Objectives: any target or goal that a business wishes to achieve
Strategy: is the course of action or the method used to achieve any particular objective.

Strategic Management: is a business long term strategy to achieve its vision and mission.

Strategic Management is divided in 3 parts/stages namely

a. ***Strategic Analysis:*** is when a business, with the help of certain tools and models, analyzes the competitive environment of the market in which it exists.
b. ***Strategic Choice:*** is deciding between different strategies to choose the most effective strategy to pursue a certain target.
c. ***Strategic Implementation:*** the way selected strategy is implemented by the business and what factors are considered important while doing that and why.

1. ***SWOT Analysis:***

Identification of business strengths, weaknesses, opportunities and threats.

Business strengths and weaknesses are coming from within the business and its opportunities and threats are coming from the outside (external environment).

2. ***PEST Analysis***

PEST analysis helps a business identify opportunities and threats located in the external environment.

P: Political
E: Economic
S: Social
T: Technological

Fiscal Policy, Monetary Policy, Supply Side Policies are macroeconomic policies which directly affect a business.

Fiscal Policy is about government taxation and spending.

Social: includes all social factors that are expected to affect a business in terms of how it operates, how it sells its products and what its consumers expect etc.

Technological: how technology has transformed businesses ranging from use of apps to connect, buy, learn, run a business.

Boston Matrix

Is about a business product analysis to categorize its products and identify good performing products from poorly performing products.

A model for analyzing a business product portfolio. Product portfolio is the complete range of products that a business produces.

1. Dog - Low Market Share and Low Market Growth
2. Star - High Market Share and High Market Growth
3. Cash Cow - High Market Share and Low Market Growth
4. Question Mark - Low Market Share and High Market Growth

Porter 5 Forces Analysis

A model that helps a business analyze the level of competition that exists in its market.

Porter 5 forces helps a business identify how it can create a more stable position in the market by reducing the bargaining power of suppliers and buyers and reducing the threats of new entrants by creatin entry barriers and by reducing the threats of substitute products by creating unique selling points in their brands / products.

Customer Loyalty is defined as customers’ repeated purchase of any product which means that a consumer will have a strict preference for a certain brand like he /she always buys coke and not pepsi.

Prahalad and Hamel's Core Competence Model

Strategic Choice

is about choosing the most appropriate and effective strategy to achieve business objectives.

1. Ansoff Matrix
2. Force Field Analysis
3. Decision Tree

Ansoff Matrix: what strategy a business should ideally take to grow its business by identifying the risks and challenges associated with each strategy. Hence helping the business to make more informed decisions.

Force Field Analysis

Force Field Analysis is a model / tool through which a business lists the forces that are in favor of or against any decision that a business needs to take. This tool helps a business to make more informed decisions.

Force Field Analysis is a tool that could be used for any business decision.

Decision Tree

Is a mathematical tool which lists possible outcomes of any business decision along with assigning probabilities with each outcome to estimate the monetary return that the business can expect in each case.

Expected Return = (Probability of Scenario A * return of A) + (Probability of Scenario B * return of B) + (Probability of Scenario C * return of C)

Strategic Implementation

It is about implementing the strategy that is chosen by the business in Strategic Choice.

What factors a business needs to consider when making any change / implementing a new strategy?

When a business is undergoing any change or implementing a new strategy then it should be mindful of certain factors that are expected to affect / influence the effective implementation of that decision / strategy.

The factors that are expected to affect the effectiveness of any business decision are as follows:

1. Organizational Culture
2. Organizational Structure
3. Contingency Planning

Organizational Culture: are unsaid norms and practices that govern how a business or an organization operates / runs.

Following are some common organizational cultures:

1. ***People Culture:*** employees or people of an organization are central to business decision making and great emphasis is placed on their wellbeing and their personal and professional development.
2. ***Task Culture:*** is when managers place excessive emphasis on achieving the business objectives more than anything else. It is a more competitive work environment which cares less about employees' wellbeing and more about business targets.

3. ***Power Culture:*** is mostly prevalent in smaller organizations where all major and minor business decisions are taken by business owners. And therefore in power culture there is central decision making.
4. ***Entrepreneurial Culture:*** is when employees are encouraged to take initiatives and be creative and learn from their successes and failures.

Organizational Structure: is the system in which an organization's employees are divided in different levels of hierarchies.

Whenever a business has to grow like it is introducing a new product or entering a new market then it would need to bring some changes in its organizational structure. Therefore a business needs to know what types of change in its organizational structure are most appropriate.

Contingency Planning: is doing a back up planning in case the chosen strategy does not go as per the plan.