CHAPTER – VIII

STRATEGIC MANAGEMENT

and

SPECIFIC RECOMMENDATIONS
STRATEGIC MANAGEMENT

Strategic Management can be looked upon as a set of managerial decision and actions that determine the long term performance of a company. It includes an analysis of the environment both internal and external, formulation of strategy, implementation, evaluation and control. Thus the study of strategic management essentially refers to monitoring and evaluation of external opportunities and threats in relation to the company’s strengths and weaknesses.

Concept of Strategic Management:

The evolution of the concept of strategic management can be traced with concept of long range planning which was born amid a flurry of optimism and activity during the post world war -II.

The post World war second witnessed metamorphic changes in business world reflected in terms of internationalization of business, ferocity of competition, amazing technological advancement, ever-growing state interference, fast changing socio-economic and political environment and the emergence of new human values. These developments while opening tremendous growth opportunities have tended to complicate business problems and even posed threat to the survival of existing business.

1 STRATEGIC MANAGEMENT the Indian context by R. Srinivasan Professor Deptt. Of Management Studies Indian Institute of Science Bangalore p1.
Strategic management concept has now been widely recognized in corporate circles that if corporate enterprises have to face successfully competitive challenges and exploit business opportunities, top management must adopt strategic management approach.

Strategic management approach is based on structure of plans consisting of strategic plans, functional plans, operating plans and organisational plans. It is concerned with reasoning where we are going and how we intend to go. It focuses on continuous monitoring of the entire planing process.  

**Strategic Management:** It is a tool of military as well as civilian

**Military tools are covered as under:**

**Higher defence organization and role of the army:**

*Role of Indian army is primarily to defend India against external aggression; secondly to assist the government, when asked to give such assistance, in order to carry out its functions.*

As specified to Field Marshal KM Cariappa by the Government of India

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2 Management Policy and strategic Management (Concepts, skills and practices by R.M. Srivastava Professor, Head and Dean. Faculty of Management Studies, Banaras Hindu University, India P20.
Higher Defence Organisation of India:

Higher direction of defence and its policy formulation are strictly the prerogative of the political leadership, as it should be in a democratic set up; there being full political control over the armed forces. The decision making apparatus pertaining to the defence of the country at national level is called the organization for higher defence control. The machinery at Government level, for effective handling of defence problems must cater for the following:

- Co-ordination of defence preparation and execution of foreign policy to ensure that they are mutually matching and supporting. Refer Appendix-D attached.

- A mechanism to formulate overall strategy to meet broad based threats and subsequently provide an organization and resources to implement it.

- Once hostilities have broken out, a mechanism to decide on the changes in strategy and broad objectives to be achieved, keeping in view the changes in circumstances. Refer Appendix-E attached.

- Ways and means to project its aims, objective and the will to conduct a justified war, inside or outside its territories. A well coordinated national effort to support the same, is a must for successful conduct of war.

The apparatus constituting Higher Defence Organisation is as follows\textsuperscript{4} and is depicted as an organisation tree in Figure 1:

\begin{itemize}
  \item **Cabinet Committee on Security (CCS)** - This is the apex body on all matters related to security of the nation. It is headed by the Prime Minister.
  
  \item **National Security Council (NSC)** – NSC covers external security, security threats involving atomic energy, space and high technology, trends in world economy and economic security threats, internal security, patterns of alienation emerging in the country, trans-border crimes and intelligence coordination and tasking. It consists of Prime Minister (PM) as the Chairman and Ministers of Home Affairs, Defence, Finance, External Affairs and Deputy Chairman of Planning Commission as members.
  
  \item **National Security Council Secretariat (NSCS)** - The secretariat prepares papers for consideration of the Strategy Policy Group or National Security Council.
  
  \item **Strategy Policy Group (SPG)** – The priority task of the group is to undertake long-term strategic defence review. The SPG and the NSCS are primarily to assist the NSC and actually do not fall directly under the hierarchy of Higher Defence Organisation.
\end{itemize}

\textsuperscript{4} Draft Joint Doctrine Indian Armed Forces by HQ IDS.
- **Chief of Defence Staff (CDS)** - CDS (when appointed) will provide single-point military advice to the government and ensure the required ‘Jointness’ in the Armed Forces and also be responsible to administer the strategic forces of the country. He will function as a permanent chairman of the Chiefs of Staff Committee (COSC) and the ‘Principal Military Advisor’ to the RM.

- **Interim Action till Appointment of CDS** - Till CDS is appointed, the Govt. has decided to strengthen the COSC by addition of a Chief of integrated Defence Staff to the Chairman COSC.

- **Enhanced Role of Chairman COSC** - The Chairman COSC will command joint forces in field specifically assigned, exercise control over strategic forces and Defence Intelligence Staff (DIA) and be an advisor to National Command Authority (NCA).

- **Integrated Defence Staff (IDS)** – IDS will provide staff support to CDS/COSC on all defence related matters.

- **Andaman and Nicobar Command (ANC)** – The ANC is the first joint command in the country and will control the assets of the three services and Coast Guard deployed for this command. Its important roles and functions are to defend the territorial integrity of India in the Andaman and Nicobar Islands, its territorial waters, Exclusive Economic Zone (EEZ) and Airspace.
Figure 1: Higher Defence Organisation of India
• **Strategic Forces Command (SFC)** — SFC has been formed to manage and administer the country’s nuclear assets. SFC is the operational arm of the National Command Authority (NCA). The Commander-in-Chief (C-in-C) will report to the Chairman COSC and controls all nuclear forces of India. The PM chairs the NCA’s Political Council and would have the final authority to order a retaliatory nuclear strike.

**Role of the Indian Army:**

In the present context, as a principal component of national power, the role of the Indian Army is to ‘preserve national interests, and safeguard territorial integrity and unity of the country, against any external or internal threats by deterrence or by waging a war’

**Command and control of the Indian Armed Forces:**

The Indian Armed Forces are controlled by the Ministry of Defence (MoD) headed by the RM. The President is the Supreme Commander of the Armed Forces. The line of authority for this control extends downward from the President, Parliament, CCS, RM, Chairman COSC and COAS. MoD covers all matters related to national defence including personnel, financial

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5 Fundamentals, Doctrine and Concepts Indian Army (Red Book) by ARTRAC.
and resource management as well as responsibility for the conduct of military operations.

**Chief of Army Staff:**

The primary responsibility of the COAS is the operational readiness of the army and ensuring it is capable of achieving assigned mission and tasks. As such, it is his duty to instill a high standard of military professionalism throughout its ranks, and to advise the RM on the army's moral and material requirements. In this regard the COAS is charged with contributing to and reviewing all national defence and Indian Armed Forces policies as they affect the army, especially regarding operational planning, equipment and personal matters.

Within the army, he is responsible for implementing all orders and directives as applicable; ensuring the army's doctrine, training, force development policies and organisations are sound; seeking clarification where necessary; and communicating concerns and any associated risks to the RM. If resources for assigned tasks are insufficient, or policies affecting the army deemed flawed or deficient, he must categorically state as such, along with the potential consequences which could ensue. His main responsibilities are:

- Provide forces from existing resources (force generation) as may be required in support of tasks assigned;
• Translate Indian Armed Forces strategic and operational level objectives and plans into army tasks;
• Provide advice to the RM on operational, personnel and technical matters as they pertain to the army; and
• Participate in the Indian Armed Force strategic level decision and policy-making process.

Officers:

The foremost duty of an Indian Army Officer is to lead troops at whatever level of command he is in. HE or she must pursue military knowledge, self-improvement and professional development in order to become expert in the profession of arms. To be good leaders, officers must be models of professional excellence, displaying absolute and uncompromising integrity of character, taking responsibility for their actions and being accountable for the actions of those under command. They must lead by personal example and be role models for subordinates to follow. They must exhibit total responsibility towards the troops they command. In operations, the ultimate measure of an officer’s worth is the ability to carry out dangerous tasks successfully, at minimum cost. When an officer is given a task, which he or she feels will result in unusually high or unnecessary casualties, the officer must seek additional resources or
request to have the task modified. Senior officers have a greater responsibility amongst the officers.

**Junior Leaders:**

Junior leaders consisting of young officers, Junior Commissioned Officers (JCOs) and non Commissioned Officers (NCOs) are the backbone of the Army. Their role is to translate the intentions of the commanders into action. Because of their experience, maturity and knowledge, JCOs/NCOs serve a special function. They must not only **set the example in matters of discipline, drill, dress and deportment**, but they also have an important responsibility in teaching newly commissioned officers skills and mechanics of soldiering and leadership.

**Other Ranks (ORs):**

ORs are required to work, learn, train hard and to carry out all orders and tasks to the best of their abilities. They must **live and work by the tenets of military ethos** and its application within the Army. Hence, their actions, conduct and deportment must at all times reflect credit on themselves, their fellow soldiers, their regiment, the Army and India itself. They must maintain the honour of the Armed Forces.

**The families of the officers, JCOs, NCOs and ORs play a very important role** in enhancing the effectiveness of the Army and keeping its morale high at all times, especially during war.
People should emulate the Army's sense of discipline and the great unity that exists in its ranks. Men of all religions and from all provinces are in the Army, binding their energies unitedly for a common endeavour.

-Pandit Jawaharlal Nehru

Civilian tools in strategic management also act as a backbone. India is the second largest democracy in the world after USA. Civil and military tools operate jointly as we have a parliament form of Govt. and the nation is governed by the civilian. Military is mainly meant for protecting national interest. To safeguard our vast borders Army has played an exemplary role in defeating our adversaries in times of war. The civilian population assisted, supported and played a major role for military in achieving the victory. Therefore, it is evident beyond doubt to state that strategic management is a tool of civilian as well as military. The governance in our country has been stable ever since independence. There has always been mutual trust and confidence amongst civilian and armed forces. We as a nation have been able to live up to each other expectations, there by, manage our national affairs well.
SPECIFIC RECOMMENDATIONS

(a) Operational Strategy - The following are recommended to be adopted at the operational level:

- **Organisation of Combat** - The existing organizations for combat does not take into account vide scale destruction of entire units/formations by nuclear weapons which could render a tactical plan redundant and jeopardize, other elements of the overall plan. The re-organisation must therefore, be directed towards achieving versatility criteria of being intra-operable in a number of contingencies, terrain configurations and fronts.

- **Nuclear Philosophy** - Evolve a nuclear ideology and philosophy on NBC warfare.

- **NBC Warfare Cells** - Creation of NBC warfare co-ordination cells at the Corps level.

- **NBC Warfare Platoons** - Immediate raising of NBC platoon at all divisional HQ on Western theatre both for offensive as well as defensive formations to start with.

- **NBC Warfare Training** - Creation of a nuclear of personnel trained on NBC warfare to be held at Battalion/Regimental levels.

- **Defence Works** - Phased construction of NBC proof shelters/permanent Defence beginning with command and control elements.
• **Nuclear Hardening** - There should be communication equipment to be able to survive in the event of nuclear threat.

• **Damage Control Teams** - Creation/employment of post strike damage control teams.

• **Education** - NBC warfare awareness in all ranks now that nuclear weaponisation in the sub continent is a reality and not a probability.

(b) **Diplomatic Efforts** - Strive for diplomatic gains securing permanent membership in UN Security Council. Exploit the international sway against terrorism to expose Pakistan and exploit the situation to our advantage.

(c) **Bilateralism** - Confine J&K discussions to bilateral talks. India does not want third party mediation.

(d) **Resolution of Dispute** - Strive for a permanent solution to the dispute with a view to ushering lasting peace.

(e) **Astrologic Planning** - To focus on four factors.

  • To preserve territorial integrity.
  • To maintain peace.
  • To have sound economy.
  • To lead in information technology (IT). Refer Appendix-F attached.

(f) **India’s Strategic Recommendation Plan** - It should aim at the following:

  • To increase economic and military power.
  • To build up military complex consciously. Refer Appendix-G attached.
• There is a need for flexible response.
• IPS Cadre and central Govt employees should be part of Army for first five years.

(g) **Global disarmament** - Should be India's strategic interests.

It is strongly recommended that the security is concern of all citizens. There is a need to meet common mans interest. Nuclear weapons are important element of our Defence strategy. Nuclear doctrine should be made as an integral part of our Defence strategy. There are risks of nuclear conflicts.

**Directions on 21st Century Challenges : The Firm Action on the Enlisted Activities Needs to be Looked into for Nation Building :**

• Improvement in primary and secondary education. Quality and competence of teachers and use of multimedia and other mass media technologies.

• Empowerment of women social engineering with widespread social awareness and campaign is needed.

• Investment in science and technology. Reorientation of R & D activities be focused more, leadership training and skills development for institution building for national laboratories and institutions and devising HRD programmes and strategies for national laboratories and institutions.

• Entrepreneurship development. Development of entrepreneurial skills and employment generation by the Government NGOs and financial institutions, creation of entrepreneurial attitude and spirit, achievement, motivation and improved availability and management of credit facilities.

• Human resources development Role of private agencies and NGOs Development of entrepreneurial skills and institution building capabilities of NGOs.

• Improvement in performance by government agencies and institutions. HRD programmes related to bringing in attitudinal and behavioural changes of government personnel, infusing professionalism in government services and deployment of less manpower and improved mechanization in Government services.

• Concern for the environment. Improved environmental awareness and education among common people through mass communication technologies and contact programmes.
New Directions: To Make India A Super Power In 21st Century in Asia:

<table>
<thead>
<tr>
<th>Category</th>
<th>Description</th>
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<tbody>
<tr>
<td>You (A teacher, banker, doctor, administrator or other professional)</td>
<td>Devote a few days in a month to doing something better; something speedier; something of high quality; something which will make you proud; something which will make a poorer or suffering person’s life a little better.</td>
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<tr>
<td>State PSUs</td>
<td>At least in one area transform yourself to the service for the people in your area. If possible launch one project with partners on similar lines that goes beyond your region.</td>
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<tr>
<td>R &amp; D labs/Academic institutions</td>
<td>You have the unique opportunity to be the front runner. Each lab or institution to launch such a project of your own, in addition to contributing to missions, project, etc. You will find financial contributions even around your area.</td>
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<tr>
<td>Private sector (large industry)</td>
<td>Create projects to uplift our small-scale industries technologically and even in agriculture.</td>
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<tr>
<td>Small-scale sector</td>
<td>Learn to capture a few technological strengths. Catch hold of a nearby academic institution or laboratory. You will find some persons with innovative ‘fire’ in them. Once you find a knowledge source relevant to your business, you will find that life is being transformed for you.</td>
</tr>
<tr>
<td>NGOs</td>
<td>Your role is as multifarious and as complex as India. Try to help in creating a climate for positive actions and a rapid change for the better.</td>
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<tr>
<td>Media</td>
<td>Spread the message of success, however small the successes are. There are many grim events and developments that you have to cover, but the positive can also be news. Build up an image of an India with hundreds and thousands of heroes and heroines who are changing the country’s destiny.</td>
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</table>

*Source: Cited from India 2020: A Vision for the New Millennium by President APJ Abdul Kalam with YS Rajan p 297.*
### Directions for Security Services

<table>
<thead>
<tr>
<th>Key Areas</th>
<th>Technological Implications calls for New Direction</th>
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<tbody>
<tr>
<td>Border security</td>
<td>• Sensors of all types: seismic, thermal, infra-red and electronic are needed.</td>
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<td></td>
<td>• Optical equipment for long range surveillance.</td>
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<td>• Satellite surveillance.</td>
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<td>• Tamper-proof documentation, infra-red, ultra-violet and radiography examination of passports and visas.</td>
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<td>• Computerized access control systems including portable radio computer terminals.</td>
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<td>Prevention of entry of harmful substances into</td>
<td>• Metal detectors</td>
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<td>the country</td>
<td>• Explosive detectors</td>
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<td>• Drug detectors</td>
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<td></td>
<td>• Poison, gas, detectors etc.</td>
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<td>Explosive detection and neutralization</td>
<td>• Explosive detectors</td>
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<td>• Explosives neutralization/disruption detection equipment</td>
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<tr>
<td>Prevention of sabotage</td>
<td>• Access control systems</td>
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<td>• Detectors of various types</td>
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<td>• Arson control systems</td>
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<td>Prevention of industrial espionage</td>
<td>• Data protection equipment</td>
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<td></td>
<td>• Sophisticated access control systems</td>
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<td></td>
<td>• Behavioural science capabilities to detect 'moles' and 'unfaithful'</td>
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<td>• Anti-eavesdropping devices to prevent bugging, telephone tapping, fax interception, etc.</td>
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<td>• Sweeping devices and direction finders</td>
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<tr>
<td>Prevention of white collar crime</td>
<td>• Tamper proof systems</td>
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<td>• Built-in safeguards in credit cards, account transfers etc.</td>
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<tr>
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<td>• Technical inspection to detect malfunctioning of mechanical devices dealing with money</td>
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<tr>
<td>Protection of common people and VIPs</td>
<td>• Alarm systems</td>
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<td>• Electronic fence systems</td>
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<td>• Bullet-proof cars</td>
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<td>• Systems to neutralize electronically and radio controlled explosive devices</td>
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<td></td>
<td>• Detection of incendiary devices</td>
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</tbody>
</table>

*Source: Cited from India 2020: A Vision for the New Millennium by President APJ Abdul Kalam with YS Rajan p 171.*
Role of IT in services sector in future: New Directions:

Future Technologies

- Networked Automatic Teller Machine (ATMs) for banking and other transactions.
- Smart phones for home banking operations
- Smart cards with built-in microchips for electronic cash, pay phones etc.
- Electronic Data Interchange (EDI) for paperless banking transactions
- Business process re-engineering, training and skills development for absorption of new technologies.
- Information security for confidentiality, prevention of data corruption and fraudulent practices
- Legal aspects for paperless and electronic financial transactions
- Single optical fiber connection to homes to blur the differences between communication and infotainment cables offering a whole range of services like home shopping, music and movies on demand, interactive TV
- Telemarketing and visual shopping will be in great demand
- Online electronic newspapers and magazines will dominate the print media
- Multimedia technology and virtual reality to emerge as the major medium of advertisement
- Use of demographic database for age and sex composition, income levels and distribution, regional disparities, fertility and mortality rates, incidence of diseases, life expectancy, etc. will come in handy for designing new insurance products and services.
- Complete networking of supply chain viz. retailers, distributors, warehouses, transporters, manufacturers, material suppliers etc.

*Source: Cited from Information Today & Tomorrow by S Biswas Vol, 16, No 3, 1997 p 186

India’s Strategy:

- India must buy peace through promotion of trade in SAARC region.
- There should be effective approach towards peace and development through confidence building measures (CBMS).
- We must maintain Law and Order.
We must address sensitive issues like military, insurgency, trans-border terrorism etc.

India must take counter measures to check a naval build up, miniaturization and military bases in Indian Ocean. China takes it as a threat, if India emerges super power country in Asia. India has to defend 15,200 KM territory, out of which 7,600 Km is coast line. Distractions should be removed. There is a need to address human security. India must inculcate congenial environment which requires hard work, self-discipline and good social environment.

For good governance we must follow four principles as given below :-

- To bring super-power India into vision.
- There should be unity of purpose.
- Disciplined mind and body should be given a priority.
- Learning to live in a spiritual way.

Glaring stake for India's security is J&K problem, Siachen Glacier issue, India-China drift, cross-border terrorism, military, counter-insurgency in the NE states and Nuclear developments.