

Strategic Intent

What is Strategy?



business trying to get to in the long

term?

- Where is the

- Which markets should a

**business compete in and what
are involved in such markets?**

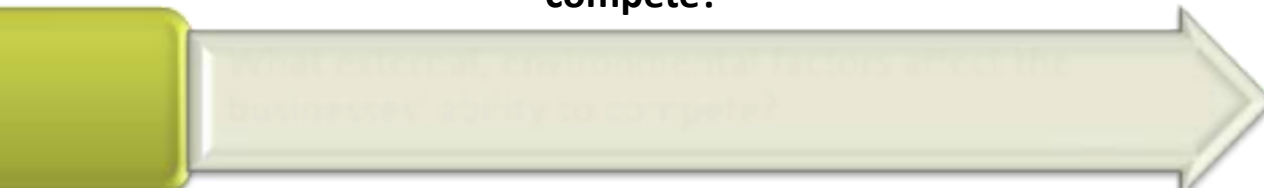
kind of activities



• How can the

**business perform better than the
are required in order to be able to
compete?**

competition? • What resources



• What external,

environmental factors affect the

businesses' ability to compete?

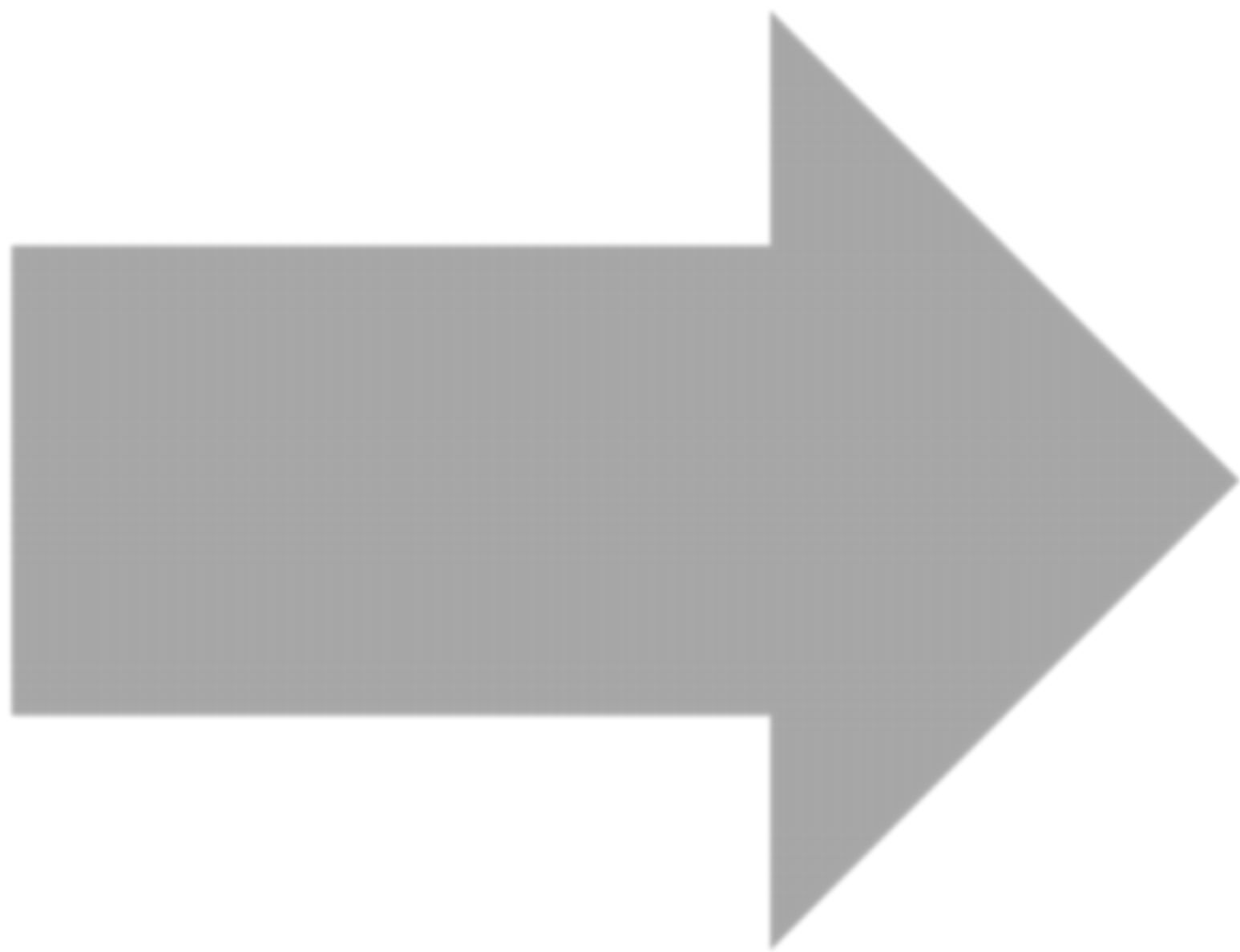


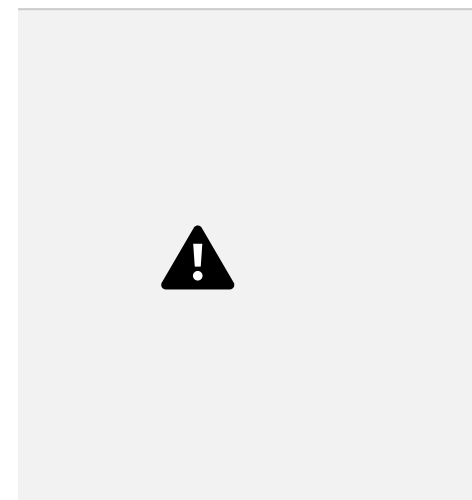
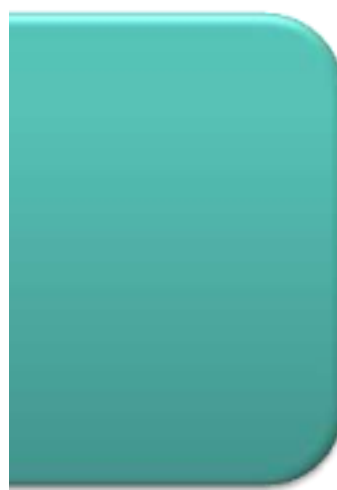
**and expectations of those who
business?**

• What are the values

have power in and around the

Strategic Intent





Strategic Mindsets

STRATEGIC FIT MODEL

Strategic thinking is driven by the match between current capabilities and existing opportunities

Searching for sustainable advantages

Finding protected niches

STRATEGIC INTENT MODEL

bridging gap between today's reality and tomorrow's vision

Finding ways to leverage resources

Outpacing competitors in building new advantages

Making new industry rules

Strategic thinking is driven by

Competitor Analysis

- “A company's strategic orthodoxies are more dangerous than its well financed rivals”

Characteristics of Strategic Intent



**Essence of
Winning**

Within “arm’s reach “ of every
consumer in the world



**Stable over
Time**

Increased quality, reduced costs,
cultivated export markets and then
developed a new product

Characteristics of Strategic Intent



**Personal
effort and
Commitment**



**Enormous
Creativity**



Planners ask “How
will next year be

different ? ”

Winners ask “What

must we do
differently ?”

Corporate Challenges



• Ford

& GM



• Share Pain – Share Gain



- Image...

Approaches to Competitive Innovation

- Building layers of advantage
 - Wider the portfolio of advantages, lesser the risk – Aim for differentiation + cost reduction



Approaches to Competitive Innovation

- Searching for loose breaks
 - Required to break into a market or challenge a competitor



- Attack outside existing market
- Remain unnoticed

Approaches to Competitive Innovation

- Changing the terms of engagement –
Barriers to Entry v/s Barriers to Imitation



- Standardized machine components reduced cost
- Distribution through office product dealers
- Create a national service network

Approaches to Competitive Innovation

- Competing through collaboration
 - Win without fighting
 - “Enemy’s enemy is your friend”



- Calibrate competitor's strength
 - Assessed the progress US rivals had made in cost reduction, quality and technology

Wrong approach to strategic intent

- Heuristics and typologies limit the options
- Strategy seen as a positioning exercise
- Goal to find a niche in existing industry space
- Concepts like “mature” and “declining” are misunderstood • Tools of





strategic analysis are focussed internally

Evaluation Parameter

- Evaluation on “numbers” basis
- Unable to develop deep business knowledge due to “career development”



The No. 1 Race

- Integration problem during Acquisition •

Overloaded with initiatives

- Incompatible collaborative ventures



STRATEGY HIERARCHY

GUIDE

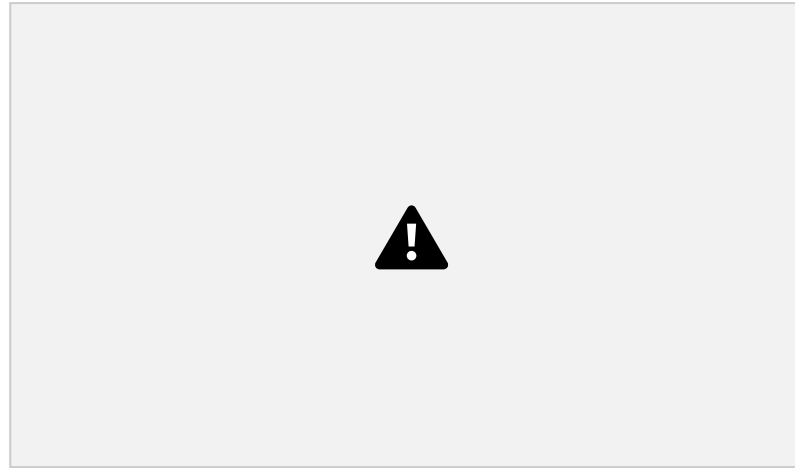
Employees fail to
understand

GUIDE

Code of Silence

- Competitive challenges hidden from employees

- Informed mainly to extract concessions
- Revitalization and Participation needed



Creativity Issues

- Not enough heads
- Incremental improvement strategies •

Not venturing into different territories



- Entry into personal copier from overseas sales subsidiary

Conservative Goals

- Lack of pressure and enthusiasm
- No useful guidance for innovation
- Blame on Investors but they are justifiably

skeptical

Four Questions that Guide Strategic Choices

individual values)

WHAT **CAN**

WE DO?

(strengths and
weaknesses)

STRATEGY

WHAT **MIGHT**

WE DO?

(external opportunities
and threats)

WHAT DO OTHERS

EXPECT US TO DO?

(stakeholder
expectancies)

WHAT DO WE

WANT TO DO?

(organizational and

Four Related Questions that Guide Strategic Choices

WE DO?

What **new**

(strengths and

capabilities do we

weaknesses)

want to develop?

WHAT **CAN**

What do we
WHAT DO WE
need to
WANT TO DO?
learn to care
(organizational and
about?
individual values)

STRATEGY
WHAT *MIGHT*
WE DO?
How do we
(external opportunities
create **new**
and threat)
possibilities?

How do we partner
WHAT DO OTHERS
to build **shared**
EXPECT US TO DO?
expectancies?
(stakeholder
expectancies)

Who can ask the Million Dollar
Question.....

