

Management as the cornerstone of organisational effectiveness



This assignment is mainly focuses on the assessing of the statement of ‘ Management is the cornerstone of organisational effectiveness, and the integrating activity that permeates every aspect of the operations of the organisation’.

To make the background for this assessment it was first studied most important factors that are likely to determine the successful performance of work organisations. In achieving that first it was focused to understand the concept of organizational effectiveness and various approaches for organizational effectiveness and through that study identify the factors.

And then the consideration was given to study the main obstacles to effective organisational performance and how to overcome those.

Finally attempt was taken to assess the validity of the statement of “ Management is the cornerstone of organisational effectiveness, and the integrating activity that permeates every aspect of the operations of the organisation’, considering with the changing nature of modern work organisations.

Important Factors of Effective Organizational Performance

What is Organizational Effectiveness

Here before assessing the factors of effective organizational performance the consideration was given to understand the concept of organizational effectiveness.

According to the view of Jonathan Knee the organizational effectiveness may depend on most essential three key elements.

*People – Here the people means staff of the organization

*Culture – A combination of Style, Skills and Shared Values of the organization

*Impact – This mainly includes the factors like profitability and financial sustainability, not only that but also the value shaped for any stakeholders.

It can be shown by the following graph.

In this article author say that these elements together have to manage because they are tightly inter-related nature. People create a culture that shapes them in turn. Future generation self-selects into an existing culture that meets their needs. And secondly people implement the organization's plans, and the culture supports and increases. And thirdly this inter-relation is so important because the organization's ability to achieve its goals affects its ability to attract and retain effective people and to sustain a high performance culture.

(Info abstracted from: The article of Organizational Effectiveness by Jonathan Knee, 2008)

Early studies state the organizational effectiveness is general rests on evolving suitable methods of selection, training, placement, in various steps of the organization.

(Info abstracted from: The book of Organizational Behaviour by Indian Institute of Management and Technology, 1997)

And also another view of Organizational effectiveness is that OE is always concerned with the unique capabilities that organizations develop to assure that success

(Info Abstracted from: The book of The Changing Definition of Organizational Effectiveness, Human Resource Planning, Vol. 27. 1. by McCann, Joseph. 2004)

Most modern views of the organizational effectiveness say this has to be look in a way of system approach. Accordingly many HR practitioners try to look at the HR process and identify it in system approach. Accordingly they say that by looking at it in system approach organizations can achieve organizational effectiveness.

(Info Abstracted from: The book of Measuring Organizational Effectiveness, Canadian Management Centre. 2005)

Accordingly we can identify early HR notions have identifies this concept as Only HR function including recruitment, selection, Training and development. With reference to the literature review the identification can be done as that organizational effectiveness is not only depending on the Human Resource of the organization but also it is a integration of both people and the system of the organization.

Factors of Effective Organizational Performance

Here to identify the factors which effects to the effective organizational performances can be identified as using several case studies.

Case Study – Alpha Company

This is a case study which was done by the Canadian Management centre to identify the effective organizational performance. The main theoretical model that they have used here is that the system approach.

Alpha Test Company is a European Owned small manufacturing company of office furniture. They have three major competitors in the market. Their major three strategic imperatives are as follows.

- (1) A clearly defined and defensible niche
- (2) A highly customer-focused culture
- (3) A lean and efficient manufacturing operation

When achieving the strategic initiatives first the company has run in a lost way. The company could not decide whether it wanted to be an industry niche leader or follower and operations management's focus turned inward and away from acceptance of the customer. The most important thing for the driven of the strategic direction is that the intellectual support for that, but in Alpha organization there was more or less act as careful technicians instead of passionate supporters of quality and service.

According to the new strategic inputs the manufacturing facility became highly controlled, with job responsibilities narrowly defined, performance measures relatively unclear. The organization became more rigid and inflexible, with employees focused on them, moving at a purposeful speed and indifferent in changing.

So as a result of these initiatives the organization became more incapable of doing much more than being a fine place to work. These findings resulted from this test by the Canadian Management Institute. The test was begun by collecting data and sophisticated data analysis, and researching on efforts at creating high-touch customer focus and created a gap between the beliefs of the employees and the company's expectations for performance

At the end of the research it was identified several factors to improve the organizational effectiveness through several strategic initiatives as follows.

*First one is that as company should be continuously realigned in order to avoid from fluctuations.

*In these alignments organizations should maintain their own unique alignment

*Thirdly consider on technology in order to see the complexity of the world and competitors and with the predictions be ready to understand and manage the complexity

*Then strategic initiatives should be taken to align the people to support the new strategic direction, HR will come in to action in this point.

(Info Abstracted from: The book of Measuring Organizational Effectiveness, Canadian Management Centre. 2005)

Case Study – Competitive Advantage

To obtain the effective organizational performance many companies use the sustainable competitive advantages by bringing into line their talent and

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business strategies. Most of the organizations use the methods like mergers or acquisitions, restructurings or shifts in business strategy can bring many functional effectiveness.

Accordingly this article describes that many organizations of their studies brings value to their clients' organizations by facilitating the integration and alignment of the business strategy with a workable talent management strategy.

And also they mentions as aligning has to be done in the areas of capabilities, processes, attitudes, and talents. And with reference to many of their client organizational experiences they say three major solutions for organizational effectiveness.

Organizational Effectiveness Solutions

Strategy Implementation

This is mainly focusing on structure, people systems and processes, and to deliver great customer experiences.

Strategic Workforce Alignment

These are the workforce strategies considering employee needs and investment on employee needs. Many HR initiatives could be taken at this stage.

Change Management

This is the design to support for change at all level of the organization. With the external environmental changes many initiatives can be taken for change management to obtain the sustainable competitive advantages

(Info Abstracted from: Right Management consultancy service, www.manpower.org. Right Management Inc.)

Accordingly factors of Effective Organizational Performance can be summarised as follows.

Continuously realignments in order to avoid from fluctuations

*Maintain unique alignment

*Use of technology

*Develop human resource of the organization to support the strategic initiatives

*Sustainable competitive advantage

*Change management

*Integrating the organizational system according to the system approach

Obstacles for effective organizational performance

Poor Leadership

Organizations are composed to of individuals and groups for achieving certain goals and objectives by means of differentiated functions that are intended to be rationally coordinated and directed through time on a

continuous basis. A group within the organization has to select one of their members as a leader/ representative for coordinating their views/ demands and expectations. The leadership as such is an essential part of the organizational life.

Leadership is a group process, through which individuals initiate activities for delivering the common objectives of the community by working together simulating each other, supplementing abilities and resources and evolving an effective organizational pattern.

So as many of the organizational activities are leading and monitoring by the leadership of the organization, if it is not effective whole organizational process will collapse. Accordingly it can be identified that poor leadership is the main obstacle for achieving organizational effectiveness.

To overcome from this obstacle it is needed to identify the role of the leader effectively and appoint a person who has these characteristics or in other hand develop these skills of the appointed leader. Those roles are as follows.

*Developing a team work

*Representing the members

*Appropriate counselling

*Exercising power and authority properly for constructive purposes

*Time management

*Managing and leading the group towards completion a task

*As a potential strength for the members work force

*Creating a cordial relationship and containing discussions

*Continuing the role as a motivator and a source of inspiration

(Info abstracted from: The book of Organizational Behaviour by Indian Institute of Management and Technology, 1997)

Barriers in Communication

It can be taken many strategic initiatives to make the effective organizational performances. But this should be communicated for the people in the organization correctly. If it is not happened it will cause for total failure of the strategic initiatives.

As example in the case of Alpha Test Company they made the strategic initiatives by controlling operations in a very tuff manner. Employees also monitored in a rigid manner. This caused for the failure even this can cause for run down from the existing situation also. So it is essential to consider about the effective communication. For that identification of the barriers in communication will be a best method.

Even when the receiver receives the message and makes the genuine attempt to decode it there are a number of barriers which disturb the receivers understandings. These obstacles are known as ' Barriers in communication'. They are personal, physical and semantic barriers. The barriers may entirely prevent a communication or filter a part of it or give incorrect message.

Poor Group and Inter-group Relationship

Groups in organizations have become the subject of much mythology and the target for strong feelings. What then is the 'truth' about the groups? Why do they exist? What functions do groups fulfil for the organization and their members? How should one conceptualize a group, and how does one judge the goodness or effectiveness of a group? What kinds of things can groups do? And what they cannot do? What impact do groups have on their members? On each other and on the organization within which they exist what are the prospects and constrains of Inter-group Corporation and inter-group competition. How does one manage and influence group?

These are very important factors which have to be considered for the effective organizational performance, because poor relationship may cause for many destructive things. To overcome from these kinds of obstacles it should be organize to maintain team work among the employees.

Assessing the validity of the statement

Accoridng to the requirments of the assignmnet the statement '

Management is the cornerstone of organisational effectiveness, and the integrating activity that permeates every facet of the operations of the organisation'should be asesed in terms of its validity considering the changing nature of modern work organisations.

Before assess the validity of the statement we should look into the question on what is the changing nature of a modern work organization.

In fact today we all are in a changing nature, this is not only for a business, even for a individual and as well for a family we are in a changing nature. The changing nature actually means the rapid transformations of social, economic, environment and political factors. As these factors are highly changing it has created a changing nature in our lives. Also this affect of the changes of these factors has made significant differences for today's businesses. Actually the main reason for these rapid changes is the technological advancement occurred around the worldwide. Today in each and every corner technology has become the driven force therefore every country is using technology for their businesses, and as well as for their individual lives. The extensive magnitude of using technology has created another challenging environment where many more opportunities are opened for further technological advancements. Therefore as a result everything is in a rapid change.

Particularly if take a business they face to lot of changes in their businesses. Due to these technological advancements everything is always changing and it affects for the social, political, environment and economic lives of people, as a result of these changes as whole the overall society has become a changing nature.

Not only the technology the current world's economic system is also a main reason for current changing environment. As today's most of the economies are open economies and fewer barriers to entry to the market this has created a huge competition among the organizations, not only in local markets this has created a huge competition among the businesses in the international market. As a result of this today every organizations is trying <https://assignbuster.com/management-as-the-cornerstone-of-organisational-effectiveness/>

for innovations and they dedicate much resources for research and development accordingly new developments are introduced to the market and therefore this increase the competition in the free market. As a result the overall nature has become very competitive. Actually there is a link between the technology and the competitive market, because in actual sense the technological innovations lead for the competitiveness.

Accordingly we can come to a conclusion in identifying what is a changing nature. The identification of this changing nature is highly important to analyse the validity of the statement.

In analysing the validity of the statement we can analyse it as two parts. One is on the first part of the statement which is ' Management is the cornerstone of organisational effectiveness' and the other part on ' the integrating activity that permeates every facet of the operations of the organisation'.

Before assess the validity of the statement ' Management is the cornerstone of organisational effectiveness' we should identify what is exactly meant by management.

One ideology on management informs that Management is the art of getting things done through people, also further it says that management is the process of getting things done through the efforts of other people.

Also another set of team informs that the management is an art of problem solving. Through management the problem solving is done effectively and it achieves organizational objectives through the efficient use of scarce resources in changing environment.

A comprehensive definition on management elaborates that management is the process or the procedure of planning, organizing, leading and controlling an organization's four core resources which are human, financial, physical and information resource to achieve organizational goals in effective and efficient manner.

(Info- Abstracted from lecture notes of Mr. Weerathunga. G. on Introduction to management, of Certificate Course in Human Resource Management, Institute of Personnel Management Sri Lanka)

Accordingly through considering the definitions on management we can conclude that management is the process of planning, forecasting analysing and implementation of organizational activities in order to achieve the goals and objectives of the organization.

Then it should be important to identify about what is organizational effectiveness, accordingly it can be mentioned that for organizational effectiveness there is two main concepts. According to the traditional view of the organizational effectiveness, it says that organizational effectiveness is the management of recruitment, selection, training and placement; this is directly focused on the human resource aspect of the organization. But according to the modern concept on organizational effectiveness, it says that it should be considered as a system approach and accordingly the system should consider about the both human resources aspect and as well as on the other systems of the organisation. Simply it says that organizational effectiveness means that the effectiveness of all aspect of the business.

Accordingly as the statement says it can be mentioned that the management is a cornerstone of organizational effectiveness in today's changing nature. Management means all about planning, and forecasting on organizations activities. Accordingly in today's changing nature always the facts are changing therefore in management it analyses focuses and plans according to the changes of the environment. For an example let say that TESCO which is the best retailer in UK, they are always changing with the nature, they have proper management practices and accordingly they plan, analyse, forecast and implement their business strategies in relation as suits to the changes occurred. Further let's say they clearly forecast the peak business times for them and as well they implement proper strategies targeting the nature of the change, let's say till November there is not a special season but with the beginning of the December the whole super market environment changed by the TESCO to face to the change nature of the business. Through changing their business environment they can attract many more customers for their business.

Let's say due to the changing nature there is a huge social trend immersed for using products which are produced in the local market. Accordingly TESCO as a strategic planner have to identify the business requirements according to the social trend and give special consideration on marketing the good which re locally produced. Having proper management is the key indicator to identify the changes in the environment and to ensure organizational effectiveness.

Let's take another example from Schuh foot ware. In organizational effectiveness all the parties should be benefited, accordingly the employees
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and as well the employer should be benefited. The winter season is critical time where it makes several changes in the business nature accordingly there is a huge demand created to the winter shoes. Therefore the organizations all the systems should be ready to cater to the social demand. Accordingly the machinery, the human resource, and the vehicles everything should be ready for the organizational performance, if all these systems are ready to supply to cater to the social demand only the organization becomes effective. So as per to address this organization should be effective and to ensure the organizational effectiveness there should be management where it plan, analyse, forecast and implement according to the necessary requirements.

Accordingly analysis the validity of the first part of the statement it can conclude that it's a correct statement because there is a strong affect of the management to ensure organizational effectiveness in a changing environment.

After analysing the validity of the first part of the statement, we should analyse the second part of the statement which is 'integrating activity that permeates every facet of the operations of the organisation'

The second part of the statement merely informs that the organizational activities should be integrated where it covers all the areas of the business. And this statement is linked with the first part of the statement which says management is a cornerstone for organizational effectiveness. Actually this is a very vital and valid statement, because today in modern businesses intergraded approach and integrated management is mostly important for

the organizational effectiveness. Integrated approach means the organization takes it all factors and resources as a system. This means in integrated approach all the resources and facts are identified as factors which has an effect on a change of any factor. Simply in integrated approach it identifies if there is a change in the human resource there is an affect for the machinery of the organization. As an practical example let's say that machine operates of an organization engage in a strike, as a result the machines are underutilized or not utilized then as the ultimate result the production flow breaks, likewise in integrated approach or in integrated management everything is analysed as a whole. But in traditional approached the resources are taken separately and just analyse the simple affect only.

Actually this integrated approach is nothing it is almost similar as the modern school of thought of organizational effectiveness, which is system approach. Therefore integrated approach is a vital part in organizational effectiveness.

When take the meaning of both parts of the statement it says that management with a proper integrated approach ensures organizational effectiveness in a modern changing environment.

Actually this statement is a highly valid statement because without having management practices there is no organizational effectiveness and without having a integrated approach it is difficult to face to changing nature of today's modern businesses.

Let's take an example to validate this statement. The growth and expansion of TESCO Plc indicates how this statement has been affected for them.

Tesco is known as the British largest retailer by international sales and also local market. At the same time TESCO is the third main retailer of the world. The company was first established in 1919 by Mr. Jack Cohen. The company first appeared with the Tesco brand in 1924. The first supermarket of TESCO was opened in 1956. Within these 9 decades TESCO has made the horizons of their business and has become a giant in the market.

The management of TESCO analysed the total business approach as a whole and implemented the integrated management as a practice in 1997. They understood that to ensure organizational effectiveness the business should be managed as an integrated approach and according to that the management style should be changed. They further analysed without being changed they cannot survive and grow in the business in such challenging and changing environment. As a result of their innovative thinking they introduced a new business strategy to diversify their business and it became the establishment of Tesco's success in recent past. Accordingly the Tesco's new business strategy addresses,

- To be a successful retailer in the international market

- While being the leader in the market to ensure that their business core is in UK

- To hold a strong position in non-food services as in food service.

-To be outstanding retailer in diversification in Tesco Personal Finance, Telecoms and Tesco. com

-Identify the community needs and cater according to that

Accordingly currently the Strategies of Tesco is based on five main elements as Core UK, Community, Non-food, Retailing services, International.

By considering all these facts and figures it can be concluded that this statement is a highly important and valid statement.

Conclusion

This report is all about organizational behaviour. The study analyses and provides valuable knowledge in the subject area. As in the first section of the study the student is given the more opportunity to study about theoretical aspect of the organizational behaviour, accordingly the study has been expanded to identify about the most critical factors which affect for organizational effectiveness. After that the student has to work on in identifying the obstacles for successful organizational performance and effectiveness and then to study about how we can overcome these barriers.

As in the second part of the study it provides a more consideration for the student to get practical knowledge about the concept and accordingly he is required to critically assess and validate a statement on organizational effectiveness. Validating the statement provided a strong practical background on the study area. The assessment and validating through using examples is many more helpful to study the concept in a more practical

manner. And also which has to be assessed is a highly valid statement for the organizational effectiveness.

Accordingly as an overall conclusion it can be mentioned that this study covered a vast area of the subject area covering the both theoretical and practical aspect.