

# Strategic planning and implementation and strategic marketing management

[Business](#), [Strategic Management](#)



Strategic management is the process of planning, implementing and evaluating an organisation's strategy. Today's world is a world of competition and sustainability of an organisation in the market is its competitive strategic advantage. It is very important to an organisation to implement its well planned strategy properly on time in order to get good result. A good decision at good time can improve the working of the organisation and its profitability.

Wipro Technologies Limited is the global IT business services of Wipro Limited, a diversified company. Wipro Technologies Ltd is headquartered in Bangalore, Karnataka, India and today it is one of the largest IT Company in India. The word WIPRO is stands for " Western India Palm Refined Oils" and the company started in 1947 as vegetable oil trading company. Later the company entered to consumer goods, information technology, computer manufacturing, and software development. Today Wipro has interest in information technology, engineering, healthcare, lighting, and consumer care. Wipro Technologies contributes 63% of revenues of Wipro Ltd and it is the fastest growing business of Wipro.

Wipro Technologies Limited has got strong and dedicated board of directors, headed with Azim H. Premji (Chairman), Girish Paranjpye (joint CEO), Suresh Vaswani (joint CEO), and SA Sudarshan. The major industries served by Wipro Technologies are Aerospace, Automotive, Banking, Business & Consumer Services, Communication, Service Providers, Computer Peripherals, Computer Software, Computing, Consumer Electronics, Consumer Packaged Goods, Energy, Government, Healthcare , Hi Tech,

Hospitality & Leisure, Insurance, Manufacturing, Media, Medical Devices, Mobile Devices, Pharmaceutical & Life Sciences, Retail, Securities & Capital Markets, Semiconductors, Storage, Telecom, Telecom Equipment, Transportation, and Utilities. The major areas of services are business technology services, consulting, enterprise application services, testing services, total outsourcing, infrastructure management services, product engineering services, business process outsourcing, and enterprise technology integration etc.

Today, Wipro is a global corporation and having operations in more than 31 countries through 72 subsidiary companies. Almost 100000 employees are working for Wipro Technologies Limited. Merger and acquisition are the key factor to Wipro Technologies strategy of “ string of pearls acquisitions.” It has dedicated team of professionals who are hard working to meet company’s strategies and culturally fit to the company. In January 2009, Wipro acquired an Indian based Citi Technology Services Limited (CTS) for US \$ 127 million.

(b) Strategic planning is an important thing for the success of the organisation. The strategist has to focus on some key areas while planning an organisations strategy. They are; the type of goods and services the organisation is going to produce, the amount of risk the organisation can take, about its customers, method of financing etc. An organisation’s strategy planning starts with the environmental analysis and finishes with the strategic analysis. In between these two steps there exists the defining of vision and mission statements for setting up its objectives and goals. Soon

after the completion of the environmental analysis, the next and very important step is defining its vision statement. Once the vision is defined, then the next step is to define mission statement which will help the organisation to achieve its vision successfully. Then the organisation will set up its objectives which further will help the organisation to achieve its mission. The next step is setting up of goals which are the small tasks which combines the organisation's objectives. Finally plan the strategy based on the above said factors to achieve its mission and vision.

(c) Wipro Technologies gives its priority to expand its business with a strong financial background and also with the experienced employee database. It has to develop its market by entering to the new market with its existing products. Also it can develop its products by entering into the old market with its new products. Company can try the strategy of acquisition to enter in the new region. Producing products in the market where it is very cheap and selling the same in the market where it gives maximum profits - Global Delivery Model. Wipro can provide Customised IT solutions in the area of technology, Infrastructure, and R&D. Wipro can plan a strategy related to service line expansion, quality leaderships, and investing in human capital.

(d) It is very important for every organisation to have a good marketing strategy in order to face competition in the markets. In order to develop a good strategy, the strategist has to conduct environmental analysis. There are two types of environment to each and every organisation namely internal environment and external environment. Internal environment includes its management, employees, trade unions, internal customers and

internal suppliers. External environment includes customers, suppliers, political parties, economic and social factors, and governments. SWOT analysis, PEST analysis (STEEPL analysis), Porter's Five Forces analysis, SLEPT analysis etc. are the main tools used for the environmental analysis. SWOT analysis is used to find internal environmental factors where as PEST analysis or Porter's Five Forces analysis etc. can be used to identify external factors which affect the organisation.

### **SWOT Analysis:**

**Strengths:** Wipro Technologies has a strong Research & Development (R&D) wing which gives competitive advantage in the industry. This R&D is capable to bring new innovative products and services to the industry. Wipro growing as one of the big IT player in India with a strong support of large experienced employee base and Retention of the man-power is the best in the industry. The company has a strong financial performance over the years. Wipro is focusing on Global Delivery Model; producing where there is least cost for production and selling at where there is maximum profitability. It has a comparatively very low receivable with industry average. Wipro has strength in the technical / development-focused elements of SAP implementation as well as particular strength in SCM, HCM, and BI.

**Weaknesses:** Wipro Technologies mainly depends on foreign markets especially US and the current financial slow down badly affected Wipro. It lacks its focus on customers and ultimately it leads to lose its customers. Since its focus on foreign markets the currency fluctuation is affecting its revenues.

**Opportunities:** Wipro Technologies is having the scope of expansion of its business both overseas and domestic markets. It is having a scope in the branded product category where none can replace Wipro. Its R&D can apply latest technology which will be a great advantage for the company in the IT industry. During the finance slow down, IT sector is having a boom and it is a good opportunity for Wipro. Company is having a vast opportunity in the emerging technology and consultancy areas.

**Threats:** Emerging small IT companies are big threat to Wipro Technologies and it increases the competition in the market. They can operate in the market with few experienced employees and thus their cost of operation is very low comparing to big IT companies like Wipro. The diversification of other multinational companies into IT sector is also a threat to existing companies. The continuous increase in the cost of human capital and slowdown in the US economy are also become a threat to Wipro. Fluctuations in the currency rates will make difficulties in every firm which has presence in the overseas markets. Changes in laws and regulations, business standards are also a threat to the company.

### **PESTLE Analysis:**

PESTLE Analysis stands for;

P – Political

E – Economic

S – Sociological

T – Technological

L – Legal

E – Environmental

It is a tool used to understand entire environment of the organisation where it operates. This provides details about the organisation whether it is growing or decline, what is its position, what is the risk involved in its operation, etc.

Political: It gives the details about what are the political effects in the markets. It is all about the governments and its policies, rules and regulations, tax policies, labor laws, environmental policies etc. Since Wipro Technologies is a global IT business company, it has to faces all the above factors differently in different countries.

Economic: It tells about the economy where the organisation operates. It identifies the nature of the economy, whether it is growing or under recession. Today economy is under recession and thus Wipro Technology as like all other organisations is facing difficulties.

Sociological: This speaks about the cultural and social norms of the environment where the company operates. It gives idea about lifestyle, taste, health, and age group about the people who lives in the market where the company operates. It is very important for Wipro Technologies to plan its marketing strategy.

Technological: This gives details about the emerging technologies in the markets and it will help the organisation to update its technology. A technological service company like Wipro it is very important to aware about latest technologies in order to sustain in the market. Customers are expecting an innovative products and services from Wipro and it has to fulfill their expectations. Technological analysis will help Wipro to make a good marketing strategy.

Legal: This analysis helps the organisation to understand what are the changes happening in the legislation. Since Wipro has global presents, it has to thoroughly understand the laws and regulations of each region.

Environmental: This all about the environment of the organisation. It gives clear cut idea about the environments wherever the organisation has its presents.

## **Task 2**

(a) Marketing strategy is very important for every organisation which is aiming competitive advantages and growth. There are four general marketing strategies in the market. They are; enter in the new market with new product which is known as diversification, enter in the new market with its old products and it is market development, enter in the old market with its new products and which is known as product development, and the strategy of entering in the old market with old products is called as market penetration. Each of these strategies involved its own risk and it varies from strategy to strategy.



At Wipro Technologies, it has to focus on product development, diversification, and market developments. Its major markets like US is under the economic slow down and reducing its expenditures. It will reduce its revenue and thus it is not profitable to go with market penetration. Since Wipro is a diversified company and it has presents in many areas, it is very easy for the company to focus on diversification. Wipro Technologies availed with new marketing options such as new client acquisition in the emerging economies especially Europe and Asia. It is focused to increase its revenue by providing high-end services to its clients globally. Wipro continuously monitoring its environment through web based monitoring. In the last financial year, Europe is the major contributor to Wipro's revenue.

(b) Wipro Technologies have got supportive and innovative stakeholders which include its promoters, experienced employees, shareholders, financial institutions, government, suppliers, and customers etc. Management is the body who drives the organisation and their interest on the performance and growth of the organisation. They will plan every thing with the same goal, growth of the organisation. Tax benefits and all other income receivable from the organisation is the interest of government on that organisation. Suppliers interest in the performance and growth of the organisation so that they can expect more orders and timely receipt of the payments. Customers got their interest on the company in order to ensure quality, price and customer services. Employees are the group who has greater responsibilities in the organisation. They are focused on their benefits such as incentives and bonus, and growth; therefore they are aiming organisation's growth and

profitability. Trade unions are the group who works for employee's satisfaction and they are the representatives of the employees in the organisation. Shareholders are the real owners of the organisation and their interest on the bonus and dividends which they are going to receive.

(c) Strategic planning is a continuous process which involves the support and hard work of many departments in the organisation. Stakeholders are also very responsible for the development of the organisation's strategy.

Stakeholders can participate in the development of an organisation's strategic planning and it will help the organisation to strengthen its local ownership. Their participation means sharing the information and encourages public understandings.

(d) It is clear that implementation of a strategy is more or equal important as its planning. Constructing a great strategy will not drive the organisation into profit. Employees are the main factors for the strategic planning and implementation. The implementation of a strategy requires changes in the current structure of the organisation. This will take place once the employees are ready to accept the change in their organisation.

### **Task 3**

#### **(a)**

Vision is a long term view and it defines the future state of an organisation. It is the answer to the question " where we want to go?" Since it is the long term objective of the organisation, it is very important to define it with lots of planning and analysis.

Mission is the fundamental objective of the organisation and it helps the organisation to achieve its vision. So we can say that the mission of an organisation is the way to its vision. It can be long or short depends on the nature of the organisation and its vision. A mission statement gives the path to achieve its vision. It should be Specific, Measurable, Achievable, Relevant and Time-bound (SMART).

Values are the focus area of an organisation such as values to the customers, its employees, share holders, and to the communities. An organisation will have many values and they can be numbered according to their priorities.

**(b)**

Vision: Vision of Wipro is “ to serve customers with integrity through innovative, value for money solutions, by applying thought day after day.”

Mission: Mission of Wipro is “ to offer services based on world-class infrastructure, industry expert skills, proven process – oriented service operations that are backed by principals to ensure the world’s best way of delivering IT infrastructure management solutions.”

Having already achieved the pinnacles of process and quality credentials (through ISO 9000, SEI CMM, PCMM and Six Sigma), Wipro’s Vision is focused on attaining leadership in the areas of business, customer and people.

Business Leadership: Among the top 10 Information Technology Services companies globally and the No. 1 Information Technology company in India.

Customer Leadership: The No. 1 choice of customers through innovative solutions and Six Sigma processes.

People Leadership: Among the top 10 most preferred employers globally by creating an environment of empowerment, intellectual challenge and wealth sharing.

Brand Leadership: Wipro is one among the 5 most admired brand in India.

## **Our Values:**

Outstanding

Teamwork

Challenge

Spirit

(c) Every organisation has to give importance to its cultural and ethical values while defining its vision and mission. The society's attitude and expectation towards the organisation, their beliefs and ideas are to be considered for the development of vision and mission. It is also very important to consider the lifestyle of the people, and their age group.

Corporate culture is the organisation's values, tradition, on going training, and customs that make a company unique in the market.

(d) Critical success factors to achieve organisation's vision, mission, and strategy starts with its planning and implementation. Wipro Technologies R&D, financial strength, large employee base, global delivery model are the

competitive factors towards its vision and mission. Well planned and implemented strategy will lead the organisation into its growths and success.

#### **Task 4**

(a) Wipro Technologies is a global IT business company and hence its major portion of businesses from foreign markets. Overseas clients of Wipro are reduced their spending due to the financial recession. Since major share of Wipro's revenue from overseas markets, it affected the company very seriously. Fluctuation in the currency exchange rate becomes very difficult to Wipro since its funds all receivables are in foreign currencies. But the company's innovative products and services are helped to given a competitive advantage in the overseas market.

(b) Current economic slow down affected almost all the organisation including Wipro Technologies through out the world. Every organisation is trying to reduce its affect on their operations through innovative products and services, market development, and diversification. At Wipro Technologies, company mainly focused on emerging markets where effect of economic recession was very low. Its Global Delivery Model gave the competitive price advantage comparing with other organisations in the industry.

(c) Wipro technologies has strong background in consulting services such as business consulting, process consulting, quality consulting, and technology consulting. The company's highlights of services are hi-tech offshore outsourcing model and high quality process of SEI and Six Sigma. The major

functional areas of Wipro Technologies are IT and consulting services, software developments, Pharmaceutical & Life Science, Healthcare, Medical devices, telecom, transportation, communication, banking, aerospace, retail, computing, securities & capital, computer peripherals, automotive, energy, consumer packaged goods, manufacturing, and media etc.

(d) Wipro's experienced employees, professional management, well established Research and Development, and financial strength are given the company a competitive advantage over other organisation in the industry. The major areas where the company concentrates are critical to today's world of competition and economic slowdown. Wipro's timely and within the budget completion of products and services can be compete with any organisations products and services. Wipro got its competitive advantage in the market by providing Customised IT solutions in the area of infrastructure, R&D, and IT services etc. It has focused its services to banking segment, manufacturing sector, and energy industry. It got its major share of revenue from Europe and its new focused region is emerging markets. The increase in the number of English speaking people, and cost effectiveness in the emerging countries start attracting most of the global companies.

## **Task 5**

(a) An organisation's future is defined by its strategy and thus its implementation is very important to every organization. The strategy implementation is a continuous process which requires a step by step action in order to complete. Each and every task should be completed within the time bound to get maximum result. It is a long time process since it requires

adequate changes in the organization. Soon after completing the strategic planning, the implementation process starts. First the organization has to identify the resources required to implement the strategy and plan it accordingly. Then it can start continuing with remaining steps.

(b) Implementation of a strategy includes several steps and all of these steps should be completed in the prescribed time bound. A sample timetable for the implementation Wipro's strategy is given below.

## **Task**

## **Methods**

## **Participants**

## **Time**

## **Result**

Identify key business areas

Market Analysis and Research

External organisation

3 Months

Growing IT business areas like Europe and Asia

Identify the possibilities in that growing IT business services

Conducting feasibility studies

External organisation

2 Months

Possibility to get major percentage of companies revenue

Publicity and Advertisement

Use of latest Technologies and Media

Marketing Department

Continuous

Popularity and clients get noticed

Expansion of IT business services to the identified areas

Acquisition, merger and building infrastructure

Top Management

8 Months

More offices, service centers, and clients globally.

Start Operation

Make use of organisation's resources

Entire organisation

36+ Months

Strong Brand and long-standing client relationships. Enjoy with high revenue



(c) It is very important to evaluate a strategy while it being implemented. It will help to reduce the errors and will help to rectify the errors exist during the implementation. Moreover, the organization has to continuously monitor the environment of the organization, government and the laws and make necessary changes in the earlier planned strategy. Any unexpected change in the environment during the strategic implementation process will give negative result. So by evaluating the strategy which is being implemented will help to reduce errors due to expected and unexpected changes in the environment.

(d) An organisation's strategy is a critical factor for the success of the organisation and it normally last four many years. Unless the organisation is not monitoring the effectiveness of the strategy it may lead to failure instead of success. It is not necessary that all the planned strategies executed and give expected result. There will be some deviations in the result and it can be corrected with timely monitoring of the strategy. It will be very easy to repair the errors or deviations in the strategy if it found early. After completing few months or year, it will not be able to make corrections and the entire system, effort, and money will become useless.