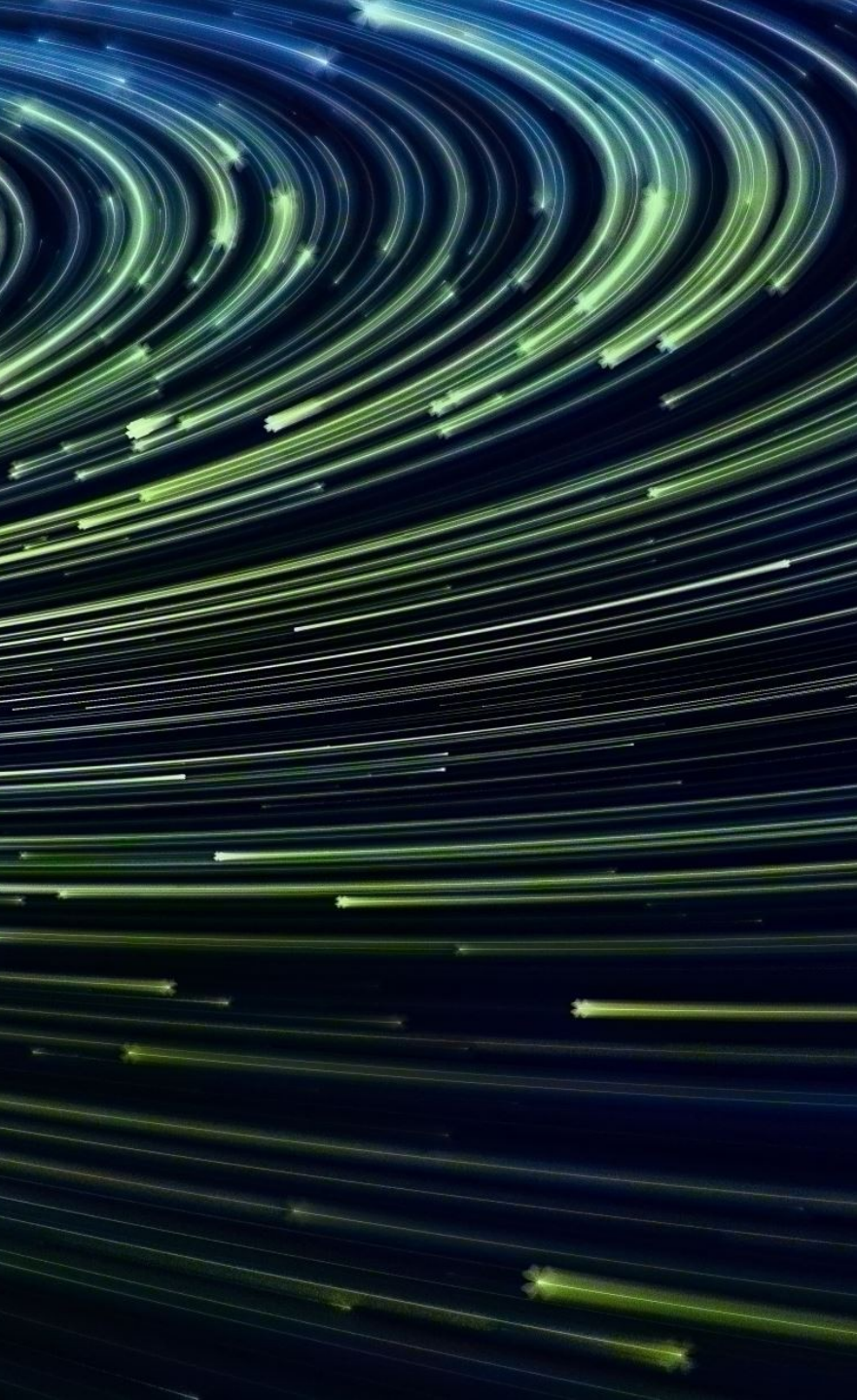


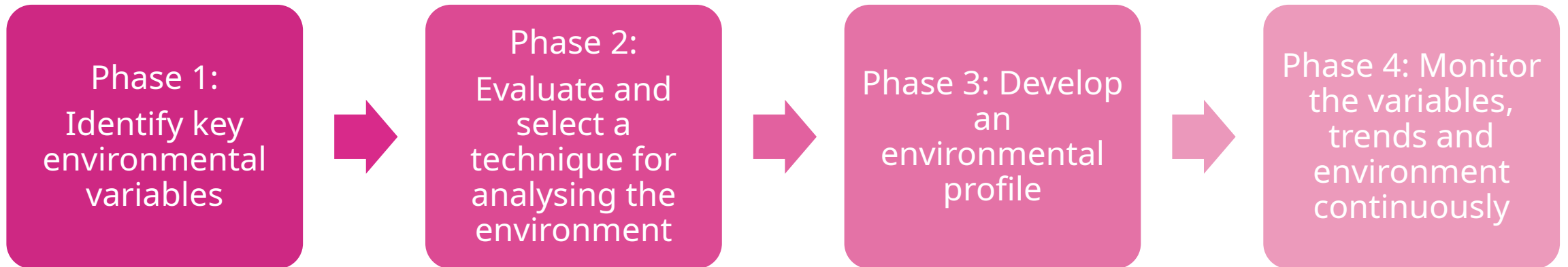


Composition of the management/Managing organisational change and individual stress

Theme 1: Micro vs Macro Environment

- Discuss the importance of the management environment when making management decisions.
- Explain the concepts of the process, systems and contingency approaches in management.
- Discuss the structure and dynamics of the management environment
- Conduct a basic analysis of the management environment

Conduct a basic analysis of the management environment



PHASE 1: IDENTIFY KEY ENVIRONMENTAL VARIABLES



ACTION

Identify relevant internal and external factors.

? WHAT COULD AFFECT OUR OBJECTIVES?

PHASE 2:

SELECT AND APPLY ANALYSIS TECHNIQUES

MANAGEMENT ANALYSIS TOOLKIT

PESTLE ANALYSIS



Political



Economic



Social



Technological



Environmental



Legal

Examine political, economic, social, technological, environmental and legal forces.

SWOT ANALYSIS

S

Strengths

W

Weaknesses

O

Opportunities

T

Threats

Organise internal and external findings.

COMPETITOR ANALYSIS



	OUR SUPERMARKET	RIVAL A	RIVAL B	RIVAL C
Price	★★★★	★★	★★★★	★★★★★
Quality	★★★★★	★★★★	★★★★☆	★★★★★
Convenience	★★★★★	★★	★★★★	★★★★★
Service	★★★★★	★★★★	★★★★	★★★

Understand rivals and market position.

COLLECT RELIABLE INFORMATION

- Customer Feedback
- Sales Data
- Economic Reports
- Competitor Prices
- Supplier Information



WHICH TECHNIQUE
BEST FITS THE QUESTION?



ACTION
Evaluate the importance and likely impact of each variable.



INFORMATION BECOMES USEFUL WHEN IT IS ANALYSED SYSTEMATICALLY.

PHASE 3:

DEVELOP AN ENVIRONMENTAL PROFILE

ENVIRONMENTAL PROFILE

A PRIORITISED SUMMARY, NOT A LIST OF EVERY POSSIBLE FACTOR.

1 KEY TRENDS



Customers buying more online



Operating costs increasing



Technology changing quickly

2 OPPORTUNITIES



Expand online delivery



Reach new customer groups

3 THREATS



New low-price competitor



Supplier prices rising

4 LIKELY ORGANISATIONAL IMPACT



Sales



Costs



Employees



Operations



COMBINING FINDINGS FROM:



MICRO ANALYSIS

The supermarket and its operations



MARKET ANALYSIS

Customers, competitors and market conditions



MACRO ANALYSIS

Political, economic, social, technological, environmental, legal



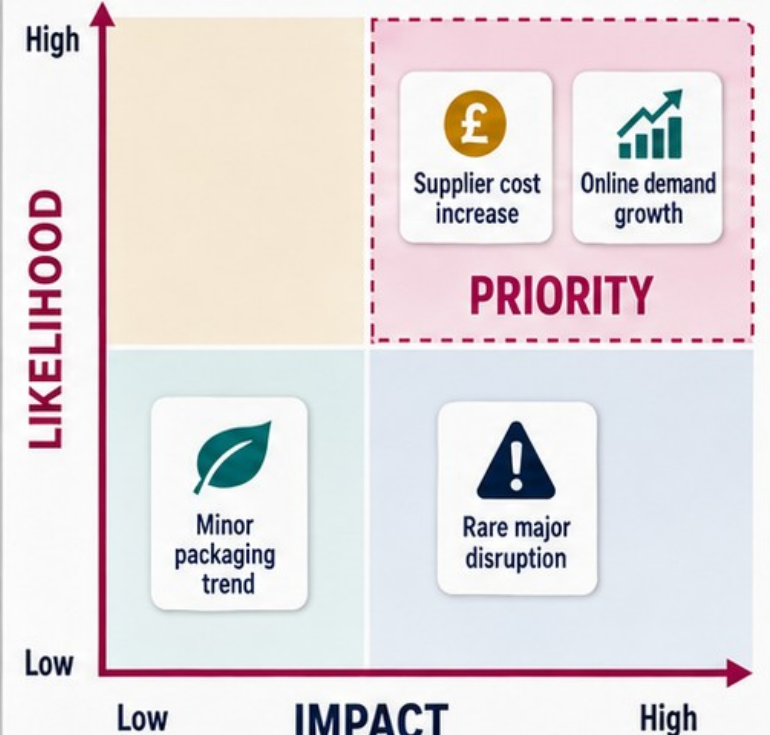
WHAT REQUIRES MANAGEMENT ATTENTION FIRST?



ACTION

Summarise, assess and prioritise the most important findings.

PRIORITY MATRIX



THE ENVIRONMENTAL PROFILE TURNS ANALYSIS INTO A CLEAR PICTURE FOR DECISION-MAKING.

PHASE 4:

MONITOR AND RESPOND CONTINUOUSLY



ICE ACTIVITY 1

IN-CLASS ACTIVITY 1 — TRUE OR FALSE?



Decide whether each statement is **TRUE** or **FALSE**.
Be ready to explain your answer.



	TRUE	FALSE
1. The Cold War involved a direct full-scale war between the United States and the Soviet Union.	☐	☐
2. The Cold War ended in 1991 when the Soviet Union dissolved.	☐	☐
3. Globalisation increased the movement of goods, services, capital, technology, information and people across borders.	☐	☐
4. A globalised organisation is influenced only by conditions in its domestic market.	☐	☐
5. A system consists of interrelated and interdependent parts that form a unified whole.	☐	☐

	TRUE	FALSE
6. The contingency approach assumes that one management method is suitable for every situation.	☐	☐
7. Customers, competitors, suppliers and intermediaries form part of the market environment.	☐	☐
8. Managers have direct control over all variables in the macro environment.	☐	☐
9. Phase 2 of environmental analysis involves selecting and applying an appropriate analysis technique.	☐	☐
10. Environmental monitoring should be continuous because conditions and trends can change.	☐	☐



Challenge: Correct every statement you believe is false.



Suggested time: 8 minutes

ICE ACTIVITY 1 — ANSWERS

TRUE OR FALSE? LET'S CHECK.



- 1. FALSE** The USA and USSR competed globally but did not fight a direct full-scale war against each other.
- 2. TRUE** The Soviet Union dissolved in 1991, marking the end of the Cold War.
- 3. TRUE** Globalisation increased cross-border flows and international interdependence.
- 4. FALSE** A globalised organisation is influenced by both domestic and international conditions.
- 5. TRUE** The connected parts work together to produce a unified whole.
- 6. FALSE** The appropriate management approach depends on the specific situation.
- 7. TRUE** These are key forces in the market environment.
- 8. FALSE** Macro-environmental variables are largely beyond managers' direct control; managers monitor and respond to them.
- 9. TRUE** Phase 2 involves selecting and applying an appropriate analysis technique.
- 10. TRUE** Continuous monitoring helps managers identify changes and respond early.



SCORE: 1 point for each correct answer — plus 1 bonus point for each false statement corrected accurately.



Which false statement was the most convincing—and why?

THANK YOU!

Thank you for your attendance and active participation.



COMPLETED TODAY

LEARNING UNIT 1

Composition of the
Management Environment

Chapter 4



Micro
Environment



Market
Environment



Macro
Environment



Globalisation



Management
Systems



Environmental
Analysis



PREPARE FOR THE NEXT CLASS

LEARNING UNIT 2

The Management Process

Chapter 2



Please read Chapter 2
before our next session.



Understanding the environment helps managers
understand where decisions are made.

The management process explains how those
decisions are made and implemented.



Read



Reflect



Come prepared



AI USE DISCLOSURE

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Human review and
responsibility



Transparent
academic practice