

Strategic Business Unit Value Chains

- Value chain
 - A way of organizing the activities that each strategic business unit undertakes
- Primary activities
 - Design, produce, promote, market, deliver, and support the products or services it sells
- Supporting activities
 - Human resource management and purchasing

Value Chain for a Strategic Business Unit

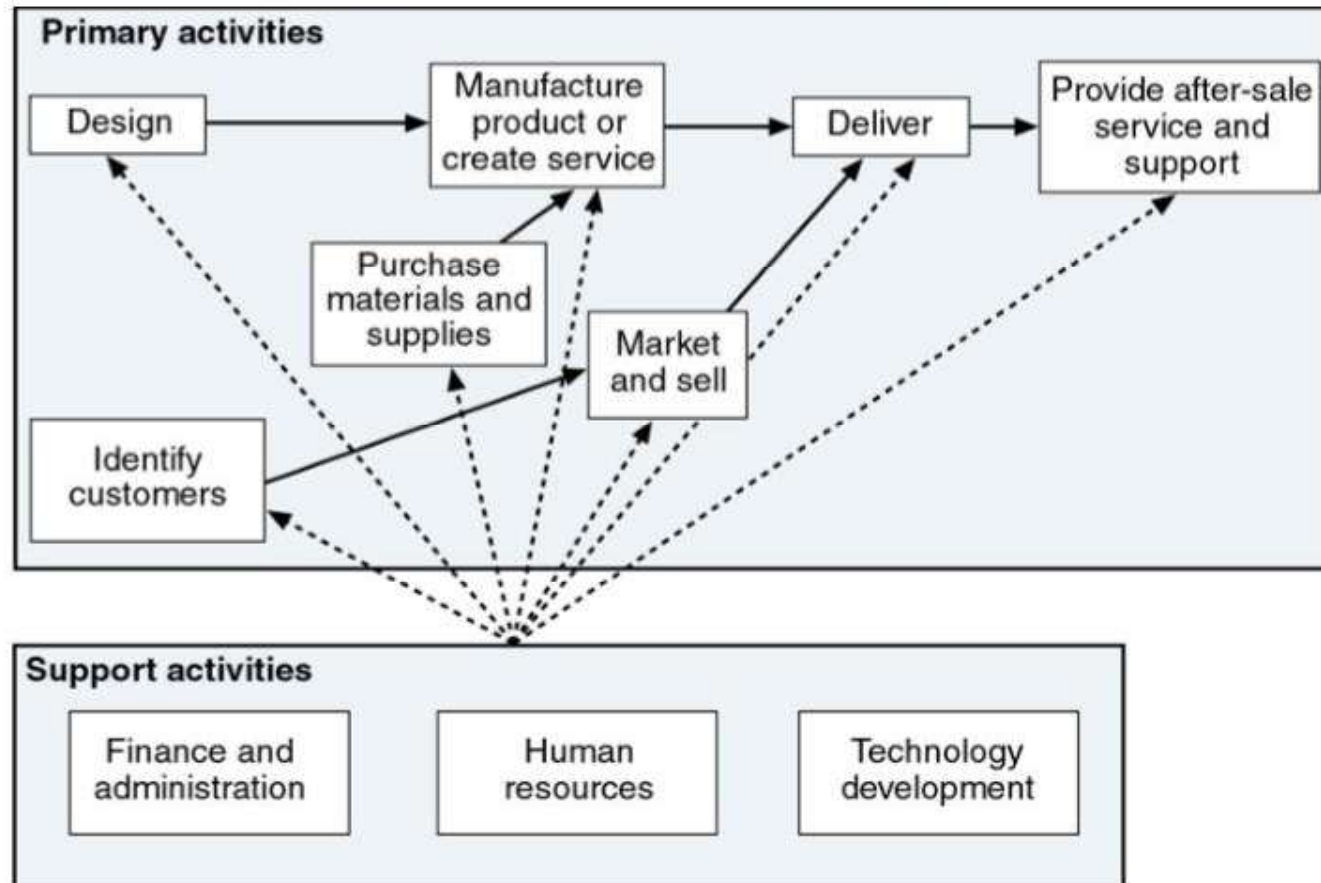


FIGURE 1-9 Value chain for a strategic business unit

Industry Value Chains

- Value system
 - Larger stream of activities into which a particular business unit's value chain is embedded
 - Also referred to as industry value chain

Industry Value Chain for a Wooden Chair



FIGURE 1-10 Industry value chain for a wooden chair

SWOT Analysis: Evaluating Business Unit Opportunities

- SWOT analysis
 - An analyst first looks into the business unit to identify its strengths and weaknesses
 - The analyst then reviews the operating environment and identifies opportunities and threats

SWOT Analysis Questions



FIGURE 1-11 SWOT analysis questions

Results of Dell's SWOT Analysis

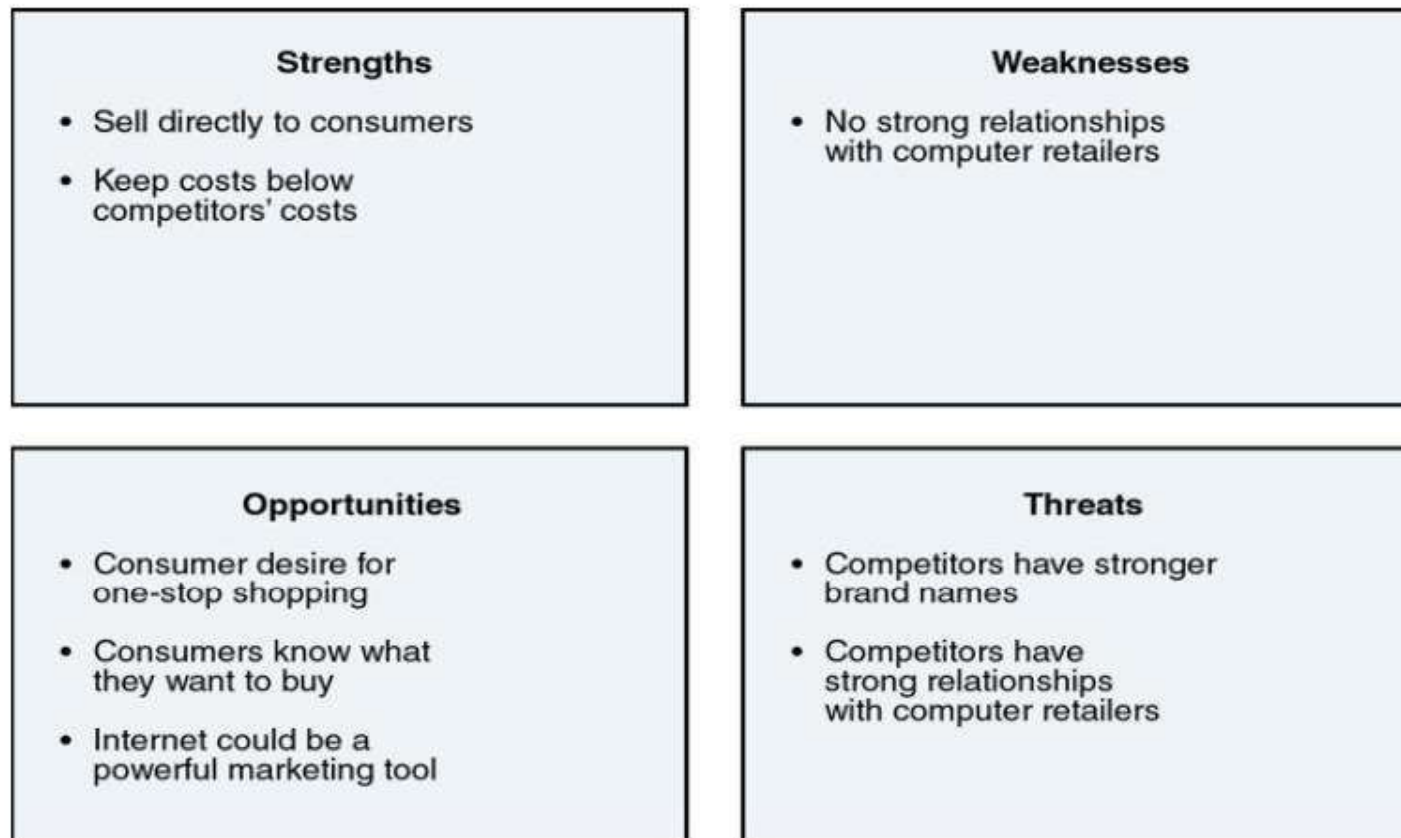


FIGURE 1-12 Results of Dell's SWOT analysis