



## UNIT-2

### 2.15 MATRIX SELECTION

"Matrix Selection" generally refers to the process of choosing the most appropriate matrix or framework for analyzing a specific strategic issue or making strategic decisions within an organization. The selection of the right matrix depends on various factors, including the nature of the problem, the type of industry, the strategic objectives, and the available data. Here's a step-by-step guide to help in selecting the appropriate matrix:

#### **Step 1: Define the Strategic Issue or Decision**

- Clearly articulate the strategic problem or decision that needs to be addressed.
- Understand the specific context, objectives, and constraints associated with the issue.

#### **Step 2: Identify Relevant Factors and Criteria**

- Determine the key factors and criteria that are essential for analyzing the strategic issue.
- Consider both internal and external factors, such as market dynamics, industry trends, organizational capabilities, and competitive landscape.

#### **Step 3: Evaluate Available Matrices and Frameworks**

- Review various strategic management matrices and frameworks to identify potential options.
- Consider well-established models like SWOT analysis, Porter's Five Forces, BCG Matrix, GE/McKinsey Matrix, Ansoff Matrix, or Value Chain Analysis.

#### **Step 4: Match Matrices with Criteria**

- Assess each matrix against the identified factors and criteria to determine its suitability.
- Evaluate how well each matrix aligns with the specific characteristics of the strategic issue or decision.

#### **Step 5: Consider Data Availability and Analytical Requirements**

- Determine the availability and reliability of data required for applying each matrix.
- Consider the analytical complexity and resources needed to implement the chosen matrix effectively.



## Step 6: Evaluate Practicality and Feasibility

- Assess the practicality and feasibility of applying each matrix within the organizational context.
- Consider factors such as time constraints, resource availability, and organizational culture.

## Step 7: Select the Most Appropriate Matrix

- Based on the evaluation, choose the matrix that best meets the criteria and requirements identified in the previous steps.
- Ensure that the selected matrix provides actionable insights and supports informed decision-making.

## Step 8: Validate and Refine Selection

- Validate the chosen matrix with key stakeholders and subject matter experts.
- Solicit feedback and suggestions for refining the selection process if necessary.

## Step 9: Implement and Monitor

- Implement the selected matrix to analyze the strategic issue or decision.
- Monitor the results and outcomes to assess the effectiveness of the chosen approach.

## Example Application

**Strategic Issue:** Assessing market entry strategies for a new product.

**Factors and Criteria:** Market size, competitive intensity, regulatory environment, organizational capabilities, financial resources.

**Matrices Considered:** Ansoff Matrix, Porter's Five Forces, SWOT analysis.

**Selection:** Ansoff Matrix is chosen for its focus on market expansion strategies and alignment with the specific objective of evaluating market entry options.

**Implementation:** Apply the Ansoff Matrix to analyze market penetration, market development, product development, and diversification strategies for the new product.

## Conclusion

Matrix selection is a critical aspect of strategic management, as it determines the framework for analyzing and addressing complex business challenges. By following a systematic approach and considering relevant factors, organizations can choose the most



appropriate matrix that provides valuable insights and facilitates effective decision-making.