

Chapter 7 Executing the Strategy

Chapter 7 building a capable organization

Discussion questions

1. in what ways can a corporation's structure and culture be internal strengths or weakness?
2. how should a corporation attempt to achieve synergy among functions and business units?
3. how is the cellular organization different from the network structure?
4. how can a corporation keep from sliding into the decline stage of the organizational life cycle?

Strategic practice exercises

Log on to www.haier.com and find the company's information, including the overview of the corporation, its history and publicity. According to this information, what structure and control system did it employ when the company implements the strategy?

Case study

As the new owner of a local ice cream store located in a strip mall adjacent to a university campus, you are contemplating how to organize your business-whether to make your in-house or outsource its production to a nearby ice cream manufacturer, and how much authority to delegate to the two assistant store managers and to the employees working the counter and cash register. You plan to sell 20 flavors of ice cream.

- a) What are the pros and cons of contracting with the local company to custom-produce your product line?
- b) Since you do not plan to be in the store during all of the hours it is open, what specific decision-making authority would you delegate to the two assistant store managers?
- c) Should you create a policies and procedures manual for the assistant managers and employees?
- d) Should you give oral instructions and have them learn their duties and responsibilities on the job?
- e) How can you maintain control during the times you are not in the store?