Aligning Operational Needs with Business Strategies

Queenneidra Quarles

UOP

MGT/526

February 15, 2020

Aligning Operational Needs with Business Strategies

Apple company policies are moderately designed to address influences in the external business setting. Such controls are capable of decreasing the corporation’s profitability, market share, business growth capacity, and revenue (Jing, 2018). Porter’s Five Forces scrutiny highlights several strengths amounting from external factors in the firm’s environment.

Competition in the business - The Corporation faces a strong force competition in the market. The aspect of the model evaluates the strength of the effect that competitors have on each other. In our situation, the effects are contributed by several strong forces such as low switching charges, high aggressiveness of organizations, and little differentiation of products.

Possibility of new entrants into the business - Apple operates in an open market, and a moderate force of other companies venturing in the line of electronics is inevitable, but the firm is well established in the industry. The new entrants wield an average strength of high brand creation costs, top capital necessities, and the capacity of the probable new entrants.

Power of suppliers – this element shows the effects of suppliers in inducing their demand on the firm and its competitors, and Apple faces weak force in this aspect. The company’s suppliers have weak power on a high proportion of firm concentration to supplier concentration, moderate to high overall supply, and medium to high suppliers available.

Power of customers- the company faces strong customer power hindering its operations, which is tied to high buyer awareness, insignificant size of different buyers, and low switching charges.

The threat of substitute products – the ability of a similar product to draw customers, is a weak force to apple and is characterized by low performance of substitutes, small buyer inclination to alternatives, and moderate to high obtainability of substitutes.

The company should look for more equitable ways to advance in the areas with strong forces as this will augment its operations and increase the net income (Zhang, 2017). Innovation is one of the essential routes to take as it curtails the costs incurred in developing new products and maintains quality.

**References**

Jing, J. (2018). A case study on Apple, Inc which affecting the world of Smati Technology Leader or heading down?.

Zhang, Q. (2017). Research on Apple Inc’s Current Developing Conditions. Open Journal of Business and Management, 6(01), 39.