

# Strategic planning and strategic implementation

[Business](#), [Strategy](#)



Strategic planning as an art is a strategic framework that functions as a context for all activities carried out, it encompasses what one will and will not do in an organization. This art and discipline demands a creative and out-of-the-box thinking which involves the discipline of logical thinking and flawless execution of objectives.

To stay competitive therefore, an organization must formulate a strategy, be challenged, tested, and frequently updated. Strategic planning helps an organization develop a competitive advantage that results from using a rigorous, analytic process. This will help explore and assess strategic options thus plan and execute an organization's objectives to results in a clear, specific strategy to create a strong sense of involvement and strategic ownership (Nelson & Judith, 2004).

Strategic implementation on the other hand entails executing change at different levels of an organization. It involves how to use the tools of strategic planning and how to you use the tool. Businesses always fail to achieve their strategic objectives since they do not perform a successful connection with the operating goals. Effective communication therefore as a strategic implementation tool among stakeholders is vital in running of an effective business, allocation and management of sufficient resources is thus necessary. Implementation will require assigning responsibilities of specific tasks or processes to specified individuals or groups in the organization.

It also encompasses managing the processes including monitoring processes, comparing benchmarks and best practices provided in an organization, evaluating efficacy and efficiency of the processes, controlling for variances and making adjustments necessary to processes objectives in <https://assignbuster.com/strategic-planning-and-strategic-implementation/>

the organization in the process it helps in establishing some alternative structure like cross functional teams. Implementing specific programs involves acquiring the requisite resources, training, developing the process, testing processes, documentation and integration with legacy processes. Implementation requires level of consistency from every person in an organization because it is what is needed to get a tactical level of management.

#### Limitations of EPS/EBIT Analysis

An EPS/EBIT analysis is a widely used technique used in determining debt and stock or a combination of debt and stock in the best alternative way for raising capital to implement strategies. The EBIT-EPS approach is based upon the supposition that the firm, by trying to have maximum earnings per share that will also maximize the owners' wealth. A theoretical approach evaluates capital structure that is based on minimization of overall cost of capital and maximizing value. EBIT-EPS approach entails selecting the capital structure thus providing maximum earnings per share. It is assumed that is consistent with the maximization of share price.

The approach is expected to be indirectly consistent with wealth maximization, because earnings per share and share price are assumed to be closely related. The analysis is used to select the best number of possible capital structures rather than to determine optimal capital structures. Financial breakeven point is therefore the level of EBIT at which the firm's earnings per share would be equal to zero (Nelson & Judith, 2004). This financial limitation can be determined by finding the before-tax cost of interest and preferred dividends.

Profit levels are higher for stock or debt alternatives when EPS levels are lower therefore control is a concern when additional stock is provided on financial strategy implementation, control and ownership of the enterprise. When using EPS/SBIT, timing in relation to movements of stock prices, interest rates, and bond prices becomes important. By and large, the finest capital structure will have a lesser proportion of debt found under the wealth maximization than with EPS maximization because maximization of EPS always fails to consider risk. Fundamentally, the firm should get the capital structure that balances risk and return, a factor which maximizes share value. The approximation of risk connected with each stage of debt and the value of the firm under each level of debt gives the risk. The firm should then select one that maximizes value.

#### Benefits of Diverse Workforce

1. a) The first benefit of diverse work force is that it helps to improve corporate culture found in an organization. Workers and their employees will have no communication problems because of the free for all environments that the employers have set.
2. b) The next benefit is that diverse work force will improve the employee's morale in undertaking the daily activities of the organization therefore increasing the output of the business organization.
3. c) Diverse workforce will also lead to a higher retention capability of employees by the company since the company is able to acquire good relation between the company owners and their workers.

4. d) A fourth benefit is that diverse workforce will lead to an easier recruitment of new employees because several employees will line up to work in a better organized business organization with better pay than working in an organization with a higher pay but poor handling of the employees.
5. e) This diverse workforce will increase creativity of each individual since they are motivated to work and therefore will be able to input more effort in their working stations.
6. f) The diverse workforce will decrease interpersonal conflict between employees since they are all given equal responsibility and share of attention.
7. g) Reduces training costs is another benefit found when an organization implements a diverse workforce because employees will be at a position to enjoy their jobs in the business.
8. h) Lastly, if an organization has implemented a diverse workforce strategy, there will be an increase in the productivity of that enterprise since employees would put in a maximum effort so as to impress their employers and in the end improve the bottom line of organization.

#### Approaches for implementing changes in an organization

In order to implement changes in an organization, one should start with some basic requirements because change requires more than just time. There is need for an individual to be willing to raise training process for workers allowing teams to learn, document new processes and procedures to grow and make mistakes. An institution must work constantly and apply new

methods, techniques and ideas thus not risking reverting back to past behaviors. The strategies for implementing change are:

### Testability

This is the ability to test a marketing campaign way before launching. It is an important tool to a marketer because it can indicate the differences between profitability and heavy financial loss on a product. This ability to test market does not stop with direct response radio, direct mail, television or other traditional forms of marketing. It provides a number of ways that one can use to test market which is a search engine for optimization of campaigns before plunging in.

A way to test market with a search engine optimization campaign is to initiate a small-scale movement whose only aim is one search engine. This is executed at level best with a search engine that provides a paid speeding program so that the start-up time is minimized.

Within a few days of this strategy, the organization will have pages which are properly optimized within the database. The length of testing time can be from one week to a month. This period will allow for marketer to gauge the level of feedback and success that the campaign is receiving. While this will show only the results from a single search engine, the traffic results are connected with keyword, extensive competitor and conversion numbers. A marketer can in the end get a feel for the market that they will be entering and the kind of sales they expect.

### Reach

Reach is another strategy for implementing change in an organization this is because audience reach of a search engine optimization is limited only to the skill and performance of a service provider. Hypothetically one can target as many keywords as they desire, potentially putting their business in front of a number of markets and audiences. This will only be the case in a select few within other forms of marketing. Direct mail and television marketing therefore are two other forms of marketing that share this attribute.

### Segmentation and Selectivity

This is the third important strategy for implementing change since marketing a specific service or product to a wide market without dividing the target group can be counter-productive resulting in monetary loss. Market can consequently be segmented in terms of the geographical location, demographically, psycho-graphically and according to the social system found in the area or by combinations of the different types. Having a market as a whole and segmenting it into a refined target market is not restricted to traditional direct marketing mediums(Edward, 2000).

To efficiently effect market segmentation to the search engine optimization campaign, an organization will need to include some procedures in the initial campaign research. First process is to research, identify and evaluate your target audience and customer. Once the target market and customer is identified, a list of keyword must be developed to enable the target market to attain the organization goals through the search engines of the business. Developing of a strong keyword list is the most important aspects of not only segmenting the market reach, but also the search engine optimization campaign.

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The changes described above can be as a result of external influences which may include a reduction in the budget that will affect the resources of the organization. This change cannot be controlled but it does influence internal change. The other type of change is that which comes as a result of internal influences involving own restructuring initiatives that may help in redistributing resources. The only advantage is that the latter type of change can be controlled.

In implementing changes in the organization, they should be made less threatening because people tend to resist them in that they do not want to step out of their so called comfort zone. People like to stay in an environment which they are comfortable with so there are a few things that can be performed to help the negative impact of change to have a minimum effect on the people. It includes effective communication that should be developed in an organization since it is vital for the management to communicate the necessities for the change and their positive impact on the organization and the people involved.

Marketing variables and the failure or success of implementation of strategies

Team building is another factor that will help create a minimum effect when initiating change because when developing a cohesive team, it builds confidence in the team members so that they will be in a position to willingly accept change as they work towards a common goal. The other factor is that the company should be at a position to show resolve in the people to help them to be committed to the implementation of new ideas thus helping in fostering creative thinking from members in the organization (Edward, 2000). Lastly time to adapt the change should be given to provide the

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members of the organization time to make adjustments to the changes that are recommended.

Workers always must embrace change within the business organization so as to ensure that they do not become complacent and allow the organization to decline in its production. Change should be viewed as a positive advancement if its focus is on the processes of improvement. Assessing and tracking performance in an organization is a continuous and deliberate process that should take place at all levels. This is because performance is the targeting goal that is redefined with iteration of the Management Performance Process that assures continuous improvement of the organization's mission performance. Therefore as the company improves, there is need to raise the bar to help in the succeeding iterations of performance standards that will make a business the best organization it can be.

#### Projected Financial Analysis

Prior to setting up a projected financial statement, an analyst need to study the financial history of the company, during the study there may be drawbacks that the company may encounter down the years. To eradicate such hurdles and for the better performance of the company's financial status, an analysis is conducted. Performing this analysis further will require an analyst to use some of the following points in evaluating the position of the company. They include whether the company's operational activities are up to the stipulated and required mark found when the company is well equipped with financial stability.

Other factors include conditions of the market found when the market is in the process of growth and at this process of growth the company will be at its equilibrium or shriveling up point. The status of the company in relation to other companies in the industry is also another factor considered.

The third analysis looks at a company's strengths and weaknesses prevailing in the management of the company and the type of products produced by the company in relation to the economic cycle of the company and the accompanying hazards in the production of goods and services (Edward, 2000). The other methods used in performing financial analysis include, observing the role of the general management performance in the company's growth. An analyst should also predict risks associated with operational activities that may hinder effective running of the organization.

Lastly, the company's past performance records will be studied to get the exact projected financial analysis in an organization. An organizer should be careful when studying the various trends in the company's past performances and be able to try and predict the company's future performances even if the financial health of a company has been at a position to remained fairly stable over the years of its work. The predictable financial statement anticipates a better growth development in the financial statement of the organization but any unforeseen event may change the course and in the financial statement projected.

The unforeseen events may arise from any part of the globe or the country thereby impacting a global economy in an adverse manner. Analyst should therefore keep provisions for such events and they should prepare details of contingencies fund and which can be made use of. This is only possible if the <https://assignbuster.com/strategic-planning-and-strategic-implementation/>

above mentioned circumstances are encountered by any company or an organization.

#### Reference

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