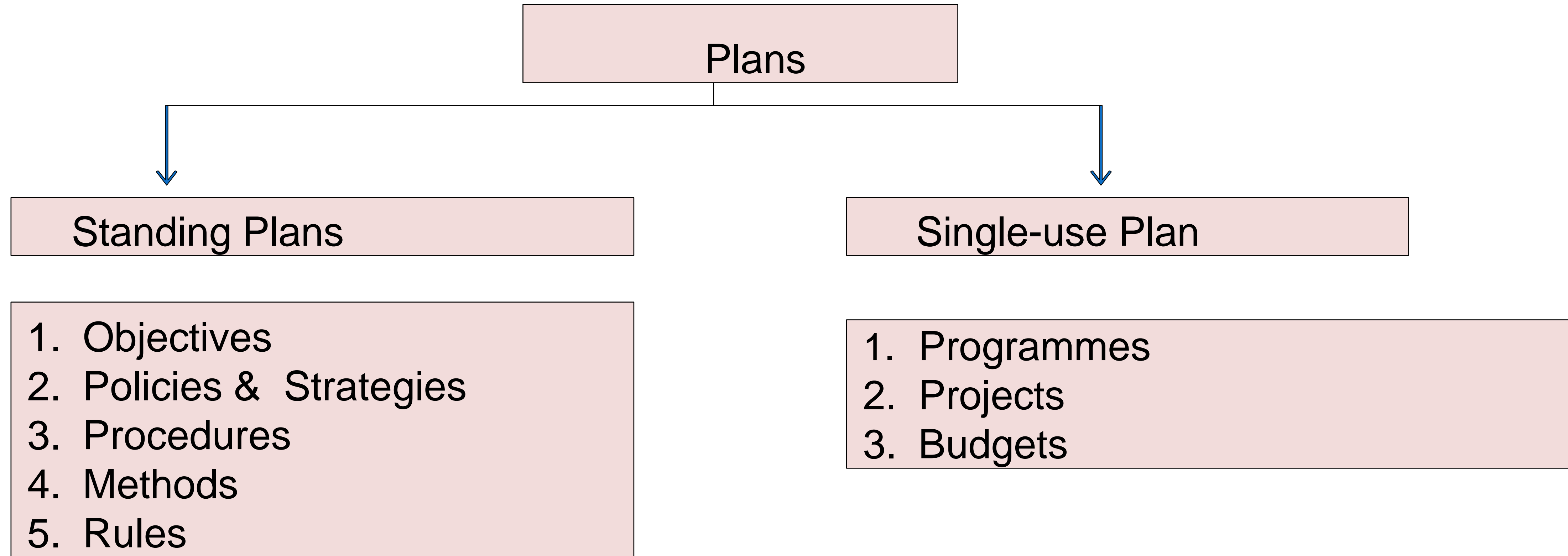
Proactive
plans and
reactive
plans

Formal
and
informal
plans

Standing
and single-
use plans

Interrelationship between plan types and levels





Strategy

- The word “strategy” is derived from the Greek word “stratēgos”; stratus (meaning army) and “ago” (meaning leading/moving).
- **Strategy** is an action that managers take to attain one or more of the organization’s goals. Strategy can also be defined as “A general direction set for the company and its various components to achieve a desired state in the future. Strategy results from the detailed strategic planning process”.

Strategy vs. Business Model : What is the Difference?

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Strategy -- Deals with a company's competitive initiatives and business approaches

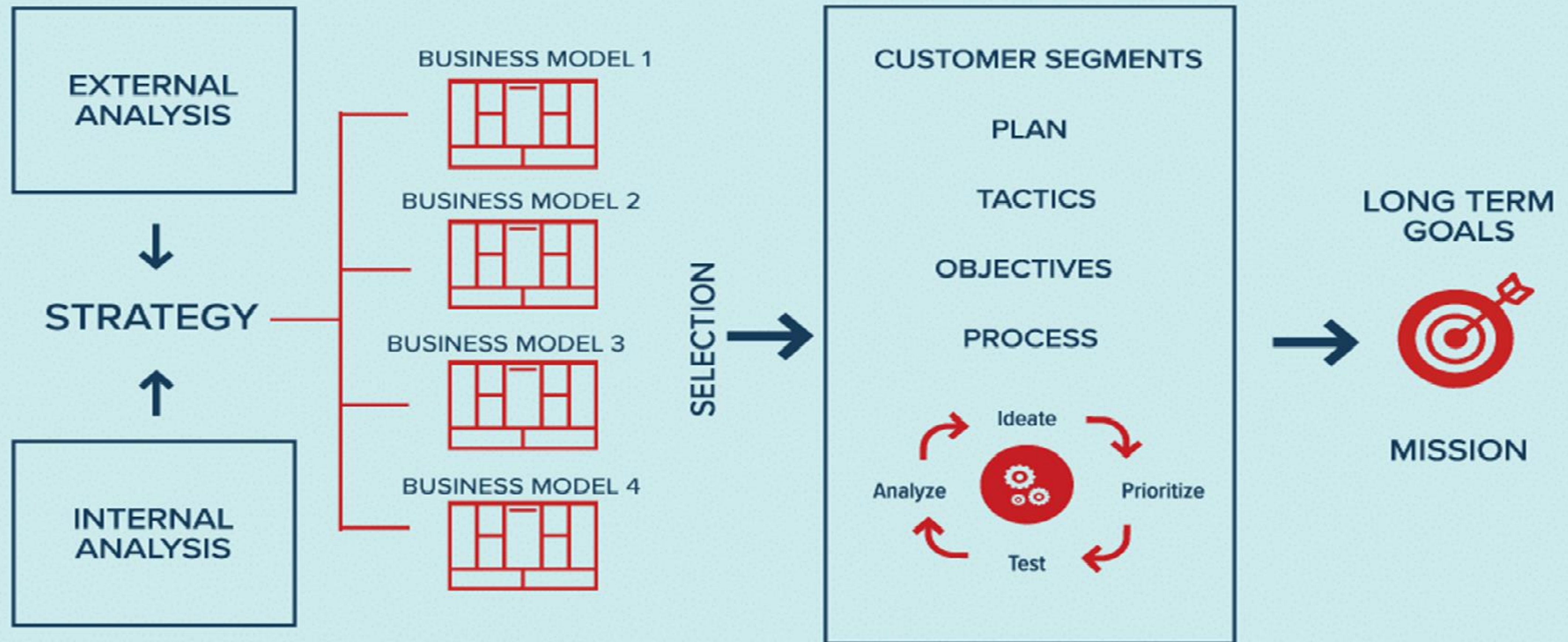
Business Model –

Concerns whether the revenues and costs flowing from the **strategy** Demonstrate that the business can be amply profitable and viable.



BUSINESS MODEL

A business strategy assesses the environment, internal capabilities and then decides upon which markets and customers to focus on. The aim of the business strategy is to create a sustainable competitive advantage. The business model defines how the strategy will be executed. The business strategy must decide upon which business model, out of many, will provide the best fit to the strategy.

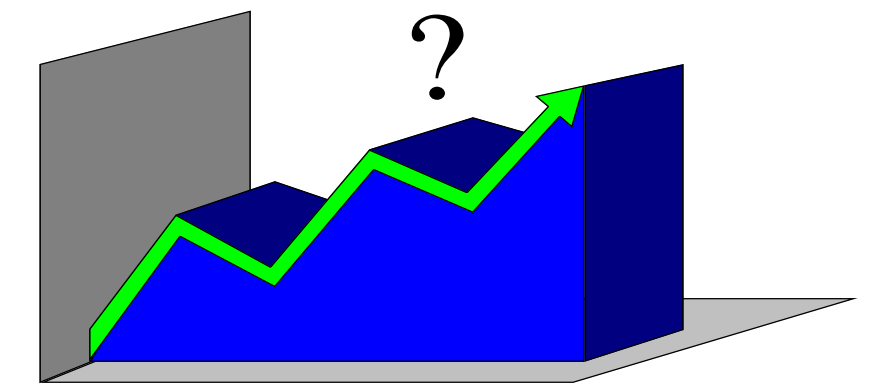


Missions vs. Strategic Visions

- A *mission* statement focuses on *current* business activities –
“who we are and what we do”
 - Current product and service offerings
 - Customer needs being served
 - Technological and business capabilities
- A *strategic vision* concerns a firm’s *future* business path –
“where we are going”
 - Markets to be pursued
 - Future technology
 - Product-customer focus
 - Kind of company
 - That management is trying to create

Why is a Strategic Vision Important?

- A managerial imperative exists to *look beyond today* and *think strategically* about
 - Impact of new technologies
 - How customer needs and expectations are changing
 - What it will take to outrun competitors
 - Which promising market opportunities ought to be aggressively pursued
 - External and internal factors driving what a company
 - needs to do to prepare for the future





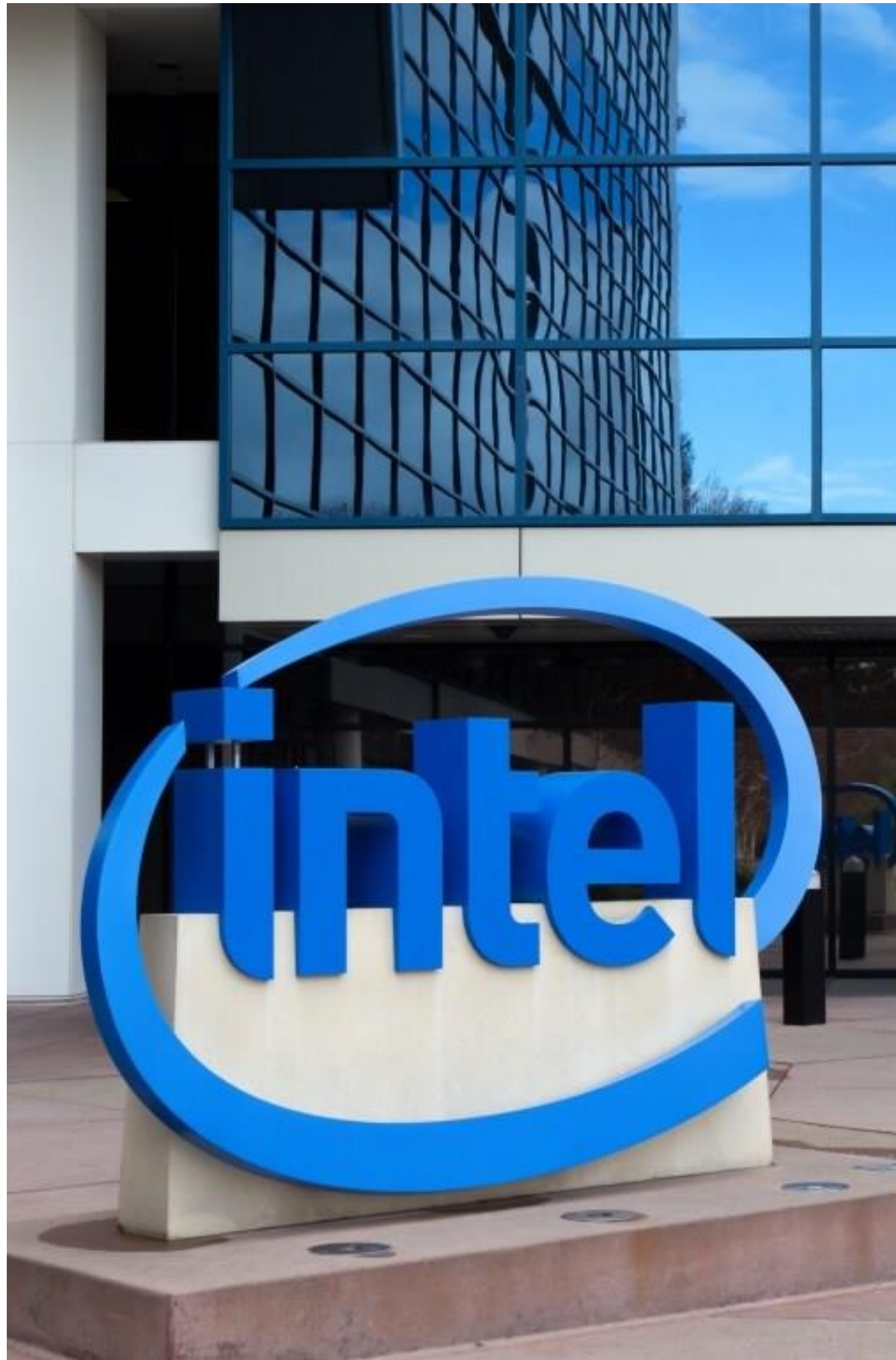
Vision

- “We fulfil dreams inspired by the many roads of the world by providing extraordinary motorcycles and customer experiences. We fuel the passion for freedom in our customers to express their own individuality.”

Mission

- We ride with our customers and apply this deep connection in every market we serve to create superior value for all of our stakeholders.”





INTEL

Mission Statement:

Through computing innovation,
we push the boundaries of smart
and connected technology to
make amazing experiences
possible for every person on earth.





Mission

Shri Mahila Griha Udyog, the makers of the famous Lijjat Papad, is an organisation which symbolises the strength of a woman. Only women can become the members of the organisation.



Vision Our Vision is not just to be rated among the top 5 brands of India in Interior Field, but, more importantly, to strive to attain the leadership position in makin our people aware to protect & save the nature by using plywood and related products for their wood work. 🌟

Mission Our Mission is to manufacture world class products of outstanding qualities, providing related services and solutions to our client while utilizing latest technologies, highest business standard, work ethics Corporate Governance so we can make every customer **SMILE.** 🙌

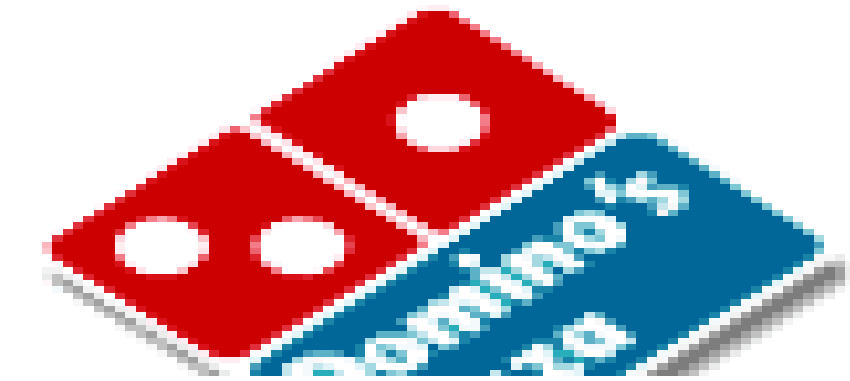


OBJECTIVES



Examples: Strategic Objectives

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Domino's Pizza

To safely deliver a hot, quality pizza in 30 minutes or less at a fair price and a reasonable profit.

What are objectives

Objectives are the important ends toward which organizational and individual activities are directed

An objective is *verifiable (provable)* when at the end of the period one can determine whether or not the objective has been achieved

Objectives are *precise* and used to specify the end results which an org wants to achieve.

The results can be achieved at the varying *time period*

So the objective can be *long term objectives* which can be supported by the *short term objectives*

MBO(Management By Objectives)

- *In 1954, Peter Drucker had provided more sophisticated approach to goal setting in organizations known as “management by objectives”*



Management by objectives (MBO)

Management by objectives (MBO) is a systematic and organized approach that allows management to focus on achievable goals and to attain the best possible results from available resources. It aims to increase organizational performance by aligning goals and subordinate objectives throughout the organization.

Ideally, employees together with managers get strong input to identify their objectives, and time lines for completion, etc. MBO includes ongoing tracking and feedback in the process to reach objectives.



Management by objectives works if you first think through your objectives. Ninety percent of the time you haven't.

(Peter Drucker)

izquotes.com



Core Concepts OF MBO

According to Drucker, managers should "avoid the activity trap", getting so involved in their day to day activities that they forget their main purpose or objective. Instead of just a few top-managers, all managers should: participate in the strategic planning process, in order to improve the implementability of the plan, and Implement a range of performance systems, designed to help the organization stay on the right track.

Steps in MBO Program

The organization's overall goals and strategies are formulated by managers of all levels.

Major goals are allotted among divisional & department units.

Specific objectives are collaboratively set by managers and employees.

The action plans, defining how objectives are to be achieved and specified and agreed upon by managers and employees.

Implementation.

Periodical review and feedbacks are provided.

Evaluation of performance.

Rewards and Recognition.

Benefits of MBO

Clear goals

Role clarity

Periodic feedback of performance

Participation

Personnel satisfaction

Better morale

Result-oriented philosophy

Basis for organizational change

Feedback and appraisals

Limitations Of MBO

Initial time and cost

Frustration

Problems in quantifying the objectives and setting the objectives