

Exhibit 6–3: Scope and Role of Strategy Types in Strategy Formulation

Strategy	Scope and Role
<i>Directional Strategies</i>	The broadest strategies set the fundamental direction of the organization by establishing a mission for the organization (Who are we?) and providing a vision for the future (What should we be?). In addition, directional strategies specify the organization's values and the broad goals it wants to accomplish.
<i>Adaptive Strategies</i>	These strategies are more specific than directional strategies and provide the primary methods for achieving the vision of the organization – adapting to the environment. These strategies determine the scope of the organization and specify how the organization will expand scope, contract scope, or maintain scope.
<i>Market Entry Strategies</i>	These strategies carry out the expansion of scope and the maintenance of scope strategies through purchase, cooperation, or internal development. These strategies provide methods for access or entry to the market. Market entry strategies are not used for contraction of scope strategies.
<i>Competitive Strategies</i>	Two types of strategies, one that determines an organization's strategic posture and one that positions the organization vis-à-vis other organizations within the market. These strategies are market oriented and best articulate the competitive advantage within the market.
<i>Implementation Strategies</i>	These strategies are the most specific strategies and are directed toward value added service delivery and the value added support areas such as the culture, structure, and strategic resources. In addition, individual organizational units develop action plans that carry out the value added service delivery and value added support strategies.