



EUROPEAN  
INTERNATIONAL  
UNIVERSITY



## COVER PAGE AND DECLARATION

	<b>Master of Business Administration (M.B.A.)</b>
<b>Specialization:</b>	<b>Operations Management</b>
<b>Affiliated Center:</b>	<b>CEO Business School</b>
<b>Module Code &amp; Module Title:</b>	<b>MGT520: Managing Strategy</b>
<b>Student's Full Name</b>	<b>Mahmoud Yehia Mahmoud Abdalla Abou Kamil</b>
<b>Student ID:</b>	<b>EIU2020477</b>
<b>Word Count:</b>	<b>4000 words</b>
<b>Date of Submission:</b>	<b>03/08/2021</b>

I confirm that this assignment is my own work, is not copied from any other person's work (published/unpublished), and has not been previously submitted for assessment elsewhere.

**E-SIGNATURE:**

**DATE:**

Aug 3rd 2021

**EIU Paris City Campus**

**Address:** 59 Rue Lamarck, 75018 Paris, France | **Tel:** +33 144 857 317 | **Mobile/WhatsApp:** +33607591197 | **Email:** [paris@eiu.ac](mailto:paris@eiu.ac)

**EIU Corporate Strategy & Operations Headquarter**

**Address:** 12th Fl. Amarin Tower, 496-502 Ploenchit Rd., Bangkok 10330, Thailand | **Tel:** +66(2)256923 & +66(2)2569908  
|  
**Mobile/WhatsApp:** +33607591197 | **Email:** [info@eiu.ac](mailto:info@eiu.ac)

## **Table of Contents**

Introduction.....	2
Schools of Strategy .....	3
Selected School of Strategy .....	7
Competitive advantage.....	7
Organizational goals .....	10
Just Toyz – Strategic Plan.....	12
Executive Summary .....	12
Mission statement .....	13
Vision statement.....	13
SWOT analysis .....	14
Recommendations to overcome weaknesses and threats.....	16
References.....	17

## **Introduction**

The business strategy may be the steps leading to a decision-making plan within the organization to achieve the main objectives. Productive work must be directed to identifying target behavior and priorities. The method is not important, but the most important is the result. Taking into account the clarity of goals and priorities between shippers, customers and all members of the organization (Michael D. Watkins, 2007)

## **Schools of Strategy**

Henry Mintzberg could be a globally acclaimed business and administration expert and creator. Each school is depicted within the taking after sections from a vital point of see and gives a basic point of view; it capacities as a great vital administration outline. He has given ten schools which belong to two diverse approaches, Perspective and Descriptive.

**Firstly**, the “**Perspective**” approach, which suggests proposing ways to define a strategy in light of studying the environment factors and attempting to adjust to it in arrange to achieve profit. It is separated into three schools

**Design school:**

Mintzberg suggests in his book Mintzberg, Lampel & Ahlstrand (1998), that this school is responsible for the designing of the Strength, Weaknesses, Opportunities, and Threats (SWOT) model. The entire internal environment of each company or institution is analyzed through the strengths and weaknesses, which are defined as the internal capabilities, on the other hand, they reflect the available opportunities and the danger in the name of the capabilities available to the external environment. The person who develops the strategy and acts as the executive expert is the CEO. But one of the best features of this school is that it has the ability to address these shortcomings and use the results to develop the best advantages of executive planning and push for focus and attention to minute details such as, detailed studies and analyzes of the reality. However, despite the advantages of this school, there are some drawbacks to the concept of design school because it avoids external changes within the current work environment, but this concept comes up short to do so. In strategy at the organizational level, this concept moreover fails because it centers more on the company and not on its workers (Thomson and Strickland, 2003)

## **Planning school**

This school depends on optional assumptions and after that defining the technique based on these presumptions. It could be a school of thought ordinarily embraced by companies that depend on common assets and gauges of their long-term abuse, such as oil companies. The quintessence of this school is in isolating the arranging preparation into parts to at last reach a solid, implementable plan. Despite the quality of the school and the quality of it's comes results, it sometimes suffers from a few drawbacks, such as:

- You require a parcel of time within the handle of vital investigation and vital considering to reach the proper vision
- Idealism and the separate from authenticity and not see the real truth of thing or putting objectives and vision that are inconceivable to reach and implement

## **Positioning school**

The quintessence of this planning school is an attempt to combine the 2 previous schools, because it considers the fact of the organization and knows the sources it has. It examinations the outside and inner environment of the extend, examinations the markets, and recognizes the locales that the organization can cover and take as a rampart for it to go up against competitors. But the disadvantage of this school is short-sightedness because it continuously centers on certain regions and clears out the rest of the picture in which exceptionally solid openings may show up. (Mainzberg, Lampel, and Ahlstrand, 1998, p.81)

**Secondly:** The “Descriptive” approach, which rotates around examining the strategic decisions that were taken amid past experiences, considering the systematic examination drawn from the different essential sciences. This trend is partitioned into seven schools, which are:

### **Environmental school**

This concept requirements of the company to be continuously aware of the outside environment components of the organization in arrange to create and define the strategies. PESTLE analysis can be used to examine this concept, which stands for political, financial, social, technological, legal, and natural factors. These are the most outside variables that can influence business. This school sees the environment as an actor, whereas other school see the environment as a factor. For case – In a Toys industry, wood is one of primary crude materials. And if the wood isn't readily available, the technique definition will have to be done on the premise of wherever the wood is accessible.

### **Learning school**

Based on the concept of Preposition pervious issues and what was learned from it. It depends on past experiences, as experiences make you see the circumstance more clearly and it isn't conceivable to create a strategy based on reality exclusively due to the speed of changes. Not at all like other schools, has technique consequently formed as time passes and as a result of previous experience and not future presumption. This school might isn't to be a great choose for a recently formed company/start-up entering a market because it might end up having no strategy.

### **Entrepreneurial school**

This school of thought builds on the strategy created by the visionary pioneer who leads the organizations that apply this concept. The organization at that point commit themselves to the strategy as it were to create changes concurring to the modern environment. This concept has the advantage that the method of creating a strategy could be a central handle, and hence the duty for defining a technique for the organization rests exclusively with the visionary pioneer. In any case, it does have a few restrictions since it is highly likely that other employees of the company or organization will not concur with the procedure since they have not been included within the handle of formulating it. Moreover, workers may not implement the procedure because they may be disappointed. But it can be utilized within the rest of the plans, it isn't conceivable to realize a dream and reach a objective without an brilliantly, motivating pioneer who persuades and rouses others to realize victory.

### **Power school**

Accordance to this school, the strategies emerges as a result of the presence of two fundamental negotiating powers: the primary is the interaction between the interests of the different members of the company, and second the moment It is the relationship between the interest of the company and outside party such as providers or the government. This school is received by the tremendous companies and organizations that possess the markets, so these organizations can force their opinions by force with the control of resources, materials, promotion and group work.

### **Cognitive school**

Concurring to this school, strategy could be a mental prepare that takes under consideration a few points to studied reality and the surrounding environment that are troublesome to get it, and hence procedure definition isn't a planned process, but or maybe a rising and progressive process. This concept accepts that organizations that take after this concept set their procedure by examining the psychological needs of their clients. In defining its strategy, the company will focus on the requirements and desires of its clients, meaning that it conducts an examination of conduct and how people react to particular circumstances and after that employments this data to assist them Paraphrase strategies. (Sadler, 2003, p. 19)

### **Cultural school**

Agreeing to this school, the method of defining and implementing strategy is established within the social values and conduct that company workers share. The vision of this school is especially valuable for understanding strategic alliances, combining process and acquisitions. (Hyde, Grunhaug & Johansen, 2002.)

### **Configuration school**

This school of thought demonstrates that organizations ought to continuously focus on alter and proceed to re- assess their decision-making patterns within the prepare of defining their strategy. In hypothesis on paper, this strategy is exceptionally imaginative because it endeavors to keep up with the current changes it isn't practical since its execution will require tall levels of adaptability within the organizational structure as well as workers who can rapidly adjust to the fluctuations.

## Selected School of Strategy

### **Competitive advantage**

A competitive advantage is what separates you and differentiates between you and your competitors. A company accomplishes a competitive advantage when it is able to apply strategies that make esteem for the client, that is, it is your current competitors, or your potential competitors cannot be presented and when these competitors cannot get the good thing about applying such strategies within the market. Toys industry has demonstrated to be a rival one which is reflected and affects the rate of industry every year. Worldwide toy deals come to nearly 100 billion in year 2019, posting a 0.5% increase over in year 2018. That was moreover than a 15% over of year 2014. (The NPD Group, 2020). Reach and achieving a competitive advantage has a core approach that is characterized by Michael Watchman (Porter's Generic Strategies, 1980). Porter declared that the company must choose one out of three, or it will lead to risks for the company that may waste its valuable resources...



### **1. Cost leadership strategy**

This strategy is based on coordinating all the company's endeavors towards the most goal of decreasing the entire costs of the company such as plan costs, generation, dispersion, marketing, and others. This strategy is considered a essential alternative that the company can embrace within the occasion that similar products are advertised by competitors, as generation at lower costs gets to be the as it were choice accessible to the company, so the foremost competitive companies agreeing to this strategy are the ones that can deliver at the most reduced costs, but in case the cost is forced because It is the case in a It is a limited or few sectors, and the more the company reduces and compresses its costs, the higher the profit margin .

### **2. Differentiation strategy**

This strategy explains the importance of distinguishing between the company's products and the rest of the company's competitors, and this depends mainly on the way the products are presented with typical qualities and characteristics and of esteem to the client, which leads to the satisfaction of their needs in a diverse and more successful way than the competitors do, particularly for those clients who care around brilliance and quality more than cost. The viewpoints of qualification are numerous and cannot be constrained due to the variety of consumers' wants and needs, as the high quality, ease of utilize, product delivery, exactness of delivery dates, and long life of the product are all characteristics, to title some, that the company can take as a way of separation.

### **2. Focus strategy**

it is characterized as the strategy by which the company focuses on a particular portion of customers inside a sector through a particular assortment of products, and this procedure is suitable for companies that cannot or don't want to serve a whole sector, hence concentrating all endeavors and creative capabilities on serving this portion effectively, and the little market share can be compensated by geographical diversification, i.e. centering on targeting a few parts of markets that are in numerous geographical areas. Porter recognized two primary classes of this strategy:

- a. **Focusing strategy based on low cost** Where the company points to get the most reduced cost advantage at the level of the target market section
- b. **Focusing strategy based on differentiation:**Where the company produces various products at the level of the target section of the market, such as instructive toys for children with uncommon needs that's a wrap.

Just Toyz can presently select to receive which competitive advantage strategy. In my viewpoint, **focusing strategy on the basis of differentiation** is the leading pick because it permits the company to realize a combination or crossing point between these two other strategies. It basically targets market sections that are not however tapped by other, bigger companies. In expansion, the competitive advantage must always be available, so you must be unique and creative inventive can be more **sustainable** than working at minimal price as costs of Output may become unstable over time. This may be an awesome choice in arrange to overcome the rising competition within the international toys market. Targeting the market will be children's toys uncommon needs who require toys that can cater to particular ranges of advancement or preference and serve as a treatment help. Just Toyz may be able to supply a few sorts of toys; instructive, intelligently, sensory, fidget, oral motor test system, perplexes, etc. Just Toyz might too be able to target the same section at different areas, so it extends geologically and pass on a message to the world that children with extraordinary needs are so valuable to each



## **Organizational goal**

Growing an organization includes setting short- and long-term objectives. Short-term objectives are continuously the activities taken to reach longer-term objectives.

*“Dream big dreams, but never forget that realistic short-term goals are the keys to your success”*

– Mac Anderson

### **Short-term goals**

- I.** Make an independent site and application for Just Toyz in arrange to raise brand awareness. This empowers the client to see all products that can be sorted by age, sort, and cost.
- II.** Employ SEO pros to create a quarterly SEO review for the site of Just Toyz. It'll contain the marketing objective, e.g. increase site activity by five hundred visit in 30 days, and the KPI that will able to us to degree the success of this market goals e.g. number of website guests
- III.** Select 3 high-profile yearly charities to support within the next year.  
e.g. UNICEF, Extraordinary needs kids, Displaced people, etc
- IV.** Perform quarterly market examination to keep up with any trends or changes within the market of toys. For illustration, modern competitors may enter the market which might cause ups and downs within the market share numbers
- V.** Create a base of faithful clients within the to begin with year of launching the website/app
- VI.** Acquire capital invest of two million dollars from numerous investors from new place e.g.Americas and MENA.
- VII.** Improve R&D business in order submit creative/innovative toys and not dull ones.

**Long-term goals:**

- I.** Go in public. It implies that Just Toyz will create Initial Public Offer (IPO), thus it turns out a publicly-traded and owned entity. This will bring up the chances of growing more with more capital raised and make new opportunities around the world.
- II.** Develop a solid corporate culture interior Just Toyz that will provide a better working environment and make the staff more joyful doing their purpose.
- III.** Produce sales of fifty thousand toy in the next 5 years.
- IV.** Complete at least 90% positive client returns and review after utilizing our products
- V.** Build numerous industrial facilities around the whole world, at least one factory in each continent which will make sure that joy is conveyed to as a lot of kids as conceivable.
- VI.** Consider making an important brand for videos game/consoles as this market may be a beat substitute for toys as kids are getting to be more pulled into it more than toys these days
- VII.** Apply vertical backward and forward integration. Just Toyz can develop a production line for toys which can empower it to have full control on production prepare. Toys can be shipped anyplace around the world. This will create Just Toyz in totally control of supply chain

## **Just Toyz – Strategic Plan**

– The first concept: -

***“If you fail to plan, you are planning to fail” – Benjamin Franklin.***

### **Executive Summary**

It is one of the online distributors in Thailand, its CEO is Ted Willard. Its products are supplied and supported to the UK and Japan in just 36 months only, and after Just Toyz launching their online games company changed into a multi-million dollar company. The schools of strategy were different talked about in planning to choose the most suitable strategy for Just Toyz to utilize it which was a mix between two procedures from two diverse approaches. This will empower Just Toyz to realize a competitive advantage against their competitors within the market of Toyz and accomplish its vision. Just Toyz will continuously have the next market share and will be able to have a picture of what will be its SMART objectives; Long-term and short-term. Mission and Vision statements are expressed as they highlight the most point of the company’s activities and its long-term viewpoint on how it’ll influence its business environment. Moreover, SWOT examination are outlined to appear the inside and outside environment of the company and how to deal with it. In the long run, our point is to plan a well-developed strategic management plan for Just Toyz to realize a sustainable development and to spread joy around the globe. A strategic plan for Just Toyz start with expressing the vision and mission statements. These 2 statements must be only arranged to suit Just Toyz commerce activities in arrange to be able to obtain as many as potential customers.

## **Mission statement**

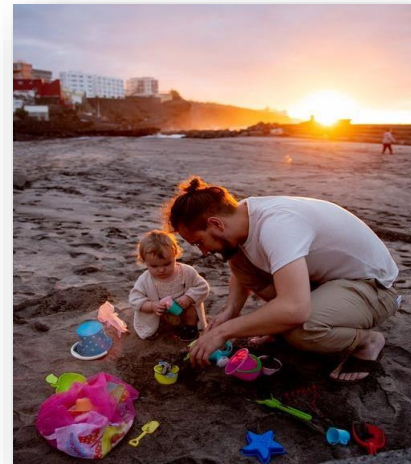
May be a concise description of the core reason of the company's presence. It characterizes the reason of the organization and its extreme intent. The mission statement supports the vision and makes a difference to communicate it to staff, clients, sellers and other partners with point and direction.

*“Our mission at Just Toyz is giving kids entertainment and joy with innovation, originality and ingenuity, by providing the best supply toys”*

## **Vision statement**

Appears how company will influence its environment, but it's much more than that. Your vision statement is your motivation, and the system for all of your strategic planning. A vision statement characterizes the company's future objectives and values. It does not alter over time, it remains the same. It ought to have clarity, precision, completeness, correctness, and affability. Someone has rightly said: **"A man without eyes is blind, but a man without vision is dead"** This statement indicates that a company without a vision will not sustain for long

*“Our vision at Just Toyz is being dedicated to be the leading favorite toys supplier to any family and to make the world a brighter one by adding joy to every kid’s life”*



## **SWOT analysis**

(SWOT Analysis): Also called "SWOT Matrix", it may be a apparatus that makes a difference define the company's strategy, created by four researchers from Harvard Business School in 1965: "Learned" and "Christensen" (Christensen), "Andrews" and "Guth", hence it is additionally called the "LCAG Model" after their initials;

SWOT analysis makes a difference decide where a business is in a competitive business environment and what activities have to be made to further strategic planning, permitting decision-makers to draw a potential way for the business.

### **Strengths**

The quintessence strength of this company lies inside the contrasting qualities of the bunch working within the company since it offers toys totally distinctive locations

The high quality of toys made for amusement and educational purposes with the precautions taken to continuously utilize chemical-free materials

Forming awesome brand notoriety in nearly no-time which unequivocally empowers it to enter new markets and grow their client's base

The company features a strong budgetary capability because it got to be a multimillion company in a short time.

### **Weaknesses**

The company staff may require involvement so they may be not able to manage unconstrained crises there might be a likeness to other toys made by competitors.

High costs of transportation as the company are based in Thailand but offers in Japans market and the UK.

Chinese toy producers are overpowering the toys market around the world so they might come up brief to compete inside the market.

•Being a provider but not a producer might increment middle-man costs and come up short to achieve a reasonable profit.

## **Opportunities**

- Online nearness permits Just Toyz to grow more on the digital scale and be obvious to numerous individuals in different areas. E.g., more European, and Asian countries.
- Just Toyz could be able to extend exponentially because it can offer on numerous online stores completely different markets such as Amazon, Walmart, Otto, Souq, etc.
- Middle east has one of the foremost developing rates of the populace within the world. A huge number of kids are born each year which suggests a growing market for toys.
- The company can grow its reach to new markets because it is financially strong.
- Customers think profoundly of Just Toyz as they have developed quickly in a brief period of time.

## **Threats**

- \*The first danger is that new competitors have entered the market, especially since there are few barriers to entry.
- \*The second danger is that customs duties may be imposed from each country, which leads to an increase in the cost of imports
- \* Children become more attracted to portable electronic devices such as mobile phones, tablets, etc., which leads to a decrease in the demand for games
- \* An economic recession may occur, as happened due to the Corona virus, which affected the economy of the whole world and reduced the purchasing power of consumers



### **Recommendations to overcome weaknesses and threats:**

- Just Toyz Providing a group of creative games that help each child think at an early age through the use of interactive games
- • All toys must be PVC-free so they will be secure for kids at all ages to be utilized.
- Get the largest share of the games market through the resources and the manufacturer.
- Recruitment of digital marketer's clients from different cultures so that this team can reach more markets and potential customers
- Just Toyz be able to operate at low-cost labor markets which make much higher profit margin.
- Constant and continuous focus on creating attractive and exciting games to increase interaction in order to overcome competition through alternatives such as video games and consoles. etc.

***“When it is obvious that the goals cannot be reached, don’t adjust the goals, adjust the action steps” – Confucius***

## References

- Mintzberg, Henry & Ahlstrand, B. & Lampel, Joseph. (2009). *Strategy Safari: A Guided Tour Through the Wilds of Strategic Management*.
- Ebert, R. J., Griffin, R. W. (2017). *Managing the business*. In *Business essentials*. Book, Pearson.
- Thompson, A. A., Strickland, A. J., & Gamble, J. (2006). *Strategic management: Concepts and cases*. Maidenhead: McGraw-Hill Education.
- Garfinkle, J., & Baldwin, D. (n.d.). 7 Strategies to Define your Competitive Advantage. <https://garfinkleexecutivecoaching.com/articles/business-intelligence-and-company-strategy/do-you-know-the-seven-strategies-to-define-your-competitive-advantage>
- Demystifying Strategy: The What, Who, How, and Why. (2017, March 21). <https://hbr.org/2007/09/demystifying-strategy-the-what>
- Sara Peronto, Marketing Manager for Penfield Children's Center. (2014, May 04). The Five Types of Toys for Children with Special Needs - Friendship Circle - Special Needs Blog. <https://www.friendshipcircle.org/blog/2014/04/30/the-five-types-of-toys-for-children-with-special-needs/>
- Bhasin, H. (2019, April 17). *10 school of thoughts by Mintzberg for strategy formulation*.
- Marketing91. <https://www.marketing91.com/10-schools-thoughts/>.
- Online, F. E. (2019, June 17). *Evaluating Mintzberg's 10 schools of thoughts for strategy formulation*. The Financial Express. <https://www.financialexpress.com/opinion/evaluating-mintzbergs-10-schools-of-thoughts-for-strategy-formulation/1609541/>.
- *Mintzberg's 5 P's of Strategy for Successful Strategic Planning*. KEEPSOLID. <https://www.keepsolid.com/goals/blog/henry-mintzbergs-5-ps-of-strategy>.
- Toy Industry Association, I. *Global Sales Data*. The Toy Association. <https://www.toyassociation.org/ta/research/data/global/toys/research-and-data/data/global-sales-data.aspx>.
- Rosser, J. (2019, December 31). *Short, Medium and Long-Term Goals: Making Business Planning Effective*. Success Stream. <https://www.success-stream.co.uk/short-medium-long-term-goals-effective-business-planning/>.