

Strategic Analysis and Choice

INTRODUCTION

Strategic Analysis Tools

Click on each title to learn more about these Strategic Analysis Tools.

SWOT

SWOT (Strengths, Weaknesses, Opportunities and Threats) Matrix: The SWOT analysis is a matching tool that allows managers to gauge external and internal factors affecting the organization. The matrix is typically setup with quadrants that lend to SO, WO, ST, and WT strategies.

SPACE

SPACE (Strategic Position and Action Evaluation) Matrix: is also a four quadrant matching tool that helps managers determine if an aggressive, conservative, defensive or competitive strategy are most appropriate for the organization.

BCG

BCG (Boston Consulting Group) Matrix: is another four quadrant matrix that focuses on profit centers for an organization. The focus is on the market share verse industry sales growth rate and helps managers determine the company's business portfolio based on how products fall in the matrix.

In this unit, you will learn how to evaluate your organization's relative market share versus the industry sales growth rate. Strategy formation is an assessment of whether the organization is doing the right things, and how it can be more effective. Organizations can become obsolete by following a strategy made out dated by market changes. Objectives should be consciously developed and coordinated and not just extensions of day-to-day operations.

Every organization needs to communicate clear objectives. Analytical tools like BCG, a Boston Consulting Group evaluation of relative market share position and industry sales growth rate, and Grand Strategy Matrix, a fourblock model that recommends strategies based on competitive position and industry market growth, can improve the quality of strategic decisions – but leaders must make these choices. Behavioral, cultural, and political aspects of the process and selection are important to manage. Boards of directors are assuming a more active role in strategy because of legal pressures.

OBJECTIVES

To successfully complete this learning unit, you will be expected to:

1. Use the three-stage framework for choosing among alternative strategies.
2. Develop a BCG matrix.
3. Identify the important cultural, political, ecological and ethical considerations in strategic choice.
4. Identify the changing role of the board of directors in strategic choices.

[u06s1] Unit 06 Study 1

Unit Study

Readings

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- Read Chapter 6, "Strategy Analysis and Choice."
- Read the Apple, Inc. (AAPL) case study number 21 (this can be found in your eBook by selecting "Strategic Management Cases.")

In addition, search the Internet for articles that highlight the political, ethical, or social pressures, as well as behavioral and environmental issues that influence Apple's strategic choices.

[u06a1] Unit 06 Assignment 1 »

BCG Matrix

A BCG matrix identifies departments and divisions that should receive fewer resources than others should. It may also identify divisions that can be divested. This exercise provides you with practice for developing a BCG Matrix.

Place five column headings at the top of a worksheet titled: Divisions, Revenues, Profits, Market Share Position, and Industry Growth Rate. Assess your organizations key divisions, as outlined in the *Strategic Management* textbook in Figures 6-7, 6-8, and 6-9 (Chapter 6, eBook).

Next, complete a BCG Matrix for your project organization. Review published assignments from other learners or compare and discuss results with people from your organization. Submit and publish your matrix along with your worksheet information as an attachment in the assignment area. Be sure to publish this assignment so you can compare your matrix with the submissions of other learners.

Resources

[BCG Matrix Scoring Guide.](#)

[u06d1] Unit 06 Discussion 1 »

Sharing Your Work

Sharing work with others provides an excellent opportunity to consider different perspectives on specific ideas, concepts, and fields. It also helps you improve your competence by examining others' models of analyzing, evaluating, and communicating concepts and insights within a field of study. For this discussion, post your BCG Matrix assignment so you and your peers may learn from one another's work.

Response Guidelines

If this assignment relates to additional activities in the course such as another assignment or final project, review other learners' posts and provide feedback based on the scoring rubrics. You may also use the Guidelines for Effective Peer Review to help frame your responses to others and your review of feedback.

[u06a2] Unit 06 Assignment 2 »

Grand Strategy Matrix

Based on the information you submitted for the Unit 5 Developing Alternative Strategies assignment, and using Figure 6-13, "The Grand Strategy Matrix," assess whether you are in a weak or strong competitive position. Also, determine if the market growth is rapid or slow.

Compare your strategies to the quadrant strategies and write a half-page summary on the differences and changes you identify. Make recommendations in your summary based on your observations. Submit your summary in the assignment area.

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Resources

Grand Strategy Matrix Scoring Guide.

[\[u06d2\] Unit 06 Discussion 2 »](#)

Apple (AAPL), Inc. 2015 Strategic Choices

Based on the Apple, Inc. case, your Web search of the current news, and the discussion in the textbook on culture, politics, and governance issues, cite examples of where you think Apple, Inc. has adapted its strategies to cultural, political, ecological and ethical considerations. What role should the board of directors play, or has the board played, in choosing the strategy?

Resources

Discussion Participation Scoring Guide.

Updates and Handouts »

Periodically, information will be posted in this space for the good of the class.

Ask Your Instructor »

This forum was created to provide a convenient space for you to ask questions—questions about particular assignment and discussion activities, questions about the course in general, questions about expectations. If there is something that you feel you could use help with, please post your question here. Most likely, some of your classmates will have the same concern, so your post may help several learners. If you feel your question is private, please use the **Messages** tool found under **Notifications**.