

Action Strategies

INTRODUCTION

In this unit, you will learn appropriate business strategies and consider ways to engage employees in strategic prioritization and implementation. The hope of any strategic planning activity is that it will enhance organization performance. Through involvement in strategic planning, employees achieve a better understanding of the organization's operation. The process allows for proactive decision-making. It is important to anticipate and respond to issues and to understand that sometimes a philosophical change will surface. There are twelve general strategies an organization might follow when implementing change. Adopting one or more of these strategies might mark a new beginning for an organization, especially if the employees understand and support the plan of action. The twelve strategies are:

1. Forward Integration. Increase control of distributors or retailers.
2. Backward Integration. Increase control of firms' suppliers.
3. Horizontal Integration. Increase control of competitors.
4. Market Penetration. Increase market share for current products in current markets.
5. Market Development. Introduce current product in new geographic areas.
6. Product Development. Increase sales through improved or new product.
7. Concentric Diversification. Add new but related products.
8. Conglomerate Diversification. Add new unrelated products.
9. Horizontal Diversification. Add new, unrelated products for current customers.
10. Retrenchment. Cost reduction to reverse declining profit and sales.
11. Divestiture. Sale of part of the organization.
12. Liquidation. Sale of the company's assets.

OBJECTIVES

To successfully complete this learning unit, you will be expected to:

1. Identify the twelve types of business strategies and Porter's generic strategies.
2. Demonstrate the ability to know when a particular strategy is appropriate.
3. Describe the stakeholder issues of adjusting to and supporting a strategic philosophic shift and what can be done to respond to these concerns.

[u05s1] Unit 05 Study 1

Unit Readings

Readings

- Read Chapter 5, "Strategies in Action."

- Read the JetBlue Airways Corporation (JBLU) – 2015 case study number 13 (this can be found in your eBook by selecting "Strategic Management Cases.")

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[u05a1] Unit 05 Assignment 1 »

Developing Alternative Strategies

This exercise gives you experience recommending strategies to increase the effectiveness of your selected organization.

Gather representatives from different functions to discuss alternative strategies. Notice the learning and understanding that occurs as people express differences of opinion. Keep the focus on the process, which is more important than the document.

Using the opportunity/threat and strength/weakness factors you have identified, create a flipchart (white board, PowerPoint, or another tool of your choice) with alternative strategies that could benefit your organization. List 10 possible strategies. Your list should include a description and possible outcomes of the strategy if implemented. Ask your gathered group to rate each of the strategies on a scale of 1 to 3, where 1 equals *no support*, 2 is *neutral*, and 3 equals *support for implementation* of the strategy. Sum the scores and prioritize the strategies.

Discuss how this process could help organizations achieve understanding and commitment from employees. Share the results with an organization leader. Ask for comments about the process and the top strategies.

When you have completed your assignment, summarize your findings in a 2- to 3-page memo. Attach the list of the 10 possible strategies with ratings to your memo. Submit your assignment as an attachment in the assignment area.

Resources

Developing Alternative Strategies Scoring Guide.

[u05d1] Unit 05 Discussion 1 »

JetBlue Airways Corporation Strategic Analysis

The JetBlue Airways Corporation - 2015 case study provides insight into how this company has used innovation, name recognition, and a passionate connection to its customers to maintain its competitive edge. Based on the case study, make a list of which of the sixteen strategies or Porter's generic strategies you observe JetBlue using. Why did you include these strategies? Post your list and a brief summary of why you chose the strategies you did in this discussion. Revisit the courseroom after your initial posting and respond to the postings of at least two other learners. Do you agree with their assessment? Why or why not?

Resources

Discussion Participation Scoring Guide.

Updates and Handouts »

Periodically, information will be posted in this space for the good of the class.

Ask Your Instructor »

This forum was created to provide a convenient space for you to ask questions—questions about particular assignment and discussion activities, questions about the course in general, questions about expectations. If there is something that

you feel you could use help with, please post your question here. Most likely, some of your classmates will have the same concern, so your post may help several learners. If you feel your question is private, please use the [Private](#) option. Your question will be found under **Notifications**.

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