

Importance of vision and mission business essay



**ASSIGN
BUSTER**

Organizational culture is an essential aspect to a company that can influence the strategy of the organization. Organizational culture can be defined as one organization shares their own traditions, values, policies and attitudes during their daily operation (Luthoms 2002). Organizational culture is a basement of company strategy. Company can achieve their business goal very easily if they put organizational culture into their business vision and mission; make sure the culture can match with company strategy, in this way company culture can push their business keep going.. Each of organization has their unique culture which the company can benefit from it. The culture can give a large effect to employees, even the company's customers. As long as staffs know about the culture of company, they know the core business of the organization hence the strategies they make will surround the organizational culture and that will not deviate their organizational goal. On the other hand, a clear and strong organizational culture can attract customer's attention that will let them know the business goal of company and they feel the organization is formal and official (Robbins. P&Judge. A 2010). Strategy can be defined as Match Company's internal resource with opportunity to create an external factor (David. R. 2007) Sometimes companies have to choose one of strategy form many of them. Before they do that, do strategy analysis is necessary, strategy can be changed, but organizational culture can not be replaced. Let see some detail regarding how organizational culture influence company strategy with relevant example.

Importance of vision and mission

Most of successful companies are match their organizational culture with business visions. They try to create a positive relationship between organizational culture and organizational performance to ensure employees can work effectively and customers can fully understand what the organization is about. Business vision and mission should answer two basic questions: " what do we want to become?" and " what do we want to do in long-term?"(Huczynski. A & Bunchan. A 2007) that is looks like a guideline to encourage employees moving forward , a good vision can affect bother side, internal and external there is also a goal in their mind which can encourage staffs work in a positive way. Business vision and mission can make organization become stable. Organization should make their business vision and mission with organizational culture clear enough, not only for motivate employees, but for their business partners and customers as well. There are two examples show how vision and mission support company to do business.

1. Durex Company

A good example is Durex Company. When we mention the brand Durex the first item comes out is condom and most of people will feel embarrassed. Employees can not advertise their products easily if they feel like that and their business can not become successful. However, the organizational culture they create can balance this negative effect. The culture is Successful; Social responsible and Lively (SSL) which means Durex Company will do a successful business, to fulfill social responsibility and make the life become great. The wonderful part is Social responsible. On the employees' side, the organizational culture try to tell them the company you work for is

not a simple manufactory to produce condoms, the brand Durex can represent a social healthcare organization. They put the social responsible into their business mission and vision; besides produce their products another company's mission which is more significant, to publicize health sexual behavior to their customer, especially young generation and teach them how to prevent the disease by use condoms . Employees who work for Durex is not just a seller or producer, they are people who provide knowledge of health as well. Such as, what is healthy sexual behavior and how important to prevent HIV in our life In this way employees will feel proud and confident during the daily operation. Because Durex Company has a positive organization culture and they can match it very well with their business vision and mission most of countries' government are support them when Durex extend their market and do marketing research that why the brand can become famous and has a good reputation all over the world. Durex is a healthcare company and fulfills society responsible, not just a producer and they are one of successful international company in the world, their product has been proved by World Health Organization (WHO) that all benefit form they have a clear vision and mission and transfer an obscure topic become acceptable.

2. Dell Company

It is not enough only ask employees understand the business mission and vision; actually organizational culture can support the company from side, employees' side and customer side. Make sure employees understand is the first step, as long as employees know about the organizational culture, they can explain to their customers very easily and the decision they make will

around the core business of company that is good for company to advertise themselves. (Clegg& Kornberger 2006). For instance employees who work in Dell Company can demonstrate their organizational culture to public very well. As we know Dell Company is one of famous computer organization that has been included in the 500 largest companies in the world. The brand, DELL is quite welcome because of they have a good business mission and vision which is Listen, Learn and Deliver, means listen feedback from their customer, keep learning new technique to improve quality of products and deliver their service to customer. Actually, Dell's organizational culture is more likely a customer service strategy to build a long-term relationship with customers. And win customer loyalty Base on the Dell Company's culture, after customer purchase computers from internet or book by telephone, they will deliver the goods to their home, and we know none of company like did that for their customer, expect Dell. When employees deliver products to customer's home, they can performance their organizational culture to them, such as help customer to check is that what the customer need in the box? After that, help customer to check the computer is working or not. If everything is correct, ask customer to sign on the feedback form. Finally, employees will announce to customer if they need technique support they can call customer service number in Dell Company and they will come to you within 3 working days. Because of employees are fully understand the organizational culture and they can show it to customer by good service quality that why the brand Dell can get customer loyalty. Dell Company use employees as media to transfer their organizational culture to public and customers are truly believe they can do a good job. We can see a concrete example which is customer will pay the full price first on internet when they

<https://assignbuster.com/importance-of-vision-and-mission-business-essay/>

buy Dell computer, after that customer will wait about 5 working days for deliver product to their home. Customers are willing to pay first, and wait company come back to them; this kind of customer behavior which can explain their customer service strategy is successful, because of Dell follows their business mission and vision. Until now, there is no customer complain regarding deliver product delay. Personality, Durex Company and Dell Company are very good example to match organizational culture with business vision and mission and bring a positive effect to internal and external.

Strong and weak organizational culture

Create a strong organizational equal to build a stable basement for company. Employees have the same option about core business of organization and a strong organizational culture will affect member's behavior. (Hellriegel 2009)It is looks like behavior control, make sure staff's performance on the same level.. Strong organizational can reduce employee turnover rate as well that can create a kind of internal organizational climate which can attract employees work for company(Schein. H 2010) that can support company carry out recruitment strategy. The recruitment strategy is a complete mix of the recruitment processes, targets and approach to hire the best talents employees for the job market and control turnover rate. Organization can save cost and time if they have a low turnover rate. Employees leave organization for many different reasons that why company have to use culture to unite them as a team. However Strong organizational culture is not means management level use internal culture to force their members that is not the purpose. The correct way is that make sure

employees understand the organizational culture, each of them can transfer the culture to their own understanding. Company need to use organizational culture to persuade members, not force (Hellriegel 2009) After staffs understand it, they will follow by themselves. As long as employees can find their expectation in the company they will stay here for a long time. On the other hand, weak organizational culture means the internal culture is not clear or lack of explanations and staff control, employees will lose business goal and guideline, in this way, perhaps members will leave the organization that should be improved if company wants to reduce turnover rate. After employee leave, they have to spend more money to organize an interview to hire new employees to replace employees who just leave. Otherwise, company need to provide formal training selection for new staffs and the most significant point is new employees need some time to know about the new working environment and they can not cooperate with their colleague that will make the daily operation become ineffective. The following paragraph will demonstrate a relevant example to support how important to build a strong organizational culture to control turnover rate.

Resort world sentosa Singapore

Resort world sentosa(RWS) Singapore is a good example to explain how strong organizational culture to help company become successful. RWS is a large resort which provides service and entertainment and there is more than 2000 staffs work for them. It is hard to do a successful business if RWS does not have a strong organizational culture. Let image, they have such a large group of employees, if organizational culture is not strong enough that will lead to employees are not loyal to the organization, turnover will

increase and employees' performance will float up and down. First of all, let see what the culture of RWS is. They call it as RWS fun which means Responsible, Warm, Supersize and Fun. The organizational culture try to encourage employees become a responsible person in the daily life, when staffs deliver service to guests, try to let customer feel warm and welcome, and remember to supersize their guests, let them feel something different or special. Lastly, create fun to your colleagues and customers; let everyone enjoy themselves in Resort world sentosa, no matter your staffs or guests. Actually, the culture, RWS fun gives employees what they expect, everyday staff come to Resort World not only for work, create fun as well. The organization culture make Resort World become a large family and all of members have been united by a same belief. The company prints the organizational culture behind the staff card that can make sure each of members can remember it. RWS fun creates a positive working attitude to each of employees that will persuade staffs stay here. The organizational culture plays a good role in recruitment strategy, as a large company, they can not only focus on hire staffs from outside, get current employees' loyalty is equally important. Let us image, Resort World has 2000 employees, the organization will lack of cooperation if employees are keeping resign and the whole organization will become unstable and their business can not moving forward.

Organizational culture and strategy in action

Organizational culture affects strategy development in many ways, company have to base on their company's culture to plan a long-term or short-term strategy. On the other hand, a good organizational culture has to support

company's future plan as well. Company need to connect internal culture with strategy Organizational culture and strategy they have a supportive relationship. Organizational culture is the key of company make a strategy Company carry out a strategy have to show to public their particular internal culture, which means use their own method to achieve their organizational goal. The strategy is a kind of reaction of organizational culture. Before a strategy takes action that should be realities, make sure that can be accepted by customers or business partners and manage the cost, increase revenue as well. On the other hand, management level need to forecast barriers between company and their goal, provide some idea to prevent it. The following paragraph will shows how the organizational culture of KFC to influence their strategy in action

Kentucky Fried Chicken (KFC)

Let use KFC as a example to explain how organizational culture influence strategy in action. KFC is one of successful fast-food restaurant and famous all over the world. Normally, KFC only provide fries chicken with chips to customers, however what they did in China really help them to occupy market in this country. Nowadays, KFC try to do some innovation about their food. They offer congee, rice and some Chinese traditional food to match with the local culture and you can not find this kind of food in KFC where local in the other countries. KFC is first restaurant to do this kind of innovation they take the opportunity to attract customer to come. Otherwise, KFC also deliver mock chicken and vegetarian burger in India and Canada, there are some people are vegetarian, because of religion, this kind of food innovation can be accepted very easily. After the innovation, KFC become

more competitive. As we know, a strong competitor of KFC is McDonalds which deliver fast-food as well, both of them are international brand, however, the action about food innovation is base on the KFC's organizational culture which is " Positive encouraging" " Restaurant manager first" and " Work to excellent". In fact, it is not difficult to find out the food innovation is kind of positive encourage which make KFC become more competitive than McDonald in the market. Because of the one of organizational culture in KFC is encourage employees do a positive change, hence the strategy they did in China and India is quite creative. Employees' transfers their organizational culture becomes a real strategy action and that is very successful, the new innovation is not cost too much, but bring in good revenue for KFC and their market become stable. On the other hand, because the innovation is successful that encourage KFC keep doing the food innovation, every quarter customer can find out new thing on their menu, most of them are very good food combination, customers are like them so much. The example can demonstrate that organizational culture how organizational culture bring a positive effect to strategy in action

Conclusion

Every organization should build an organizational culture before business start, base on the culture to show their own feature and when the top management level wan to plan their future strategy for the company, the strategy they make have to match with organizational culture and direct go to the company's mission and vision.. Create a positive relationship between organizational culture and organizational performance to ensure employees can work effectively. Weak organizational culture is lack of control,

sometimes that will confuse staffs as well, hence as a successful organization, internal culture should be clear and strong enough to unit all the employees in the organization, make sure members can explain the culture by their own understanding.(Alvesson. M 2002)On the other hand organizational culture need to be demonstrate to customer, let them know what the company is and what kind of business they running. On the other hand, strong organizational culture can decrease turnover rate and win employee's loyalty which help company carry out recruitment strategy, low turnover rate can make the daily operation become effective that can prevent employees' performance float up and down. Decision or strategy they make should follow the company's culture as well. Indentify the merit and demerit form internal and external; recognize the business stage of company, is that time to grow or defend. Organizational culture need to give a positive influence to strategy in action. The strategies they choose have to support company increase revenue and control cost. Internal culture and strategy have to match each other , and when company carry out the strategy make sure the that can be accepted by local government politics. (Michael A. Hitt & R. Duane Ireland 2008)The organizational culture is the basement of organization, all the strategy has to around the culture. In this way, the organizational goal can be achieved in a successful way.