

Free report on organizational environment

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



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Introduction

This refers to all elements that operate in or out an organization having the capability to affect all or part of the operations of the company. An organization must respond to some or all of the environmental factors to ensure its survival in the market. The management of the organization cannot be ignorant of the external and internal environmental factors that work towards its survival or its downfall. An organization's environment can be internalized greatly through a thorough analysis of its domain of operation, both internally and externally (Sims, 97).

Organizational environment in Walmart

The general environment has several phases listed as economic, socio-cultural, global technological, political and demographic phase. The general weakness of the world economy has not deterred Walmart from posting eleven per cent increase in sales. It has grown to become the world's most powerful retailer in the recent past. The company has been focusing on low income earners with it stores built on warehouses that minimal décor. Walmart has been operating globally having different stores for different

folks. It has penetrated into Mexico, Brazil, Argentina, Germany and United Kingdom among other nations. Walmart has been a leader in the field of technology so as to ensure maximal efficiency in operations. The store deployed its own private satellite network, and managed its logistics via a central system for all warehouses and distribution centers. The store has been ranked as the largest employer amongst the private industries back in the year 2004. This is because it hosted over one million associates in its ranks.

Walmart has not been operating as a monopoly. It has had a fair share of competition in the market making it work extra hard so as to remain relevant and competent. The main competitors of Walmart are departmental stores like Kmart, Target corporation, Meijer and Shopko, Giant Tiger among others. Some other smaller retailers which have given Walmart a run for its money include Family Dollar and Dollar General (Daft, 244). Internationally, the store has faced stiff competition. In Germany for instance, it has just captured two per cent of the food market trailing the giant store Aldi which has nineteen per cent share.

The major customers of Walmart are below the national average. More than a fifth of these customers do not operate a bank account. The customers are said to be allergic to high costs of gas and utility costs. Walmart is known for its tradition of having tailor made products for people who go to church. This is due to its presence in the Bible belt. In 2006, Walmart redesigned its stores so as to reflect majority of the demographic groups. This was followed by a change of slogan to suit brand admirers, affluent shoppers, and value-price shoppers.

Walmart operates in an environment that is densely populated with other bigger and upcoming retailers. It does not operate single-handedly in its area of jurisdiction. The stores that came into existence after its inception give Walmart a run for its money, e. g. Target Corporation. Walmart is the biggest retail store in the United States, and as such, it has adopted several survival strategies to maintain its position at the helm. The firm is financially stable thus making it easy to borrow as well as creation of funds for new projects. The subdivision of the retail store into distinct regions that have staffs on their own is another strategy that has kept Walmart at the top. Walmart is the highest employer in the United States thus making it the most preferred retail store for most citizens whose relatives are employees of Walmart. The type of advertising adopted at Walmart gives it an upper hand in the industry. Most companies do not have the financial muscle to maintain such expensive adverts as the one done by Walmart. Contribution to charity is also another strategy that Walmart has used to its advantage.

Walmart has been operating on the normative force to ensure its sustainability. It operates on the basis of how business is supposed to be without any abnormal increases in prices of commodities. Sam Walton, the owner of the retailer shop, always preferred to have the prices lowered so as to attract a large number of the American shoppers (Devina, 129). Walmart has risen over the years to become the most fancied retailer shop in the world. Walmart is the desire of many companies in the United States since majority of them competes with it to beat it.

Conclusion

Organizational structure has direct influence on the way the organization operates. However, it is the working environment that plays the major role in ensuring that the goals of the organization are being met. An organization that has created a friendly environment for its business operations is likely to outdo the rest in the game. Business is all about being different in the small things and reaping maximal benefits.

Works cited

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