

What is Strategic Management?



**Strategic Management is
an organization's success formula
for continuing and sustainable growth
by evaluating where it is now,
visioning where it wants to go, and
flawlessly executing strategic plans
to get there**



STRATEGIC MANAGEMENT

- **What is Strategic Management?**
- Strategic management is the set of managerial decision and action that determines the long-run performance of a corporation. It includes environmental scanning (both external and internal), strategy formulation (strategic or long range planning), strategy implementation, and evaluation and control. The study of strategic management therefore emphasizes the monitoring and evaluating of external opportunities and threats in lights of a corporation's strengths and weaknesses.



The Five Tasks of Strategic Management





Strategic Management

Strategy Programming vs. Strategy Innovation

STRATEGY PROGRAMMING



STRATEGY INNOVATION

Analysis & Strategic Learning

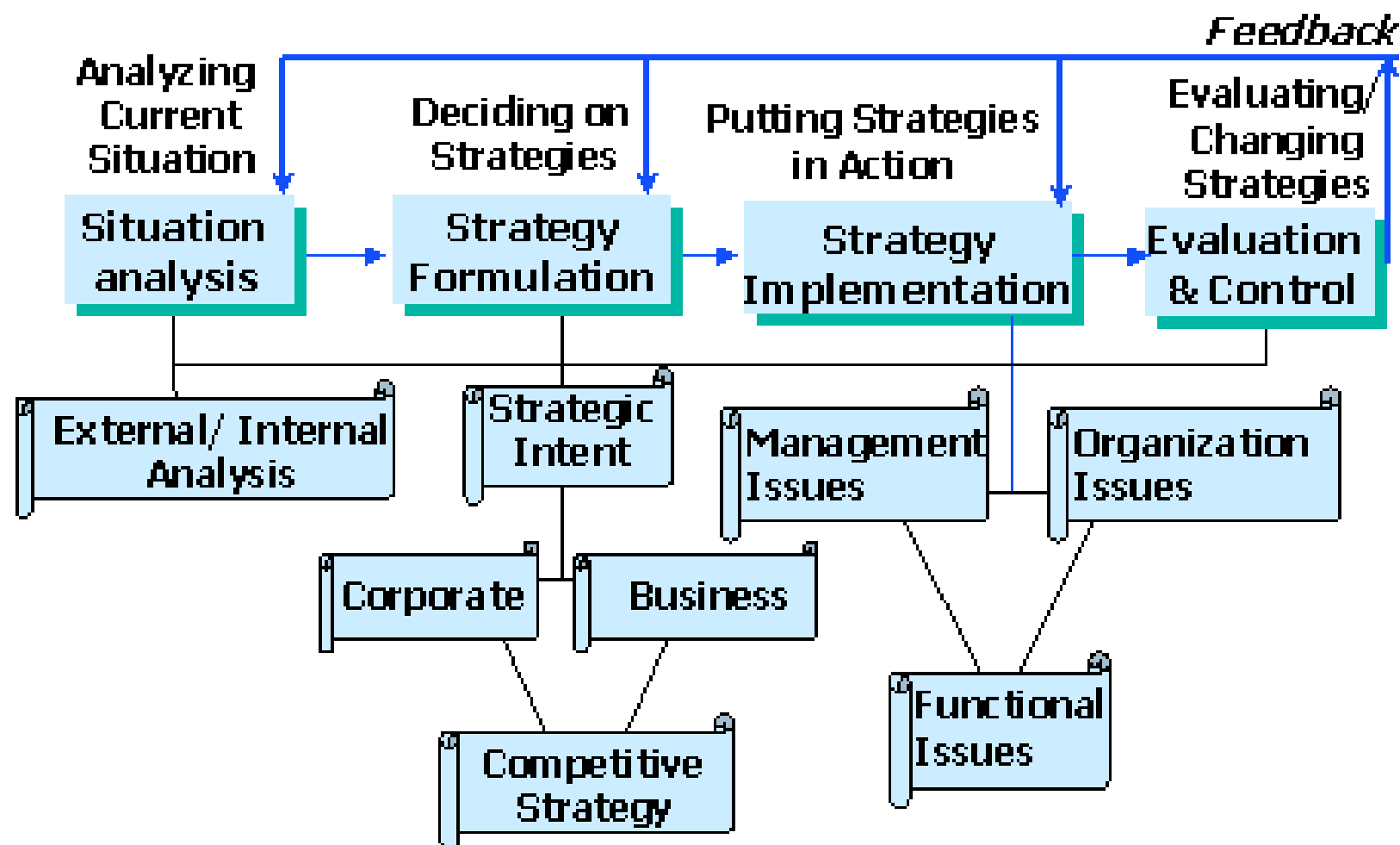
Dynamic Strategy Formulation

Experimental Implementation

Areas of Effective Application

CONDITIONS	STRATEGY PROGRAMMING	STRATEGY INNOVATION
Environment	Simple & stable	Complex & dynamic
Organization	Unadaptive	Adaptive
Change	Slow	Fast
Innovation	Incremental	Radical

Process of Strategic Management

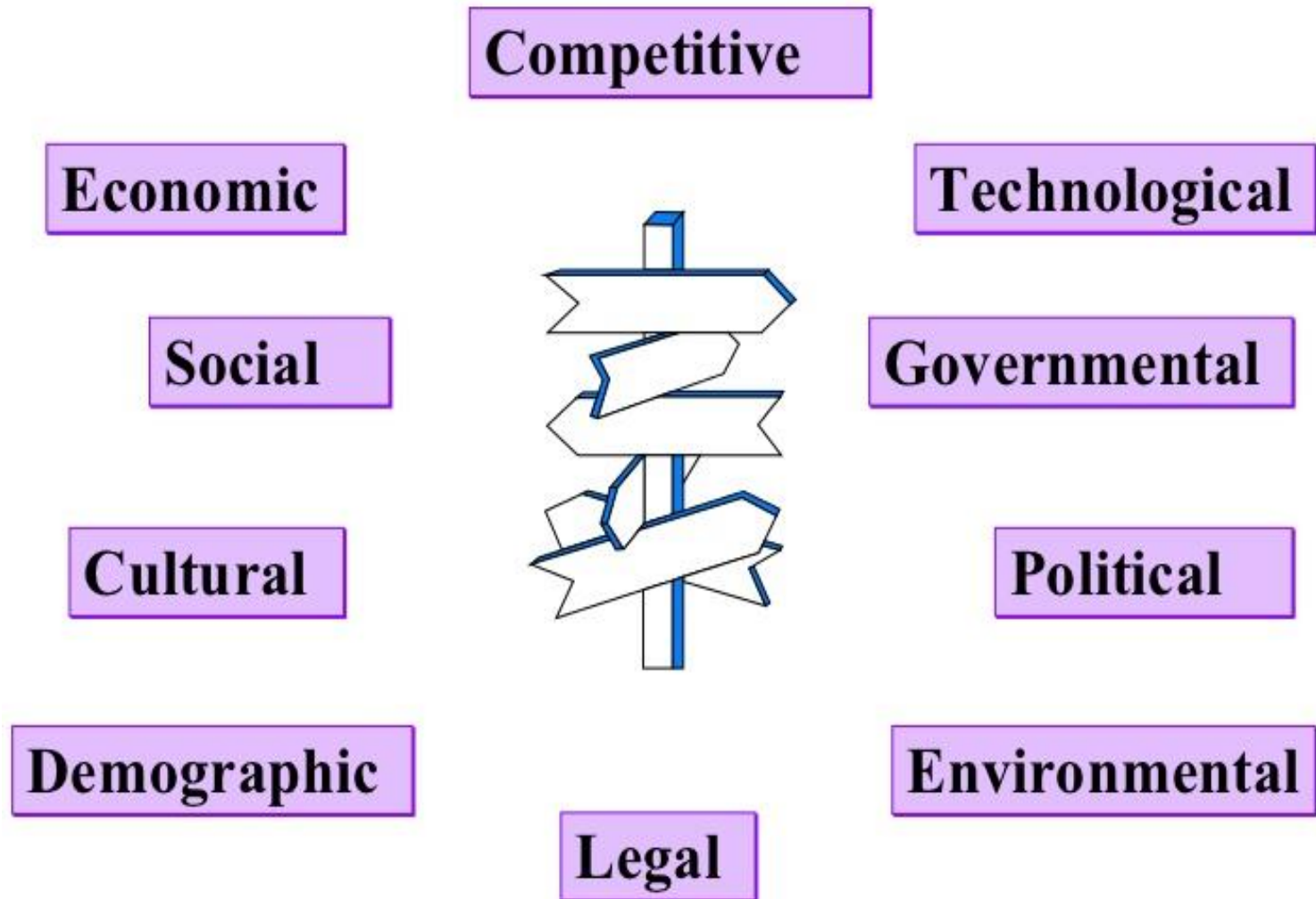




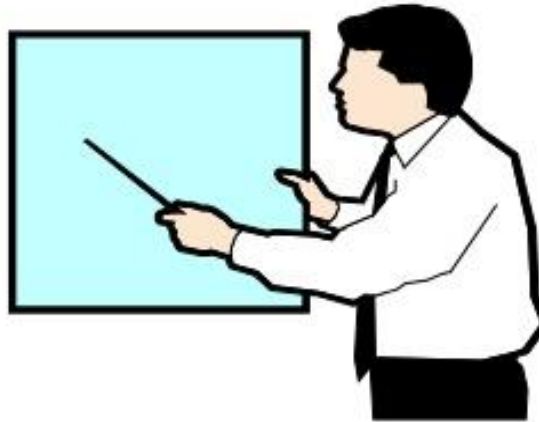
Factors Shaping the Choice of Company Strategy



Ten Key External Forces



Benefits of Strategic Management



- Improved Communication
- Increased Understanding
- Enhanced Commitment
- Greater Productivity
- More Effective Strategies
- Higher Productivity
- Allow Firm to Influence, Initiate, and Anticipate
- Be Proactive Rather Than Reactive

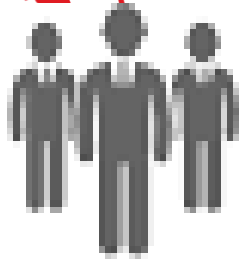


The Basis for Good Strategic Decisions

Intuition + Analysis



Effective Strategic Decisions



Excellent leadership



Brand portfolio

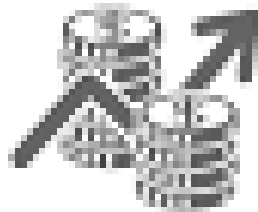


Partnerships



Teamwork

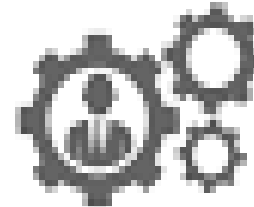
What makes your business unique?



Strong financial
position



Global presence



Well-managed
processes



Innovative ideas



„There's no good
just being better,

...you got to be
different.“

Charles Handy



Corporate Strategy Logic

Strategy Pyramid (old) vs. Strategy Stretch (new)

STRATEGY PYRAMID

Top-down

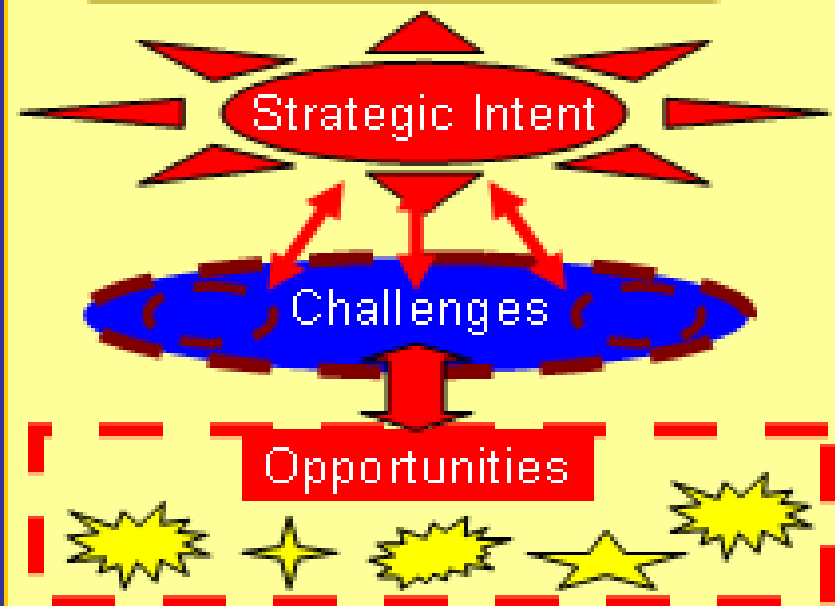


Old Strategy-based Business Development Model

- Effective in known & stable environment
 - Builds on existing competencies

STRATEGY STRETCH

Top-down + Bottom-up



New Opportunity-driven Business Development Model

- Effective in new & unstable environment
 - Builds on new competencies



Strategic Intent

Focusing on Tomorrow's Opportunities

A strategic intent is your company's vision of what it wants to achieve in the long term.

Strategic intent is also senior management's primary motivational tool for radical idea generation.

Senior management uses strategic intent to communicate a misfit between current resources and corporate aspirations and motivate idea generation when it actively encourages the quest for new opportunities.



New Opportunity-driven Business Development Model

- Effective in new & unstable environment
 - Builds on new competencies



DISCOVERING **S**TRENGTHS

IDENTIFYING **O**PPORTUNITIES

RECOGNIZING **A**SPIRATIONS

ACHIEVING **R**ESULTS



What we do... **SOAR**TM



How we **SOAR**



stavros.cooperrider.kelley, 2006



**Organizational culture eats strategy
for breakfast, lunch and dinner**



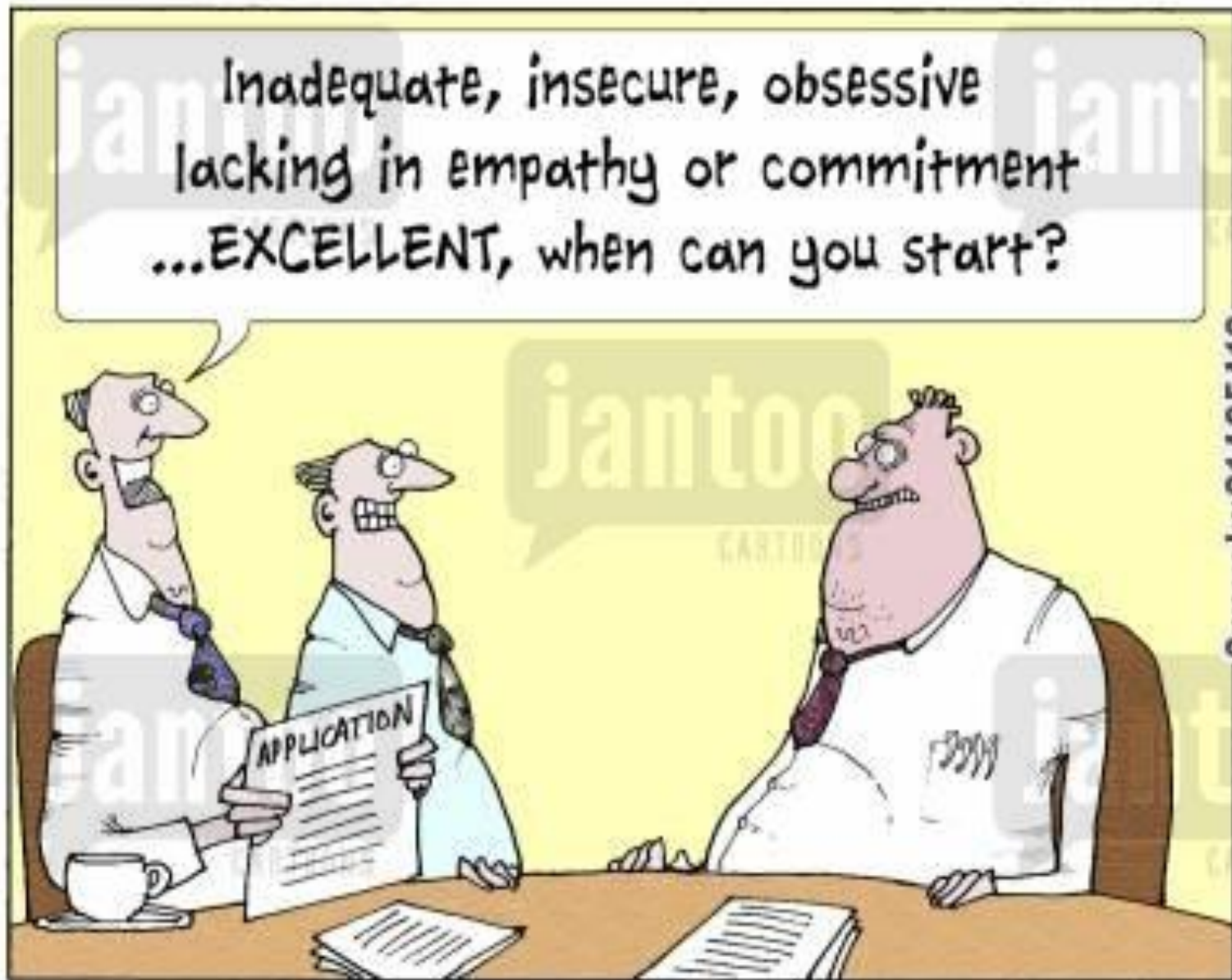
Culture



Strategy



Here is the written explanation you wanted for my coming late yesterday, sir!





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