

# Organizing for corporate performance

[Business](#), [Management](#)



Organizing for Corporate Performance Question Organizing corporate governance is essential in an organization. In the contemporary, competitive business environment, appropriate staffing and allocation of resources is significantly valuable. An organization has different departments, which perform different roles. In any organization, marketing and management are the most prestigious departments (Broom & Longenecker, 1975). The people who work in the administration department perform significant duties and develop reports based on these special tasks. In addition, management personnel provide input in policy and procedure making. For this reason, management department requires the most competent and experienced personnel in an organization (Broom & Longenecker, 1975). Management refers to the administration, control and maintenance of a balance of work in the offices of an organization. Management personnel have numerous responsibilities and tasks which require them to be highly competent and experienced. Management ensures that the goals and objectives of an organization are attained (Broom & Longenecker, 1975). Management department assembles all the factors of production, organizes the resources available and integrates the resources to attain the desired company goals and objectives. By clearly defining the company objectives, management department ensures that there is no wastage of time, efforts and money. An incompetent and inexperienced management department would not well understand and consider the company's objectives and would result to wastage of resources and would fail in converting the disorganized resources of machines, men and money into valuable project (Broom & Longenecker, 1975). Management department has the responsibility of employing all the

human and physical resources effectively. This results to the effectiveness in management of the organization. Incompetent and inexperienced management personnel would fail to optimize scarce resources by identifying the best possible substitute use in the industry (Broom & Longenecker, 1975). A competent and experienced management will always ensure that machines and the workers are producing to their maximum and that there is no under employment of resources. On the other hand, marketing department requires a high portion of budgetary allocation. This is because marketing is a significant aspect of any business entity since it extensively contributes towards success and growth of the business (Broom & Longenecker, 1975). Marketing department covers promotions, advertising, sales and public relations. Since marketing aids in creating product awareness to the public, the department should be provided with adequate budgetary allocation (Broom & Longenecker, 1975). Getting the products or services of the company recognized by the public is the paramount goal of the marketing department. The success of the marketing department is dependent on the budget allocated to the department. Finances affect advertisements, promotions and the frequency of the advertisements in the media (Broom & Longenecker, 1975). Adequate allocation of finances to the marketing department will assist in boosting product and service sales and increase revenues. In addition, adequate allocation of resources to the marketing department will help create a compelling reputation for the company. Question 2 Most businesses may experience difficulties and fail. This failure in businesses is caused by lack of control of costs or the company let customers defect, or the company

brought wrong products or services to the market (Broom & Longenecker, 1975). The risks of failure in businesses and organizations can be minimized or entirely avoided by consciously designing a new organization or redesigning an existing one in such a way that it performs well and adapts readily to changing circumstances. Organizational design refers to the product of determining and bringing into line all the constituents of a business entity in the direction of the attainment of decided undertaking and objectives (Broom & Longenecker, 1975). Organizational design is a straight forward business process that is critical and should be in the agenda of every meeting in every single department. Different organizations choose organizational design models depending on their marketing strategies, size and industry. Since the SBU organization is a new organization, functional design model would be the most appropriate organizational design. Functional design model refers to an organizational model that is organized around key functions or departments. This model divides the organization into departments or functional areas (Broom & Longenecker, 1975). In SBU organization, the CEO will head the organization followed by other vice presidents who head departments such marketing, research and development and finance. Under vice president, there will be departmental directors who will report to department vice presidents. Functional, organizational design model is favorable as it groups people by aptitude and knowledge thus making maximum use of expertise within the organization. This will assist SBU attain its primary objectives and implement its strategies. Functional model will promote functional creativeness, and reduce operational costs of SBU. This model is easy and straightforward for

the every department to comprehend their primary obligations, and held accountable (Broom & Longenecker, 1975). However, Broom and Longenecker (1975) note that functional model has some disadvantages. Adoption of the functional model can lead to concentration on function rather than the organization in general. On the other hand, activities across functions can collapse, and employees become unclear on their tasks and responsibilities. In addition, functions with different measures and priorities can counter-purpose processes in the organization (Broom & Longenecker, 1975). References Broom, H. N., & Longenecker, J. G. (1975). Small business management. Cincinnati: South-Western Pub. Co.