

Business plan on strategic planning at the chronicle gazette

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



Abstract

Having investigated the current status of The Chronicle Gazette and the issues that are affecting the industry currently, it is of importance to analyze the findings in a report to enable the decision-makers and the managers of the firm to make evidence-based strategies to improve and manage high performance. Some of the predicaments and challenges that consequently lead to the decline in the sales made by the firm are identifiable and this report helps in identifying these problems, proposing effective measures and devising appropriate plan effective in re-inventing the industry. This report therefore provides a detailed analysis of some of the issues the newspaper industry is encountering and some of the short-term and long-term recommendations that can keep the industry booming in the publishing sector.

Introduction

The newspaper industries are evident to be faced by various similar challenges in their micro and macro-environment which consequently affect their competitive advantage. The Chronicle Gazette, being one of the newspapers industries is faced by the same challenges with most of these problems being contributed by changes in technology which in return influences the social character, behaviour and the working of people especially those that are linked to information. This is a global challenge as people have currently turned to the internet to gather information about the local and the international scenarios, as the internet is cheaper and provides detailed information which is perceived to be more evidence-based.

This report targets at providing the management of the organization a defined and elaborated strategic vision with regard to the current position of the company and the predictable future of the firm for the next decade. The report will also integrate varying strategies that the firm can investigate and incorporate in its operation to enable it to survive in the new world of business.

Data on declining circulation and revenue

Over the past years, the newspaper industry has been referred to as the dying industry due to the continuous decline in the sales of their products. It has been observed that most of the publishing industries are faced by similar problems irrespective of how big or famous they are. According to an article from Washington Post in 2005, “ The venerable newspaper is in trouble. Under sustained assault from cable television, the Internet, all-new radio and lifestyles so cram-packed they leave little time for the daily paper, the industry is struggling to remake itself” (Cho, Lacy & Martin, 2006).

It has also been investigated and found that the total advertising revenue of newspapers has declined greatly with a relatively big percentage from \$37. 848 billion to \$27. 564 billion which is an approximate of 10% decline. Due to this observation, newspaper firms have initiated the plan of shuttering their prints and reduce their employees to avoid additional losses. Other firms are closing due to the large and profound competition from the internet which has been taken to be the main source of information globally.

Status of newspaper leaders

There has been an observable decline in the circulation of most of the newspapers in the United State. Reflecting on the analysis of the newspaper leaders, New York Times is evident to have declined by 8. 5% in weekday productions and by 5. 2% on the Sunday papers. The Wall Street Journal however has showed a mere gain, while the Washington Post declined by 13. 1% to 578, 482 on weekday circulation and by 8. 2% to 797, 679 on Sundays.

Why newspapers are facing declining circulations and revenues

There are several issues that need to be looked upon for an organization to analyze the main causes of decline in its performance in relation to circulations and revenues especially in the newspaper industry. The main causes however are associated with external forces like the economic, political and technological, and the internal forces such as the capabilities of the firms themselves.

Economic forces

The newspaper industry has suffered a great decline in performance due to global financial crisis that came up since the Great Depression in the United State. The newspaper industry's income is mainly got through the readers and the advertisers which are currently affected by the economic shutdown in the United States. Thus, for the firms to keep running in the market they need to raise their prices and this has consequently led to the decline in circulations and revenue gained by the industry. Hence, negative changes in

the economic status of a country immensely contribute to decline in sales made by newspaper industry leading to low revenue.

Social, cultural, demographic, and environmental forces

The social factor is the most important factor to scrutinize in the newspaper industry as the papers address issues affecting and influencing the way of living of people with respect to their lifestyle and behaviour. Due to globalization and the improved internet connections, the higher population of people are relying on the internet and the search machines to get current and past information at a less cost.

People have found advertising via the internet more reliable and accessible to relatively larger population as compared to the written prints such as newspapers and magazines. The internet is more economic and has less negative effects to the environment as compared to the newspapers which contribute to environmental pollution due to the materials and chemicals used to manufacture the papers.

Political, governmental and legal forces

The fact that people are aware of the rights such as freedom of speech suffices to explain the reasons behind the numerous media industries that are emerging, subjecting competition to the newspaper industry. In addition, most newspaper industries have shut down due to the decline in revenue contributed significantly by internet use and the aspects of democracy in most countries with inclusion of the United State.

Technological forces

The innovations and discoveries that have been made in the technology sector such as televisions, internet and radio have greatly affected the performance of newspaper industry. The customers and advertisers have turned to internet due to its economic value, its speed, accessibility and accountability. People are able to retrieve information via internet better than in newspapers as they are faster, easier and costless in some areas where free internet has been installed.

Competitive forces

One of the greatest challenges is the entry of new industries in the newspapers industry with consideration of the cost incurred in starting newspapers. Launching of a newspaper industry is considered to use a higher cost as compared to that of the radio and television, and this gives other news media an opportunity to beat the newspaper industry. Moreover, the markets of newspaper industry are facing stiff competition due to the wide range of newspapers with inclusion of the national, regional and weekend newspapers.

External Factor Evaluation (EFE) matrix

This is a tool that enables strategists to make conclusions that are evidence-based depending on their overview on the micro and macro-environment factors. Below is a table that illustrates EFE Matrix of The Chronicles Gazette. From the table, it is clear that the performance of the company has been declining over time due to different factors that affect the operations of the company. It is of great importance to the managers and the decision-makers

to consider the analyzed information for The Chronicle Gazette to achieve its competitive advantage.

Organizational processes and structure

The organization's innovative process is directed towards Susan Feinman, who has sufficient knowledge and skills that are beneficial to the firm. The organizational structure that needs to be adopted is the functional organization, and all knowledge from other groups within the organization should be directed towards one target in order to offer a helpful depth of knowledge to the firm. However, there is a limitation of this structure as people are observed to concentrate on the success of their own divisions or departments leading to differing operational strategies towards achieving the same goal.

HR capabilities

Being a leading paper in the metropolitan area, it is highly rated, an indication that the HR capabilities of the organization are high, especially those associated with skills and knowledge of the participating parties of the organization.

Financial position

Having an approximation of 225, 000 customers, the firm can be rated as a financially stable company and indication that the company is able to utilize its revenues and profits well. However, due to the decline in sales of their products, the company is at risk of collapsing and it's the responsibility of

the managers to construct defined operational strategies to improve the sales, thus raising the revenues for the firm.

Marketing/sales capabilities

The company has been reaching its customers well for the past years due to its effective communication and networking approaches. The company is able to create links and connections with the advertisers which are the main source of revenue for the newspaper (Deveson, 2009). However, the company is beaten by the online machines which are the common competitors of the company and this limits its chances to achieve its goals and objectives accordingly.

Our strengths and weaknesses as a publisher

The strength of the company is its ability to link and connect with its customers and the advertisers. This has promoted the company for the last years and has enabled it to run effectively in the competitive newspaper world. The company also has high qualified writers who are skilled and knowledgeable and are aware of what the readers need to see and read from the papers. However, the organization has some weaknesses with inclusion of lack of innovative strategies associated with technological resources and devices such as cable and internet and mobile devices.

How companies in the publishing industry are adjusting their strategies to cope with the challenges

With increase in the threats associated with decline in sales and revenues of the newspaper industry, many firms are implementing different operational

strategies to maintain their competitive advantage (MacKenzie, 2010). Some of the ways include:

- Taking advantage of the existing supplier to the industry
- Hiring of qualified staff and professional technicians to improve quality of production
- Making the advertisements attractive and captivating to the readers in order to beat competitors such as the televisions and internet
- Strategizing on using the internet to boast its papers and advertisements
- Decreasing the environmental pollution facilitated by the prints and associated chemical
- Offering products and services through new technologies such as smart phones and mobile phones.

Generally, maintaining the consumer base for the newspapers, the companies have the opportunity of gaining trust and confidence from the customers and advertisers and this consequently boost their performance. It also enables the organizations to gain the competitive advantage and prevent the destruction of the industry.

Steps The Chronicle Gazette might take in order to deal with the challenges

Having considered the micro-environment and macro-environment factors of The Chronicle Gazette, the following are some of the short-term and long-term steps that the company should adapt to improve its performance.

Short-term steps

- The fundamental step is to research on the needs of the customers, the accessibility of their products and availability of technology in order to meet the markets needs.
- Take advantage of the online social media such as the Twitter and facebook as observed from New York Times which has already taken advantage of this strategy.

Long-term steps

- After initiation of the company website, it is essential for the company to implement the strategy by introducing the customers to the technology as this introduces the customers to wide range of products and services offered by the company.
- In launching the website, it is essential to include the features that will attract and capture the attention of the customers in terms of colour, background and font.
- The company should taking advantage of the growing and increasing number of mobile gadgets.

References

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