

General environment segments and porter 5 forces

[Environment](#), [Ecology](#)



a) Of the six segments of the general environment, which is most important to Intel? The general environment consists of the outer layer of the environment which affects the business. It has an international, technological, legal, political, economic and sociocultural dimension to it. For Intel the most important of these is the technological dimension. Technology is advancing rapidly and for a company based on technology, they have to keep up to date with the market and the changing environment. b) Of Porter's five forces, which poses a greater challenge to it?

The five forces that Porter talks about are; potential new entrants, bargaining power of buyers, bargaining power of suppliers, threat of substitute products and rivalry among competitors. These forces help determine the position of the company vis-a-vis its competitors in the industrial environment. For Intel, the greater challenge is posed by the rivalry among competitors, AMD and QCOM. These two companies have held their grounds in the last couple of years and AMD gained 17.8% market share when it launched its Opteron and Athlon 64 chips. Intel needs to produce competitive chips to gain more market share.

c) Are you comfortable with Intel's decision to change its strategic focus? Why (or why not)? Yes, I am comfortable with Intel changing its strategic focus because in the past the competition has not been so tough, today technology is evolving rapidly and to stay ahead in the market, the organization needs to be more flexible about the overall goals and strategies. The environment is uncertain, to be competitive and efficient, Intel needs to

review its focus and by changing it Intel shows that it is ready to adapt to the new environment. Bibliography Daft, L. Richard. Management; Fourth edit