Integrative and Analytical Tools

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The project team has discussed some of the tools that they feel would be appropriate for the analysis of competitors and the whole industry in general. Some of the tools that they have come up with include SWOT and PESTEL analysis. I believe these tools if properly used, will work for a global strategy. There is a notion that they can only be applied in the domestic realm; however, I believe they could prove to be critical in assessing the best strategy to be adopted. My assertion is based on the premise that they consider all the factors that may affect the business at the global level. The global market comes with enormous political and legal issues that may affect a business (Damasceno, & Abreu, 2018). These concerns are included in the PESTEL analysis, and thereby the strategy would be carefully scrutinized with these threats in mind. The SWOT analysis is also as vital since it may offer insights on how to address potential risks in the global market.

The evidence I have to support the decision is based on the fact that other multinational corporations have consistently applied SWOT and PESTEL analysis in their global strategies. An example is Apple Inc. Apple Inc. is an American firm that has operations across the globe. It specializes in producing, marketing, and selling computers, mobile phones, and their supporting software. Apple Inc. has always applied these tools in its global strategy. An example is its decision to move its production operations to China. There were several suitable locations. However, through the use of PESTEL and SWOT analysis, it was able to find an appropriate place for the same. The example is an excellent piece of evidence on the importance of these tools and the benefits that the global strategy could deduce from the application of the same.

I would refute people who choose other tools over the two by offering examples of how comprehensive they are in addressing any issues in the global strategy. First, they provide both internal and external analysis of factors that could affect the plan. Other tools that are available only delve into either the internal or the external business realm. It is an indication that they are not as comprehensive as these tools. Secondly, other tools are not widely recognized. Using a recognized tool is better since it is easy since one can compare what has been produced by other firms in the global market that have applied the same tools. Thirdly, additional mechanisms would mean more work for the team that has been tasked to assess the comprehensive strategy. More work for the team is not desired since the two tools that have been suggested can already play the said roles in an amicable manner.

Based on SWOT and PESTEL analysis, one can conduct a brief summary of the chosen market. Based on the SWOT analysis, strengths include huge market and niche market growth. Weaknesses include fluctuation of the Canadian currency and intense competition. Opportunities include a growing middle class and emerging market. A considerable threat in the market is intense competition and rivalry. Based on PESTEL, the Canadian market is one that is highly attractive (Market Business News. 2020). It has experienced great political stability, and this means that the company would have an easy time operating. The legal and political framework is also welcoming for foreign companies meaning that there would be very few bottlenecks to start operations. The economic environment is one that is also attractive due to friendly policies. The technological environment is also progressive, and this is in line with the goals of the company.

References

Damasceno, V. S., & Abreu, Y. V. D. (2018). Evaluation of businesses using SWOT and PESTEL analysis. Interações (Campo Grande), 19(3), 503-514.

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