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Assignment 8

MGMT 510 50 A 2020/Spring-Bus Strategy & Management Principles

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Assignment 8:

*Chapter 11 Answers*

*1.*

Stake Holder:

Stake holders can be

Employees of the organization or

The owners or

The Vendors/Suppliers who solely depends on their Company to supply a constant revenue course

Share Holder:

A Share Holder can be an organization or an individual person or a group of individuals that possess share of an organization/company at the minimum and hence has a financial engrossment in Profitability. To explain it little further a shareholder can be an individual capitalist who is expecting the stock price to increase and hopefully use that as a part of his retirement valise. Shareholders can be owners of the company but are not liable for the Organization loss/debts

The key difference between both is that a shareholder at any point can sell their stock and move on to buy a different stock. However, Stakeholders on other hand are tied to the organization/company for a longer period of time and for greater good of the company

*2.*

The company/Organization goes through a joint process where they discuss and research concerns or the issues called out by the Stakeholders and therefore understanding and finding a solution for some of the concerns/issues needed to be addressed. There is a set defined process which is followed while responding to the stakeholder issues effectively

* + Acknowledge and Identify Stakeholders: List and Identify all the respective Stake holders and their issues
    - Stakeholders with lower power with lower interest
    - Stakeholders with lower power but high interest
    - Stake holders with Higher power with lower interest
    - Stake holders with Higher power but High Interest
  + The Reason for Management should be defined
* Developing various policies
* Shared Services Planning
* Special Offers Planning
* Planning Retail Outlet locations
* Planning Price Strategy
* Risk and Threat protection
* Cleanse the line of product
* Service level Improvements
  + Selecting the Correct Tool to exchange
* Creating and mapping Stakeholders as per their priorities
* This will help us understand the amount of engagement and the type of service you would use to engage with the Stakeholder
* Understanding the Relationships, issues and concerns with the company
  + Action Plan
    - Decision Making
    - Planning with appropriate engagement
    - Changes and proposition
    - Unavailable due to other responsibilities
    - Conflict of Interest
    - Benefit of doubt
    - Involving in all crucial and important decision making
    - Acquiring information appropriate to projects
  + Monitoring
* Taking feedback from all the relevant Stakeholders
* Constantly keep checking their commitments and determination
* Focusing to understand their requirement and append it as needed

*3.*

Agency problem is defined as the conflict of Interest which can be defined as relationships where one party is expected to participate in other parties finest interest.

In Organizations with high number of employees, it’s the Managers who usually manages the capital in the finest engrossments of the Share Holders. In this type of Organizations there is a possibility that the conflict of interest may rise between Shareholders and the so-called Managers. With additional information on the Work of the Organization, Managers can use it in making decision making which can prove out to be for their own benefit. However, this does not necessary mean that it will beneficial for the Shareholders. This conflict of Interest between one party (Shareholder) to Managers is termed as agency problem

There are certainly different ways through which the shareholders can have a control over the operations of management, which can be Company’s/Organizations Manager who needs to take more comprehensive decisions geared towards maxing out the shareholders wealth. Few of the governance mechanisms to defend from the respective problem is to put the following measure into place

* Strong Screening process
* Instituting Protector/guardian against illegal practices
* Penalize Bad behavior and take disciplinary actions
* Remunerate Good behavior and recognize them accordingly

*4.*

Encourage ethics in the workplace makes a positive culture for employees and Managers for a successful Business outcome. Below are the following ways to promote Ethics in Workplaces

Be a Visionary Role Model:

Employees always look up to their managers to mimic their behavior and to understand what type of behavior is acceptable. It is said that the Senior Management usually sets the trend and tone of Workplace Ethics

Expectation on Ethical Prospects:

The Code of Ethics should demonstrate Company’s moral values and the Ethical Rules that the Employees are expected to follow, and Managers should be mindful of their actions because this is true only when the Leaders succeed to inspire others with their Ethical Behaviors

Training on Ethics:

Workshops, Seminars and other programs should be set up to promote Workplace Ethics and their Values. This will help the employees to understand the behaviors that are acceptable, and which are not permissible in the Workplace

Protective Measures to provide Company’s Ethics:

Company/organization needs to allow its employees to discuss on ethical values and speak out unethical behavior without any fear in them

Recognize Ethical Acts and Penalize Unethical Acts:

Annual Appraisals should include how one’s actions can sum up against the Company’s Code of Ethics and Values and also include how managers acquire these goals

*Chapter 12 Answers*

*1.*

Organization design will help to create a well-structured design of the organization. This will include model, people, technology, Performance and information. It also contributes to competitive advantage by providing better understanding of reporting, flow of work and important decision making.

Everyone knows exactly what their responsibility is and whom they should report and what other team members are doing. A company can find utilize to take advantage of this growth and adapt to market conditions. Organization design is also beneficial when employees are motivated to develop their skills and advancement opportunities.

The main elements in organization design are work specialization, Departmentalization, Authority & responsibility, Span of control, Formalization, Centralization and decentralization.

*2.*

A strong organization culture means a company will assign all employees what task need to be done and how they can help to increase efficiency, quality and overall growth. It will have some specific values, beliefs, norms that are shared by employees in an organization for a better communication with each other which improves transparency and also with the outside organizations.

Employees should understand their responsibilities and functions which will help to improve organization growth in the market. Organization founders and managers play a leadership role to provide culture and strategies for a company. With good culture it makes works easy and helps to make organization healthy which will build strong relationships with customers, vendors.

*3.*

Developing Strategic plans for multidivisional or Single Structure can sometimes be extremely challenging. However, to develop Strategic Plans for both the structures the company has to carry out an internal or external audit to fully understand the current market condition, competencies and competitiveness. The company should then decide what is good vs bad against the current vs future condition and should evaluate achieving vs expected objectives to address few of the issues.

Single Business Structure uses its requirements to go after its well defined Business superimposed copies or working support group who are generally responsible to over see the company’s long term objective where one or multiple Business designs are to be copied and made into existence by company’s individual controlled structures. To ensure the Strategic plans are carried out successfully, there should be a constant review of the process.

A multidivisional organization structure is defined as multiple divisions where the company works with its self-direction to accomplish a single task to control operations in a single region. All these divisions works co operatively for greater good of the company, but that being said, every single division is only responsible/concerned with maintaining its own operations rather than keeping up with maintaining operations of other divisions

One of the best examples of this is Tata. It uses a variety of multidivisional organizational structure to retain its Tata Consultancy services, Auto Mobile, Telecommunication, Chemical, Steel, Power , Hotels and Consumer Products etc all of it working towards a vision/goal of improving/enhancing the company by co-operating with one another to be able to cross referenced and ultimately hold accountable to other divisions/structures within the company apart from the Higher Administration and Management put aside

*4.*

A Company will follow different strategies according to the market situation. It depends on price, culture, labor. They can implement by following below strategies.

Local Market:

It will look for local expertise and people so that they can help in better understanding of people culture and taste.

Differentiation:

Customers will always opt for best quality product and if company provides then it can easily gain benefits so differentiating product can bring growth to newly developing company.

Marketing:

Company should first target local people and also sponsor events for marketing. By doing these company will be more advertised for locals. Marketing is one of main factor will helps in growth and gain competitive advantage.