Strategic Management (Environmental Scan)

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**Strategic management Plan**

**Introduction**

The success of a firm is affected by various factors whereby its location plays a significant part. The external and internal environmental forces will determine the success of your company. With the increasing market competition, firms need to formulate competitive advantage strategies to draw the attention of consumers and make more sales. Google Company is one of the most successful firms in the world which has made good use of its environment (Google, n.d.). It is good to analyze Google’s strengths, weaknesses, opportunities, and threats to understand its situation.

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| **Strengths**   * A strong brand image. * The firm has skilled workforce. * The firm has access to modern technologies. * Quality services and products. * Strong management | **Threats**   * Increase in the number of competitors. * Increase in cyber-crimes. |
| Weaknesses.   * Relies on advertising majorly to generate its income. | **Opportunities**   * There is room for expansion and diversification as a result of globalization. |

**Internal Scan of Google Inc.**

The weaknesses and strengths of a firm begin inside the business. Google Inc. has skilled employees. Most of the employees can adapt quickly to the fast-changing technologies. Employees will determine whether a firm will exist or not. Nevertheless, these employees are motivated in many ways. For instance, through the ‘20% time’ policy, employees are motivated and their creativity increase. In this policy, employees are allowed to spend twenty percent of their time engaging in other activities of their choice which are not part of their routine jobs. This time will enable them to interact, exchange ideas, and do more personal research to enhance their creativity. His has led to the production of quality goods and management that lead to a strong brand image.

The firm has good leadership. The management of the firm plays a prominent role towards success. The management functions of controlling, coordinating, staffing, among others are well run to ensure consistency and uniformity in the production and provision of goods and services. Competent leaders can organize all the production factors towards achieving the organization’s goals and objectives. Such leaders also help employees to achieve their set goals leading to maximum production as they feel motivated (Srivastava & Verma, 2012).

Another vital internal factor is culture. Google has a healthy organizational culture which unites its employees. Production being a process is well-done when teamwork is present. Nevertheless, this culture promotes ethics. Employees operate within the ethical framework. For instance, respect, honesty, mutual understanding, and trust are crucial in this firm. There are employees from various cultural backgrounds: religious, race, ethnicity, and gender since Google is a multinational company. There is no discrimination. The interaction of the different sub-cultures has created a diverse and robust culture leading to open-mindedness among employees.

**External Scan**

Google operates in different economies being multinational (Google, n.d.). In the US, where its headquarters are located, the economy is stable providing it with a conducive growth environment. Another good thing is that the US is politically stable (Hadenius, 2015). This means that the actions of politicians or wars due to politics do not interfere with the company's activities in the US, which is its base. This leads to another vital external environmental factor: security. Operating in a peaceful environment is an assurance of business continuity.

The company faces competition from various companies such as Yahoo, Bing, and Amazon. Amazon has become the biggest competitor in the market due to its first growth. This firm provides a variety of goods and services to its consumers which are similar to what Google does. For instance, it is supplying consumers with a platform to make online purchases and also majors in online advertisements.

Google deals with the production of software programs. Increased cyber-attacks from the external environment is causing a threat to its activities. For example, Gmail accounts can be hacked and crucial information lost. This is a threat. Imagine a Gmail account you use for your PayPal transactions being hacked, what kind of loss will you go through?

**Google’s Competitive advantage**

The company has various competitive advantages in the market. First, it has a powerful infrastructure. Massive investment has been made in its facilities to ensure quality production of goods and services. For instance, the company has numerous data centers and servers. This enables it to deliver services to millions of people across the world.

Another competitive advantage is innovativeness. The firm supports a large number of innovations leading to increased activities. This provides it with a diverse number of products and services to offer. For instance, new Google applications are added into the store each year. The apps range from security, entertainment, financial, to communication.

**Strategies used to gain and value the Competitive Advantages**

Google employs various methods to gain and value its competitive advantages. The company uses motivation to support innovativeness. Employees are motivated. For instance, through its 20% time allocation policy, employees have time to come up with new brilliant ideas that can lead to the generation of new services and products. Developing a healthy organizational culture and management is a strategy that leads to its powerful infrastructure. Developing a powerful infrastructure needs strong communication, employee dedication, and substantial financial support which can only be available with a strong management team that has the power to drive employees towards the right course of action.

**Guideline Measurements to Determine Efficiency of the Strategies**

To determine the efficiency of its strategies, Google employs several measure guidelines. The first one is consumer response over the social media and their website. The Google website is linked to various social media sites such as Facebook and Twitter which consists of a large percentage of their clients. They have provided them with a platform of rating their services and goods. From those ratings, it is possible to tell if the strategies are working out well. Secondly, the firm has invested in online surveys which are done after a given period. Most of the investigations are regarding their services and products. People are allowed to express their opinions and show areas where they need improvements. From views, it is easy to tell the outstanding strategies.

**The effectiveness of the measurement guidelines**

The measurement guidelines employed by Google Inc. that is, using the social media and surveys to get the consumer responses are essential and effectively serve their purpose. Consumers use the services and goods of the firm and therefore will rate them based on their experience. Nevertheless, the strategies are set to impress consumers by delivering quality services and products. Therefore, developing consumer-based guidelines is the best strategy to evaluate the success of the established methods.

**Conclusion**

A good strategic plan needs a critical environmental scan. It is crucial to analyze the factors of the internal as well as the external environment. The external environment comprises of political, economic, legal, and technological factors. On the other hand, the internal environment consists of the leadership, organizational culture, employees, among several different functions within the control of the organization. Google Inc. is able to survive competition due to effective competitive advantage strategies.

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