

Using strategic
management to
enable an
organization to
achieve its objectives
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Strategic direction is the art and scientific discipline of formulating, implementing and measuring cross-functional determinations that will enable an organisation to accomplish its aims. It is The procedure of stipulating the organisation 's aims, developing policies and programs to accomplish these aims, and apportioning resources to implement the policies and programs to accomplish the organisation 's aims.

Strategic direction, hence, combines the activities of the assorted functional countries of a concern to accomplish organisational aims. It is the highest degree of managerial activity, normally formulated by the Board of managers and performed by the organisation 's Chief Executive Officer (CEO) and executive squad. Strategic direction provides overall way to the endeavor and is closely related to the field of Organization Studies.

A company 's scheme consists of the combination of competitory moves and concern attacks that directors employ to delight clients, compete successfully and achieve organisational aims. We may specify 'strategy ' as a long scope design of an organisation 's coveted image, way and finish what it wants to be, what it wants to make and where it wants to travel. Following other definitions are besides of import to understand the term:

Igor H. Ansoff:

"The common yarn among the organisation 's activities and product-markets that defines the indispensable nature of concern that the organisation was or planned to be in future " .

William F. Glueck

"A incorporate, comprehensive and incorporate program designed to guarantee that the basic aims of the endeavor are achieved " .

Scope and Nature of Strategic Management

To repair mission of the unit: There is certain aims, behind constitution of the each company. To accomplish such aims, long term every bit good short-run intents and ends are fixed.

To do favorable internal environment: In internal environment of concern, fiscal resources, production tools and production capacity, selling capacity, manpower, physical installations etc. are included. In instance if such environmental resources are non proper, to run into with aims of the unit, attempts should be made to do it convenient.

Analysis and rating of External environment: In external environment, policy of rivals, merchandise of rivals, tendency of clients, new research, instruction, engineering, authorities policy, manner, revenue enhancements etc. many such affairs are involved. An rating to be made in relation to, external environmental factors impacting presently and in future, by doing its analysis e. g. authorities 's export import policy and revenue enhancement policy, how it 's impacting the concern, sing the tendency of clients in altering manner, into history, selling direction should be arranged.

(4) SWOT analysis to be made: After doing survey of internal as good external environment, SWOT analysis should be done. In which, company 's strength, failing, chances and menaces are taken into history. Such each factor are related to the company 's aims and proper scheme is made, to

avoid clogging affairs among this e. g. Company has adequate export orientation, but its labour are non working on a regular basis. This is the company 's failing. If proper stairss are taken, company has adequate potency for addition in export concern. But, if no timely proper stairss are taken, so there is hazard of merchandise to be out of manner and wastage of merchandise.

(5) Choice of new options to accomplish mission: For accomplishment of mission of the company, proper choice of an option should be made out of many options found out for benefit of accomplishment of mission. At this phase, best option is selected, maintaining company 's capacity, failings, hazards, and concern chances into consideration, e. g. For mission of fixing auto running by solar energy, foremost of all penchant should be given, for fixing little machines or vehicles run by solar energy, after acquiring success on it, mission of fixing `` solar motor-car " can be achieved.

(6) To develop expansive scheme: In relation to company 's concern options ascertained, it is necessary to clear up long-run aims of the company. For success of such nonsubjective, a end scheme is prepared, e. g. for production of little machines and vehicles, run by solar energy, a location to be selected, to raise works, to maintain research section, proA-duction to be done on experimental footing and thenceforth commercial production to be made.

(7) To repair short-run one-year marks: For success of company 's top mission, a short-run marks are required to be ascertained. By and large, they are of half-year or one-year continuance. For this a clip agenda and budget is

prepared. During one-year period, a clip tabular array is prepared that, production of which merchandise, when and how much would be made e. g. when production of machineries or vehicles is to be made, it is necessary to repair marks, that during how much period, how many and what vehicles would be manufactured.

(8) To raise resources and installations: To accomplish marks as per clip agenda, it is necessary to raise needed resources and installations. In relation to increase in production, it is required to increase employees and their installations. At this phase, proper distribution of fiscal as good non-financial resources is to be made after determining their handiness, necessary alterations in disposal to be made, to promote employees in relation to accomplish marks etc. such affairs are taken into history.

(9) Evaluation and control on activities: It is necessary to measure on a regular basis that, short-run marks, within distinct period, for success of full scheme, are achieved, at what rate. If activities are non come oning towards way of distinct ends, stairss, viz. preparation to related employees, counsel, leading and encouragement should be taken. By comparing consequences with original marks, activities can be made more effectual by commanding stairss, if consequences are non favourable, e. g. as commanding stairss, necessary alterations in engineering, supplying preparation, doing contracts with bargainers, alterations in policy, process and methods may be made.

Importance of Strategic Management Strategic direction provides the model for all the major concern determinations of an endeavor such as determinations on concerns, merchandises and markets, fabricating

installations, investments and organisational construction. In a successful corporation, strategic planning plants as the scout to assorted concern chances ; at the same time, it besides serves as a corporate defense mechanism mechanism, assisting the house avoid dearly-won errors in merchandise market picks or investments. Strategic direction has the ultimate load of supplying a concern organisation with certain nucleus competences and competitory advantages in its battle for endurance and growing. It is non merely a affair of projecting the hereafter. It is non merely a forecasting occupation ; it is concerned with guaranting a good hereafter for the house. It seeks to fix the corporation to confront the hereafter and even determine the hereafter in its favor. Its ultimate load is act uponing the environmental forces in its favor, working into the environments and determining it, alternatively of acquiring carried off by its turbulency or uncertainness. It is environmental uncertainness that makes scheme and strategic behavior indispensable in a concern. The more intense the environmental uncertainness, more critical is the demand for strategic direction.

Quite of course, considerable idea, expertness and attempt goes into the procedure of strategic direction. The success of the attempts and activities of the endeavor depends to a great extent on the quality of strategic direction, i. e. the vision, penetration, experience, quality of judgement and the flawlessness of methods and steps.

Strategic planning and execution have become a must for all organisations for their endurance and growing in the present turbulent concern environment. 'Survival of fittest 'as propagated by Darwin is the lone rule of endurance for organisation, where 'fittest ' are non the 'largest ' or 'strongest'
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' organisation but those who can alter and accommodate successfully to the alterations in concern environment. Just like the extinction of the dinosaurs who ruled the Earth one clip but failed to last in change status of earth natural environment many organisational giants have besides followed the way of extinction neglecting to pull off drastic alterations in the concern environment. Besides concern follows the war rule of 'win or lose ' , and non needfully win-win state of affairs arises in concern universe. Hence the organisation has to construct its competitory advantage over the rivals in the concern warfare in order to win. This can be done merely following strategic analysis, preparation and execution.

THE TASK OF STRATEGIC MANAGEMENT

The strategy-making/strategy-implementing procedure consists of five interconnected managerial undertakings. These are

a™ | Setting vision and mission: Forming a strategic vision of where the organisation is headed, so as to supply long-run way, define what sort of endeavor the company is seeking to go and inculcate the organisation with a sense of purposeful action.

a™ | Putting aims: Converting the strategic vision into specific public presentation results for the company to accomplish.

a™ | Crafting a scheme to accomplish the coveted results.

a™ | Implementing and put to deathing the chosen scheme expeditiously and efficaciously.

a™; Evaluating public presentation and originating disciplinary accommodations in vision, long-run way, aims, scheme, or executing in visible radiation of existent experience, altering conditions, new thoughts, and new chances.

Scope: