



Marketing Assessment Case Study | Sample Assignment | www.expertsmind.com

Case study

Value: 30%

Length: 3,000 words

Topic

Business Strategy in Action.

Instructions

The aim of this assignment is to give you a practical insight into the business strategy process at work in an organisation. The task requires you to work with a group of other students to conduct a case study of an organisation you are familiar with. You may:

- i. Select any local, state, national or international organisation with enough publicly available information to enable you to address the case study questions.
- ii. Select the organisation you work for but note that you must clearly acknowledge where you are getting your information from (e.g., if the SWOT analysis comes from your annual business plan you must acknowledge this). Any information provided in your case study will be treated in confidence.

Guidelines for This Task:

Introduction

Give a brief account of the history of the company and trace the evolution of its strategy over time. As part of this introduction, identify the organisation's current mission and goals.

Analysis

1. Conduct an analysis of the organisation's internal and external environment including its resources and capabilities, and the nature of its competitive advantage.
2. On the basis of the internal and external analysis, identify the strategies that you think the company should pursue.
3. Identify the main stakeholder groups in your company. What claims do they place on the company and how is the company trying to satisfy those claims?
4. Find examples of recent changes in your company's strategy. What types of change did your company implement? Why did your company make these changes?
5. Critically analyse the organisation's approach to ethics and social responsibility. Explain why the organisation takes the approach it does. Would you

make any recommendations to enhance the organisation's approach to ethics and corporate social responsibility?

6. Draw conclusions from the analysis that indicate a way forward for the organisation that is supported by the outcomes of the analysis.

7. Write a brief reflective critique of your experiences of relating the theory with practice that the whole group agrees with.

Rationale

The aims of this assignment are:

- To provide you with an opportunity to describe and explain concepts addressed.
- To develop cognitive and practical skills by applying theoretical concepts to practical, organisational situations.
- To develop analytical skills by analysing situations and actions that management might take in response to a given situation.
- To develop research skills through in-depth research on this particular topic.
- To practice and develop presentation skills through formal case study reporting.

Marking criteria

This assessment requires that you:

- Identify, explain and assess the concepts and theories discussed.
- Relate theoretical concepts to practical, organisational situations and events in a coherent and reasoned way.
- Analyse and evaluate/debate critically the options available to managers in a given situation.
- Demonstrate quality/originality of analysis and arguments (i.e., going beyond basic course material).
- Demonstrate appropriate research and referencing skills.
- Present a case study written in an appropriate style and format.

This is a research assignment; DO NOT rely simply on your own beliefs/intuition to write this assignment. You must use relevant academic literature as a basis for your writing which needs to go beyond the basic material covered in this subject. The expected minimum

It is expected that you will treat your fellow students with respect and acknowledge their contributions to the development of this assignment. Students should provide each other with a supportive, positive and inquiring environment where ideas can be shared regardless of individual levels of experience and expertise.

It is expected that you will adopt a professional approach to these postings. Remarks that are deemed to be offensive, rude, discriminatory or in bad taste will attract immediate action from the subject coordinator. CSU has a low tolerance of inappropriate online behaviour. As a minimum you may lose the entire marks for this assessment.

Presentation

This is a third year subject and a high standard of presentation is expected for this assignment. The following factors will influence your assessment grade:

- Grammar and syntax;
- Clarity and coherence of arguments;
- Structure, organisation, sentence and paragraph construction;

- In-text citations and end-text referencing (use APA 6th)

MGT 330 Assessment 2 Marking Schedule

(Marked out of 100 = 30% of total)

Names of group members:

Marking Criteria	EX	VG	OK	F	P	Comments
Identify, explain and assess the concepts and theories discussed						
Relate theoretical concepts to practical, organisational situations and events in a coherent and reasoned way;						
Analyse and evaluate/debate critically the options available to managers in a given situation;						
Demonstrate quality/originality of analysis and arguments (i.e., going beyond basic course material)						
Critique of theory into practice reflects the course material and wider reading.						
Demonstrate appropriate research and referencing skills;						
Present a case study written in an appropriate style and format.						

Topic: Business strategy in action

Introduction

In the continuously evolving and changing scenario of global economy, the different corporate sectors all over the world are always in an endeavour to find the *perfect* business strategy or set of strategies which would be able to reap high financial benefits as well as appreciate their goodwill and market shares in the long run.

There is no question about adopting a 'right' strategy; however, the real question arises about what is the 'right' strategy. In the past, we have seen that whichever corporate strategy or policy has worked wonders for a certain company, more specifically - for a big business house, has been treated as *the* right policy worldwide.

But when that particular strategy or set of strategies failed to provide a positive impact on the performance level of another business firm, people and the management experts realized the hard way that a certain corporate strategy cannot be treated as the panacea for all sorts of problems for the corporate world as a whole irrespective of geographical location, socio – economic and political – legal factors of the nations in the world.

According to Professor Costas Markides^[1], a good strategy is dependent on a given set of parameters which should be treated as the building blocks of a ‘well – planned’ strategy. Markide’s parameters are:

(a) *Who* will be the targeted group of customers for the company? – According to Markides, a business firm should always go to the basics to find out its *proper* customer base. It cannot cater to each and every section of the customer base. In other words, the company should *prioritize* among the groups of the consumers at the beginning. Even in case of a company which is a manufacturer of an essential commodity like cellular phone (The prime example would be Nokia), the management should keep in mind of classifying its product ranges within the consumer base depending on the level of incomes and varied purchasing powers;

(b) *What* products or services it would be offering to its customers and also what *not* to offer – This business decision actually points toward the *completely specialized* offering of products or services to the consumers. To put it simply – it is always prudent to work within your limits first and not showing foolhardiness to tread in unknown waters; and

(c) *How* it will try to demarcate between the proper strategy to do so and what functions it will try to avoid – It refers to the most critical part of the decision – making. It is not always prudent to ape any particular business strategy which has been already adopted by some other firm. It may or may not yield results. However, the wisest decision would be attack its competitors in the same playing field by finding out their weaknesses and cash on those areas. In order to support his view on the demarcation and framing of proper strategy, Markides has pointed out the difference of strategies between Xerox and Canon.

Xerox, being a household name in photocopying, lost its *Numero Uno* position to Canon after 20 years of fierce rivalry in the market. Xerox, being the leader in photocopying business, concentrated on high – profile big corporate houses and emphasized on the fact that its machines are faster in doing the required jobs than any other machines in the market. However, Canon, on the other hand, being a newcomer in the field of photocopying business (*diversified* its business from making photographic instruments like camera and hardware like computer printer) concentrated on high quality and economical pricing. The end result was the thorough penetration of the entire market share by Canon within various segments of consumer base with varied income – levels and purchasing powers. This innovative move in the field of strategy – making helped to make surpass Xerox in terms of market share within a span of 20 years. Now we will try to explain the various *key elements* of the strategic planning process.^[2]

Inputs to the organization:

The major inputs to any organization which are required for a successful strategic planning are *people, capital, managerial skills* and *technical skills*.

Industry analysis

According to Management expert Professor Michael Porter, the formulation of a strategy requires the analysis of the industry on the basis of the external environment. The major focus would be on the degree of existing competition, the threats of new entrants, the availability of close substitutes of products or services etc.

Enterprise profile

The enterprise profile actually works as the mark of identity for the company. The profiling of the firm determines the basic purpose / objective of the organization and helps to create a specific mindset to the management of the said firm and cater the consumer base which it is going to target.

Orientation of Executives, Values, and Vision

The profiling of the firm / enterprise is done by its executives (mostly middle – level management). The values and orientation of the executives are very important for formulation of a strategy. Since the firm's values, goals and business ethics are reflected by the executives, hence a precise and clear embodiment of corporate values within the executives is very much necessary.

Mission (Purpose), Major objectives, and Strategic intent

The mission (purpose) and the major objectives are nothing but a set of goals / objectives to which a said business firm is committed to fulfil. Strategic intent refers to the practical application of strategies in the real world scenario in order to fulfil the objectives.

Present and Future External Environment

The present and future external environment must be evaluated by the management of the company in terms *external opportunity and threat*. The evaluation should be done in terms of socio – political and political – legal factors. In addition to that, there must cultural and demographical study before taking the final decision to launch any product / service by a business firm.

Internal environment

Besides evaluation of external environment, the internal environment of a company should also be evaluated in terms of internal strengths and internal weaknesses. These factors include production capacity, scale of production, labor satisfaction, logistics and supply – chain management, marketing of products or services etc.

Development of alternate strategies

Depending on the SWOT analysis (which would be discussed later), the firm should keep an open space for developing alternate strategies. The range of alternate strategies include expansion or diversification of business (both domestically and internationally), conglomeration of businesses, mergers and acquisitions (M&A) etc.

Evaluation and choice of strategies

The various strategies should be evaluated and implemented on the basis of potential risk factors in the market as well as their feasibility. An apparently sound strategy on paper might fail in the real world scenario due to lack of its feasibility study. So a firm should always keep its door open for a gamut of alternate strategies in case its chosen strategy / strategies fail to deliver the goods.

Now we will try to discuss the various aspects of business strategy in the light of one of the leading business firms of the world; Microsoft Corporation, by applying the SWOT analysis.

An Analysis of Business Strategy: Case study of Microsoft Corporation.

Microsoft Corporation, since its inception in 1975 has grown into world's largest business firm (in terms of revenue) and enjoyed its cult status as the topmost company in the list of Fortune 500 companies till it got dislodged by Apple, Inc. recently in 2011.

Microsoft, in today's complex corporate world, has created a phenomenon for itself and unhesitatingly it may be cited as a prime example of implementation of business strategy at its best. As of the end of the financial year 2011, Microsoft's revenue stands at US\$69.94 billion, profit at US\$23.15 billion. The value of its total assets stands at an astonishing figure US\$108.7 billion and total equity at US\$57.08 billion. It currently boasts of a strong employee base of 92,000 as of 2011. ^[3]

If we try to track the growth curve of Microsoft, we will find out that whatever strategies adopted by Mr. Bill Gates, the founder of Microsoft and eventually the richest man in the world, have worked in favour of him and the company itself. For example, in the early 1980's, Microsoft under the leadership of Bill Gates and Paul Allen developed the Operating System (OS) called DOS (Disk Operating System) which revolutionized the then information technology world. Since the invention of MS – DOS, Microsoft has been able to excel stupendously in almost every sphere of Information Technology (IT) industry.

The serial invention and innovation of softwares and OS like Microsoft Windows and Microsoft Office has revolutionized the idea of usage of computer in every aspect and Personal Computer (PC) has become a household product solely due to Microsoft's inventions. In the boom era of internet (1995 – 2005), Microsoft came up with Windows 95 which came with a package of MSN online services (mainly Hotmail) along with Internet Explorer which is an internet browser. In the year 2001, Microsoft released Windows XP and a computer gaming software Xbox in order to capture the chunk of the market share which was dominated by Sony and Nintendo. In January 2007, it came up with Windows Vista and Microsoft Office 2007. In

2009, Windows 7 was launched and nowadays Microsoft is focusing on *cloud computing*.

Now let us try to shift our focus on the SWOT analysis and try to use the concept on Microsoft for a critical evaluation.

The SWOT analysis is a modern tool used in a matrix form to assess the **Internal Strengths (S), Internal Weaknesses (W), External Opportunities (O), and External Threats (T)** of an organization. The internal strengths of Microsoft include its inventive and innovative ideas, the zeal and power to be a market leader or a 'trend – setter' in every respect, a strong financial background, and of course a very strong and dedicated work – force which is always committed towards excellence in providing the 'best' for the customers. If we compare between the company's financial performances between 1994 and 2011, we will be able to find out some important facts and figures as below:

In between 1994 to 1996, the firm's net revenue increased almost two – fold from US\$4,649 million to \$8,671 million and its net income also almost doubled from \$1,146 million to \$2,195 million. Again from fiscal 2007 to fiscal 2011 (June 30, 2007 – June 30, 2011), its net revenue increased from \$51,122 million to \$69,943 million and the net income rose from \$14,065 million to \$23,150 million. However, in the same time – frame, its long – term obligations (debts) appreciated almost three – fold from \$8,320 million to \$22,847 million.^{[4][5]}

So in the gap of 17 years (1994 – 2011), Microsoft's net revenue increased by almost 17 times and its net income increased by almost 23 times showing the increasing clout of the firm in the global market. This should be the greatest internal strength of the company.

However the prime internal weakness of the company may be treated as the burgeoning volume of long – term debts and it should be tackled at the roots.

In case of external opportunities, the firm should count on the desires and aspirations of its millions of customers all over the world to invent or innovate something very 'unique' which would give a boost to its dwindling share of market at the advent of SmartPhone by Apple, Inc.

Finally, in case of external threats, there are too many. The two major threats would be: First, it is losing its grip in the electronics industry to its biggest competitor and rival Apple, and second, it had to face many legal hurdles and lawsuits mainly on the grounds of patronizing monopolistic business strategy in the market. The firm had to cough up \$613 million in 2004 against a antitrust legal action which was filed by European Union (EU).

Conclusion

In order to combat the impending danger of losing its leadership position in the global market, Microsoft should opt for **WO Strategy (Mini – Maxi)** or **ST Strategy (Maxi – Mini)**. In case of WO strategy, Microsoft should *minimize* its internal weaknesses and try to grab on the external opportunities and *maximize* its competencies in order to gain dominance in the market again. On the other hand, adoption of a ST strategy, it should try to *maximize* its internal strengths like strong

financial base and productivity of its dedicated work - force and simultaneously *minimize* the external threats through technical, developmental and marketing innovations so that it can dislodge its nearest competitor in terms of market share and sales. However, these two strategies namely Mini – Maxi and Maxi – Mini are basically orthodox and defensive strategies in nature. The most prolific strategy to pursue would be **SO Strategy (Maxi – Maxi)**. If Microsoft follows this strategy, it would be most beneficial for the company to appreciate its revenue and market share on the one hand and show its superiority in the field of Information Technology (IT) on the other.

References:

[1] What is Strategy and how do you know if you have one? – By Costas Markides [Business Strategy Review, Volume 15, Issue 2; Summer 2004];

[2] Essentials of Management: An International Perspective [Chapter: 5 – Strategies, Policies, and Planning Premises] by Harold Koontz and Heinz Weihrich [6th Edition, McGraw – Hill];

