

Defining a Business

- Are you in the right business, ask three questions ...
 - What business are you in?
 - Is it an attractive business?
 - Is it the right business for you?
- Usually done through a “mission statement”
 - Tell what the firm does (what is its business), stands for (what are its values), and wants to become (what is its vision)
 - Help communicate with stakeholders within and outside the firm,
 - Guide the evolution of the firm in the long-term, and
 - Help implement strategy

Defining a Business ...

- So, a mission statement should ideally ...
 - Identify the firm uniquely
 - Be short and meaningful, and
 - Be somewhat broad and flexible
- The requirements are contradictory ... hence, creating mission statement is almost a work of art ...
 - “High ROI to investors” [ROLM Corporation, USA]
 - “To provide every business, home, and person in Singapore with world-class multimedia-services and content” [Starhub, Singapore]
 - Breaking barriers, building bonds ... [Singtel, Singapore]
 - Reducing the chores of housewives [Lever Brothers, Eu]

Defining a Business ...

- Abell (1980) used the following three dimensions for defining the business of a firm:
 - Customers (who is being satisfied)
 - Their needs (what is being satisfied), and
 - Technology / Function (how are they being satisfied)
- Some find one or two dimensions to be sufficient ...
 - “Reducing the chores of housewives [Lever Bros]

Defining a Business ...

- Definition of business by four players in IT solutions providing business ...
 - Customer groups (large corporates, SMEs, partnerships, and proprietorships)
 - Customer functions (finance, supply chain, human resources, and all)
 - Alternative technologies (coding/programming, functional products, and managerial/consulting)
- SAP
- Microsoft Navision
- Polaris
- Skytech Solutions

Completing Mission Statement

- Values / Philosophy
 - A system of beliefs of an organization which help make decisions in situations where other rational criteria (economic, or legal, or such other) appear inadequate
 - Do not underestimate their importance
- At 3M, an unwritten law is: “thou shall not kill a new product” (see, Peters and Waterman, 1982)
- At Kirloskar’s Group, an unwritten law is: “thou shall not promote “Tamasic” activities”

Strategy - Types

- Strategy Formulation/Planning Vs Strategy Implementation
- Internalizing Vs Externalizing
 - Defensive / Protectionist
 - Expansive / Innovative
- At What Level
 - Corporate Strategy
 - Business Strategy
 - Functional Strategy

Individual Project Related ...

- Restrict to one page
- Please introduce us to your company (say, two paras)
- Identify your company's mission statement
- What is your company's vision statement?
- Is there a difference between the formal and informal mission and related ... critique ...
- Can you develop a map of the industry comprising your firm and its competitors and describe how your firm differ from others

Group-Based Case Submissions

- Case: Jeffrey's Brandt Group
- QUESTIONS
 - Identifying core strengths of Brandt?
 - Does the death of Jeffrey change things for Brandt?
 - Will Brandt be able to handle the shift to new industries?
 - Why did Brandt group merge its newly formed subsidiary Brandt Metals LLC with Brandt Tubes LLC? Why did he rename it as Brandt LLC?
- Submission is restricted to one page