

## ASSIGNMENT NO 2.

### QUESTION NO 1.

#### ANSWER.

The Competitive Profile Matrix (CPM) is a strategic analysis that allows you to compare your company to your competitors, in such a way as to reveal your relative strengths and weaknesses.

#### **Critical Success Factors**

Critical success factors (CSF) are the key areas, which must be performed at the highest possible level of excellence if organizations want to succeed in the industry. They vary between different industries or even strategic groups and include both internal and external factors

The competitive profile matrix is an analytical tool that helps you establish your company's competitive advantage in an easy to use and read format. At one glance, you will be able to see your company's competitive landscape, your position in each market, and possible opportunities to differentiate your company's products and services from the competition.

#### **FACTOR THAT USES.**

Critical Success Factors are the factors that are most relevant to the success of your company and its competitors. Another way to look at this is to identify all the factors that are most important to your existing and potential customers and then rank how your company compares with your competitors.

My biscuit company has 2 more competitors for which I have done CPM against brand reputation, Level of product integration, range of products, successful new introduction, market share and sales per employee against each weight assigned the rating and scores are mentioned below:

CPM TABLE							
Critical Success Factor	Weight	My Biscuit A		Company Biscuit B		Company Biscuit C	
		Rating	Score	Rating	Score	Rating	Score
Brand reputation	0.13	2	0.26	3	0.39	1	0.13
Level of product integration	0.08	4	0.32	3	0.24	1	0.08
Range of products	0.05	3	0.15	1	0.05	2	0.1
Successful new introductions	0.04	3	0.12	3	0.12	3	0.12
Market Share	0.14	2	0.28	4	0.56	4	0.56
Sales per employee	0.08	1	0.08	2	0.16	3	0.24

After developing CPM it is shown that I need to work on Brand reputation against Company B. Need to get more market shares and enhance sales per employee while other factors are high than other competitors.

## QUESTION NO 2.

### ANSWER.

As a Manager I will use Intensive Strategies as growth of my organization following factors will be used for increasing my firm growth,

**Market Penetration:** our firm will start a process of infiltrating an already existing market (where current or similar products already exist) with a new product to capture the market share by providing best quality material and designs.

**Market Development:** Our firm will start marketing campaign in remote areas or un-touched areas so that new clients can be arranged. Free trials, targeted content marketing, advertising, and experimenting with pricing strategies can be a useful part of your marketing development strategy.

**Product Development:** Our firm will bring new products to a market or modify existing products to create new business. All Five phases will start for new

product development process which includes: idea generation, screening, concept development, product development and, finally, commercialization

### QUESTION NO 3.

#### ANSWER.

#### **A Comprehensive Strategy-Formulation Framework**

Important strategy-formulation techniques can be integrated into a three-stage decision-making framework, as shown below. The tools presented in this framework are applicable to all sizes and types of organizations and can help strategists identify, evaluate, and select strategies

#### **Stage-1 (Formulation Framework)**

- 1. External factor evaluation**
- 2. Competitive matrix profile**
- 3. Internal factor evaluation**

#### **Stage-2 (Matching stage)**

- 1. TWOS Matrix** (Threats-Opportunities-Weaknesses-Strengths)
- 2. SPACE Matrix** (Strategic Position and Action Evaluation)
- 3. BCG Matrix** (Boston Consulting Group)
- 4. IE Matrix** (Internal and external)
- 5. GS Matrix** (Grand Strategy)

#### **Stage-3 (Decision stage)**

- 1. QSPM** (Quantitative Strategic Planning Matrix)

**Stage 1** of the formulation framework consists of the EFE Matrix, the IFE Matrix, and the Competitive Profile Matrix. Called the *Input Stage*, Stage 1 summarizes the basic input information needed to formulate strategies.

**Stage 2**, called the *Matching Stage*, focuses upon generating feasible alternative strategies by aligning key external and internal factors. Stage 2 techniques include the Threats-

Opportunities-

Weaknesses-Strengths (TOWS) Matrix, the Strategic Position and Action Evaluation (SPACE) Matrix, the Boston Consulting Group (BCG) Matrix, the Internal-External (IE) Matrix, and the Grand Strategy Matrix.

**Stage 3**, called the *Decision Stage*, and involves a single technique, the Quantitative Strategic Planning Matrix (QSPM). A QSPM uses input information from Stage 1 to objectively evaluate feasible alternative strategies identified in Stage 2. A QSPM reveals the relative attractiveness of alternative strategies and, thus, provides an objective basis for selecting specific strategies.

All nine techniques included in the *strategy-formulation framework* require integration of intuition and analysis. Autonomous divisions in an organization commonly use strategy-formulation techniques to develop strategies and objectives. Divisional analyses provide a basis for identifying, evaluating, and selecting among alternative corporate-level strategies. Strategists themselves, not analytic tools, are always responsible and accountable for strategic decisions. Lenz emphasized that the shift from a words-oriented to a numbers-oriented planning process can give rise to a false sense of certainty; it can reduce dialogue, discussion, and argument to explore understandings, test assumptions and foster organizational learning. Strategists, therefore, must be wary of this possibility and use analytical tools to facilitate, rather than diminish, communication. Without objective information and analysis, personal biases, politics, emotions, personalities, and *halo error* (the tendency to put too much weight on a single factor) unfortunately may play a dominant role in the strategy-formulation process.