Strategic Thinking

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Thinking versus Planning

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<th>Thinking</th>
<th>Planning</th>
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<tr>
<td><strong>Vision</strong></td>
<td>Future shape predicted</td>
<td>Details for implementation</td>
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<td><strong>Formulation and implementation</strong></td>
<td>Interactive Living process</td>
<td>Sequential &amp; logical</td>
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<td><strong>Measure</strong></td>
<td>Mindset</td>
<td>Monitored &amp; Assessed</td>
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<tr>
<td><strong>Outcome</strong></td>
<td>Long term organizational success</td>
<td>Blue print for mid-term success</td>
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Tools

• Porter’s Five forces
• PESTLE analysis
• SWOT analysis
Tools

• Porter’s Five forces
• PESTLE analysis
• SWOT analysis
Porter Model for Industry analysis

Rivalry – competition fueled by slow market growth, increasing number of firms, low product differentiation

Threat of substitutes – Alternatives usually impact price, technology changes

Buyer power – concentration, volume control

Supplier power – concentrated, differentiated, importance of volume, regulated industries

Barriers to entry – absolute costs, proprietary position, policies and regulations, brand identity
PESTLE

Political, Economic, Sociological, Technological, Legal, Environmental

Immediate environment is what we operate in BUT an organization needs to be aware of the macro-environment in which they operate.

PESTLE analysis enables an understanding of the big picture that underlies the risks and opportunities for a business.
SWOT analysis

Strengths, Weakness, Opportunities, Threats

Environmental Scan

Internal Analysis
- Strengths
- Weaknesses

External Analysis
- Opportunities
- Threats