
The Crucial Matter of Planning in the Business's Structure

Strategic planning

In essence, strategic planning is an organization's process of developing its strategy and decision making about distributing its resources to achieve the preferable goal. That is why every organization and business is in need of strategic planning as it is not only a means, it is a necessity. Basically, strategy involves setting goals, brainstorming on methods and approaches to achieve them, and utilizing resources efficiently to perform the actions. So, in a way, a strategy is an explanation of how something can be achieved with a means. As any business contributor, strategic planning has inputs, outputs and activities.

In this context, strategic planning's input is the gathered data that helps planners to come up with the most desired and, at the same time, rational goal and approach to their final destination. Activities include necessary actions needed to efficiently utilize the input to achieve the goal. And, last but not least, output is a conclusion of rival's business status or a scheme of actions that are helpful towards reaching their set goal. Also, strategic planning includes five various tools for strategic planning which are: PEST analysis (covers external environmental elements), scenario planning (used by the military), porter five forces analysis (uses bargaining power of buyers and suppliers), SWOT analysis (addresses internal strength and weaknesses), growth-share matrix (involves portfolio decisions) and strategy maps (creates a systematic framework). All of them are used in different situations due to their diverse capabilities.

In general, strategic planning can be used in numerous realms of business. For example, according to the textbook, strategies are a vast part of marketing as it is essential to establish pricing strategy, distribution strategy, product strategy and other types of strategies to be the best in the market. Strategies make pivotal decisions as to not only what to produce to be able to succeed, but also as to how to produce it in the way that can give the most out of it. Strategies are utterly vital in business as they lay down a concrete method for a business to follow. And, besides marketing, production and even finance also actively use strategy planning. Since business competition on the market is rather brutal, strategies are a good way to establish an appropriate approach for a specific firm that is both convenient and profitable for it. Firms with strong and even creative strategies tend to have an upper hand in the market as they have an inclination to have a unique approach to business and foresee obstacles before them; therefore, being ahead their rivals in business.

So, if we have to focus on Micron, one of their main features is that their strategies have a tendency to involve risky strategies. "Our joint ventures and strategic relationships involve numerous risks", it states so and Micron explains in details what kind of risks can occur after a failed strategy. There are numerous of them, including "changes in tax, legal or regulatory requirements" which are variables that are out of owners' reach and "experiencing difficulties in transferring technology to joint ventures" which is within the reach of the owners, yet is still a challenging obstacle on the way. Most of the risks contain financially related issues which is understandable because finance is the factor to decide most of realms in business. Micron claims that if their business strategies do happen to turn out unsuccessful, the result of their operations may be adversely affected.

Thus, we see that strategic planning is a crucial matter in business's structure as it is a concrete guide to objective. If not well thought through, a strategy may lead to a fail, yet if consummate enough, an organization might achieve a desired set goal and obtain numerous benefits. Micron definitely has a strong stand with their great strategies, although they might be risky if failed.

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