**Q1**

**What is strategic planning?**

Strategic planning is a process where the organization leaders or management determine their visions for the future, and also, they set the priorities, strengthen the operations, focus energy and resources, ensures that staffs and other stakeholders are working towards same goals. it helps to establish the agreement around intended final result, and asses and adjust the for-organization direction based on the change in the market or the environment. This is a disciplined process that produces fundamental decision and the action that form and guides what an organization is about, what it serves, whom they serve, what it does, why it does, with the focus of the future

**Why is it important for all organizations to engage in strategic planning?**

Strategic planning is important for an organization, it provides the direction and outlines the measurable objectives. It acts as a tool that guides the day to day decisions also evaluate the progress and changing the approach or technology when moving forward. It allows the organization proactive than the reactive- it allows the organization to foresee the future and plan accordingly. The companies can anticipate about the unfavorable situations that may occur in the future. It sets up the sense of direction- it helps to determine the direction in which the organization must travel. It offers the much needed foundation using that the organization can grow, analyze its success, compensate the staffs effort and establish the boundaries for valid decision making. It increases the operational efficiency- it helps to management in order to take the decision about determining resources and also the budget requirements for accomplishment of the set of objectives, hence increase the operational efficiency. It helps to increase the market share and profitability- the approach which is well strategized and targeted will turn the sales and marketing effort into the best possible result which helps to increase the market share as well as profit.

**How does strategic planning make management more effective?**

The strategic planning approach will help the management to effectively manage the key building blocks of long term organizational success. it helps the management to become effective in developing , managing , implementing the strategic plans so that it will support the organization for long term success. In order to make the most of the strategic planning the company should be very careful in giving thought to the strategic goals it outlines, then back up these objectives with thoroughly researched, realistic,quantifiable benchmark for analyzing. The strategic planning starts with defining the company mission, Define the mission in such a way that is broad enough to the employee as well as the management, and it should be narrow enough to focus their effort.  The measurable goals are set specific, goals are expressed in terms of the timelines and quantities. The measurable goals are very important for the organization because they enable the management and the staff to evaluate the progress of the product and place development. The organization also gets the benefit from the building a stage into the strategic planning process, which involves evaluating the objectives and progress after an some period of time in the light of organization success in achieving these objectives.The strategic planning is valuable process when it includes staffs in all level of departments and at all levels of responsibility thinking about how their actions and responsibilities fit into the larger picture, and about their contributions.

Q9

**Combination strategy:** It is combination of other grand strategies like stability,retrenchment,growth strategies.This type of strategy is used in large organisations that operates in multiple businesses.Its simultaneously achieve two or more goals rather than only one.

**Active/offensive strategy:** It is that type of strategy that actively try to make changes in business.its like first mover advantage strategy, companies have to invest so much in research and development who adopt this strategy.

**Programmed strategy:** These strategies once made do not need to take it in consideration again and again. we can say these are static not needed to be changed frequently.

**Retrenchment strategy:** This strategy is used when organisation substantially reduced its activities. when company faces financial crises or suffered a loss in a particular unit so much it uses this strategy to reduce its expense.

**Passive/defensive strategy:** This type of strategy is made to reduce the damage that can be caused by a particular situation.

**Growth strategy:** This strategy is useful when company wants to achieve a new level as compared to before in terms of indsutry,profits etc.

**Stability strategy:** this strategy is used when firms wants to maintain its position only. they do not bother about expansion etc. as they fully satisfied with current position of them in market.

Q 10

**1- What kinds of advantages and disadvantages are associated with the size of an organization?**

* Bigger organisation can tackle any problem with a greater manpower, thus resolving a problem becomes easier
* Bigger organisations can divide the responsibilities by forming several departments for easier flow of information
* Bigger organisations can be difficult to manage as diversity issues might evolve
* Bigger organisations can hinder the streamlining and aligning of processes
* Bigger organisations can tend to form heirarchies which makes decision making difficult

**2- How do the financial analysis of a firm influence its strategic options?**

* Financial metrics are the standard for assessing a firm’s performance.
* financial analysis establishes measurable financial strategic goals on a coordinated, integrated basis, thus enabling the firm to operate efficiently
* Free cash flow helps in anticipating substantial capital expenditures in the near future
* economic value-added goals can determine businesses’ value contributions

**3- Suggest some specific means by which business can strengthen their positions and develop distinctive competencies**

* Companies should opt for differentiations of their product so as to beat competition
* Companies should invest in R&D to invent new technologies
* Companies should adrress the customers grievances effectively to satisfy them
* Companies should keep employees happy and motivated so that they work in inclusion towards the companies goals

Q6

1) The type of strategy which was used to build the pipeline includes innovativeness and creativeness in running most of the pipelines above the ground. It involved multiplicity of complex designs. The strategy was aloe build to make environmental, political, legal, security, financial and engineering decisions at the same time.

2) Pipeline Company was able to attract the number of highly trained workers to come to Alaska to work on the pipeline by offering them twice the existing salary which was a strong incentive. After the construction these employees received a sometimes ten-fold increase in their salaries which lead to changes in their lifestyles.

3) When the company was facing criticism from all sides. It adopted various, measures to limit such disruptions in its construction. Crossing points were installed on Caribou migration routes to help limit disruption. The pipeline and oil industry provides money to help protect the local animal habitats and environment. Alyssa began lobbying in favor of a Native claims act in Congress. The money and land were split up among village and regional corporations, which then distributed shares of stock to Natives in the region or village. The shares paid dividends based on both the settlement and corporation profit. Alyssa incorporated underground and raised crossings for caribou, gravel and Styrofoam insulation to prevent permafrost melting, automatic leak detection and shutoff, and other techniques

Q20

Merger:

The combination of one or more corporations, LLCs, or other **business** entities into a single **business** entity; the joining of two or more companies to achieve greater efficiencies of scale and productivity.

Horizontal Merger:

A **horizontal merger** is a **merger** or business consolidation that occurs between firms that operate in the same space, as competition tends to be higher and the synergies and potential gains in market share are much greater for **merging** firms in such an industry.

Concentric Merger:

is the merging of firms that operate in the same industry but do not have a mutual relationship (such as a buyer-seller relationship).

A **conglomerate merger:** is a **merger** between firms that are involved in totally unrelated business pure **conglomerate mergers** involve firms with nothing in common, while mixed **conglomerate mergers** involve firms that are looking for product extensions or market extensions.

A **vertical merger:**

is a **merger** between two companies that operate at separate stages of the production process for a specific finished product. A **vertical merger** occurs when two or more firms, operating at different levels within an industry's supply chain, **merge** operations.