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## Flowing Stream Strategy and Blue Ocean Strategy

*Blue Ocean Strategy has an orientation towards discontinuous and radical change*

*The balance of continuity and change provides four possible combinations - tree, wind, mushroom and flowing stream*

*Flowing Stream Strategy provides strategic flexibility to manage continuity and change simultaneously*

*The key channels of flowing stream strategy are - divert, shift, partition and integrate*

*Every enterprise is a flowing stream with phases of converge-flow-diverge*

*Some part of flowing stream at times merges into a blue ocean and a new flow might be created*

The 'Blue Ocean Strategy', as proposed by Kim and Mauborgne (2005), aims to create new market spaces making the competition irrelevant. It is a radical change strategy that creates discontinuities and thereby could be applied rarely in the life time of an enterprise. It deals with four actions, i.e. reduce, raise, eliminate and create. All these actions have an orientation towards change; the 'reduce' and 'raise' actions connote mild change whereas 'eliminate' and 'create' signify radical change.

Whereas for the running of an enterprise there is a requirement to dynamically interplay both change and continuity. Every enterprise is subject to forces of continuity and change. There are four possible continuity- change combinations as per the Continuity – Change matrix, viz. 'tree' (high continuity-low change), 'wind' (low continuity-high change), 'mushroom' (low continuity-low change), and 'flowing stream' (high continuity-high change). Most of the high technology global organizations such as Automotive, Telecom, Pharma etc. are usually placed in the fourth category, i.e. 'flowing stream'.

The 'flowing stream strategy' deals with strategic flexibility to synthesize the paradoxically opposite forces of continuity and change. It not only deals with change actions of 'reduce / raise' some factors, but also specifies which factors need to be 'maintained/nurtured' to take advantage of continuity. For example, the merger of Indian Airlines and Air India and other related strategic actions provide 'raise' on international reach and domestic connectivity to Indian Airlines whereas cost is 'reduced'. At the same time, certain other factors might be 'maintained' such as convenience, service level and schedule.

The 'flowing stream strategy' framework has key channels such as 'divert' the continuity momentum (e.g. cannibalization), 'shift' the burden of continuity (e.g. outsourcing), 'partition' the factors on different planes (e.g. centralization and decentralization) and 'integrate' upfront the opposing forces by way of offering solutions and mergers & acquisitions.

Every enterprise can be mapped as a 'flowing stream' having three major phases, viz. converge - flow – diverge (C-F-D). As a C-F-D framework the strategies can be evolved for 'converge'- such as mergers & acquisitions, alliances etc., 'flow'- cannibalization, innovation, continuous vitalization, go and grow with customers and so on, and 'diverge' – diversification, strategic entrepreneurial units etc. One distributory of the 'flowing stream' may at times merge into a 'blue ocean' and from there onwards a new 'flowing stream' might be created.

Thus, the 'flowing stream strategy' framework, keeping a focus on dynamic balancing of continuity and change of the enterprise, provides an overarching framework; of which 'blue ocean' strategy is a special case. It provides the strategic framework to naturally grow and open new vistas. On the path, it might be both laminar and turbulent on different stretches. Thus, during the journey of the enterprise as a 'flowing stream' different mixes of continuity and change could be witnessed temporally as well as geographically.

**Sushil**

*Editor in Chief*



## Guidelines for Authors

### Aim

The journal is intended to share concepts, researches and practical experiences to enable the organizations to become more flexible (adaptive, responsive, and agile) at the level of strategy, structure, systems, people, and culture. Flexibility relates to providing more options, quicker change mechanisms, and enhanced freedom of choice so as to respond to the changing situation with minimum time and efforts.

It is aimed to make the contributions in this direction to both the world of work and the world of knowledge so as to continuously evolve and enrich the flexible systems management paradigm at a generic level as well as specifically testing and innovating the use of SAP-LAP (Situation- Actor - Process-Learning-Action-Performance) framework in varied managerial situations to cope with the challenges of the new business models and frameworks. It is a General Management Journal with a focus on flexibility.

### Scope

The Journal includes the papers relating to: conceptual frameworks, empirical studies, case experiences, insights, strategies, organizational frameworks, applications and systems, methodologies and models, tools and techniques, innovations, comparative practices, scenarios, and reviews.

The papers may be covering one or many of the following areas: Dimensions of enterprise flexibility, Connotations of flexibility, and Emerging managerial issues/approaches generating and demanding flexibility.

### Coverage

The journal is organized into various sections to include following types of contributions: Research papers, Short notes/correspondence, Applications and case studies, Book reviews, Book summaries, Interviews and round tables, Information about relevant conferences and seminars, Educational and learning experiments, and any other relevant information related with the theme of the Journal.

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### Language

All papers will be published in English and manuscripts must be submitted in that language.

### Reviewing Process

Each paper is reviewed by the editor and if it is judged relevant for publication, it is then sent to referees for double blind peer review. The papers are reviewed for relevance, focus on flexibility, innovation, practical

considerations, quality of evidence, contribution, methodology, readability, and organization. Based on the recommendations of the referees, the editor then decides whether the paper should be accepted as it is, to be revised or rejected. The reviewing time will normally be 10-12 weeks.

### Manuscript Requirements

**Length:** No maximum length for a paper is prescribed, however, authors should write concisely.

**Title:** The title should be brief and typed on a separate sheet.

**Format:** The paper should have a cover page giving title, author's name, complete address, telephone number, fax number, and email of the author. In case of co-authors, these details should also be provided for each co-author. Correspondence will be sent to the first named author unless otherwise indicated.

The second page should contain the title and an abstract of 100-150 words. It should also include upto eight keywords about the paper. The second page should not include the authors name. The paper should begin from the third page.

**Headings:** should be short clearly defined, and numbered.

**Footnotes:** should be used only when absolutely necessary and must be identified in the text by consecutive numbers placed as superscript.

**Text:** The main text should be more readable and mathematical models, if any, should be provided in Appendix. The ideas proposed should preferably be supported by real life case examples from business situations.

**Tables and Figures:** All tables and figures should be kept to a minimum and numbered consecutively using arabic numerals. Each table should have a brief

caption written on the top of the table, and each figure should have a brief caption written on the bottom of the figure.

**Photos and Illustrations:** must be supplied as good quality black and white original with captions. Their position should be shown in the text by typing on a separate line the words "take in Plate n"

**References:** to other publications must be in standard style. That is shown within the text as the author's name followed by a comma and year of publication, all in round brackets, e.g. (Volberda, 1997). At the end of the paper a reference list in alphabetical order must be given as follows:

*For books:* Surname, initials, (year) *title*, publisher, place of publication. e.g. McKenzie J. (1996) *Paradox: The New Strategic Dimension*, McGraw -Hill, Berkshire.

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### Proofs

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### Checklist

- \* The paper is original, not submitted anywhere else.
- \* The length of the paper is commensurate with content.
- \* The title and headings are brief and catchy.
- \* The author(s) name and affiliation are given only on cover page.
- \* Abstract and keywords are provided.
- \* Focus on flexibility in management is kept.
- \* The paper incorporates innovative ideas/models in a practical framework.
- \* Mathematical models, if any, are given in Appendix.
- \* Tables/Figures are properly placed and numbered with brief titles/captions.
- \* References are in standard style.
- \* Few highlights (8-10) of two-three lines are provided to put in boxes.
- \* Few key variables (3-5) are identified for flexibility mapping on a continuum.
- \* Some key questions (2-3) are provided to reflect the applicability in real life.
- \* Autobiographical notes and passport size photographs of all authors are provided.

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