

# Organizations and businesses

[Business](#)



Organizations and businesses have existed since hundreds of years where they not only survived but also learned to prosper by understanding the market and consumer's needs deeply, devising the strategies and implementing them accordingly. Later on, theorists came up with several management theories that identified the fundamental elements of management or administration within an organization; highlighted the problems that might occur; and the ways to handle them in an effective manner.

Similarly, Henry Fayol, Frederick Taylor, Mintzberg, and Kotler were among those who proposed some management theories that still are being implemented in today's organizations. The paper would talk about the theory proposed by Henry Fayol that has four major functions; we would be discussing two of them in detail. Henry Fayol's theory had 14 principles of management that include p of control, unity of direction, division of labor, authority, and discipline. These principles do not have any hard-and-fast rule and may or may not be implemented to an organization depending on the need and situation.

Moreover, he stressed importance on five basic elements or functions of management – planning, organizing, coordinating, commanding, and controlling – each of which might be used depending on the circumstances and need within the workplace. The main objective of this essay is to elaborate any two of the above five functions in detail, critically evaluate them, analyze whether they are beneficial for today's managers or not, and highlight the way these functions can be made a real key to success.

The main ideas involved in the discussion would include the development of feasibility reports, role of market research, conflicts within an organization, and the significance for effective communication. Function A Planning would be the function we would be discussing first, which is required for ‘examining the future and laying out the actions to be taken’ (Fells, 2000). In other words, planning is anything that is done to ascertain the future and make plans accordingly meant to cope with the future conditions.

Many businesses or ventures fail due to the lack of effective planning or taking preventive measures to be implemented for the future. Since the competition in today’s market is immense and companies cannot afford to bear losses; therefore, they are now feeling the need to forecast future trends, make plans accordingly, test their feasibility of success, and implementing the plans to avoid unwanted outcomes. These days, organizations plan to shape their strategies, actions, and all other business related activities; or in other words, the whole working of the business depends on what the plan asks for.

Conducting market research in order to know the needs, wants, ideas of the consumers and trends of the market through questionnaires, focus groups, and informal interviews is a very lucrative strategy for planning (Heizer & Render, 2006). It does not mean that if any business has planned for the future to do certain task in a certain way, it would definitely succeed. No, it’s not true. In fact, once the plan is developed, feasibility studies must be conducted to measure the probability or chances of its implementation and success, where certain changes are often made.

Without feasibility and testing, all the effort made in planning and designing the actions might go in vain (McShane & Travaglione, 2003). Nevertheless, since today's environment has become quite uncertain so it is very decisive for the managers to forecast, predict, plan, test, and then implement them in an appropriate way. Function B Coordinating is another significant function of management that is often neglected by the managers; let's discuss its role, significance, and benefits.

Companies might have different organizational structure such as, mechanistic or organic, where there are more and fewer hierarchies within the organization, respectively (Robbins & Judge, 2007). Therefore, it often gets difficult to communicate through departments in case of mechanistic structure, which might end up in vague directions, unclear goals, provision of less resources, and misunderstanding among the employees that eventually leads to arouse conflict among them.

Conflicts also occur because employees fail to share their thoughts, values, ideas, and perceptions with each other, which keep them from being friendly (Miner, 2007). Unfortunately for the company, the outcomes of such conflicts caused by poor communication are severe since it leads to the decline in performance, productivity, completion of tasks within time, wastage of time and resources to cope with the conflict, dissatisfying the employees with the working conditions due to poor social scene, and overall decline in organization's efficiency.

Coordination is something that helps the managers to communicate their ideas, vision, values, and targets to their subordinates in such a way that they clearly understand them, act accordingly, and ask for help whenever

needed (Harris & Hartman, 2001). Moreover, many tasks are interdependent where employees work in groups so it is highly necessary for them to coordinate with each other about the plans, actions, results, and how to control them so that the task can be accomplished successfully.

And as for today's managers, encouraging effective communication and coordination among employees is very important that might take the form of vertical, horizontal, and diagonal communication (Daft, 1997). Conclusion Although there are a number of management theories proposed by several theorists, but the paper emphasized on that of Henry Fayol who introduced 14 principles along with the five key functions of management in 1841. The paper highlighted two functions, Planning and Coordinating, in detail where their necessity was underlined, why they are needed, when they are needed, and what can be achieved if carried out in a sensible way.

Planning is the designing of future action plans in order to deal with the future situation and make it favor the organization; nevertheless, it can result in utter failure when the feasibility studies are not conducted for the plan. Secondly, coordination is the key to have better understanding about the tasks, employees, organization's functions, values, beliefs, and day-to-day tasks, and hence must be carried out by encouraging effective communication throughout organizations through informal meetings, picnics, cafeteria meetings, and organizing other functions such as, award distribution ceremony.

On the other hand, lack of effective communication can lead to conflicts among employees that might hinder the organization to meet its objectives. As far as the role of these theories and functions in today's life is concerned,

it has gain more importance since almost all the businesses are inclining towards conducting market research to understand the customers' demands and market trends, and make action plans based on those requirements.

Therefore, management theories must be properly understood and applied by the managers in their organizations depending on the need and type of situations so that unwanted outcomes can be avoided. References Daft. R. L. (1997). Management. Fourth Edition. U. S. A. The Dryden Press Fells. M. J. (2000). Fayol stands the test of time. Journal of Management History. Vol. 6. No. 8. Pp 345 – 360. MCB University Press. Harris. O. J. & Hartman. S. J. (2001). Organizational Behavior. Edition 2, illustrated.

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