

# Diana Ali

Strategic Management  
Busa436

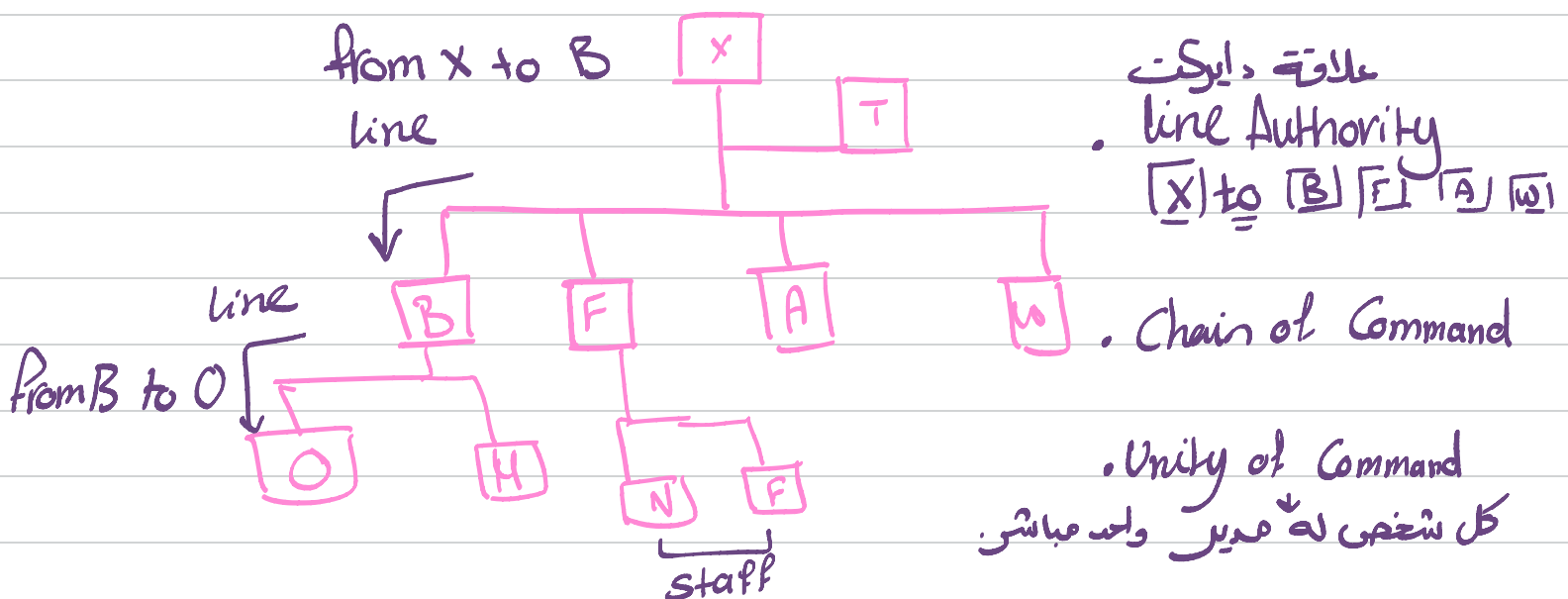


# Introduction

- Management : Planning organizing, leading, motivating & Controlling.
- Good Manager : gets the best of his employees.



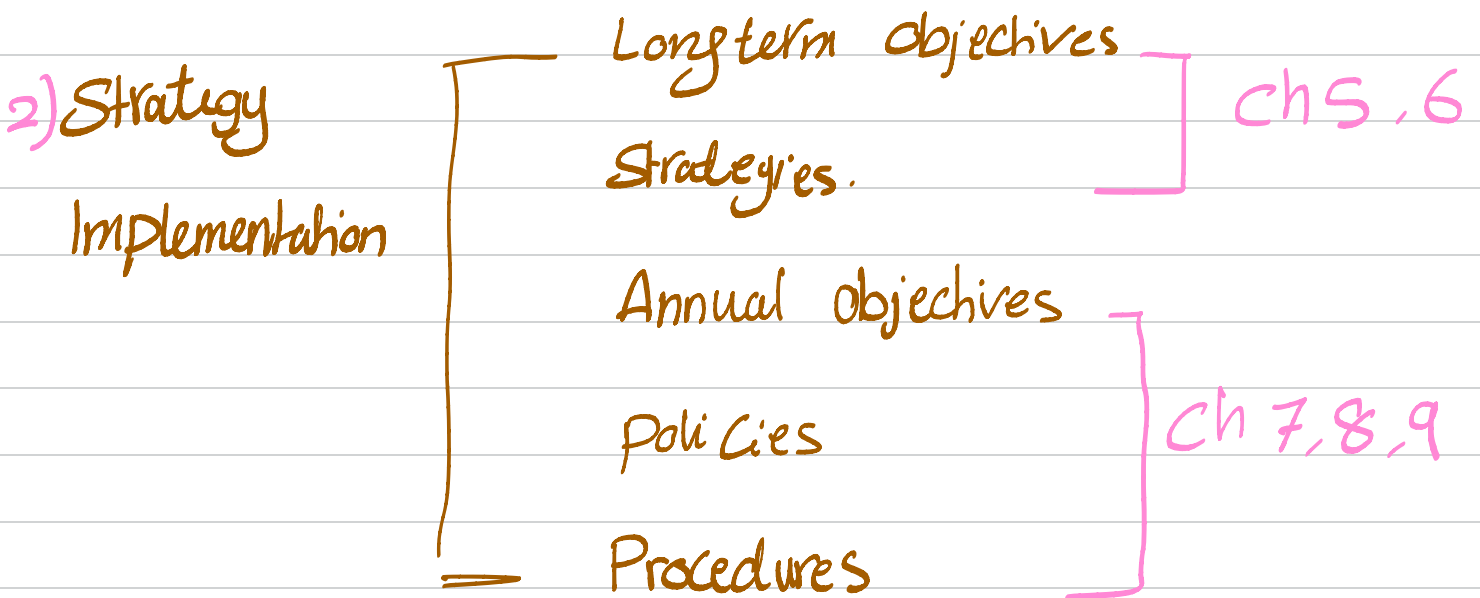
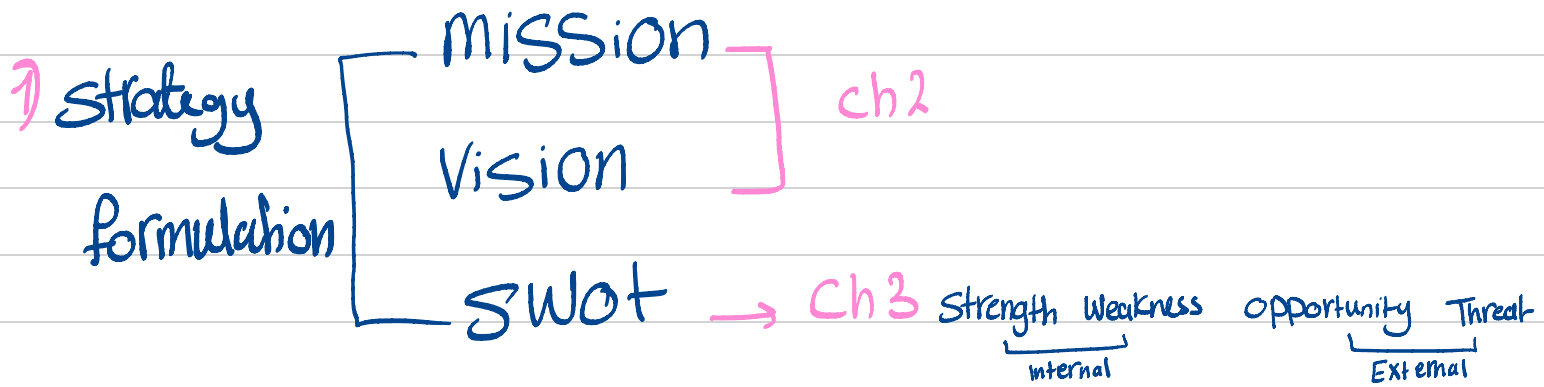
- Strategy Formulation → Planing
- Strategy Implementation   
 
 → Organizing  
 → Leading
- Strategy Evaluation → Controlling





• Strategic : Long term & Important.

• Strategy : آليه عمل



3) Strategy Evaluation

Strategic Management	Strategic Planning
More General	
Academic structure	Business structure.

• Intuition : <sup>تدس</sup> from experience

• Analysis : <sup>عليه</sup> depending on facts.

- People need to adapt to change, but they fear of change.

## Chapter 1

Key terms :

- Competitive advantage : <sup>مزايا</sup> يعني ارباح الشركة ، قابلية للتقليد <sup>لازم</sup> افضل اموالها .

- Sustainable : <sup>مستدامة</sup> .

- Strategists : People who do the strategy.

- SWOT : Strength <sup>Internal</sup> Weakness <sup>Internal</sup> opportunity <sup>external</sup> Threat <sup>external</sup>

- Long term objectives.

- Annual objectives

- Policy

• why Strategic Management is Imp?

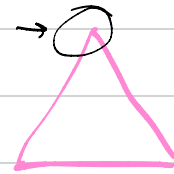
benefit of Strategic Management.

# Why firms sometimes Do Not Do Strategic Planning?

1) Because it's expensive.

2) They Do not know The benefit of it.

• Strategic Management starts from the TOP



• Fire fighting: اختلافات بين أعضاء مجلس الإدارة

• Pitfalls in Strategic Planning: مضاعفات

• Some people do Strategic Planning to gain Control.

• Delegating Planning to planner.

# Chapter 2

Tue, 1 Oct

ما قبل منظر براء الشاقر

• Vision → What we want to become. (1 - 2 Statements)  
Future Oriented

• Mission → "What is our Bus" what I am doing now.  
up to 250 word Purpose

Should involve as many members as possible.

## Benefits of Mission Statement:

- 1) Good Communication between staff.
- 2) Prioritizing
- 3) Define work itself.
- 4) Resolution of divergent views.
- 5) Allocate Resources
- 6) Directions.

تعليم وجهات النظر المختلفة .

## Characteristic of Mission Statement:

- 1) Broad in scope
- 2) less than 250 words in length
- 3) Inspiring
- 4) Identify the Utility of firm Product
- 5) Social.
- 6) Environmental responsibility

7) Include 9 Components :

\* Customers \* Product / Service \* Market

\* Technology \* Concerns for (survival/growth/profit)

\* Philosophy \* self Concept \* Public Image \* employees.

Uploaded By: DianaHajAli

8) Reconciliatory

9) Enduring

\* Costumers

\* Product /Service

\* Market → Geographic location.

\* Technology

\* Concerns for (survival/growth/profit)

\* Philosophy → Values, ethics

\* self-Concept → Major Competitive advantages.

\* Public Image → Social, Public image.

\* employes.

# Chapter 3



Five Forces Model

Threat  $\left[ \begin{array}{l} \text{High} \\ \text{Moderate} \\ \text{Low} \end{array} \right.$

→ Cause a Problem

→ Don't Cause a Problem

1. Rivals/competitors.

المنافسين

most Powerful between 5 forces

2. Pargining Power of Customers.

most Component affecting Competitive advantages

3. Pargining Power of Suppliers.

4. Substitute Products.

5. Threat of new Entry.

• Externed Factors evaluation Matrix

71 Opportunities

Wight

Rating

→ higher is Better

21 Threat

Total

Rating



4

Superior

عقب حسن، طور، استغل عرض.

3

Above Average

2

Average

1

Poor



$$\text{Weighted Score} = \text{Weight} \times \text{Rating}$$

## Competitive Profit Matrix

1. Critical Success factors.

2. Quality

3. Variety of Products.

4. Customer's Satisfaction

5. Management.

6. Location.

7. Availability in stores.

8. Financial Situation.

9. Brand Name.

Total

Weight

-----

-----

-----

-----

-----

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-----

-----

-----

Weight →

4

Major strength

3

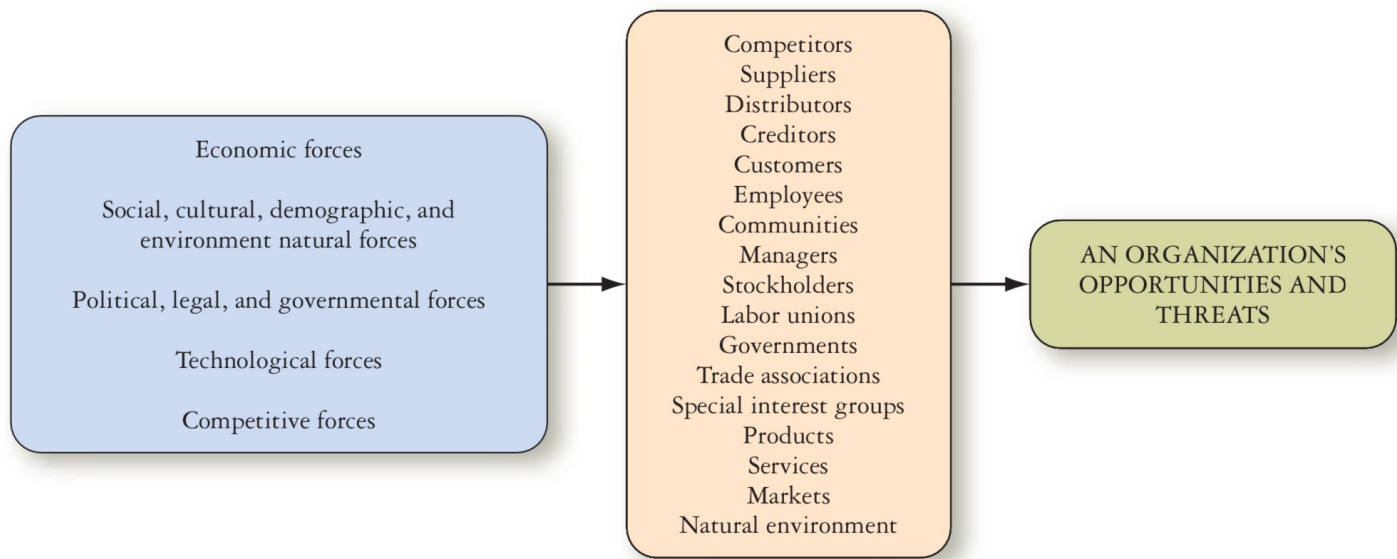
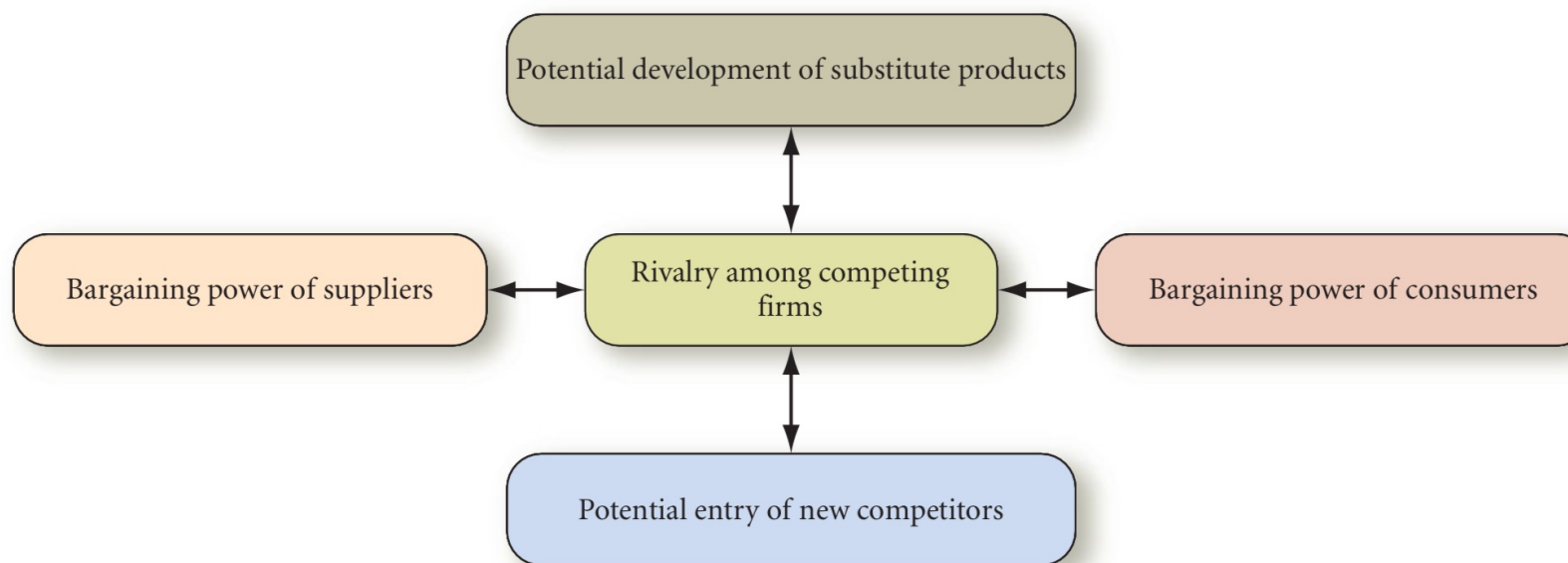
Minor strength

2

Major weak

1

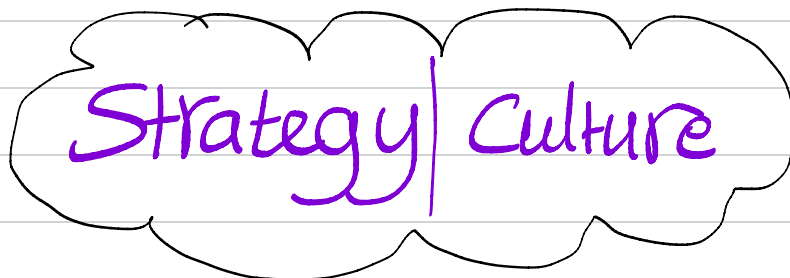
Minor weak

**FIGURE 3-2****Relationships Between Key External Forces and an Organization****FIGURE 3-3****The Five-Forces Model of Competition**



## Internal Factors

- We Should involve as many employees as Possible.
- Communication is the most Imp Component.
- Resourced based view → Internal factors are most Imp because the Company can Control them.
- Value
  - 1] Rare
  - 2] hard to maintain
  - 3] Possible with experience.
- Not easy Substitutable.



Strategy should match the Culture.

1] Management

2] Marketing
 

- Pricing
- Distribution
- Research.

3] Finance , Account
 

- Analyzing
- Recording

• Cost benefit.


1] Investment Division  
 2] financing  
 3] Dividend.

## • Research & Development (R&D)

Could be done ☐ In house  
☐ out Sourcing

## • Value Chain analysis (from A to Z) طابعه من اوله لآخره

Matrix

 Weight Internal Sources 3 or 4  
Not less

## FIGURE 4-2

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### The Process of Gaining Competitive Advantage in a Firm

Weaknesses  $\Rightarrow$  Strengths  $\Rightarrow$  Distinctive Competencies  $\Rightarrow$  Competitive Advantage

# Chapter 5

Goal should be:

- 1) Specific
- 2) Measurement
- 3) Atainable.
- 4) Realistic
- 5) Time.

Mission, Vision, SWOT analysis, <sup>Chapter 5</sup> Strategies

Ex: We Set Uni Longterm objectives first, then we set it for each College, finally We Calculate.

• Maintains statu Goals : المحافظة على نفس الأهداف.

• Financial objectives → Profits, Earn, Revenue, Sales.

• Strategic Objectives → Increase Market share ...

• Managing by Extrapolation (Don't) → ما نتوقع انو الوندع للابح ج يستمر

• Managing by Crises → أمور من معتادة (ما تستنا نصير المعيبة).

• Managing by Subjectivity .  
امور تعيلية فية  
Opinions

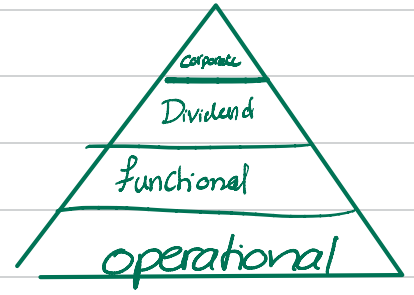
Objectivity → True / False

• Managing by hope.

# Strategies

## 1 Integration Strategies

الكامل

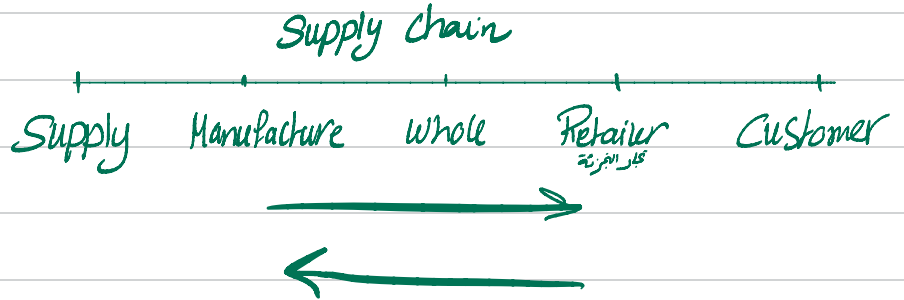


Vertical

- Forward Integration
- Back word Integration
- Horizontal Integration

→ امتياز تجاري  
Franchising

↓  
Competitors  
لديهم ينسجوا



استراتيجيات

## 2 Intensive Strategies

- Market Penetration
- Market Development → Same Product other areas.
- Product Development → Make the Product Better.

بيجود المنتج

## 3 Diversification strategies

التي

Related  
Unrelated

السوق الخاص بالمجال التي ← شركة جوالاات مودت تمنع Tablets

سوق غير المجال التي ← مثل ما كاناات الهوى عاتة ٢٠٢٠

استراتيجيات دفاعية

## 4 Defensive Strategies

- ① Retrenchment → Skill in the Market, but decreases our Production.
- ② Bankruptcy →
- ③ Divesture → selling Part of the Company.
- ④ Liquidation →

# Michel Porter

## • Cost Leadership



Price Sensitive

Low Cost (الأدنى بالسوق)      Best Value  
Best Price Value Available

## • Differentiation <sup>المتميز</sup>



Not Price Sensitive.

Prob: Does it worth?

## • Focus



Niche Market

Low Cost focus      Best Value

Thu, 31 Oct

## Means of achieving Strategies.

1) Corporation between Competitors

2) Joint Venture / Partnering

3) Merge      A.B → AB      اندماج

Whit Knight  
شركات تستند شركات ثانية

① Friendly Merger

② Acquisition → Hostile Take over      عدواني

Leverage payout → not imp just understand

4) Privat Equity Acquisition

الاستقراض على الاسم.

5) Outstanding  
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موقع خفيته استراتيجيات لشركه

and Restoring

لربح الكادر تبقي لمنطق المبررات.

أفام من بنيا.

مثلاً : أمرك صار تخرج مصانعك ليلدوا بدل كوراء المعين...

Points 1,2,3,4,5  
Uploaded By Diana HajAli  
are Strategic allens

# Chapter 6

Tue, 5 Nov

- 1) IFE + EFE + CPM → Input Stage ch (1.2.3.4.5)
- 2) SWOT + BCG + Grand Matrix → Matching stage → Most Important ch 6
- 3) QSPM Matrix → Decision stage ch 6

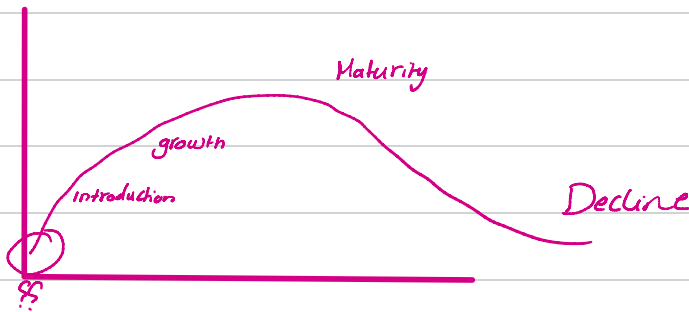
Do Everything In  
THE PROJECT  
together

Strength Weakness SO	Weakness opportunity WO
Strength Threat ST	Weakness Threat WT أمنيت ملته

إذا الاستراتيجية انما تأخذ بأكثر من مربع معناها لازم نشغل مديها زيادة .

I could but an Opportunity to be a threat also.

## • BCG



	H	L
H Market share		
L		

?? : Low Market share , high Growth industry

★ : best long run opp for Growth & Profitability and high relative Market share

: High Market Share , High Growth rate

: Low Market Share , Low Growth rate

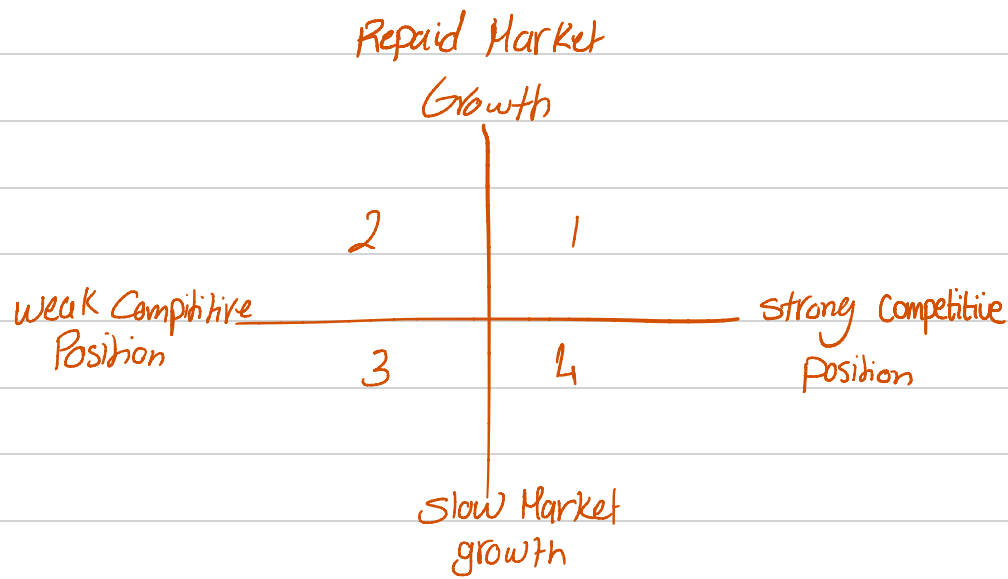
Industry growth

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الكتاب معصومي استراتيجيات في دكتور فيهم

Uploaded By: DianaHajAli

# Grand Strategy Matrix

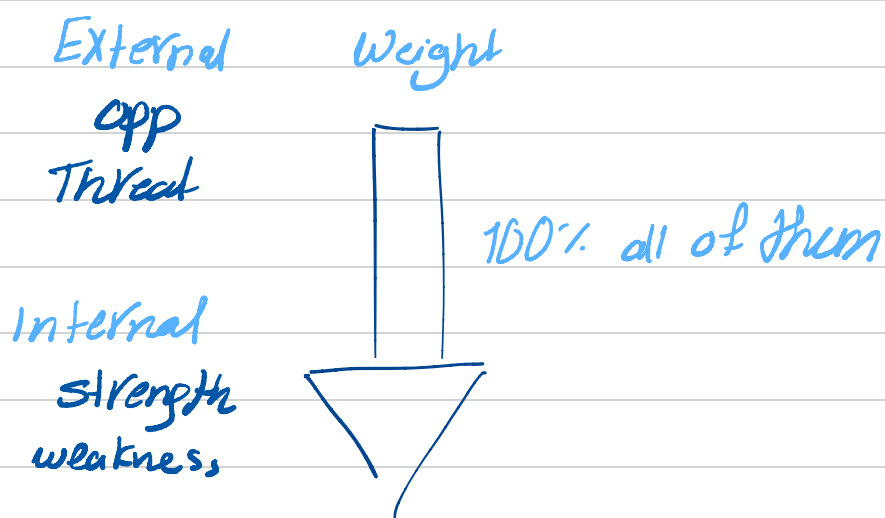


- we are ready 70%  
to start our Project.



# The Quantitative Strategic Planning Matrix

- Input stage → IFE + EFE + CPM
- Implementation stage → SWOT + BCG + Grand
- Evaluation → Evaluation → QSPM



Book		الرسالة
Pg 187		X
Pg 189		✓

- 1] Take all strategies.
- 2] Reweighting strategies.
- 3] Make sure all strategic (SWOT) sum = 100%.

	S	W
O	SO	WO
T	ST	WT

every Box at least 3 Strategies.

AS : Attractive score.

TAS : Total Attractive score.

# Corporate Governance

MidTerm 1-5 chapters

## Chapter 7

Tue, 14 NOV

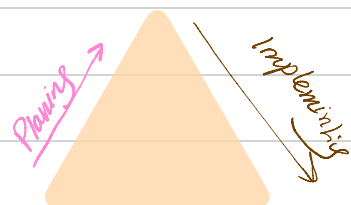
chapters (7,8) → Implementation

chapter 9 → Evaluation

Effective → فعالية (تحقيق الأهداف المرجوة)

Efficient → الكفاءة (استخدام الموارد بشكل أفضل)

Annual Objectives → قرارات غير مركزية (مثل ما يحدد شخص واحد)



Policy → Rules etc.

Politics → واسطة ] not the same things.

Resources :

Financial

physical

Human

- ## • Resource Allocation.

- Managing Conflict.

- approaches for managing conflict

1) ignore it

2) physically separating (Delusion)

### 3 Holding meetings... (Confrontation)

chart بن بنسب بنسب

- Structure, Strategy

comes first, before the structure.  
but it's affected  
by structure.

- change happen slowly but shortly

- ## Chain of Command

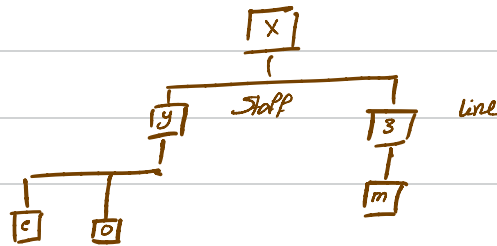
- Unity of Command  $\rightarrow$  each employee have only 1 Manager.

↓  
unless it's a Matrix structure.

# Org Structure .

## 1. Functional structure:

- 1) chain of Command
- 2) Unity of Command



- Small to medium size.
- has adv & disadv.

## 2. Divisional Structure (when company grows in size)

Structure by 1- Customer.

2- Geographic

3- Product or service.

4- Process

→ what suits me better.

Decentralize

has adv & disadv

clear accountability → تطبيق المسئوليات واضح

## 3. Strategic Bus Unit (SBU) structure.

Grouping similar divisions into Strategic Bus Units & delegates authority and responsibility.

تقسيم الأشياء إلى وحدات إستراتيجية تفوض السلطة والمسئولية.

## 4. Matrix Structure

Report to more than one manager.

Guid to Develop Structure → From Book

President → Non Profit

CEO → Profit

President has same meaning as CEO

!OMG!

Final Exam we will draw a Structure.

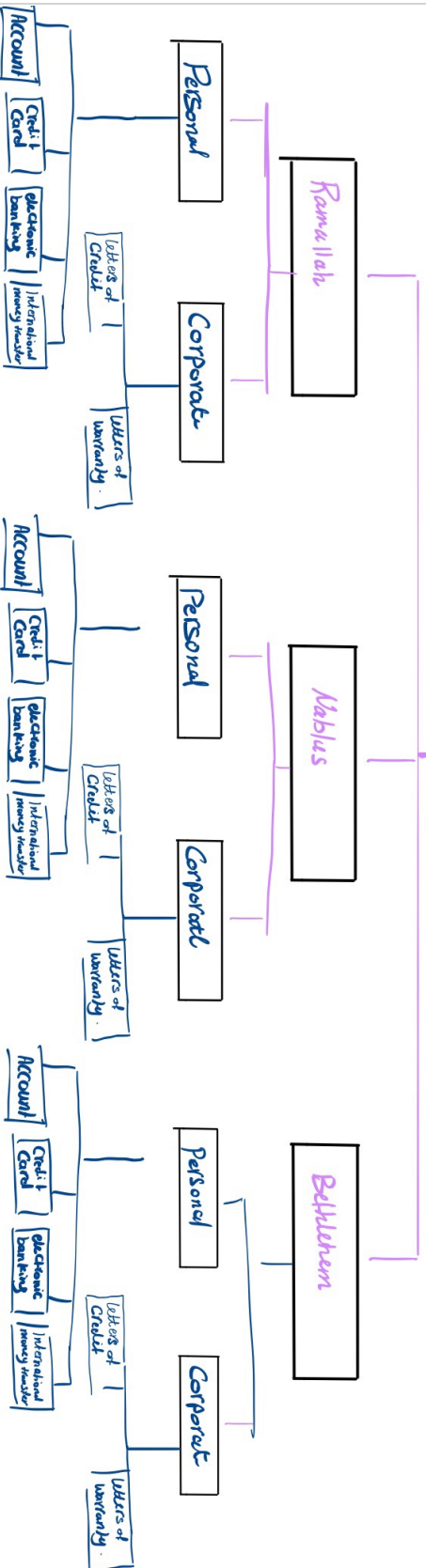
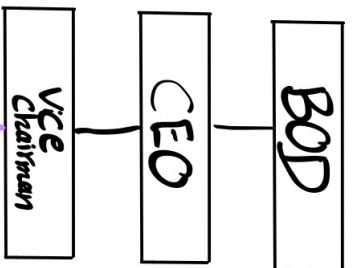
Strategy - نهج عام  
Opp - نهج خاص

. Opp → general

. Specific → Strategy

البنك بيتفتح منو

# Bank of Palestine



COO →

Names

ID

Diana Ali	1191186
Jana Abu Hadejah	1201346
Nour Abdelhadi	1220507
Rana Murra	1221267

• Restructuring : Play with Structure.

• Reengineering : Play with Process of tasks.

• Profit Sharing : for every one بولى لكلى

• Gain Sharing : Increase productivity , Increase Cost.

فهم ما في تنظ من ماد HR بس نفرد انكار عاده .

- Managing resistant to Change

- \* force change.
- \* educative change
- \* Rational change ( self interest )
- \* culture

أجرهم على التغيير  
أنهم أسباب التغيير . اقناع  
عقلاني  
adapt the culture

تطبيق Hr وال Operation ما بيحتاجه

238 - not imp آخر

# Chapter 9

- Evaluation : بعل تقییر
- Consistency : استقرار
- Consonance : انسجام
- Feasibility : مرن / یونی معنا
- Advantage : نہی غیری سے غیری

Management by wondering around. → المعن involved

Framework :

- ① Base of strategy
- ② Measuring performance.
- ③ Take corrective action.

Controlling is Continuous .

Balance score card . → Finance (old)

↓ new  
[Customers, employees, operation, SB, Ethics.]



Contingency Planning :  
↓  
for Major things.

خطة بديلة

Art & Since .

Top Down      من فوق لفتح      Macro.

Bottom up      من تحت لفتح      Micro.

لازم اخذت الاراء فوق شو بتعطينا وبعدها نبشغل بتفاصيل أكثر بناءً على  
شوبصبي .

# Chapter 10 → Power Point 11 در اسف ص 11

- 1) BUS Ethics
- 2) Social Responsibility
- 3) Env Sustainability

Code of BUS Ethics (How to Establish an Ethics Culture).

Whistle-blowing : موظف بهیئت و کارمندان به هیئت

- Avoid Bribery : offer , giving , Receiving.
- Work place Romance
- Sustainability Report.
- Corporate Social Responsibility
- Live stock welfare.
- CSR Responsibilities.