TOPIC TITLE: ENVIRONMENTAL SCANNING AND INDUSTRY ANALYSIS

LEARNING OBJECTIVES:

At the end of the topic session, the students should be able to:

LO1: Explain the aspects of environmental scanning; and
LO2: Apply the different industry analysis tools in the context of real-life simulations through business cases.

MATERIALS/EQUIPMENT:

- o Computer
- o LCD projector
- o Files (05 Environmental Scanning and Industry Analysis)
  - 05 LCD Slides 1.ppsx
  - 05 Handout 1.pdf
  - 05 Activity 1.pdf
  - 05 Activity 1 Answer Key.pdf
  - 05 Skills Checklist 1.pdf
- o Software requirement
  - MS PowerPoint

TOPIC PREPARATION:

- o The instructor is encouraged to research for materials that will help supplement the topics in this session.
- o The instructor must review the slide presentation and handout to ensure that the topics will be discussed properly.
- o The instructor must provide all the topic requirements (eLMS activities, topic review, skills checklist, handout, etc.) before proceeding to the next topic.
- o The instructor must also print and reproduce **05 Activity 1** according to the number of students in the class.

PRESENTATION OVERVIEW:

|		
A.	Introduction	25 min
B.	Instructional Input	
	Aspects of Environmental Scanning	30 min
	a. Explain the aspects of environmental scanning.	
	Industry Analysis: Analyzing the Task Environment	60 min
	a. Apply the different industry analysis tools in the context of real-life simulations through business cases.	
	b. Think-Pair-Share	
C.	Generalization	50 min
D.	Task Performance	10 min
E.	Learning Management System	5 min
	Total duration	180 min

TOPIC PRESENTATION:

A. Introduction

Slide 1
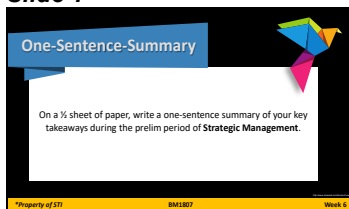
1. Flash **Slide 1** of **05 LCD Slides 1**. Before the start of this week's session, conduct a short review to refresh the students' memory about the previously discussed topics.

2. Ask the students to write a one-sentence summary of their key takeaways during the prelim period of the course.

3. Afterwards, ask the students to share their summaries with the class. Call on as many students as possible to promote an interactive discussion.

Slide 2

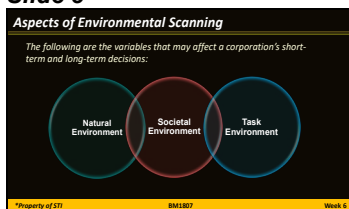4. After the activity, present **Slide 2** to provide an outline of the new topics to be discussed.
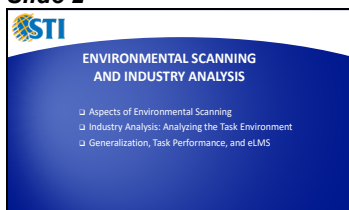
B. Instructional Input

Aspects of Environmental Scanning

Slide 3

1. Flash **Slide 3.** Tell the class that managers must understand the context of the environment in which their organization competes before they begin with strategy formulation. It is practically impossible for a company to design a strategy without a deep understanding of the external environment. Once management has framed the aspects of the environment that impact their business, they are in a position to determine the firm's competitive advantages.

2. Discuss the concept of environmental scanning and the variables that may affect a corporation's short-term and long-term decisions. Refer to *Page 1* of **05 Handout 1**.
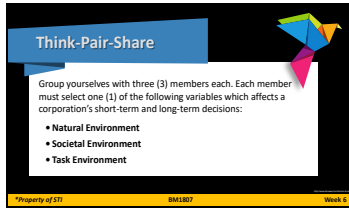
Industry Analysis: Analyzing the Task Environment

> *Steps 1-2*
> **Activity:** Think-Pair-Share
> **Learning Objective(s):** LO1

Slide 4

| |
|---|
| Think-Pair-Share |
| Group yourselves with three (3) members each. Each member must select one (1) of the following variables which affects a corporation's short-term and long-term decisions: |
| • **Natural Environment** |
| • **Societal Environment** |
| • **Task Environment** |
| *Property of STI* · BM1807 · Week 6 |

1. Flash **Slide 4**. Ask the students to group themselves with three (3) members each. Instruct them that each member of the group must select a variable which affects a corporation's short-term and long-term decisions. Remind the students' that repetition of the following variables is not allowed within a single group:

   • Natural Environment

   • Societal Environment

   • Task Environment

2. Then, instruct the students to share their personal understanding of their chosen concept among their group members.
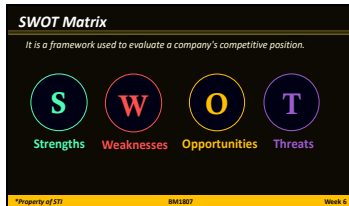
3. Subsequently, ask the students to share their answers to the class.

Slide 5

Industry Analysis:
Analyzing the Task Environment
Property of STI · BM1807 · Week 6
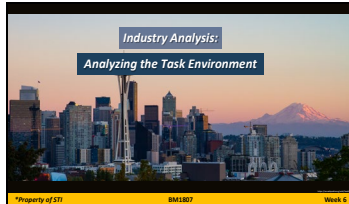
4. After the activity, present **Slide 5**. Explain to the class that an industry analysis can be used by managers to assess their current business environment. This analysis helps businesses understand various economic factors in the market. Then, organizations may use these identified factors to attain competitive advantage.

Slide 6

SWOT Matrix
It is a framework used to evaluate a company's competitive position.
S **W** **O** **T**
Strengths Weaknesses Opportunities Threats
Property of STI · BM1807 · Week 6

5. Using **Slides 6-7**, tell the class that a SWOT analysis is a strategic planning technique which can be used by managers to assess their internal and external environment. Discuss the concept of SWOT analysis through an example. Refer to *Page 2* of the handout.

Slide 7

SWOT Matrix
This is a sample SWOT Analysis for McDonald's.
STRENGTHS	**WEAKNESSES**
• Distribution potential • World-class facilities • Strong brand image	• Limited food options • Low process flexibility due to standardization
OPPORTUNITIES	**THREATS**
• Development of healthier menu, • Partnership with other brands • Expansion on emerging markets	• Changing customer preferences • Economic downturn • Strong competition
Property of STI · BM1807 · Week 6

Slide 8

Slide 10

Slide 11

Slide 12

Slide 13

6. With *Slides 8-9*, explain that a PESTEL analysis is a tool which can be used by managers to evaluate their external environment. Discuss the components of PESTEL analysis and give an example. Refer to *Pages 2-3* of the handout.

Slide 9

7. Display *Slides 10-11*. Tell the class that Michael E. Porter proposed a theory based on the concept that there are five (5) forces that determine the competitive intensity and attractiveness of a market. Explain Porter's Five (5) Forces and its components through an example. Refer to *Pages 3-4* of the handout.

8. Present *Slide 12*. Explain that managers may also use a decision-support tool which covers a range of strategic decisions. Discuss the concept and components involved in Ecosystem Assessment Tool. Refer to *Pages 4-5* of the handout.

C. Generalization

> **Steps 1-4**
> **Activity:** Case Analysis
> **Learning Objective(s):** LO1 and LO2

1. Flash *Slide 13*. Distribute copies of **05 Activity 1** to the students and ask them to pick a partner in answering the questions in the case study.

2. Afterwards, call on a pair of students to explain their answers to the class.

3. Use the rubric below in grading the students' outputs:

CRITERIA	PERFORMANCE INDICATORS	POINTS
Content	Provided pieces of evidence, supporting details, and factual scenarios	8
Grammar	Used correct grammar, punctuation, spelling, and capitalization	1
Organization of ideas	Expressed the points in clear and logical arrangement of ideas in the paragraph	1
	TOTAL	10

D. Task Performance

> **Steps 1-3**
> **Assessment:** Task Performance
> **Learning Objective(s):** LO1 and LO2

Slide 14

1. Display **Slide 14**. Divide the class into four (4) groups. Assign one (1) of the following companies to each group and instruct them to conduct an industry analysis for their assigned company using two (2) of the discussed industry analysis methods:

   - BDO Unibank

   - SM Investments Corporation

   - Coca-Cola Philippines

   - Procter & Gamble Philippines

2. Instruct the class to submit their work by next meeting and inform them that this will be considered as their task performance.

3. Use the rubric below in grading the students' outputs:

PERFORMANCE INDICATORS	POINTS
The students were able to provide concise and complete output based on the requirement.	100
The students were able to provide concise but incomplete output based on the requirement.	80
The students were able to submit output with incomplete details.	60
The students were able to submit output but with unrelated details.	40

E. Learning Management System

> **Steps 1-2**
> **Tool:** eLMS (Neo - LMS)
> **Learning Objective(s):** LO1 and LO2

Slide 15
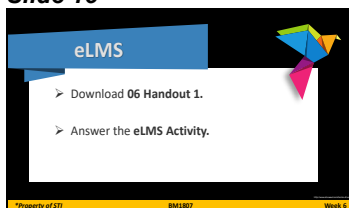
1. Present **Slide 15**. Instruct the students to access their eLMS and download **06 Handout 1.** The instructor must also use the eLMS to access the handout.

2. Ask the students to answer the eLMS review.

REFERENCES

Bamford, C., Hoffman, A., Hunger, D., & Wheelen, T. (2018). *Strategic management and business policy: Globalization, innovation and sustainability* (15th ed.). United Kingdom: Pearson Education Limited.

Brandenburger, A. & Nalebuff, B. (1996). *Co-opetition: A revolutionary mindset that combines competition and cooperation*. New York: Doubleday Dell Publishing Group, Inc.

CGMA. (2013). *Porter's five forces of competitive position analysis*. Retrieved on April 4, 2019, from https://www.cgma.org/resources/tools/essential-tools/porters-five-forces.html.

Ecosystems Knowledge Network. *National ecosystem approach toolkit*. Retrieved on April 4, 2019, from http://neat.ecosystemsknowledge.net/evaluate.html.

Grant, M. (2019). *Strength, weakness, opportunity, and threat (SWOT) analysis*. Retrieved on April 4, 2019, from https://www.investopedia.com/terms/s/swot.asp.

Greenspan, R. (2017). *Mcdonald's SWOT analysis & recommendations*. Retrieved on May 29, 2019, from http://panmore.com/mcdonalds-swot-analysis-recommendations

Greenspan, R. (2018). *Mcdonald's pestel/pestle analysis & recommendations*. Retrieved on April 4, 2019, from http://panmore.com/mcdonalds-pestel-pestle-analysis-recommendations.

Gregory, L. (2018). *Mcdonald's five forces analysis (porter's model) & recommendations*. Retrieved on April 4, 2019, from http://panmore.com/mcdonalds-five-forces-analysis-porters-model.

Hayes, A. (2019). *Business ecosystem*. Retrieved on May 23, 2019, from https://www.investopedia.com/terms/b/business-ecosystem.asp.

Juvericius, O. (2013). *Porter's five forces*. Retrieved on April 4, 2019, from https://www.strategicmanagementinsight.com/tools/porters-five-forces.html.

Martin, M. (2018). *Porter's five forces: Analyzing the competition*. Retrieved on April 4, 2019, from https://www.businessnewsdaily.com/5446-porters-five-forces.html.

Oxford College of Marketing. (n.d.). *What is a PESTEL analysis?* Retrieved on April 4, 2019, from https://blog.oxfordcollegeofmarketing.com/2016/06/30/pestel-analysis/