

Internal; external factors that affect management

[Business](#), [Management](#)



In today's ever changing business world companies from of all sizes have to be aware of the different factors that might affect the way they are managed and ultimately operate. There are two main areas where these factors can originate, internally and externally. According to " Businessdictionary. com" (2013), " Internal factors are inner strengths and weaknesses that an organization exhibits. Internal factors can strongly affect how well a company meets its objectives, and they might be seen as strengths if they have a favorable impact on a business, but as weaknesses if they have a deleterious effect on the business." (para. 1).

External factors are the opposite of internal factors because they involve all relevant forces outside a firm's boundaries, such as competitors, customers, the government, and the economy. In the following we will discuss how a company like Google is affected by internal and external factors that change their four functions of management such as globalization, technology, innovation, diversity, and ethics. Organizational culture is a business' DNA.

Depending on how strong or weak an organization's culture is will determine how successful that business generally becomes. This analogy can not be more evident than with or organization, Google; founded by Larry Page and Sergey Brin in 1998 while still at Stanford pursuing graduate degrees. Their youthful outlook remains dominant within company culture today (Johansson, (2010)). Organizationally, Google maintains a casual and democratic atmosphere (quite similar to our owner's personalities), resulting in its distinction as a Flat company.

Within the walls or more correctly the parameters of this flat company, teams are made up of members with equal authority and certain level of autonomy is maintained. This unique approach has lead Google to boast about some unique cultural aspects such as: double rooms (few single offices!) with three or four team members, dogs, lava lamps, and massage chairs and even local touches like ski gondolas in Zurich, express each office's unique location and personality. With benefits like those, it's clear to see how Fortune magazine describes us as the best company in the world to work for.

The fostering creative, relaxed work environment along with the entire unique employee perks help shape the strong unified culture amongst Google (Johansson, (2010)). On the other hand a weak organizational culture can lead to toxic consequences for a business. Consider, Enron, a prime example. Once one of the most successful businesses in its heyday has long gone but its lessons endure. The company's epic fail resulted in the biggest business bankruptcy ever, facilitated by unethical behavior by its top-level managers.

Ethics which are part of the planning function of management goals are to identify both the rules that should govern people's behavior and the products that are worth purchasing. Proper ethical behavior is generally demonstrated and facilitated by top-level manager as a working example for other employees to adopt and cultivate within the organization. " Just as character matters in people, it matters in organizations," says Justin Schultz, a corporate psychologist in Denver. This was not the case with Enron's

leaders, who sought excess at the expense of their employees, shareholders and community.

In the end, those misplaced ethics destroyed Enron and essentially the only product they produced worth seeking can be found in university textbooks that characterizes Enron's unethical behavior (Silverstein, (2013)). Similar to how internal factors influence a company culture throughout an organization and vice versa during planning, external factors can influence management within the function of planning. Particularly technology, for example just as with any planning phase, decisions about technology must balance internal capabilities (strengths and weaknesses) with external opportunities and threats.

Management uses several techniques to better understand how technology is evolving within a particular industry (Bateman & Snell, Chapter 10, Assessing External Technological Trends, (2011)). Globalization is another one of the major factors that can influence the way that a company manages itself. According to "Oxforddictionaries. com" (2013), "globalization is the process by which businesses or other organizations develop international influence or start operating on an international scale" (para. 1).

According to Adams (2008) "Businesses are said to be competing on a level global playing field almost without regard to location or nationality." (p. 153). This could be advantageous to a company like Google or a disadvantage as well. Planning can be a problem with globalization because not only is Google doing business in other countries they also have offices in them as well. Communication on a real-time level can be difficult by collaborating with people in different time zones and languages.

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This could be helpful though as well because of all of the different backgrounds and diversity in the countries that Google operates in can give strong ideas to plan upon. Organizational efforts can be a bit troublesome as well when you are working across such a vast area and diverse people. Getting the right people together to attend meetings, whether it's over the phone or face to face via video conferencing, can be hard to organize as well. Although again this could be advantageous to Google because of all of the diversity of its employees, organizing can lead to big things.

One of the more important functions of management is leading and this could be compromised by globalization in a couple different ways. If you have a employees working on a team that are far apart in different countries, the team leader or manager can find it difficult to get the most out of his workers because of language barriers, time zones, or ethical differences. However, this could work out good for the manager because he or she could use the different backgrounds of the employees to motivate or come up with new tactics to improve efficiency.

The one thing that should not have an effect by globalization is controlling. With technology these days watching over or supervising a group, ever over a vast area, is not that difficult. With the invention of video conferencing and things like databases and dashboards, managers are able to see and control a wide variety of things. On the other hand, some things can be easier to get by management, like time working on a project, than if it was all in one building. Another factor that can change the way Google manages itself is diversity.

The previous few paragraphs touched on this point a little but this does change things a lot. Planning can be a bit challenging because of how many different backgrounds and morals that a manager has to consider. Again this can be helpful though as well because of the different ideas that can come out of the diversity of the employees. Organizing these diverse people can be hard as well. Some of them might have different religious holidays and beliefs so the manager might have to work around them to maintain a good moral.

On the flip side this could be a good thing because again the diversity can be an advantage to the manager. Leading can be another way that this can be advantageous because a manager can really play on the emotions of their diverse employees by really respecting their beliefs and morals so that the manager can gain respect. The down side is that it might go against the morals of the manager to respect or allow an employee's beliefs in which the leader of the team is dissatisfied. Controlling can be difficult because of the different language barriers and time zones to really get a handle on things.

With all of these different factors weighing on Google's management functions, it appears that there are many more advantageous opportunities to increase efficiency and profits while expanding the company to new heights. However, if any of these factors start to change or start to affect the company in a more negative way without addressing it or changing, things might go terribly wrong for the company. So make sure that everything is running smoothly and not to a point that it will look bad on the company.