



# Sesi 2

## *Strategic Planning Process*

# Strategic Management

- Set of managerial decisions and actions that determines the long-run performance of a company
- As opposed to “strategic planning”?

# Benefits

- Clearer sense of strategic vision for the firm
- Sharper focus on what is strategically important
- Improved understanding of a changing environments

# Learning Organization

- An organization skilled at creating, acquiring, and transferring knowledge, and at *modifying its behavior* to reflect changes in new knowledge
- Organization adjust defensively to changing environment
- And, offensively use knowledge to improve organizations position in environment
- Very critical to gain competitiveness...!

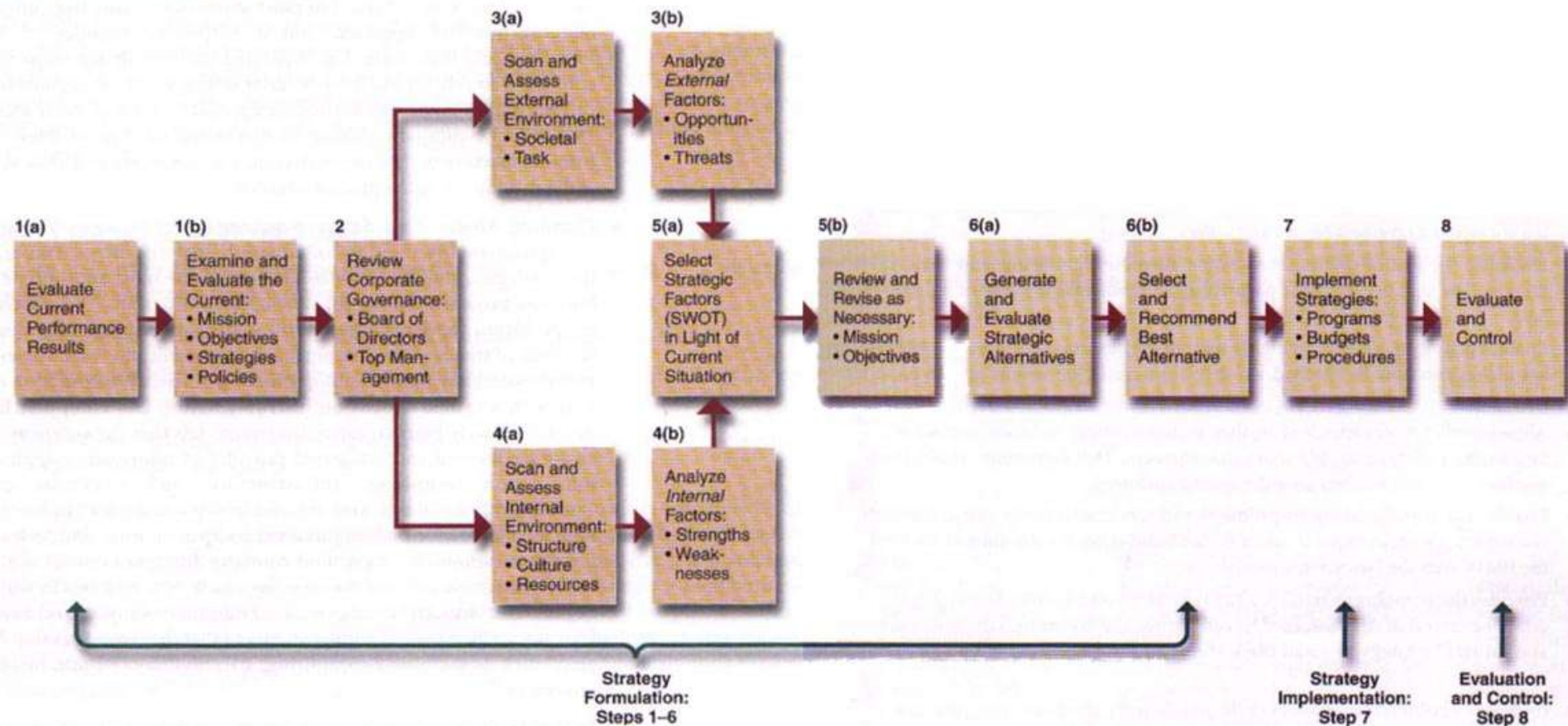
# Basic Model of Strategic Management

- Environmental scanning
- Strategy formulation
- Strategy implementation
- Evaluation & control

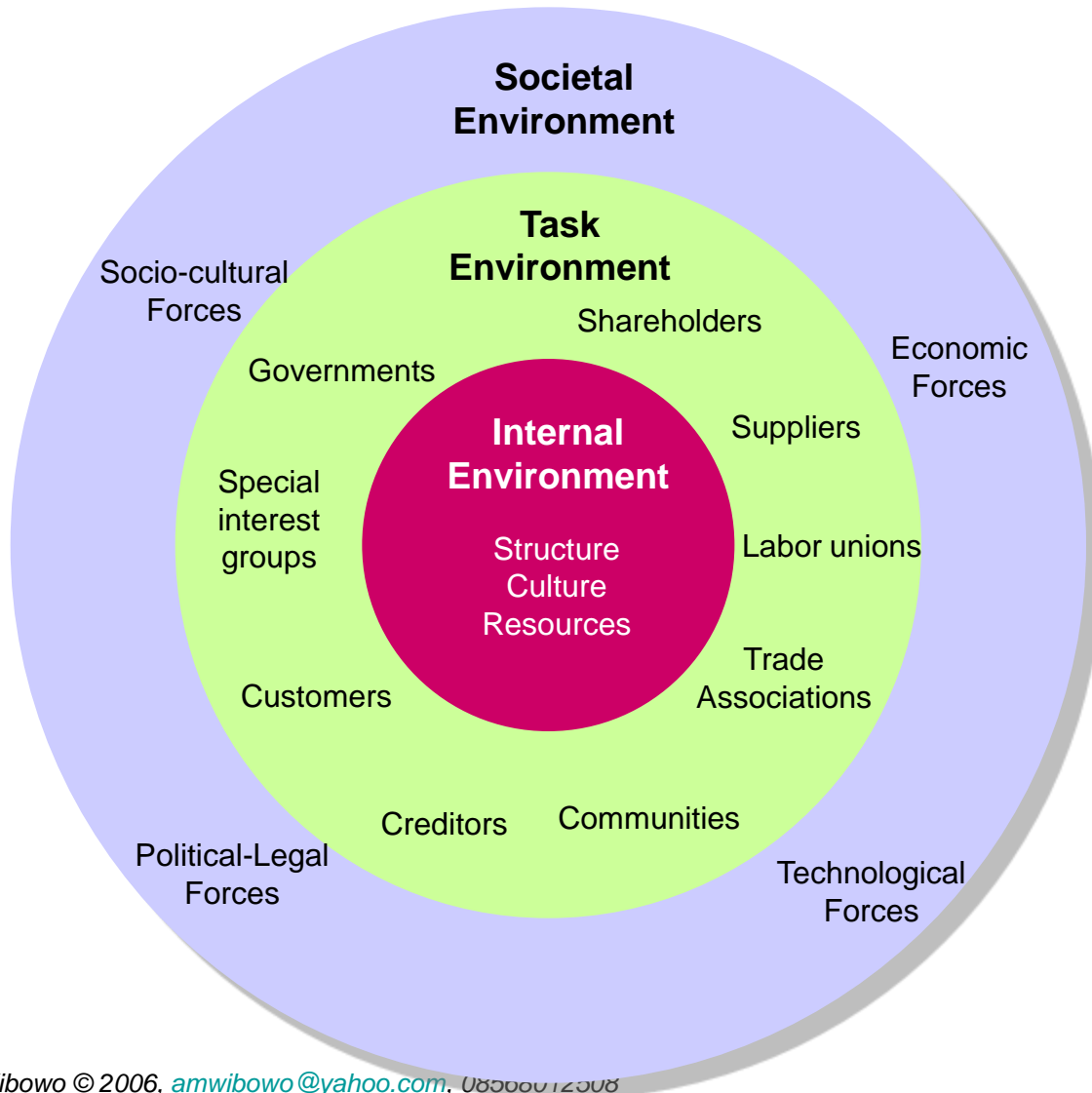
# Strategic Decision Making Process



**Figure 1-5**  
Strategic Decision-Making Process



# Environmental Variables



# Misi

- What the company does in a long term overall purpose?
- Reason for organization's existence.
- Not to broad... not to narrow!



# Visi

- What will the company look like in the future?
- Example:
  - *“To be the world mobile communication leader (VISI), enriching the lives of individuals and business customers in the networked society (MISI)”*



# Objectives

- Measurable targets that the organization is setting to move towards its vision.
- Characteristics of an objective:
  - unambiguous & result oriented
  - measurable, verifiable and not too numerous
  - relevant, achievable
  - consistent with higher level objectives
- Contoh:  
*“Reduce manufacturing cost by 10% each year for the next five years”.*

# Strategies

- Corporate strategy
- Business strategy
- Functional strategy

# Corporate strategy

- General attitude toward all of its business
- Typically fit in these categories:
  - Stability
  - Growth
  - Retrenchment

# Business strategy

- At business unit or product level
- Improvement of competitive positioning in market
- 2 category:
  - competitive strategy
  - cooperative strategy

# Functional Strategy

- Taken by functional area (R&D, marketing, IS, HR) to achieve business unit objectives
- Use distinctive competence
- Example:
  - R&D: invent vs innovate vs immitate
  - Marketing: pull by advertising

# Trigger Event

Change of strategy may be triggered by:

- New CEO
- External intervention
- Change of ownership
- Performance gap
- Strategic inflection point: when a major change to the environment (technology, regulation, etc.)

# Characteristic of Strategic Decision

- Rare: unusual
- Consequential: demand substantiation resource & commitment
- Directive: sets precedents for future decision & actions





# **Aneka Tools Perencanaan Strategis**



# Tools Yang Akan Dipakai

- PEST (O/T)
- Porter Competitive Forces (O/T)
- Porter Value Chain (S/W)
- Industry Value System Chain (O/T)
- Kotter Organizational Model (S/W/O/T)
- Strategy Formulation with SWOT

# Societal Environment (PEST)

- Political-Legal
- Economic
- Sociocultural
- Technological

# Economic

- GDP trends
- Interest rates
- Inflation rates
- Unemployment levels
- Wage/price controls
- Devaluation
- Energy cost
- Government spending

# Technological

- Patent protection
- New products
- New developments from lab to markets
- Telecommunication infrastructure
- Internet
- Productivity improvement through automation

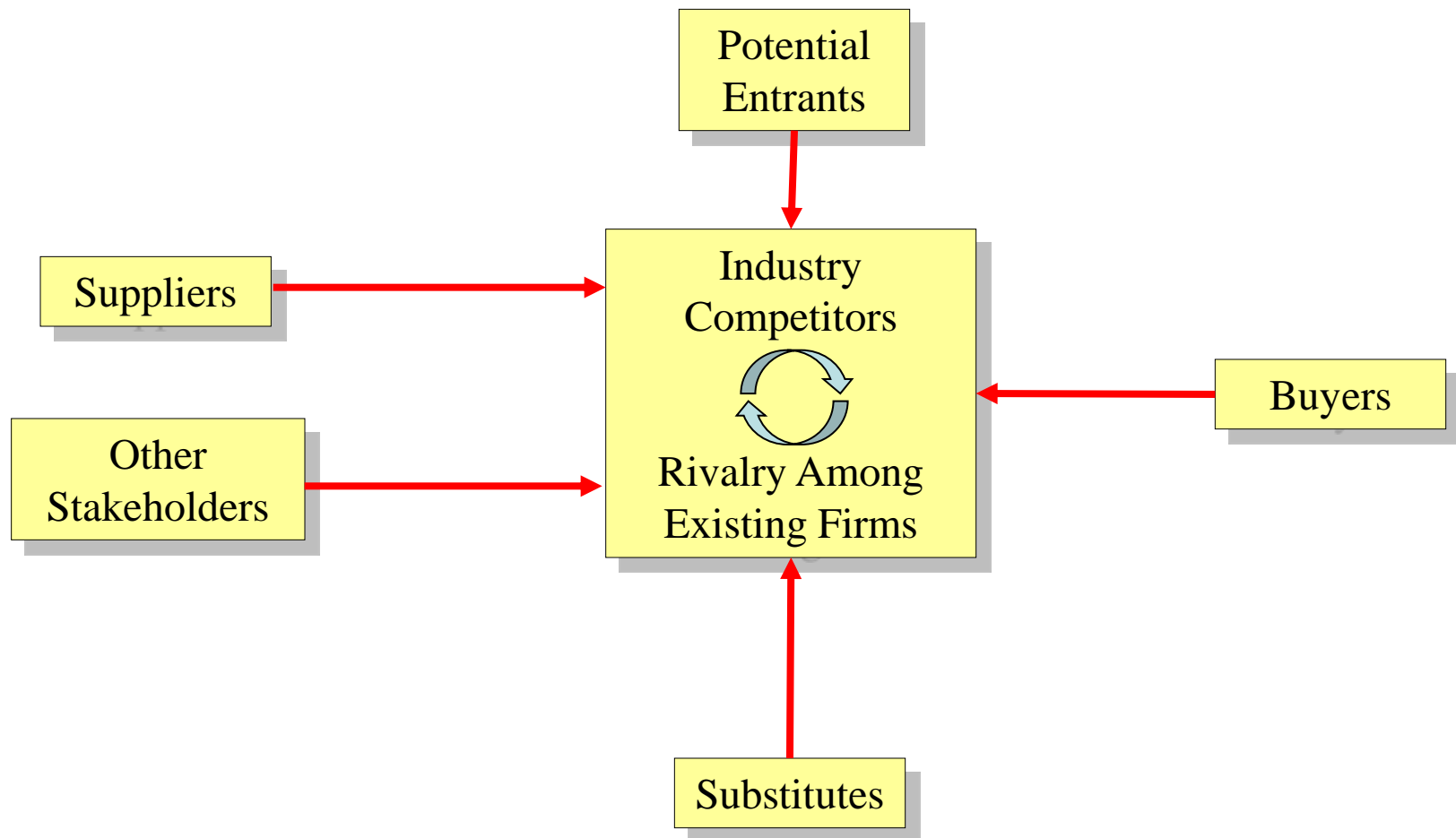
# Political-Legal

- Anti-monopoly laws
- Environmental laws
- Tax laws
- Special incentives
- Free trade regulations
- Employment laws
- Government stability

# Sociocultural

- Changes in lifestyle
- Consumer activism
- Rate of family formation
- Growth rate of population
- Regional shifts of population
- Age distribution
- Life expectancies

# Porter's Competitive Forces





# Barriers for New Entrants

- Economies of scale
- Product differentiations
- Capital requirements
- Switching cost

# Factors contributing to intense rivalry

- Number of competitors
- Rate of industry growth
- Product characteristics
- Amount of fixed cost
- High exit barrier

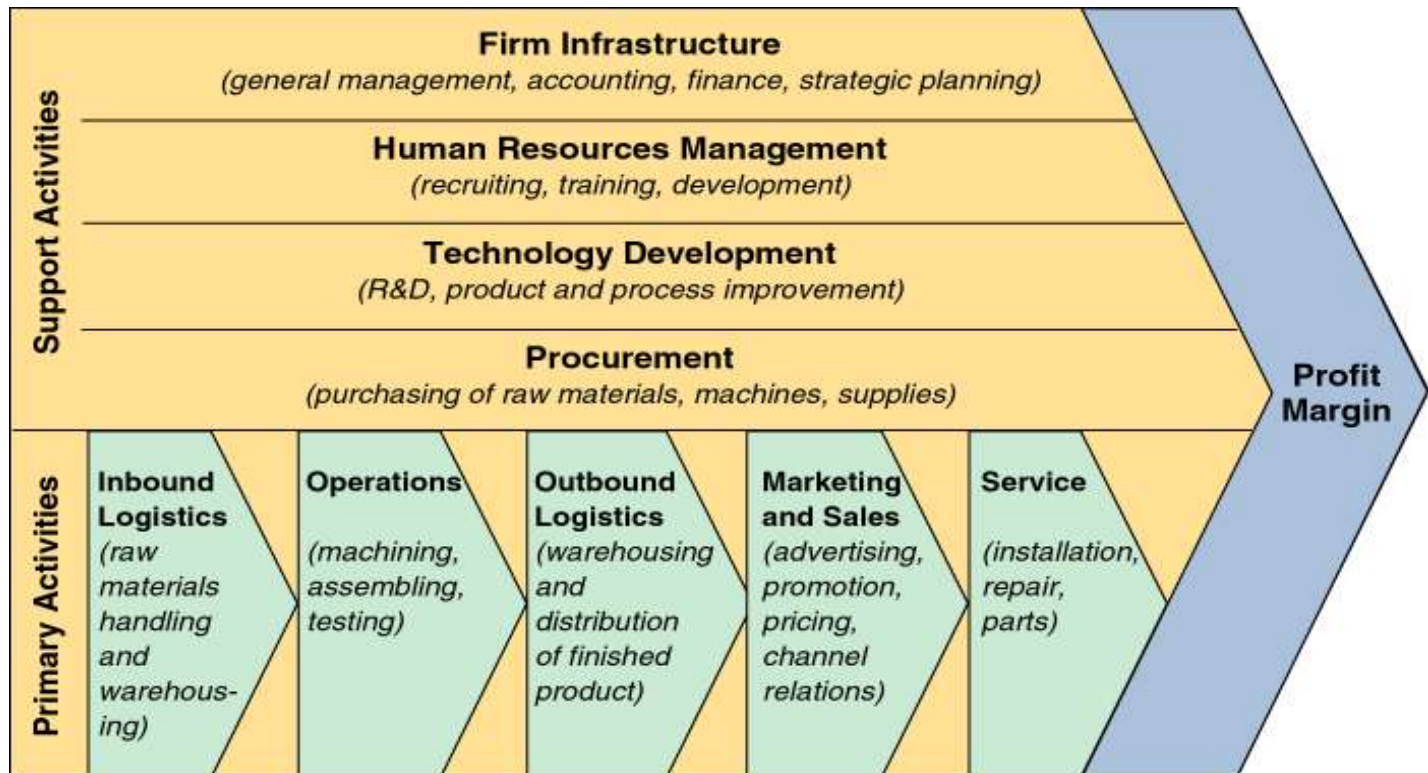
# Bargaining Power of Buyers

- A buyer purchases a large portion of seller's product
- A buyer has the chance for backward integration
- Low switching cost
- Commodity products
- Buyer has a very low profits, therefore sensitive to price changes

# Bargaining Powers of Suppliers

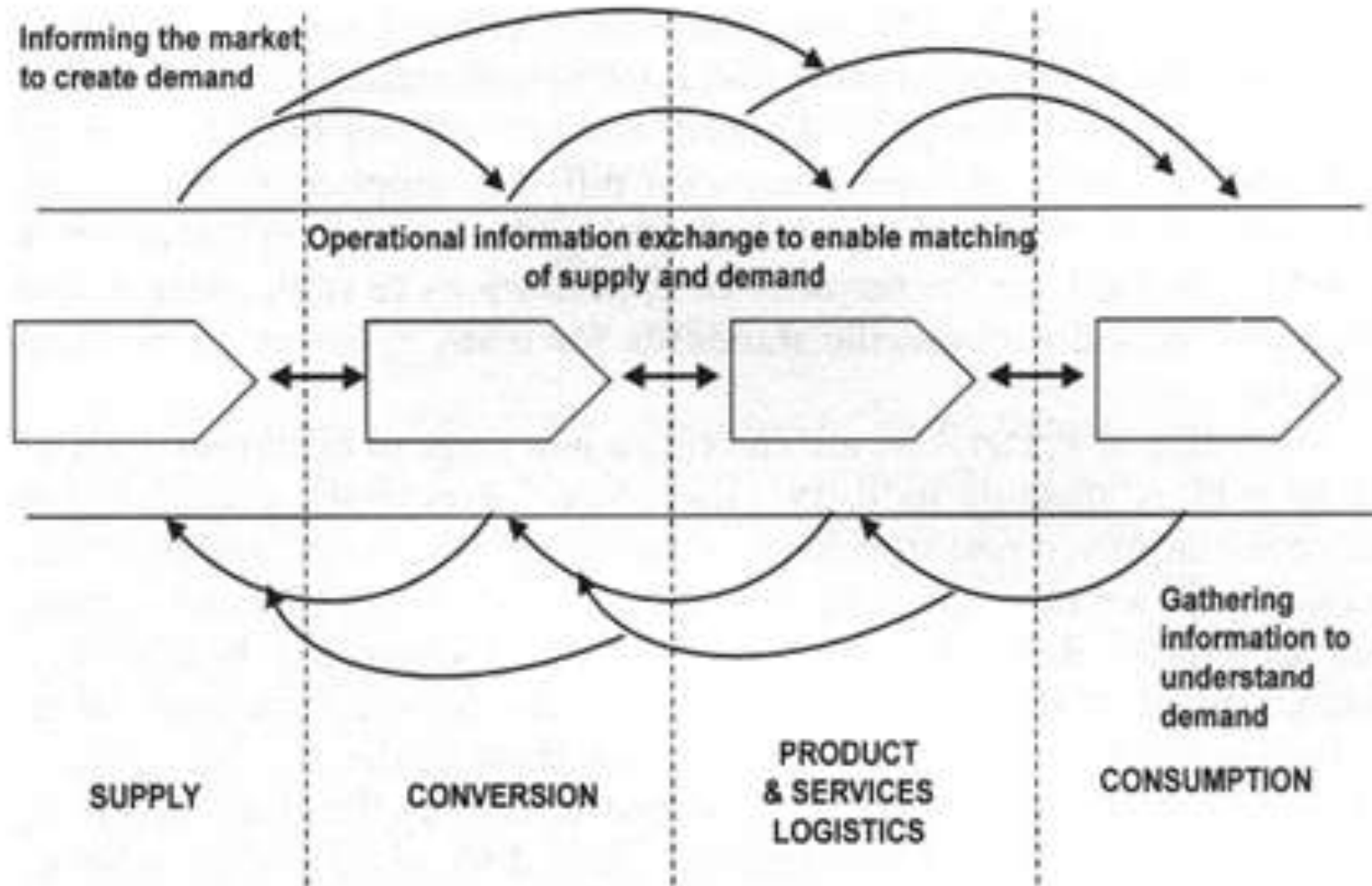
- Supplier dominated by few, but sells to many
- Suppliers may integrate forward
- Has high switching cost
- Buyer only buys a tiny fraction of supplier's products, thus seen as unimportant

# Porter Value Chain

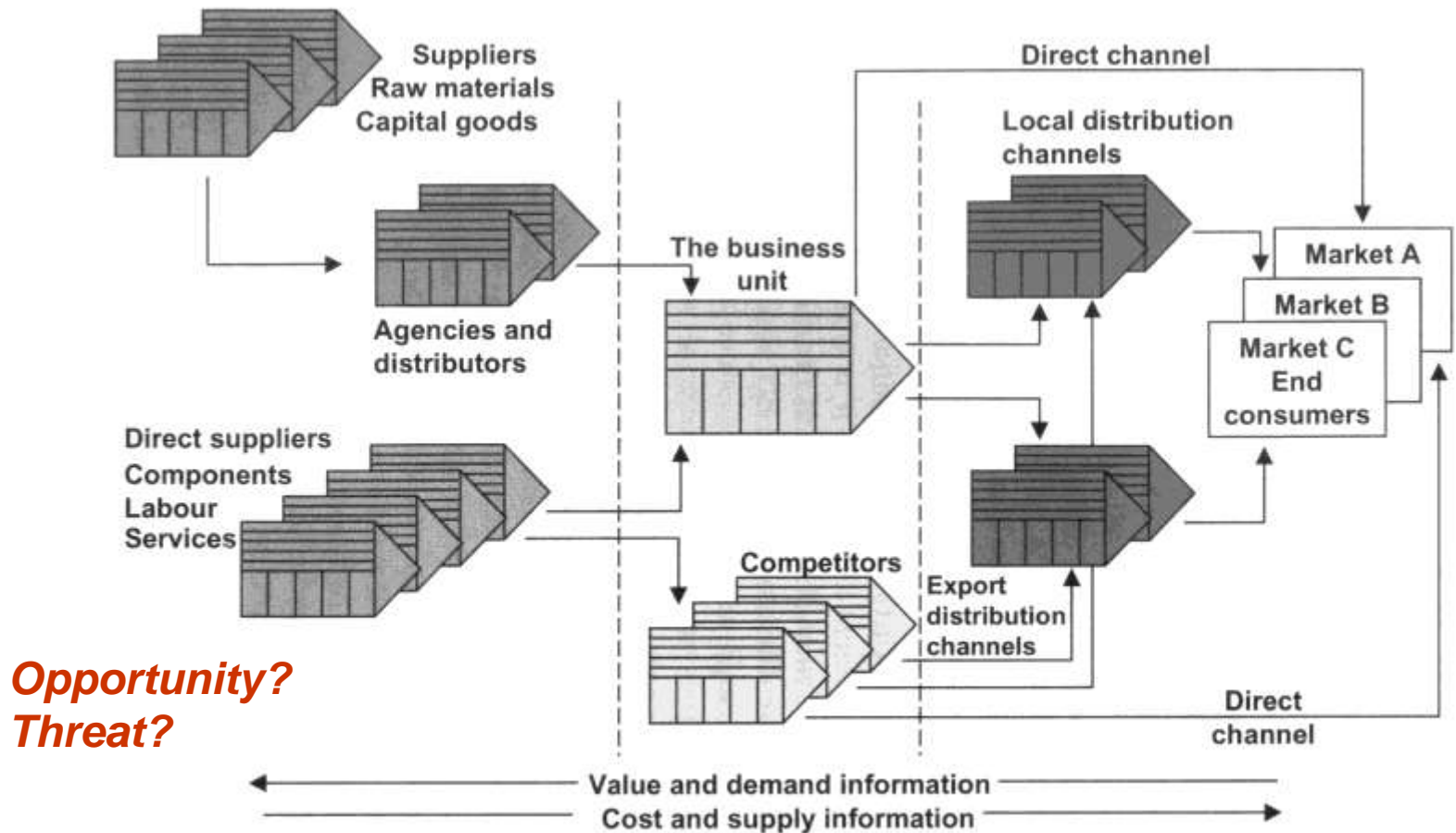


Strength & Weakness?

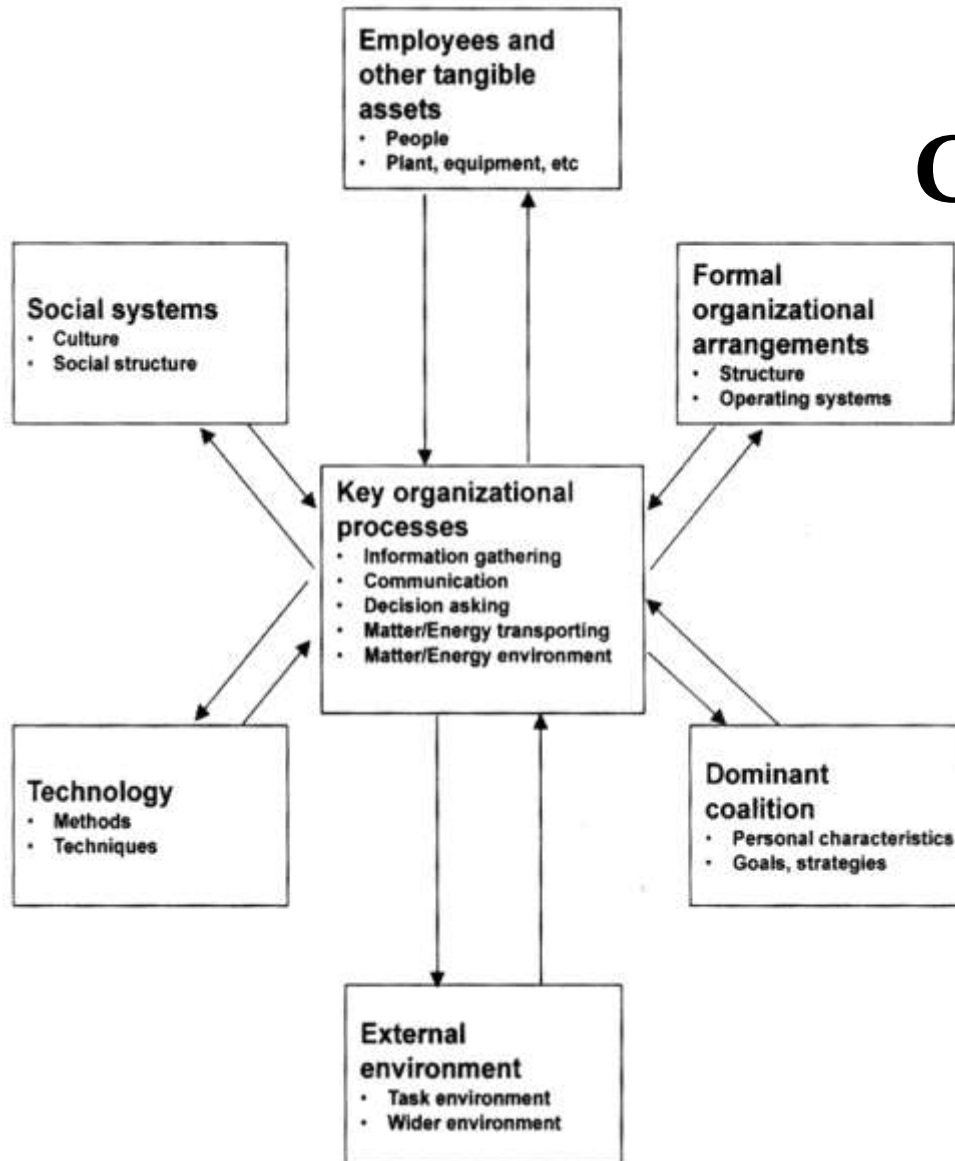
# Industry Value Chain



# Contoh Industry Value Chain



# Kotter's Organizational Modeling





# TOWS Matrix

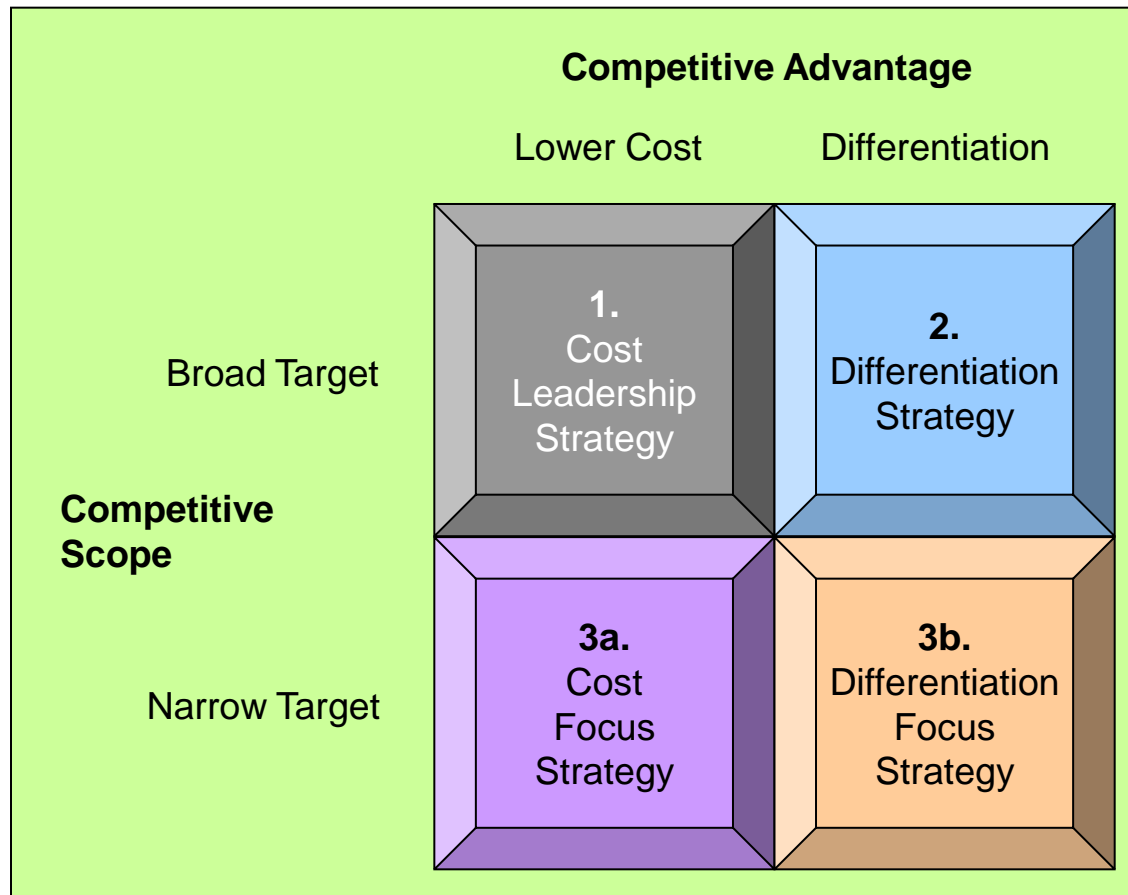
|   |   |   |
|---|---|---|
| Internal Factors<br>External Factors              | Strengths (S)<br><i>List of strengths</i>                         | Weaknesses (W)<br><i>List of weaknesses</i>                                     |
| Opportunities (O)<br><i>List of opportunities</i> | SO Strategies<br>Use strengths to take advantage of opportunities | WO Strategies<br>Take advantage of opportunities by overcoming weaknesses       |
| Threats (T)<br><i>List of threats</i>             | ST Strategies<br>Use strengths to avoid threats                   | WT Strategies<br>Generate strategies that minimize weaknesses and avoid threats |



# **Beberapa Model & Teori Lainnya**



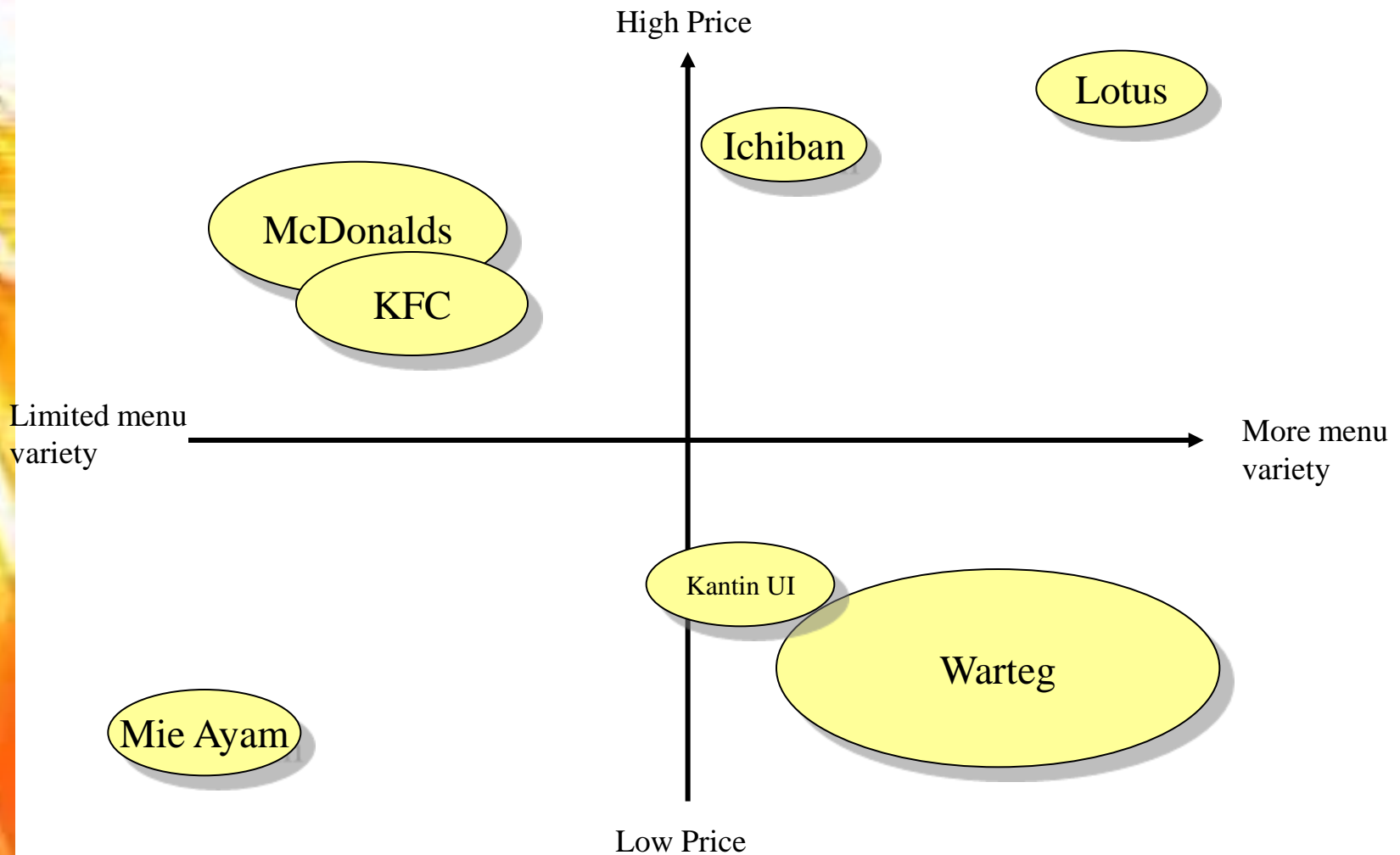
# Generic Strategy Model



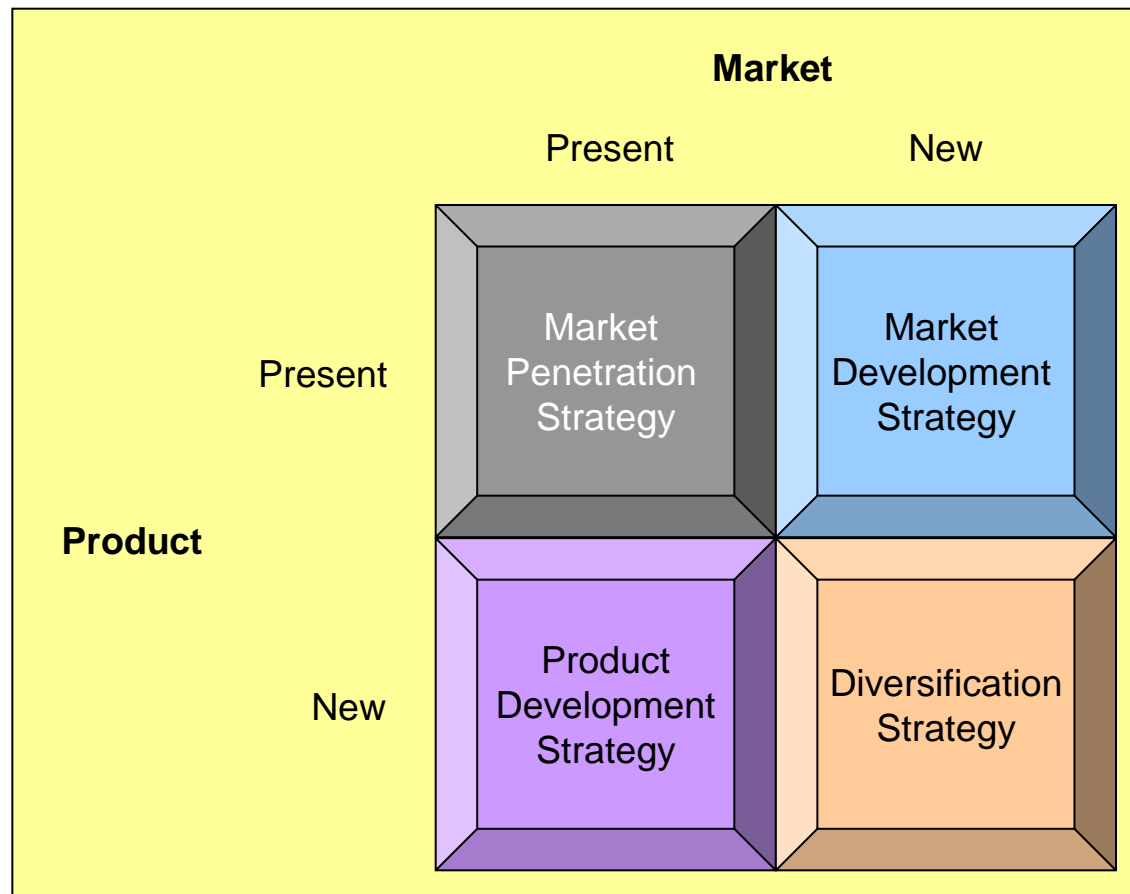
# Strategic Groups

- Set of business units / company that pursue similar strategies with similar resource
- Usefull to understand competitive position
- How to plot:
  - Select 2 broad characteristics
  - Plot the firms using the 2 characteristics as the dimensions
  - Draw circles of each company proportional to the group's share of the market

# Example: Price vs Product-Line



# Tools yang Digunakan untuk *Situation Analysis*



# Strategic Types (Miles & Snow)

- Defenders
  - Focus on improving efficiency of their existing operations
- Prospectors
  - Focus on product innovation & market opportunities
- Analyzers
  - Operates in 1 stable (efficient) and 1 variable (innovate)
- Reactors
  - Lack of consistent strategy – structure – culture

# Market Leadership (Treacy & Wiersma 1995)



- Pemimpin pasar harus memiliki satu ceruk pendorong tertentu sebagai dasar semua pengambilan keputusan bisnis.



# Operational Excellence

- Business process focused
- Standardized & automated process
- Low prices
- Focus on cost, removing waste
- Examples:
  - Fedex, Dell
  - General Electric “Direct Connect”

# Kasus General Electric

- GE tidak menjual partai besar kepada dealer
- Dealer hanya diberikan model untuk demonstrasi
- GE menyimpan stok, tapi dealer bisa memesan produk (atas nama klien) secara online
- Keuntungan:
  - Customer memilih model terbaru
  - Memenuhi demand dari customer dgn baik
  - Sehingga menurunkan finished goods (stocks) sebanyak 12%



imagination at work

# Customer Intimacy

- Customer driven, strong relationship with customer
- Customer satisfaction is critical
- Provides solution for customers

# Kasus Home Depot



You can do it. We can help.™



- “Solve customers problem” – bukan “jualan hardware”
- Menyediakan aneka macam produk untuk berbagai jenis pelanggan
- Product offer tergantung pada lokasi penjualan: “micro-merchandising” programs
- Sistem informasi akan mempengaruhi product range, promosi, pricing dan juga layout toko
- Tidak hanya mengambil data penjualan, tapi juga feedback pada karakter produk dan juga layanan.
- Ini memungkinkan segmentasi yang lebih cepat → tidak memamerkan barang mahal di toko yang penduduknya sensitif harga

# Product Leadership



**Microsoft Xbox 360**

- Fast delivery of new product, short product lifecycles
- Future driven
- Risk taking & decisive actions
- Flexible organization



**Apple i-Pod**