

# [Using the swot analysis of asda commerce essay](https://assignbuster.com/using-the-swot-analysis-of-asda-commerce-essay/)

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\n[/toc]\n \nSWOT stands for strengths, weaknesses, opportunities and threats. Where strength and weakness are internal factors like wise opportunities and threats are external factors. Strength: ASDA has the powerful retail brand and also, it has the good position in the market. The strategy of ASDA is providing the different brands of items in low price, so that it has the good impact of customers. Likewise ASDA provides wide range of products in low price which will be the attraction of customers for long term business. Numbers of staffs who are working in the ASDA Company are polite and helpful for the customers. Weakness: ASDA sells more range of items such as clothing, foods or stationary, it may not have the flexibility of some of its more focused competitors. Also the company is big and famous, but has a presence in relatively few countries worldwide. Opportunity: ASDA has the positive impact of the customers because it provides different quality of items in low price so that it has the good opportunity to increase the number of stores to expand its business. Also it has the greater opportunity to merge or form strategic alliances with other global retailer i. e. Europe or china. Threats: ASDA has the greater competitions with the other companies like Sainsbury’s and Tesco. Since the market share of Sainsbury’s (16. 5%) is not far from ASDA’s market share, which is 16. 8%.

## Role of operations and operations management

Operations management in ASDA stores is concerned with creating, operating and controlling a transformation system which takes inputs of a variety of resources and produces outputs of goods and services which are needed by customers. The goal or purpose of most organisations involves the production of goods and/or services. To do this, they have to procure resources, convert them into outputs and distribute them to their intended users. The term operations embraces all the activities required to create and deliver an organisation's goods or services to its customers or clients. Within large and complex organisations operations is usually a major functional area, with people specifically designated to take responsibility for managing all or part of the organisation's operations processes. It is an important functional area because it plays a important role in determining how well an organisation satisfies its customers. In the case of private-sector companies, the mission of the operations function is usually expressed in terms of profits, growth and competitiveness; in public and voluntary organisations, it is often expressed in terms of providing value for money. Operations management is concerned with the design, management, and improvement of the systems that create the companies goods or services. The majority of most companies financial and human resources are invested in the activities involved in making products or delivering services. Operations management is therefore critical to organisational success. Management Activity: Good management is the key to good company’s performance. Mostly management is the process of achieving the goals and objectives of the company within the changing environment by balancing efficiency, effectiveness and equality as well as working with and through others. Management of ASDA Company is also trying to achieve its aim. Producing goods and services needed by customers: It is the major part for the management of ASDA Company. Developments of products according to the interest of customers, delivery, advice to the customers etc are the roles of the operations management. Using variety of resources: These are obviously needed for the management of any company. Likewise different resources which are using for the management of ASDA Company are materials resources which are consumed or converted by the system, labours who run the operations function, information etc.

## The role of operations manager in ASDA

Most of the operations Managers in ASDA stores perform the basic functions of the management process such as planning, organizing, leading, staffing, controlling as well as motivating to the staff. Decision Making: Actually the job of the operations manager is critical because they need to do the right decision as possible in any given situation. To think good decision at late time should be little value and the consequences of the delay should be harmful to the company. Decisions need to be made by operations manager to design, manage and improve the operations system. Cost Management: Costs of producing goods or services are instantly related to the costs of acquiring resources and delivering them to customers. Driving down costs through efficient operations management gives companies a critical competitive edge. Technology Management: Managing technology is the another role of the operations manager because to provide service, for promotion and to manage the company as well as to delivered the day –to-day business of the ASDA stores, operations manager need to use the technology. Coordinating the whole: Like the managers of the other departments, the operations manager breaks down the total task in to subsystem as well as a way to control the whole. This is essential in order to cope. The role of operations manager is to control these subsystems while also controlling the total system. Human resource management: Number of people employed by ASDA either work directly to create a good or service or provide support to those who do. Employee and the way they are managed are a key resource of the companies. Managing the short and long term: The task of providing services or producing goods is a short-term function. A day’s lost output will never be recovered without additional costs being incurred. Customers who go elsewhere are lost business, some time for ever. That is the nature of the short term operations task. It is thus essential that the day-to-day activities are well controlled and coordinated, and meet budgeted out puts. To meet monthly targets requires that each day’s target is met. Other departments, such as sales, work on a different time basis, with no one expecting the period sales target to meet short-term operations targets. So, what are some of the consequences of needing to meet these short term goals? They include: The job is problem oriented and solution –driven. Operations managers need to react quickly to resolve problems at source handling the symptoms as they appear will only bring temporary respite. The causes need to be identified and handled. It is a job that requires practical outcomes. In deed in this sense its practicability is over whelming. Pressure is also a distinctive feature of the job due to the tasks involved, the time constraints imposed and the dependency upon a whole range of activities, some of which are outside the direct control of the operations function either because of the companies reporting system or because they are externally sourced. The time pressures on operations managers often result in them having to make as good a decision as possible in any given situation. To think of better decision at a later date is usually of little value. It would be too late and the consequences of the delay would normally outweigh the gains involved. It is essential, therefore, that operations managers are the experience to good effect.

## New technologies and their applications in different sectors

In respect of technological analysis, technology can be divided in to a number of types, although there is considerable overlap between them: Technology can make the operation safer for both the organization and its customersTechnology that provides the customer with something completely newTechnology that allows the organization to deliver something different, be it product or service. Technology that provides the customer with a more convenient serviceTechnology that provides the customers with a quicker serviceTechnology that provides the supplier with more information about the customer and other stakeholders.

## Operations strategy

To maintain profitable growth over time requires sound direction and relevant functions providing support for the needs of agreed markets. Operation is being recognized as a major, often dominant, player in determining and securing competitive advantage. The operational role is to manage and control the various, wide ranging tasks involved in providing services and making products and to do this efficiently by bringing about developments and improvements. The strategic role of ASDA is to contribute to the debate and agreement on the markets in which to compete in terms of retaining customers, growing market share and entering new markets. This could involve a market driven and market driving perspective. Operations then need to develop and invest in the delivery system and infrastructure to provide those competitive dimensions for which it is responsible, for example price and delivery speed. Thus, operational capabilities are guided by strategic requirements and so help provide competitive advantage. For five years ASDA Company has been trying to become like Sainsbury and Tesco, and it has the mission to be the Britain’s best value retailer exceeding customers’ needs. Also it aims to send zero waste to landfill by 2010. To fulfil this aims and strategy operations managers are trying to make successful in every steps of the business of the ASDA Company. Strategic management has developed from strategic planning which was concerned with how to plan for the use of the organisation’s resources to pursue long term objectives. Planning, implementation and control should be integrated into the complete process of strategic management. The supermarket chain ASDA pursuing cost leadership strategy aim to keep their total costs lower than those of their competitors. It has led campaigns to overcome what it sees as price fixing in trademarked goods, pharmaceuticals and fragrances. To achieve overall objectives of the company it focuses on the effective human resource management.

## Conclusion

The role of ASDA managers consists of decision making, cost management, technology management, human resource management, coordinating the whole of ASDA store etc. All staffs have good product knowledge and know what offers are on. If a member of staff in ASDA is unsure of the answer to and enquires then in most cases they refer to the operations manager to solve the problems. The strategic role of ASDA is tends to be contribute the debate and agreement on the markets in which to compete in terms of retaining customers, growing market share and entering new markets. Operations manager have the greater responsibility to control and manage the business environment inside the company and to make positive environment to the customers for the goodwill of the company in the competitive market.

## Recommendation

From the above study and conclusion, I would like to suggest some recommendations for the improvement and to increase the business environment of ASDA Company. ASDA aims to be the number one for volume market in the UK by 2011. To fulfil this aim operation managers should focused on the customers driven strategy as well as quality management. To increase the day to day business of the ASDA company operations manager should give more priority on technology management. Motivated staff is the key factor to manage the routine activities of the store effectively and efficiently. As far as efficient operations of the store is concerned utmost care need to be taken by the operations manager on staff motivation. Cost minimisation is a common goal of every business for that the best procurement system needs to be adopted in the store.