

The future of life in organisations business essay



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When the future life and well being of a business organisation is pre-planned at the present time using proper projections, strategic planning comes into play. Hence, strategic planning entails some of the steps and procedures which can be put in place in an organisation so that it can experience face lifting in the near or distant future (Samson & Daft, 2009). Each division within a company ought to craft its own strategic plan which will focus on growth and performance. This is necessary because the impressive growth of a business organisation is entirely dependent on laid out plans. Nevertheless, whether in a small or big company, a strategic plan should be in a simplified version which is easy to understand, interpret and implement. Complicated elements in a strategic plan document may not be helpful at all especially when the same is to be implemented. As already mentioned, strategic plan should be in form of a document which implies that it has to be written for the sake of future reference. The written plan should be clear as much as possible and equally based on the actual state of the business organisation at the present time.

Although strategic planning is generally considered to be the way forward for organisations which desire growth, it has its own demerits and pitfalls. However, the inevitable pitfalls should not hinder an organisation from projecting into the future by planning in the present (Goodstein, Nolan & Pfeiffer, 1993).

To begin with, a strategic plan may not materialise as expected bearing in mind that the operational environment of the plan can be very dynamic while the set objectives are static. Such changes which can sometimes be

unavoidable may negatively affect the attainability the original plan leading to significant failures.

Challenges facing an organisation at the present time cannot be sorted out or addressed by a piece of strategic plan. Therefore, this plan is only useful at a later date and only if the strategies are achieved. If the process of planning has loopholes, the outcome of the plan itself may also go below par and then lead to further failures.

When an organisation jumps from formulating a mission to developing the strategic plan within a very short and inadequate period of time, it can lead to a major pitfall of the plan. When developing the strategic plan, a business management is supposed to bear in mind all the critical details of the mission statement of the organisation so that no single development proposal is crafted void of the company's mission. In addition, sufficient time should be allocated in the creation, formulation and implementation of the strategic plan (Fogg, 1994).

There are some instances when the top organisational leadership may fail to incorporate the subordinate employees in the creation of the strategic plan. Involving workers from all levels of the organisation in the process of strategic plan and decision making is necessary and cannot be ignored at all. It should be recalled that all the employees in an organisation are part and parcel in the implementation of the strategic plan (Samson & Daft, 2009).

Another likely pitfall to strategic planning arises when the top management resort to adopt intuitive decisions which are not in agreement with the formal planning of the organisation. This can also confuse employees within <https://assignbuster.com/the-future-of-life-in-organisations-business-essay-essay-samples/>

a company. They will not be in a position to point out which strategies to follow in the course of delivering their services (Mintzberg & Waters, 1982).

Unless the strategic plan is used as a basic unit for quantifying performance, the plan may not be worthy. Assessing the performance index of an organisation is necessary in the process of tracking down the initially proposed strategies.

A planning consultant plays an important role in making sure that the laid down strategies are well formulated and also attainable within the given period of time. The consultant also counterchecks resource availability and allocation for each plan and then gives the necessary counsel. In spite of these invaluable roles played by the planning consultant, the management should still take control of the entire strategic framework. Delegating the planning duties fully to the consultant is a serious pitfall. The management must still possess the plan and oversee its implementation to the latter.

A strategic plan usually passes through different phases before it can finally be articulated and its outcomes realised. For example, it begins by the process of preparing the plan itself. Key development issues are identified at this stage. Secondly, the strategies identified are developed, evaluated and re-evaluated to ensure that they fit within the mission and vision of the company. Finally, the plan is put on the implementation phase (Mintzberg & Waters, 1982). These are complex procedures which requires the all the key employees to be partakers of the process. Failure to do so may as well as lead to the pitfall of the strategic plan. Furthermore, if the management does not create an operating environment which is conducive for cooperation and

also resistant to market dynamics, the strategic plan may not record significant success.

Small businesses too need to formulate strategic planning in their operations much more than the big firms which are well established and running. In fact, in order for a business organisation to grow, a business plan alone is not sufficient, it is just a replica of ideas which the management has in mind but not strategically devised to improve performance. It is imperative to underscore that small firms have a higher demand for growth than big businesses which have already taken root. Besides, small businesses often faces a myriad of market risks compared to elaborate organisations and in case of any eventuality, they are bound to lose greatly. It is against this backdrop that small companies need to prepare, develop and formulate very strong strategic plans for the sake of sustainability in the dynamic and hostile business environment.

As mentioned earlier, the success story of strategic planning in a business is largely dependent on quite a number of factors. Regardless of the size of the business, the outcome of a strategic plan will be influenced by the procedures and modalities used in the preparation and implementation of the plan. Therefore, strategic planning can lead to improved performance in small companies if the following cardinal principles are adhered to by both the management and employees of a company.

Although most small companies rarely transit into elaborate corporations, the concept of strategic planning is one way out of transforming small firms into large companies. There are several case studies which have noted down

that small companies can only experience growth if they are merged or acquired by market leaders. This may not be universally true because if small firms pursue and implement strategic planning to the latter, they can always grow by leaps and bound into giant companies (Steiner, 1979).

This begins with grass root planning on the development of the young company. Strategic planning will provide the right path for the company to take. In addition, it will lay the foundation for contingency planning which is much needed in the heart of the small organisations.

Small scale enterprises may sometimes fail to enforce the process of implementation of the strategic plan developed. If the devised models are put into action, improved performance of these small scale enterprises will definitely be achieved (Goodstein, Nolan & Pfeiffer, 1993). This is also the clear cut difference between small and big enterprises. The latter will rarely ignore to implement a strategic plan toolkit mainly because it has been heavily invested on. If small enterprises communicate to workers on the formulation and implementation process of the strategic plan, positive growth will be on the way due to support received from employees. Workers in any business organisation form the backbone for growth. A company cannot succeed when it ignores or does not uplift the performance of employees. A small company which is unanimously run by a director and collaborating employees will often achieve the contents of a well crafted strategic plan. This process also entails involving employees in the day-to-day decision making and goal setting procedures. Commitment is an essential ingredient in strategic planning of a small firm. If both the

executive arm of the organisation and the subordinate staff are committed in <https://assignbuster.com/the-future-of-life-in-organisations-business-essay-essay-samples/>

ensuring that the plan works, then the size of the firm does not matter at all; the objectives will still be achieved. It is also worth noting that commitment stems from goal setting theory. Employees will be committed if the goals which are set in the strategic plan are well understood. Moreover, the plan is bound to succeed if the management instils commitment to the employees in two ways. Firstly, workers should be made to understand the importance of the entire strategic plan and the goals set in it (Steiner, 1979). Without a sense of importance in the written document, there will be lack of commitment and irrespective of the size of the organisation; the strategic plan will not be functional. Another way of enhancing commitment is by ensuring that employees can actualise the benefit of the strategic plan on their part and not just on the general well being of the organisation. For instance, they can be promised additional fringe benefits in addition to such motivating factors like higher salaries and promotions. Small firms which adhere to such measures will often succeed in their quest for growth into market leaders (Fogg, 1994).

Similar to any other aspect of planning, strategic planning also requires significant inputs. This includes elaborate intrinsic and extrinsic research to ascertain the ability of the small company against the trends in the current and future market. In this regard, the competitive analysis of the firm should be brought into consideration in addition to the ability of the organisation to undertake certain planning measures based on resource availability (Steiner, 1979). Strategic planning developed by small firms can often sail through if the two mentioned elements are critically analysed. Hence, whether a

business enterprise is small or expansive in size, conscientious strategic planning followed by meticulous implementation can improve performance.