



What is Strategic Thinking?

“A series of questions created to help generate a new way of thinking about a problem or issue.”

Vocabulary

Holistic: Considering a system as a whole, not as a collection of parts.

Integrated: To form into one whole; to make entire; to complete; to renew; to restore; to perfect.

Implementation: The process of putting a decision or plan into effect; execution.

Innovative: Introduction of a new idea into the marketplace in the form of a new product or service or an improvement in organization or process.

Imperative: An essential or urgent thing.

Renegotiate : To negotiate anew

Why Think Strategically?

Save time and effort



Attract funding



Get people on board



Try to take over
the world!

Enhance chances
of success



Skills for Strategic Thinking

Have a Vision



Make Time



Learn from Experience



Have Clear Milestones



Do not be Hasty



Use a Team



Find Strategy in Everyday Tasks....

Crossing the road



Finding out how to put 20%
of your salary in savings



What's their strategy?

Move early to the next battleground



Wal-Mart - While large retailers such as Sears, JC Penny, and Kmart positioned stores only in large city and town centers, Wal-Mart took the opposite approach: it focused on smaller towns, in part to avoid direct competition, and in part because it believed the battleground would shift, moving toward small towns and suburbs as consumers began migrating to suburban neighborhoods and subsequently preferred suburban to city-center retail stores.

Ally with a partner outside your market



Honda - Honda opted to partner with a family-owned bicycle firm. By partnering with Hero, Honda could potentially convert bicycle dealers into motorcycle dealers and could source materials through Hero's vast distributor network. Hero Honda used Hero's experience in managing independent dealers to establish a powerful network of 5,000 outlets.

What's their strategy?

Introduce a new piece to the game board



Pepsi/Coca-Cola :- Coca-cola added a new player to the board: independent bottling subsidiary Coca-Cola Enterprises (CCE). This enabled it to compete effectively with Pepsi for regional grocery chain customers, while also achieving significant cost savings by renegotiating superior terms with suppliers and retailers, merging purchasing, and cutting its workforce by 20 percent.

Lock up resources



iPod - Toshiba had recently developed a revolutionary new hard drive that would allow Apple to introduce an MP3 player that approximated the size of flash-memory-based players but held ten times the number of songs. This allowed Apple to make its move: it purchased Toshiba's entire inventory of these new hard drives to prevent competitors like Sony from following too closely. By locking up Toshiba's supply, at least temporarily, Apple made it impossible for competitors to match the iPod's performance.

Exercises

List out some of the strategies for (any one):-

- ✓Winning a medal/prize.
- ✓Scoring high grades.
- ✓Moving to the next level in your company.

Explain how strategy translates into success.

What skills should one look for if you had to innovate?

| Reviewed By | Reviewed On | Comments / Changes Made |
|-------------|-------------|--|
| Kumar | 15.09.2015 | Misspelled word (Organization changed) |
| Honey | 01.03.2016 | None |
| Nilima | 30.08.16 | Edited and added content and exercises. |