

The Industry environment is a different environment

Managers are decision makers, they make choices and they consider alternative courses of action and choose which is regarded as best. Decision can be either purposeful or constrained. Good decisions are those which efficiently and effectively achieve the decision maker's objectives. The quality of decisions also depends upon the quality of data, information and knowledge. On the other side, groups have an advantage over individuals because they bring together a broader perspective for defining the problem and diagnosis underlying causes and effects. Groups offer more knowledge and facts with which to identify potential solutions and produce more decision alternatives. Moreover, people who participate in decision making have to be more satisfied with the decision and more likely to support it.

The tasks of crafting, implementing, and executing company strategies are the heart and soul of managing a business enterprise. The company's strategy is the game plan management is using to stake out a market position, conduct its operations, attract and please customers, compete successfully, and achieve organizational objectives and goals. Where, good strategy combined with good strategy execution, doesn't guarantee that a company will avoid periods of bad performance. But, the company's management' team have to adjust the unexpected conditions by undertaking strategic defenses and business approaches that can overcome adversity. Consequently, Implementing and executing the strategy required to develop the needed organizational capabilities and to reach the targeted objectives on schedule, which can be achieved by the following activities:

- building an organization capable of carrying out the strategy successfully.-
- Allocating company resources
- Establishing strategy-supportive policies
- Putting a freshly chosen strategy into place
- Motivating people
- Creating a company culture and work climate conducive to successful strategy implementation and execution
- Installing information & communication to enable the personnel to carry out their strategic roles
- Designing a competitive intelligence system that allows evaluating, analyzing the collected data and disseminating information and responding.

Industry environment is a different environment, because it is characterized by high-velocity change that requires rapid strategy adaptation. Reacting to fresh developments in the surrounding environment is thus a normal and necessary part of the strategy-making process. There is always some new strategic window opening-up such as; advancing technology, new competitive developments, budding trends in buyer needs and expectations, unexpected increase or decrease in costs, mergers and acquisitions among major industry players, new regulations and the raising or lowering of trade barriers, where all of these aspects makes the industry environment difficult.

Industries differ significantly on such factors as market size and growth rate, the geographic scope of competitive rivalry, the number and relative sizes of both buyers and sellers, ease of entry and exit, whether sellers are vertically integrated, how fast basic technology is changing. An industry's economic characteristics are important because of the implications they have for crafting strategy. Industry and competitive conditions change because forces are in motion that creates incentives or pressures for change. The most common driving forces are the industry changes being wrought by the Internet and mushrooming e-commerce transactions, globalization of competition in the industry, changes in the long-term industry growth rate, changes in buyer composition, product innovation, entry or exit of major firms, changes in cost and efficiency, changing buyer preference for standardized versus differentiated products or services, regulatory influences and government policy changes, changing societal and lifestyle factors, and reductions in uncertainty and business risk. Taken into account that, an industry's key success factors (KSFs) are the particular strategy elements, product attributes, competitive capabilities, and business outcomes that spell the difference between profit and loss and, ultimately, between competitive success or failure.

Finally, successful companies are those which, through managerial actions, build up loyal customers, loyal employees and loyal shareholders. That is easily stated, but difficult to achieve because there is potential incompatibility between these objectives.