Environmental Scan Report

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**Introduction**

This report named Environmental Scan Report that is aimed to scan CSL Limited from different perspectives. For this purpose and concern, this report examines the impact or influence of the internal and external environment on the CSL limited. Further, an analysis of the factors in the external environment of CSL limited and their impact on the company an important part of the report. While the last phases of the report identify and illustrate the application of appropriate frameworks and strategies for the purpose to give a solution regarding the problems and challenges faced by CSL limited.

CSL Limited is an international specialty biotechnology company that is engaged in different activities of the biotechnology field. CSL Limited is specialized in the operations like research, development, manufacturing, and marketing products and items for the purpose to treat and prevent serious medical conditions of human beings. The product line of CSL limited includes different products such as blood plasma derivatives, antivenom, vaccines, and cell culture reagents that are used in different medical and genetic research and production or manufacturing processes and applications (Owler, 2020).

**Micro Environmental Factors Affecting CSL Limited.**

As CSL limited is an international company that has a presence in more than one region of the world, the management of the micro or internal environment is very important. The internal management is so critically important because the factors of the microenvironment have huge impacts on the company. In short, the microenvironmental factors that have an impact on CSL limited are as follows.

**Customers**

Customers are almost the most factor when it comes to the success and failure of any company including CSL limited. Customers are the people who purchase the products offered by CSL limited. In the microenvironmental factors, customers are considered as the most important factor/force. This factor has the hugest impact/impacts on the company because customers are the people who purchasing preferences define the success and failure of CSL limited up to a high extent (Owler, 2020). This factor is crucial and impact CSL limited because CSL limited can be found involved in the development of strategies and processes to attract their customers and satisfy each of their needs and wants. In addition to it, the significance of customers is higher today than in the past because of today’s competition.

**Employees**

Employees are considered as the most important asset of every organization when it comes to management and operations. Employees are one of the highly important factors of a microenvironment that affect CSL limited by putting influence on the performance of the company. This microenvironment factor influences/impacts the company because the performance of all and each employee is a primary driver of the productivity and organizational performance of CSL limited as well as it plays a very key and important role in the overall success of CSL limited (Owler, 2020).

Additionally, initiatives regarding the training and development of employees of CSL limited would always be a productive and successful step of the company as it would enhance productivity and would lead to improved performance (SKU, 2016).

**Suppliers and Distributors**

As CSL limited is a global company, the supply chain and distribution management get critical importance. The factors known as Suppliers and Distributors affect CSL limited in a way that they decrease the operational costs of CSL and improve efficiency. This factor affects the company because the company has to develop the supply chain and distribution process according to the requirements to ensure customers access.

**Competitors**

Competitors are the entities who have the ability to put the companies like CSL limited in trouble if the company did not keep itself competitive. Like almost every industry, the competition exists in the industry of CSL limited as well. The impact of competition is high on CSL limited because it (competition) directly affects revenues of CSL limited. It also decreases the markets share of the market when a number of competitors go high (Owler, 2020). In short, competition impacts the company by requiring it to develop business and marketing strategies according to the presence and level competition.

**Shareholders/Investors**

The impact of shareholders or investors cannot be denied in any case by CSL limited. The effect of this factor cannot be denied because shareholders are among the important stakeholder list. The impact of shareholders is high because one of the goals of CSL limited is to increase and ensure profits and revenues of shareholders. So in such cases, the company keep an eye on this factor when operating its business operations.

**Macro Environmental Factors Affecting CSL Limited**

There are many factors associated and exist in the external environment of CSL limited. As well as, all of them have affect CSL limited up to an extent. But the factors that affect our chosen company the most are listed and explained below.

**Political Factors**

* The involvement and participation of the government body in the business and industry of CSL limited through the execution of business policies and procedures.
* The presence and level of corruption on the national and global level in the regions where the CSL limited has presence and operates. This includes corruption in business practices, policies, organizational processes and policies, and other departments.
* The political sustainability in the host country as well as in other regions where CSL limited has business operations.
* The involvement and introduction of new laws and regulations by the government in the biotechnology industry like changes in prices, safety laws and anti-trust regulations. In addition to this, the changes in the current policies and laws especially employees benefits laws, and taxation policies also put huge effects on CSL limited (IBISWorld, 2020).

The impacts of political factors can be seen with changes in the corporate policies of CSL limited. As well as these factors lead to affect the business structure of CSL as per the requirements listed by the government entity.

**Economic Factors**

* The economic condition, system, patterns in the countries where CSL operate its business operations.
* The development of new economic policies on the national level in every region of CSL limited operations such as changes in the fiscal and monetary policies by governments.
* The difference level in the economic and monetary policies on the local level of different countries as well as on the global level. For example variances in the currency rate etc.
* The varying economic and growth rate in the countries or regions where CSL limited operates as well as variances in the interest rates etc.

Economic factors put the impact of CSL limited in many ways such as it usually lead to an increase and decrease the growth rate and profitability of the company. Apart from this, this also sometimes require CSL limited to have poorer and better business performance (IBISWorld, 2020).

**Social Factors**

* The demographics of Australia and other regions where CSL operates such labour skill level, human availability, population, and human competencies of individuals or workers.
* The existence and power of culture, changes in the power, education level or standard, and other aptitudes of people and potential customers.
* Social convections in the culture of almost every region where CSL limited operates as well as gender role and preferences in each of the locations.
* The level and spirit of entrepreneurship and business development in the people and communities on the global level. This factor has a huge impact on CSL limited because it leads to an increase in competition for CSL limited (IBISWorld, 2020).

Social factors impact CSL limited as they affect the company’s profitability. In this, the spirit of entrepreneurship plays the hugest part because it may decrease market share and increase competition for CSL limited (SKU, 2016).

**Technological Factors**

* The involvement and usage of technology and advancement on the international level as well as changes and advancement in the technology that CSL limited uses for production in overall business operations.
* Changes in the technology used by the all major and minor competitors of CSL limited that compete with the company on a national and global level.
* The consistent changes and improvements in the innovation in technology on the production, operations, business performance, structure, and costs of CSL limited on both (national and international) levels.

Technological factors put less and more impact CSL limited in different cases but most of the times, it requires the company to adapt the business structure and production process according to the technology they have at hand and changes in it.

**Solution and Strategies**

The possible solutions to the challenges and strategies to adopt maybe;

1. CSL should adopt Market Development Strategy in the emerging markets and develop these markets to ensure their corporate growth and financial success through higher revenues.
2. They should deal in the international/global currency to cover the economic issue of variance in currency rate etc. (Dewan, & Singh, 2019).
3. CSL limited should proceed to merge some business area (a product) with top competitors so that they would have higher market share and competition may be decreased.
4. They have to focus on R&D and work to launch a product related to biotechnology that has not yet offered by any industry player. So that market competitiveness may be built.
5. CSL limited should ensure participation in social wellbeing and development on a national and international level to ensure better image reputation in the community. This would be beneficial for both the customers and community and company (CSL, 2020).
6. With changes in technology, they should invest in technology advancement that is used in the production of their products.

**Conclusion**

After an in-depth analysis and scan of the internal and external environment of CSL limited, it has been found that CSL limited is a well-performing company in many ways. But it also came to state that the impact of environmental factors is enough high on the company as they affect the company in different ways. But to cover those challenges and impacts and better utilize organizational resources, CSL limited has different strategies and tactics at hand that could be used to ensure competitiveness, growth and organizational success.

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