**Module One PROJECT MANAGEMENT**

**Course work**

Project management is the application of knowledge, skills, tools and techniques to project activities, to achieve specific goals and meet specific success criteria. All must be expertly managed to deliver on- time and on budget results.

Qtn1:

The following are the functions that comprise the management process and are explain below.

According to James A.F stoner, “Management is the process of planning, organizing, leading and controlling the efforts of organization members and of using all other organizational resources to achieve stated organizational goals”.

The function are:

**Planning**: Which involves setting objectives and determining a course of action for achieving those objectives which requires managers to be aware of environmental conditions facing their organization and forecast future conditions to be able to make a good decisions

**Organizing**   A process that requires Managers to organize resources by bringing together physical, human and financial resources to achieve objectives. Managers needs to identify activities to be accomplished, classify activities, assign activities to groups or individuals, create responsibility and delegate authority through coordination to semen the relationships of responsibility and authority.

**Leading**: Management process that requires managers to be able motivate employees to achieve business objectives and goals by use of authority to achieve those ends as well as the ability to communicate effectively and efficiently.

**Controlling:** involves ensuring that performance does not deviate from standards .Controlling consists of three steps, which include (1) establishing performance standards, (2) comparing actual performance against standards, and (3) taking corrective action when necessary. Performance standards often state the monetary terms such as revenue, costs, or profits and can be state in other terms, such as units produced, number of defective products, or levels of quality or customer service.

How they relate to each other,

For effective and efficient flow of management functions both functions must be able to have inter connections or be able to related to each other

Effective controlling requires the existence of plans, since planning provides the necessary performance standards or objectives. Controlling also requires a clear understanding of where responsibility for deviations from standards lies. Two traditional control techniques are budget and performance audits. An audit involves an examination and verification of records and supporting documents. Budget audit provides information about the organization with respect to what was planned or budgeted for. Whereas a performance audit might try to determine whether the figures reported are a reflection of actual performance. Although controlling is often thought in terms of financial criteria, managers must also control production and operations processes, procedures for delivery of services, compliance with company policies, and many other activities within the organization.

Planning and organizing, requires the ability to effectively organize an utmost importance matter and each step of the planning process should be simplified and organized properly. For instance, organizing your research tasks helps you come to reasonable conclusions more quickly. When establishing goals, organize them in order of importance and classify them as either short- or long-term objectives. Your final plan of action must also have a logical order in order to be effective.

The management functions of planning, organizing, leading, and controlling are widely considered the best means of describing the manager’s job, as well as the best way to classify accumulated knowledge about the study of management. Although there have been tremendous changes in the environment faced by managers and the tools used by managers to perform their roles, managers still perform these essential functions.

**Qtn2. The following are the three different kinds of managers by both level and area in an organization**

The three levels of managers by both levels are illustrated in the below diagram

**TOP LEVEL MANAGEMENT (Board of directors, CEO and managing Directors)**

**MIDDLE LEVEL MANAGEMENT (Regional and Zonal Directors)**

**FRONT-LINE/SUPERVISORY**

**MANAGEMENT (Foremen, Supervisor etc.)**

**Front-Line or Supervisory Management**

The managers at this level are task with responsibility for other people .direct the operating employees (workers) for their assigned work and are close to the action for their job involves in supervising the activities of operatives. For example, front-Line managers in the production department are the foremen, supervisor, superintendent, and inspector. In a manufacturing concern, in marketing, finance and others departments, they are called management trainees or junior executives. Similarly, in a government office as well.

**Middle level Management**

In the middle management level, managers in many organizations has more than on level. Managers who work at levels between the lower and top levels constitute the middle management.

Departmental heads, Regional managers, Zonal managers and so on fall in this category. They report to top managers. Their principal responsibilities are to direct the activities of lower level managers who implement the organization’s policies.

**Top level Management**

Top management constitutes the highest level in the management hierarchy. This is the policy making level in any organization and consists of a small group of executives. Board of Directors, Chairman, Managing Director and the top functional heads such as COO, CIO, and such other C-suite managers, and divisional managers comprise this level. Top managers are responsible for the overall management of the organization. They decides for the enterprise objectives, policies and strategies to be pursued to achieve the objectives. They provide direction to the organization by guiding its interactions with the environment.

**Qtn3. The following are the different important skills that help managers succeed with its relevant examples for each category.**

For a manager to perform and succeed in his or she daily routine managerial duties, they have to rely on a number of specific skills. The most important management skills are technical interpersonal, conceptual, and diagnostic, communication, decision-making, and (time-management skills).

**Technical Skills**

These are the skills necessary to accomplish or understand the specific kind of work to be done in an organization and most importantly by first-line managers. These managers spend much of their time training subordinates and answering question about work-related problems.

The first-line managers must know how to perform the tasks assigned to those they supervise if they are to be effective managers. For example a manager should be able to have competency in handling trainings and be able to design analyzed a training content base on the findings of the training needs assessment, have ability to use the appropriate tools and techniques required.

**Interpersonal Skills**

Managers spend considerable time interacting with people both inside and outside the organization. For obvious reasons, then, the manager also needs interpersonal skills-the ability to communicate, understand, and motivate individuals and groups. For example, a manger should be friendly, be able to interact with people and stay focus on their expectation. Due to the multitude of role, managers must fulfill, must also be able to work with people in the different set up like suppliers, customers, investors, and others outside of the organization.

**Conceptual Skills**

It is the act or ability to analyze and diagnose a situation and find a cause and effect. Conceptual skills depend on the manager's ability to think in the abstract. For a managers to be able to find the cause of the problem he/she needs to have the mental capacity to understand the overall workings conditions of the organization and its environment, to grasp how all the parts of the organization fit together, and to view the organization in a holistic manner. For example, a manger determines a strategy to reduce customers complain regarding services

**Diagnostic Skills**

Successful managers also possess diagnostic skills, to able to understand how organization work together then visualize the most appropriate response to a situation. For example, a physician diagnoses a patient's illness by analyzing symptoms and determining their probable cause. Similarly, a manager can diagnose and analyze a problem in the organization by studying its symptoms and then developing a solution.

**Communication Skills**

Refers to the abilities to both effectively convey ideas and information to others and effectively receive ideas and information from others through verbal, nonverbal, written and visual process. These skills enable a manager to transmit ideas to subordinates so that they know what is expected, to coordinate work with peers and colleagues so that they work well together properly, and to keep higher-level managers informed about what is going on. Examples of communication skills include speaking, body language, and posture gesture among others.

**Decision-Making Skills.**

Decision-making skills refer to the manager's ability to correctly recognize, define problems and opportunities and then select an appropriate course of action to solve problems and capitalize on opportunities. No manager makes the right decision all the time. However, effective managers make good decisions most of the time. In addition, when they do make a bad decision, they usually recognize their mistake quickly and then make good decisions to recover with as little cost or damage to their organization as possible

**Time-Management Skills**

Finally, effective managers usually have good time-management skills. Time management skills refer to the manager's ability to prioritize work, to work efficiently, and to delegate appropriately. As already noted, managers face many different pressures and challenges. It is easy for a manager to be able to bog down doing work that can easily be postpone or delegated to others. When this happens, unfortunately, more pressing and higher-priority work maybe neglected

**Qtn4. The definition of planning and its objectives and principles of planning are explain below.**

There are many definitions of the terms “planning” each person has he or her own ideas concerning the meaning of the term “planning”

Planning is the process by which an individual or organization decides in advance on some future course of action (Omran, 2002, p.68) Simon, Smithburg and Victor A. Thomson: "Planning is that activity that concern itself with proposal for future, evaluation of alternative proposals and with method by which these proposals may be achieved.”

**Objectives of planning**

Objectives are very basic to the organization and they are define as ends which the management seeks to achieve by its operations.

In planning, objective state what you would like to achieve, i.e., the result of activities. For example, an organization may have an objective of increasing sales by 10% or earning a reasonable rate of return on investment, earn a 20% profit from business. They represent the end of planning. All other managerial activities directed to towards achieving these objectives set by top management of the organization and focus on broad, general issues because they define the future state of affairs that the organization strives to realize. They serve as a guide for overall business planning. Different departments or units in the organization may have their own objectives. Objectives need to be expressed in specific terms i.e., they should be measurable in quantitative terms, in the form of a written statement of desired results to be achieved within a given time period.

Planning establishes standards for controlling that involves setting of goals. The entire managerial process is concerned with accomplishing predetermined goals through planning, organizing, staffing, directing and controlling. Planning provides the goals or standards against which actual performance is measured. By comparing actual performance with some standard, managers can know whether they have actually been able to attain the goals.

Planning reduces the risks of uncertainty that enables a manager to look ahead and anticipate changes. By deciding in advance the tasks to be perform, planning shows the way to deal with changes, uncertain events that cannot be eliminated but they can be anticipate, and management responses to them can be developed.

Planning reduces overlapping and wasteful activities because it serves as the basis of coordinating the activities and efforts of different divisions, departments and individuals. It helps in avoiding confusion and misunderstanding. Since planning ensures clarity in thought and action, work is carried on smoothly without interruptions. Useless and redundant activities are minimiz or eliminated. It is easier to detect inefficiencies and take corrective measures to deal with them.

Planning promotes innovative ideas since it is the first function of management, new ideas can take the shape of concrete plans. It is the most challenging activity for the management as it guides all future actions leading to growth and prosperity of the business.

Planning facilitates decision-making manager to look into the future and make a choice from amongst various alternative courses of action. The manager has to evaluate each alternative and select the most viable proposition. Planning involves setting targets and predicting future conditions, thus helping in taking rational decisions.

Planning establishes standards for controlling: Planning involves setting of goals. The entire managerial process is concerned with accomplishing predetermined goals through planning, organizing, staffing, directing and controlling. Planning provides the goals or standards against which actual performance is measured. By comparing actual performance with some standard, managers can know whether they have actually been able to attain the goals. If there is any deviation, it can be correct. Therefore, we can say that planning is a prerequisite for controlling. If there were no goals and standards, then finding deviations that are a part of controlling would not be possible. The nature of corrective action required depends upon the extent of deviations from the standard. Therefore, planning provides the basis of control.

**Principle of planning**

**Commitment:**

According to Koontz, O’Donnell and Weihrich, “commitment principle is that logical planning encompasses a period a time in the future necessary to foresee, through a series of actions, the fulfillment of commitments involved in a decision today.

**Principle of the Limiting Factor:**

Planning is choosing the best course from among a number of alternative courses of action. The key to such choice lies in the limiting factor, which means the resource, which is scarce or limited in supply. According to Ralph C. Davis, “It is some factor, force or effect in the situation that limits the organization’s ability to achieve the particular objective. Therefore, in deciding about a plan the planner should concentrate most on the limiting factor. Giving too much importance to factors which are not so important is a common mistake in planning”.

**Principle of Navigational Change:**

Flexibility must be built into the plan. Thus if a firm makes a plan for the coming ten years, it should reconsider or review it six- monthly or yearly to see if any new development has taken place which requires the plan to be modified. This is called the Principle of Navigational Change like a sailing vessel the firm has to ‘tack’ i.e. shift back and forth in order to take advantage of the opportunities that present themselves in the short period, at the same time getting closer to its ultimate goal.

**Principle of Commensurate Effort:**

It states that the effort be commensurate with results desired.

**Principles of Reflective Thinking:**

The term ‘reflective thinking’ means problem- solving thought. It is the mental process by which past experiences, either mental or physical, are combined with facts concerning the present situation provide solutions for present or future problems. This principle suggests that intelligence is the basic requirement for any planning.

**Qtn5. The planning process**

The planning function of management is one of the most crucial ones. It involves setting the goals of the organization and then managing the resources to achieve such goals. As you can imagine it is a systematic process involving many thought and process as discussed below

**Setting of goals:**  Which starts with decisions about what the organization or company wants to achieve during a specified period and each department should be able to decided and spelt out its desired goal clearly. It is always desirable to express the goals in quantitative terms for all the key areas of the business like for example production, profit, productivity, market share, employee relations, social responsibilities, among others. For instance, instead of saying that the objective of business is to achieve a fair rate of return on the

**Developing and outlining the planning Premises**

These planning premises are also of two types – internal and external. External assumptions deal with factors such as political environment, social environment, advancement of technology, competition, government policies etc. Internal assumptions deal with policies, sales forecast, availability of resources, and quality of management. For instance, the accuracy of the sales forecast influences the procurement of resources, production scheduling and the marketing strategies to be pursued to achieve the objectives. These assumptions being made should be uniform across the organization. All managers should be aware of these premises and should agree with them.

**Decide the planning period**

Deciding on how far should the plan being made and should address questions raised in the process of planning. Plans may vary from Business to business but in some cases plans are made for a short period, varying from a few months to a year, while other cases, they are made to cover a longer period, to cover a period of more than a year and some time the period maybe extended up to 5-10 years and even beyond.

**Develop or examining the alternatives and select the course of action**

The next step of the planning process is to evaluate and closely examine each of the alternative plans. Every option will go through an examination where all there pros and cons will be weighed then alternative plans will be developed, evaluated in the light of the organizational objectives. For example, if it is a financial plan then its risk-return evaluation need to be finalized. Detailed calculation and analysis ensure that the plan is capable of achieving the objectives in the best and most efficient manner possible.

Similarly, an organization can grow by expanding its scale of operations or through acquisitions and mergers. Technical feasibility, economic viability and the impact on the society are the general thumb rules to select the course of action. The alternative courses are evaluated in the light of the premises and the overall goals of the organization.

Therefore, for one to remain in a safer side finalized should be thorough analysis from the various alternatives suggested within the proposed course of action

**Implementation of the Plan**

Implementation of the plan when all the other functions of management come into play and the plan is put into action to achieve the objectives of the organization. The tools required for such implementation involve the types of plans- procedures, policies, budgets, rules, standards among others.

**Review periodically**

Success of the plan is measure by the results and the ease with which its implementation. Therefore, provision for adequate follow-up to determine compliance should be included in the planning work. To make sure that the plan is contributing for the results, its review at regular intervals is essential. Such a review helps in taking corrective action, when the plan is in force.

**Qtn6: the different types of plans are and being Explain below.**

Effectively designed organizational goals fit into a hierarchy so that the achievement of goals at low levels permits the attainment of high‐ Level goals. The process is call a means‐ends chain because low‐level goals lead to accomplishment of high‐level goals.

However, below are the different types of plan

* Mission,
* Strategies and policies,
* Procedures
* Rules
* Program
* Budgets

**Mission** refers to the role that an organization plays in the society”. The term is often used interchangeably with an organization’s mission statement includes its philosophy and basic purpose for which it exists, establishes the values, beliefs, and guidelines that the organization may holds with high esteem. Mission statement of an organization suggests how an organization is going to conduct its activity. Mission defines the basic intentions of the firm. A Clear definition of ‘mission is necessary to formulate meaningful objectives and answers questions of what is our business? What should it be? These questions guides management to define their customers and their needs.

**Policy** provides a broad guideline for managers to follow when dealing with important areas of decision-making. Policies are general statements that explain how a manager should attempt to handle routine management responsibilities. Typical human resources policies, for example, address such matters as employee hiring, terminations, performance appraisals, pay increases, and discipline.

**Procedure** is a set of systematic step-by step direction that explain how activity or task is being carry- out. Most organizations have procedures for purchasing supplies and equipment, for example. This procedure usually begins with a supervisor completing a purchasing requisition. The requisition is then send to the next level of management for approval. The approved requisition forwarded to the purchasing department. Depending on the amount of the request, the purchasing department may place an order, or they may need to secure quotations and/or bids for several vendors before placing the order. By defining the steps to be taken and the order in which they are to be done, procedures provide a standardized way of responding to a repetitive problem.

**Rule** is a plan prescribed as course of action that explicitly states what is to be done under a given set of circumstances. It requires that a definite action have to be taken in a particular way with respect to a situation. For instance, ‘no smoking’ is a rule. The essence of the rule is that it reflects a managerial decision that certain actions be taken – or not be taken. Rules are “do”; “don't” statements put in place to promote employee safety, uniform treatment and behavior of employees. For example, rules about tardiness and absenteeism permit supervisors to make discipline decisions rapidly and with a high degree of fairness.

**A budget** is a plan statement for a given period in future expressed in financial or physical units. It contains expected results in numerical terms. A budget is a quantitative expression of a plan and have different category but consolidated into one master budget for the whole enterprise in a way the translated version of the overall business plan of the enterprise. Similarly, production budget represent the plan of the production department. One of the advantages of budgets is they facilitate the comparison of actual results with the planned ones by providing yardsticks for measuring performance.

**A program** includes goals, policies, procedures, rules and steps taken in putting a plan into action. Terry and Franklin define program as “a comprehensive plan that includes future use of different resources in an integrated pattern and establishes a sequence of required time schedules for each in order to achieve stated objectives”. Thus, a programme includes objective, policies, procedures, methods, standards and budgets. For instance, a company may embark upon modernization program of the plant and machinery and other manufacturing systems in a big way such an effort is a major program. Similarly, a large organization may start computerizing all its activities. On the other hand, modernization of small equipment in some section of the factory and computerization of a particular operation in a certain department may be consider as a minor program.

**Qtn7. “Failure to plan is planning to fail”.**

Benjamin franklin was known for the following say,” failing to prepare is you are preparing to fail” and it is true that if you do not set goals, beforehand or ahead in the life you cannot succeed in life. Success come to those with determination, who set concrete goals in life and successful people have short term or long goals.

Planning is one thing that one should be able to do so that you will be able to achieve specific goals, objectives within a specific period.

**A plan enable you to show or give you direction** of where you want to be or go. For instance a plan for career, plan for investment so that in the due course of the action. Planning is an important element to be follow, in order for one to select goals and determine the means of achieving them before formulating a plan

**Plan make the things happen** because it enable one to anticipate the future and prepare themselves to meet the challenges of the future rather are they proactive.it influence the outcome of the events in a significant way. Nevertheless, it also requires involvements of the stakeholders, employees, creditors, government and others though the interest might vary at a time and conflict.

**Competent project manager**. A manager with good interpersonally and technically skills foresee the future and predict the consequence of action or a manager has to look down into future and prepare him or herself to meet the uncertainties ahead. A well though plan solve many of the problems associated with the future.

**Clear Responsibility and Accountability of Team Members.**

This requires that all team members have a clear understanding of their roles and duties in the project. They must be able understand how expectations vs. achievements will be measured and graded. Project manager is responsible to coordinate, implement and communicate of these responsibilities, to provide feedback, and to assure all understanding for which they maybe held accountable.

**Schedule Control.** Through continual monitoring and measurement of time, milestones, people, and equipment schedules. Properly done schedule control will also give the first hint that initial planning may not be going according to schedule. If you notice these hints, you have an opportunity to implement a fallback position and/or re-plan to get back on track.

**A plan help to cope with changes** .organization should have the ability to deal with the environment to enable many of the organization to survive, despite other weakness. Management that fail to adopt would eventually fail on the wayside. Management have constantly analyze the impending changes in the environment and assess their impact on the business. For instance, increase in market competition, pressure on existing resources, employee expectation are changing gradually and rapid changes in technology.

However, to minimize failing in plan, one has to take time to plan and reframe thinking, and take time to reflect and strive to maintain some normalcy to create some comfort

**Double up plan as tools to control events.** Planning and controlling are in most cases said to be Siamese twins of management. When you plan something, make it happen in a particular way.

**Competent project team members**. The importance of selecting and, if necessary, triaging project team members.

**Sufficient resource allocation**. These are Resources in the form of money, personnel, logistics, etc. Adequate communication channels. Sufficient information is available on the project objectives, status, changes, organizational coordination, clients’ needs, etc.

**Control Mechanisms**. (Including planning, schedules, etc.). Programs are in place to deal with initial plans and schedules.

**Feedback capabilities.** All parties concerned with the project area able to review project status, make suggestions, and corrections through formal feedback channels or review meetings.

**Responsiveness to client**. All potential users of the project are to be consult with and keep up to date information on project status so that can clients receive assistance after the project has been successfully implemented.

**Client consultation**. The project team members share solicited input from all potential clients of the project so that project team members understand the needs of those who will use the systems.

**Technical tasks.** Like the introduction of new technology that is being implemented in works place and experts, consultants, or other experienced project managers outside the project team should be able reviewed and critiqued the basic approach.

**Client Acceptance**. Potential clients to be contacted about the usefulness of the project. Adequate preparation has to be accomplish in a best way to determine how to sell the project to the clients.

Trouble-shooting. Project team members spend a part of each day looking for problems that have surfaced or are about to surface. Project team members are encouraged to take quick action on problems on their own initiative.

**Nevertheless** , some time organization fail to not because of lack of resources but due to poor planning, also in absence of the systematic planning resources may not help you in achieving the objective .

1. **Coca-Cola Company**

A pharmacist named John Pemberton invented the original Coca Cola in 1886. The company was not incorporated, however, until 1892 by another pharmacist named Asa Candler. Candler purchased the Coca-Cola brand and formula in 1889. In recent years, the soda industry has been the source of much negative focus. For many companies this has had a significant backlash. The Coca-Cola brand, however, has managed to maintain its standing at the top of the industry. Although Coca-Cola manufactures sodas, it also manufactures other beverages and non-alcoholic drinks. In fact, in addition to Coca-Cola, there are also 500 additional brands, including Sprite, Tab, Nestea, Minute Maid, Dasani water, and PowerAde, that fall beneath the umbrella of the Coca-Cola brand. The company's success is largely due to branding and smart marketing. The company nearly from the beginning marketed itself as an All-American company and a major part of Americana. Today Coca-Cola is consider an American icon with its unique taste and secret formula as part of what makes it different from its competitors; however, the highly successful marketing of the Coca-Cola brand is the main factor that makes it stand apart from other beverage companies.

**Entry Modes:**

The company looked for the opportunity to expand its business across borders, and finding the appropriate entry mode is an intricate task for international business. The company chose different entry modes, to control foreign operation with strategic decision-making and which are compatible with the laws of government and culture of the country.

There are various modes for entering in the international market like exporting, licensing, franchising, joint ventures with the host country firm, acquisition, and wholly owned new subsidiary in the foreign Country (Hill, 2009).

**Joint Venture**: it is one of the method the company used for entering and sharing ownership between two or more firms. The International joint venture benefits the firm from the use of local market knowledge of the host country, culture, competitiveness, legal and political system and development. From International Joint Venture the risk can also be share with the local partner.

**Acquisition:** international market by acquiring or buying and combination of different companies that can aid, finance, or help the company in a given industry without creating a new business entity (Hill. 2009). Used by Coca-Cola to enter Indian market.

It is important for the company to consider factors such as the nation’s long run profit potential, the economic benefits of that country, the market size, and purchasing power of consumers and customers that is link to the economic growth rate when entering in the market (Hill, 2009).

**Marketing strategy:** The company strategy is based on 3 A’s i.e. availability of the product to all the customers, affordability is about the pricing and acceptability which stands convincing the customer to buy the product.

**Product branding:** In 2001 coco cola CEO Douglas Daft set a new direction for success for global brand with a “think global and act local” and the foundation of the strategy grounded positioning and marketing communication in consumers insight, acknowledging that urban versus rural in India. There is also different packing of the products like glass bottles, plastic bottles as well as aluminum cans also with different shapes along with designs. The company continues to expand because it is able to meet customers’ taste and preference.

**Different marking strategies: l**ike in the rural market, the company supply 200ml bottle so that those customers and consumers whose wages are not so high also have it (Kaul 2004).Company invested in distribution of the infrastructure to effectively serve disbursed population and doubled the number of retail by increasing the market penetration.

**Promotion strategy:** Which includes advertising, sales campaign into integrated communication strategy, publicity as well as personal selling. Promotion is the situation where the product sets in the mind of the consumers for coco Cola Company it spends also invests to the highest level in advertisements on TV, Billboards, Magazine and web site.

**Pricing.** The company maintain price stability. They are able to build up an obligation towards their brand. They gives them no more than a little more confidence.

**Product:** the company has the obligation to decide what product to provide, managed to survive products over time, also recommend failed product. Beside producing the coco cola drinks with all its types such like lights, classic, original , zero, it produced others soft drink as well as beverages such in the vein of fanta, spirte juice iced tea and in addition to coffee as well as bottled water. The company is able to produce more juice drinks along with juice drink, water sports in addition to energy drinks tea, as well as coffee, soya-based drink alone with beverage with addition nutritional benefit.

**Distribution.** The company has the obligation-forwarding attempt to make their large customers like hotels, giant supermarkets chain, and the national event outlets in the major cities. Their product are transfer from producer towards consumers. The company sell its products through distributing towards their retailers in all geographical areas, segments without any discrimination.

**Employment.** The company employs local people, pay taxes, towards governments, services, capital equipment beside foundation community investments.

**Coco cola Business model**

This is the heart of everything the company does, it support the growth and defines the activities the company engage in, the relationships depend basically on the output and outcomes that aim to achieve in order to create value for all over stakeholders in both short, medium, and long term.

The company was able to succeed because it look at unlocking potential talent because the people are the fundamental to the company growth and the company have the ability to create value. People skills, experience, and expertise are critical or creating and executing strategies and their services orientation and commitment to excellence help to deliver results, build relationship and secure company reputation. The coco cola offer a work place where people are inspired to take advantage of opportunities to learn, grow and take charge of their careers.

**Trusted by communities.**

Building trust, operating a responsible sustainable business and seek to continually improvement by setting ambitious goals. Working in partnership with communities, government and non-governmental organizations, help to create win-win solutions to societal challenges. The company also continued improving product quality hence leading to it success.

However, the company also experienced challenges such as:

Operating internationally it is face with two forces of pressure of local responsiveness and pressure of global integration (Daniels et al, 2009). In 1987, Prahlad and Doz came with an IR framework on internationalization, their IR framework created a big platform for the study on global business that helps to form an international strategy that has multi-dimensional contextual setting.

IR framework has limitations for the global industrial competition specified only for the first stage, vagueness in the concept that defines the bond between industry forces and finally lack of proof for supporting the framework (Rugman et al, 2006). Bartlett and Ghoshal (2008) further studied and came with some additions in IR framework and came up with 4 strategies that are international, global, transitional and multi-domestic approaches to the foreign market. The Global Strategy adopted by Coca-Cola critically analyzed using the IR (Integration/ Responsive) framework proposed by Bartlett, Ghoshal and Beamish (2008) and Hill (2009).

The global standardization products and services focus on huge profit, but they compromise on their products price. The marketing research, production and research done in precise regions with some certain standard and sold globally. So those type of products face a huge pressure in reducing the price according to the place where they are sold for example Intel, a chip company (Hill, 2009). According to Bartlett and Ghoshal (2002), a solution for the cross, border business is Transnational, which is consider as the important approach for the international market.

The transnational strategy gives a lot of pressure to the company for cost reduction and local responsiveness. This can be achieve by transferring the precise skills and expectations of the company from the home country to the needs of the foreign country, where they compete with the local market with reduced price.

Conclusion:

As we can gather now that Coca cola is a well-known product as it is nonalcoholic beverage soft drinks. In addition, it is an authentic product, since we are enjoying some benefits of it such like digesting, refreshment, etc. Moreover, it is kind of talent product because it is not taking much time to choose also make up the perception of it. This is besides; Coca cola has the three attributes many features, an elegant design additionally of course quality. Additionally, Coca cola has the most well known brand in the consumer market at the international level also even in the history of branding. Finally, Since Coca cola is packing in the most convenient packing cases as well as in different types such like cans, glass as well as plastic, although many sizes. As for a single service, in addition to, family size or type, in addition to family sizes. Furthermore, we can make with the purpose of while, Coca Cola Company describes itself at the same time as a beverage, health, as well as wellness company. In recent times they created another feature image, a global business structure considered to reinforce the focal point on their interior beverage business. Coca Cola Company accepts, as true spiraling their leadership in such market, which is the main constituent of the same corporate strategy.

With the intent of strengthen their competitive advantage in this area, Coca Cola Company created its brand image at the same time as an independent international business unit within its enterprise, along with charged it through means of functioning in addition to benefit as well as field responsibility for the claim-based range of beverages. Coca Cola Company aims to deliver superior business performance through offering consumers trusted; science based beverages products as well as services.

Coca Cola Company is an international organization. It is not surprising toward general strategy is at the spirit of their competitive focal point. Coca Cola Company’s competitive strategies are associated for the most part in the midst of foreign direct investment in beverages in addition to other food businesses. Coca Cola Company aims to calculate sales between low risks although low growth countries of the developed area along with high risk in addition to potentially high growth markets of Africa in addition to Latin America. At the same time as Coca Cola Company distinguishes the profitability potential in these dangerous countries, other than pledges not to take unnecessary risks on behalf of the sake of growth. This form of hedging keeps growing established as well as shareholders happy.

Coca Cola Company remain competitive it must remain in contact throughout what other brands are doing. Coca Cola Company must compete through means of re-introduced best-selling blocks otherwise they are losing a large percentage of the market. It must also found its brand more prominent through Sponsoring sport clubs so public awareness grows.

1. **Caterpillar Company:**

Caterpillar Inc. is a manufacturer of heavy equipment and engines. Some of its products are bulldozers, excavators, wheel loaders, diesel engines and trucks. The company also offers services, such as financing and insurance, as well as maintenance and training services. Based on these product offerings, Caterpillar has a moderate degree of diversification, with business in the heavy equipment industry, engines industry and financial services industry. Headquartered in Illinois, the company’s products and services are available worldwide. Founded in California in 1925, the company has grown to become the world’s leading provider of construction machinery. However, the company competes with large firms like Mitsubishi Heavy Industries and Toyota Industries Corporation (a core company in the Toyota Group, which is composed of other companies like Toyota Motor Corporation). Despite global competition, Caterpillar Inc. maintains its position as among the leading businesses in the construction and heavy equipment market.

**Caterpillar Inc.’s Mission Statement**

The company’s mission statement is “to provide the best value to customers, grow a profitable business, develop and reward people, and encourage social responsibility.” Thus, the company’s mission statement is four-fold. The details of Caterpillar’s mission statement four points are as follows:

* To provide the best value to customers. The company will be the leader in providing the best value in machines, engines and support services for customers dedicated to building the world’s infrastructure and developing and transporting its resources. We provide the best value to customers.
* To grow a profitable business. Caterpillar people will increase shareholder value by aggressively pursuing growth and profit opportunities that leverage our engineering, manufacturing, distribution, information management, and financial services expertise. We grow profitably.
* To develop and reward people. The company will provide its worldwide workforce with an environment that stimulates diversity, innovation, teamwork, continuous learning and improvement and rewards individual performance. We develop and reward people.
* To encourage social responsibility. The company is dedicated to improving the quality of life while sustaining the quality of our earth. We encourage social responsibility.

Because of its clear mission, statement the company is able to growth and succeed due to the following reasons.

**Providing high quality products and services.** Productknown of high quality and durability. The organization follows the component of the corporate mission ensure that the business continues to grow internationally while keeping financial soundness. In developing and rewarding people, the business also benefited employees and business partners. The company was able to encourage and maintain social responsibility, through addressing the needs of the community and environment to ensure sustainability program:

**Maintaining its Vision: o**f to “be the global leader in customer value.” The company effectively develops its business value through marketing and its distribution network around the world. Thus, the corporation follows this vision statement and continues to improve customer value. The company corporate vision is also short and simple making it easy to understand. However, this vision statement has made it easy for issues in terms of specificity to Caterpillar’s business. Hence leading to its success

**External Assessment of caterpillar inc by (Porter’s Five Forces Competitive Analysis)** look at threat of new entrants , competitive rivalry, threat of substitute and the bargaining power of the buyers based on the business model that enable the company to continuously succeed as

* **Threat of new entrants**. There is a low threat of new entrants in the industry because of the very high capital requirement to establish a new firm that produces heavy equipment. Small businesses could enter the industry and provide heavy machinery through small-scale production. However, these small new entrants have minimal effect on firms like Caterpillar Inc.
* **Competitive rivalry**. The company faces high competition in the industry. In heavy equipment manufacturing, there are significant competitors from countries like Japan and the Netherlands. These competitors are also major players in the global market. They have engineering expertise comparable to that of Caterpillar. In financial services, competition is even higher. Many small, medium, and large financial service companies directly compete with firms like Caterpillar but still the company has the ability to outcompete them.
* **Threat of substitutes**. The threat of substitution is low. For instance, crude tools can be use as substitutes to heavy equipment from the company. However, the current trend is toward mechanization and automation. Thus, customers are unlikely to shift away from using heavy equipment like those from Caterpillar Inc.
* **Bargaining power of buyers.** The company’s buyers include groups and organizations. For example, construction firms and government agencies purchase heavy trucks and machines from firms like Caterpillar. The bargaining power of buyers is low because of limited options. Only a few major companies offer products with high quality and durability compared to those of Caterpillar.
* **Bargaining power of suppliers.** The company’s suppliers are firms that provide raw materials and components for its products. The company uses various suppliers for its production because it has different manufacturing locations around the world. No single supplier can exert significant pressure on Caterpillar’s business. Thus, the bargaining power of suppliers is low and caterpillar is able to succeed.

**Caterpillar Inc.’s Intensive Strategies**

**Market penetration**: Is the main intensive growth strategy of Caterpillar Inc. In most of the major markets around the world, the firm already has a significant presence. In these markets, the company focuses on growing sales from the current population of customers, which is the objective of market penetration. Caterpillar uses its current distributors and new distributors for these two intensive growth strategies.

**Product Development**: Caterpillar does not rely much on product development as an intensive strategy for growth but mainly focuses on improving existing products by modifying the existing one to provide new features and improve the value of their customers. The firm rarely introduces an entirely new product.

**Diversification:** The Company has moderate diversification. Even with this condition, diversification serves only a minor role in growing Caterpillar’s business. This intensive growth strategy involves developing new businesses or entering new industries, spreading business risk across different markets. The company’s rate of diversification remains minimal.

**Branding as** a strength, company has strong brand image for both, large-scale assets, and its strong global distribution network and the strong brand image is because the Caterpillar name is well -known around the world for quality product. The company has large-scale assets that is use to support further business growth and development. In addition, the firm has a large global network of distributors.

**The company has high opportunistic chances** of increasing its revenues through growth and expansion, and increase competitive advantage through innovation, has grown, and expand in emerging and developing markets, especially in Asia. The business has exploited the construction boom in these markets. The business can innovate to develop better or new products to capture more of the global market.

However, the company also faces some challenges in the business as:

Company executives say dealers are missing additional billions in sales by not coordinating better with one another and not offering consistent e-commerce solutions to customers who, in many cases, work with more than one Caterpillar dealer across the globe. "Customer expectations have changed," says Levenick, who is in charge of the initiative. "If they work with multiple dealers, they want to have a common experience wherever they go." Oberhelman says cooperation and communication among Caterpillar dealers often is "disjointed," especially when it comes to locating parts and serving customers. He cites Australia as an example where the four dealers that had carved up the country. Caterpillar itself sells a handful of specialized products directly to customers - operate dozens of supply depots whose order and inventory systems are not mesh.

Recommendations for Caterpillar Inc.

Based on the results of this business analysis, as a recommendation, Caterpillar can improve performance through differentiation. The company must increase its investment in research and development to create unique products. At present, the heavy equipment, engines, and financial services of Caterpillar are very similar to the ones available from competitors. To increase competitiveness, the firm must invest more in developing novel products.

Caterpillar can also improve its financial performance by growing its distribution network. The firm must focus on developing markets because these markets have high economic growth rates. For example, the company can increase the number of Caterpillar distributors in countries like China.

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