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SWOT analysis as an organizational management tool on the example of a meat processing company

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ABSTRACT

The subject of this study below is the strategic management problem in the company. In order to choose the right direction of management, it is necessary to use methods of organization evaluation. One of the tools used in corporate management is SWOT analysis. It allows you to direct your business to achieve your goals and adapt your organization to the environment.

Keywords: Management, SWOT analysis, strategic management, corporate strategy

1. INTRODUCTION

New management directions address solutions that take into account the strategic determinants of today's economy. Organizations that want to function effectively in today's environment must strive to improve their effectiveness. The dynamic economic changes observed over the past few years have been a challenge for the development and operation of companies. Such changes are increasingly difficult to predict and determine their change rate of change and scale of influence, as well as the relationship to existing processes. Uncertainty and risk management activities require entrepreneurs to demonstrate a strategic approach and to seek optimal solutions, and develop their own action plans that take into account current and anticipated environmental configurations. Strategic management should contribute to market success with high turbulence. It is a versatile, multidisciplinary, multifaceted and multifaceted process of formulating a strategy that in the long run leads to growth of the

company, utilizing potential opportunities and avoiding hazards. The discipline of strategic management has been developed in response to the needs of large enterprises, especially the largest corporations.

2. CONCEPT OF STRATEGIC MANAGEMENT

The increasing volatility and uncertainty of the business environment, which began to become particularly prominent in the market segment in the 1950s, has resulted in the abandonment of the mechanistic management model and the need to implement methods of coping with dynamic change. The answer to this need was strategic management, whose theoretical trend began in the sixties and is practical, developed by consulting firms in the early 1970s.

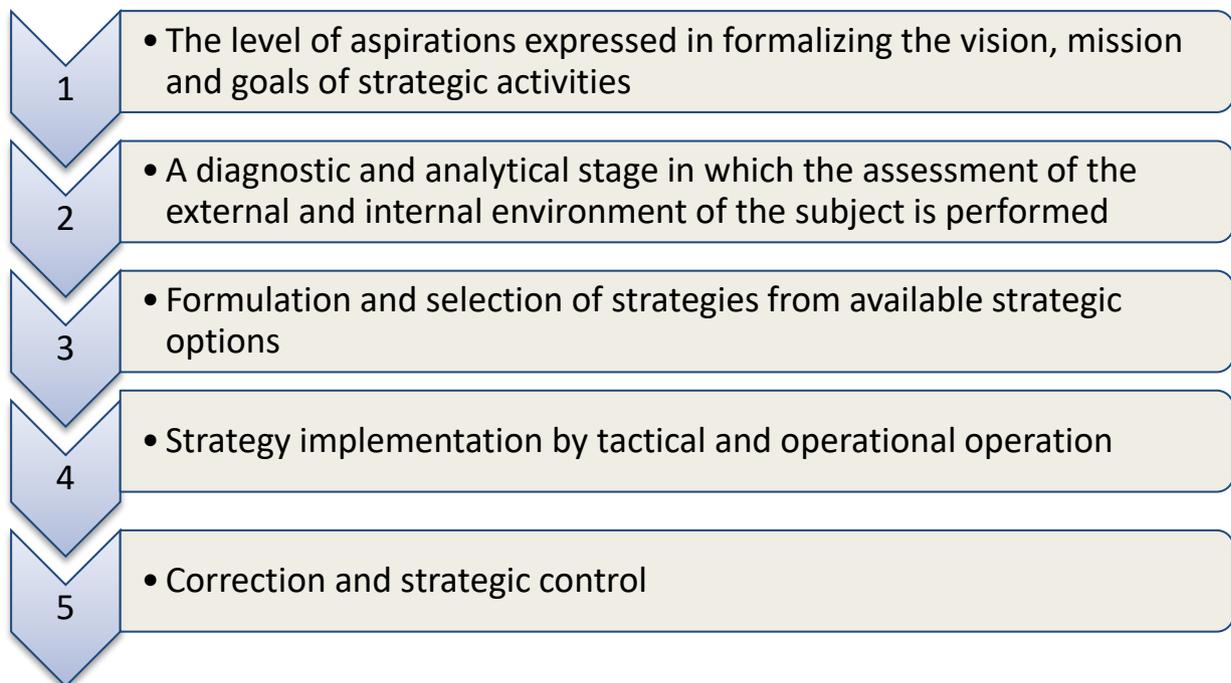


Figure 1. Basic stages of strategic management.

Strategic management takes place on several levels and in many functionally designed areas. The different aspects of the organization and functioning of the human teams are distinctive, and the social capital is given the highest level. The strategic context of these issues is outlined in this publication. Strategies and strategic management depend on the current situation in which the organization is located. Strategic management consists of the following stages:

- Strategic planning. Strategic planning sets goals for action, which requires diagnosis of the past and present, and forecasts of the future. An action plan is defined, based on an in-depth strategic analysis. The strategic planning stage is an essential part of

strategic management, for which a number of formal models and techniques have been developed.

- Strategy implementation. In the process of implementing the strategy, resources and conditions of operation are prepared. The plan can't be implemented too quickly, it is necessary to refer to actual conditions and requirements, only to be recognized at the implementation stage.
- Strategic supervision. Control is the monitoring of an enterprise's activities to ensure their compliance with goals. It is important to emphasize the role of the Early Warning System, which is a subsystem of the Strategic Information System, which is an inherent part of management. Assistive supervision is achieved by revealing in advance some types of problems that may be opportunities or threats for further progress towards the objectives.

Enterprise strategy is a complex response process that allows you to create and maintain satisfactory relationships between your company's goals and resources, and the changing environment in order to achieve the highest possible performance. The theory of effective management strategies exhibits some of the following characteristics.



Figure 2. Features of effective strategy

In today's global economy, there are some features that will affect the organization's competitiveness in the coming years. Strategic management is a relatively new area, but by

increasing the level of uncertainty, it is becoming more and more attached to it as a determinant of organizational success. Over the past few years, there have been several major trends in strategic management that have highlighted other factors. This has led to the formation of strategic management paradigms.

3. SWOT ANALYSIS AS A TOOL FOR EVALUATING AN ENTERPRISE

One of the most commonly used methods in strategic management is SWOT analysis. It is used both to build a comprehensive development strategy and in partial strategies. SWOT analysis is one of the methods of strategic analysis, SWOT is an acronym for words strengths, weaknesses, opportunities, threats. The method is complex because it affects both internal and external factors.

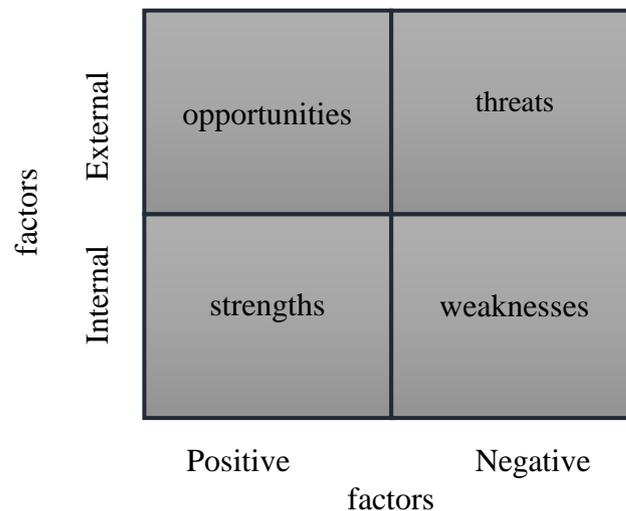


Figure 3. Factors affecting the organization's strategic position in the SWOT analysis

SWOT analysis is widely and predominantly used in strategic management when building an organization's strategy. It is a diagnostic tool that is used at the very beginning of the strategic planning process. Literature of the subject contains many different models of strategic planning, but for the public administration units, the approach presented in Figure 3 is most appropriate, which also indicates the stage of defining a strategy where SWOT analysis can be used.

4. SWOT ANALYSIS OF COMPANY X FROM THE MEAT PROCESSING INDUSTRY

Company X is the production plant responsible for the production of meat products. It belongs to the SME sector. The company is constantly developing and modernizing. This is due to the need to adapt the company to the requirements and standards of the European

Union and the implementation of HACCP (Quality Management System). This is the basis of other standards, such as the BRC and IFS, which was a prerequisite for cooperation with many partners. Company X offers a wide assortment of products that have been manufactured to the highest standards of quality and technical and sanitary conditions. The plant's operations are developed in accordance with the applicable legal and ethical requirements relating to working conditions. Company X bases itself on the pursuit of customer satisfaction and the production of healthy and safe products. It has its own extensive network of company stores. X stores are also equipped with partner stores in stores throughout the country. The company's meat products are constantly appreciated and recognized on the Polish market thanks to their constant pursuit of quality improvement and expansion. The company uses a modern marketing strategy aimed at promoting and enhancing its brand image. The company strives to increase its market share in the domestic market and strive to gain markets in the European Union. This involves constant monitoring and quality improvement. In terms of quality management, X performs tasks such as:

- Choice of suppliers based on compliance with them to ensure the safety of the products offered,
- Ensuring the health of the products offered,
- Improving the HACCP system,
- Implementing processes in accordance with established standards that affect customer satisfaction,
- Maintaining and promoting pro-quality attitudes among all company employees,
- Implement incentive systems that encourage employees to adhere to quality standards,
- Review of existing procedures and standards related to the safety of manufactured products and implementation of improvements in production technology,
- Optimize the costs associated with quality monitoring processes and standards in the enterprise.

Company X is based on some key assumptions. They were included in the mission, vision and strategic goals, as shown in Table 1.

The overarching goodwill includes:

- High quality - Maintaining high quality products and caring for all employees. Concentration on customer needs and requirements,
- Mutual respect - all decisions should take care of customers and employees and respect all members of the organization and partners. Engaging employees in your business and consolidating your sense of ownership,
- Commitment - all employees should be involved in creating high quality products, increasing customer satisfaction and resource efficiency, and rational and prudent use of raw materials,
- Openness - fast adaptation to changing environment, innovation. Applying modern technologies and striving to protect the environment.

One of the commonly used analytical techniques in an enterprise is SWOT analysis. It illustrates the business situation by specifying strengths and weaknesses, and helps in making decisions and formulating goals for the future, as it indicates emerging opportunities and threats for the organization. Company X's SWOT analysis is presented in Table 2.

Table 1. Mission, vision, corporate goals [Source: Own study based on company data]

Mission	Offering a wide range of fresh, healthy and tasty sausages with a traditional flavor and high quality. Delivering food to customers according to their requirements and preferences.
Vision	Establish a plant that produces traditional products of high quality raw materials and reach a wide audience who will become regular customers because of the exceptional quality and taste of the products.
Strategic objectives	<ul style="list-style-type: none"> - Establishing lasting and partnership relationships with suppliers and buyers, - Production of high quality products, - Expanding sales networks and market shares, - Shaping and consolidating the positive image of the company, - Introducing innovative production technologies, - Extension of traditional products, - Introducing new products, - Increasing the number of business customers - Striving for consumer satisfaction and satisfaction, - Increasing the potential of company employees, - Caring for the environment through the introduction of energy efficient technologies - Minimize the impact of your business on the environment.

Table 2. Mission, vision, corporate goals [Source: Own study based on company data]

Strengths	Weaknesses
<ul style="list-style-type: none"> - High quality of offered products, - High processing capacity, - Extensive assortment, - Variety of products, - Application of EU requirements and standards, - Flexibility - Openness to change, - Conducting activities that limit the company's negative impact on the environment, - Significant production capacity, - Big experience, 	<ul style="list-style-type: none"> - limited resources for investments, - Dependence on suppliers of raw materials. - Centralized structure, - Poorly developed activity on foreign markets, - Dependence on the local market, - Insufficient capacity utilization. - A small scale of investment activity.

<ul style="list-style-type: none"> - High qualifications of staff and managerial staff, - Applying a quality management system, - quality monitoring, - Expanded marketing activities 	
<p>Opportunities</p>	<p>Threats</p>
<ul style="list-style-type: none"> - Possibility to increase share on the Polish market, - Ability to expand operations on foreign markets, - Increased demand for traditional products, - Growing popularity of organic food, - Continuous development of the meat processing industry, - Ability to raise funds from the European Union, - The prospect of cooperation with foreign partners, 	<ul style="list-style-type: none"> - Increasing number of large-area stores, - Seasonal fluctuations in demand, - Rising energy prices. - Rising commodity prices, - Expansion of cheap foreign products, - Increasing requirements of sanitary standards of safety, - Growing demands of the European Union, - Strict environmental standards.

Company X is a growing manufacturing plant with high production capacity and significant potential development. The skillful use of EU funds for investments will allow the company to expand its business and acquire foreign markets. Marketing and brand image enhancement contributes to expanding the customer base. The biggest threat to the company is the low quality products sold at underestimated prices. Long-term business and experience contribute to the success of your business.

5. CONCLUSIONS

Analysis of the results of the research allows for the following conclusions. Small and medium-sized enterprises are mainly managed by their owners, who do not hold a majority of managerial competencies. This is evidenced by the low level of knowledge about the tools used in strategic analysis that is necessary to determine the direction of the company. Methods used in strategic management determine the goodwill, its strengths and weaknesses, and the environment in which it operates. The company presented its success owes primarily to its continuous development.

The company also pays special attention to the quality of service and thus the benefits to its customers. The company operates under unfavorable environment and more competitive, but it can adapt and use it for its development. The company has developed strategies for using its own resources and competition. It treats as an inspiration for further, intensified actions.

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