FORMULATING BUSINESS STRATEGY: A CASE OF TUTORING AGENCY IN INDONESIA

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Abstract: PT. XYZ Indonesia is a holding company with a collection of thebusiness unit that has a primary focus on education. One of their business units is XYZthat is an education consultant or tutoring agency. The main problem faced by XYZ is their target revenue in 2017 has not been reached or only 70% realization of total target revenue. In this research, use strategic management process to formulate appropriate strategies for XYZin order to achieve their target. Primary and secondary data collection techniques consisting of aquestionnaire, interview, research internet, document review, and company report. This research results in 9 strategies to increase their sales and market shares including corporate, business, and functional level strategy. The implementation plan of the new proposed strategies implemented by its priority to solve the issues. Suggestion for subsequent research was to add other tools in the environmental scanning and strategy formulation phase to deepen the analysis result. Also can use another performance management framework to evaluate the strategies.

Keywords: *tutoring agency, education, strategy, strategic management process.*

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PT. XYZ Indonesia is a holding company with a collection of companies that have a primary focus on education. Currently PT. XYZ already has several subsidiaries such as XYZ which is the core business, ABC School (Elementary, Junior, and Senior High School) and XYZ cafe and co-working space.

The unit that will be the focus of the analysis is XYZ as an Education Consultant or tutoringagency. The author focuses on strategic management process approach to achieve their target, pursues strategic competitiveness and earns the above-average return. These analyses are completed to identify opportunities and threats in the external environment and identify strength and weakness in the internal environment. External and internal environment analysis as strategic inputs for choosing one or more strategies and deciding how to implement them.

METHODS

Conceptual Framework

XYZ needs to have the right strategies to achieve their target which can only be reached when the company successfully formulates and implements a value-creating strategy.In order to achieve company objective, pursue strategic competitiveness, and earn an above-average return, the author combines the strategic management process from (Hitt, Ireland, & Hoskisson, 2011), (Wheelen & Hunger, 2012), and (David, 2011). Strategic man-

agement process is a process of managerial decisions and actions that determine the long-run performance of a corporation (Wheelen & Hunger, 2012). Figure 1shows the step by step of strategic management process that consists of environmental scanning, strategy formulation, strategy implementation, and strategy evaluation.

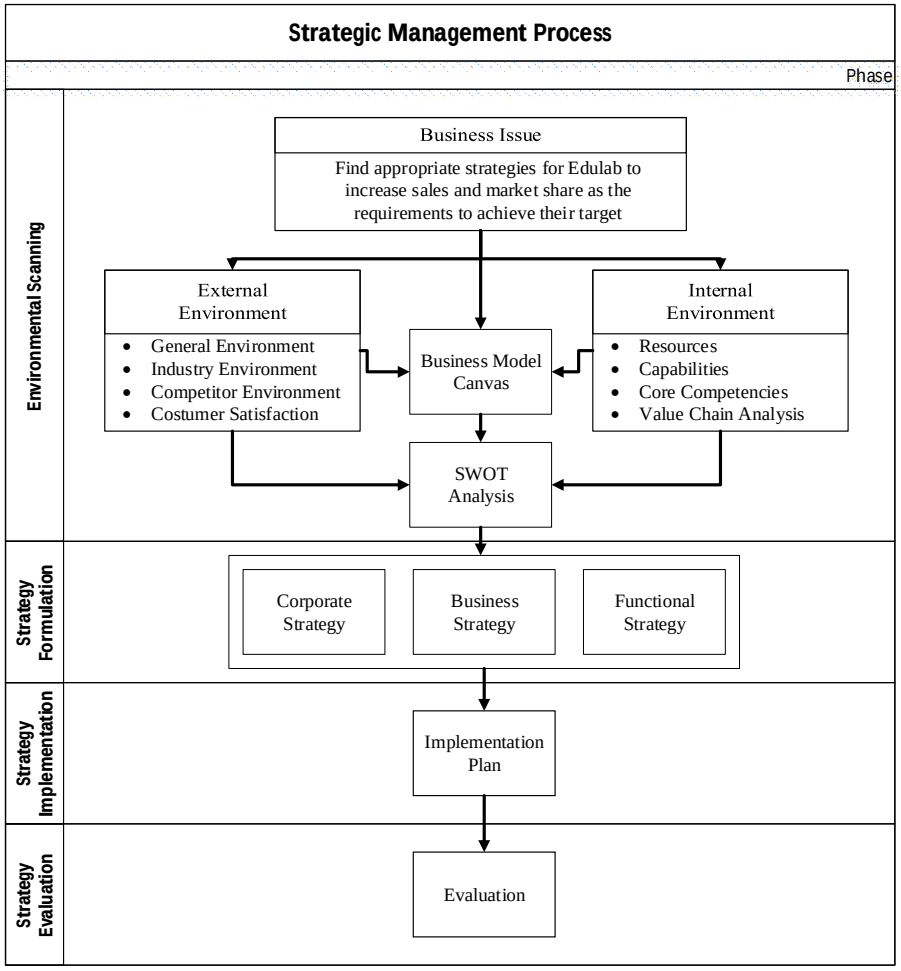


Figure 1 Conceptual Framework of Strategic Management Process

The environmental scanning is the first step in strategic management process consists of external environment analysis, internal environment analysis, and business model canvas. Furthermore, the most important factors from this analysis that influenced company business will be summarized in SWOT.

The second step is strategy formulation, often referred to as strategic planning or long-range planning, and is concerned with developing a corporation's missions, objectives, strategies, and policies. It begins with situation analysis: the process of finding a strategic fit between external opportunities and internal strengths while working around external threats and internal weaknesses.

The third step is strategy implementation shows the total of activities and choices required for the execution of a strategic plan. This process put the

objective, strategies, and policies to an action by developing program, budget, and procedure.

The last step is strategy evaluation. The evaluation ensures that a company is achieving what it set out to accomplish. It compares performance with desired results and provides the feedback necessary for management to evaluate results and take corrective action, as needed.

METHOD OF DATA COLLECTION

After defining the problems and research objectives, the authoruses several methodologies in conducting this research, as the purpose of this research is to identify internal and external environments that affect business performance in order to solve XYZ's problem and determine the suitable strategies, implementation, and evaluation for XYZ.

Based on the purpose, this research included in applied research because this research aimed to obtain information that could be used to solve problems in the organization. Based on methodology type, this research included in caseof study research because it was done in a particular organization and aimed to analyze and interpret the uniqueness of the individual and situation in the organization.

Primary and secondary data analysis are conducted in this research through several sources and tools as a source of data. Secondary data obtained from literature studies using books, researching the internet, Badan Pusat Statistik (BPS), Kemendikbud publication, and company reports. Also, theauthoruses secondary data from an employee survey conducted by XYZ via an online questionnaire. The sample unit is XYZ's employee with sample size 181 employee from 221 total employees per 1 October 2017. The sample employee consists of 91 teachers, 63 branch management, and 27 central management.

In order to complement secondary data, mixed research approaches are also used by the author to collect primary data by using both of qualitative and quantitative approach. When collecting primary data, author use survey research approaches through instrument questionnaire and interview. Questionnaire instrument used to determine the customer satisfaction and interview as an instrument to gather information about the internal situation in the company by asking the employee.

For customer satisfaction survey through aquestionnaire, the population is the total number of XYZ student. They are finite and consists of 3,402 students. For asample, theauthoruses nonprobability convenience sampling to select the easiest population members from which to obtain information because they are willing and available to be studied. The sample unit is XYZ students. The sample size is 150 students. To determine the sample size, theauthorusessolving formula with a margin of error 8%.Which mean the number of samples needed is:

$$n = \frac{N}{1 + Ne^2} = \frac{3402}{3402(0.08)^2} = 149.5 \cong 150\, students$$

n = *samplesize*
N = *Population*
e = *margin of error*

Environmental Scanning or Business Situation Analysis

The first step in strategic management process is environmental scanning or also known as business situation analysis. This phaseconsists of external environment, internal environment, business model canvas, and summarized in SWOT analysis. The external analysis consists of general environments, industrial environments, competitor analysis, and customer satisfaction analysis. For internal analysis, an author uses resource-based view and value chain analysis.

The general environment is composed of dimension in the broader society that influences an industry and the firms within it. Below Table 1. General Environment analysis summary that might impact education industry.

An industry's profit potential is a function of Porter five forces of competition: the threats posed by new entrants, the power of suppliers, the power of buyers, product substitutes, and the intensity of rivalry among competitors. Below Table 2. Five porter analysis of education consultant industry. 1 meaning strongly disagree and 5 meaning strongly agree.

Table 1 General Environment analysis summary

Factors	Description
Political	- Potential regulation of UN will be abolished in the year of 2017 - Admission regulation of new student at state universitiesimpacting competition for the entrance exam to a state university is getting higher
Demographic	- The population of Indonesia increases 3 million every year- Provinces that has the highest number of high school student
Economic	- Low B.I 7 day repo rate around 4.5%- A stable inflation rate that measured by consumer price index.- The province with high growth GRDP per capita
Physical	- Provinces that have a high amount of tutoring institution- Distribution of uneven tutoring institution
Sociocultural	- The province with high human development index (HDI)- School participation rate from High school and college
Global	- Establishment of ASEAN economic society (AEC) in 2015
Technological	- Technology changes rapidly- Technology that can change teaching and learning process

(Source: author analysis)

Table 2 Five porter analysis of education consultant industry

Forces	Scale					Conclusion
	1	2	3	4	5	
The threat of New Entrants						**Moderate**
High economies of scale						
High product differentiation						
High capital requirement						
High customer switching cost						
Lack of support from the government						
Bargaining Power of Suppliers						**Low**
Few numbers of suppliers						
The high cost of switching to alternative materials						
The importance of supplier products to the buyer						
Suppliers have more than one revenue stream						
Bargaining Power of Buyers						**Moderate**
Few switching costs to move to another brand						
High price sensitivity						
A few buyers						
High undifferentiated products						
The threat of Substitute Products						**High**
Numerous number of substitute products						
Attractive price-performance trade-off products						
Low switching cost to substitute						
Rivalry Among Competing Firms						**High**
Numerous number of equal competitor						
High barriers to exit						
Slow industry growth						

(Source: Author analysis)

There are many education consultants that can be chosen by the customers. It depends on the geographical situation, business type, products, marketing, price, and the segment can be used to analyze the competitor. Although there are lots of institutions offering the education consultancy, there are several institutions that almost similar with XYZ. They are Sony Sugema College (SSC), Ganesha Operation (GO), and Neutron.

In order to gauge the satisfaction of the customer with the XYZ performance, the author did a survey for the students. The method to measure the customer satisfaction is used SERVQUAL five dimensions (Zeithhamal, Parasuraman, & Berry, 2009). Overall the customer satisfaction index is 80%. Below the Table 3. XYZ customer satisfaction measurement result.

Table 3 XYZ customer satisfaction measurement result

Key	Statements	x	σ	%
Tangible	The builing and the XYZ room look attractive and comfortable	3.91	0.93	78%
	XYZ has facilities that support teaching and learning process	3.89	0.89	78%
	Staff and faculty are attractive	4.03	0.83	81%
Relia-bility	Services provided in accordance with the promised	3.64	1.03	73%
	Materials taught in accordance with the curriculum	4.09	0.81	82%
	The time of execution of learning in accordance with the schedule formed	4.14	0.86	83%
Respon-sive	Staff and teachers are always quick to help you when you need help	3.76	1.01	75%
	Staff and teachers tell you when they will help you	3.90	0.97	78%
	Staff and teachers apologize when making mistakes	4.32	0.76	86%
Assur-ance	Staff and teachers are friendly and courteous	4.47	0.69	89%
	The teacher has knowledge of the material he teachers	4.24	0.85	85%
	The cost you pay for guidance is proportional to what you get in XYZ	3.57	1.07	71%
Empa-thy	Staff and faculty can be reached easily	3.80	1.00	76%
	Staff and teachers can communicate well	4.26	0.73	85%
	Staff and teachers understand your needs	3.95	0.94	79%
	Total	**4.00**	**0.89**	**80%**

(Source: author analysis)

Some of a firm's resources are tangible while others are intangible and capabilities exist when resources have been purposely integrated to achieve a specific task or set of tasks. Resourcesand capabilities that are valuable (V), rare (R), costly to imitate (I), and non-substitutable (N) are asource of competitive advantage.Below Table 4. XYZ's competitive advantage analysis.

Table 4 XYZ's competitive advantage analysis

Resources or Capabilities		V	R	I	N	Comp. Consequence
Tangible Resources						
Financial	Liquidity	✓	×	×	×	Comp. Parity
Resources	Activity	✓	×	×	×	Comp. Parity
	Debt	✓	×	×	×	Comp. Parity
	Profitability	✓	×	×	×	Comp. Parity

Resources or Capabilities		V	R	I	N	Comp. Consequence
Tangible Resources						
Organizational resources	Strategic planning effectiveness	✓	×	×	×	Comp. Parity
	Excellence control system	✓	×	×	×	Comp. Parity
	Excellence evaluation system	✓	×	×	×	Comp. Parity
	Partnership	✓	×	×	×	Comp. Parity
Physical resources	Modern class	✓	×	×	×	Comp. Parity
	Class facility	✓	×	×	×	Comp. Parity
	Building location	✓	×	×	×	Comp. Parity
Intangible Resources						
Human resources	Sharing knowledge	✓	×	×	×	Comp. Parity
	Trust	✓	✓	×	×	Temp. Comp. Adv.
	Managerial capabilities	✓	×	×	×	Comp. Parity
	Organization routines	✓	×	×	×	Comp. Parity
Innovation resources	Ideas	✓	×	×	×	Comp. Parity
	Scientific capabilities	×	×	×	×	Comp. Disadvantage
	Capacity to innovate	✓	×	×	×	Comp. Parity
Reputational resources	Reputation with customers	✓	×	×	×	Comp. Parity
	Brand name	✓	×	×	×	Comp. Parity
	Perception of XYZ	✓	×	×	×	Comp. Parity
Capabilities						
Human Resources	Recruitment process	✓	×	×	×	Comp. Parity
	Staffing	✓	×	×	×	Comp. Parity
	Training	✓	×	×	×	Comp. Parity
	Compensation	✓	×	×	×	Comp. Parity
	Retain Employee	×	×	×	×	Comp. Disadvantage
Management Inf. System	Information system development	✓	×	×	×	Comp. Parity
	Secure information system	✓	×	×	×	Comp. Parity
Marketing	Consumer behavior analysis	✓	×	×	×	Comp. Parity
	Market Research	✓	×	×	×	Comp. Parity
	Build brand image	✓	×	×	×	Comp. Parity
	Social media implementation	✓	×	×	×	Comp. Parity
Management	Decision making	✓	×	×	×	Comp. Parity
	Performance management	✓	×	×	×	Comp. Parity
	Leadership	✓	×	×	×	Comp. Parity
	Teamwork	✓	×	×	×	Comp. Parity
Research and Development	Develop new product and service	×	×	×	×	Comp. Disadvantage
	Existing product and service	✓	×	×	×	Comp. Parity

MARGIN

Value Chain Analysis can be used to analyze and define values that drive XYZ in their business process. The service industry does not have the real operation of inbound and outbound logistic. So need to have a different version of the value chain which can well describe the service industry especially in the education sector (Gabriel, 2006). Below Figure 2. XYZ value chain analysis.

SUPPORTING	**Firm Infrastructure:** General Management, Planning, Finance, Accounting				
	Human Resources Management: Employee Recruitment, Hiring, Training, and Developing				
	Technology Development: Website developmentandSystem Information Management				
	Procurement: - Office equipment, books, stationery				
	Inbound: - Students Registration - Teachers	**Operations:** - Class tutoring - Consulting - Try out	**Outbound:** - Skilled Student pass an exam and received at University - Skilled Teacher	**Marketing and Sales:** - Brand Dev. - Social Media - Brochure - Banner - School tour	**Service:** - Alumni Support - Controlling - Student evaluation
	PRIMARY ACTIVITIES				

MARCH

(Source: author analysis)

Figure 2 XYZ value chain analysis summary

PRIMARY ACTIVITIES

Business model canvas analysis can be used to analyze the factors that drive XYZ in their business process.A business model is a framework that describes the rationale on how an organization creates, delivers, and captures value(Osterwalder & Pigneur, 2010). Below Figure 3. XYZ Business Model Canvas Summary.

After the analysis environment, the next step is to summarize the result of the analysis in the SWOT analysisThis analysis will be used to identify the most important factors and provide strategy formulation. Below Table 5. SWOT Analysis Summary.

<table>
<tr>
<td rowspan="2">Key Partners
Mitra
High school
Media Partner
Vendor</td>
<td>Key Activities
Teaching and learning activity
Dating
Consultation
Try-out
Talent Mapping
Tutor training</td>
<td rowspan="2">Value Proposition
Newness tutoring system
Additional and dating program
Dynamic Learning Process
Personal service consultation
Academic plan</td>
<td>Customer Relationships
Personal service consultation
Gathering activity for student and parents
Social Media</td>
<td rowspan="2">Customer Segments
High school students or alumni, age 14-18 years old, who want to pass school and enter college with parent's income medium to high in the urban and suburban area. The benefit sought is quality and service with ambitious personality and interesting in the study.</td>
</tr>
<tr>
<td>Key Resources
Employee
Tutor
Building and facilities
Investor</td>
<td>Channels
Online and offline marketing channel
Online and offline purchase channel
Deliver value to every branch</td>
</tr>
<tr>
<td colspan="3">Cost Structure
Fix cost: Building, employee salaries, operational cost, legal cost, training cost, advertising
Variable cost: Tutor labor cost, tutor labor cost, student's module, pocketbook, merchandise production</td>
<td colspan="2">Revenue Streams
Admission fee
Tutoring fee
Merchandise
Gain from office stationery</td>
</tr>
</table>

(Source: Author analysis)

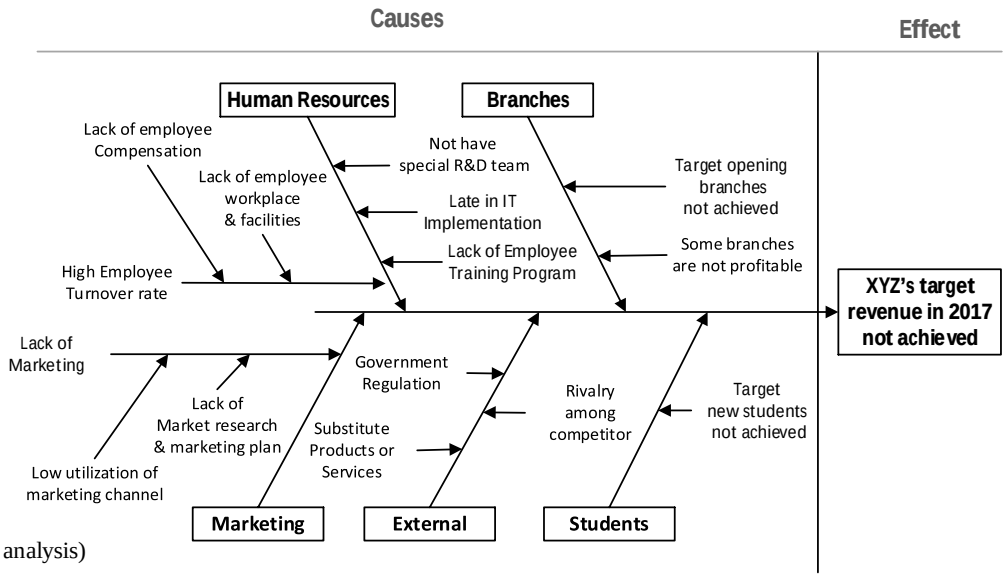
Figure 3 XYZ Business Model Canvas Summary

Table 5 SWOT Analysis Summary

Strengths	**Weaknesses**
S1. Modern class and complete facility	W1. Lack of marketing research, plan, and channel
S2. Good historical financial performance	W2. High employee turnover
S3. High student graduation rate to a state college	W3. Late in IT system implementation
S4. The qualified teacher from reputable university	W4. Lack of employee workplace, facility, training program, and compensation.
S5. Located in a strategic location	W5. Don't have RandD team
Opportunities	**Threats**
O1. Government regulation	T1. Government policy
O2. Potential area	T2. Rivalry among competitor
O3. Technological development	T3. Substitute products or service
O4. Low B.I 7 day repo Rate	T4. Inflation rate
O5. Globalization	T5. Underdeveloped area

After analyzing SWOT analysis, try to find the causes of the business issue. Currently, XYZ has a business issue. The target revenue in 2017 has not been reached. XYZ could only achieve revenue 70% of the total target revenue. There is a gap between target revenue and realization revenue that can be categorized as a problem according to the definition of the problem. A problem is any deviation from the standard expected, or desired which is outside the accepted tolerance, norm, or benchmark (Business

dictionary, 2017). To determine the root causes of this problem, the authortries to use root cause analysis method. One of the tools that can be used is fishbone diagram or cause and effect diagram. Below Figure 4. Fishbone diagram of XYZ.



(Source: author analysis)

Figure 4 Fishbone diagram of XYZ

RESULTS AND DISCUSSION

Strategy Formulation

After analyzing the environmental, the second step is finding business solutions through strategy formulation. The phase stages are found alternative strategy using TOWS matrix, analysis the corporate level strategy, business level strategy, functional level strategy.

The TOWS matrix illustrates how the external opportunities and threats facing a particular corporation can be matched with that company's internal strengths and weaknesses to result in four sets of possible strategic alternatives. BelowTable 6.XYZ's TOWS Matrix.

To determine corporate level strategy, theauthoruses Internal-External (IE) Matrix. This matrix is based on two dimension IFAS total score on x-axis and EFAS total score on the y-axis. XYZ's IFAS and EFAS total weighted score are 3.14 and 3.20. So, XYZ's position in the cell I Grow and Build. There are several strategies in this cell: market penetration, market development, product development, backward integration and horizontal integration.

To choose suitable growth strategies, theauthoruses Ansoff Matrix or product-market strategy created by (Ansoff, 1957) that focused on the firm's present and potential product and markets (customers).To choose the suitable strategies from four alternative strategies, author compare eachalternative strategies using pros and cons. Below Table 7. Comparison of Alternative Growth Strategies.

Table 6 XYZ's TOWS Matrix

EFAS / IFAS	Opportunities (O) O1. Government regulation O2. Potential area O3. Technological development O4. Low B.I 7 day repo Rate O5. Globalization	Threat (T) T1. Government policy T2. Rivalry among competitor T3. Substitute products or service T4. Inflation rate T5. Underdeveloped area
Strength (S) S1. Modern class and complete facility S2. Good historical financial performance S3. High student graduation rate to a state college S4. The qualified teacher from reputable university S5. Located in a strategic location	**S.O Strategies** **SO1** Expand and open new branches in potential areas (S1, S2, S4, O1, O2, O3) (**Corporate strategy: Market Development**) **SO2** Strategic alliances with a potential business partner (S2, S3, S5, O1, O2) **(Business strategy: Cooperative)**	**S.T Strategies** **ST1** Increase market share through more marketing effort (S1, S2, S3, S4, T2, T3) **(Corporate strategy: Market Penetration and Functional strategy: Marketing)** **ST2** Building renovation and increase facility in some branches (S1,T2) **(Business strategy: differentiation and Functional: Operation**)
Weakness (W) W1. Lack of marketing research, plan, and channel W2. High employee turnover W3. Late in IT system implementation W4. Lack of employee workplace, facility, training program, and	**W.O Strategies** **WO1** Increase employee retention to reduce employee turnover (W2, W4, O2) **(Functional strategy: HR)** **WO2** Develop and improve mobile and web application to increase differentiation. (W3,W5,O3,O5) (**Business strategy: differentiation and Functional strategy: Technology**)	**W.T Strategies** **WT1** Improve employee competencies to increase employee performance (W2, W4, T2, T3) **(Functional strategy: HR)** **WT2** Service improvement to increase customer satisfaction (W4, T2) **(Business strategy: differentiation)WT3** Create special RandD team for continuous innovation (W5, T2, T3) **(Functional strategy: RandD)**

(Source: author analysis)

Table 7 Comparison of Alternative Growth Strategies

Alternative Strategies	Pros	Cons
Market Penetration	+ Maintain or increase market share through existing products and existing customers	- Limited if have a high market share - Increase competitive rivalries
Market Development	+ Increase market share through new customers with existing products	- Riskier than market penetration - Success depends on to identify new best markets
Product Development	+ Increase market share through new products and existing market	- Cannibalization if create a new product
Diversification	+ Increase market share through new products for new markets	- Most risky because both product and market development may be outside the core competencies

Based on Table 7, theauthorchooses Market Penetration and Market Development as suitable corporate growth strategies to be implemented by XYZ because these strategies can increase revenue and market share through existing product and new or existing markets without cannibalization existing product and high risk like diversification strategy.

To find which business level strategy suited best for the current condition for XYZ, score used for the requirement of the generic competitive strategy. The score is 1 until 5, which indicate the lowest to highest. The score evaluation is done by consultation with the XYZ management. Below Table 8. Comparison of Generic Competitive Strategy.

Table 8 Comparison of Generic Competitive Strategy

Cost Leadership	**Score**	**Differentiation**	**Score**
Required Skill, Resources, and Organizational		**Required Skill, Resources, and Organizational**	
Sustained capital investment and access to capital	2	Strong marketing capabilities	2
Skill in design product to shorten the process and lower the cost	3	Creative flair	3
Intense supervision of labor	2	Strong capability in basic research	3
Products or service designed	3	Corporate reputation for quality or technological Leadership	2
Low-cost system	2	The long tradition in the industry or unique	4
Tight cost control	2	Combination of skills drawn from other businesses	3
Frequent, detailed control reports	3	Strong coordination among functions in RandD, and marketing	3
Structured organization and responsibilities	3	Subjective measurement and incentives	2
Incentives based on meeting strict quantitative targets	2	Amenities to attract highly skilled labor, scientists, or creative people	2
Average Score	**2.44**	Average Score	3

(Source: author analysis)

As shown inTable 8, the average score for cost leadership is 2.44 and 3 for differentiation. So, differentiation is the suitable competitive strategy for XYZ. Another consideration is because currently XYZ using differentiation competitive strategy, so it is hard to change from differentiation to cost leadership.

The functional level strategy depends on the corporate and business level strategy. The functional strategy consists of marketing, operation, human resources, financial, technology, and RandD.For marketing, XYZ needs to develop anew marketing plan to support market penetration strategy. For HR department, retain their employee because employee turnover rate is high through improve their compensation system and working environment.Also, HR department needs to improve their employee competencies. For technology strategy, XYZ needs to

develop and improve mobile and web application for students to differentiate their service from the competitor. For financial strategy, acquiring needed capital, preparing financial budgets anddeveloping projected financial statements, and feasibility study for evaluating the worth of market development strategy. For operation department, the team focuses on building renovation and increase facility in some branches.

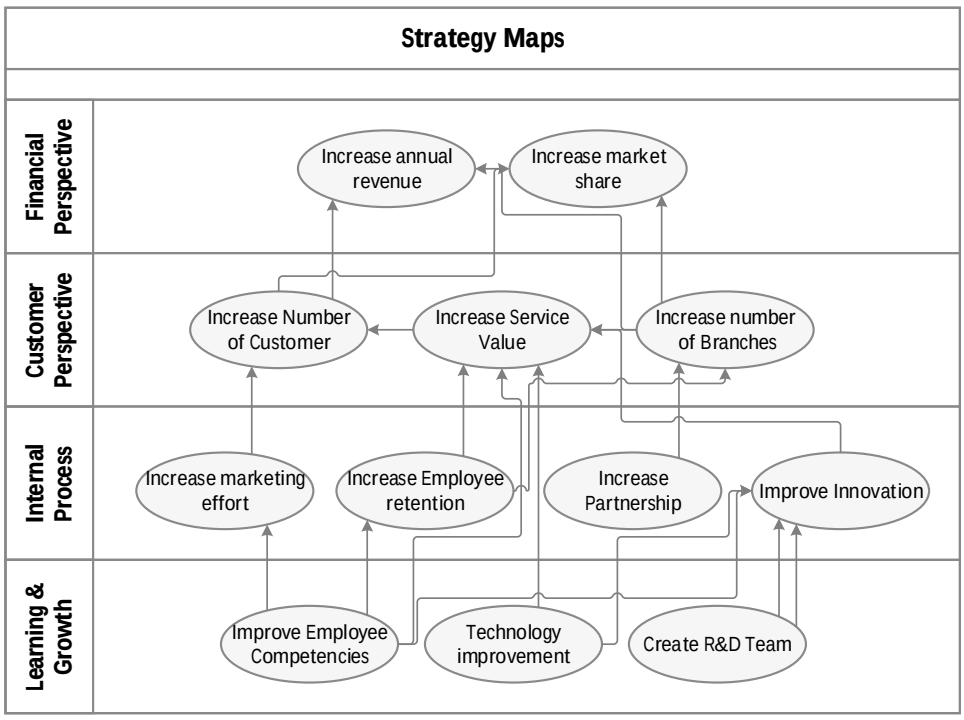
Strategy Implementation

The third step is strategy implementation. The implementation plan of the new proposed strategies implemented by its priority to solve the business issues. Based on priority matrix, XYZ needs to implement 9 strategies based on importance and urgency of the strategies. There are 5 strategies classified into quadrant 1 (important and urgent) and 4 strategies into quadrant 2 (important but not urgent). When implementing the strategies, there are action programs, division on a charge, distinctive competency, optimal success factor, and procedure need be implemented for each strategy. For RandD, proposesXYZ needs to establish a small RandD unit.

Strategy Evaluation

The last step is strategy evaluation. The evaluation ensures that a company is achieving what it set out to accomplish. It compares performance with desired results and provides the feedback necessary for management to evaluate results and take corrective action, as needed. This paper uses Balanced Scorecard as a framework to evaluate XYZ strategies because the BCS is one of popular performance management framework. Also, use strategy maps to describe relationships between strategic objectives.

Strategy maps are a one-page graphical representation of what company must do well in each of the four perspectives in order to successfully execute their strategies (Niven, 2006) and it describes the casual relationships between strategic objectives (Kaplan, 2010). BelowFigure 5. Strategy Maps of XYZ.



(Source: author analysis)

Figure 5 Strategy Maps of XYZ

The Balanced Scorecard (BSC) is an important strategy evaluation tool that allows a firm to evaluate strategies from four perspectives: financial, customer, internal business processes, and learning and growth (Kaplan, 2010).The evaluation ensures that a company is achieving what it set out to accomplish. It compares performance with desired results and provides the feedback necessary for management to evaluate results and take corrective action, as needed. Below Table 9. Balance Scorecard of XYZ.

Table 9 Balance Scorecard of XYZ

Objectives	KPI	Targets (Year)	Initiatives
Financial Perspective			
Increase annual revenue	Revenue realization rate	Min 90% revenue realization rate	Market penetration and development
Increase market share	Market share	market share growth rate > 10%	Market penetrationand development
Customer Perspective			
Increase number of customer	New students growthTotal students growth	New students growth >10% Total students growth > 10%	Market penetrationand development
Increase service value	Customer satisfaction index	Min. 90% customer satisfied	Service improvement, renovation, increase the facility
Increase number of new branches	Number of branches	+20% of total branches	Partnership (Mitra) program
Internal Business Process			
Increase marketing effort	ROI (marketing) SEO visibility	10:1 Increase 10%	Marketing mix, Offline and online Promotion, digital marketing,
Increase employee retention	Employee satisfaction Employee turnover rate	Min. 90% employee satisfied Decrease to 20%	Employee compensation system, Employee facility, Screening
Increase partnership	Number of equity partners Number of nonequity partners	Min. 5 Mitra per year Increase >20%	Strategic alliance with potential business partner
Improve innovation	New product or service Product or service improvement Process improvement	Minimum 1 per year Minimum 2 per year Minimum 3 per year	Forming RandD team, continuous innovation
Learning and Growth			
Improve employee competencies	Employee training attendance Employee training hour	Min. 95% employee attendanceMinimum 60 hours per employee	Training program for employee and management
Technology improvement	System error rateNumber of digital content	<2% system error10 content per months	Troubleshooting, improve a system, create digital content
Forming RandD Team	Realization RandD team	RandD team	Forming RandD team

(Source: author analysis)

CONCLUSIONS

This research aimed to propose strategy and implementation for XYZ through strategic management process as the conceptual framework.There are 9 suitable strategies for XYZ to increase the sales and market shares including corporate, business, and functional level strategy.The implementation plan of the new proposed strategies implemented by its priority to solve the business issues. When implementing the strategies, there are action programs, division on a charge, distinctive competency, optimal success factor, and procedure need be implemented for each strategy.

FURTHER RESEARCH

Suggestions for subsequent research was to add other tools in the environmental scanning and strategy formulation phase to deepen the analysis result. Also can use another performance management framework to evaluate the strategies. Furthermore, more extensive literature study could be done so that the factors that influence tutoring industry and business could be identified much more.

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