Chapter - VIII

Summary of Findings, Suggestions and Conclusion
SUMMARY OF FINDINGS, SUGGESTIONS AND CONCLUSION

I. BACKGROUND

A company’s strategy is management’s game plan for growing the business, staking out a market position, attracting and pleasing customers, competing successfully, conducting operations, and achieving targeted objectives. A company’s strategy thus indicates the choices its managers have made about how to attract and please customers, how to respond to changing market conditions, how to compete successfully, how to grow the business, how to manage each functional piece of the business and develop the needed capabilities, and how to achieve performance targets.

Jim Fisk & Robert Barron in The Official MBA Handbook state that "Strategy is a way of comparing your organization's strengths with the changing environment in order to get an idea of how best to compete or serve client needs."

The strategic management process entails: examining the organization's critical issues determining how the organization's strengths and skills can be employed to address the critical issues analyzing opportunities and strengths and looking for ways to synthesize the two exploring and choosing the best approaches for the organization.

Strategies are formed at three levels in an organization, namely, Corporate level, Business level and Functional level.

Corporate level strategies are concerned with the fundamental question of what business the company is in (or should be in) and how its resources are going to be deployed among a mix of distinct businesses that belong to several industries or product markets, so that synergies between them could be realised to maximise the shareholders’ value.
Business level strategies are, Cost leadership, Differentiation, Focus based on lowest cost, Focus based on differentiation and Best cost provider strategy. These strategies are also called generic strategies.

Functional level strategies are short term strategies, say, from 1 to 2 years, followed at the level of various functions/departments which are in conformity with business level strategies. Functions carried on in any business can be generally stated as, Production and operations, Marketing, Technology up gradation, Quality improvement, Finance, and Human Resource Development.

Appraising a company’s resource strengths and weaknesses and its external opportunities and threats, commonly known SWOT analysis, provides a good overview of whether its overall situation is fundamentally healthy or unhealthy. SWOT analysis provides the basis for crafting a strategy that capitalizes on the company’s resources, aims squarely at capturing the company’s best opportunities, and defends against the threats to its well-being.

There is dearth of sufficient research in the area of Strategic Management and appreciating the critical need for such research in the changing Indian context, with globalization and liberalization, the researcher has made an attempt to identify and analyse the management practices of a cross section of the public companies in Coimbatore District, Tamilnadu.

The objectives of the research study have been outlined mentioned below:

1. To Study the important Corporate Level Strategies followed by public companies located in Coimbatore District, Tamilnadu during 1996-2005.
2. To identify the important Business Level Strategies followed by public companies located in Coimbatore District, Tamilnadu during 1996-2005.
3. To find out the important Functional Level Strategies followed by public companies located in Coimbatore District, Tamilnadu during 1996-2005.
4. To ascertain the important Opportunities, Threats, Strengths and Weaknesses posed by the industry to the public companies located in Coimbatore District, Tamilnadu during 1996-2005.

5. To analyse the relevance of the strategic management practices followed by the public companies located in Coimbatore District, Tamilnadu during 1996-2005.


7. To offer suggestions based on the findings made

The research study analysed the strategic management practices of public companies located in Coimbatore District, Tamilnadu and covered the public companies which either manufacture or trade in goods. Public companies which are rendering services like financial companies, hotels, theme parks, resorts, construction companies, consultancy companies, transport companies, laboratories, travel agency companies, software service companies, companies carrying on the business of farms and orchards and marketing services were excluded from the purview of the study.

This research study is concerned with only Strategy Analysis and Strategy Formulation. Strategy Implementation, Evaluation and Control were not covered in this study. This research study does not give a distinct attention to international strategy.

Indian government has unleashed the liberalization policy from the year 1991 and progressively many restrictive policy measures have been withdrawn. An important event in the liberalisation and globalization policy making was the coming into operation of the World Trade Organisation with effect from the year 1995.
Corporate India was slow in responding to the open economic policies of the Government. But during the last five years, the Indian companies have geared up to face the challenges and exploit the opportunities. These developments have started reflecting in the strategies of the companies in India during the last decade. In order to study the trend in the strategies followed by the public companies, the researcher has chosen to divide the ten year period of study into two periods of five years each, namely, 1996-2000 and 2001-2005.

The Questionnaire used for the research study has been designed to capture the data relating to Corporate, Business and Functional level strategies of public companies in Coimbatore District for a ten year period from 1996 to 2005, divided into two periods of five years each, that is, 1996-2000 and 2001-2005.

The Questionnaire has been divided into the following four sections:

- Section I Part A Corporate Level Strategies
- Section I Part B Business Level Strategies
- Section I Part C Functional Level Strategies
- Section II Part A Opportunities and Threats-Industry
- Section II Part B Opportunities and Threats-Company
- Section III Part A Strengths and Weaknesses-Industry
- Section III Part B Strengths and Weaknesses-Company
- Section IV Financial Information

The Questionnaire was pre-tested by the researcher by personally observing the filling up of the questionnaire by five representatives of selected companies in Coimbatore and the questions were then modified based on the interactions with those representatives.
Secondary data sources were used wherever necessary to collect financial data and corporate information for the purpose of computing multiple regression and the compilation of the Profiles of Companies.

The following research tools have been used in this research study for analyzing the data collected:

1. Simple Percentage Analysis
2. Wilcoxon Signed Ranks Test
3. Multiple Regression
4. Quadrant Analysis
5. Gap Analysis
6. Bar Charts

Analysis of the data collected through the survey have revealed the following results for the five hypotheses set for the research study:

1. There was significant difference between the Corporate Level strategies followed by the public companies in Coimbatore District between the periods 1996-2000 and 2001-2005.

2. There was significant difference between the Business Level strategies followed by the public companies in Coimbatore District between the periods 1996-2000 and 2001-2005.

3. There was significant difference between the Functional Level strategies followed by the public companies in Coimbatore District between the periods 1996-2000 and 2001-2005.

4. There was significant difference between the Opportunities and Threats posed by the Industry to the public companies in Coimbatore District between the periods 1996-2000 and 2001-2005.
5. There was significant difference between the Strengths and Weaknesses posed by the Industry to the public companies in Coimbatore District between the periods 1996-2000 and 2001-2005.

**FININDINGS OF THE STUDY**

A capsule of the findings of the study are furnished in the following paragraphs.

I. **Important Strategic Management Practices followed**

1. **Corporate Level Strategies**

   1. It has been found that Market Penetration, Market Development and Product Development strategies were the most dominant Corporate Level Strategies during the periods of study namely, 1996-2000 and 2001-2005.

   2. The important reason stated during both the periods of study for forward integration was to take advantage of the growth of the industry.

   3. The important reasons stated for Backward Integration during 1996-2000 were supply of raw materials at stable prices regularly and in time. During 2001-2005 the most important reason stated was improving the competitive advantage.

   4. The reason for Horizontal Integration has undergone change from between 1996-2000 and 2001-2005. During both the periods, ability to manage has been the major reason for going in for Horizontal Integration. The other important reasons were Improvement in Market Share and Growing Market.

   5. The major reasons for Market Penetration during the two periods have been stated to be that there was unsatisfied demand and that the respondents believed that the usage rate of the existing customers could be increased.

   6. The companies generally stated that the Demand for the Company’s products were not fully met and that market demand was growing rapidly. These were
the two major reasons for Market Development strategy during the periods under study. 70 per cent of the respondents felt that market demand was expanding rapidly.

7. The companies have stated that, during 1996-2000 and 2001-2005, Product Development strategy was followed mainly because of the Good Brand Image of the respondents. Change in the Technology coupled with the Strong R&D capabilities seemed to be the other reasons for Product Development strategy.

8. There were practically no takers for Concentric Diversification during the periods of study.

9. There were practically no takers for Conglomerate Diversification during the periods of study.

10. There were practically no takers for Horizontal Diversification during the periods of study.

11. There was not much of an enthusiasm in Joint Ventures among the companies surveyed. Compared to 1996-2000, during 2001-2005 the respondents have entered into more Joint Ventures.

2. Business Level Strategies

12. The study revealed that Focus was the favourite business level strategy during 1996-2000. During the next period, Differentiation was equally preferred along with Focus.

13. The major action plans during 1996-2000 to achieve Cost Leadership had been Improving Productivity, Downsizing Excess Labour, Reduction of Overheads and Quality improvement. During 2001-2005, Downsizing the Excess Labour has taken a backseat and instead concentration had been given on Expansion of Productive Capacity.
14. It is interesting to note that timely supply, brand image and product features were the action plans towards differentiation strategy during 1996-2000. Matching customers’ tastes and delivery time had gained importance, in addition to these factors, during 2001-2005.

3. Functional Level Strategies

15. Most of the companies followed production related functional strategies in preference to the other functional strategies, during the period of study. Production and Operations, Quality Improvement and Technology Upgradation have taken the centre-stage of the Functional Strategies during both the periods under study.

16. Brand differentiation and New Distribution Channels were the methods followed during the period 1996-2000 to convert non-users of the company’s products to use their products. During 2001-2005, in addition to these methods, Sales Promotion has been stepped up by the companies for the purpose of conversion of non-users into users of the company’s products.

17. Price incentives and improved after sales service were the leading methods followed during the two periods of study for encouraging the existing customers to buy more.

18. During the period 1996-2000, the most important methods followed for selling the existing products of the company in new markets were through Exports and Regional Expansion. But during the next period namely, 2001-2005, in addition to exports, national expansion and new market segmentation had been resorted to by the companies surveyed.

19. The companies surveyed resorted to the introduction of diversified products into the existing market rather than trying out new markets during 1996-2000.
However, during the next period, they have also improved their efforts of trying out diversified products into the new markets.

20. The companies have given importance to R&D activities during both the periods of study.

21. It was found that Opting for ISO standards had been the major step for the companies surveyed towards Quality Improvement during both the periods of study.

22. Regarding the strategies on human resources, providing job specific skills training was the most important strategy during both the periods of study.

23. Stepped up R&D efforts, Expansion and Modernisation, Inventory Reduction and Imported Raw materials for better productivity were the strategies followed in Production and Operations during the period 1996-2000. During the next period namely, 2001-2005, the respondents had concentrated on rationalisation of product mix in addition to the strategies followed during 1996-2000.

24. The prominent financial strategies followed by the companies during 1996-2000 and 2001-2005 had been the adoption of Budgets, Budgetary Control, Cost Control and Cost Management practices.

3. Opportunities, Threats, Strengths and Weaknesses in the environment

25. Market size, Market Growth rate and Export Opportunities were considered to be the important opportunities during the periods 1996-2000 and 2001-2005.

26. The most important Industry Threats had been identified as No Entry Barriers, Low Profit Margins, Availability of Substitutes and Competition from Imported Goods during the periods of study. Also during 1996-2000, it had been pointed out that the additional threat had come from consumers who had dictated the prices.
27. Efficient R&D Department, Better Capacity Utilisation and Good Brand Image had been identified as strengths required by the industry during both the periods of study.

28. High direct production costs and Obsolete Technology were the most important industry weaknesses identified by the respondents under both the periods of study.

II. Relevance of Strategic Management Practices

A. Wilcoxon Signed Ranks Test

29. The Wilcoxon Signed Ranks Test showed that the Corporate Level Strategies followed during 2001-2005 were significantly different, at 1% significant level, from those followed during the earlier period namely, 1996-2000.

It was observed that the public companies in Coimbatore District had changed their strategies in tune with the changing business environment.

30. The Wilcoxon Signed Ranks Test showed that the Business Level Strategies followed during 2001-2005 were significantly different, at 5% significant level, from those followed during the earlier period namely, 1996-2000.

It was observed that the public companies in Coimbatore District had changed their business strategies in tune with the changing business environment.

31. The Wilcoxon Signed Ranks Test showed that the Functional Level Strategies followed during 2001-2005 were significantly different, at 1% significant level, from those followed during the earlier period namely, 1996-2000.

It was observed that the public companies in Coimbatore District had changed their functional strategies in tune with the changing business environment.

32. The Wilcoxon Signed Ranks Test showed that the strategies followed by the companies vis-à-vis the Opportunities and Threats posed by the industry
during 2001-2005 were significantly different, at 1% significant level, from those followed during the earlier period namely, 1996-2000.

33. The Wilcoxon Signed Ranks Test showed that the strategies followed by the companies vis-à-vis the Strengths and Weaknesses posed by the industry during 2001-2005 were significantly different, at 1% significant level, from those followed during the earlier period namely, 1996-2000.

B. Quadrant Analysis and Gap Analysis

The findings from Quadrant analysis and Gap analysis for the thirty companies are given below:

**Arya Vaidya Pharmacy (Cbe) Ltd**

34. The company has taken effective steps to thwart the threat from spurious products.

35. The company has not responded well to capitalize the opportunities arising from export market, and the growing domestic market.

36. The company has given more than enough attention with regard to the threat of hostile trade union. The company can save resources by reducing its attention to this area.

**AVP Marketing and Export Ltd**

37. The company has failed to take effective steps to meet the threat from hostile trade union and overcome the weakness of obsolete technology.

38. The company did not take advantage of its market share during 2000 and during the year 2005 the company has made extra efforts to strengthen its market share and spent more resources than warranted.
Chandra Textiles Ltd

39. The company has acted effectively with regard to utilization of capacity and market size. However, it should be careful in not slipping out with regard to export opportunities and exploiting market size.

40. The company has not addressed properly the threat from potential new entrants.

41. The company has given more attention than warranted to overcome the weaknesses of high direct production cost and to differentiate its products. Similarly, it has given more attention to manage its hostile trade union.

Coimbatore Popular Spinning Mills Ltd

42. The company has taken effective steps to utilize the growth in the market and the export opportunities. However, the efforts have to be strengthened with regard to the utilization of the market growth.

43. The company has not done well as far as the utilization of the existing market size.

44. Though, the threat of competition from the existing players due to exit barriers is a low priority area at present, the company has to carefully monitor the developments in this area and respond with adequate strategies if this gains importance in future.

45. The company has paid more than warranted attention in the area of obsolete technology.

Elgi Building Products Ltd

46. The company is in a strong position with regard to market growth rate and export opportunities. However, it has to pay close attention to export opportunities.
47. Obsolete technology is an area where the company has not taken effective steps and the weakness continued during both the periods 1996-2000 and 2001-2005.

48. The industry and the company do not seem to suffer from the problems of substitutes, imported products and dominance of buyers.

**Elgi Electric Industries Ltd**

49. The company has managed to maintain its strength of superior quality of its products, profit margin and value addition in manufacture.

50. Dominance of buyers and exploitation of the existing market and its growth are problem areas for the company.

**Elgi Tread India Ltd**

51. The company has managed well its outsourcing of jobs, employees and brand image.

52. The company seems to be struggling to take advantage of the existing market.

53. Though low value addition in manufacture is not a priority area for the industry and the company at present, it should be carefully managed as this could turn out to be a problem.

54. The company has spent more resources than warranted in taking advantage of the high industrial profit margin.

**Gangotri Textiles Ltd**

55. The company has to carefully manage the threat of high lending rates though at present the company is comfortable. Similar is the case with regard to employee productivity, tax advantages, market size and scope for improved technology.
56. The immediate problem to be looked into is that the suppliers of raw materials and key inputs are dictating the prices.

57. The company has to carefully plan to utilize the market growth rate and manage efficiently the low value of addition in manufacture and low capacity utilization though they are low priority areas at present.

Glenburn Tea Ltd

58. Though the strength relating to employee productivity and the weakness relating to obsolete technology have been managed well at present, the company has to give continuous attention to these areas as otherwise these could be potential problem areas in the future.

59. The company is in a strong position with regard to the export opportunities, scope for improving technology and value addition in manufacture.

60. The company seems to have over stretched in its resources with regard to the problems of substitutes and imported products, dominance of buyers and suppliers and low capacity utilization.

Lakshmi Electric Control System Ltd

61. The company has to continuously monitor its weakness of low profit margin though at present it is managed well. Similar is the case with regard to its current strength in managing the channels of distribution.

62. The company has not taken advantage of the export opportunities available to it.

Lakshmi Machine Works Ltd

63. The company has to seriously look at the utilization of export opportunities.

64. The company has trouble with regard to dealing in standardized products.

65. The company has been concentrating too much on capacity utilization.
Lakshmi Mills Ltd

66. Superior quality of products, employee productivity, export opportunities and low working capital requirement are the company's current favorable points. Also, the company is managing the pressure of low profit margin well at present but this requires continuous attention.

67. The company has to immediately look into the utilization of current market share and seizing the opportunities of the growth of the market.

68. The company seems to have given unduly high attention to managing its hostile trade union.

Lakshmi Ring Travellers (Cbe) Ltd

69. The company's current strengths is employee productivity and it is in an advantageous position with regard to the opportunities available in the growing market.

70. The company has to concentrate on improving the capacity utilization.

71. The company has put in more resources in improving its capacity utilization and devising strategies to face the competition from small scale firms entering into the market.

Nilgiri Monarch Tea Ltd

72. The company has to step up its efforts to compete with its rivals as there are no entry barriers and, manage well its after sales service team.

73. The company is in an advantageous position with regard to the opportunities in market size, market growth, less number of competitors and its strengths are reliable channels of distribution and high profit margin.

Nilgiri Textiles Ltd

76. The problem areas of the company are bad design of the products and lack of exclusive rights such as patents and trade marks.
77. The company is strongly placed with regard to the market growth, scope for improving technology and has good brand image, good after sales service team and good research and development activity.

78. The company was overly concerned about the number of competitors in the market.

Precot Mills Ltd

79. The company’s major problems are low value addition in manufacture and managing its suppliers well.

80. The company is favourably placed with regard to export opportunities.

81. The company seems to have been overly harping on the advantages of its location advantage and spending too much to improve its capacity utilization.

Premier Fine Yarns Ltd

82. The company’s current problem is related to the keen competition from the existing competitors.

83. Though currently, availability of expert manpower is low priority, the company has to be prepared to strengthen this area if the situation changes and this becomes important.

Premier Mills Ltd

84. The company has to give attention to retain its advantageous position of being in a high profit margin industry.

85. The company’s problem is that it is unable to take advantage of its high market share.

86. The company has put in more than required efforts to exploit the export opportunities. Similar is the case with managing the exit barriers to its advantage.
Premier Polytronics Ltd

87. The company's current problem is improving capacity utilization.

88. The company has overspent its resources on export opportunities and on overcoming its problems related to obsolete technology.

Pricol Ltd

89. Current strengths of the company are high profit margin, economies of scale and there is plenty of opportunity for improving technology.

90. The company seems to be spending much time and effort than warranted in capacity utilization and in maintaining the quality of its products.

91. Though product differentiation is not a priority area at present, the company has to gear up to differentiate its products if the need arises.

Rajshree Laminates Ltd

92. The company is in a strong position as far as the number of competitors and the scope for improved technology.

Roots Industries Ltd

93. The threat arising out of the entry of small firms into the industry has to be seriously managed, though at present the company is in a stronger position.

94. The company has improved its strategies between the periods 1996-2000 and 2001-2005. with regard to sales price and capacity utilization.

95. The company has put in more than required resources for managing its dominant buyers and low profit margin.

Roots Multi-clean Ltd

96. The company has smartly restructured its strategies and converted the problem areas of entry from newcomers and under utilization of market size into strengths during the period 2001-2005.
97. The company seems to have overstretched its resources to maintain high industrial profit margin. This requires review.

**Salzer Textiles Ltd**

98. The company has successfully converted its problem of capitalizing of the market growth rate into a strength during the period 2001-2005.

99. The company has to immediately take measure to use the available tax benefits.

100. The company seems to have concentrated more than required in improving employee productivity and competing with the existing losing rivals.

**Sara Elgi Envirotech Ltd**

101. The company has to give attention to the surplus production capacity.

102. The company has concentrated more than required with regard to managing its suppliers.

**Shanti Gears Ltd**

103. The current problem area for the company is competing with powerful competitors.

104. The current strengths of the company are exploitation of market size and economies of scale, low working capital requirement and employee productivity.

105. The company spends resources more than required in bringing down its direct production cost.

**Southern Iron and Steel Company Ltd**

106. The company has to pay immediate attention to utilizing the export opportunities.
Currently the company is in an advantageous position with regard to the market growth rate, government policy and has good brand image and low cost of capital.

Sree Narasimha Textiles Ltd

108. The problem areas for the company are the ease of entry of small firms into the market and the availability of spurious products.

109. The company is in an advantageous position with regard to market size and market growth and has well managed research and development activities and latest technology.

Super Sales Ltd

110. The company has to immediately take measures to exploit the high market share, as the same is a current problem.

111. The company seems to be overspending on the exploitation of market growth rate.

Super Spinning Mills Ltd

112. The company has taken appropriate steps to exploit the opportunities in technology and export. Similarly, the company has taken adequate measures to build its brand image and face the threat arising out of no entry barriers.

113. The company has to give immediate attention to its technology obsolescence, idle production capacity, lower employee productivity and the strengthening of its exclusive rights like patents and trade marks.

III. Impact of Strategic Management Practices

114. There was significant relationship between Opportunities, Threats, Strengths, Weaknesses and Total Assets on the one hand and the performance measured
by Sales on the other hand during the year 2000. These independent variables explained 81.8 per cent of the variation in the Sales during the year 2000.

115. There was significant relationship between Opportunities, Threats, Strengths, Weaknesses and Total Assets on the one hand and Profit Before Depreciation, Interest and Taxes on the other hand during the year 2000. These independent variables explained 62.40 per cent of the variation in Profit Before Depreciation, Interest and Taxes during the year 2000.

116. There was significant relationship between Opportunities, Threats, Strengths, Weaknesses and Total Assets on the one hand and Sales on the other hand during the year 2005. These independent variables explained 79.30.40 per cent of the variation in the Sales during the year 2005.

117. There was significant relationship between Opportunities, Threats, Strengths, Weaknesses and Total Assets on the one hand and Profit Before Depreciation, Interest and Taxes on the other hand during the year 2005. These independent variables explained 69.40 per cent of the variation in Profit Before Depreciation, Interest and Taxes during the year 2005.

SUGGESTIONS

Arya Vaidya Pharmacy (Cbe) Ltd

1. The company is recommended to frame suitable strategies to utilize the growing domestic market and the export opportunities.

2. The company is advised not to spend too much of its resources to trade union problems.

AVP Marketing and Export Ltd

3. The company is required to take effective steps with regard to obsolete technology and trade union problems.
4. The company is suggested to frame suitable strategies so that adequate resources are spent on the exploitation of its market share.

Chandra Textiles Ltd

5. The company has to devise suitable strategies to face the competition from potential new entrants.

6. The company can reduce the allocation of resources to differentiate its products. It can do the same with regard to the management of high direct production cost and trade union problems.

Coimbatore Popular Spinning Mills Ltd

7. The company has to strengthen its efforts with regard to the utilization of its market growth.

8. The company has to carefully monitor the utilization of the opportunities in market size.

9. As the company at present spends more than the required resources on tackling its weakness of obsolete technology, it can reduce its focus to this area and divert the excess resources deployed to other areas.

Elgi Building Products Ltd

10. The company has to pay attention to the export opportunities and the utilization of market growth rate.

11. The company shall plan to modernize its manufacturing operations.

Elgi Electric Industries Ltd

12. The company may enter into long term contracts with its buyers or take other suitable measures to reduce the problems arising out of their dominance.

Elgi Tread India Ltd

13. The company shall take all the necessary steps to improve the value addition of the products manufactured.
14. The company has to devise suitable strategies to utilize the existing market for its products.

Gangotri Textiles Ltd

15. The company shall look for alternative sources of finance to reduce its cost of borrowings.

16. The company shall plan to purchase its raw materials and key inputs at competitive rates by entering into long term contracts, imports or through other suitable methods.

17. The company has to make suitable strategies to improve the value addition of manufacturing, capacity utilization and to exploit the growing market.

Glenburn Tea Ltd

18. The company is suggested to look into its obsolete technology and employee unproductivity.

19. The company can conserve its resources by proper allocation of its resources to manage the substitutes and imported products, low capacity utilization, dominance of buyers and sellers.

Lakshmi Electric Control System Ltd

20. The company is suggested to closely monitor its distribution channels, low profit margin.

21. The company is suggested to take advantage of the export opportunities.

Lakshmi Machine Works Ltd

22. The company is recommended to take steps to utilize the export opportunities available.

23. The company shall try to follow differentiation strategy as it now deals with standardized products and hence faces the resultant problems.
24. The company is recommended to review and reduce its unproductive attention on capacity utilisation.

**Lakshmi Mills Ltd**

25. The company has to attend to its problem areas of high cost of production and sustaining market share on priority basis.

26. The company is recommended to review and reduce its unproductive attention on trade union related problems.

**Lakshmi Ring Travellers (Cbe) Ltd**

27. The company shall take steps to utilize its production capacity fully.

28. The company can divert its excess resources presently allocated for the purpose of competing with small scale firms.

**Nilgiri Monarch Tea Ltd**

29. The company has to step up efforts to compete with rivals as there are no entry barriers and also manage efficiently its after sales service team.

**Nilgiri Textiles Ltd**

30. The company is recommended to improve its product design

31. The company shall be watchful about the developments taking place regarding the number of competitors, substitutes and imported products.

**Precot Mills Ltd**

32. The company shall take appropriate steps to improve the value addition in manufacture and manage its suppliers who are dominant at present.

**Premier Fine Yarns Ltd**

33. The company is suggested to follow differentiation strategy so that its current problems of dealing with standardized products, declining market growth and keen competition from rivals could be adequately answered.
Premier Mills Ltd

34. The company has to retain its advantageous position of being in a high profit margin industry.

35. The company can reduce its resource allocation presently spent for export promotion and managing exit barriers of the industry.

36. The company shall devise strategies to exploit the advantages associated with its high market share.

Premier Polytronics Ltd

37. The company shall pay immediate attention to improve its capacity utilization.

38. The company can conserve its resources now excessively allocated for export opportunities and modernization of technology.

Pricol Ltd

39. The company has to find methods to differentiate its products as and when the need arises.

40. The company shall plan to allocate only the required amount of resource in quality management and capacity utilization.

Rajshree Laminates Ltd

41. The company has to be watchful of managing its suppliers though at present it is a low priority area.

Roots Industries Ltd

42. The threat arising out of the entry of small firms into the industry has to be seriously managed, though at present the company is in a stronger position.

43. The company is suggested to reduce it resource allocation for managing the dominance of buyers and low profit margin.
Roots Multi-clean Ltd

44. The company has to continuously monitor its current strengths relating to better capacity utilization, taking advantage of government policies and protection of its market from new entrants.

45. The company can reduce its resources allocated to maintain high industrial profit margin.

Salzer Textiles Ltd

46. The company can reduce its exposure in managing employee productivity and competing with the existing rivals.

47. The company is advised to take immediate measures to take advantage of the tax benefits available.

Sara Elgi Envirotech Ltd

48. The company has to give attention to the utilization of surplus production capacity.

49. The company is required to reduce its concentration with regard to the managing of its suppliers who are dictating prices etc.

Shanti Gears Ltd

50. The company has to devise innovative strategies to compete with the existing rivals in the market.

51. The company can reduce its concentration in managing its direct production costs.

Southern Iron and Steel Company Ltd

52. The company has to pay immediate attention to the exploiting of the export opportunities.
Sree Narasimha Textiles Ltd

53. The company shall, without loss of time, address the problems faced by the entry of small firms into its market and the availability of spurious products.

Super Sales Ltd

54. The company currently has high market share and the company is suggested to take advantage of the same.

55. The company is recommended to judiciously use its resources in the process of utilizing the market growth.

Super Spinning Mills Ltd

56. The company is recommended to give immediate attention to modernize its technology, find ways to utilize the idle production capacity, improve the lower employee productivity and the strengthening of its exclusive rights like patents and trade marks.

SCOPE FOR FURTHER RESEARCH

The study has made an attempt to identify and analyse the strategic management practices of public companies which manufacture and do trading in goods in Coimbatore District. There is scope for doing further research in the following areas of strategic management, among others:

1. Identification and analysis of the strategic management practices of private companies.

2. Identification and analysis of the strategic management practices of public companies and private companies which render services.

3. Evaluation of the methods followed by the companies in the implementation of their strategies.
4. Ascertain the management control mechanism followed by the companies
to ensure that their strategies proceed on planned lines and would result,
in the long term, in the achievement of their mission.

5. The factors influencing mergers and acquisitions.

6. Strategies followed by companies in the export of their goods and
services.

7. Role of the Government on the strategic moves of the companies.

8. The impact of the strategies on the tastes, preferences and satisfaction level
of the consumers.

9. The strategy making mechanism followed by different companies.

All the above studies can be conducted for the companies in the Coimbatore
district or on an all India basis or on regional basis for different types of industries
separately.

CONCLUSION

Role of strategies and strategic management in the performance of companies
needs no emphasis. The study has brought to light the various strategies followed by
the public companies in Coimbatore District, Tamilnadu during the periods 1996-

The collection of data from the corporate sector in Coimbatore was a
challenging task and the researcher's experience only corroborates what Azhar Kazmi
(1996) and Murthy have stated regarding the complex nature of the discipline,
inaccessibility to and the uncooperative attitude of prospective respondents. Murthy
pointed out that lack of research efforts, non-cooperation from the top management
in Indian industry, a paucity of researchers, and the requirements of multi-disciplinary
skills and considerable business knowledge were the reasons for the lack research in
the field of Business Policy. The researcher's own experience confirms these
difficulties in carrying out this research in Coimbatore corporate sector. However, the research work is satisfying and there is scope for more research in the areas of strategic management mentioned above under scope for further research.

The Study disclosed that the public companies under study have changed their strategies during the two periods of study namely 1996-2000 and 2001-2005, keeping in tune with the changing business environment in Tamilnadu and India. This change in the pattern of the strategies followed by these companies is statistically demonstrated with the help of Wilcoxon Signed Ranks Test, which was carried out separately for Corporate Level, Business Level and Functional Level strategies. Also, the Study has found out that the Opportunities, Threats, Strengths and Weaknesses at the industry level were significantly different for the companies studied during the two periods namely, 1996-2000 and 2001-2005. Regarding the effectiveness of strategy formulation of the companies studied, the study has found that on an overall basis, the performance of the companies as measured by Total Weighted Score (TWS), has improved from 2.62 to 2.82 for Strengths and Weaknesses and from 2.35 to 2.66 for Opportunities and Threats during the period from 1996-2000 to 2001-2005.

Quadrant Analysis and Gap Analysis have been used to illustrate, through scatter diagrams and bar charts, the patterns of Opportunities, Threats, Strengths and Weaknesses followed by the individual companies during the two periods of study, namely, 1996-2000 and 2001-2005. The Study highlighted the current strengths, problem areas, low priority areas and overkill areas for the guidance of the companies.

Multiple regression analysis has been carried out to measure the impact of Opportunities, Threats, Strengths and Weaknesses, combined with the Total Assets
deployed, on the Gross Sales for the two periods, 2000 and 2005. The analysis has shown that the relationships have been significant with $R^2$ values of 81.80 per cent and 79.30 per cent during 2000 and 2005 respectively. Similarly, the multiple regression analysis carried out with Opportunities, Threats, Strengths and Weaknesses, combined with Total Assets, as predictor variables and Profit Before Depreciation, Interest and Taxes, as criterion variable showed that the relationships have been significant with $R^2$ values of 62.40 per cent and 69.40 per cent during 2000 and 2005 respectively. These results showed that the strategies followed by the companies to exploit the Opportunities and Strengths and the overcoming of the Threats and Weaknesses, along with their investments have affected their performance, measured in terms of their Gross Sales and Profit Before Depreciation, Interest and Taxes.

In nutshell, it has been demonstrated that the public companies in Coimbatore were dynamic and changed their strategies in accordance with the changing business environment arising out of liberation and globalization policies. Their performance has also changed in tune with the change in their strategies.

The researcher sincerely believes that this study will help and motivate other researchers in this country to pursue similar researches and these researches would help the Indian corporate sector in sharpening their strategies to achieve competitive advantage.

"IT IS NOT THE STRONGEST OF THE SPECIES THAT SURVIVE, NOR THE MOST INTELLIGENT, BUT THE ONE MOST RESPONSIVE TO CHANGE"

-CHARLES DARWIN