Decision Making in Walmart Inc. & Target Corp

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Introduction

Decision-making is a process of making choices by ascertaining a decision. The latter is achieved through information gathering and also assessing alternate resolutions. Using of step to step decision making can be of help in making a thoughtful and deliberate decision by pooling together relevant information and defining alternatives. Therefore, the paper will have a review of two distinct organizations and how they make their decisions. Decisions will be looked into from three perspectives; operational planning, managerial control, and strategic planning.

Walmart Inc. and Target Corp

Walmart Inc. is an enterprise that engages in retail and wholesale operations in a number of formats worldwide. The company operates via three segments; the store operates a number of outlets like supercenters, hypermarkets, and supermarkets, among others. The outlet operates Walmart U.S., Walmart International, and Sam's Club. The company was founded by Moore and Walton back in 1962, with its headquarters in Bentonville (Ferguson, 2015). Target Corporation, on the other hand, is the second largest discount store retailer in the U.S. The company focuses on merchandising operations which include; food discounts, entirely incorporated online business, and universal merchandise. Target, as a corporation, is committed to aligning the public-policy endeavors and interests of the business, sanctioning the decision-making process in support of compliance in line with the objectives.

Operational planning and control decisions

In this category, Walmart has engaged various decisions. First, the enterprise has made a decision on the design of its goods and services. This choice area of operations management comprises a strategic depiction of products. As a retailer, the enterprise offers retail prices. However, Walmart has its own branded products like Sam's Choice and Great Value. Therefore, the company operations management addresses the design of the retail service. Their decision in this area was to embark on efficient and cost-effective products. To address the decision, Walmart emphasizes the minimal cost of production and maximizing the efficacy of its retail service employees (Kourdi, 2011).

The second decision that Walmart made under operation planning and control involved location strategy. Their strategy was to have most of its stores located in or near urban centers. The decision area emphasizes efficiency in material movement, business information, and human resources. The company's idea is to maximize the market reach; the use of the internet by Walmart has been adopted to address the aspect of business information.

Target Corp made a decision on a channel-agnostic approach decision aimed at growing the business. The decision was geared towards driving total target experience through stores, mobile, and online. A consistent enhancement in inventory management, supply chain and technology will create a shopping that is founded on inspiration and ease. The second decision by Target Corp is the diversification of its merchandise categories. The company aims to invest in new areas with a focus on differentiation and newness. The decision targeted four areas which are baby, kids, style, and wellness.

Managerial Control (tactical planning)

Under tactical planning, Walmart has engaged a number of decisions in regard to its operations. First, Walmart has made a decision in preparation for changes. The point of tactical plain aims at attaining the goal and objectives of the strategic plan. Moreover, markets and business environments keep on changing. In case the latter happens, it is wise to assess how the plan tactics are working in line with the set objectives. Secondly, the adoption of flexible planning. The latter facilitates and takes care of unanticipated events. Therefore planning needs to be incorporated in building technical planning.

Target Corporation's decisions have focused on areas of market control and bureaucratic control decisions. Under market control decision, Target made a decision on distribution. Its purpose is to sell its products through an online platform, opening more outlets, and finally make its products reach a sizable number of consumers. The second decision on bureaucratic why should customers choose Target Corp over the other competitors? In response to the question, the company has offered affordable, better, and also a faster product for clients. Using the knowledge of the competition, it has been able to develop a number of strengths which addresses fully their weaknesses (LLP, 2018).

Strategic Planning

Walmart has engaged in various decisions touching on strategic planning. Walmart decided to sell its merchandise at a discount, which was aiming at selling more of its goods to the existing clients. Walmart adopts penetration to the market as its key intensive strategy for growth. The second decision is the establishment of new stores to attain market development. Walmart uses market development as its tertiary strategy for growth. Basically, Walmart decided to open more outlets overseas to tap consumers in those markets.

First, Target Corporation made a decision to spur its growth and revise its REDcard rewards program strategy. The decision offers an additional 5% discount when a client uses a Target credit or debit card. The decision saw Target Corp commit to its online business through the implementation of a new mobile application and also launch a small CityTarget store. The second strategic plan decision that Target adopted was an expansion to Canada. The decision was made in the 2010 fiscal year through the purchase of Zeller store leases. The goal of the decision was to increase its market visibility and also salvage its place from the failed website crash with Amazon.

Compare and Contrast the level of decision-making between the two organizations.

Operational decisions

Those are the decisions that relate to the daily running of the business. In comparison to the decisions made by both Target and Walmart, we realize that they all aim at decisions that are geared toward diversification. Both the two retail shops their decisions were geared towards advancing towards moving into new markets and new locations to market their products and increase customer base. In contrast, Walmart ventured into decisions that will enhance its strategic locations across the globe, while Target's decisions were directed towards online visibility.

Strategic decision

These decisions are long-term in their individual impacts. They aim at affecting and shaping the direction of the entire business. The four decisions adopted by the two corporations are similar in the sense that they all aimed toward pushing more stock turnover either through discounts or engaging bonuses on credit or debit card shopping. In contrast, although the duo aims at reaching new clients, Target emphasizes, more on increasing its sales in an existing customer base while Walmart expands its boundaries to reach new clients (Turban, Sharda & Delen, 2014).

TacticalPlanning

Tactical planning aims to help in strategy implementations. In comparisons of the decisions adopted by the two retailers, they are all geared towards learning the client's needs and how to remain in business by offering tailor-made services to its clients. Moreover, in contrast, the duo adopts different decisions, although aimed at remaining relevant in the business. Walmart's decisions are change-oriented, but the counterpart pursues decisions that are competitive in nature.

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