

Week 5 questions



Question Please discuss the importance of the internal stakeholders' treatment of one another. The internal stakeholders of an organization comprises of shareholders, employees as well as the management team. Fulfilling the needs and demands of its internal stakeholders is the corporate responsibility of every organization and hence they are required to be treated fairly and with utmost care. This would further ensure better and healthy relationships amongst the internal stakeholders of the company. For instance, organizational efforts in creating and developing better relations amongst the various internal stakeholders involved, setting of clearly defined roles and responsibilities, availability of required resources, and delegation of adequate authorities to facilitate faster and appropriate decision making, would lead to smoother communications amongst themselves, ultimately translating into realization of the organization's corporate goals.

Question #2. Please discuss the importance of the organization's treatment of external environment.

External stakeholders include consumers, suppliers, competitors, creditors as well as the community at large. These groups form an inevitable part of organizational growth and hence satisfying their requirements is of utmost significance for any organization. The organizations, thus, should strive to establish long term strategic relationship / partnerships with the external stakeholders to gain maximum leverage from the same and to realize the ultimate organizational goals of growth and profitability. This could be achieved by providing high quality products / services to the customers, establishing solid long term relationships with the suppliers, offering a cost effective and niche product line, as well as good payment terms for the creditors. This would ensure a satisfied team of individuals which would help

in sustaining and developing the overall organizational goals.

Question #3. Please discuss the importance of the organization's long-term plans.

Long term goals define the vision of the company, which may include the goals of becoming the largest manufacturer in the world, attaining a specified percentage of market shares, or becoming a global leader by creating a niche for its products / services. Long term goals help the organizations in creating a fixed route which they have to follow in order to realize their specified objectives. For instance, for a company, if the long term goal is to be a world leader of a particular product, in terms of customer service, technology as well as quality, the management thus has to devise ways to reach the ultimate objective such as improving cycle times by speeding up the process of product availability, as well as reducing or minimizing the production costs by use of best technological aids available. This would further lead the management in realizing their long term goals of ultimate customer satisfaction by providing high quality and cost effective goods.

Question #4. Please discuss the importance of the organization's short-term plans.

Short term goals, equips the management with adequate data to make well informed decisions about the designing, planning and implementation of organization's future course of action. Several factors which influence the establishment of short term goals and are critical to the issue of goal formation include, time management, frequent or timely checking of consistency with the desired goals, rationality of the goals with relation to the time period set to achieve them, feasibility of the goals, availability of

resources in relation to the milestones and targets set to achieve them.

Establishing short term goals empowers the organizations to fight the external forces affecting its internal organizational environment and provide the management with better insight and tools to steer the organization towards a sustained corporate growth.