Corporate Strategy Process

Every organisation makes choices about where it is going and how it will get there. Strategy is the set of long-term choices that helps an organisation reach its goals in a competitive world. Business schools teach a clear way to manage these choices, often called the strategic management process. It has five stages: mission, vision and values, analysis, strategy formulation, implementation, and evaluation and control. Then the cycle starts again, because markets and organisations keep changing.

1. Mission, Vision and Values

The process starts with direction. The mission explains why the organisation exists: what it does, for whom, and why it matters. The vision describes the future that the organisation wants to reach in the long term. Values are the principles that guide how people behave and decide along the way. Together, they work like a compass that helps leaders say yes to some opportunities and no to others.

Example: a family that wants to own a home within ten years without heavy debt has a vision and a value that guide its spending.

At work: Khaled, a strategy manager at a food company, reviews the mission with the leadership team: healthy, affordable meals for busy families. The team adds a vision: to become the most trusted brand in its category.

2. Strategic Analysis

Next, the organisation studies its situation from the outside and from the inside. The external analysis looks at the wider environment, often with PESTEL: political, economic, social, technological, environmental and legal factors. Michael Porter's Five Forces model adds a view of the industry: rivals, new entrants, substitutes, and the power of buyers and suppliers. The internal analysis looks at the organisation's own resources and capabilities, such as people, money, brands, technology and know-how. A SWOT analysis then brings both sides together: strengths and weaknesses inside, opportunities and threats outside.

Example: before opening a small bakery, a baker studies the neighbourhood, the nearby competitors, and her own skills and savings.

At work: Khaled's analysis shows a clear opportunity, because more customers want healthy food. It also shows a weakness: the company's delivery network is slower than those of its main rivals.

3. Strategy Formulation

With the analysis done, leaders choose the strategy at two main levels. Corporate-level strategy answers the question of where to compete: which industries, markets and products belong in the portfolio. It decides where to grow, where to invest less, and which businesses to enter, keep or sell. Business-level strategy answers the question of how to compete in each market.

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A business can compete through lower costs, through a different offer that customers value, or by focusing on a narrow group of customers.

Example: a family restaurant decides to stay in its home city, and to compete with fresh local food rather than with the lowest prices.

At work: Khaled's team decides to grow in ready meals and to sell a small snack line that no longer fits the mission. In ready meals, the company will compete through healthy recipes, not through the lowest price.

4. Strategy Implementation

A strategy on paper changes nothing until people act on it. Implementation turns the strategy into clear goals for each department, with owners and deadlines. Budgets move money and resources towards the priorities, and away from activities that no longer fit. The structure may need to change, for example with a new team or new reporting lines. People make the difference, so leaders explain the strategy, build the needed skills and support a culture that fits it.

Example: a student who chooses to study medicine plans a weekly study timetable, a budget for books and help from a tutor.

At work: Khaled helps each department set yearly goals, and the budget moves from snacks to ready meals and faster delivery. A new ready-meals team is created, and the sales staff are trained to explain the healthy recipes.

5. Evaluation and Control

The last stage checks whether the strategy is working. Leaders compare actual results with the goals, using a small set of key performance indicators, such as sales growth, profit, customer satisfaction and delivery time. They also check whether the assumptions behind the strategy are still true, because the environment keeps changing. When there is a gap, they take corrective action: they adjust the plan, the resources or even the strategy itself. What is learned here feeds the next round of analysis, and the cycle begins again.

Example: a runner training for a race checks her times every week, and changes the plan after a small injury.

At work: every quarter, Khaled presents a short dashboard to the leadership team. When delivery times stay too long, the company adds a delivery partner, and the next strategy review starts from these lessons.

Conclusion

In summary, the corporate strategy process is a cycle, not a one-time event. It moves from mission, vision and values to analysis, formulation, implementation, and evaluation and control. Each stage depends on the one before it, so good results come from linking the stages well. Small teams can use the same cycle with simple tools and short meetings. Organisations that repeat it regularly can act on change instead of only reacting to it.

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