# Strategic Management of the Microsoft Company.

Microsoft is unquestionably one of the world's most powerful technology companies. The business has a significant social effect since it employs over a thousand people. The firm specializes in the development and manufacture of various electronic applications and hardware, and is well-known for its Microsoft Windows operating systems (Liu et al., 2016). According to Clay & Feeney (2018), the company has a lot more to bring its customers than computer equipment and software. They make a lot of products that are useful in the home, such as the Xbox, Xbox 360, and Zune. In addition, MSNBC, network cables, MSN internet portals, and the Microsoft Encarta multimedia encyclopedia are all things that the company markets and sells.

# Mission and vision statement of the Microsoft Company.

The Microsoft Company, like any other successful business, has a well-defined mission statement. Microsoft's vision and mission are mainly focused on the good of its employees and shareholders. Microsoft, as the world's largest and most advanced computer technology corporation, aims to empower the world with the most sophisticated computer programs and cutting-edge super intelligent computer technology.

# PEST analysis of the Microsoft Company.

The Microsoft Corporation is well-known among computer and smart phone users all over the world. Microsoft Windows operating systems are used or run on the majority of computers and the most advanced smart phones on the globe (Liu et al., 2017). Apart from the company's well-known products, such as Windows OS and Office applications, Microsoft's cloud services have also grown significantly since 2017. The PC and laptop industries, on the other hand, have taken a hit, and these may be blue oceans for Microsoft in the future. The Microsoft Company's PEST analysis is shown below.

## Political.

Any company operating within the borders of a country must be controlled by or subjected to the political pressures of that country around the world. Owing to political challenges, companies and entrepreneurs are often exposed to greater risks, exposing business activities to a high risk of losing their ability to expand and prosper in the economy. Government policies and legislation typically have a similar and greater effect on a company's sales and profitability. A pleasant political climate, on the other hand, has a positive impact on business operations and is one of the most important determinants of a company's exponential growth. The EU became more violent against US technology behemoths, resulting in billions of dollars in losses in a short period of time. For example, the European Union fined Microsoft $730 million in 2013 for antitrust violations.

## Economic.

Economic factors, including political factors, have a direct impact on industry. With the advancement of technology and ecommerce, the global economy has expanded at a breakneck pace. However, since the US dollar has grown so high since the recession, the situation has been a little tricky and treacherous for US-based businesses. The profitability of a company is determined by the economic environment of any given country. The economic condition in any given country has an effect on the company's growth and sales. For example, Microsoft's profits have risen in the last year, and its cloud business has brought in significant revenue. If the current situation persists or improves, Microsoft expects to have improved sales and increased profits in the coming years.

## Social.

Social and cultural factors can also have a negative impact on a company's growth and profits. This factor is critical to the business's success and is a major determinant of the company's direction. If you look at the growth curve of smartphones and PCs, and how people have switched to more sophisticated and smarter screens and mobiles, you'll see that a business can't grow without a social and cultural environment. The advancements and the growth of the smartphones have greatly affected the Microsoft Company in a big deal as the growth has promoted the growth of other businesses other than Microsoft Company.

## Technology.

Microsoft itself belongs to the technology industry and therefore, any technological shift is bound to affect the company directly and deeply. New technologies are invented every minutes and are very vital for both the growth of the business as well as giving the business a competitive advantages over other businesses with similar operations. Microsoft Company is not left behind in terms of technology advancements and innovations. Microsoft have been always ahead of other companies in terms of innovations though there has been a stiff competition with the companies the likes of Google and Apple.

# Forces Analysis.

## Bargaining power of the Customers.

Customers of the Microsoft Corporation have significant negotiating power because they have the ability to shape the company's future. The Microsoft Company's customer retention is extremely important, and they must make it a top priority at all times.

## Suppliers bargaining power.

Microsoft, as a multinational brand, has the opportunity to source goods from anywhere in the world that are within their scope. The global supply chain has little ability to directly impact or influence how Microsoft sells its goods to its consumers. As a result, the company has an advantage over rivals and vendors on the drawing board.

## Threats of substitutes in the market.

Because of its massive and brazen stature in the business world, Microsoft has been subjected to moderate and low levels of substitutes. Furthermore, the company has the potential to treat its valued customers like royalty, and this has been consistent since the company's inception. To prevent duplication and maintain high quality and exclusive goods, the organization invests a significant portion of its sales on consumer research and development.

## Threats of new players in the market.

For more than 30 years, Microsoft has built a solid base in the business niche. Any new entrant into the market would not be able to quickly eliminate or conquer the Microsoft Corporation. This is due to the fact that they must spend a significant amount of money as well as a significant amount of time in order to compete with Microsoft in the competitive market world.

## Competitive rivalry.

Apart from Microsoft, there are other technology companies such as Apple and Google that compete fiercely with the Microsoft Business. Microsoft has adopted an aggressive approach for the past five years in order to deal with the competitive advantage imposed by other firms that provide similar services.

# Microsoft’s Corporation internal analysis.

According to the findings of a review of Microsoft's organizational environment, the firm is capable of recruiting employees and lowering turnover. According to Reyes-Delgado et al., (2016), the company's management is very selective when recruiting workers to ensure that the company has a competitive advantage in terms of technical advances. As stated in the company's vision statements, the company's vision is critical to the company's internal environment and strategic development.

Looking at the different vulnerabilities and key strengths analysis will help you understand the company's internal climate.

Many advanced computers around the world run different versions of Microsoft Windows, and Microsoft Office remains one of the best suits for over 1.2 billion other users around the world. As long as personal computers and laptops are important, Microsoft office and Windows will remain the most valuable pillars of the Microsoft companies. These two foundations, according to Deng et al., (2013), have helped the company generate a lot of revenue and become the world's largest technology company. The company also has a larger customer base due to its dominance in the manufacturing of the computer operating systems and software. To summarize, the company employs a large number of people who have always worked to keep the company ahead of its rivals by doing research and development.

According to Reyes-Delgado et al., (2016), the company's vulnerabilities are as follows: The Microsoft Corporation has an excessive amount of exposure to the personal computer industry. When the demand for personal computers and laptops is affected, this has a direct impact on the business. For example, if you look at current technological trends in which people choose to use cell phones over personal computers and laptops, the Microsoft Company is heavily influenced by this trend.

# Microsoft SWOT Analysis.

To measure the economic growth and the economic stability of the Microsoft corporations, we will have to look at the various factors that includes; the Microsoft strengths, weaknesses, opportunities and the threats of the organization.

Strengths

Microsoft is widely regarded as one of the world's leading technological firms, with a diverse range of products and services. Currently, the company has expanded its operation in more than 190 countries in the world and that there are more than 500 million user of the Microsoft Company’s manufactured products.

Microsoft maintains its technical dominance by offering a diverse range of goods and services to its customers. Business solutions, cloud-based computing services, and servers are among the goods and services available.

Microsoft continues to be one of the most innovative companies, investing extensively in research and development to give its products a competitive advantage over their competitors' products. At all costs, the organization strives to achieve its clearly defined objectives and vision.

## Weaknesses.

The use of smartphones has increased in the last five years, which has had a negative impact on the demand for Microsoft products and services on laptops and PCs. The Microsoft Company's backbone is comprised of these products. Any product created to replace them has a direct impact on the business.

When opposed to other firms offering similar products and services, Microsoft has limited advertisement capabilities. Continuous product advertising allows a brand to reach out to new audiences and consumers who were not reached by previous commercials.

## Opportunities.

Artificial Intelligence is being used at a growing pace in the technical industries, and the market for gadgets with advanced features and a high degree of Artificial Intelligence is rising at an unprecedented rate. Many technical companies are working around the clock to develop high-quality AI products in order to meet consumer demand. Microsoft has a better chance of putting its workers to work on research and development to come up with high-tech gadgets to help simplify services and operations in various fields.

## Threats.

Currently, there are over ten technological companies that are major rivals of the Microsoft Company. This includes; Apple, Facebook, Google, Cisco, and Linux.

# Strategic goals

To create a software that allows management and the board of directors to monitor their goals. The corporation becomes stronger, more efficient, and more aligned as a result of shareholder transparency. Microsoft claims that regular and constructive discussions with shareholders will increase the company's effectiveness.

Strength and security Microsoft's corporate ethos is based on honesty and accountability. Microsoft encourages the efficient utilization of capital in order to deliver high-quality goods while maintaining the company's profitability.

Establishing fair rights and preserving management liability for the corporation's shareholders. Microsoft is one of the world's largest organizations due to the distribution of rights to board members and the rest of the team.

# General strategy

## Setting a goal

The key purpose of goal-setting is to define your company's mission and vision. Short- and long-term goals should be clearly stated, and each participant should be assigned a mission to complete. By doing so, my goals would become more reasonable.

## Analysis

## Data gathering is critical at this point in order to understand the business's needs and fulfill the company's vision and purpose.

## Strategy implementation

## For the company to succeed, better policy execution is needed. If the overall strategy fails to succeed in the market, a new approach should be implemented as soon as possible. For this stage to be successful, each member must be well-versed in their duties and responsibilities.

## Evaluation and control

The secret to business performance is business monitoring and assessment. This aids in demonstrating progress and tracing the path of losses in the company, as well as how they can be avoided. The company's progress should be driven by the company's aligned priorities and objectives.

# References

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