



# MUTHAYAMMAL ENGINEERING COLLEGE

(An Autonomous Institution)

(Approved by AICTE, New Delhi, Accredited by NAAC & Affiliated to Anna University)

Rasipuram - 637 408, Namakkal Dist., Tamil Nadu.



## MUST KNOW CONCEPTS

MKC

MBA

2020-21

Course Code & Course Name : 19MBB08- Strategic Management

Year/Sem/Sec : II/III/-

S.No.	Term	Notation (Symbol)	Concept / Definition / Meaning / Units / Equation / Expression	Units
<b>Unit-I : Introduction</b>				
1.	Strategic Management		Development of strategic vision, setting out objectives, formulating and implementing strategies and introducing corrective measures for the deviations to reach the organization's strategic intent	I
2.	Strategy		Strategy is the way an organization seeks to achieve its vision and mission	I
3.	Target		A target is the defining standard of success, to be achieved over a specified time period	I
4.	Vision		A concise statement defining an organization's long-term direction.	I
5.	Business Model		A company's business model is management's storyline for how the strategy will be a money maker	I
6.	Economy of Scale		A reduction in costs through larger operating units, spreading fixed costs over large numbers of items/units.	I
7.	Goal		A long-term result to be achieved as an organization moves toward the vision.	I
8.	Key driver of success		A Key Driver of Success is an explicitly stated area where tangible results must be realized to achieve a desired goal(s).	I
9.	Objective		A broadly defined outcome that an organization must achieve to make its strategy succeed	I
10.	Strategic plan		A long-term, comprehensive document that summarizes the outputs of longer term strategic thinking and planning.	I

11.	Strategic plan		The processes required to articulate the overall strategic direction of the organization, to compile a set of feasible	I
12.	Strategy formulation		Actions taken by line management to deploy and implement corporate strategy throughout all levels and functions of the organization.	I
13.	Tactic		A Strategic Business Unit of an organization.	I
14.	SBU		A person, group, or business that has an interest in the outcomes of a firm's operations.	I
15.	Stakeholder		In a turnaround situation, cost cutting and asset reduction to improve a firm's fortunes	I
16.	Retrenchment Response		Strategic Decisions: Management decisions related to the future of a firm's operations; made at the corporate, business, functional, and individual level.	I
17.	Strategic Decisions		Separate activities, function and business processes that are performed in designing, producing, marketing, deliveries, and supporting a product or service	I
18.	Value-Chain		Utilized to expand operations, achieve greater market share, increase the efficiency of capital, and/or improve economies of scale.	I
19.	Vertical Integration:		The costs incurred by a customer in changing from one firm to another to meet their requirements	I
20.	Switching Costs		An industry growing at the same rate as the nation's economy.	I
21.	Generic Strategies		Three approaches to strategic planning based on different fundamental ideas	I
22.	Grand Strategy		A firm's comprehensive plan of key actions by which it plans to achieve its Long-Term Objectives	I
23.	Focus Strategy		One of three generic strategies in which a firm tries to appeal to one or more customer groups focusing on their cost or differentiation concerns.	I

24.	Benchmarking		An analysis of competitor strengths and weaknesses; used to evaluate a firm's relative competitive position,	I
25.	Company Culture		The mix of important assumptions shared by members of an organization.	I
<b>Unit-II : Strategic Formulation</b>				
26.	Core Competencies		The competencies of a firm required to fulfill its value proposition with its customers; competencies may be competitively unique to an industry but not necessarily a single firm	II
27.	Differentiation Strategy		One of three generic strategies in which a firm strives to create and market	II
28.	Distinctive Competence		A competence that provides a firm with a competitive advantage in the marketplace	II
29.	Early Entrants		Firms entering new markets or developing new products before other firms. (Also known as "first mover") See also Late Entrants.	II
30.	Sustainable Competitive Advantage		Competitive advantages that can be maintained over a fairly long period of time. See also Competitive Advantage.	II
31.	Cross-functional		A process or activity that includes portions of the process or activity from two or more functions within an organization.	II
32.	Innovation		Introduction and adaptation of a new idea, concept, or invention to an activity or process	II
33.	SWOT analysis		An evaluation of the external environmental scan to determine opportunities or threats, followed by an evaluation of internal scan to determine strengths and weaknesses.	II
34.	Values		Belief, preference, or philosophy held by members of an organization that is a primary determinant of an organization's culture and ethical behavior.	II
35.	Outsourcing		Contracting and activity to another firm	II
36.	Partnerships		Entails forming a new corporate entity owned by partners that can be terminated whenever one of the partners choose.	II

37.	Portfolio Approach		A method of looking at each of the “businesses” of a firm as elements in a total portfolio.	II
38.	Balanced Scorecard		the concept of a “balanced scorecard” stressed the need to monitor, measure and control strategic performance within four perspectives: Financial, Customer, Internal Business Process, and Learning and Growth.	II
39.	Baseline		The organization’s actual performance level from the most recent reporting period	II
40.	Weakness		A limitation or lack of skills, resources, or capabilities that impedes a firm’s effective performance.	II
41.	Strategic thinking		Primarily an analytic and creative decision-making process that ultimately results in an appropriate strategic plan for the organization	II
42.	Implementation		The set of management and operational processes required to add to, or modify, an existing strategy, organization structure, process or operating system, such that the change is accepted by the organization as the new strategic and operational norm.	II
43.	Supplier		The people (functions, departments, or organizations) who supply a process with its necessary inputs.	II
44.	Audit		An independent, objective quality assurance activity designed to add value and improve an organization’s operations.	II
45.	Efficiency		A measure of how economically inputs (resources such as funds, expertise, time) are converted into results.	II
46.	Evaluation		The rigorous, scientifically-based collection of information about program/intervention activities, characteristics, and outcomes that determine the merit or worth of the program/intervention	II
47.	Internal evaluation		An evaluation of an intervention conducted by a unit and/or individuals who report to the management of the	II

			organization responsible for the financial support, design and/or implementation of the intervention.	
48.	Reliability		Consistency or dependability of data collected through the repeated use of a scientific instrument or a data collection procedure used under the same conditions.	II
49.	Outcome		Short-term and medium-term effect of an intervention's outputs, such as change in knowledge, attitudes, beliefs, behaviors.	II
50.	Relevance		The extent to which the objectives, outputs, or outcomes of an intervention are consistent with beneficiaries' requirements, organizations' policies, country needs, and/or global priorities	II
<b>Unit-III : Competitive Advantage</b>				
51.	Value Proposition		what particular value it will deliver to customers	III
52.	Analysis		The examination and close scrutiny of	III
53.	Baseline		The organization's actual performance level from the most recent reporting period.	III
54.	Business model canvas		The Business Model Canvas is a strategic management and lean startup template for developing new or documenting existing business models	III
55.	Cascading		Cascading is arranging strategic devices (objectives) to ensure collaboration and cooperation downward through all levels of the organizational system	III
56.	Change management		The process of moving an organization, function	III
57.	Environmental scan		A scan may be focused on either external or internal factors.	III
58.	Environmental assessment		Environmental Assessment is a thoughtful analysis and evaluation of the strategic environment facing the organization	III
59.	Evaluation		The process of comparing and assessing	III



			some entity or attribute using a specific criterion	
60.	Analysis		The examination and close scrutiny of	III
61.	External analyses		An examination of the dimensions of an organization's external environment	III
62.	Growth		The measurable increase in the input, throughput, or output of an organization	III
63.	Implementation		The set of management and operational processes required to add to, or modify, an existing strategy	III
64.	Improvement		The enhanced capability and/or performance of an organization	III
65.	Initiative		Strategic initiative is a collective endeavor	III
66.	Innovation		Introduction and adaptation of a new idea, concept, or invention to an activity or process	III
67.	Input		The materials, equipment, information, people, money	III
68.	Internal analyses		Critical examination of the internal dimensions and performance capabilities	III
69.	Key driver of success		A Key Driver of Success is an explicitly stated area where tangible results must be realized to achieve a desired goal(s).	III
70.	Key performance indicator		A key performance indicator (KPI) is a measure, for which the organization has data, that helps quantify the achievement of a desired strategic objective or outcome.	III
71.	Lagging indicator		A measurable economic activity that changes after the economy has established a pattern or trend.	III
72.	Macro environment		Forces at work in the external operating environment that can affect an organization's ability to serve its customers and make a profit,	III
73.	Market positioning		The process of identifying and occupying a distinct niche or place in the market for products and services in	III

			order to achieve an advantage over competing products and services.	
74.	Measure		A Measure is a quantifiable value that is used to track and manage operations or assess strategic performance.	III
75.	Milestone		A key activity, whether a deliverable or a decision	III
<b>Unit-IV : Strategic Analysis</b>				
76.	Process		A sequence of steps, tasks, or activities that converts inputs to outputs	IV
77.	Tasks		One of the steps required to accomplish a particular process or project	IV
78.	Strategic alternatives		Potentially actionable options for achieving the direction of the organization	IV
79.	Strategic direction		The vision, mission, values, policies, and primary goal statements of a strategic plan.	IV
80.	Strategic information system		The system established to maintain an organization's strategic focus through ongoing management	IV
81.	Strategic plan		A long-term, comprehensive document that summarizes the outputs of longer term strategic thinking and planning	IV
82.	Strategic planning		The process of converting the results of strategic thinking as a set of potentially actionable strategies.	IV
83.	Strategic policy		Guidelines developed for use in an organization to influence, instruct, and specify how leaders should act when making decisions in given circumstances.	IV
84.	Strategic thinking		Primarily an analytic and creative decision-making process t	IV
85.	Case studies		An intensive, detailed description and analysis of a single participant.	IV
86.	Political factors.		These include government regulations such as employment laws, environmental regulations and tax policy.	IV

87.	Economic factors		These affect the cost of capital and purchasing power of an organisation	IV
88.	Social factors.		These impact on the consumer's need and the potential market size for an organisation's goods and services.	IV
89.	Technological factors.		These influence barriers to entry, make or buy decisions and investment in innovation	IV
90.	Competitive rivalry		The key driver is the number and capability of competitors in the market.	IV
91.	Threat of substitution		This reduces both the power of suppliers and the attractiveness of the market.	IV
92.	Threat of new entry		Profitable markets attract new entrants, which erodes profitability	IV
93.	Motivation – drivers.		Analysing a competitor's goals assists in understanding whether they are satisfied with their current performance and market position	IV
94.	Motivation – management assumptions.		The perceptions and assumptions that a competitor has about itself	IV
95.	Actions – strategy.		A company's strategy determines how a competitor competes in the market.	IV
96.	Actions – capabilities		The drivers, assumptions and strategy of an organisation will determine the nature, likelihood and timing of a competitor's actions.	IV
97.	Predictive intelligence		Using knowledge of the forces driving a competitor to predict which direction they are likely to take.	IV
98.	Communicating intelligence		Ensuring that the right people in an organisation receive regular briefing on key signals.	IV
99.	Internal factors		The strengths and weaknesses inside to the organization	IV
100.	External factors		The opportunities and threats exhibited by nature outside to the organization	IV
<b>Unit-V : Strategy Implementation And Evaluation</b>				
101.	Strategy building		SWOT analysis can be used effectively to build organization or personal	V



			strategy	
102.	Synergy		Synergy is the creation of a whole that is greater than the simple sum of its parts	V
103.	Marketing synergy		It occurs when existing ,price, place, promotion support each other	V
104.	Production synergy		:It occurs when new production use existing production facilities, technological skills and human resources capabilities.	V
105.	Research and development synergy		It occurs when existing R&D facilities can be used for development of new production.	V
106.	Financial synergy		It occurs when increased net revenue can be gained for a given level of investment or a decrease level of investment is required for a given level of earning.	V
107.	Physical resources		structures or the creation limit of the organisation. The way of these assets, for example, the age, condition, limit and area of every asset, will decide the usefulness of such assets	V
108.	Financial resources		capital, money, debtors and creditors, and suppliers of cash	V
109.	Human resources		Aptitudes and learning of representatives and other individuals in an organization's network.	V
110.	Intellectual resources		As an impalpable asset – incorporates licenses, brands, business systems and customer databases.	V
111.	Strategic advantage		Strategic advantage is the most fundamental and persistent advantage that the target companies possess over its competitors over the very long term	V
112.	Organizational appraisal		The process of observing an organizations internal environment to identify the strengths and weaknesses that may influence the organization's ability to achieve goals	V
113.	Cause and Effect		The way perspectives, objectives, and/or measures interact in a series of cause-and-effect relationships demonstrate the	V

			impact of achieving an outcome	
114.	Critical Success factor (CSF)		A CSF is a business event, dependency, product, or other factor that, if not attained, would seriously impair the likelihood of achieving a business objective.	V
115.	Customer-Facing Operations		Encompasses those facets of the organization that interface directly with customers	V
116.	Customer Perspective		Measures are developed based on an organization's value proposition in serving their target customers.	V
117.	Dashboard		A dashboard is a reporting tool that consolidates, aggregates and arranges measurements	V
118.	Economic Value Added		A financial performance measure aiming to determine whether a company or activity has truly created shareholder value	V
119.	Financial Perspective		The perspective that looks at bottom line results. In public sector and non-profit organizations	V
120.	Forecast		Forecast usually refers to a projected value for a metric. Organizations will often create a forecast that is different than their target for a given metric	V
121.	Goal		An observable and measurable end result having one or more objectives to be achieved within a more or less fixed time-frame	V
122.	Initiatives		Initiatives organize people and resources and dictate which activities are required to accomplish a specific goal by a particular date	V
123.	Inputs		Commonly used within the Logic Model to describe the resources an organization invests in a program	V
124.	Measure		Term to describe a standard used to communicate progress on a particular aspect of a program	V
125.	Perspective		Representing the various stakeholders, internal and external, critical to	V

			achieving an organization's mission	
Placement Questions				
126.	How much time do you regularly invest in strategic planning? What methods do you use?		Strategic planning usually has been phases and it's important to measure the strengths and challenges of a particular project.	
127.	What ways do you keep your team informed of your strategic decisions?		Communication is essential for a successful business and an interviewer will want to see how well you share information	
128.	What important factors do you consider when building a strategic plan?		Employers must know that you understand how to build a strategic plan and identify all of the key points needed to be successful	
129.	How do you measure whether a strategy is effective?		Employers want to feel assured that their strategic goals will be successful for their business and feel like they can trust their team to help them achieve those goals.	
130.	As a strategic planning manager, what is your management style?		In my experience delegating responsibility and authority is crucial. A team needs to be able to develop and grow as individuals and a whole, not be held back by low expectations or ego.	
131.	What experience do you have with respects to this particular strategic planning manager position?		Ever since my first paper route at age 10 I've been doing something to keep myself busy and earn money.	
132.	I like what I'm hearing but we've got a ton of great candidates. Why should we hire you?		"I really need a job right now	
133.	I'm curious – how did you come to find out about our company and what do you know about us?		While your interviewer won't expect you to have in-depth company history, a little here can go a long way.	
134.	I don't expect you to go into too much detail – but why are you leaving your last job?		If your current employer is downsizing, be honest about it, remain positive, but keep it brief. If your employer fired you or let you go for cause, be prepared to give a brief – but honest – reply	

135.	What are your strengths?		<ul style="list-style-type: none"> <li>• being a problem solver</li> <li>• being a motivator</li> <li>• being a natural leader</li> </ul>	
136.	What are your weaknesses?		The trick here is to respond realistically by mentioning a small, work related weakness and what you are doing or have done to overcome it.	
137.	What do you see yourself doing in five years?		Some people make job hopping a career in of itself, and your answer here can be telling	
138.	What are your salary expectations?		o some research into your industry to establish base rates of pay based on seniority and demand but keep in mind – your employer is hiring you for what they believe you are worth, and how much benefit they feel you will provide.	
139.	How Would You Describe The Term ‘strategic Thinking’?		A candidate should see strategic thinking as a process of learning and you turn ideas into reality by developing one’s abilities in team work, problem solving, and critical thinking.	
140.	utline In Very Broad Terms How You Would Create A Strategy For Say, A Public Interest Campaign.		clear defining of the goals and objectives of the campaign; identification of opponents; carrying out a SWOT analysis	
141.	What are the top 5 leadership skills?		<ul style="list-style-type: none"> <li>• persuade and influence</li> <li>• demonstrate integrity</li> </ul>	
142.	What do good leaders do?		Focus on your strengths when answering strategic leadership interview questions. Go to the comprehensive list of strengths to help you identify your personal strengths at list of strengths and weaknesses	
143.	Does your organization’s corporate responsibility strategy match the availability of your current resources?		This question addresses your strategy in terms of the funding, time, people, and information necessary to make the strategy work, determining its feasibility.	

144.	How often does your organization assess its strengths, weaknesses, opportunities, and threats in order to understand the current business climate?		Measuring these aspects of the strategy will help to analyze the company's current approach to strategic evaluation and reveal if it is necessary to analyze it more often.
145.	How effectively does your organization form and make profitable use		Partnerships can be helpful assets to your company, but they must actively be sought out and well-utilized.
146.	If you were in charge of strategic planning for your organization, what changes would you make?		Asking your employees for their own ideas can not only provide interesting suggestions for future initiatives, but also can reveal any discontent with current strategy. With the high importance of strategic planning, it is crucial to ensure your company is creating analytical, actionable plans.
147.	How efficient is your organization from an operational standpoint?		Determining operational efficiency can assist in revealing the reasons behind the success (or lack thereof) of your current strategy. By discovering the operational inefficiencies inhibiting success, your company can identify key process improvements.
148.	How effective is your organization's strategic vision?		A strategic vision involves a clear view of the desired future position of an organization within a market, giving your company a goal to plan around that, when implemented correctly, will produce results.
149.	How efficient and organized is your organization's plan for how to improve and evolve the strategic objectives over time?		Just having a set plan for the future is not enough; it must be structured, logical, and well-communicated in order to help direct your company.
150.	How many established connections to other businesses does your organization have?		Connections with other businesses can be used to create new partnerships and go-to-market opportunities, and therefore determining how many connections already exist for your company can help assess current strategy.

**Faculty Team Prepared**

**Signatures**

1. **S.Senthilkumar**



