ORGANIZATIONAL INERTIA AT XEROX: A STRATEGIC IMPEDIMENT

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Abstract:

Strategy involves creating plans through alternative courses of action, with a view to implementing it in future, so as to be able to synchronise with the changing environment. Strategy can give results only after it is followed with considerable consistency. In other words, a strategy needs to be complied with for a reasonable time, in order to get desired results. A corporate strategy considers this long term perspective and configures the actions to achieve the desired objectives. Sometimes, it is seen that strategy, in reacting to the short term needs, misses its long term objectives; and one wonders why the company exits at all. At other times, when a company focuses on the long term goals and misses its short term obligations, it threatens its own existence. In both cases, the need for a strategic change becomes imperative. This case highlights a crisis-driven strategy that brings in flexibility in the organisation, which holds the potential to aid strategic planning, explain approach to strategy, and overcome the organisational inertia; as well as to indicate the idiosyncrasies that exist in achieving the turnaround objectives. This loosening of organisational inertia is essential to bring in flexibility for change as is highlighted in this case of Xerox Corporation that found internally two turnaround CEOs, both of whom happen to be women.

Topics:

Turnaround; Crisis; CEO; Inertia; Change; Strategy

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