Identify Of External And Internal Forces Affecting Red Carpet

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Red Carpet is a national entertainment and hospitality company with countrywide operations in the USA. The company owned three divisions such as; hotels, restaurants, and cruise line, however, recently the company acquire Sparkstar Theaters, a movie theater company which became its fourth division. The first three divisions of the business are facing many challenges both externally and internally. While the fourth division Sparkstar theaters are a highly profitable business, here we will highlight both the internal and external forces which are affecting Red Carpet.

The company had many issues in internal management and policies, which led the organizations toward downfall and losses. There are weak and inefficient organizational policy and poor HR policy that can guide the behavior and attitude of employees. Primarily, the organizational structure is informal and organic, with fewer formal policies that could guide the actions of employees (Abdul‐Halim et al. , 2016). Secondly, the company has outsourced the training of employees to one of its investor groups, which is not beneficial for the company. The practice of employees doesn't improve their weaknesses and raise the cost in terms of time and money. Finally, the company does not value its HR function, so the employees are struggling with many employment issues and employment law concerns.

There are many external forces which influenced the performance of the company. A red carpet is struggling with its poor marketing strategy in the fast-growing competition in the market. The company has lost many of its retail outlets and bore huge loss. The company has the case with the federal government, due to weaker legal assistance and knowledge. Finally the company has lost its loyal customers because of poor customer experiences.

References

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