
STRATEGIC MANAGEMENT PROJECT



Project on:

Hexa Solutions

Prepared by:

Sana Syed (53181)

Atif Khan (53258)

Muhammad Hassan Bhojani (53348)

Wasim Ahmed (52483)

Date: December 1, 2013

Contributions of Students for Project:

Respected Sir,

We have 4 group members in which 2 group members **Muhammad Hassan Bhojani (53348)** & **Wasim Ahmed (52483)** gave very tough time for project completion as well as did few sections of project in last 3 days deadline. Our 2 group members **Sana Syed (53181)** & **Atif Khan (53258)** have complete maximum part of project with combine studies and equal contribution for each section whereas Muhammad Hassan Bhojani & Wasim Ahmed didn't come for any project discussion even started work after our warning that we (sana syed & atif khan) will complete project and inform teacher that you guys didn't work at all. We have no idea, how Bhojani & Wasim have submitted work in 3 days. We have doubt that they have copied from internet.

Sir, It is our request to please justify marks of each student. If any section comes in Turnitin as copied then please check at this page as which student did that section & deduct marks of only that one student as I (Sana Syed) & Atif Khan have given our time, efforts, and lot of days for project to write & we don't want to give our effort's marks to those students who did less efforts.

Below are sections that were completed by 4 group members:

Sana Syed (ID: 53181) & Atif Khan (ID: 53258)

- 1- Background & History
- 2- Lines of Businesses
- 3- Product & Services
- 4- Timeline
- 5- Vision & Mission Statements
- 6- Critique & Revised Vision & Mission Statements
- 7- Organization Chart
- 8- Management Profile
- 9- SWOTs (Strengths, Weaknesses, Opportunities, Threats)
- 10- Answers with reference to Competitive Forces
- 11- Internal Audit
- 12- Value Chain Analysis of HexaSolutions
- 13- Outline & Review Current & Planned Strategies
- 14- Short or Long Term Objectives, Review with reference to Current & Planned Strategies
- 15- BCG Matrix & Outline Strategic Alternatives for HexaSolutions
- 16- Grand Strategy Matrix & Outline Strategic Alternatives for HexaSolutions
- 17- Strategic Alternatives from above Matrixes
- 18- Shortlist of Feasible Alternatives, Outlining the reason for inclusion / exclusion the strategies from the Shortlist
- 19- Evaluation of Shortlisted Strategic Alternatives using the QSPM Matrix Framework & Outline Strategies that are to be implemented
- 20- Strategic Implementation Plan for the Selected Strategies
- 21- Learning Outcomes from the Study

Muhammad Hassan Bhojani (ID: 53348)

- 1- External Audit
- 2- Porters 5 Factor Models of Hexa Solutions
- 3- External Factor Evaluation Matrix (EFE)
- 4- CPM
- 5- IFE
- 6- Problem Statements after analysis of above steps
- 7- Current Strategies of Competitors, Review in the context of the Strategies of the Company being examined
- 8- IE Matrix & Strategic Alternatives for HexaSolutions
- 9- Strategic Alternatives from above Matrixes

Waseem Ul Huda (ID: 52483)

- 1- Strategic Objectives / Values
- 2- SWOT Matrix & Strategic Alternatives for HexaSolutions
- 3- SPACE Matrix & Strategic Alternatives for HexaSolutions
- 4- Strategic Alternatives from above Matrixes

Background & History:

HexaSolutions is brain child of several IT professionals who are dedicated to work differently. The out of the box thinking patterns and utilization of state of the art technology is an evident example of this scenario. We believe in striving for the welfare of the customers and to give them a cutting edge advantage so that they can easily attain a sustainable competitive advantage. Our mind set and philosophy is quite simple because we believe in humans and knowledge. Our employees think beyond general imaginative patters and they achieve success within stipulated timeframe.

Our organization works on the pattern of H.K.I.T philosophy which is based on humans, knowledge, innovation and technology. We are here to solve your wide and varied problems through our diligent mind set. So if you are looking for simple, timely and cost effective solutions then HexaSolutions is the best place to be.

In 2008, Atif Khan & Abbas Ali were two friends, running their own design houses. Mr Khan was running Creation Archive (CA) while Abbas was CEO of Vivid Graphics. Vivid Graphics is a Canadian based printing house. Because of changing in technologies, in 2008, they planned to merge both organizations. During this time, they have other 4 friends who supported them professionally and were interested to be part of this company as partners so the name was decided as HexaSolutions Inc.

The concept behind name “HexaSolutions” was, as HEXA decimal values (which means 6 digits), are commonly used in computer based applications, websites, applications, etc. and hexa based on 6 values and these values are delivered by 6 friends.

By 2009, the organization was registered in Canada & the liaison office in Pakistan. The purpose of this joint venture was to made combination of Mr Khan & Ali’s designing skills to enter in mobile application development.

In 2010, HexaSolutions was registered member of Apple Inc. as application developer. They initiated kids’ applications which were related to fantasy stories. First application named was “Sophie in Dino World”. The application was very much appreciated and was become one of the top applications in Apple Store. Other applications in 2010 were “Monkey – the Hero of Jungle”, it was downloaded & appreciated majorly in east & golf countries. During 2010, the company also completed many web projects to expand their clientele.

In 2011, HexaSolutions was reshaped to expand business by adding four partners / directors. These four directors were involved in designing, development; marketing, administration strategies of HexaSolutions as well as these departments were created. The mission & vision was also revived in 2011. During 2011, few companies became affiliate partners of HexaSolutions, like LogoInfinite, BrainAxes, and ArtLink Printers.

During 2012, the company introduced digital colouring applications for kids. The response was very good beyond the expectations. They also focused to improve previous applications in which the application “Monkey-the Hero of Jungle” was re-launched in Arabic Version too. At the same time, HexaSolutions introduced android applications in all mobile versions.

In 2013, the company became registered member of Windows Phone Market, Amazon Mobile Market, Nook, Slide Me. Etc. Plus; the company planned some interesting & educational games that will be launched in New Year.

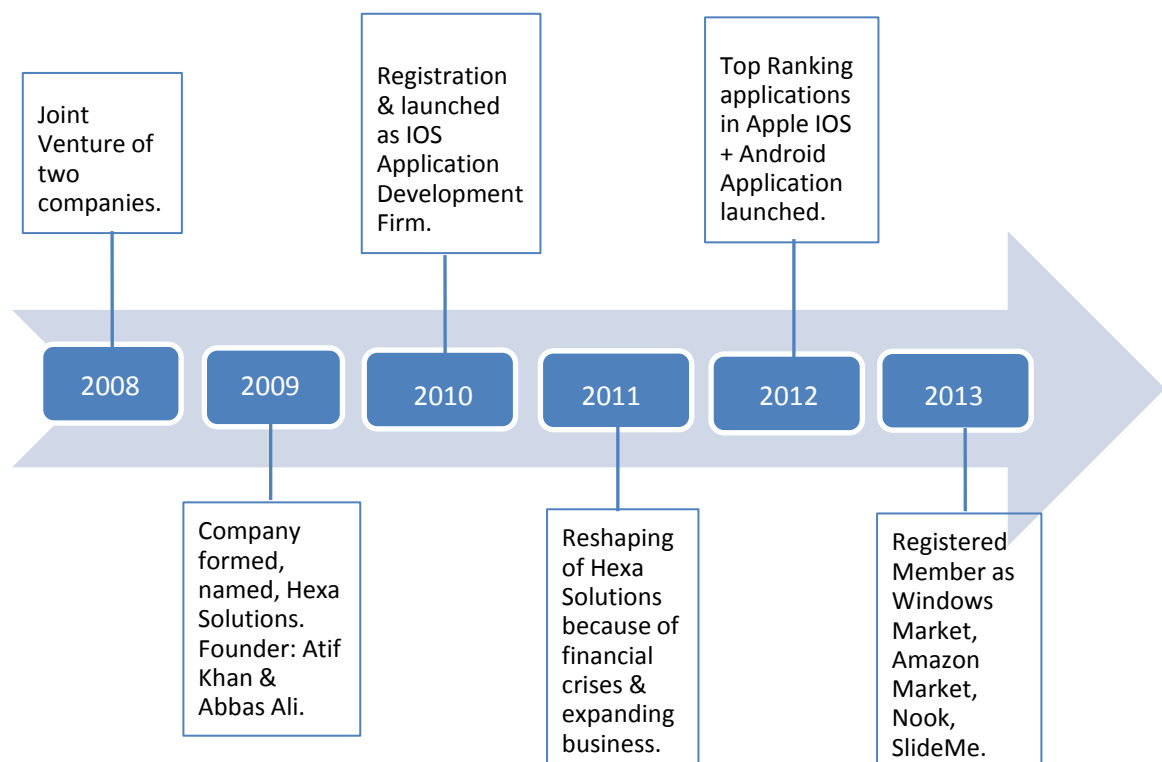
Lines of Business:

HexaSolutions' lines of business are: "Logo Design" , "Website Development" , "Mobile Application" , "Games" , "Printing" , and "Animation".

Product & Services:

HexaSolutions' products & services are "Logo Design" , "Website Design" , "iPhone Mobile Application" , "Illustrations" , "Graphics Design" , "Banner Design" , "Icons Designing" , "Readymade Web Templates" , "After Effects - Intros Templates" , "Cartoon Animation" , "Flash Animation" , "PhotoShot" , "Offset Printing".

Timeline:



Vision & Mission Statements:

The mission & vision was developed by Atif Khan & Abbas Ali & was formulated in 2010.

Vision:

To have our apps in every home in the world, to help people enjoy life, or offer an affordable solution.

Mission:

Our Company endeavours to support excellences in education and make a constructive difference in students' lives by providing software tools (Websites, Mobile apps, Games) that help students to learn with Fun.

Critiques of Vision & Mission:

Vision Statement of HexaSolutions is missing the target audience description, the environment where kids can learn with fun. The mission statement is lacking to involve kids ages' and the type of apps that they are and want to provide.

Revised Vision & Mission:

Vision Statement:

"To eliminate the hurdles between pre-school and school, play and study through interesting and educational stories, drawings, math puzzles / quizzes, and other different applications."

Mission Statement:

"HexaSolutions provide the best entertaining, informational, & educational apps that are useful for kids from toddlers to age up to 10. The apps are compatible with all mobile devices."

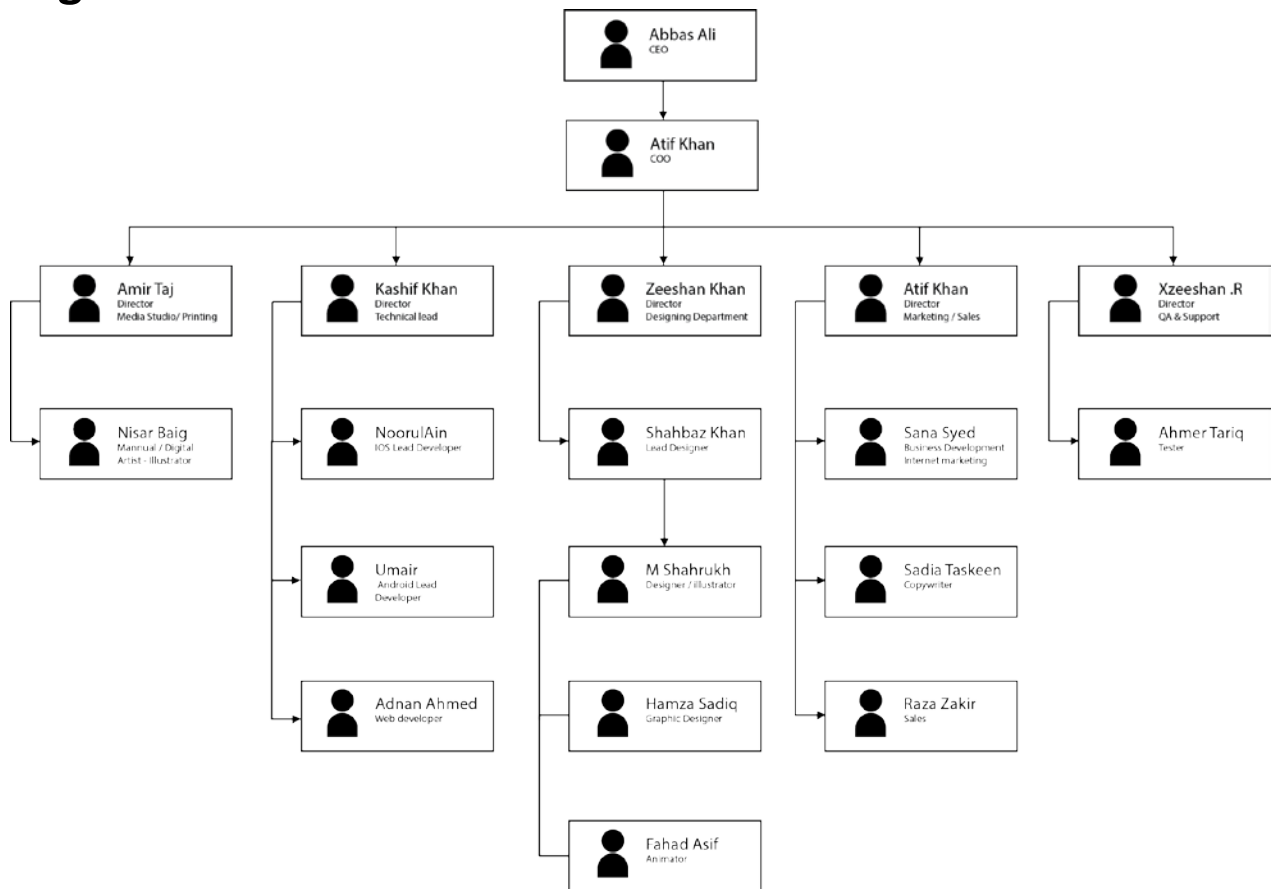
Strategic Objectives / Values:

Yes, the company has strategies objectives because in modern days the mobile phone and its application is very fastest medium for sending and receiving messages and news. Hexa solution is brain child of several IT Professionals who are dedicated to work differently .The out of the box thinking patterns and utilization of state of art technology is an evident example of this scenario. Our mind set and philosophy is quite simple because we believe in humans and Knowledge So if you are looking for simple, timely and cost effective solutions then Hexa solution is the best place to be. Our organization works on the pattern of H.K.I.T philosophy which is based on humans, knowledge.

CRITIQUE:

Our expectation is not very good for Hexa solution because its efficiency very poor. It is not the standard we expect HexaSolutions. Product and services are not so very and effective.

Organization Chart:



Management Profile:

ABBAS ALI (Chief Executive Officer (CEO))

Primarily he is the Founder of Vivid Graphix since 2006, secondly Co-partner of HexaSolutions he is responsible for the company growth and other administrative duties as well as expending business and correlations with new markets plus providing new strategies.

BACKGROUND:

He is belonging a business mind set family in Pakistan with Bohari Community, business in running in his blood, he applied for Canada immigrate during his studies after that doing his own printing house separately, before immigration.

QUALIFICATIONS/ SKILLS:

He completed his Bachelor's in Arts & Advertising from Arena Multimedia -Karachi.

EXPERIENCES:

With over 12 years of experience in the field of Creative print graphics designing and Integrated Marketing Communication Campaigns.

ATIF KHAN (Chief Operating Officer (COO))

The chief operating officer (COO) reporting to the chief executive officer and is responsible for the company's day-to-day operating activities, including revenue and sales growth; expense, cost and margin control; and monthly, quarterly and Annual financial goal management.

BACKGROUND:

He is one of the founders of the HexaSolutions, before HexaSolutions he doing few reputable firms he had started his career as designer in advertising agency.

QUALIFICATIONS/ SKILLS:

He is doing **MBA** in Media and Advertising from PAF Karachi Institute of Economics & Technology.

EXPERIENCES:

With over 14 years of experience in the field of Creative Graphics design and Integrated Marketing Communication Campaigns, I consider myself a very confident individual, with multi-tasking abilities. I also take pride in the fact that I am meticulous, time efficient and self-managed, having worked on top most brands of worldwide.

KASHIF KHAN (Technical Lead Development – Director)

Among the responsibilities of an IT director is the management, strategy and execution of IT infrastructure for an organization. They oversee technical projects in alignment with organizational goals and direct the effective delivery of networks, development, and disaster recovery systems and processes. These professionals often work with information engineers to find solutions to manage business activities.

IT directors frequently supervise a team of workers, while working closely with management, external vendors and advisors. They may prepare financial budgets and present proposals for capital projects to senior executives. Other IT director job duties might include researching and recommending new products, identifying new market opportunities and leading efforts to improve IT processes.

IT directors typically work in office environment. A 40-hour week is standard but overtime may be required when launching projects. Depending on the employer, travel to conferences or among satellite facilities may be required.

Most IT director jobs require a Master Degree and extensive experience; however, many employers prefer to hire candidates with a Post Graduate Degree.

IT director should have an eye over and be able to:

- Identify e-business strategies in a global marketplace.
- Solve real-world technology challenges.
- Evaluate new technologies for competitive advantage.
- Apply contemporary business principles integral to a high-tech organization.
- Leverage advanced knowledge and skills to succeed as an IT director.

MOHAMMAD ZEESHAN KHAN (Director Designing Department)

The chief operating officer (COO) reporting to the chief executive officer and is responsible for the company's day-to-day operating activities, including revenue and sales growth; expense, cost and margin control; and monthly, quarterly and Annual financial goal management.

BACKGROUND:

He is one of the founders of the HexaSolutions, before HexaSolutions he doing few reputable firms he had started his career as designer in advertising agency.

QUALIFICATIONS/ SKILLS:

He is doing **MBA** in Media and Advertising from PAF Karachi Institute of Economics & Technology.

EXPERIENCES:

With over 14 years of experience in the field of Creative Graphics design and Integrated Marketing Communication Campaigns, I consider myself a very confident individual, with multi-tasking abilities. I also take pride in the fact that I am meticulous, time efficient and self-managed, having worked on top most brands of worldwide.

SWOT (Strengths, Weaknesses, Opportunities, Threats):

Strengths:

1. Average users purchase apps increased from 500 to 3000 per day.
2. Employee morale is excellent
3. App market's promotion resulted in 30% increase in sales
4. Technical support personnel are MIS Qualified,
5. Offers free applications in all markets
6. High definition, creative, digital and manual mobile app artist.
7. Experienced marketing campaign professionals
8. Target Achievers – Event based application is launched on time.
9. Strong Quality assurance department
10. Innovations and design
11. Low development cost with high quality.
12. Infotainment apps initiator
13. Help in kids' growth through drawing, kid's stories apps.
14. Unique ideas " learn with Fun"
15. Global user
16. Wide range of services
17. 24/7 support
18. New market creators
19. Completely Mac environment , wide range of IOS mobile devices
20. Apps are Available in IOS , Android , Windows, NOOK, SlideMe

Weaknesses:

1. Small budget allocation.
2. Biasness of finance allocation.
3. Product launching without R&D.

4. Limited space.
5. Lack of interaction & communication between departments.
6. Low salaries.
7. No medical facility.
8. Six working days, which is not appropriate for IT industry?
9. Improper Office location.
10. Website is still under construction because of tight deadline.
11. Low development cost with high quality.
12. Limited IOS developers team as compared to designing department.
13. Increasing number of creditors.
14. Financial crises facing due to Heavy taxes as per rules & regulations of Canada.
15. Timely / Weekly directors' meetings are not scheduled.

Opportunities:

1. New application ideas' provider for toddlers.
2. User oriented marketing campaign.
3. Corporate Social Responsibilities (CSR).
4. Apps modification, design, & pattern, features.
5. Different app expansion other than kids' industry.
6. Availability of new ad networks to generate more revenue.
7. B2C expansion to B2B.
8. Outsourcing of services.
9. 3D Games development.
10. Hiring of Open source web developers will increase revenue.

Threats:

1. New companies entering in mobile apps industry.
2. 3D apps games developers emerging in industry.
3. Government policies
4. Strikes Law and enforcement situation hit the business
5. Rapid Technological Change.
6. Different mind-set of customers/users
7. Poor economic situation globally
8. Political situations Globally
9. Technology aware users.
10. Usage of latest and expansive equipment.
11. Reducing market share.
12. Negative reviews from Users.

External Audit:

The external (Industry) audit of the HexaSolutions can be discussed under the following captions:

1- ECONOMIC FORCES:

HexaSolutions undertakes this fact that “Economic factors have a direct impact on the potential attractiveness of various strategies”. So the company believes that globally economic downturn can be an important threat to them. Along with that rapidly increasing inflation rate, diminishing the PKR value against US dollar and law and order situation of Pakistan can also harm their various developmental strategies.

2- SOCIAL, CULTURAL, DEMOGRAPHICAL AND NATURAL ENVIRONMENTAL FORCES:

HexaSolutions strives on their level best to meet the social and cultural demands of the customer because they believe that their growth based on acknowledge the changing behaviour of the customer and work accordingly. Along with that they have very high respect and value for Corporate Social Responsibility (CSR) as a responsible citizen.

On the other hand HexaSolutions do undertakes as well that the multiple and rapid changing demand of their customers can also become a potential threat for them if they do not cater it timely and appropriately. They believe that increasing number of internet and mobile users in Pakistan is a serious challenge for them to cope up with.

3- POLITICAL, GOVERNMENTAL AND LEGAL FORCES:

Political scenario, governmental policies and rules and regulations of the country always make his impact on industry performance. HexaSolutions wish that their growth strategic plans will progress smoothly in the existing industry friendly government. But they do consider political differences, anarchy, road protest, terrible law and order situation and over all corrupt system as a big threat for their future moves.

4- TECHNOLOGICAL FORCES:

HexaSolutions undertakes this fact that they are working in the industry where every day technology has its new face. They believe that they can't survive in the market if they won't up-to-date themselves according to the latest technological advancement. That's why they carry out rapid technological advancement as an opportunity to grow and as a threat for its survival. For instance they take **3D games development** as an opportunity but emerging industry of 3D app games developers as a threat as well for their future survival. To supersede this potential threat HexaSolutions attempts to go for **product or market development** and also continuously modify designs, patterns and features of their applications for existing market.

5- COMPETITIVE FORCES

HexaSolutions believes that before initiating any further strategic moves it will be important to clearly understand its' impact through competitive forces. If their market share increases due to change of any strategy such as lowering prices, enhancing quality, adding features, providing services and increasing advertising; they should be ready for countermoves from their rivalry firms in the industry.

Porters 5 Factor Models of HexaSolutions:

1- RIVALRY AMONG COMPETING FIRMS:

HexaSolutions realizes that they are working in a rapid growing industry; therefore the tough competition and rivalry exist in the market. Strategies like new market development, expansion from B2C to B2B, new ad network searching should be carefully monitored.

2- POTENTIAL ENTRY OF NEW COMPETITORS:

HexaSolutions considers the new arrival of competitor in the industry as a serious threat. They concern about ease of entry new competitors in the market.

3- POTENTIAL DEVELOPMENT OF SUBSTITUTE PRODUCTS:

Any substitute product which helps kids and toddlers in learning other than mobile and website games application can harm HexaSolutions business.

4- BARGAINING POWER OF SUPPLIERS:

Due to the many suppliers of mobile games application in the market; bargaining power of supply will surely affects the intensity of competition in the industry.

5- BARGAINING POWER OF CONSUMERS:

HexaSolutions considers high inflation rate and increasing percentage of unemployment as a serious threat for them to compete with the rivalry firms in the industry.

External Factor Evaluation Matrix:

Opportunities	Weight		Rating	Weighted Score
	(a)	(b)		
1. New application ideas' provider for toddlers.	8	0.05	4	0.20
2. User oriented marketing campaign.	7	0.04	2	0.09
3. Corporate Social Responsibilities (CSR).	4	0.03	2	0.05
4. Apps modification, design, & pattern, features.	6	0.04	3	0.11
5. Different app expansion other than kids' industry.	9	0.06	3	0.17
6. Availability of new ad networks to generate more revenue.	8	0.05	2	0.10
7. B2C expansion to B2B.	10	0.06	2	0.13
8. Outsourcing of services.	7	0.04	1	0.04

9. 3D Games development.	6	0.04	2	0.08
10. Hiring of Open source web developers will increase revenue.	6	0.04	2	0.08
Threats				
1. New companies entering in mobile apps industry.	8	0.05	2	0.10
2. 3D apps games developers emerging in industry.	8	0.05	2	0.10
3. Government policies	7	0.04	1	0.04
4. Strikes Law and enforcement situation hit the business	6	0.04	1	0.04
5. Rapid Technological Change.	10	0.06	4	0.25
6. Different mind-set of customers/users	7	0.04	3	0.13
7. Poor economic situation globally	6	0.04	3	0.11
8. Political situations Globally	4	0.03	2	0.05
9. Technology aware users.	7	0.04	3	0.13
10. Usage of latest and expansive equipment.	7	0.04	2	0.09
11. Reducing market share.	8	0.05	2	0.10
12. Negative reviews from Users.	9	0.06	2	0.11
Total	158	1.00		2.32

Competitive Profile Matrix:

Critical Success Factors	Weight		HexaSolutions		CuriousHat		EduPad	
			Rating	Score	Rating	Score	Rating	Score
	(a)	(b)						
Advertising	9	0.14	2	0.27	4	0.55	3	0.41
Innovation	10	0.15	3	0.45	3	0.45	4	0.61
Financial Position	8	0.12	2	0.24	3	0.36	3	0.36
Research & Development	8	0.12	2	0.24	4	0.48	3	0.36

Price Competitiveness	8	0.12	3	0.36	3	0.36	3	0.36
Product Quality	9	0.14	2	0.27	3	0.41	4	0.55
Global Expansion	7	0.11	3	0.32	4	0.42	2	0.21
Management	7	0.11	2	0.21	3	0.32	4	0.42
Total	66	1.00		2.38		3.36		3.29

With Reference to the Competitive Forces:

Q: Who are the key competitors of the organization?

A: CuriousHat, EduPad, Tenlogix, TemplateMagician, and DesignPlanners are our key competitors.

Q: What are the products and services of the competitors?

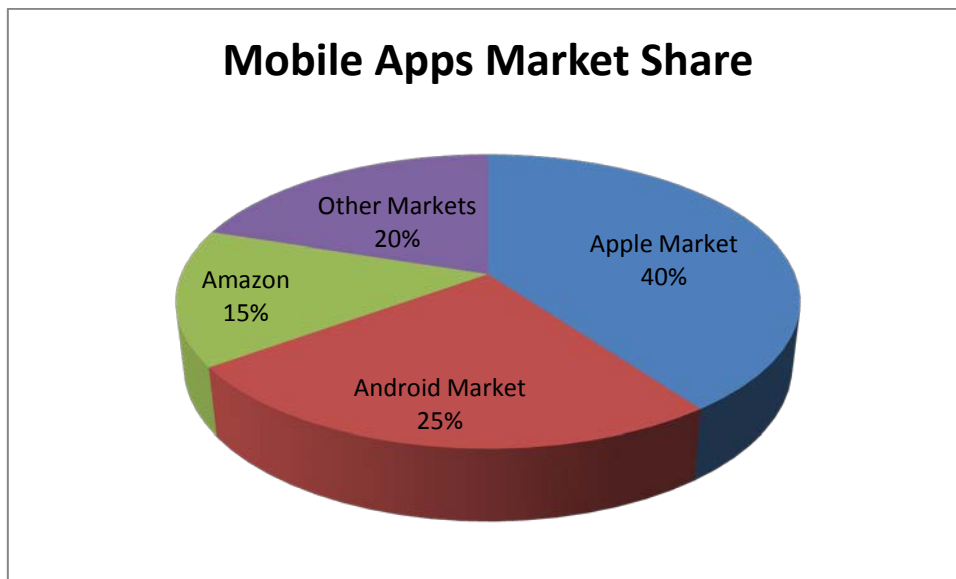
A: Mobile Apps, Web Portals, Websites, Games & Utility Apps are our competitors' products and services.

Q: If the competition is from the imported products please state the same along with the details of the main importers and distributors of the products.

A: Apple App store, Android, GooglePlay Store, Amazon are our products' distributors.

Q: What is the size of the market, and the market share of the company along with that of the key competitors?

A: 40% Apple Market, 25% Android Market, 15% Amazon, 20% Other Markets.



Internal Audit:

Through internal audit, the company vision and mission was not expressing the statement that should be of HexaSolutions. Then the strengths and weakness of the company identifies with the help of management and employees. The internal audit was undertaken separately for 6 broad categories:

1. MANAGEMENT

HexaSolutions follows all five basic activities of management: planning, organizing, motivating, staffing, and controlling. The company is effective in planning, organizing, motivating activities but poor in staffing and controlling activities. They have skilled quality employees but in less quantity. The drawbacks are the company is not providing healthcare and other facilities to management except providing salaries, one bonus yearly, and loan facility senior employees. The company is planning to provide healthcare service in future. It is recommended to HexaSolutions to provide healthcare and other facilities to management to motivate them.

2. MARKETING

Marketing is the back bone of every business. Without marketing, it is impossible to survive in industry. HexaSolutions marketing department has highly qualified professionals. They collaborate with different online ad networks marketing individuals to generate revenue like admob, amazon, android, revmob, chartboost. These are the platforms/markets for HexaSolutions who are caused to generate maximum revenue and to introduce mobile markets. The credit goes to HexaSolutions marketing department who coordinates very well and doing significantly using proactive strategies for marketing. So the credit of success goes to marketing department of HexaSolutions, because of them, the value of HexaSolutions is increasing day by day globally. Their future plans are to market HexaSolutions products through affiliate marketing and social media marketing. The recommendation after internal audit is to make some marketing strategies plans in such a way that the company will not be depend on client based business only.

3. FINANCE & ACCOUNTING

The company is not maintaining basic financial statements & income statements because they can't bear accounts department financial cost as well as their workload is not allowing them to maintain financial documents. They have just separate project receipts, invoices, etc. but without combining in any particular file monthly or yearly wise. But they are producing their financial software for their internal financial evaluations and gathering financial data. It is strongly recommended to HexaSolutions to maintain yearly financial statements to evaluate financial activities and operation otherwise the company will suffer in coming years.

4. PRODUCTION & OPERATIONS

HexaSolutions' performance is high during the couple of years since they launched company. Because of smart operations and skilled IT professionals, they always meet their projects' deadlines. The hierarchy of production department is well-defined or well-structured and good coordination between designers and developers' team. It is recommendation to HexaSolutions to motivate their employees and management by providing some incentives and entertainment activities. This will

help them to work with more energy or else the employees will start feeling stressed within few months.

5. RESEARCH & DEVELOPMENT

HexaSolutions does not conduct any research and development department to examine their specific strengths & weaknesses properly. The reason is investment issue as they have other expenses which need to fulfil product and projects. The management do just a bit research before start projects just for survival. There are no specific criteria or strategy to evaluate the future project feasibility. Without R&D, the company is facing problems to satisfy most of the clients to complete projects. It is recommendation to HexaSolutions to do properly research and development for each project so that they will not face problems to satisfy their clients to complete projects.

6. MANAGEMENT & INFORMATION SYSTEM

HexaSolutions has Management and Information System but they don't maintain it according to international standards. The company receives raw material from both the external and internal evaluation for the projects between the departments. Because of this practice, the company is becoming more complex and decentralized and globally dispersed the function of information system. It is recommended to HexaSolutions to maintain their MIS to store all data properly.

Value Chain Analysis of HexaSolutions:

Below are advantages and disadvantages of HexaSolutions from Value Chain Activities:

VALUE CHAIN ACTIVITIES	Advantages	Disadvantages
Supplier Cost		
Raw Material	✓	
Fuel		✓
Energy		✓
Transportation		✓
Storing	✓	
Software	✓	
Production Cost		
R&D	✓	
Office & Equipment	✓	
Computers & Devices	✓	
Connectivity	✓	
Distribution Cost		
Registration of Forums	✓	
Maintenance		✓
Internet	✓	
Outsource		✓

Shipping	✓	
Uploading	✓	
Sales & Marketing		
Website	✓	
Internet	✓	
Publicity	✓	
Promotion	✓	
Advertising	✓	
Food & Lodging		✓
Customer Service Cost		
Email	✓	
Phone	✓	
Internet	✓	
Warranty	✓	
Management Cost		
Administration	✓	
Employee Benefit	✓	
Managers	✓	
Employee	✓	
Legal & Finance	✓	

Internal Factor Evaluation Matrix:

Strength	Weight		Rating	Weighted Score
	(a)	(b)		
1. Average users purchase apps increased from 500 to 3000 per day.	8	0.04	4	0.15
2. Employee morale is excellent	6	0.03	4	0.11
3. App market's promotion resulted in 30% increase in sales	8	0.04	4	0.15
4. Technical support personnel are MIS Qualified,	5	0.02	3	0.07
5. Offers free applications in all markets	7	0.03	3	0.10
6. High definition, creative, digital and manual mobile app artist.	7	0.03	3	0.10
7. Experienced marketing campaign professionals	6	0.03	3	0.08
8. Target Achievers – Event based application is launched on time.	7	0.03	4	0.13

9. Strong Quality assurance department	6	0.03	3	0.08
10. Innovations and design	9	0.04	4	0.17
11. Low development cost with high quality.	5	0.02	3	0.07
12. Infotainment apps initiator	6	0.03	3	0.08
13. Help in kids' growth through drawing, kid's stories apps.	7	0.03	3	0.10
14. Unique ideas " learn with Fun"	6	0.03	3	0.08
15. Global user	7	0.03	3	0.10
16. Wide range of services	8	0.04	3	0.11
17. 24/7 support	7	0.03	4	0.13
18. New market creators	7	0.03	4	0.13
19. Completely Mac environment , wide range of IOS mobile devices	5	0.02	3	0.07
20. Apps are Available in IOS , Android , Windows, NOOK, SlideMe	8	0.04	4	0.15
Weaknesses				
1. Small budget allocation.	9	0.04	1	0.04
2. Biasness of finance allocation.	6	0.03	2	0.06
3. Product launching without R&D.	7	0.03	1	0.03
4. Limited space.	4	0.02	2	0.04
5. Lack of interaction & communication between departments.	5	0.02	2	0.05
6. Low salaries.	6	0.03	1	0.03
7. No medical facility.	3	0.01	2	0.03
8. Six working days, which is not appropriate for IT industry.	6	0.03	2	0.06
9. Improper Office location.	3	0.01	2	0.03
10. Website is still under construction because of tight deadline.	7	0.03	2	0.06
12. Limited IOS developers team as compared to designing department.	5	0.02	2	0.05
13. Increasing number of creditors.	8	0.04	1	0.04

14. Financial crises facing due to Heavy taxes as per rules & regulations of Canada.	8	0.04	1	0.04
15. Timely / Weekly directors' meetings are not scheduled.	5	0.02	2	0.05
Total	217	1.00		2.72

Problem Statement after Analysis of Above Steps:

1. HexaSolutions response to the existing opportunities and threats of the industry is below the average.
2. HexaSolutions are not capitalizing their full strength and opportunities to overcome their weaknesses and industry threats.
3. HexaSolutions line of business is based on technology which is itself a problem due to rapid pace of innovation and creativity.
4. HexaSolutions facing a serious crisis of effective and efficient management activities which leads to the problems of improper staffing, controlling, management information system (MIS) and book keeping.
5. Strong competitive environment is also a challenge for the HexaSolutions Company to survive.
6. Reducing market share of HexaSolutions.
7. A lesser amount of focused attention towards promotion of brand.
8. HexaSolutions launch their products without proper research and development activities.
9. Customer dissatisfaction for the HexaSolutions products due to its poor quality is a big challenge for the company to survive.
10. Financial Position of HexaSolutions is another severe problem for the company. Small budget, increasing number of creditors, low salaries, no medical facility, heavy load of work on employees, and less space are the few outcomes of it.

Outline & Review the Current & Planned Strategies:

1. Providing simple, timely and cost effective solutions to generate more revenues.
2. Because of changing in technologies, the company is merging with other organizations.
3. Believe in humans and knowledge. Our employees think beyond general imaginative patters and they achieve success within stipulated timeframe.
4. Offering job opportunities for fresh, intuitive, and innovative designers and developers to excel the workflow between the departments of organization. Additionally, the reason of hiring fresh designers and developers is to minimize the expense.
5. Introducing digital colouring applications for kids.
6. Improve previous applications in which the application "Monkey-the Hero of Jungle" was re-launched in Arabic Version too. At the same time, HexaSolutions introduced android applications in all mobile versions.
7. Becoming registered member of Windows Phone Market, Amazon Mobile Market, Nook, Slide Me. Etc.
8. Planning some interesting & educational games that will be launched in New Year.

Short or Long Term Objectives, Review with reference to Current & Planned Strategies:

1. Within 6 months, HexaSolutions' first objective is to move its office from residential area to commercial area with increase capacity and well-furnished office.
2. To hire more Mobile and Web Developers within 1 year.
3. To create HR Department within 1 year.
4. To launch 3D Media Department for 3D Games within 2 years.
5. Launching trainee and internship programs for students to join HexaSolutions within 1 year.

Current Strategies of Competitors, Review in the context of the Strategies of the Company being examined:

Curious Hat is a strong competitor of HexaSolutions. Their current strategies are:

1. To create interesting applications and games for challenging disciplines (Subjects) like math, logic, word, geography and memory.
2. To develop a new series of applications for play group.
3. To launch a series of new application with the name of eye paint, eye paint dairy, eye paint animal, eye paint monster, eye paint alphabet and eye paint international.
4. To work innovatively with some famous artists as Jessika Von Innerebner, Mitsue Haya, Francesco Chiacchio for the development of our new applications and features.
5. A new set of applications for school-aged child i.e. creating their own mini stories with the addition of their own voices.
6. To set the official website of Curious Hat in multiple languages as English, French, Russian, Turkish and Italian.
7. To make a partnership between Curious Hat & Imaginarium
8. To advertise and promote Curious Hat brand and applications use social networking websites as; Facebook, Twitter, LinkedIn, GooglePlus, YouTube, Youku and many more websites effectively and efficiently.

SWOT Matrix & Strategic Alternatives for HexaSolutions:

SWOT MATRIX is an important matching tool that helps managers develop four types of strategies **SO (strength -opportunities) strategies, WO (weakness-opportunities) strategies, ST (strength-threats) strategies and WT(weakness-threats) strategies**. There are eight steps involved in constructing a Swot Matrix. List the firm's key external opportunities. Second is list the firm's key External threats third is internal strength, fourth in internal weakness, fifth is internal strength with external opportunities and record the resultant SO strategies in the appropriate cell .six match internal weakness with external opportunities and record the resultant WO strategies. Seven

internal strength with external threats, and record the ST. strategies. Eight is match internal weakness with external threats, and record the resultant WT strategies.

	STRENGTH (INTERNAL)	WEAKNESS (INTERNAL)
SWOT MATRIX	S1. Employees morale is excellent	W1. Small budget allocation
	S2. Technical supports personnel are MIS qualified	W2. Product Launching without R&D
	S3. Free application offers in all markets	W3. No medical facility
	S4. Experienced marketing campaign professional	W4. Lack of interaction & communication b/w department
	S5. Strong quality assurance department	W5. Improper office location
	S6. Low development cost with high quality	W6. Website is still under construction b/c of tight dead line
	S7. Help in Kids growth through drawing kids stories apps	W7. Low development cost with high quality
	S8. Unique ideas Learn with Fun	W8. Timely /Weekly directors meeting are not scheduled
	S9. Wide range of services	
OPPORTUNITIES (EXTERNAL):	SO STRATEGIES	WO STRATEGIES
O1. Different app expansion other than kids	1. Add Help in Kids growth (S7,O1,O8)	1. Add Financial crisis (W9,O5)
O2. User oriented marketing campaign	2. Add user oriented marketing (S3,O2)	2. Add small budget allocation (W1,O6)
O3. Out sourcing of services	3. Add wide range of services. (S9,O3)	3. Add Product launching without R&D. (W2,O7)
O4. 3D games development	4. Ad Technical support & experienced	
O5. New ad network to generate more revenue.	5. Web developers (S2,S4,O6)	
O6. Hiring of open source web developers will increase revenue.		
O7. Corporate social responsibility.		
O8. New Application ideas provides for toddlers		
THREAT(EXTERNAL)	ST STRATEGIES	WT STRATEGIES
T1. New companies entering in mobile apps industry	1. Add Technology support (S2,O7)	1. Small budget allocation (W1,T3)
T2. Negative reviews from users	2. Add low development cost(S5,T3)	2. No medical facility (W3,T5)
T3. Reducing market share	3. Add unique ideas learn with fun. (S8,T4)	3. Low development cost (W7,O8)

T4. Different mindset of customers	4. Add Technical support personnel (S2,S4,T6,T7)	4. Improper office Location (W5,TP)
T5. Strikes law and enforcement situation hit the business		5. Lack of intersection (W4,T4)
T6. Rapid Technology change		
T7. Technology aware users		
T8. Poor economic situation globally		
T9. Govt. taxes impose		

SPACE Matrix & Strategic Alternatives for HexaSolutions:

	RATING
Financial Position(FP):	
1. The HexaSolutions return on invested ratio is 6.27 percent.	2
2. Liquidity is negative 0.76	2
3. The HexaSolutions working capital ratio is 7.2 percentage	2
4. Company cash flow 0.5 percentage	1
5. Company inventory turnover is 0.73 percent	3
	10
Industry Position (IP):	
1. HexaSolutions updating day by day so growth potential is increase.	2
2. Due to updating, its profit potential is quite satisfactory.	4
3. Company has utilized their resources.	4
	10
Stability Position(SP):	
1. Demand in variability of product increase.	-3
2. Price range of competing product much higher than other.	-4
3. Risk involve in the business b/c there are many more software companies are involve in their business.	-5
4. Due to many companies are present competitive pressure are present.	-5
	-17
Competitive Position (CP):	
1. The HexaSolutions provides data services approx. 220 institutions in the country.	-3
2. Local & Multinational organizations are becoming increase competitive.	-4
3. Wide range of educational mobile apps exclusively for kids.	-2
	-9

CONCLUSION :

SP Average is $-17/4 = -4.25$; CP Average is $-9/3 = -3$
IP Average is $10/3 = 3.33$; FP Average is $10/5 = 2$

Directional Vector coordinates:

ON X-axis = $-3 + (3.33) = 0.33$

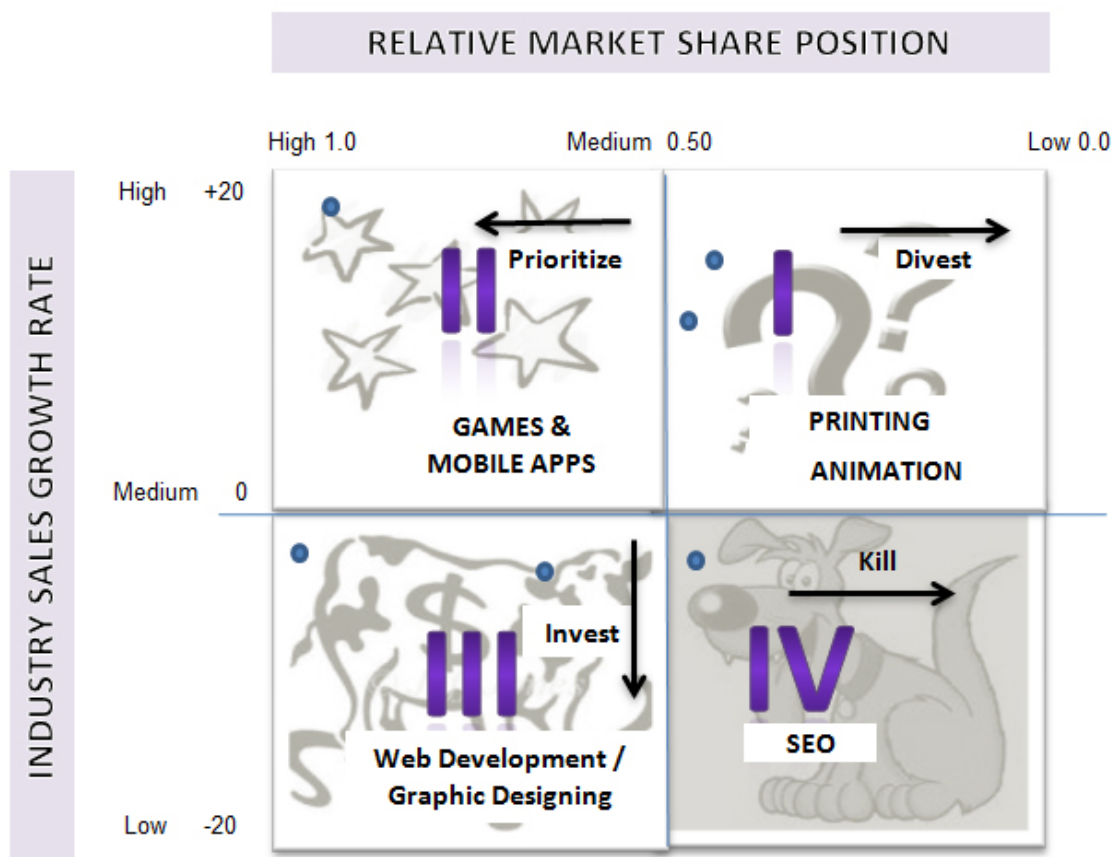
ON Y-axis = $-4.25 + (2) = -2.25$

Thus the HexaSolutions should pursue “Competitive Strategies”.

STRATEGIC ALTERNATIVES:

HexaSolutions should pursue market share, product quality, product life cycle, customer loyalty, capacity utilization, technological knowhow, control over supplier and distribution.

BCG Matrix & Strategic Alternatives for HexaSolutions:



Division	Revenues (million)	Percent Revenues	Profits (million)	Percent Profits	RMSP	ISGR
Games / Mobile Apps	1.00	44%	0.40	58%	0.80	+19
Graphic Designing	0.40	17%	0.01	1%	0.55	-6
Web Development	0.60	26%	0.25	36%	0.75	-8
Printing	0.20	9%	0.02	3%	0.40	+12
Animation	0.07	3%	0.01	1%	0.42	+17
SEO	0.02	1%	0.005	1%	0.48	-5
Total	2.290	100%	0.695	100%		

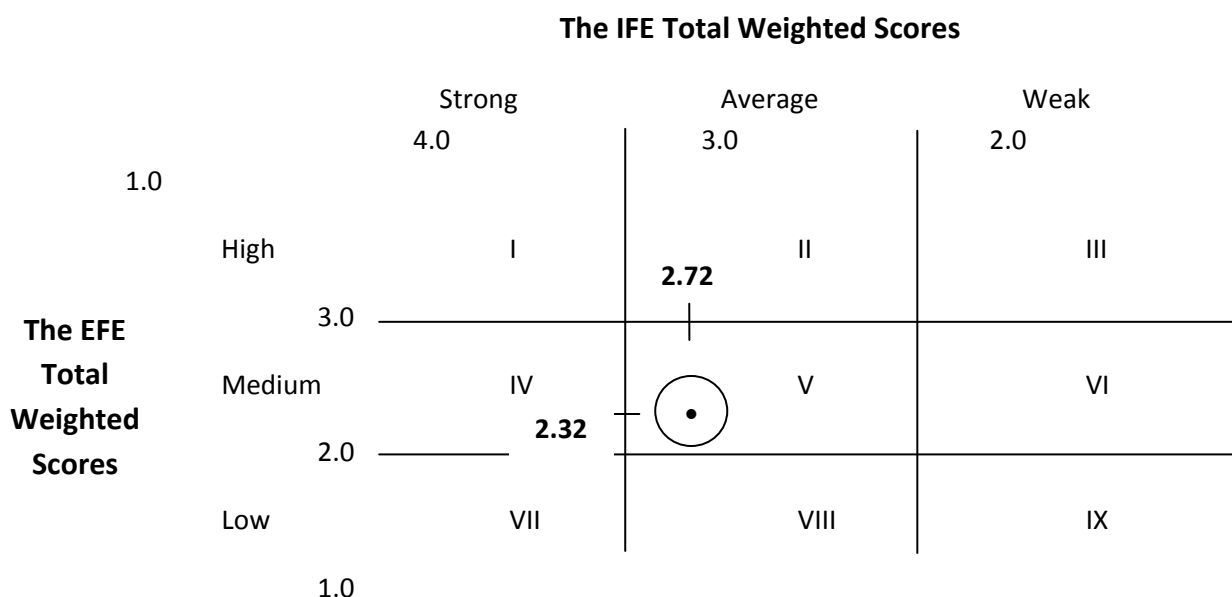
ANALYSIS AFTER BCG MATRIX:

HexaSolutions composed of 6 divisions with annual sales ranging from 0.02 to 1 million. Division "Games / Mobile Apps" has the greatest sales volume, so it is representing the largest one in the matrix. The division "SEO" is the smallest because its sales volume 0.02 million is the least among all divisions. Similarly, the "Games / Mobile Apps" division contributes the highest profit percentage, 58%. "Games and Mobile apps" division and "Web development" & "Graphic designing" divisions have half the market share of the leading firm in the industry. So in the diagram: "Games / Mobile Apps" division is considered a "STAR", "Graphic Designing" division is "CASH COW", "Web Development" division is a "CASH COW", "Printing" division is a "QUESTION MARK", "Animation" division is a "QUESTION MARK", "SEO" division is a "DOG".

STRATEGIC ALTERNATIVES FROM BCG MATRIX:

1. 3D Animation industry is growing so HexaSolutions should put more efforts to get more market share in Animation industry.
2. "Printing" & "Animation" divisions of HexaSolutions should pursue an intensive strategy (marketing penetrating, market development, or product development) or to sell them.
3. "Mobile & Games Apps" division should apply forward, backward, and horizontal integration; market penetration, market development, and product development strategies.
4. "Graphic Designing" and "Web Development" divisions of HexaSolutions should be managed to maintain their strong position for as long as possible. Product development or diversification may be attractive strategies for "Graphic Designing" and "Web Development" divisions.
5. "Retrenchment" is the best strategy to pursue for "SEO" division because it will be bounced back, after strenuous asset and cost reduction, to become viable, profitable divisions.

IE Matrix & Strategic Alternatives for HexaSolutions:



STRATEGIC ALTERNATIVES:

As the IFE and EFE total weighted scores are meeting each other in cell V, where both of the evaluations shows the average position of the firm and industry, so the company should so for **Hold and Maintain Strategies**.

Company can choose anyone from the given hold and maintain strategies:

1. Market Penetration
2. Product Development

Grand Strategy Matrix & Strategic Alternatives for HexaSolutions:



STRATEGIC ALTERNATIVES OF GRAND STRATEGY:

After analysing SWOT, SPACE, BCG, IE matrixes, the GRAND strategy significantly suggested Quadrant I (Strongly Competitive Position) because the other matrixes suggested the strategies comes in Quadrant I. Quadrant I firm HexaSolutions is too highly committed to single product then related diversification may reduce the risk associated with the narrow product line. Quadrant I offered to take advantage of external opportunities in several areas. It can take risk aggressively.

Strategic Alternatives from above Matrixes:

1. HexaSolutions should pursue market share, product quality, product life cycle, customer loyalty, capacity utilization, technological knowhow, control over supplier and distribution.
2. 3D Animation industry is growing so HexaSolutions should put more efforts to get more market share in Animation industry.
3. "Printing" & "Animation" divisions of HexaSolutions should pursue an intensive strategy (marketing penetrating, market development, or product development) or to sell them.
4. "Mobile & Games Apps" division should apply forward, backward, and horizontal integration; market penetration, market development, and product development strategies.
5. "Graphic Designing" and "Web Development" divisions of HexaSolutions should be managed to maintain their strong position for as long as possible. Product development or diversification may be attractive strategies for "Graphic Designing" and "Web Development" divisions.
6. "Retrenchment" is the best strategy to pursue for "SEO" division because it will be bounced back, after strenuous asset and cost reduction, to become viable, profitable divisions.
7. According to EFE & IFE matrix, HexaSolutions should pursue **Hold and Maintain Strategies**.
8. From IE Matrix, HexaSolutions should pursue Market Penetration and Product Development strategies.
9. After analysing SWOT, SPACE, BCG, IE matrixes, the GRAND strategy significantly suggested Quadrant I (Strongly Competitive Position) because the other matrixes suggested the strategies comes in Quadrant I. Quadrant I firm HexaSolutions is too highly committed to single product then related diversification may reduce the risk associated with the narrow product line. Quadrant I offered to take advantage of external opportunities in several areas. It can take risk aggressively.

Shortlist of Feasible Alternatives, Outlining the reason for inclusion / exclusion the strategies from the Shortlist:

FEASIBLE STRATEGIES	INCLUSION	EXCLUSION
HexaSolutions should pursue market share, product quality, product life cycle, customer loyalty, capacity utilization, technological knowhow, control over supplier and distribution.	✓ because this is the best strategy to implement on HexaSolutions	
3D Animation industry is growing so HexaSolutions should put more efforts to get more market share in Animation industry.	✓ because this is the best strategy to implement on HexaSolutions	

<p>“Printing” & “Animation” divisions of HexaSolutions should pursue an intensive strategy (marketing penetrating, market development, or product development) or to sell them.</p>		<p>✓ because this is the return is too low after heavy investment and there is very tough market competition.</p>
<p>“Mobile & Games Apps” division should apply forward, backward, and horizontal integration; market penetration, market development, and product development strategies.</p>	<p>✓ because this is the best strategy to implement on HexaSolutions</p>	
<p>5. “Graphic Designing” and “Web Development” divisions of HexaSolutions should be managed to maintain their strong position for as long as possible. Product development or diversification may be attractive strategies for “Graphic Designing” and “Web Development” divisions.</p>	<p>✓ because this is the best strategy to implement on HexaSolutions</p>	
<p>“Retrenchment” is the best strategy to pursue for “SEO” division because it will be bounced back, after strenuous asset and cost reduction, to become viable, profitable divisions.</p>	<p>✓ because this is the best strategy to implement on HexaSolutions</p>	
<p>After analyzing SWOT, SPACE, BCG, IE matrixes, the GRAND strategy significantly suggested Quadrant I (Strongly Competitive Position) because the other matrixes suggested the strategies comes in Quadrant I. Quadrant I firm HexaSolutions is too highly committed to single product then related diversification may reduce the risk associated with the narrow product line. Quadrant I offered to take advantage of external opportunities in several areas. It can take risk aggressively.</p>		<p>✓ because app developers are less qualified in other type of applications than kids related as well as there is shortage of app developers globally.</p>

Evaluation of Shortlisted Strategic Alternatives using the QSPM Matrix & Strategies that are to be implemented:

		STRATEGIC ALTERNATIVES					
		1			2		
		Improve Service and gain Market Share via Adopting New Market or Technology			Backward Integration over their infrastructure vendors and suppliers to reduce cost and expenses		
Key Factors		Weight	AS	TAS	AS	TAS	
Opportunities							
1	New application ideas' provider for toddlers.	0.060	4	0.24	3	0.18	
2	User oriented marketing campaign.	0.030	-	-	-	-	
3	Corporate Social Responsibilities (CSR).	0.040	4	0.16	3	0.12	
4	B2C expansion to B2B.	0.060	3	0.18	4	0.24	
5	Outsourcing of services.	0.060	4	0.24	4	0.24	
6	Apps modification, design, & pattern, features.	0.020	3	0.06	4	0.08	
7	Different app expansion other than kids' industry.	0.020	4	0.08	4	0.08	
8	Availability of new ad networks to generate more revenue	0.040	4	0.16	-	-	
9	3D Games development.	0.050	4	0.2	-	-	
10	Hiring of Open source web developers will increase revenue	0.040	4	0.16	-	-	
11	Joint venture with competitors	0.020	-	-	3	0.06	
12	elance, guru website memberships hunting projects	0.040	4	0.16	-	-	
13	Promotional/ advertising websites, Online business e-commerce portals	0.060	-	-	3	0.18	
Threats							
14	New companies entering in mobile apps industry.	0.080	4	0.32	4	0.32	
15	3D apps games developers emerging in industry.	0.040	-	-	-	-	
16	Globally Government policies	0.060	4	0.24	4	0.24	
17	Strikes Law and enforcement situation hit the business	0.030	4	0.12	4	0.12	

18	Rapid Technological Change.	0.030	4	0.12		4	0.12
19	Technology aware users.	0.050	-	-		-	-
20	Reducing market share.	0.080	4	0.32		4	0.32
21	Natural Disaster; like the recent flood caused huge losses and the previous earthquake	0.050	-	-		3	0.15
22	Political Instability and Security Concern	0.040	-	-		-	-
		1.00		2.76			2.45
	Strengths						
1	Average users purchase apps increased from 500 to 3000 per day.	0.050	4	0.2		-	-
2	App market's promotion resulted in 30% increase in sales	0.030	-	-		-	-
3	Offers free applications in all markets	0.030	4	0.12		4	0.12
4	Experienced marketing campaign professionals	0.050	4	0.2		3	0.15
5	Innovations and design	0.040	4	0.16		4	0.16
6	Infotainment apps initiator	0.030	-	-		-	-
7	Low development cost with high quality.	0.030	-	-		-	-
8	Completely Mac environment , wide range of IOS mobile devices	0.030	-	-		-	-
9	Wide range of services	0.040	3	0.12		-	-
10	Help in kids' growth through drawing, kid's stories apps.	0.040	-	-		-	-
11	Apps are Available in IOS , Android , Amazon, Windows, NOOK, SlideMe	0.030	3	0.09		2	0.06
12	Unique ideas " learn with Fun"	0.030	3	0.09		-	-
13	24/7 support	0.030	3	0.09		-	-
14	New market creators	0.040	-	-		-	-
15	Employee morale is excellent	0.030	-	-		-	-
16	Work Friendly Environment -	0.050	3	0.15		-	-
17	Respect for ALL	0.030	3	0.09		-	-
18	Time based , over time allowances	0.040	4	0.16		-	-
	Weaknesses						
19	Small budget allocation.	0.060	4	0.24		4	0.24
20	Biasness of finance allocation.	0.030	4	0.12		4	0.12
21	Huge Expenses incurred, high cost of material and other expenses	0.040	-	-		4	0.16
22	Product launching without insufficient R&D.	0.040	4	0.16		4	0.16

23	Limited space.	0.040	4	0.16		-	-
24	Sort of bureaucratic style of Management; biasness by intermediate bosses	0.020	-	-		-	-
25	No medical facility.		4	0		4	0
26	Customer Retention	0.050	4	0.2		4	0.2
27	Improper Office location.	0.020	-	-		-	-
28	Six working days, which is not appropriate for IT industry?	0.030	-	-		-	-
29	Limited IOS developers team as compared to designing department.	0.020	-	-		-	-
		1.00		2.35			0.88
Total							
				7.87			6.27

CONCLUSION:

The Quantitative Strategic planning Matrix (QSPM), we can suggest that acquiring a competing company is better option. Adopting New Market or Technology strategy score 7.87 in the QSPM shown above according to QSPM rating because it's significantly greater than 4 so, we can say that it's a "Most Acceptable".

Strategic Implementation Plan for the Selected Strategies:

HexaSolutions' internal structure will need to revise. Then the financial areas must be organized to get better idea about yearly revenues and what strategies can be implement that the company is assuming not to pursue because of financial reasons.

For SEO division, the company will close all services of SEO internally and will outsource this division to minimize the cost of this particular division.

HexaSolutions is planning to make new e-commerce plans (like Deals & Coupons Offering Portal, Job Portal, Advertisement Portal, and Classified Website Products) so that the company will not only be just client based company.

For Games & Mobile Apps division, HexaSolutions has planned to pursue Backward Integration. For that, they will introduce some employee benefits in terms of bonuses, allowances, overtime compensation, transportation, monthly outing or dinner, and award employee of the month.

Learning Outcomes from the Study:

We are now capable to analyse or suggest various methods to make strategies for any company.

1. Before this course study, we were unable to define or express our words or suggestions or ideas for any company as strategy but today, we can now numerically define strategies easily and now know how to make strategies through matrixes.

2. We can make SWOT of any company and can generate strategies through those SWOTS.
3. Additionally, we can now understand, how company growths can be increased in terms of goodwill, reputation, performance, and we are capable to build a company as brand.

Thanks to:

Dr. Manzoor Khalidi for your hard work and dedication towards our class. We are very grateful that we were blessed with your great knowledge, experience, & you deliver us very professional & make this subject easy to learn.