

## Aligning Organizational Strategy with Economy

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### 1. Introduction

Current Day Economies are banking on Digital Innovation. Both Public and Private Sector Organizations are working on Digital Adaptations. In a survey in 2022, 60% of the organizations expressed that their budget spending will increase in 2022. Once demand increases, one should focus more on delivering quality product. Portfolio of market places gives better business revenues. In industry, D2C business is growing (Direct to Consumer). With respect to funding, as on 2021, Indian startups could receive \$28 billion funding.

*Example: Google Invested \$800 million in Bharti Airtel*

This specific article describes Different Industrial Sectors, Blue Economy, How to Devise Strategy, Focus Areas for Executives and Importance of Research in Current Economic Environment.

### 2. Industrial Sectors:

With respect to automobile industry, as on 2022, the number of cars on Indian roads include 300 million. See the amount of services required such as workshop services, insurance services, accessories, spare parts, fuel required, technicians required for this much vehicular population; for the average life time of an automobile (12 years) in a developing nation such as India. It is one of the zooming and sustainable industry for the coming few decades. The value being generated by an average automobile for over 12 years is very much achieving the return on investment for vehicle owners. The benefits were in the form of Convenience, amount of time saved, transport cost saved, number of passers vs. cost advantage, and also helping the personal hygiene, etc. As on 2022, Indian car service industry is worth \$8 billion (nearly Rs 65,000 crore). Current trend in car service is 77% car owners prefer car service over phone. One more innovation in the auto market in India is on road fuel support, on road service, on road rescue services (24/7). In FMCG Industry, Parle India has 50% market share in Biscuits and Confectionaries.

Renewable energy in the world includes Solar energy, Wind Energy. Sweden would like to make 60% of their energy consumption from renewable energy sources. Similarly, Iceland 83% and Norway 77% of their total energy consumption, they would like to get it from renewable energy sources. This is because, Renewable energy generation costs are much less than the power generation charges using coal or hydrogen. Wind energy generation costs are much less than hydro, or coal energy generation costs. By 2030, India would like to generate 450 GW of renewable energy capacity. As on 2022, India could generate 100 GW of Solar energy.

### 3. Blue Economy:

It is about the economy being generated from Oceans. It includes the economy coming with food (fisheries), water, minerals. From Technology point of view, Weather Forecasting equipment being used by Meteorological Department include:

- ❖ Weather Forecasting Satellites
- ❖ Aircraft based Profile Observatory

- ❖ Doppler Radars
- ❖ Wind Profilers, Radio Meters
- ❖ Lightening Detectors
- ❖ LIDAR (Light Detection and Ranging)

#### 4. How to Devise Strategy?:

Strategy is not only thinking and planning; but it is also about what we can execute. When Unexpected happens from environment, re-think the strategy. In Organizations, Physical presence help in building trust. Similarly, Shared experiences help one in knowing feedback on organizational/management actions. Currently, Drivers for growth in business include:

- Taking Calculated Risks
- Keep Investing Even in Slowdown, and
- Focus on Customers

Modern Organizations' challenge is balancing between:

#### **“Capacity Building Vs. Generating Demand”**

Another Formula is:

#### **“Innovation + Networking → Better Business Results”**

*Example: Hyundai Motors*

The foundation for any business from practice are:

- ❖ Strategic Location (Particularly to MSMEs)
- ❖ Quality Products
- ❖ Uninterrupted Services

Formula for Long Term Survival:

#### **“Learning → Innovation → Sustainability → Long Term Survival for Business”**

One more Important point is, any new product launched into the market, should change the game of the business/industry. Then it becomes disruptive technology or product. The key to Business Success is, one should make difference in business either through processes or through products or through services or through innovative competitive strategy. Competitive Companies focus on retaining people instead of spending money on heavy recruitments. The Formulae for Competitiveness includes:

#### **“Energy + Ideas + Innovation → Competitiveness”**

Continuous R&D (Research and Development) investments can reduce the Cost of Operation and can also reduce cost of Product Development.

*Example: JK Cement manufactures green products like “JK Smart Blox”; which are concrete blocks using fly ash.*

#### 5. Focus Areas for Executives:

Areas to focus for executives in 2022 include:

- ❖ Leadership

- ❖ Diversity and Inclusion
- ❖ Digital Transformation
- ❖ Change Management
- ❖ Innovation
- ❖ Strategy
- ❖ Analytics
- ❖ Decision Making

Leadership includes finding new ways to work. For current day knowledge workers, what is required more is liberty and sustainability rather than development alone. Employee Experience and Innovation builds trust in Organization. Successful people invest on People, Grow People instead of Investing heavily on Infrastructure. For executives,

**“Having Vision is Required → For Leading”**

#### **6. Importance of Research:**

Research found that Gap in Understanding the Demand and Supply could lead up to 25% revenue loss for the Organizations. To address this challenge, one should focus on Strengthening Supply Chain networks. Also the research and organizational focus should be on “Impact Topics”. Research should have inclusive outcomes other than just publications, particularly in case of engineering research/industrial research. Research Model defines the limits/scope of the research problem. It defines the research boundaries.

#### **7. Conclusion:**

Thus, Different Industrial Sectors with innovations and diversification focusing on customers. Devising Strategy in line with Economy, Focusing on specific Areas of Business and Focusing on Cutting Edge Technologies and Research areas can help the organizations in Current Economic Environment.

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**About the Author:** Dr.Goparaju Purna Sudhakar, having 27 years of experience in both Industry and Higher Education. A management Professor by profession, he has authored or edited over 16 books and 120+ papers/articles. Based in Hyderabad, India, He does research on Economics, Project Management, Entrepreneurship, Conflict Management and on Organizational Teams. He worked in US, UK, Ireland, Finland and India. He is receipt of few national level best professor awards in management. He is on editorial board of a Romanian and Brazilian Journal. he can be reached at [purna24@hotmail.com](mailto:purna24@hotmail.com) / [gpsudhakar6@gmail.com](mailto:gpsudhakar6@gmail.com)