NEAR EAST UNIVERSITY

STUDENT NUMBER: 20225011

COURSE CODE: MAN540 & BUS617Strategic Management

SUBMITTED TO: DR.AYSE HYUSEIN

Case study question

Ans. 1

Henkel has a varied and harmonious spectrum and conducts business worldwide. With its multiple industry segments, the German-based Corporation dominates throughout the manufacturing and retail sectors by means of powerful brands, new ideas, and technological advancements. New internet safety tactics were necessary to meet this hurdle after Henkel revealed the latest tactical plan with the goal of strengthening its competitive edge in the area of digitalization by leveraging major developments like an upsurge in consumer and customer attraction.

Customer demand appeared to change instantly when the COVID-19 pandemic hit, second dispute among Russia and Ukraine and customer behavior and preferences quickly shifted to favor e-commerce. Disposable items and stores raced to enable more digital capabilities as numerous worldwide distribution systems broke down, utilizing clever digitization, computer vision, and Web of Issues gauges, they expand their online and direct-to-consumer operations. These innovative methods for providing customers are crucial, but they also let next-generation cyber threats and attacks slip through the cracks.

Henkel ultimately reached out to us to help collaborate on a five-year safety plan on the digitization of their corporate and production environment amid this period of higher danger and rapid global transition. Henkel gave us the task of developing a plan using a more creative and inventive strategy with increased teamwork, stakeholder involvement, and interaction.

1. Cost-Reduction method: Implementing cost-cutting initiatives is a typical restructuring method. Effective prices are those that are centered on the firm's expansion and are in line with its target market's needs. Negative expenditures are those that squander funds and do not align with the company's growth goal. if unfavorable expenses are reduced, commodities that could be allocated more productively may become available. Exceptional costs are those connected to an organization's distinctive characteristics, ways it stands out from the competition, and ways it offers true worth to its clients. This could entail finding areas of wasteful spending, streamlining processes, improving the supply chain, or looking for strategies to lower overhead expenses

2, **Strategy for Portfolio Rationalization**:

When rationalizing a collection of assets, a company's product or service offerings are assessed and reorganized. Collections of products are managed by major organizations at the business unit level. Therefore, that is where project managers should decide how to allocate their resources. Take advantage of this opportunity to update your innovation plan because the present scenario has probably had an impact on the markets in which you compete and makes it challenging to predict how you can succeed. Project managers need to verify their primary marketplace hypotheses as soon as possible. Be a leader, Revise project timetables and ROI forecasts to account for the new situation and moving ahead.

The global financial system is currently experiencing a notable impact from this crisis. Corporate managers are facing unprecedented levels of instability and unpredictability. However, the pandemic will eventually cease and business will begin to rebound.

3. Operating effectiveness plan:

Enhancing operational efficiency is a plan meant to boost output, cut down on debris, and streamline procedures all throughout the company. This may entail putting innovation to use, employing agile from lean manufacturing, automation routine processes, or enhancing logistic chain management. The objective is to increase general effectiveness and consolidate procedures to boost revenue.

4. Innovation and New Product Development Strategy: Businesses frequently concentrate on technology and the creation of novel products to improve their performance. The approach entails spending money on research and development (R&D) to produce new items or enhance ones that already exist. Manufacturers can obtain an advantage over their competitors, draw clients, and spur revenue growth by launching fresh, useful products on the shelves.

5. Market Expansion and Diversification Strategy: Adapting to the trade base or growing into unfamiliar territories might be a tactical choice to counteract unfavorable outcomes. Henkel may think about entering unexplored regions or broadening its product line to focus on different client groups. The approach tries to develop fresh sources of revenue and lessen dependency on particular markets or goods.

6. Organizational Restructuring Strategy: Organizational restructuring is sometimes chosen by businesses to reorganize their operations, roles, and responsibilities. Rearranging business units, changing reporting lines, or changing leadership may all be part of this strategy. Remodeling an enterprise tries to boost management, interaction, and adaptability to react to changing economic conditions

- Identify their goals and their potential
- Coordinate, speed up, and remove obstacles to a portfolio of initiatives.
- Launch and interrupt like a start-up.
- Create, assemble, assessments, and optimize
- Create an agenda, make investments, and expand like a venture capital group.

Ans: 2,

Two of Michael Porter's four general strategies—low-cost cost management and differentiation—can be used to achieve an edge over rivals. Contrary to Porter, David Faulkner, and Cliff Bowman contends that it is erroneous to choose between these two orientations. Merely an approach that can meet each of the experts' "external accomplishment standards" of fewer and more appealing, as well as inside success standards that generate distinction while offering at affordable prices can obtain a durable edge over rivals.

To implement the recommended approach, the firm's organizational structure can be changed on the basis of value-added activities as opposed to at the overall level of every division.

These tactics were established on the premise that clients might opt to buy from a specific vendor over competing because an item or commodity is perhaps regarded more favorably by the client from a specific company than from another, or the price is lower than that of another firm.

There are shaky connections between the desired aggressive plan and the results here. The 'Customer Matrix' and the 'Producer Matrix', are two straightforward matrices that were developed for this study to examine those connections. The position on the Customer Matrix is decided by the client, and the position on the manufacturer's Matrix is decided by the rivalry. In response to these demands, the administration must act. The problems encountered are demonstrated using instances from the auto sector.

1: **Cost Leadership Strategy**: The approach attempts to attain the most affordable manufacturing and shipping costs in the sector, enabling the business to sell items at more affordable prices than its rivals. By concentrating on effectiveness in operations, cost cutting, and efficiencies of magnitude, Henkel can profit from this approach. Henkel can reduce its operating expenses and keep an affordable edge in its sector by streamlining its supply chain, improving the quality of its production techniques, and striking advantageous partnerships with providers. Furthermore, the business can spend money on research and development to create cutting-edge materials or techniques that can down manufacturing costs even more. Henkel can draw in clients who are price-conscious by producing at a cheap cost and perhaps take the marketplace segment away from rivals.

1: **Differentiation Strategy**:

The differentiation strategy strives to produce an original and appealing product or provider that distinguishes the business from its rivals. By concentrating on innovation in products, outstanding performance, and credibility, Henkel can profit from this tactic. The business can spend money on research and development to create cutting-edge consumer items with standout qualities. Henkel can position itself as a market leader and set itself apart from rivals by consistently enhancing the quality and functionality of its goods. Additionally, the business might spend money on advertising and promotional initiatives to develop a strong brand identity that appeals to its target market. Henkel can demand expensive rates and possibly expand its clientele by providing unique products and cultivating loyalty from customers.

3, Emphasis Strategy:

The approach to focus entails focusing on an identified niche or sector and customizing the business's products or services to meet the particular requirements of that segment. By identifying particular consumer groups or geographical markets where it has a competitive edge or undiscovered opportunity, Henkel can profit from this technique. Henkel can create customized goods or marketing efforts to meet the unique demands of these categories by having a thorough grasp of their various tastes demands, or difficulties. The organization can manage its resources more effectively and forge a solid footing in the target market sector thanks to this narrow focus. Henkel can forge strong bonds with customers, expand its geographic share, and increase its bottom line by specializing in serving a certain consumer base.

In conclusion: by combining cost leadership, differentiation, and focus techniques, Henkel may profit from Michael Porter's Generic Schemes. The business may turn into an affordable manufacturer and draw in price-conscious clients by concentrating on operational efficiency, cost cutting, and savings of magnitude. Henkel can concurrently distinguish its range and charge a premium price by investing in product innovation, outstanding craftsmanship, and the reputation of the company. At the very least, Henkel may create an effective presence and forge enduring connections with its clientele by recognizing particular client categories or regional regions and adjusting its products and marketing initiatives properly. Henkel may enhance its market position, boost revenue, and acquire an edge over competitors by putting these plans into action in the consumer goods sector.

ANS 3:-

The Quantitative Strategic Planning Matrix (QSPM) is utilized in promotional planning in addition to tactical leadership. Nevertheless, by contrasting it with other different actions, QSPM provides an ideal analytical method that is appropriate. Thus, the QSPM aids in the creation of analytical frames for approach design.

The Quantitative Strategic Planning Matrix is a strategy for selecting the ideal approach by contrasting it with alternative methods that are as good as they can be. As a result, the ideal approach was chosen using administration and calculation methodologies.

Strategic Administration Tool Phases

Stage 1

First off, the procedure provides the QSPM matrix's parameters. Therefore, significant strategic factors are identified in the initial step of the managerial strategic planning study.

Stage 2

Align the stage 1 sources to the stage 2 findings in the stage 2 evaluation. We can construct the kind of approach we intend to employ after discovering and assessing the primary strategic aspects used as QSPM inputs.

Therefore, stage 2 strategic management methods can be used to accomplish this. SWOT analysis, SPACE matrix analysis, the IE matrix, or the BCG matrix model are a few examples.

Crucial Insights convey the data required for the QSPM installation during Stage 2. The QSPM approach is so parallel to that, you have begun scanning marketplaces for possibilities and dangers that are external to your firm. As said before, the new market is growing beyond the company, which may offer possibilities to the competitors while also posing challenges. However, lead to intense rivalry and decrease market prices, identify the possibilities and hazards that you've found below on the left side of your paper.

Step 3: Different Approaches

The following step is to establish the strategies once all of your internal and external components have been determined. So, utilizing a full matrix, these are the strategies you will select.

Particularly, a list of all the techniques you have thought of should appear at the top of the matrix. Particularly, the top of the matrix should contain a list of all the techniques you have thought of. To play, you must have at least two options available, though you may select more. Therefore, under every single alternative, you will require the following rows: weight, attractiveness score, and total.

Averaging the variables in

Step 4: The next step is to apply a weight to each of the criteria you have included in your matrix. Each aspect will be given significance, thus it is important to consider how much of an impact each one has in actual applications.

As a result, you should give both your inside and outside components weights of 100%. When finished, assess the pros and cons of each suggested tactical alternative.

Step 5: Evaluate for aesthetics

Similar to how you did with the weight, you will now give each internal and exterior component an attractiveness score. In more detail, these ratings will be given on a scale of 1 to 4, with 4 being the most appealing. Therefore, you could deem the attractiveness score to be zero if the relevant aspect has no bearing on the decision you decide. Work your way through the entire matrix you've developed until all of your components are beautiful and well-balanced.

Final calculations at **step six**

Finally, you will conduct the computations that are required to stabilize the final values in each of your possibilities to finish the QSPM process.

The math is extremely straightforward; you simply increase the weight by the QSPM's **benefits and drawbacks**

1: multiple approaches can be taken into account at once.

2) The procedure for making choices incorporates both relevant variables.

The drawback

1) Require sound reasoning and supposition.

2) The original feedback from prior phases affects QSPM effectiveness.

3) Only consider tactics from a specific set that are connected to one another.

Conclusion

Finally, we come to the conclusion that choosing a competitive company is a wise move after performing a few straightforward calculations in QSPM. The total attractiveness score is what determines this.

Ans: 4,

Division 1: Develop throughout time.

Division 2: Build long-term in

Division 3: In the course of the term, gather and sell

Division 4: Immediately harvest and divest

Division 5: Immediately divest, according

Divisions 1 and 2 produce good profits (nearly the entire pie), and their respective industries are expanding briskly good profits (nearly the entire pie), and the industries in which they operate are expanding at brisk rates. So, keep constructing them. Division 3 generates some earnings, and the market is anticipated to expand at a typical rate. Harvest, but divest midway through when expansion diminishes.

Division 4 makes very little money, but its sector has a poor pace of growth. Harvest as much as you can then promptly divest.

Division 5 suffers from substantial declines, and the industrial expansion is likewise quite unfavorable. As a result, the split must be swiftly rid of.

Division

2: - Company needs to increase market share & use new technology to engineer demand, so it can move to star

The following settings are used in this BCG Matrix template, however they are totally customizable:

Stars have a growth rate above ten percent and a market share higher than 50%; Cash Cows have a growth assess less than 10% but a market post greater than 50%; Question Marks have a growth rate more than 10% but a market exhibit less than 50%; and Dogs have a development rate less than 10% and a market share less than 50%.

Question mark: Choose between the two tactics of removing the product from the market or adding resources to spur growth. We can infer that there is very little market growth because the business's existence is unpredictable and is represented by question marks. Users can attempt to gain a larger share of the market if it is a new one.