

Assess the role of key stakeholder commerce essay



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BUPA was established in 1947 by the combination of a quantity of provident not for profit associations, subsequent the creation of the NHS. BUPA stands for the British United Provident Association the name itself explains it. The brightness of those well meaning people forming the NHS that the UK's total healthcare requirements could be centrally given proved to be ill founded and the 1970's and 1980's saw the PMI industry grow rapidly in size, with BUPA predominant. An organization is a social arrangement which pursues collective goals, controls its own performance, and has a boundary separating it from its environment. Stakeholders are all those people of organisation that have a " stake" in the intervention.

Government

Customers

Community

Shareholders

Board of directors

Management

Employees

Source adapted from freeman et al managerial model, hieratical view - managing for stakeholder

The evaluation of primary stakeholders must include a determination of their direct relationship to health care Group; specifically, their influence on

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development as well as the organisation objective in its relationship with them.

Managing stakeholders is a very important part of Health care organizational success. Primary stakeholders include the Health care Group board of directors, senior managers, functional managers, patient, employees and shareholders; just to name a few. A correct evaluation of stakeholders will determine levels of authority, responsibility, influence their ability to determine if that influence is negative or positive, their strengths and weaknesses, stakeholder strategy and risk tolerance. This evaluation will provide the information needed to prioritize the needs and wants of the stakeholders in order to meet their expectations.

Factors that will impact on the organisation and its vision:

Market Analysis Macro Environment-PESTEL

Political: Ever since in 1985 the introduction of Medibank, there has been a decrease in the number of private healthcare insurance. In order to stop the declining rates, the government stepped in they offered 38 registered health insurers the option to all citizens for private funding of their medical treatments. This allows private health insurance to subsidies full or partial medical fees in either private or public hospitals. With the help of the government, insurers would slowly see an increase in the public's interest to buy private health insurance .

Economic: As customers are getting more highly educated and this leads to highly paid jobs. There is a trend that as their personal income increases, so does the private insurance coverage. Therefore insurance companies like <https://assignbuster.com/assess-the-role-of-key-stakeholder-commerce-essay/>

Bupa should customise premium policies for the high income individuals and yet have policies that are value for money catered to the lower income group.

Socio cultural: The new generation of UK are moving towards a more health conscious lifestyle. They are more concern about their diet and their overall wellbeing. As medical technology advances, so does the cost of medical coverage increases. This makes UK more interested to buy health and life insurance so as to lessen their financial burdens.

Technological: Technological advances has not just let to information to be widely and readily available, it has also been constantly shaping our lives. It helps to improve our way of communication and increases the number of communication channels that companies could use to connect with their target audiences. Companies also benefit from improving technology as it helps to speeds up processes and cut cost (Kotler et al., 2009). Therefore insurance companies like Bupa UK are able to reach out to their target audience through new media like the website, Facebook and Twitter.

Environmental: One environmental problem that would affect the insurance industry is when there is a natural disaster. The government had to step in to allow insurers who may not be able to meet their regular standards to come up with suitable solutions to respond to their customers with compassion and professionalism

Create a vision for an organisation

A vision facilitates goal setting and planning. Creating a vision to help direct the change effort and developing strategies for achieving that idea.

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Vision is a common statement about the direction of health care wishes to take and the needed end outcome once it gets there. It stands for an aim that is driven by and evokes passion. Vision might or might not be successful. A vision is useless unless it is implemented. The organisation should have plans or strategy to implement the vision. It depends on whether everything else happens according to a firm's strategy. It provides a fundamental report of a company values, aspirations and goals. It may contain a slogan, diagram or picture.

When building a vision it is significant to believe simplicity. While a vision must clearly present assured key values in defining and the relating organization, it must not be so difficult that it is complex to communicate. The most important difficulty often related with vision statements is that they are wide, hoping to cover entire factors of the organisation or health care principles and values. These visions end up being complex to communicate to staffs, consumers and clients. Vision statements must be clear and brief. Finally, approval of a vision statement by those concerned cannot occur unless the completely recognize it.

A good mission must address each principal theme and must communicate why an organisation is special and different. A firm's mission may change when competitive situation radically modify or the firm is faced with new threats or opportunities.

Mission statement and objectives should be:

Measurable: that is able to measure progress

Specific: Gives a clear communication as to what requirements to be accomplished.

Appropriate: be consistent with the vision of the organisation.

Realistic: should be a reachable target given the organisation's opportunities and capabilities in the environment.

Timely: needs a time frame for accomplishing the objective.

Its mission statement mentions that people come first after all people have created this empathetic persona that BUPA illustrates in its key objectives which " was planned to give more services than the NHS system in Britain presented. It has supported itself as having no shareholders and existing only for its members. Primarily, BUPA was a UK health insurance provider, contribution policies to business, individuals, and other organisations. " BUPA is a brand truly guided by its mission statement: ' Taking care of the lives in our hands'. Its well-defined values guide its business and brand behaviour.

1. 4 Determine the strategic direction for an organisation:

Strategic direction is the strategy utilized by a management which recognizes the direction it aim to framework and the move for action by which it aim to get there, Stone (2010). The HR manager plays an important role in connecting the company most important of human resource to the strategic direction of the company and does so throughout the employ of strategic HRM practices and policies. Strategic direction is the direction in which an organisation intends to aim for through the use of a strategy which establishes the framework for actions involved in achieving competitive

advantage for the organisation and its stakeholders. According to Chung et al (2008) wrote that an organisations strategy must be appropriate for its resources, environmental circumstances, and core objectives and the processes involved must match the company's strategic advantage to the business environment as current to the organisation. By doing so the organisation will achieve one of its corporate strategy objective, this will hold them in a position to effectively and efficiently carry out the organisations mission and objectives. Chung et al 2008 states that an organisations strategic focus will be determined by which of the three types of strategy be it prospector, defender or analyser it places the most emphasis on. So what responsibility do SHRM play in the strategic direction of a company.

2. 1 Analyse methods to communicate the vision to engage and inspire others within the organisation:

Organizations include establishing it to be supportive to ask every efficient area to identify how they contribute to achieving the entire strategic plan (“efficient area” selecting whatever natural units are real in the organization- functions, geographies, business units, etc.). Armed with the operational definitions, strategic map, and the entire company performance measures it strategic, each efficient area builds their own map of achievement and describes their own specific performance measures.

Threats in the present and future market were identified by using the SWOT assessment process. How the competition is situated comparative to the opportunities for development that have been recognized, and how are they situated comparative to the company's strengths and weaknesses.

Through this information, company may confirm their strategy by creating a mission statement, explaining the vision, and recognizing their competitive advantages. The strategy will need a clear consistent message for the communication. It is a perfect time for the management to operationally describe every critical area of the plan to make sure commitment and agreement. Important stakeholders have to include in the development. Requesting their effort is often a valuable aide in implementation.

2. 2 Build support for the vision within the organisation

An effective change strategy and vision will recognize the areas of change, afford clear and realistic targets for measuring achievement, and request to the durable interests of organizational stakeholders.

The change strategy and vision provide the organization how the opportunity looks like after the alteration is implemented. It needs to communicate the organizational stakeholders why they have to work hard, let go of the past, and sacrifice in the current and in future follow the senior leadership. In the future it generates an appealing and sensible picture, and it gives guidance for decision-making for organization. Appealing and Sensible are significant. Employees and managers particularly will desire to identify that the planned change is feasible and desirable. If both are missing, they will not squeeze the change. It is not in staffs and top level management best interests to create the essential sacrifices now for a future that is worse than the present. Top management and the conducting coalition should improve a compelling message that will communicate employees and managers that the future is an enviable place to go.

The support of strategic intent linkage is to ensure the career development, performance management and reward systems must be reviewed

2.3 Communicating the vision to external stakeholders

Stakeholder report the routine communication with the internal and external members and partners was most important to keep stakeholder focussed on the success of the health care initiative. To communicate the vision, health care leader need to follow different strategies, including discussion and presentation and interagency meetings and using websites, newsletter, internal and external e-mail communication. Leader need to share the community the initiatives vision at community functions and meeting. Leader opted to communicate their messages regarding the new strategic direction multiple times through various channels.

3.2 Vision can be embedded within the organisation

Inspired by our tradition, Health care will be renowned by an insistent focus on clinical and service results as we seek to make excellence in the care experience. Healthcare will become the important trusted health partner for life.

The important Vision focuses on:

- A dedication to our finding purpose of health care to strengthen
- An importance on giving a personal care experience in our Organization
- The significance of creating trusting relationships with all of our constituencies: patients, associates, physicians and communities

The Strategy Design

For an organization the strategy design is one way that will be able to plan and fulfil its vision. According to Distelzweig and Clark (2008) the best way is to have a section of the strategic formulation that deals with preliminary layout of the detailed paths in order for the organization to realize the goal and complete its vision and mission. The four major elements step involves: the determination of the required culture, classification of strategic thrusts to pursue, identification of the major lines of business (LOBs), and establishment of critical success indicators (CSIs).

Moreover, they defined that “ a line of business is an activity that produces both significantly different services and products or that are geared towards various markets. While in view the accumulation of a new line of business, it must be based on active core competencies of the company, its possible contribution to the bottom line, and it’s fit with the company value system”

3. 3 Translate the vision into organisational objectives to set the strategic direction.

Leader at organisation levels are need to set the direction for action by their constituent units, contents and the nature of these directions changes qualitatively at various levels. At the top of the organisation, leader direction making generally takes the form of improving a board, long-term and often ambiguous vision. Top managers translate this vision into more specific organisational strategies and propagate them to unit at lower organisational level.

Our vision is – greater respect, less poverty, and better care.

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Healthcare management are impatient to do in good health and hold ourselves responsible for continuous improvement in the services we provide.

The Vision and Mission Formulation

The mission and vision formulation is linked as the foundation of the entire plan. The planning process is actually laid upon the vision and mission formulation thereby making this part of the process the generally important aspect of the plan. According to Swayne, Duncan and Ginter, (2008) assert that a vision is a statement that identifies and defines an organization's goals and aspirations and how the organization can accomplish these goals and aspirations in the future. A vision functions to offer an organisation with directionality, justification and quantification of resources, stress management, motivation, standards, enhancement of professional growth, and succession planning. As point out by Porrus and Collins (1996), that well-conceived vision includes two important components: the envisioned future and a core ideology.

The strategic outcomes of a well created vision include the endurance of the company, vitality through the alignment of the individual employees, the focus on productive effort, and the company as a complete, and, ultimately, success. Once vision is implemented upon agreement, it is time to move on to the creation of a mission statement

Distelzweig and Clark (2008), states that " an explicit mission statement ensures the unanimity of purpose, provides the basis for resource allocation, guides organizational culture and climate, facilitates accountability, <https://assignbuster.com/assess-the-role-of-key-stakeholder-commerce-essay/>

establishes organizational boundaries, and facilitates control of time, performance and cost “. When creating a statement for mission, it is important that it states six particular elements, including the basic product or service, primary market(s), employee orientation, principle technologies, customer orientation, and standards of quality. Through all of these elements integrated, a mission statement must still remain memorable and short. The statement of mission as follows:

Mission - “ We serve together for the Health”

Distelzweig and Clark (2008) mentioned that there are other diverse functions of a mission statement such as setting the bounds for improvement of an organisation philosophy, justifying business operations; values, aspirations, and priorities; creating a positive public image; and provide a corporate uniqueness for external and internal stakeholders.

The developing conception is that understanding and identification of the needs and wants of stakeholders is important to strategic management. In health care there are various different organisation levels. As there are various stakeholders in organisation it is considered one of the most important measures when the success is assessed. In health care the social values and identification of the resources that act as a token for social values are significant in determining the success or failure of the plan. Our Health care has a well crafted vision that meets all the above criteria.

3. 4 Outline the strategic planning process for an organisation:

Our healthcare looks for the poor and underserved as a particular centre. It is those without income of their own who required us generally. Through our health care and our persistent advocacy looks to serve the underserved and poor of our communities. We look to concern not only for their urgent requirements but also to change the structures that keep them in inhumane conditions and unhealthy environments.

Every administrator needs to have a strong skill of analyzing how the business is supposed to be executed, especially if they are to go by strategic planning process. The analysis processes makes it easy for the administrator to know the strengths and weaknesses, threats and opportunities and thereby making it imperative to plan wisely and draft a strong strategic management plan. The implementation plan is somewhat complicated and yet it is loaded with vital details of successful leadership. The strategic planning requires a fair allocation of basic resources. This could be a fourth component, but it is intertwined in the three phase process. The allocation of limited capital resources is perhaps one of the most difficult decisions health care administrators have to make. The need for new equipment, renovations and maintenance and the demand for new service lines and facilities all come with merit. In order to win, there needs to be a determination as to which appeal will engender the good returns for the health care.

In order to succeed on the strategies, Healthcare is faced with integrating strategic and financial planning in order to operate in the best way as a health care organization that is fiscally responsible. It has put in place an <https://assignbuster.com/assess-the-role-of-key-stakeholder-commerce-essay/>

accurate vision of their community and the needs and wants of their customers before started the costly project of a new facility.

The plans will need to be reviewed and be updated with new goals and objectives on regular basis to determine if the organization is remaining on track or is able to meet the projections set annually. This helps the healthcare to seize all opportunities and stand strong in dealing with threats and weaknesses.