

# Walmart economic forces

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Wal-Mart is sitting at number one on the Global Fortune 500 list. Sam Walton would never have thought that his creation of Wal-Mart in 1962 would lead to a global dynasty. By 1972 Wal-Mart went public which gave an infusion of money and capital for Mr. Walton that gave them 276 stores by 1980. In the mid 80's Wal-Mart expanded to having member only warehouse stores, Sam's Club. From there Wal-Mart opened supercenters that included full grocery and 36 departments of regular merchandise. By the end of the 1980's there were 1, 402 stores and 123 Sam's Clubs (Wal-Mart corporate 2012).

Recent and Current Operations: Wal-Mart is one of the most successful retailers in the world (Wal-Mart corporate 2012). Currently, there are 10, 020 regular stores and warehouse stores. There are 2. 2 million associates employed worldwide. The Wal-Mart empire serves upwards of 176 million customers annually. Sam said, "... if you think about it from the point of view of the customer, you want everything: a wide assortment of quality merchandise; the lowest possible prices; guaranteed satisfaction; friendly, knowledgeable service; convenient hours; and a pleasant shopping experience.

You love it when a store exceeds your expectations, and you hate it when a store inconveniences you, gives you a hard time, or pretends you're invisible. "(Wal-Mart, 2012). This is exactly what Wal-Mart has proved to live, expand, and abide by. Economic Forces: Wal-Mart is successfully surviving in the changes of economic distress that is affecting the United States as well as other countries around the world. They have been focusing on expansion in Canada and have chosen to progress in Argentina.

With Argentina, it is working with producers of fruits and vegetables to best practices, thus Argentina would be exporting to Wal-Mart worldwide. In Canada, Wal-Mart is planning on completing 73 projects which adds 4.6 million square feet of retail space (Wal-Mart, 2012). When it comes to the economic forces that affect Wal-Mart, has shown that even with high unemployment rates, and rising prices, they can still stay competitive in the retail market. Wal-Mart has been able to keep prices competitive by buying in mass quantity.

They strive to hire by the expansions that they are continually able to make. The biggest force that affects Wal-Mart is rising prices in transportation that is passed to the consumer with the rising prices of products. Wal-Mart seems to be conquering this by keeping prices lower than other retail establishments, thus consumers flock to Wal-Mart to take advantage of the lower prices. Social Forces: Wal-Mart is making great strides globally in the humanitarian realm. When a company has social force in the they share core values, brand awareness, and promotion of products, all of which are in the better interest of the public.

Wal-Mart has proven this to be true by joining with leaders of business, labor, and government for reform of the health care system and technology in the United States (Wal-Mart, 2012). They are expanding and helping other countries to improve living and economic conditions. Socially, Wal-Mart must continue to provide jobs, and leadership in communities. In doing this, it shows that expanding, and providing employment opportunities. Wal-Mart has established a foundation that provides hunger relief in America. Wal-Mart has also proven to be a leader in military support.

They are the largest private employer of veterans and those on active duty with the military. With the economy in dire straits worldwide, Wal-Mart must continue to be a leader in communities by giving back and providing to them with core values that Sam Walton has always believed and strived to give. Political Forces: Working with governments to improve the conditions of the economy, health care, and job conditions, Wal-Mart is showing communities around the world that they are progressing in the best interests of the economy globally.

Wal-Mart has made a stance in communities which has been both good and bad. With the massive expansion that has been occurring Wal-Mart has found itself in the headlines for potential labor violations but also for the good that they do in communities with healthcare. Political forces is considered to be those that are those that effect decisions made by a business. In the case of Wal-Mart, they pride on being 100 percent operated by renewable energy, have zero waste, and sell products that sustain the people and the environment (Wal-Mart, 2012).

Wal-Mart executives work with local governments worldwide to maintain programs and know the laws, both current and upcoming, that effect the operations. In the United States, Wal-Mart started working with the government to provide affordable prescriptions. This began in 2006 and has spread like wild fire. Wal-Mart must continue to look at programs such as this to stay active positively in communities. SWOT Analysis: Like any business, Wal-Mart has to continually assess their strengths, weaknesses, opportunities, and threats in order to continue to be competitive.

Awareness by the executives to what is happening locally and globally will further the expansion of Wal-Mart. Predicting, Planning, Adjusting: Wal-Mart is one of the top 10 largest corporations. Wal-Mart must predict what is needed and wanted in communities. Executives have to be able to see the needs like in Brazil. Wal-Mart has gone in and created social retailing school and provide skills and services in what they call the "community center" to improve everyday lives (Wal-Mart, 2012).

This is just one example of what Wal-Mart strives to do when they enter a community. Continuing to predict what communities, people, employees, states, and countries need and want will continue to leave Wal-Mart at the top of the rankings. Wal-Mart executives have continually planned where they will expand, how they will survive the changes in economy, and what they can give back to the communities. It is proven that the retailer needs to continue along this path but also be able to make any necessary adjustments that might come along.

Executives can set down a plan, they can predict but they know that there are always things that can change those plans and predictions. Like anything, one must be able to adjust if something were to happen. Therefore, there must always be the space for adjustments. With a company that is globally there must be adjustments for particular laws and differences in cultures. Wal-Mart has put all of their clean and dirty laundry out for the public to see. They welcome input so they may adapt to a particular situation. With that said, welcome to another viewpoint of Wal-Mart.