

## **How to Adopt the right #strategy for #Success**

During our career and lives we would have come across various situations where strategy requirements are very different. It could be a situation brought about by a new technology or by a new regulation. It could be because the industry dynamics has been altered by the introduction of a new product or service which has made the industry that you are working redundant and so of. Do we have a habit of following the same strategy in each of these situations?

What are the normal steps that we follow when we are trying to implement a particular strategy at work

- 1.. We articulate a goal and then analyze the best way to get there
- 2.. We try to make the plan as accurate as possible altering and correcting the plan several times. This leads to a lot of time being spend before the plan gets executed ..It's quite possible that the market scenario has changed in the meantime particularly in fast paced industries..
- 3.. Maybe because of the financial year closing we are more aligned to prepare plans on annual and quarterly basis ..The market requirements for several industries require us to prepare plans at a much faster pace..eg : Mobile industry in early 2010 decade when there were 12 mobile operators required plans to be altered on a weekly and at times on a daily basis.
- 4.. While we keep track of the target vs achievement do we ever go back and check if the predications and assumptions that we made while preparing the strategy turned out right or wrong
- 5.. Have we often found particularly when dealing with departments that the strategy being adopted by the other department actually doesn't help you to achieve your laid out goals

Most of the above issues come about because we try to adopt the same strategy to all situations. The different situations that we come across can be categorized as below

### **a...Classical**

This is the most used and is most familiar for most managers and business graduates...The most common techniques like five forces, blue ocean and growth share matrix analyses are all manifestations of this. In this condition the company sets a particular goal ..targeting the most favorable market position it can attain by capitalizing on its key capabilities and resources. In this kind of strategy planning the company then tries to build and fortify its position through successive rounds of planning using quantitative methods which can be projected well into the future. Once a particular plan is decided upon it stays in places for a few years.

Classical strategic planning is used in industries where the environment is predictable but difficult for the company to change it..

Some of the industries where classical kind of strategy planning works are

- 1..Automobiles
- 2..Oil and Gas
- 3..Power
- 4..Freight and Logistics

5..Textiles

6..Consumer Finance

7..IT services

### **b. Visionary**

Visionary kind of strategy is ideal for use when the industry is unpredictable like in the earlier case, but here the company is able to influence and change the way industry will grow and play out. This is primarily the case when entrepreneurs create entirely new markets. Normally since these industries are created by these entrepreneurs very often the company name itself becomes the name of the product for the common man..

Some of the industries that immediately come to mind are

1..Photo copiers

2..Mobile handsets

3..Consumer durables

4..Traditional Media companies

5..Food

Both the Classical and Visionary type of strategies are useful in industries which have become mature

### **I. Adaptive and Shaping**

In both adaptive and Shaping situations the industry future cannot be predicted ..For industries where the existing players cannot change the future, the strategy that can be adopted are called as adaptive and for industries where the players can actually influence the future it is called as shaping. The change could be due to various factors like globalization, technological disruptions or regulatory changes. Such changes make the well laid out plans obsolete in a few weeks. And hence there has to be a constant review on the industry situations and suitable modified strategies will have to be adopted..

One of the examples that comes to mind is that of the fashion industry and how some of the fashion retailers have adopted strategies to ensure that they are able to manage this rapidly changing market scenario.

Some of examples of companies which have successfully managed to build a successful strategy in a shaping kind of industry situation are

1.. Google in android

2.. Microsoft with office

3.. Facebook in social media

If we make a graph with malleability on the x axis and predictability on the y axis with malleability increasing as we go further in the x axis and predictability decreasing as we go up the y axis then adaptive and shaping will occupy the first and second quadrant while classical and visionary will occupy the 3<sup>rd</sup> and 4<sup>th</sup> quadrant.

Once we have correctly understood the industry environment, we would need to decide which type of strategy has to be used. The strategy type could vary from department to department and even from task to task within a department. Organizations will need to constantly monitor the background and as the concerned background situation changes companies will have to shift their strategies between the four types whether it is for the organization or for a department or for a task or even for individuals..