

Intel corporation strategies

[Business](#), [Company](#)



Change in the operating environment can force a company to change its strategies in order to remain competitive and achieve its objective as well. The adoption of new strategies should, however be done carefully so as to fit into the new organizational design necessitated by the change in strategy. The change of strategies should also be done in a way such that a strategic fit is achieved in terms of the organization mission, vision, goals, objectives, strategies and their implementation. (Einhorn 2006)

A company's mission statement describes the core existence of that company. It describes the raison d'être of the company. Intel's new mission is to provide technology that is more powerful but simpler to perform tasks without straining the user. This is why the company has rebranded and shifted its focus to other sectors. This will help the company to achieve its mission.

The mission of the company helps the company achieve its vision. A vision determines where the company wants to be in the future. The aim of Intel's vision is to power innovation from the living room to the emergency room. This is to mean that the company wants to dominate technology in all aspects of life. A vision basically is a wish of what /where the company wants to be in the future

To achieve a company's mission, vision, objectives, goals have to be set. Goals give the company a sense of direction thus avoiding conflicts. Goals also describes what the company plans to accomplish. Goals also motivate the employees. The company's main goal is to provide the manufacturers of laptops and entertainment PCs, cell phones, hospital equipment with a complete range of chips and software. The launching pad to achieve this

goal is the Intel Centrino processor (May 2006) Read about network level strategy

Apart from setting the goals, a company should also have some objectives which are basically tangible actions that need to be undertaken in order to achieve the desired goals. Objectives can be short term or long term in nature. Intel corporation objectives is to diversify from the core pc market into other areas e. g. entertainment and medical field. Diversification will help the company achieve the company achieve its goals of being the leading provider of software and chip solutions to manufacturers of a wide range of equipment like home entertainment and medical equipment.

Organization design is whereby the company aligns its structure with the mission by focusing on the relationships between tasks, flow of authority and responsibilities to ensure that they all contribute towards the achievement of the company's objectives.

Strategic control is also essential in the formulation and implementation of strategies. Strategic control helps an organization assess whether the implementation of the strategies is as anticipated and if the outcomes of the strategies are as planned. Strategic control is one of the stages of strategy management; others being strategy formulation and implementation.

Intel corporation shift in strategy has been attributed to the changing business environment. The shift has been necessitated by the declining revenues in the pc market thus the company had to chart new territories in order to generate more revenues. (McConnon 2007)

To achieve this, the company had to rebrand as well as introduce other new products. The old brands like Pentium processors will be phased out slowly and replaced with new concepts like duo core processors that are not only faster but consume less power. This is after Intel realized that speed was not the only factor that consumers considered. The new CEO of Intel, Mr. Otellini, envisages the development of new products in several other sectors e. g. consumer electronics, wirelesscommunication, healthcare apart from the pc market. The new product lines will be developed in what the CEO calls platforms

To successfully implement this strategic shift, the company has had to realign its operations in order to fit the new organization structure set up. An example of the change is the redeployment of about 98, 000 employees. The new strategy has led to the creation of new job opportunities of about 20000 to work on the new platforms. Read also about network level strategy

The introduction of new products will be accompanied by a new emphasis on marketing. This though has not gone well with some employees of the company who feel that if the company makes good innovative products, the company should not spend time and resources on marketing rather the products will sell themselves. Apart from the skepticism ion marketing, some employees are not happy on the decision of the new CEO to treat every employee as equal. Under the former CEO, high level engineers working on PC products were highly regarded in the company but this has changed. Under the new CEO, even marketers now rank the same as engineers

This is however contradicting the organizations culture that existed under the former CEO. Organization culture can be defined as assumptions, beliefs, ideologies shared by a group within an organization.

During Mr. Grove's reign, high level engineers working on PC products were highly regarded and that is how the other employees liked it. This was the culture then. (Intel 2008)

STRATEGIC FITS

For an organization to have successful strategic shifts, it must have a strategic alignment. Strategic alignment is whereby the activities of an organization work together by complementing each other in such a way that the organization is able to achieve a competitive edge. Intel's new strategies are focusing on diversification into other sectors through rebranding and new product offerings. The new products will be on all the platforms. To ensure that the company is able to achieve its goals, the company hired staff in those specialized fields e. g. doctors. The aim was to have their input factored in the new products. (12manage 2008)

CONCLUSIONS

Strategic shifts in organization usually come with many challenges ranging from lack of appreciation by employees to poor implementation. All these leads to lack of strategic fit in the organization. Therefore it's paramount that the change in strategy should be a well thought out plan in order to be successful.

The strategic change of Intel corporation was triggered by necessity given the dwindling revenues from its core markets; PCs. This change in strategy worked out well for the company as shown by the current position of the org.