

Forces in the environment essay sample



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The external forces impacting the functioning of both plants, Aberdeen and Green River, are naturally distinct. This difference results primarily from the fact that the two plants operate in different industries: Aberdeen was functioning in defense industry, while Green River was producing chemicals. This also caused a drastic difference in the number of customers: Aberdeen had a single customer affiliated with the US Department of Defense, and the Green River management had to cater to over 100 customers located around the world. Besides, The economic situations in South Dakota and Wyoming had to be taken into account

Thus, Green River has to be on the alert for ups and downs in the chemical industry worldwide. All organizations “ competitive fast changing product/market relationships, like chameleons, need to change color to suit the environment in which they find themselves” (Lawton, 1995, p. 28). Overproduction and resulting price decline in this industry can painfully impact its sales volume and bottom line. The Green River management also has to reckon with the fact that they are working with a variety of customers located in different areas of the world and thus take into consideration trade barriers, foreign exchange and country risks, legal issues of import/export operations, and cross-cultural differences (IDRC). They also have to consider possible changes in the leadership of the trade union and its policy, since the trade union can also be attributed to external factors.

Organizational structure has to be suited to the need for production of multiple products and worldwide distribution. For instance, the distribution personnel have to be structured according to various regions: Asia & Pacific, Europe, South America, etc., or any other setup that fits the sales structure.

Organizational culture has to account for the need to behave in a proper manner towards representatives of all cultures. Thus, the management may consider implementation of a cross-cultural training program. All employees have to be given a chance to appreciate “ value differences that come with nationality differences” (Hofstede, 1994, p. 5).

References

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