# What are the most important factors of successful organizations essay sample

We keep on going through many sources in our professional life and find that there are potentially a confusing variety of definitions and uses of Critical Success Factors which determine successful performance. Before we start the study looking at critical success factors, it is important to realize that the specific factors relevant for me or anyone will vary from business to business and industry to industry. The key to using critical success factors effectively is to ensure that the definition of a factor of organizations activity which is central to its future will always apply. Therefore success in determining the critical success factors for organizations is to determine what is central to its future and achievement of that future. An organization is said to be effective when it achieves the expected output as by the management. An effective organization earns profit for investors, offers satisfactory service to clients and has a potential for growth and development.

Organizations are able to survive chaotic times due to their adaptability to change. The management which provides good leadership experiences employee retention and the workers are more productive than one with a demoralized workforce. An organization has to facilitate training and continuous learning for employees, the organization has contingency methods of operation that is different situations are handled by the different appropriate ways. An organization has to engage the input of its employees in the decision making. The employees being a valuable asset should be motivated for maximum input. Many researches observe that managers should take cognizance of the different values and beliefs held by employees.

There should be no discrimination on gender, race or religious beliefs but equal treatment for employees and recognition of the diversity of views and opinions Effectiveness is only achieved when the organizational goals and targets are harmonized. An organization achieves its objectives when all elements are working in unity and in the desired course. There are numerous factors which determine successful performance of work in organizations. Every organization has its success performance factors which may vary from the organization which has same offerings for the market. There are the following most important factors which determine successful performance of work in organizations irrespective to the nature and form of business.

1. 1 Vision:

The first and most important factor in successful work in companies is the existence of a clear, vivid, and compelling vision of exactly where the organization is headed. A vision that tells employees throughout the organization why they are coming to work, what they are working towards, and how it will look and feel once they achieve the vision. A vision that gets everyone excited about coming to work and contributing to the success of the organization and also shows the personal benefits of attaining corporate excellence.

1. 2 Communication and Clarification:

A critical step for ensuring the impact of the vision is through constant and consistent communication of the vision throughout the organization. Formally through memos, e-mail, and newsletters; informally through meetings and face-to-face communications, until the entire company is

infused with a clear, vivid and exciting vision to their future growth and success

Through department meetings, surveys, and discussions, the vision is clarified and takes shape. The leader listens, watches and asks questions. Then the leader does something important, he or she takes the necessary time to sit down and think deeply about the vision and direction of the company, taking in all the input they have gathered to create a living vision that reflects the hopes and aspirations of the team and the realities of the marketplace. Ultimate responsibility for vision rightfully rests upon the shoulders of the leaders of an organization. Great leaders are able to create a very clear and specific vision of where they want to take their company, get staff to help build a realistic and measurable plan to achieve the vision, and then infuse the organization with a strong sense of urgency toward making the plan work. This can only happen through solid communication that instills conviction in others.

The ability to communicate, to create understanding between leaders and all key players is perhaps the single most important management skill to develop. There is a fundamental rule of communication that is important to remember: people without access to good information cannot take responsibility for their decisions. On the other hand, people with access to lots of good information cannot help but take responsibility for their actions. Clear and specific communication is the keystone of delegation, empowerment and fast action taking, all key components of building a great company. Increased information flow is a critical factor for great companies.

Great companies share as much information as they legally can with their employees, in an open, honest and straightforward way. Through multiple sources (meetings, newsletters, training, casual conversations, corporate gatherings, and more) they are constantly focusing the entire organization on the vision, on the plan and on outstanding service to the customer. They give their people all the information they need to do a superior job. When people are informed, they feel connected and engaged. (L. Scott Kimball, 2010)

1. 3 Implementation:

Ideas on their own are not worth much unless they are brought to execution. Vision, strategy, and planning are all wonderful only if they are practiced by people that impact the bottom line by affecting the quality of products or services. As logical as this might seem, it is unfortunately all too rare in the business world. Management of successful companies pays attention to the plan. They use it on an almost daily basis as a benchmark to guide them forward toward their vision. It becomes part of each employee's desk operating procedures and the organization's standard operating procedures. Aside from these formalities, the strategic plan becomes the way people experience the organization.

1. 4 Organizational Culture:

Every Organization has a culture. It has its own cultural forms that constitute the expected, supported and accepted way of behaving. These norms are mostly unwritten and tell employees the way things really are. These influence everyone's perception of the business from the chief executive to

the lowest rank. Employees from all cadres of any organization contribute to the success or failure of the organization, to the norms by accepting and supporting them. Every organization will have its own word to describe what it mean by culture, Some of them are core, ethos, ideology, manner, patterns, philosophy, purpose, roots, style, vision and way Culture helps the organization to accomplish what it desires to achieve. The corporate culture as a management program has great motivating impact to motivate employees to improve their own and organizational performance.

1. 5 Empowerment:

Empowered management, also known as self-directed or self-managed management, has long existed in manufacturing and other sectors, with studies observing a variety of benefits. Empowered management includes employees with similar job titles and responsibilities who make decisions and recommendations on aspects of their jobs and perceive their position as being meaningful.

1. 6 Competitive Pay-Scale:

High competitive pay levels maintain and enhance work performance because pay is one of the factors that encourages employee to perform well which is ultimate goal of management expectations. This assumption has been largely tested all around the world.

1. 7 Employees Training and Development:

Employee development is something that most people imagine as intrusive all-day group training sessions. Unfortunately, this alarmed approach to

employee development is just the opposite of how employee development should occur and feel to employees. Employee development can manifest itself in many forms of training, evaluations, educational programs, and even feedback. If executed correctly, the effects of training on

employee performance can often encourage growth within the worker and the organization itself

1. 8 Job Satisfaction:

In general, satisfied employees are more likely to remain in a position and to avoid absences than are dissatisfied employees and satisfied employees are more productive than dissatisfied employee. Initial research indicated that neuroticism is negatively correlated with job satisfaction, whereas conscientiousness, extraversion, and agreeableness are positively correlated with job satisfaction. Openness to experience has a negligible impact on job satisfaction. Additional research, however, has only been able to replicate correlations among the factors of neuroticism and extraversion, with extraversion being positively correlated with job satisfaction and neuroticism being negatively correlated. This could be due to the social nature of the workplace.

1. 9 Leadership:

Leadership style of management is often essential in the workplace, especially for individuals who aspire to move up into the ranks of management.

The Main Obstacles to Effective Organizational Performance:

Over the past decade there is an abundance of evidence, which could be produced to say that successful organizations are managed by efficient managers. Success in the long run can be ensured only through effective management. Successful managers foster sustainable growth through their skills, attributes and personal qualities. There is a distinction between common sense and common knowledge. Knowing things is different from doing things. Being able to analyze a case, identify a problem, and suggest a correct solution makes a manager more effective. Out of all the characteristics that make an effective organization, the most important factor is the quality and alignment of the human resources. The main obstacles to effective organizational performance and the ways to overcome them are discussed below.

2. 1 Working Conditions:

Ergonomics does matter for job performance. Not only the furniture and fixtures but also the colors of the rooms and the objects with which people work influence people's attitudes and performance, but the general appearance of the places where people work has its impact as well. In the classic studies by Maslow and Mintz, a " beautiful" room with beige walls, indirect lighting, and pictures and other attractive furnishings was tested against an " average" room (a professor's office with typical furniture and battleship-gray walls) and an " unattractive" room with only an exposed light bulb and ill-fitting furnishings in much cluttered condition. The first study revealed that work performed by individuals in the beautiful room was much

more positive than the work done by participants in the average and the ugly rooms.

## 2. 2 Qualities of the human resource:

The success of an organization depends on the nature of the human resource. The most important personal qualities essential for a manager are the awareness of one's own self and ability to solve problems analytically and creatively. A manager should be able to think beyond the traditional boundaries of thought. If the manager has the ability to do so, he can create alternative solutions which are far beyond the traditional options available.

## 2. 3 Communication Gap:

Human resource in an organization are supposed to have a range of interpersonal skills like coaching, counselling, offering supportive communication, exercising influence, motivating others and managing conflicts. Of all these interpersonal skills the ability to offer supportive communication is very essential. The most important barriers to communication are the semantic barriers such as the symbols with different meanings, badly expressing the message, faulty translations, unqualified assumptions and the use of highly technical language loaded with technical jargons. There can be some psychological barriers also which include, premature evaluation which is caused by premature judgments made without proper analysis, lack of attention when the message is sent across, loss in the transmission of message and poor retention by the audience, undue reliance on the written word and ignoring the value of face to face interactions and distrust of the communicator.

The organizational barriers include policies, rules and regulations of the management, relationships within the organization and the complexity of the structure of the organization. The personal barriers to communication include, attitude of superiors, fear of challenge to authority, red tapes and insistence of proper channel, lack of trust on the subordinates, lack of awareness of the individual and lack of time. The barriers to communication that are very difficult to eliminate are the factors that are inherent to the psychology of the employees. The factors such as the attitude of the workers and the lack of trust on the communicator are very difficult barriers to overcome. The attitude of the workers cannot be changed overnight but can be altered only through long term confidence on the management which holds good for improving the trust on the communicator.

2. 4 Lack of Leadership Skill:

The leader should have passion for the people which means that the leader regards the people more than himself. A leader of any group or management is like the leader of a mission; people are trusting in his guidance because they believe that his expertise is the result of him having already made the journey. As a result of having experienced the journey, the leader's motivation should be to expose the followers to the benefits he has already derived. The leader is, therefore, completely committed to the well being of his followers and their safe arrival at the intended destination.

2. 5 Group skills:

The next set of skills that enhance the effectiveness of an organization is the degree to which the members are able to delegate and organize, building

effective teams and leading positive change. In an ever changing business environment the organization has to redefine itself constantly according to the changes. For the easy adaptability of the company in times of change, the management should be able to motivate and lead others towards positive change and he should be able to build good teams to carry out the changes. In times of rapid change, it is far more challenging to prepare the members of the organization to accept the need for change, to help understand the new approach, to obtain their commitment to implement the proposal, to manage the transition period effectively and to institutionalize the new idea by " hard wiring" it into the organization's communication, evaluation and reward systems. Good ideas are not in scarce supply, what is rare is the ability to translate a good idea into accepted practice.

2. 6 Lack of Empowerment:
Lack of empowerment to management or employees is one of the most accepted phrases for the obstacle in success of management. By empowering the team members to set their own goals, sort their own issues and set their own targets, the layers of the management has been reduced. Without empowerment, the traditional organizational structure cannot create the environment needed for the working of the teams which will make the teams very ineffective. Because of the empowerment of the team members, the traditional boundaries within the organization have been broken. This creates room for betterment of the tasks and improves efficiency.

By presenting the employees with the information about the needs of the organization and allowing the team members to design strategies that are to

be adopted and the level of commitment needed, the interest on the job is increased as the workers feel empowered. Empowerment is a very effective tool to increase the skill variety, task identity, task significance, autonomy and feedback which are the major sources of job satisfaction. Hence, at each and every level of formation of teams such as the forming, norming, storming and controlling empowerment of the members of the team to plan and execute is essential for the success of this program.

2. 7 Discouragement and Aimlessness:

An organization should be able to encourage the employees to overcome the obstacles that are faced in the achievement of the goals. To increase the encouragement of the team members and to maintain the morale at positive levels, the management has to check the core dimensions of the job. Some experts point out that the core job dimensions include the skill variety, task identity, task significance, autonomy and feedback. The more the variety of skills the job requires, the more is the relative importance of the job and this increases the significance of the job which creates a sense of pride for the person who does the job.

The person who is on the job should be given autonomy to make decisions, flexible work schedules, removing formalized controls and freedom to set their work targets. Also, the person should be given accurate and timely feedback about the job performance. The employees' knowledge about their performance on the job helps to increase the client satisfaction directly and help to increase the effectiveness of the overall performance of the management.

2. 8 Conflicts:

A conflict over issues is not likely within management but is also valuable. Many conflicts provide the management members the range of information, a deeper understanding of the issues and richer set of possible solutions. In the era of globalization, successful strategic decisions are made by management that can identify conflicts over issues without sacrificing speed of accomplishment of the task. But many times conflicts can also contribute to the slowing down of the management and can decrease the effectiveness of the strategy adopted.

The main reasons for conflicts may be personal differences with respect to perceptions and expectations, informational deficiency like misinformation or misrepresentation, role incompatibility and environmental stress from resource scarcity or uncertainty. The company should force a response or have an accommodative approach or have a compromising approach or can avoid giving response to reduce the adverse effects of a conflict.

2. 9 Power and Politics:

The term power means the ability to control the environment around. Power gives the ability to a person to decide and act. If an employee is empowered, he can decide on issues and can proceed without being given directions at every stage of operations. When organizations are becoming leaner, the empowerment of employees becomes very vital. Also worth the emergence of information technology the boundaries of traditional office does not exist. In this situation, power does not only denote the authority but also denotes the opportunities embedded in a job. When the organization is facing

uncertainty it can create confusion about roles played and the relative importance of the roles played by people. For example, when an organization is going to be taken over by a Multinational Company, there is a high uncertainty about the jobs of people. In such a situation employees tend to use their part l power and influence to gain information and to favor people.

2. 10 General obstacles in an organization:

Like explained earlier in this essay, an organization needs a wide range of skills but even when the people in an organization have these skills it does not work in the way it is supposed to. Under many circumstances, the management is not sensitive and creative enough to put the skills of the employees to the maximum use. The major obstacle that prevents a firm from using its resources to the maximum is its lack of vision. An ability to envision itself providing positive solutions to the customer is the best strength any organization can have. If a management does not have the ability to look into the current business environment and is unable to identify the kind of opportunities that will be created, then it creates barrier to growth.

As mentioned by Anita Roddick, that solutions are among us. The challenges and solutions have to be identified from the environment of the organization. If a management is not able to recognize, define and offer creative solutions to the requirements of the market then it will be counting the missed opportunities in the long run. Another major obstacle to growth in an organization is the ability of the firm to cope with changes that occurs unpredictably fast. Every member in an organization promotes certain values

and norms that are guarded by theses members. Any intended change by the management which poses a threat to the values and norms of the members of the organization is strongly resisted. Though people welcome the concept of change individually, often they show anxiety and stress when there is a need for change. When the business is faced with continuous change, the company should be toned well enough to accommodate the necessary changes in its working systems.

Attempts to Overcome Them:

3. 1 Employees Training and Development:

The hope is that employees who receive training in line with their individual or organizational goals will become more efficient in what they do. Organizations should look at the positive effects of training on employee performance, and consider employee development as a targeted investment into making the front line worker stronger. More importantly, development plans that include " train-the-trainer" (training that trains employees to become trainers of a skill) can provide exponential benefits to the organization. This training can be anything from how employees can do their own jobs better to these employees being groomed to replace their supervisor. In addition, employees who are invested as a trainer might be further inclined to stay with the organization, and possibly reduce employee turnover.

3. 2 Motivation:

Basically, there are three assumptions in human motivation established in any organization. The first one assumes that motivation is inferred from a

systematic analysis of how personal, task and environmental characteristics influence behavior and job performance (1997). The next one infers that motivation is not a fixed trait; but rather it refers to a dynamic internal state resulting from the influence of personal and situational factors. This means that motivation may change with changes in personal, social or other factors. Finally, motivation affects behavior, rather than performance. Wiley explained: " Initiatives designed to enhance job performance by increasing employee motivation may not be successful if there is a weak link between job performance and an employee's efforts"

Definition of motivation varies. This is a basic example why the term ' motivation' is filled with complexities. (1998) stated that it is " the willingness to exert high levels of effort toward organizational goals, conditioned by the effort's ability to satisfy some individual need". On the other hand, (1997) define the motivation as " the set of processes that arouse, direct and maintain human behavior toward attaining some goal". This definition contents three key essential aspects: arousal, direction and maintaining. Encouragement is to do with the drive/energy behind people's actions such as their interests to do the things or they do it just want making a good impression on others or to feel successful at what they do. Direction means the choices people make to meet the person's goal. Maintaining behavior could keep people persisting at attempting to meet their goal hence to satisfy the need that stimulated behavior in the first place. When the workforce on an organization is effectively motivated, employees' continuous improvement is not far at hand.

In connection to emotional labour, motivation of employees is vital. There are times that the pressures of the work exhaust most number of employees. During this instances, there are simple ways that can help them motivate themselves to work even better even with the presence of some barriers in their effective service management. For example, a tap in the shoulder from the manager, kind words from co-workers, a simple praise, or mere gestures of appreciation can highly motivate an employee. Furthermore, incentives and rewards may also be offered by the management.

The objective of the reward system has been to motivate employees in delivering the best service they can. In order to do this, rewards are distributed in such a way that the more valuable employees will be left with a feeling of satisfaction (1976). Pay is also a contributory element in the process of motivation. The reason for basing pay upon performance is the impact that may result from employees' pay satisfaction, job satisfaction, and performance. While there are other reasons for making pay contingent on performance, such as the effect it may have on absenteeism and turnover, these are the most important ones. Indeed, the primary reason for having such a pay system is the potential it has for the motivation of performance.

3. 3 Coordination:

Some management consultants believe that as modern organizations grew larger, skills become increasingly fragmented and specialized and positions become more functionally differentiated. However, it should be likewise put in mind that people are diverse and complex beings. As social beings,

employees are entitled to their own opinions, needs and expectations. The role of HR is one of catalytic conversion that prepares organizations to understand their history, strategize for the present, and create visions for the future as a one of visionary guide, change agent, and culture monitor ( 1995). The HR department has the responsibility of making employees feel they are crucial in the efficient and effective functions and operations of the company especially during times of organizational development wherein change is inevitable. In this light, the management was confronted with the need to promote positive working relationship and good communication channeling among the personnel in the establishment whether between the supervisor and the subordinates or employee to peers and colleagues

3. 4 Power and Politics Management:

The change in status is definitely advantageous for the organization through delegation. Management have to understand that to stay at the top of the power curve it is important to convert power effectively into interpersonal influence in ways that avoid abuse of power and to create effective teams by delegating authority to others. The powers held by a person in a company can be converted into influence strategy by following, retribution, reciprocity and applying reason. Retribution is forcing others to do what the superior says. To make people just to do what is expected by the team leader, the leader may use coercion and may also use intimidation to increase the pressure on the team members. The management can also use the reciprocity concept, by following bargaining or ingratiation. But the best

approach is to share the facts with the employees and by appealing to their personal values.

## 3. 5 Commitment:

HR experts believe that organizational behavior is resistant to change due to human cognitive processes and defensive routines which were accumulated from past experiences forming beliefs that rationalize every action. Such human characteristics prevent managers from learning that their behavior is inconsistent with their aspirations which could lead to the persistence of organizational policies and practices in the context of new business environment and realities.

## 3. 6 Competency:

Keeping an organization's place in the business world as competitive innovator and provider of a specific service has sustained its ever increasing number of customers. However, the company, in order to be successful in their implementation of any change in their operations and transactions, has also considered the not just the competence and competitiveness of the organization as a whole but also take into account the competence and competitive behaviors of the people that run the business. A weak workforce simply means less productivity and progress, while a strong workforce means more. Leadership potentials among the management personnel are highly evaluated during times of change and participation and aggressive working environment among the staff were likewise monitored for the smooth pace of the improvement processes within the business organization.

Ensuring employee performance requires establishing a level of competence which the employee should be aware of as a target to be achieved. This is the measure to be used by managers in determining compliance with the standard and in identifying problems met by the employees in meeting the standard. In developing a training program to enhance the productivity of employees the manager will look at the competency problems of the employees and fashion the program to enable the employees to reach and even exceed the competency standard established for their work. This requires a great amount of perceptiveness on the part of the manager in determining what method of training will be most effective in improving employee competence. Some of the training includes computer software training, internet-based training and self teaching by encouraging innovativeness in the workplace

3. 7 Leadership:

Leadership comprises the aptitude and ability to inspire and influence the thinking, attitudes, and behavior of other people. It is a process of social influence in which one person is able to enlist the aid and support of other individuals in the achievement of a common task. The major points of this definition are that leadership is a group activity, is based on social influence, and revolves around a common task. Leadership has different styles that a leader may follow or may not. It distinguishes the basics elements of leadership. Leadership is considered to be situational; it is dependent on organizational, environmental, and historical context. Relational, signify the relationship between the leader and the followers, and last element is the

distinct from position. Structural leadership plays a decisive role in shaping the organizations. Structural leaders can be successful when they have the right answer for their organization and they can get their answer acknowledged and implemented.

3. 8 Organizational Culture:

The culture in a particular workplace is an interactive one. Workers have different culture that makes them distinct above others. However, one great factor that influences the culture in a particular workplace is the behavior of the workers themselves. In this regard, it is found that a certain workplace has different and diversified types of workers. Some people argue that culture is the single most important factor contributing for the success or failure of organizations. Some suggests a psychological theory of the link between organizational culture.