

Management



Intel analysis The strategic analysis of a business is pegged on the ability of the business to adequately assimilate its environment. The external environment is rather diverse and dynamic, and it is constantly changing in nature capacity and form. These changes present new opportunities as well as threats that the organisation needs to deal with in order to adequately survive. Subsequently international and multinational companies are often confronted with the challenge of exploiting the presented opportunities in new or familiar environment while hedging against the threats and risk that come with the new environments. Therefore, it is important for Intel to have a proper understanding and interpretation of its external environment. The external environment comprises of the political, economic, socio-cultural, technological, legal and environment aspects (Penrose 60).

The political aspects of the external environment relate to the fact that Intel is a multinational company that operates in different states. In effect, the political stability of the country determines the manner in which the company penetrates the market. Politics tend to have great influence on other aspects of the market such as policy and the economy. The ideology adopted by political players determines the direction in which the economy takes and the manner in which the company operates. Intel took over four years negotiating with the Vietnamese government to be allowed to operate in the country. The economic and technological aspects of the environment go to the financial capacity and competitiveness of the various states. The recent economic down turn greatly affected the company's profitability and level of investment in innovation and new technology. The legal aspect of the environment affects the manner in which the company operates in the specific environment. Unfriendly policies limit the extent of the company's

operations.

The porter's five forces analysis framework interrogates the environment on five main areas. The competition, the substitutes, consumer bargaining power, supplier bargaining power and the intensity of the competition, are the fundamental aspects of the external environment. The technology market is increasingly expanding, and it allows companies to specialize in particular fields. Intel is one among the largest semiconductor chip makers. The chipset industry has a diverse structure that engages different inventors and producers. The competition is differentiated by the customer loyalty and the legal boundaries that limit the rights to production and distribution of certain products. Due to the numerous brands that the company has, it has a list of specialised competitors in the various product markets including Advanced Micro Devices, VIA Technologies, SiS and Nvidia (Intel Corporation). The main determinants of the determinants of the competition are the legal agreements and the nature of the market penetration of Intel and Intel affiliated products.

Intel commands a fair share of the market in the computer microprocessor and the mobile processor market. It has the greatest share of the market in the specific brands and has continued to enjoy this position for the past decade. The company has a great prospect as it looks to take its share of the market among other portable devices besides mobile phones such as tablets. The recent partnership with apple will ensure that the penetration into the tablet market is smooth and fruitful. As the world becomes more technologically sophisticated, the company is presented with new opportunities to venture into. Through a diversified supplier approach and a loyal consumer base the company's profile has a great prospect for growth.

Reference

Intel Corporation. Company Overview, 2012. Web. October 25, 2012.

Penrose Edith. The Theory of the Growth of the firm. Oxford: Oxford University Press. 1995