RESEARCH ARTICLE

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Strategic Management through Innovation and Cost Saving

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Abstract

The "strategy" word is originated from the Greek word; stratus (means army) along with "ago" (means moving/leading). A strategy is an action taken by the manager to achieve more than one goal or aims in the organization. Strategy means "A general direction set for the company and its various components to achieve a desired state in the future. Strategy results from the detailed strategic planning process". The strategy seeks to incorporate organizational actions and use and allocate finite resources within the organizational environment in order to achieve the current goals. It is important to take into account while preparing a strategy that actions are not made in a vacuum and that a response from the concerned customers, competitors, suppliers, and employees would certainly meet any act made by a firm.

Strategic Management is an actions and decisions' stream that contributes to implementing successful organizational priorities policy or strategies to attain organizational objectives. Strategic management is a process where strategists identify objectives/goals and take strategic actions. Strategic Management may be seen in different organizational forms, such as government, cooperative, service, business, etc.

Strategic management is an on-going process of evaluating as well as regulates the involved industries and business; first evaluates their competitors and defines objectives and strategy that satisfy all current and future competitors; after that reevaluate every strategy quarterly or annually or regularly to assess how this was carried out and whether this has achieved or needs to be replaced by a new plan or strategy to access changed situations, political environment, financial, new social, new economic environment, new competitors, or new technology.

Strategic Management is a science and art of implementing, formulating, as well as assessing cross-functional decisions, which allow a firm to attain its goals or aims (Andrews, K.). Strategic Management particularly emphasizes computer information, R&D research and development, marketing, production, finance, and integrating management to attain firm success.

Strategic management's goal is to use the trends of today for tomorrow and to develop new as well as various opportunities for long-term planning. A strategy is an organization's well-defined roadmap. It determines an organization's overall mission, direction, and vision of the firm.

Keywords: Strategic Management, Innovation, Cost Saving.

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History

Usually, managers employed day-to-day preparation techniques in the early 1920s and the 1930s. Even so, managers tried to predict the future after that. They have methods such as budget planning and monitoring mechanisms such as capital budgeting as well as priorities management and many other methods. Since these techniques and instruments could not properly emphasize the future role of the firm (Ansoff, H. I.)[1,2]

The next stage has been for trying and using long-term planning that has been replaced soon with strategic planning and then strategic management, an expression that currently describes the strategic decision-making process. Because of the industry's nature, the first phase, which was mainly in the middles of the 1930s, was the planning process based on ad hoc policymaking. When several companies have just begun operations and are primarily in a single product line, the need for policies has emerged. The spectrum of operations was

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limited. Most of them were catering to a small and identifiable set of customers. With the rise of businesses, they extended their offerings to more customers and even extended their geographical coverage.

When these businesses expanded, using informal management and communication was not adequate and became insignificant. The growth has led to a lot of complexity and changes in the outside world. Consequently, the integration of functional areas was necessary.[3-7]

Policymaking has been the process in which owners control their organization and their primary responsibility is considered.

As the years progressed, more significant changes and complexity occurred in the environment, especially after World War II. As a means to handle it, the administration has become more challenging by expected strategy. Businesses have grown far larger, focusing geographically on larger markets, serving more customers, and manufacturing and selling more types of products.

The competition had also risen with several enterprises joining the markets. Functional area integration, as well as policymaking, only did not suffice for the multifaceted business requirement. There was a need to look critically at the basic idea of business by the 1960s, due to increasing competition.

In the earlier eighties, the patterns again changed, with many companies going global and also facing competition from rivals across the world. Japanese companies unleashed a force across the world and other Asian companies and posed threats for the European and US companies. This contributed to the present idea that originated in the 1980s. It is a corporate strategy theory.

Lamb Robert (1984)

Strategic management is an on-going process of evaluating as well as regulates the involved industries and business; first evaluates their competitors and defines objectives and strategy that satisfy all current and future competitors; after that reevaluate every strategy quarterly or annually or regularly to assess how this was carried out and whether this has achieved or needs to be replaced by a new plan or strategy to access changed situations, political environment, financial, new social, new economic environment, new competitors, or new technology.

Learned (1965)

This is the study of responsibilities as well as functions of general management along with issues that affect the success as well as the character of the whole firm.

Schendel and Hofer (1979)

Strategic management is a mechanism that deals with the enterprise business work, operational renewal and development, and the development and use of the strategy to direct the organization's activities.

Bracker (1980)

The external and internal business environment analysis involves strategic management to maximize resource utilization according to their objectives.

Jemison (1981)

Strategic management is the mechanism by which diverse organizations' managers establish and implement a strategy to balance the competence of their organizations and their environmental constraints and opportunities.

Van Cauwenbergh and Cool (1982)

Strategic management discusses formulation (political) aspects and the execution (organization) aspects of measured actions in new contexts and provides a framework for potential administration as scenarios are replicated.

Schendel and Cool (1988)

Strategic Management is fundamentally work connected with the word entrepreneur and its starting function (and, considering the constant lives of businesses) renewing organizations.

Fredrickson (1990)

Strategic management is more worried about managers' problems as they run the whole company.

Teece (1990)

Strategic management may be described as the preparation, implementation, as well as assessment of the management steps, which enhance the value of an organization.

Rumelt, Schendel, and Teece (1994)

Strategic management is all for corporate companies' management. This covers all issues that affect the Executive Management or anyone who finds explanations for organizations' success and failure.

Bowman, Singh, and Thomas (2002)

The strategic area of management may be designed as one focused on issues related to building competitive edge and profitability or pursuing rentals.

Concept of Strategy

Strategic Management is actions and decisions' stream that contributes to implementing successful organizational priorities policy or strategies to attain organizational objectives. Strategic management is a process where strategists identify objectives/goals and take strategic actions. Strategic management may be seen in various organizational forms, for example government, cooperative, service, business, and so on.

Strategic Management may be described as "the art and science of formulating, implementing and evaluating cross-functional decisions that enable an organization to achieve its objectives".

The Strategic Management term is utilized synonymously with the strategic planning term. Later this is more frequently utilized in the business world, while the previous is frequently utilized in academia.

Strategic management term is utilized to refer to the formulation, execution as well as evaluation of strategic planning and refers only to the formulation of strategic strategies. Strategic Management goal is to use the trends of today for tomorrow and develop new and various opportunities for long-term planning. A strategy is an organization's well-defined roadmap. It determines an organization's overall mission, direction, and vision of the firm. Strategic management provides a business with an overall direction and involves specifying the organization's objectives, developing plans and policies for the achievement of these objectives, and then providing resources for the implementation of the plans.

In essence, a strategic plan is the game plan of a firm; a company needs a good strategic plan to achieve its goals successfully. A strategic plan is the result of strong management choices between many good alternatives, signaling a commitment to specific markets and policies, operations, procedures in line with other "less desirable" action course.

Strategic management is strategic science management. It then addresses numerous methods, i.e. various forms of decision-making. Various problems, various opportunities, various challenges, various situations require various forms of strategies to be formulated and implemented. So all of the techniques in one group are clearly not appropriate.

Knowing the classified details about various tactics and their features is particularly beneficial to determine accurately in due course. Since the decision-making practice is more experientially based skill; this is necessary to consider the circumstances under which they are effective in a straightforward manner, various styles of strategies.

As the strategies are always crucial, every strategy must be formed after careful study of the situations, challenges, opportunities or problems being encountered. Ignorance about types of strategies may lead the managers to wrong conclusions or wrong strategies.

The central issue of strategic management is: "How and why do some firms outperform others?" For this reason, management's challenge is to decide on 'strategies,' which offer long-term benefits. Much strategic management involves identifying and formulating strategies those managers may pursue for their organizations to achieve superior performance and competitive advantage.

Strategic management is the method of reviewing the organization and the world to achieve its long-term aims. Strategic Management is a science and art of implementing, formulating, and assessing cross-functional decisions, which allow a firm to attain its goals or aims. This refers to the sequence of management decisions that decide the strategies for achieving the company objectives.

Strategic management is nothing other than planning both for predictable and unattainable contingencies. This applies to both large and small companies as well as the smallest organizations are confronted with competition and can achieve a sustainable competitive advantage by developing and implementing appropriate strategies.

Strategic management gives an organization the general direction, and determines the organization's priorities, establishes strategies and plans to accomplish these objectives.

The strategic management process is introduced to encourage the top management of the business to make decisions, which have a long-term effect on the organization's sustainability and profitability.

The organization includes mobilizing large-scale resources to develop potential capabilities and competences while taking responsibility for the risk involved in long-term decisions.[3-5]

Objectives

The purpose of Strategic Management is to exploit as well as locating resources to implement the plans. Strategy is an organization's well-defined route map. It explains an organization's overall objective, direction and vision. A strategy aims to enhance the strengths of an organization and reduce competitors' strengths. The "strategic management" term designates a management branch that focuses on strategic vision development, set goals, develop as well as implement strategies, and introduce corrective measures for (if any) deviation to the strategic intent of the organization.[6-9]

Objectives may be summarized as follows:

- To obtain a strategic edge to maintain market supremacy to outperform rivals.
- Guide organization to assist with business environment change.
- Take advantage and create new possibilities for tomorrow
- Provide the theoretical frameworks that will help a manager understand the key correlation among performance, context, and actions.
- Allow an organization to compete.
- Sustain as well as enhance that position by the deployment along with the acquisition of applicable resources and by monitoring and responding to environmental changes.
- Observer and reply to key stakeholders' demands.
- Discover, attract, along with keep customers.
- Ensure the business meets its customers' requirements and desires, which are a key element in the quality of their products or services.
- Sustain a competitive location.
- Use the assets of the company and thoroughly leverage the vulnerabilities of the rival.
- Determine the mission, objectives and strategies of a firm and to visualize how the implementation of strategies can implement.
- Develop a creative and innovative attitude and to think strategically.

- Future-oriented and Large-scale plans to interact with the competition.
- A game as well as an action plan of a company where, when, and how, it must compete, against whom it must compete, and for what purposes it must compete.

Innovations and Cost Cutting as a Strategy

Innovation strategies are a collection of solutions for allocating resources, developing our capabilities to fulfill the company development targets. Innovation plays an important part in the production of products. An innovation strategy is a company's initiative to promote developments in technologies or services, typically through research and development investments. For businesses seeking to achieve a competitive advantage, an innovation plan is important.

Business innovation is mostly about developing and introducing creative innovations effectively inside the organization. This may be in the form of an important advancement such as the development and commercialization of a new product or service, or of a variety of smaller advances such as improved or more successful operating approaches and making them more profitable. As it is difficult to quantify the steps, time, and effect of innovation, innovation strategy varies from many market strategies. The innovative strategy informs decisions about how capital can be used in order to accomplish the innovation goals of an organization, provide value and create competitive advantage. Strategies must contain: evaluating the technological and competitive environment of an organization as well as its external opportunities and challenges.[9-11]

Its unique benefits

Innovation is nothing but a simple good and unique idea. (Drucker, P) Innovation is just changing new concepts as well as ideas into something, which can develop values. These values may be organizational, social or commercial. Any feature of your business can involve innovation.

Product/service innovation

Develop new services or products, improving current services or products along with technological innovation.

Process innovation: Employing an innovative technique for improving operational procedure in your business, for example, HRM (Human Resource Management), financial systems, and production line developments.

Marketing innovation: "How you take your products to market and promote your offering, your pricing strategies, your distribution channels, and the innovative ways you increase your customer base and expand markets".

Business model innovation

It includes strategic partnerships, financial and/or Structural model changes. Today's business environment is highly competitive. Organizations are confronted not only by their local competitors but as well as by international competitors. Various geopolitical and economic factors require global supply chains. There are worldwide supply chains with the problem of wide and complex operations. Managing operations in the same geography is much easier than managing operations in several countries.

Case Study1: Continuous heat treatment furnace of cylinder head Aluminum casting.

The Continuous Tunnel Furnace is used for Solutionising Aluminum Cylinder Head Castings weighing 1.7kgs - 2.05kgs per piece. As 80 castings placed in the pallet-central region are stacked one above the other, in 6 layers. During heating, it was observed that castings in the central region - around 15/20 numbers were invariably indication lower hardness by 10-15 points than the specified requirement.

The reason was these castings in the central region were not getting the requisite heat from the hot air which was blown from the heaters - placed along the wall of the furnace, as during heating of the castings in preheating zone, the castings after loading at ambient temperature, large amount of heat was lost. (Due to frequent opening and closing of charging door).

To arrest this heat loss frequently, an intermediate door was placed, which prevented heat loss from the furnace due to frequent opening and closing of the charging door every 24 minutes.

The installation of intermediate door eliminated the issue of low hardness of Castings in the central region. Output improved by around 720 castings/day. (12/basket x 2.5 cycles per hr x 24hrs = 720 castings per day)

Heat treatment furnace layout - intermediate door

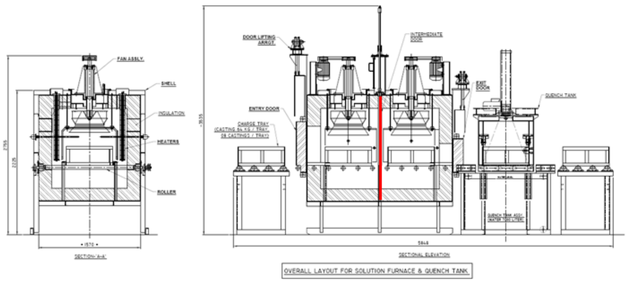
Case Study 2: Pretreatment and painting booth chain conveyor changed from Welded section to Rolled 'I' section in Pre-treatment and Painting Booth:

Case Study 3: Alluminiun Scrap to Liquid Metal(Elimination of Ingots Procurement)

Normally in Non-Ferrous Foundries, procured Ingots are melted in a melting furnace and then poured into a Holding furnace for casting by low pressure, high pressure, Gravity Die Casting process. In this route, two times melting is carried out- Smelters end and Foundry.

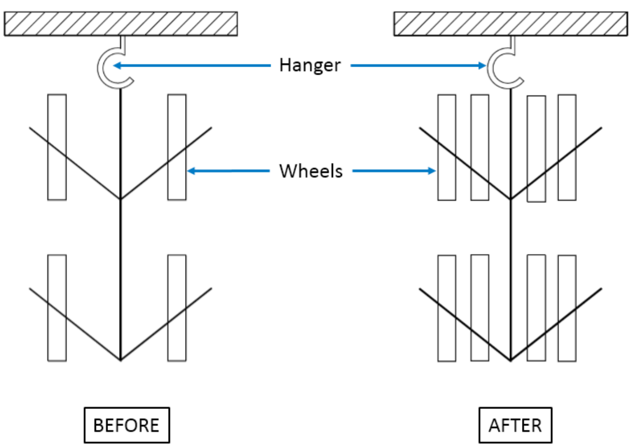
In the route shown in the Flow chart - selected / segregated scrap is melted in Furnace-capacity 2000 kgs - alloying carried out based on chemistry required - filtration done twice to remove dross generated during melting. Liquid metal is transferred through ladle transported by Fork lift to the holding furnace for grain refining, degassing, density checking, and then poured in individual holding furnaces of each machine to further manufacture castings.

Elimination of 1 Melting Operation reduces Melting Cost (melting loss) by Rs 2 /3 per Kg - 2500 MTs of liquid metal per

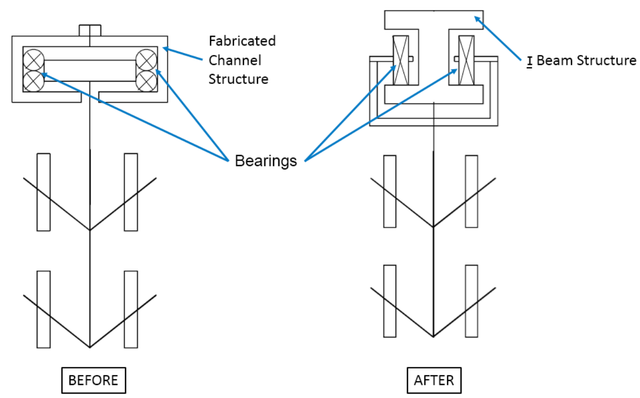


Heat Treatment Furnace

Chain conveyor section changed



Conveyor in Angle section and I beam Section



Conveyor in Angle section and I beam Section

month - reduction of Rs 5Mi / Rs 7.5 Mi in Operation Cost - Investment Rs 25 Mi - ROI 4 to 5 months.

Case Study 4: Retouch-up of wheels

During Painting operation, few wheels do not get properly painted - due to water, oil drop (from compressor), dust, overspray, adhesion of paint not uniform. Inspector used to sends these wheels with small defects for pretreatment and repainting once again.

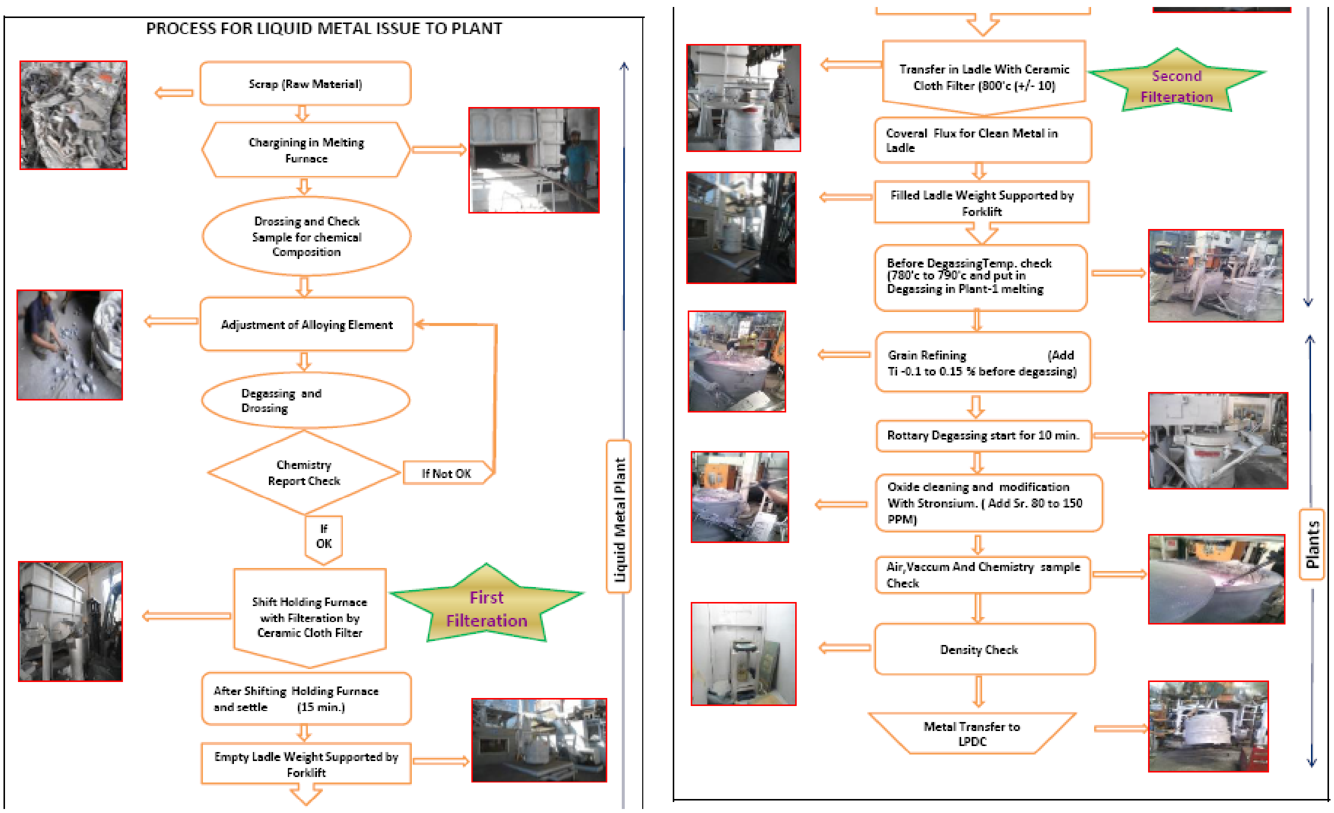
For such Wheels with a minor defect, the paint is affected area is removed; Retouch paint is applied on the exposed defective area, Retouch paint is applied and baked in Retouch Furnace.

This being offline operation - meaning capacity of pretreatment, Painting Booth, main baking conveyor line are not affected thereby maintaining the paint shop's output.

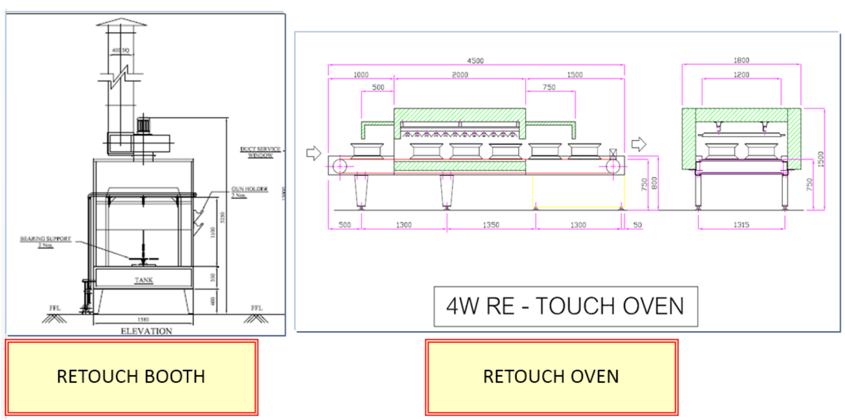
Retouch Furnace also helps in complete rejection rework of wheel, improving pass through and ultimately Plant output by 48 Wheels per Day (0.5% of 396 x 24 hrs =48 wheels / day)

Table 1: Paint booth conveyor

Specifications	*Paint Booth conveyor with Welded structure*	*Paint Booth conveyor with 'I' beam structure*
Capacity	55 kgs / hanger	100 kgs / hanger
Track	Frequent breakdown of the track as-welded angle section used	No breakdown of the track as rolled 'I' beam section used
Wear and tear	Wear and tear of track due to low hardness of angle section	No wear and tear of the track as rolled section of higher hardness used
Bearings :	Normal Bearings–resulting in frequent failure at high temperature and dust entering the bearings	Sealed bearings–withstand high temperatures, and no dust entering the bearings
Chain :	Welded sections - low tensile strength-frequent failure	Webb design-high tensile strength- no failure
Conveyor speed	Could not run at desired speed due to failure of track and bearings	Could operate at a desired speed
Speed	0.9 m/min max	1.2 m/min max
Production	210 nos/hr	396 nos/hr



Process flow Chart of scrap melting to Liquid Metal



Retouch up of rejected wheels due to paint defect

Case Study 5: Development of Hazira Port

We are one of the largest importers of Aluminum (~40,000 MT), PE and into India. As we serve our customers across the globe, we are also one of the largest exporter of power conductors. Hence our overall traffic of import and export cargos is around 60,000 MT/year amounting to over 3000 containers.We hence need efficient ports to carry out our business effectively to cater clients across different continents.

Problem Statement

Congestion and poor management of Mumbai and Jawaharlal Nehru Port, popularly known as NhavaSheva Port leads to unpredictable lead times for both inbound and out bound Cargos, resulting in customer end delays as well as production outages at our end. We were compelled to carry additional inventory, which was creating problems of storage of material.Even in cases of urgency, we were not able to ship our ready consignments on the first sailing vessel leading to dissatisfaction with our customers and losing new business opportunities.

Objective

To develop an alternative port which meets our objectives of Throughout Time, Reliability, Predictability and Total Cost of Operation.

Process

To find a solution, we carried out working on Hazira port.

Our imports were largely of aluminum ingots from Middle East and Malaysia, and only in 20' containers. We needed vessels calling from these destinations at Hazira.

We have high volume of exports of more than 1065 containers last year, requiring a large inventory of empty containers at port.

There was no local transport ecosystem to carry our cargo to port with return load, leading to high local freight costs.

Our CHAs did not operate from Hazira.

Mitigation

We handled the problem systematically in the following manner:

Availability of vessels

The business case first found favor with two shipping lines viz. Maersk and Pacific International Lines. These Lines were well established and could handle more than 500 Teus (20' container) import from Hazira Port per week. With the establishment of these lines, vessel calling improved at Hazira port, and other Lines followed.

Availability of containers

There was an imbalance in import and export at Hazira (export was more than import), this was causing a shortage of containers at port. We started with import at Hazira and also convinced other companies to start the same. This initiative improved the balance of import and export at Hazira and ensured the availability of empty containers at the port.

Results

We have successfully established an alternative port for our exports and imports and can attain following clear benefits:

.Saving of Freight- Distance of Hazira port from ABCD Sarigam plant is less, compared to other ports, resulting in to cost benefits. We are able to save INR 300/ MT, in road transport from Hazira import and export.Rs 300/MT x20 MT x3000 containers = Rs 18Mi

Reliable Service- We are able to get reliable services, as 24x7 Terminal gate services are available at Hazira.Till now there is no instance of missing a sailing or delay due to congestion from Hazira.

Conclusion

Development of an alternative port i.e. Hazira has been one of our most effective two-way Supply Chain Initiative steps to reduce risk of delay in delivery, and has helped us in proper inventory planning.

Cost Cutting Strategy

Increased costs and increased competitiveness make cost cutting obligatory for businesses. Companies also accept that up to 25% of there costs are wasted and should be avoided. The thing is that they don't know what 25%? Reducing the wrong expense will lead to a reduction in efficiency or customer service, all of which would represent a decrease in revenue in the immediate future. Strategic cost management or referred, as SCM is the cost management approach aimed at minimizing costs and improving the role of the organization. In order to improve the overall business strategy, it is the combining process of the decision-making structure with the cost details. In order to manages and measures costs in accordance with SCM (Strategic Cost Management), the continuous development of the product is of primary importance in order to deliver higher service to its target consumers. This is important part of value chain, which encompasses each and every aspect for example; service, sales, production, design, and purchase.

Problem with Cost Cutting

Cost cutting should be really ugly if appropriate care is not taken to how they are performed. The general relation with ugly cost cutting is that the enterprise tries to profit from undermining the interest of everyone else. In the short term, any saved dollar does seem to contribute to the bottom line directly. Even then, the quality of services and products will decrease drastically in the long term. Cost-cutting can result in a decrease in the company's revenues if performed improperly. If the company continues losing regular clients, the damage could be serious. The cost of having loyal customers is becoming more and more high these days!

Competency Based Approach

Costs must not be cut blindly. Rather, a technique should be used for cost cutting. This implies that any reduction in costs must be a move towards fulfilling a larger objective. The common aim of the most successful enterprises is to match them with their expertise. Most analysis is performed by major multinationals. The core competences are the best opportunities in the world economy. Another less strategic activity is outsourced for cost reduction. This helps to cut expenses where matters are less important and to channel the financial muscle to potential investment to help the organization prosper and expand even more rapidly.

What is a Competency?

It's difficult to describe competency. It is important for an organization to have competence. In the cut-throat market place this is not able to survive without a certain fundamental ability. All competencies must be recognized as being concentrated. Companies may, at best have a few abilities. Perhaps you did not describe your skills properly if you have a list of competencies!

The Tradeoffs

Strategic cost reductions mean that corporations can discriminate between the expenses they have to incur to support themselves. This will allow companies to define worldly costs, such as regulatory costs, accounting costs, fuel, and electricity etc.

The aim is to trickle all of the resources into construction skills and be as lean as possible in other costs. It is necessary to recognize overhead costs and to render an incessant cost reduction in those areas. Even so, the competences that enable an organization to manoeuvre competition in the long term, irrespective of the expense, should be established at the same time.

Disadvantages of Strategic Cost Cutting

Higher Management Buy In

Strategic cost reduction is a decision which the whole company has to determine. This approach must be taken by top management. This technique should somehow be followed by the Middle Managers themselves. However, they could communicate with other parts of the company, which are not governed by them. It's not easy to get buy-in at this level. This operation is also comparatively less practiced by businesses.

Time Frame

Overnight, strategic cost reduction would not work. This takes years to develop competence to maneuver competition. The concern is that most corporations are short-term. They concentrate only on their quarterly or yearly outcomes. If the aim of reducing costs instantly is to accomplish this strategy, there are major limitations.

In brief, in their main fields, companies should never cut costs. They must understand and lean the organization where possible by concentrating on these fields in terms of administrative and non-critical areas.

Case Study 1: Change of Packing Material-steel to High tensile plastic

Details of Total Cost Reduction

Case Study 2: LPG and Nitrogen

LPG- Storage in 450 kgs cylinder instead of 20,000 kg bullet

Nitrogen – Manufactured In House instead of Procurement

Case Study 3: Reduction in crucible size to reduce Power Consumption of Holding Furnace

Reduced crucible size as per Castings output per metal charge. Reduced wattage from 36W to 24W per Holding Furnace and reduced Heat loss from top of crucible as well by reducing Opening from 'X' to 'x'

Benefits: Saved 2 units/Hour/Machine, saving. 48 units/day/machine

TotalLPDC are 30 nos,Saving(48x 30)= 1440 units/day = Rs 10,080/day = Rs 36.79 lacs/ year

Benefits of Strategic Management

Strategic management has several advantages, for example, opportunities exploration, prioritization, and identification. For example, newer forays, newer markets, and products into business lines are only possible when enterprises indulge in strategic planning. Strategic management then enables enterprises to consider an analytical perspective of their operations and evaluate the cost-benefit and whether the company is successful. Strategic management will also help to improve a company's productivity, improve market share and prepare for the future. The net perceived advantages of strategic management are non-financial and financial. An organization and its management can think and prepare for its future life through a strategic management process, which takes care of the chairman's responsibility. For the company and its staff, strategic management sets a course. (Fred, R.D) Unlike strategic strategies once-and-done, efficient strategic management continually strategies, tracks, and checks an enterprise's operations, thus contributing to improved organizational performance, profitability, and market share. Strategic management will also help to improve a company's

OLD Freight Working (with Rigid Steel Pallets)				
Details	Vehicle Type	Daily Vehicle	Freight per vehicle in INR	Total Freight/Day
Pune to Chennai freight	1109	6	35000	210000
Chennai to Pune Freight	1109	6	21000	126000
Total Round Trip Freight Cost /Day			56000	**336000**

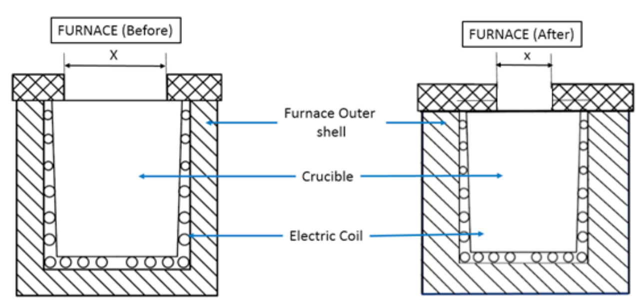
New Freight Working (with Foldable PP Boxes)				
Details	Vehicle Type	Daily Vehicle	Freight per vehicle in INR	Total Freight/Day
Pune to Chennai freight	1109	6	35000	210000
Chennai to Pune Freight(with empty packaging of three vehicles)	1109	2	21000	42000
Total Round Trip Freight Cost/Day			56000	**252000**

Total Daily Saving (In INR)	**84,000**
Total Monthly Saving (In INR)@ 24 days	**2,016,000**
Total Annual Saving due to change in packaging (in INR)	**24,192,000**

Change of Packing material-Steel to High tensile plastic

		Past	Present
A	LPG Bank		
		Bullets (20MT x 2 Nos)	LOT Bank (4+4) x 450Kg
	Daily Consumption (Kg/Day)	1875	1875
	Space Index (Sq M)	70 x70 Meter	27 x 14 Meter
		4900	378
	Statuary Compliance	# Storage Licence PESO #Fire Hydrant # Category as MHA	Not Required any license or Fire Safety Protocol
	Iventory Carrying (Kg/Month)	20000	1800
	Landed LPG Cost (Rs/Kg)	42.63	42.63
B	In House Nitrogen Plant		
		N_2 Cylinder Supply	Inhouse N_2 Generation
	Daily Consumption (Cu M/Day)	350	350
	Landed N_2 Cost (Rs/Cu M)	47	14.85
	Capex Requiremnt (Rs in Lacs)	NA	22.80
	Payback Period (In Months)	NA	6

LPG and Nitrogen



Reduction in crucible size to reduce Power Consumption of Holding Furnace

productivity, increase market share, and prepare for the future. Strategic management is an ongoing mechanism that examines and tracks an organization's market and industry, examines its competent and develops priorities and plans to satisfy both present and future competitors; and then revalues plans annually to assess if they were executed not they were effective.

The benefits of strategic management in a company, especially within a company: providing effective guidance for the whole company. To make managers more alert for changes in the business level, threatening developments and new opportunities in the external level of an organization. "Providing managers with a rationale for evaluating competing budget requests for investment capital and new employees." To support administrators in the company unify the various business decisions. Build a more constructive approach

Financial Benefits

In strategic management, many reports have found that engaged businesses are more proficient as well as effective than those that neglect strategic management and strategic planning. In the fast 21st-century evolving market world, companies indulge in forward-looking planning and a detailed assessment of their goals. More than 100,000 companies have been projected to fail each year and many of these failures are due to a lack of strategic direction and strategic focus. Moreover, high-performance organizations strive to make decisions more educated, as they have taken into account both long and short-term consequences and have accordingly focused their plans. Companies that do not participate in effective strategic planning, on the contrary, are frequently faced with internal challenges and the inability to prioritize.

Non-Financial Benefits

Companies engaged in strategic management are much more conscious of competitive risks, better understand the capabilities and vulnerabilities of rivals and improved staff efficiency. They are also less likely to be changed and recognize the relationship between rewards and performance.

The major focus of strategic management is that strategic management improves the solving of problems and prevents enterprises' abilities. Strategic management is essential, as it helps companies streamline change, update, and communicate to their employees the need to change better. Strategic management enables increased delegation, coordination, surveillance, performance measurement, and control.

- Identifying the weaknesses and strengths will help a company to take steps to minimize/overcome weaknesses and to improve its strengths.
- SWOT analysis, a strategic management aspect, helps an organization develop effective plans to use opportunities and battle risks. This would also allow the organization to get rid of certain firms that are inefficient or unable to achieve those goals.
- The strategic management company shall continuously track the world and make adjustments to the policy as and when appropriate, to make the preparations more practical and effective.
- Strategic management will make it possible for a corporation to compete more efficiently.
- Strategic management means that management is dynamic, environmentally-friendly, and results-oriented.

Eventually, strategic management helps to add order as well as discipline to the company's operations both internally and externally.

a. The articulation of goals and objectives, and the formulation of a policy for their accomplishment, allows people in the organization to consider what the organization stands for, the manner in which the progress has been planned, the preparation outcomes over some time, etc. (Jones, J.)
b. It helps people know what they are doing, what each SBU, every agency, and somehow individuals are supposed to do.
c. Strategic management enables increased delegation, coordination, surveillance, performance measurement, as well as control.
d. Studies suggest that strategic investment firms are usually more successful than others. (Mintsberg, Henry)
e. However, strategic management aims to optimize today's developments for the future and manipulate and build new possibilities for long-term planning.

Recommendations

It's so critical that corporations, the largest and the strongest, with such drastic developments and growing patterns, are left behind and become controlled corporations. Almost every organization has understood how important strategic management is in recent years. "However, the key difference between those who succeed and those who fail is that the way in which strategic management is done and strategic planning is carried out makes the difference between success and failure." Generally, certain organizations either do not conduct strategic plans or are not assisted by the board. These companies should take advantage of the strategic management and ensure their long-term sustainability and market success.

Adaptable

Those businesses that are better positioned to recognize and predict demand trends and to handle multi-company processes will benefit tomorrow. There is a greater need for a shorter period and better response times, considering the exponential rate of change and the performance of only businesses that can handle it. (Porth, S)

Connected

As the world is getting smaller, there are improvements in the area of management, to the market leaders of tomorrow, due to greater integration and improved communications capabilities. This ensures that tomorrow's companies will have to compete with newer consumer actions and new market models.

Sustainable

With the ever-present challenge of climate change and environmental crises, companies must adopt sustainable and more productive development strategies.

Customer First

To achieve greatness, businesses need to build strong and enduring interpersonal connexions with their customers. They need to turn clients into repeat buyers, and they need brand evangelists in certain situations that mean that customers are the biggest advertisement provider for the firms. (Von Neumann, J., Morgenstern, O)

Fit to Win

These businesses are flat and flexible, with knowledge flows speed up, decision-making improved and price models revolutionary.

Value-Driven

It is a reality that corporations must build value for all stakeholders; this is the ageless and eternal that holds corporations and their legacy alive for everyone. There are two components of a company's worth, benefit, and growth. The two are not separable, and the wealth generated by the company must both be a short-term benefit and long-term success, provided that they operate together.

Inspiring

Finally, tomorrow's business leaders will be motivational figures more like the mold of ancient mythological and religious figures. That means tomorrow's leaders need the impressive leadership quality because they set rules and agendas for company growth and follow them. They translate these agendas in the working place for inspiring other employees.

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