

Organization's business strategy

Business



Strategic management refers to a process of defining the organization's strategy and working it out to ensure success. It can also be said to be the process that enables the management to make choices. This will pertain to various courses of measures to be in use in order to enable the organization to perform better. It is known as a continuous process that appraises the firm and business in which it runs. It does this by helping the company to analyze the behavior of its competitors, and devising the relevant, competitive strategies that will help it to sustain and even increase its market share.

It is achieved through research activities, which lead to, generation of fresh, competitive ideas (Nag. et al, 2007). Strategic management is a process that involves various components and steps that a given organization has to follow in order to achieve its objectives. The components of strategic management include issues like Environmental scanning; this is a process where the firm collects, scrutinizes and provide information for strategic reasons. It is concerned with the study of both the interior and the exterior environments of the organization respectively. It is done on a continuous basis (Lamb, 1984).

The second component is strategy formulation, which involves coming, up with a variety of path of action with regard to both the internal and the external environmental conditions of the firm. The organization moves to the relevant direction due to these strategies which are laid in place. The third component is strategy implementation. It refers to, putting the strategies into action or practice so that the organization may start experiencing the appropriateness, and performance of the strategy in use. The fourth component of strategic management is strategy evaluation; this is

premeditated in a way that assists the firm to determine or ascertain the usefulness of a given strategy and establish how effective it is.

The management can go a step ahead and rectify or improve on a given strategy if it is not performing as expected (Johnson. et al 2008). Strategic management is a continuous process which gives room for its components to flow in given manner. This is in order to ensure harmony and proper realization of the laid down strategies. Innovative, Motivation and People Strategy Organizations have to come up with various strategies that they have to lay in place in order to be able to perform even better.

One of the key strategies that a firm has to come up with is the innovative strategy; the managers form the strategy if they are interested in the both the short or long durations, and the welfare of the firm, they can do this by underlining the sources of growth (Deacon & Amos 1962). Here, the management has clearly examined the current situation and compare with the future expectations; the difference is the innovation gap which the firm has to devise methods of bridging as time goes by. Innovation comes in when the firm analyses the current production and trading tactics that and try to figure out the missing link, this shall help in coming up with proper innovation strategy which shall make the firm offer some products to the market that other firms are unable to produce. Motivation strategy refers to ensuring that the employees become more productive and enjoying providing their services to the organization. There are extremely many forms of motivation that an organization can undertake in order to make the employees to be willing to work more and more these measures are both monetary and non-monetary. His basic significance of this strategy is to <https://assignbuster.com/organizations-business-strategy/>

enable employees to feel part of the organization and increase their productivity.

This will play a role in ensuring that the firm becomes successful. Workers can only perform when that sense of belonging is instilled or incorporated in their reasoning. Personal strategy is truly essential in any business organization in the sense that it enables all stakeholders to develop the desire to achieve and succeed. This strategy is undertaken by making people ready to achieve. An organization can do so by promising workers a reward if they accomplish a given objective this shall make them achieve. Other organizations tend to organize workers in groups and allow them to compete fairly where the successful group ends up sharing the reward.

This is an extremely essential strategy that can go a long way to tribute the motivation strategy. Role Played by Ethics and Social Responsibility Ethics and social responsibility plays a crucial role when it comes to strategic management; ethics refers to carrying organization as per self-acknowledged moral standards. Ethics depicts the manner in which the firm relates to customers and society at large. An organization always strives to uphold its image in the society by presenting factual and reliable information, according everyone the respect he or she deserves and adhering to the norms of the society (Ansoff, 1965). A firm should make sure that its strategies conforms with what the society perceives to be right so as to retain and enlarge its market share within a given community, the strategies should draw their inferences from the society in which they are situated. Social responsibility is extremely vital aspect that any business organization must pay attention.

<https://assignbuster.com/organizations-business-strategy/>

This is because it is the society which makes it as successful as it may be. It should gain knowledge of offer back to the society which comprises of its potential customers, suppliers and even employees (Woo). When an organization is carrying out its activities within a given locality, it should ensure that it responds to the needs of the society in some certain perspective and strategies. Which will incorporate social responsibility is perceived to be significant. They allow the organization to give back to the community thus improving the welfare of the members.

When the society is impressed with the social responsibility of a given firm, the demand for products of the firm can increase due to that goodwill and rapport created between the organization, and society at large. This implies that both the ethics and social responsibility are extremely vital in the strategic management process (Drucker, 1954). Strategic management can be said to be extremely beneficial. This will be shown if the firm can analyze its business environment and come up with measures which help it to grow. It will also expand by facilitating a sustained and continuous competitive (Levinson, 1989).