Strategic Management Process

Student

Instruction

Course

Date

The analysis involves gathering and analyzing information about the organization because this is what shapes the next stages of the strategic management process. The management team of Walt Disney should gather information that will be relevant towards the accomplishment of the company vision. The analysis is intended to make them better understand the needs of the company, identify actions that will help the company grow and identify the appropriate strategic direction. During the analysis, the management will also identify the internal and external factors that can affect attainment of the company's targets and objectives. Internal analysis is a vital part of strategic management through which the management get to know the capabilities, weaknesses, and the resources of Walt Disney.

The methods used to do the strategic management analysis include:

Value chain analysis:

It is a process where an organization identifies its basic and primary activities that are applied to add value to their final product or service. This process is usually applied while transforming raw materials into finished goods ready for consumption by the customers. The organization management can utilize value chain to reduce the production cost or increase differentiation which will give them a competitive edge in the market (Coulter & Coulter, 1998). Walt Disney can apply value chain analysis knowledge in differentiation through the production of wide range movies to satisfy the varied market demand. Differentiation is an added advantage over the competitors; of course, having a unique product which is not similar to those offered by the other firms will keep Walt Disney ahead. For example, Walt Disney has a variety of movies for all family members; all their merchandise seems to be corresponding, and also they have been able to maintain increasing the amusement park service's all the time (Marketline, 2013).

Walt Disney can ensure that the production cost of the films and movies is reduced while maintaining high quality to ensure that the final price of the products is lower than the market's price. Affordable products will attract more customers, enable them to make more sales and realize more profits.

Using an Internal Audit

Auditing will see the company management staff carry out a complete assessment of the internal functioning departments. The departments considered during this internal audit are accounting, management, marketing, and productions which form the backbone of any active company. Also during the audit, elements of the organization culture, the structure of the organization and the ideas of the strategic management team are audited. The influence of these elements determines the possibility of success for the whole company. Therefore Walt Disney should employ experienced and wise managers at the senior positions where the important decisions are made (Barney &Hesterly, 2010).

Capabilities Assessment Profile

Walt Disney has distinctive capabilities which involve routines and processes that make the organization unique and at the same time giving the consumers beautiful experiences (Coulter & Coulter, 1998). The introduction of Disney's MyMagic+Program: different segments of Walt Disney facilitate the development of this program. They all put together various ideas, skills, and expertise to develop the program and many more.

Determining Strengths and Weaknesses

Strengths are the resources that an organization has that can be nurtured and utilized to help the organization compete with other organizations (Coulter & Coulter, 1998). Capitalizing on the strengths keeps the firm ahead and progressing. Walt Disney operates with five sections which are amusements parks, Walt Disney Studios, Disney Interactive, Consumer products and Media networks. Their financial strength has also helped them construct the best amusements parks in the world and keep on improving them to attract more visitors (Barney &Hesterly, 2010).

The audit process which is intended to improve the organization performance targets internal areas of the organization. To achieve improvement in Walt Disney we consider its resources and capabilities concerning its functions and segments. The key roles played by internal analysis are; the exercise helps the organization to identify its capabilities (Marketline, 2013). Routines and practice that have proved to be useful are implemented to facilitate transforming all inputs into outputs (Coulter & Coulter, 1998). The identified resources are combined in the right way to get the final product or service which is traded to the customer. Walt Disney has already proven to have several capabilities which if well utilized the company will forever remain to be a pacesetter for other companies playing in the same industry. The company's strong brand name in all parts of the world, meaning they incur less or no expenses to do marketing and advertisements. All the segments in which the company is involved have excelled in sales and revenues. It gives them good returns on their investments, and it also gives them the ability to maintain improving what they provide to the consumers (Barney &Hesterly, 2010). For example an upgrade of the amusement parks with discoveries in technology, they can invest more resources as well. They have customer loyalty; therefore they can now concentrate on looking for new customers. They can also start programs to train people and other organization on the art of retaining their customers. All their markets segments are performing well; it is possible for one segment to market the other one. A good example could be selling toys for a movie which has been produced by studio entertainment (Marketline, 2013).

A continuous strategic management analysis has kept the proprietors of Walt Disney informed about the company's strengths and opportunities. Through proper utilization of the human resource, they use the available resources to implement the ideas. The decisions made are lent by the analysis results making it easy for them to forecast the future and define the path of the organization's operations (Barney &Hesterly, 2010).

References

Barney, J. B., & Hesterly, W. S. (2010). Strategic management and competitive advantage: Concepts. Englewood Cliffs, NJ: Prentice Hall.

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