

Importance of planning in management



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Planning can be defined as a process of making a sketch of various courses to achieve goals and objectives. Success and growth of an organization is mainly based on the planning function of the management and their leadership style. Management operates activities in a right manner and through effective planning and effective leadership operates right things by motivating the employees. In order to achieve the goals and targets of the company, it is essential for the management to plan the activities in an effective manner and follow the task with the help of effective leadership (Robbins, 2005).

Planning of Senior Management and Front Line Management

The company has a fundamental business management structure, which has separate parts for doing all the processes and activities in the organization. These basic parts of the company are: business execution, business acquisition, and shared support services. A separate part of the organization is developed according to the planning function. This planning has to be in the favor of the firm and stakeholders. In order to achieve the maximum potential, planning is an integral function for an organization. This is the primary function because with the help of this, the organization would be enabled to formalize its goals to achieve the mission. Planning at the senior level is completely different from the planning at the middle management level. Senior management of an organization is concerned with the entire organization and establishes strategies for the lower management, so that they can achieve the objectives of the organization. In contrast, front line management is more concerned about the environment of an organization or workplace.

Evaluation of Planning

In this essay Susan Maddox will be used as a prime example the planning process. As an employee at Susan Maddox, I had the opportunity to work with different levels of managers. I ran into a wide variety of issues within the organization. A majority of issues were related to the planning function of different management and integration of these planning. The planning of Susan Maddox was committed to building the reputation of the firm and there was an equal distribution of profits between the firm's partners. In the long run, the disputes regarding profit sharing between its consultants and partners, led the division of firm into Susan Maddox and Maddox Consulting.

Master's was the biggest client Susan Maddox for consulting, auditing, and accounting but due to some problems in auditing, Susan Maddox involved into a legal issue due to the case of Master's Corporation in 2001. It shared all the documents related with Master's auditing and the lawyers of Master's sued the firm for violating its legal responsibility. This resulted into the loss of firm's reputation and the firm collapsed. The initial retention policy of auditing papers of the firm was violated in the case of Master's Corporation. This goes to show how the separation of company is caused by defective planning function of management. The planning for distributing equal shares of profit failed when the company gained more profit. Their planning to keep the records of the audited firm was failed in the case of Master's Corporation. For this, the lawyer of the Master's Corporation sued Susan Maddox and the company had to demise their business. Consequently, the planning of Susan Maddox failed.

Legal issues, Ethics, and Corporate Social Responsibility

Essentially every organization should maintain a balance between the legal, ethical, and corporate social responsibility standards. All these standards refer to the integration of the core values of the business. In the case of Susan Maddox, the company failed in fulfilling the legal, ethical and corporate social responsibility standards. All the issues related to these standards affected the management planning of the company. The legal responsibility was demised when the company's officers were not able to keep the documents of Master's safe. The company's the company's retaining potential affected as well as the policy of destroying the documents in a judicial proceeding, which affected the management planning (Virginia & John, 2000).

The ethical responsibility of the company failed when an auditor neglected the factors in the accounting process, which are the sources of income.. The company focused solely on achieving profits from the market by overlooking the correct accounting practices. The corporate social responsibility of the company failed due to the lack of attention during Master's audits which led to a negative impact on the customers. It tended towards the discontinuation of many employees, which led to a decline of the trust of the employees in the organization. It affected the long term planning of the company. The focus of the employees towards the achievement of the goals and objectives was destroyed. It refers to the destruction of corporate social responsibility of the business (Virginia & John, 2000). The organization has to take into consideration the wellbeing of their customers, stakeholders, community and employees while performing its operations. Proper implementation of as well

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as the utilization of all the legal standards, ethical standards and social responsibility standards, assist an organization in achieving growth and success in the business environment. In the case of Susan Maddox, the company has to focus on the development of strategic planning and implementation for effectively performing its operations.

Strategic Planning and Its implementation

There are mainly three important factors influencing the company's strategic and tactical operations that are legal, ethical and the corporate social responsibility factors. These three factors are an essential part of any organization and the organization must comply properly to all these factors, as they are necessary for planning in an organization (Galbreath, 2006). By utilizing all these functions, the management can make a new and effective strategic plan. The legal factor of Susan Maddox is not functioning properly and has an adverse effect on the planning of the organization. By practicing wrong and illegal accounting practices, will lead companies into legal troubles. The factor of corporate social responsibility clearly states that an organization should fulfill its responsibility towards the society through its actions and activities. In case of this factor also, Susan Maddox did not comply with the statutory obligations and has adversely affected the community, shareholders, employees, and the customers. Management can integrate the ideas of the middle management with their planning, as per the legal, ethical and corporate responsibility. This strategic planning will be helpful in the success of the company (Galbreath, 2006).

Conclusion

Susan Maddox has a poor planning and management function. The company could not organize their responsibilities and failed to fulfill its corporate social responsibility. At the time of doing strategic planning, the management should concentrate all the legal factor and ethical issues, so that it would be possible for the management to serve the customer with high integrity and responsibility. The management should be integrated the planning of front line management and take so that they can develop effective strategic plan for the success of the company.