Chapter 6 Diversification: Strategies for Managing a Group of Businesses

Discussion questions

- 1. when does a company decide to shift from functional structure to diversified structure?
- 2.if a related company start to merge with unrelated company, what steps and methods does it employ to manage the business that be bought?
- 3. which problems are needed to be considered when you implement related diversifications?
- 4. when should someone from outside a company be hired to manage the company or one of its business units?

Strategic practice exercises

Log on to www.sears.com and find the information for the investors. Research its strategy models in 80's in last century. With time flying, what changes does its diversification strategy undergo? How do you describe its current strategy? According to this analysis, what does sears' structure and culture change in these years?