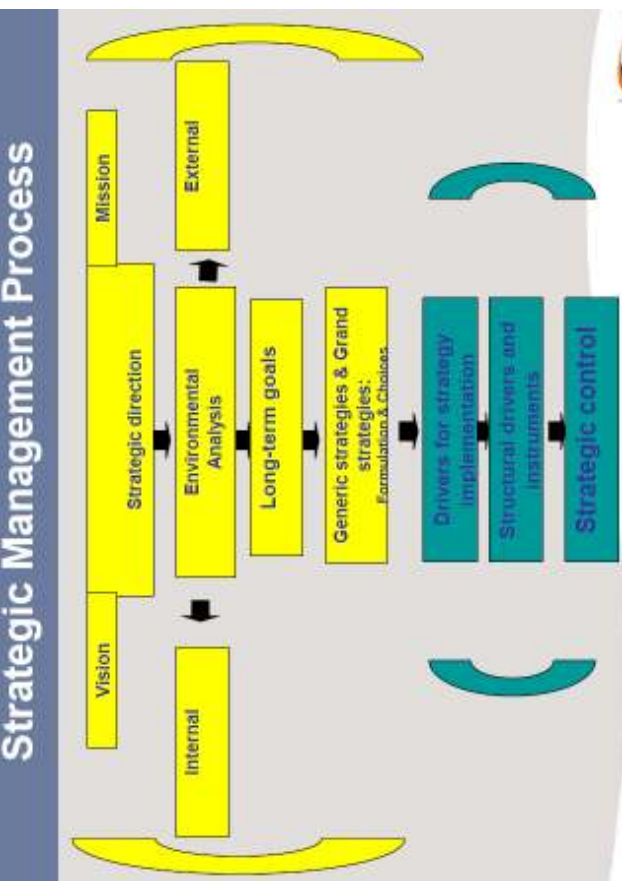


- Definition of Strategic Management**
- Use of resources and functions
 - Meet long-term goals
 - Gain competitive advantage
 - Add value to organization for stakeholders
- Functional Aspects (Benefits)**
- Higher profitability
 - Higher productivity
 - Improved communication between functions of organisation
 - Empowerment
 - Discipline and a sense of responsibility to the management of the organisation
 - More effective time management
 - More effective resource management
 - Strategic Management

| | Traditional View | Emerging View |
|----------------|--|---|
| View | Strategy as fit with resource | Strategy as stretch and leverage |
| Industry Space | Strategy as positioning in existing industry space | Strategy as creating new industry space |
| Responsibility | Strategy as top management activity | Strategy as a total and continuous organizational process |
| Exercise | Strategy as an analytical exercise | Strategy as an analytical and organizational exercise |
| Direction | Strategy as extrapolating from the past | Strategy as creating the future |

- Views of Strategic Management**
- Guides a firm's entry and exit from different businesses
 - Corporate Strategy**
 - Determines how parent company manages and adds value to its businesses
 - Creates value through diversification
 - Business Strategy**
 - Developing and sustaining competitive advantage for products/services the company produces
 - Strategy for competing against industry competition
 - Functional Strategy**
 - Development and coordination of resources
 - Based on business level strategies

- Differentiate Between the Different Levels of Strategy**
- Thinking Phase**
- Vision & mission statement
 - Internal & external environmental analysis done to find SWOT
 - Long-term goals formulated
 - Generic & Grand Strategies chosen
- Action stage**
- Chosen strategies are implemented through different drivers and tools
- Checking Stage**
- Evaluate success/failure of chosen strategies against strategic objectives



- Contemporary Applications of Strategic Management**
- Non Profit Organizations & NGOs**
 - Time
 - Unrealistic expectations from managers and employees
 - The uncertain chain of implementation
 - Negative perception of strategic management
 - No specific goals and measurable outcomes
 - Negative culture of change
 - Success groove
 - International (Global) Organizations**
 - Strategic decisions should involve all levels of management
 - Strategic management not only the responsibility of top management
 - Responsibility filters down to lower levels of employment
 - Lower levels will execute strategies successfully if they were involved in the strategic planning

- Dysfunctional Aspects (Risks)**
- Who is involved in the Strategic Management Process
 - Social Craftsperson
 - Artful Interpreter
 - Known Stranger
 - Strategic Planning Champions (SPCs)
 - Introduce, promote, and guide the strategic planning process in an organisation