Org behavior

Business

Organizational Behavior Organizational Behavior Business partners, employees, s, and communities make up some of thesignificant stakeholder groups that influence the activities and decisions of an organization. It is essential for all organizations to understand the effects of these stakeholders on their daily undertakings. Managers of businesses have a responsibility to both their supervisors and clients, and other stakeholders in order to have a transparent and profitable company.

Question 11

Organizations have ways of creating value and influencing stakeholders. Managers have the duty to steer an organization’s profitability. They do this by managing costs, increasing costs or undertaking both. Essential product positioning, innovation, and targeting marketing can cause an increase in sales, while improving processes and controlling overhead expenses can reduce costs. Also, managers provide timely and effective revelation of information that is relevant to all the stakeholders. The revelation of this information highlights the organization’s respect towards their stakeholders. In addition, organizations set up code of ethics or rules and regulations for their employees and managers. These rules and regulations direct the way managers and organization’s employees handle and relate with other stakeholders (Brickley, Smith, Zimmerman, & Willett, 2000).

Entrepreneurship creates value and satisfactory results for stakeholders by instigating innovative business ideas that promote future prosperity and wealth building in an organization. Moreover, entrepreneurship promotes the health and progress of an organization. It achieves this by creating fresh opportunities of business in all areas of the organization. On the other hand, entrepreneurship promotes innovation and increases profits of an organization. Lack of entrepreneurial action may make an organization not to get to its maximum capability (Brickley, Smith, Zimmerman, & Willett, 2000). Nonetheless, any knowledge that enters or is produced by the organization should create value to all the stakeholders.

Question 12

Organizational theory, design and change, structure and culture, have an interconnecting role in an organization. Organizational theory refers to the duty of an organization on the impact of the surrounding on the operational outline of the organization and how the organization works in the environment. This depicts an association with the cause and effect law. The organizational design and change points to how and why a variety of methods are selected. This helps the organization to manage its culture and structure to manage endeavors to achieve its objectives. Moreover, change occurs when the organization tries to move from its current situation to a future one so as to improve its efficiency (Denison, 1990).

Organizational structure highlights the structure of command. Culture and structure are interconnected. This is because people make up management and employees, thus upholding standards, creating a culture and implementing rules. An organization’s structure is designed by the individuals through norms and shared values to manage its associate’s relation with both external and internal sources. Then again, culture revolves around the individuals and their values in the organization. Culture reflects the design structure of an organization, for example, employees’ rights and organizational principles. In addition, the behavior of people in an organization is formed and restrained by culture. For example, culture defines the employees’ level of loyalty and the way an organization treats employees and clients (Denison, 1990).

References

Brickley, J., Smith, C., Zimmerman, J., & Willett, J. (2000). Designing organizations to create value: From strategy to structure. New York: McGraw-Hill.

Denison, D. R. (1990). Corporate culture and organizational effectiveness. New York: Wiley.