Name

Name of Professor

Name of Class

Day Month Year

Final Paper 5 Nuggets

The word ‘nugget’ has been understood as the key concepts studied and learned in the course. During the course, a number of concepts related to strategic management and business policy has been discussed, learned and understood. After going through the course content, the learning nuggets that have been identified as the most interesting ones include Competitive advantage strategies, Porter’s five force model, the SWOT analysis, the importance of financial and strategic objectives of an organization and how do they differ from each other, and the benchmarking.

The first one is generic competitive strategies presented by Porter, which an organization can implement to achieve a competitive advantage. There are four basic types of competitive strategies, cost leadership, cost focus, differentiation focus, and differentiation. The two main strategies are cost leadership and differentiation, in cost leadership, a firm tries to become the low-cost producer in the industry by achieving economy of scale of scope. In differentiation, a firm strives to achieve a competitive advantage by differentiating it from its competitors. It selects the most appreciated attributes of buyers and it gets a reward for its novelty and uniqueness. In cost focus and differentiation focus, the firm focuses on its target market. Porter's competitive strategies are very important as they assist a firm to achieve its goal of competitive advantage and business success. The knowledge of these strategies will help in career and I will be able to advise my organization on ways to achieve competitive advantage. In addition, I can use this knowledge to build a competitive position in my own enterprise or venture.

Another strategic management tool learned in the course by Porter is five force model. This model enables an organization to evaluate its competitive position in the market and understand if the new product or service is potentially profitable or not (Grundy, 214). These forces are the power of suppliers, power of buyers, power of competitive rivalry, threats of substitutes and threat of new market entrants. If the power of all these forces is high, then such industries are not very suitable to enter. Porter's model is very important for industry analysis and saves an organizational from the potential risks. Decisions based on the in-depth analysis of industry are essential for an organization. I believe an understanding of this model will enable me to make a better contribution to the decisions of entering an industry with a product or a service. In addition, I will be able to understand the changing dynamics and characters of the industry to make informed decisions.

SWOT analysis is an important strategic analysis tool which helps an organization to understand the internal and external factors that impact its operations (Sabbaghi and Vaidyanathan, 5). The internal factors are the internal strengths and weaknesses, while the external factors are threats and opportunities. Strengths are the advantageous factors for an organization for instance, its low-cost production, and weaknesses are the areas where a firm needs improvement. External factors are not in the control of an organization but it can respond to those factors such as advancement in technology. External threats can be the obstacles, the activities of competitors or any other force which can be risky for that organization. The SWOT analysis also facilitates an organization to understand its current position by having a look at its strengths, weaknesses, opportunities, and threats so that it can make informed decisions. A personal SWOT analysis will help me in evaluating my own strengths and weakness according to my personal and professional standing. It will also assist me in making use of the right opportunities, utilizing my strengths to escape any threats and also to improve my weaknesses.

Another most important concept learned in this course is understanding of financial and strategic objectives of a firm and the ways they differ from each other. Strategic objectives are usually referred to as the mission of an organization. These objectives give a direction to the organization and they are formulated for a longer period of time. On the other hand, the financial objectives of an organization are the financial goals in monetary terms, which help it plan for the future. In simple words, the financial objectives are centered on how much profit the company has to make in six months or a year, what will be the financial requirements, etc. These objectives can be short-term or long-term and are generally time oriented. Both the objectives are very important for a firm because n financial objectives a firm plans for its financial matters and the strategic objectives cover all the aspects of business, including human resources, marketing, physical resources, productivity, and resources. This knowledge will be helpful in making a contribution to the goals of my organization.

Benchmarking is also a significant concept learned, it involves discovering the best performance in the market and evaluating the company's own performance against that benchmark. Typically the measures in benchmarking are quality, cost and time. By studying the company with higher performance, it assists an organization to identify gaps in performance and encourages to implement changes that will yield improvements. It offers many benefits such as identifying gaps in performance, standardizing products and services, developing a culture of continuous improvement and monitoring performance to manage change. This understanding will help me in the implementation of this concept not only on my professional life and performance but also on personal improvement. I can use this knowledge to make a positive contribution to my organization as well.

Works Cited

Grundy, Tony. “Rethinking and Reinventing Michael Porter’s Five Forces Model.” *Strategic Change*, vol. 15, no. 5, 2006, pp. 213–29.

Sabbaghi, Asghar, and Ganesh Vaidyanathan. “SWOT Analysis and Theory of Constraint in Information Technology Projects.” *Information Systems Education Journal*, vol. 2, no. 23, 2004, pp. 3–19.