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STRATEGIC CONVERGENCE IN BUSINESS-A CASE STUDY ANALYSIS

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ABSTRACT

This study contributes to the existing Literature on Strategic Convergence by examining its effective implementation in Corporations and exploring its benefits, challenges, and best practices. The study is of three leading corporations, who have effectively come up with a combination of Strategies and effected Strategic Convergence to effectively optimize their Resources and modify their mindsets to face the challenges of the Macro Environment. The learnings and best practices from these Strategic Convergence exercises have been compared with respect to the unique and distinct Macro Environments to effectively gain an insight into the

Logic, benefits and the changes brought about by these decisions and actions.

Background

Strategic Convergence is a crucial concept in modern business, enabling organizations to achieve success by integrating multiple strategies and approaches.

Purpose:

This study aims to investigate the effective implementation of Strategic Convergence in Corporations, exploring its benefits, challenges, and best practices.

Methodology

A Case Study approach was employed, analyzing three Corporations that have successfully implemented Strategic Convergence. Data was collected through interviews, documents, and Secondary Research.

Findings:

The study reveals that Strategic Convergence leads to improved financial performance, enhanced operational efficiency, and increased market competitiveness. However, challenges such as Cultural, Organizational, and Technological barriers were also identified.

Implications

The study provides recommendations for businesses considering Strategic Convergence, emphasizing the importance of leadership commitment, employee engagement, and Technology adoption.

Limitations

The study's scope is limited to three Case Studies, and future research should explore more Industries and contexts.

Keywords: Strategic Convergence, Business Strategy, Macro Environment, Micro Environment, Corporate Performance, Leadership, Technology

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INTRODUCTION

What is Strategic Convergence and why is it important

After operating successfully for a long period of time, it becomes difficult for a Multi-product Multinational Corporation to categorise itself as a “Service” or a “Product” based organization. Competition, “Sheep Syndrome”, “Jump onto the bandwagon”, are all elements which force the organization on the strategies being hitherto identified and adopted, albeit successfully, modified and repositioned over the years based on the “push-pull” dynamics of the Macro Environment. On a structured and much-needed analysis and brainstorming these strategies, the organization, represented by the Key Strategy Team, and would conclude that, while some Strategies have worked well, others may not have been so rewarding.

Strategic Convergence is the act of putting into operation a process by which a number of identified Strategies are integrated into the System in order to optimize the use of available Resources and minimize the infructuous misuse of Resources and Synergy of the Organisation. Customers are benefitted by Strategic Convergence by understanding the enriched and upgraded Industry norms and Standards and their ability and upgraded knowledge to compare different products and/or Services before making an informed decision.

The highly increasingly Competitive scenario has been evolving and reorienting itself across all the operating Functional Areas over the last decade. New Technologies, New and modified Applications, new and hitherto unharnessed/unidentified Resources have resulted in a Paradigm shift in the operations of Corporations and also in the buying behavioural patterns of customers – both individual and Institutional. This has also forced a continuous re-evaluation and review of all existing and contemplated Strategies. In today’s Competitive and ever-changing world of business, organisations tend to spend more Resources on Strategic Operations. In an increasingly competitive world, there is an increasing tendency to replicate the strategy adopted by perceived successful Market Leaders. This, however, rarely works. The reasons for lower projected vs achieved success rates could be several. Strategic Convergence begins with realization and identification of the crisis’s parameters and indicators, self-introspection and critical analyses of the ongoing strategies, past performance vis-a –vis these strategies, future projections, barriers, identification of new/modified strategies as an outcome of Corporate Brainstorming and converging them during operationalizing. Predictably, the Strategic Convergence would be “Tailor-made”, “Exclusive”, and “Relevant” – resulting in improvement in the efficiency and effectiveness of Operations, Market leadership and presence and a better Business Model.

Brief Overview of the Article

This Article is presented as an Analytical Case Study of three large and well-known Corporations who have, faced with crises in different circumstances and backdrops, opted to resort to Strategic Convergence measures in their own way and effected a substantial Turnaround. The circumstances were different, the needs were varied and muti-pronged but the end results were encouraging.

There were elements of similarity in the strategies, but many aspects were different. The background, input factors and competitiveness in their respective Macro Environments have been mapped onto the Strategic Convergence measures implemented by the respective organisations and the efficacy of such measures were evaluated and compared after establishing a common datum platform for the same.

This study and analysis are meant to be a starting point for further study and Research on the subject as only 3 organisations have been reviewed for the current Research Study.

RESEARCH QUESTION

How can Corporations effectively and efficiently implement Strategic Convergence to achieve success?

LITERATURE REVIEW

Innovation Management

Strategic convergence in innovation management enables firms to integrate technological innovation with business strategy **(Tushman & Anderson, 1997; Eisenhardt & Tabrizi, 1995)**. This integration leads to improved innovation outcomes and competitiveness **(Brown & Eisenhardt, 1995)**. However, the literature also highlights the challenges of balancing exploration and exploitation in innovation management **(March, 1991)**.

Operational Efficiency

Strategic convergence in operational efficiency improves efficiency and reduces costs by integrating operational strategies **(Hayes & Pisano, 1994; Skinner, 1996)**. This integration enables firms to respond to changing market conditions and improve their overall performance **(Stalk &Hout, 1990)**. The literature also emphasizes the importance of lean manufacturing and total quality management in achieving operational efficiency.

Marketing

Strategic convergence in marketing enhances customer experience and loyalty by integrating marketing strategies **(Pine & Gilmore, 1998; Vargo & Lusch, 2004)**. This integration enables firms to create unique customer experiences and build strong relationships with their customers **(Parasuraman, Berry & Zeithaml, 1991)**. The literature also highlights the importance of customer-centricity and customer engagement in marketing strategy **(Kotler & Keller, 2016)**.

Globalization

Strategic convergence in globalization facilitates international expansion by integrating global strategies **(Bartlett & Ghoshal, 1998; Prahalad & Doz, 1999)**. This integration enables firms to respond to changing global market conditions and improve their competitiveness **(Yip, 1992)**. The literature also emphasizes the importance of cultural intelligence and global mindset in global strategy **(Earley & Mosakowski, 2004)**.

Digital Transformation

Strategic convergence in digital transformation enables business transformation by integrating digital technologies **(Kane *et al.* 2015; Bharadwaj *et al.* 2013)**. This integration enables firms to improve their operational efficiency, innovation outcomes, and customer experience **(Venkatraman, 1994)**. The literature also highlights the importance of digital leadership and digital capabilities in digital transformation.

Synthesis

The literature highlights the importance of strategic convergence in achieving competitive advantage across various contexts. However, it also emphasizes the challenges of balancing different strategic priorities and integrating various functional strategies. Future research should explore the contingencies of strategic convergence and its impact on firm performance.

CASE STUDIES ON SUCCESSFUL IMPLEMENTATION OF STRATEGIC CONVERGENCE

Case 1

Name of the Organisation: IBM

Total Assets: USD 28.99 Billion as on 30.9.22

Revenue: USD 57.55 Billion in 2021

No. of Employees: 345,000

Headquartered In: Armonk, New York City, US

Operating In: Over 170 countries

Brief History

IBM started in 1911 as Computing- Tabulating – Recording Company (CTR) in US as a Company formed by the amalgamation of the following Companies:

- The Tabulating Machine Company
- The International Time Recording Company
- The Computing Scale Company
- The Buddy Manufacturing Company

As a resultant consequence of the availability of a wide range of products like weighing equipment, Time Office equipment for attendance and allied collation and reporting data, Computing and data handling equipment and Systems required by Companies in the US during a growing phase of Industrialization, the operations of the Company were increasingly profitable.

The Vision of the first President of the Company, Charles Ranlott Flint, resulted in a number of Strategies which were converged to effectively make the Company a market Leader:

1. Mandatory Training program for all sales personnel
2. Regular 2-way communication with all sales personnel
3. Drawing up a quantifiable and, consequently, measurable, Targets for all

4. Instituting regular Customer feedback programs for the products and Services of the Company
5. Encouraging interaction between the employees in the Matrix for bonding and exchange of constructive productive ideas.

The Company ran into troubled waters during the Great Depression caused by the Stock Market crash of 1929, the collapse of World Trade due to the Smoot-Hawley Tariff, Federal Policies, Bank failures and resultant panic and the collapse of the Money Market. World War II further aggravated the situation.

At the end of World War II, the Company was holding a huge workforce, dwindling Contracts and a bleak future.

Thomas J. Watson, who was appointed as the General Manager, had on his hands a huge demoralized workforce The organization was a 'Decaying Entity". With his experience at the National Cash Register (NCR), came up with a number of Strategies which were converged by him:

- Diversification of the Product lines for covering a very wide range of allied products, services and machinery
- SWOT analysis to identify strong, weak and prospective products and services
- Focused strategies for each of the above based on SWOT analysis
- Motivational program for all employees and their families to stay on in the Company and together bring it back on rails
- Formulate HR Policies
- Sales Budgets for each product and service.
- Explore new Technologies, particularly in Electronics

These turned the Company, named IBM by Watson, from a 'decaying entity' into a vibrant, charge up Company.

Tom Watson, son of Watson joined IBM at the age of 33 as Executive Vice President. Continuing in the footsteps of his illustrious father, he added the following Strategic Convergence steps:

1. Isolate the still profitable, familiar and Revenue earning products and make them available in larger quantities
2. Develop new Technology products of projected mass appeal and usage.

All the above resulted in:

- Augmenting Production capacity and building reserves and surplus without relying fully on Federal or State Funding
- Development of 604 Electronic Calculating Punch – the world's first mass produced and record-selling electronic calculator
- Upscaling the data Processing machines based on requirement of customers and their feedback
- Educating customers, Sales personnel and Technical staff on the Technology of products and Services.

In 1950 IBM emerged as a strong Technology Company in the sphere of Electronic Computing and data Processing. **The Strategic Convergence had paid off.**

The latter part of the last century saw IBM shifting its focus from manufacturing to IT Consulting and Integration Services. By 2015 manufacturing accounted for 10% of the revenues while Services accounted for over 70%.

However, the Company suffered a major setback under the new CEO Virginia Marie 'Ginni' Rometty, when employee morale and connectivity plummeted to an all-time low. Layoffs, 'restructuring', cost cutting, financial cover-ups and inordinately low rate of realization of Revenues from Services resulted in bringing down the image and the financials of the Company. Human Resources were 378,000 in 2018 with the highest number of PhD holders in the Computer Service Industry.

The Company decision makers brainstormed and came up with the following '5 Imperatives' focused on the actual performance:

- Analytics
- Cyber Security
- Cloud Computing
- Social networking
- Mobile Technologies.

The above were integrated into 2 major areas:

- Hybrid Computing
- Artificial Intelligence.

The above Strategic Convergence measures resulted in the Company announcing its first YOY (Year on Year) revenue increase in 2018 – after a gap of 6 years

Lessons Learnt and best Practices

- How to strategically analyse, prioritise key issues of an organization and zero in on apt Strategies
- Develop ongoing monitoring of Environment, Consumer preferences, and synergise organization facilities to meet crisis situations
- Train and motivate Human resources of the organization to identify Long term goals and not focus on only short term goals.

Case 2

Name of the Organisation: Microsoft

Market Capitalisation: USD 3 Trillion

Revenue: USD 245.1 Billion during the Fiscal Year ending 30.6.2024.

Brief History

19-year-old Bill gates and 22-year-old Paul Allen founded Microsoft in 1975 after they met at Lakeside School in Seattle, US. The Company initially focused on personal computing leading to the development of MS-DOS. Microsoft Corporation was officially registered on November 26, 1976.

In 1980, the Company partnered with IBM in establishing MS-DOS as a standard in the growing Personal Computer Industry, which was growing at a very high rate. In 1985, Windows 1.0 was launched with a lot of fanfare and immediate fan following. The upgradation of Windows continues and Windows 11 Version 24H2 is the latest version of Windows,

In 1986 Microsoft went public with a Market Capitalisation of 1% of IBM. The tables have been turned over a period and IBM's Market Capitalization now is 5% that of Microsoft. Microsoft today is the largest Company in the world in this Industry, with a Market Capitalisation of over USD 3 Trillion.

Challenges Faced by Microsoft

1. **Global Competition** –Microsoft has been facing and continues to face stiff competition from not only very large Corporations like Apple, Google, but also a very large number of much smaller in global and local markets. This makes maintaining it's position very daunting.
2. **Macro Environment** –Factors external to the Company, like Statutory and Government Legislations, patent and Copyright guidelines on aspects of data Privacy, Cyber Security, Intellectual Property Rights, Poaching and Data Theft/ misuse are different in different countries. Microsoft has even contemplated pulling out of certain countries under unfavourable commercial and local conditions. However, all these factors are continuing to be unfavorable to Microsoft.
3. **Cultural Differences** – Wide differences in language, culture, social customs, designs, customer preferences, existing Brand Loyalty and marketing Strategies as required to take cognizance of and adequate measures taken for navigating around these.

Strategic Convergence and Implementation

The phenomenal growth and very high success rate of Microsoft has been due to identification of the effective Strategies and Strategic Convergence of these Strategies with the Synergy of the Corporation.

Strategic Convergence has been on the following Strategies:

- Development of user-friendly software for the Computing Domain, starting with Personal Computing with ALTAIR 8800.
- Acquisition of Companies like LinkedIn, Skype, Git-Hub and Activision Blizzard for adding to different strengths of Microsoft.
- Acquisition of Nokia's Devices and Services Division (2011 at USD 7.20 Billion) for augmenting Microsoft's Mobile Hardware capabilities. However, this was later divested.
- LinkedIn was acquired in 2016 at USD 26,2 Billion for integrating Microsoft's Productivity capabilities and Cloud offerings.
- Git Hub was acquired in 2018 at USD 7.5 Billion for consolidating arrangements with Developers, in order to reinforce its Software development and Cloud Computing cutting edge Technologies.
- Skype was acquired in 2017 at USD 8.50 Billion for Outlook and Microsoft Team communication.
- Investment of over USD 1 Billion in Open AI from 2019 to date as AI was perceived as a Strategic Growth and thrust area.
- Licensing Agreement with IBM using the Hardware of IBM and Software developed by Microsoft.
- Educating and empowering all users including individuals and Corporates to achieve more using Microsoft products and Services.

Results, Outcomes and Impact on Markets and Financials

1. The Strategic Convergence of all the Strategies listed hereinbefore catapulted Microsoft from being a start-up Company in a garage in 1975 to the largest Company

in the world in this Industry – making Bill Gates one of the 10 richest persons in the world with a wealth of USD 137.20 Billion, according to Forbes Real Time Billionaires List 2024.

2. The Company has remained the market Leader in the Computer Software Domain for over four Decades now.
3. The growth of Revenue for Microsoft has been 16% in the Fiscal Year ending 30.6.2024 to USD 245.10 Billion. During the period 2020 to 2024, the average annual growth in Revenue has been 14.3%.

Lessons Learnt and Best Practices

The Strategies conceptualized by Microsoft and Strategic Convergence done by Bill Gates from 1975 and by Satya Nadella from 2014 have been done very effectively. This Convergence has transformed the Competitive culture of the organization and made it into a "Growth Mindset" Company. We learn the following from this Strategic Convergence:

1. **Paradigm Shift in Company Culture** – both Bill and Satya emphasized the need to work hard, grow with new ideas, new approaches, innovative Technologies and Applications and view each challenge as an opportunity to learn.
2. **Teamwork and Synergy** – Microsoft was known for an element of competition between persons, teams and groups to establish supremacy. Satya changed this by setting examples in Team Goals, need for Synergy in the Company, complementary work goals and viewing the corporate objective and excellence rather than individual excellence. This is a trail blazer.
3. **Changing the Employee Performance Evaluation System** – Nadella revisited the KPI and KRA system of employees to include a measure of how the employee helped his/her colleagues to achieve their goals and perform better. This created a 2+2=5 effect and revolutionized the concept of Individual Performance Appraisal System. The Company became a "Growth Mindset" culture organization.

All the above are 'Best Practices' which could be incorporated into any organizational Matrix.

Case 3

Name of the Company: Sony Group Corporation

Revenue: Japanese Yen 11.540 trillion

Net Income: Japanese Yen 943.622 billion (FY 2022).

No. of employees: 113,000 (2023)

Total Assets: Japanese Yen 32.041 trillion (2022).

Brief History

Founded in 1946, Sony in Digital Cameras to Nikon and canon. However, it replaced Nintendo as the market Leader in the Console Industry. Sony has had its ups and downs over several decades. It was innovative, introduced revolutionary products, reigned as the market leader in several Consumer products for a very long time = the slid down to being not even in the first three in the same segments. It was, for many years, a Consumer Electronics Giant. Sony has it's significant presence in a very large number of Segments. It is not in the scope of this study to review and analyse all the segments.

In this Study, two Market Segments will be focused on for analyzing the Strategic Convergence measures followed by Sony to combat stiff competition. The Strategic Convergence measures pit in place by Sony, their impact on the Financials and marketing, lessons we can learn and Business Policies which can be adapted by other Companies will be studied. The two Segments have been identified based on their significance and on their contribution to the total profits of the Company.

The Sectors

The two Market Sectors identified by the Researcher are:

- Gaming and Network Services. This includes Play station and Consoles

- Imaging and Semi-Conductor Division. This includes Digital cameras and Camera Sensors.

The Business Areas being reviewed are:

1. Console Gaming
2. Digital cameras

Market Segmentation and Market Positioning

The knowledge and information content level of customers has been rapidly increasing in today's world. The value of goods and Services proposed to be made available to the prospective customer plays a dominant role in weaning away a prospective customer from the Competition and converting him to a loyal customer. However, one Company cannot satisfy the needs and wants of all customers in all the Segments they have a presence in.

Sony has been using STP Principles (Segmentation, Targeting and Positioning) very effectively and converging its strategies to maintain market Dominance and boost Revenue.

The Digital camera Market has been segmented by Sony based on several types of Segmentation.

The significance of reviewing this Segmentation will be clear when we review the Strategic Convergence measures adopted by Sony to retain and improve its Market share in each segment being reviewed:

Product-wise Market Segmentation

Digital Single Lens Reflex cameras (DSLR): these are very expensive and bulky but have a lot of flexibility and a large number of uses. They have advanced features like Image Sensors and can be used very effectively by Professionals. Market Leaders are Canon and Nikon.

Compact Digital cameras: these are very simple to use, have less features than DSLRs -, less in size and weight but can be used by amateurs. They are also known as "Point and Shoot" cameras. The Market Leaders in this are Panasonic, Sony, Canon and Fujifilms.

Mirrorless cameras with Interchangeable Lens: these cameras do not have viewfinders and are much smaller cheaper and can be used by anybody = from first-time users to seasoned professionals. Market Leaders in this are Olympus, Panasonic and Fujifilm.

Segmentation by User Profile

a) **Professional**: Professional Cameras are used by professional photographers in the areas of Wild Life photography, making Reels, Fashion Photography, Press Photography, Events and Festival based photography. These cameras are multi-functional, loaded with features, use the latest Technology, are weatherproof and boast of a very high resolution. Market Leaders in this are Canon and Nikon.
b) **Personal**: Personal Cameras are smaller, cheaper, less bulky and can be used by amateurs. They produce good quality photographs. Users in this segment prefer Digital and mirrorless cameras rather than DSLRs. Sony is the market Leader in this segment,

Market Segmentation for Gaming Consoles

Market Segmentation for these can be according to the following:

a) **Geographic Segmentation**: China leads in this, followed by US, Japan, Europe and the UK.
b) **Age Segmentation**: Sony initially launched the product for children in the age group 12 to 17. This was later extended to older College going students as well.
c) **Behavioural Segmentation**: Brand Loyalty, the ability to play the newly launched Video Games from pre-possessed Sony Video Consoles was taken into account by Sony while following this segmentation.

Market Positioning

Sony cameras have been strategically positioned as a high quality – economically priced range of consumer Electronics products to be used by everyone. In spite of this, Sony is not a market Leader in the overall segment of Cameras because of unavailability of full range of Complementary Products i.e. Lenses.

However, in the segment of Gaming Consoles and Video Games, it is an undisputed market Leader, because of the ready availability of all required Complementary products.

Strategic Convergence Measures of Sony

A) **Console Gaming**: In this highly Competitive market, Nintendo and Microsoft are the two main large Competitors. In addition to these, there are a large number of smaller local players. The market is saturated. The Strategy Convergence measures adopted by Sony are:
   - Launching New and Technologically advanced products in quick succession.
   - Launching Innovative Products
   - Adding new features like Killer Games, Serials like Final Fantasy etc.
   - Not adding to the price structure
   - Encouraging users to retain their old models and synchronizing with new
   - Launching versions which can read, write and view older Formats and enable users to retain them for a longer period.

B) **Digital Cameras**: Mobile Phones have posed a serious threat to Digital Cameras. – both DSLR as well as mirrorless cameras. Casual amateur photographers prefer Mobile phones as they are the main means of communication are are loaded with very advanced photographic instruments with a very wide array of automation, precision and convenience. However, professional and the slightly experienced photographers prefer either mirrorless or DSLR cameras. This is substantiated by the steady growth in the sale of these Cameras in spite of a continuous upgradation in the camera part of Mobile phones.

Sony has affected Strategic Convergence in the following ways:

- Concentrating on Digital Cameras, adding advanced developed Technological features, improving resolution, upgrading speed of photography and others.
- Boosting Advertising and Sales Promotion Campaigns to improve the SONY visibility and availability of high-quality products using the latest Technology at an affordable price.
- Developing and launching many models to suit different Demographic segments in terms of age, purchasing power, tastes, geographic areas.

- Anticipating the high bargaining power of buyers and suppliers and developing a Supply Chain with Backward, Forward and Vertical Integration.
- Develop a large group of sub-vendors and Retail outlets which would be fully dependent on Sony
- Taking concrete Customer Relationship Management (CRM) measures to improve Brand Loyalty.
- Focusing on high quality reduced us of Resources and their cost inputs, producing to Economies of Scale, implementing superior and sustainable marketing Strategies, thus setting up very high Entry Barriers.

All the above were instrumental in Sony being rated 10th as "The Most Loved Company In The World" by Forbes in 2017.

ANALYSIS AND DISCUSSION

A Comparative Analysis of the 3 Case Studies

On a comparison of the different Strategic Convergence measures adopted by the three large Companies reviewed in this Analysis, we find the following common Themes:

- Strategic Convergence measures were required to be adopted in the face of competition.
- Corporate Culture changes required a Paradigm shift necessitating Strategic Convergence measures.
- Marketing mix, Segmentation and Positioning Strategies had to be converged in all cases for an effective measure.
- The Strategic Convergence measures resulted in increased visibility, Improvement in Revenues and meeting Competitor challenges.
- Market dominance and Leadership was affected through Strategic Convergence.

However, there are a number of significant differences in the Strategic Convergence measures adopted by the three Organisations:

1. IBM stressed on high- end Technology, developed new unique products which were user-friendly, educated the sales personnel and the customers on the technical aspects of the products, focused on Customer feedback, identified most fast-selling products and boosted the Employee Morale when it was at an all-time low. The also identified exclusive Imperative areas to focus on.
2. Microsoft bought over Companies which could boost their business in identified areas, identified Computer Software development as its Core area, tied-up with IBM to use their Software on IBM hardware, developed MS-DOS first, made it the most used Software, followed it up with the Windows Operating Systems and developed it from !.0 to 11.0 in stages, It also revolutionized the Employee Performance Appraisal System to recognize and reward Teamwork instead of personal excellence, formed Teams of employees to improve results in all fields. These helped the Company to remain the Market Leader for Decades.
3. Sony did not dissipate its Resources into a large number of segments. It kept on relentlessly upgrading its Technology, added new features, introduced new models, developed a full range of Complementary products, kept the customers in mind while developing new and upgraded products so that customers were not required to dispense with their older Sony products while being able to use the upgraded/new products. Thus, it was able to remain the market Leader in gaming Consoles and one of the leading players in the Digital Cameras Segment.

Challenges and Limitations of Strategic Convergence

Strategic Convergence is a very wide area. It varies from one organization to another, from one Product/Service to another, from one country to another, and, most significantly, from one Macro Environment to another. The challenges and limitations could be based on:

- **Cultural Factors**: These Cultural factors, discussed in this analysis, are of vital significance in the case of organisations operating across a large number of geographic areas like cities and/or countries which have totally different cultures, tastes, requirements and preferences, along with entry barriers on the bases of Cultures.

- **Organisational Factors**: The organization matrix, decision making Team, background and philosophy of the organization, Vision and mission of the organization, the geographical spread of the organisation's decision makers and the Corporate Culture of the organization have a very strong impact on the Strategic Convergence measures of the organization.
- **Technological Factors**: In the case of organisations dealing with Products/ Services based on Technology, Strategic Convergence is always based on New Technologies, Upgradation of Technology, high rate of Obsolescence, infatuation of users with similar competing Products/Services, replication of the technology and producing much cheaper Products/ Service by small local players and large Competitors investing in the Research and Development areas of Technology to come up with new/ upgraded Products/ Services at competitive prices and improved availability. The cost of such Strategic Convergence measures is bound to be higher, so Economies of Scale determines the Strategic Convergence measures to a large extent.

Recommendations for Effective Strategic Convergence

Effective Strategic Convergence can be affected by combining the following time-tested approaches and measures:

1. Identifying the operationally strategic domains, fathoming the Synergy of the organization and take advantage of inter-dependence of these domains. Thus, it is necessary to integrate these domains, dispense with localized interaction, set, locate and recognize attainment of domain excellence through interaction, encourage Teamwork, recognize and reward excellence both for Teams as well as for individuals. Interpersonal as well as intrapersonal interaction is required to be promoted along with monitored and planned Social Networking.
2. Facilitate Collaboration, Innovation, combine Knowledge with Technology, even though the Company may not be a Technology-based organization.
3. Optimise Bottom-up work, particularly Research and Development, with Top down Strategy decisions, improve Networking in all the axes, identify problems and put into operation cause and Effect System patterns.

4. Encourage Knowledge and Technology Transfer, Cross-Functioning, Open lines of communication among all Stakeholders, generate Strategies and discuss consequences before operationalizing.
5. Proactive approach to problem identification, Crisis management, Firefighting and problem solving.
6. Encourage market and Financial Research, Long-Term approach to Challenges, Business Strategy Workshops and Meets and detailed Lost-Order Analysis brainstorming.

Limitations of the Study and Future Research Directions

This Study has been limited to only 3 Companies. Consequently, the study is limited to three Companies which are primarily Product based. It is desirable to extend this study to Companies which are either Service- based or have a mix of Products and Services. This will enrich the analysis and provide more directions in this regard.

CONCLUSION

Summary of Key Findings and Highlights

This Study is intended to understand the concept of Strategic Convergence in Business. Any business in any country is always required to face competition in some form or other. The Company maybe a new entrant, in which case it will be required to surmount the Entry Barriers and face the existing Competition and also competition from new perspective competitors who also jump on the bandwagon. In case the Company is already in the market, it will have to retain or improve its market presence and consequent Market Share. Irrespective of the type of Competition, Strategy identification and subsequent Strategic Convergence is required to be implemented. To strategically transform a Business in the face of challenges, change in the perception needs of Customers, both existing as well as prospective, disruption in status of Integration, disruption in either or both Micro and macro-environment, it is necessary to review existing Strategies and Converge Strategies. This involves a need to forge alliances, partnerships and off-core relationships. This helps the organization to operate with enhanced varied flexibility, more effective and pertinent communication and operationalize more innovations for more opportunities.

The review and analysis of the three large organisations operating globally across all the continents for decades show that, in times of need and crises, each of these Companies faced different issues. However, Strategic Convergence helped them not only to face the adverse situations, but also improve their Operating conditions including but not limited to Revenues, Profits, Market presence and dominance and Human Resource Motivation and work conditions.

Reiteration of the Importance of Strategic Convergence in Business

To strategically transform a Business in the face of challenges, change in the perception needs of Customers, both existing as well as prospective, disruption in status of Integration, disruption in either or both Micro and macro-environment, it is necessary to review existing Strategies and Converge Strategies. This involves a need to forge alliances, partnerships and off-core relationships. This helps the organization to operate with enhanced varied flexibility, more effective and pertinent communication and operationalize more innovations for more opportunities.

Final Thoughts and Recommendations for Corporations considering Strategic Convergence

Strategic Convergence allows Businesses to analyse existing business practices, review crises, identify Strategies which should work, come up with new Strategies and fall back on the Synergies of the Company to converge the selected Strategies. This helps to avoid copying other apparently successful businesses and establish norms for the industry – which can possibly be adopted by other businesses.

Through this Article the researcher has analysed the circumstances under which each of the three large organisations, viz IBM, Microsoft and Sony have followed Strategic Convergence measures under different sets of crises. The crises were multi-dimensional and across a matrix of Domains.

Businesses can study the three case Studies presented in this Article and relate any or all of these to their own businesses in order to formulate a set of relevant Strategies to converge and reap the benefits thereof on implementation.

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