FUNCTIONS OF MANAGEMENT TECHNOLOGY

Dr. Lakshmi Prasanna Pagadala
Dr. Srinivasan Palamalai

ALEXIS PRESS
JERSEY CITY, USA

FUNCTIONS OF
MANAGEMENT TECHNOLOGY

FUNCTIONS OF MANAGEMENT TECHNOLOGY

Dr. Lakshmi Prasanna Pagadala
Dr. Srinivasan Palamalai

ALEXIS PRESS

ALEXIS PRESS

Published by: Alexis Press, LLC, Jersey City, USA
www.alexispress.us

© RESERVED

This book contains information obtained from highly regarded resources.
Copyright for individual contents remains with the authors.
A wide variety of references are listed. Reasonable efforts have been made
to publish reliable data and information, but the author and the publisher
cannot assume responsibility for the validity of
all materials or for the consequences of their use.

No part of this book may be reprinted, reproduced, transmitted,
or utilized in any form by any electronic, mechanical, or other means,
now known or hereinafter invented, including photocopying,
microfilming and recording, or any information storage or retrieval system,
without permission from the publishers.

For permission to photocopy or use material electronically
from this work please access alexispress.us

First Published 2022

A catalogue record for this publication is available from the British Library

Library of Congress Cataloguing in Publication Data

Includes bibliographical references and index.

Functions of Management Technology by *Dr. Lakshmi Prasanna Pagadala, Dr. Srinivasan Palamalai*

ISBN 978-1-64532-749-3

CONTENTS

CHAPTER 1

EXPLORING THEORGANIZATIONAL STRUCTURE AND ITS COMPONENTS

Dr. Lakshmi Prasanna Pagadala, Associate Professor,
Masters In Business Administration (General Management), Presidency University, Bangalore, India,
Email Id-lakshmi.prasanna@presidencyuniversity.in

ABSTRACT:
The chapter provides a succinct review of the important ideas and conclusions connected to organizational structure. It summarizes the major themes mentioned in the paper or report, emphasizing on the many elements and concerns involved in creating and implementing an efficient organizational structure. The chapter addresses the importance of organizational structure as a fundamental foundation for defining roles, connections, and decision-making processes inside an organization. It explores numerous forms of organizational structures, such as functional, divisional, matrix, and network structures, and their respective advantages and limits. Furthermore, the chapter addresses the aspects influencing organizational structure design, including the organization's size, industry, strategy, and external environment. It emphasizes the necessity for alignment between structure and strategy to ensure optimal performance and adaptability. The chapter also examines the impact of organizational structure on communication, coordination, and adaptability. It stresses the importance of technology and information systems in supporting and enhancing organizational structure and procedures.

KEYWORDS:

Authority, Functional, Management,Organization, Organizational, Project, Structure.

INTRODUCTION

An organization structure is a framework through which management works to attain its objectives. It is largely concerned with the allocation of duties and responsibilities, and delegation of authority.

It is a toll of management to attain organizational goals. The following are the numerous forms of formal organizations seen in many industries.Line organization is the earliest and simplest kind of formal organization. In this organization the line of authority goes downward from top to bottom level[1]–[3].

The line of authority is straight and vertical. On the other side accountability rises upward from bottom to highest level. According to James Stoner, Line authority is represented by the usual chain of command, starting with the Board of Directors and extending down through the various levels in the hierarchy to the point where the basic activities of the organization are carried out.

Characteristics

1. It is the oldest and simplest formal organization system.
2. The flow of authority is downward from top to bottom level.
3. The flow of duty goes upward from bottom to highest level.
4. There is no existence of staff organization.
5. There are direct vertical relationships among superior and subordinates.
6. Principle of scalar chain and unity of command is rigorously followed.
7. All departmental supervisors have equal standing.
8. It is especially applicable to tiny enterprises.

Functional Organization

This form was established by F.W. Taylor to bring for specialization in management. It is not an autonomous form of organization. It is a mid-way position between line and staff authority. Functional organization is a means of putting professionals to work.

Characteristics

1. All the organizational activities are segregated according to specified functions.
2. Each function is performed by specialized.
3. A superior expert has a right to provide directives relevant to these specialized responsibilities.
4. Functional authority is a limited sort of authority as it covers just specified task areas.
5. Unity of command principle is not followed.
6. It is mainly useful for huge organizations.
7. Functional authority should be established by prior agreement among the line departments impacted, ideally in written procedures that are authorized by middle management and lastly by top management.

Line and Staff Organization

This style of organization aims to blend the operations of line and staff executives. Line executives are Doers whilst the specialists are Thinkers. Staff focused on planning of activities whereas staff is involved in implementation of programmes. According to Louis Allen, ―Line refers to those roles and aspects of the organization, which have the duty and authority and are accountable for completion of primary objectives. Staff elements are those which have responsibility and authority of providing advice and service to the line in attainment of objectives[4]–[6].

Characteristics

1. There are two parts of administration in this organization planning and execution.
2. The staff spends their attention upon the research and planning parts of business activities while the line executives concentrate their attention upon implementation of policy problems.
3. The team gives direction and recommendations to line executives. Such guidance is supplied whenever it is demanded by line.
4. This kind of organization aims to keep the merits and to do away with demerits of both the line and functional organization.
5. It is mainly intended for huge organizations.

DISCUSSION

Committee

Committee does not represent a separate sort of organization like line, line and staff or functional. It is a device which is utilised as additional to existing organization structure. A committee may be defined as a group of people doing some kind of managerial duty. A committee is a body of persons appointed to meet on an organized basis for the consideration of matters presented before it. A committee is a group of individuals convened to do certain activities, make decisions, or solve specific concerns within an organization or a larger environment. Committees can exist in different sectors, including enterprises, government entities, non-profit organizations, educational institutions, and community groups.The function of a committee is to harness pooled experience, viewpoints, and talents to achieve a single goal or objective. Committees are often constituted to disperse workload, improve collaboration, and ensure varied opinions are considered in decision-making processes.

Committees can have diverse structures and functions, based on their specific objectives and the organization's needs. Some popular sorts of committees include:

Standing Committees: These are permanent committees that focus on continuous functions inside an institution, such as finance, human resources, or ethics. Standing committees have a long-term presence and give expertise and guidance in their particular fields.

Ad Hoc Committees: Ad hoc committees are temporary entities formed to address specific situations or duties that demand quick attention. Once the issue is resolved or the assignment is accomplished, the ad hoc committee is dissolved.

Executive Committees: Executive committees are made of senior leaders or executives within an organization. They are responsible for strategic decision-making, policy formation, and overall governance.

Project Committees: Project committees are formed to oversee certain projects from start to completion. They are responsible for project planning, resource allocation, progress monitoring, and ensuring project objectives are attained.

Committees often have a set structure that includes a chairperson or a chair who leads the committee's operations, guarantees proper organization, and enables communication. The committee may also have a secretary or recorder who takes minutes, keeps records, and communicates the group's findings and recommendations. Committee members are selected based on their skills, knowledge, and experience related to the committee's mission. They bring varied perspectives to the table and share their thoughts and abilities to fulfil the committee's objectives.

Effective committee organization relies on clear communication lines, regular meetings, and well-defined roles and responsibilities. Committee members should actively participate, provide their skills, and collaborate towards attaining the committee's goals. Committees play a significant part in decision-making processes, since they give a venue for discussion, analysis, and consensus-building. They promote the investigation of diverse choices, the appraisal of advantages and cons, and the creation of recommendations or judgements based on collective wisdom

Characteristics

1. A committee is a formally constituted group of individuals who meet repeatedly to address some concerns.
2. Some committees execute managerial functions and make decisions. Some committees are created to provide suggestions to the managers. Some committees are created merely to receive information and pass it on to the management.
3. Committees have established structure. They have their own structure with specified authority and duty allocated to them.
4. Committees are often required to follow precise rules and procedures, which are often written.
5. Committee organization is not only employed in economic organizations but also in social, religious, political and other groups. For Educational institutions generally run their operations through committees.

There are three elements to enable effective committee operations:

1. A written statement outlining purpose for which the group is constituted is required.
2. The power of committee must be clearly established.
3. The chairman of the committee must have skills to handle efficiently meetings of the committee.

Project Organization

A project organization is a transient thing. It will only exist from the projects start to its finish. All the project team members are coming from different organizations of section of the organization. They will all have a temporary assignment to the project. So, they have not just a project boss but also their 'regular' employer, who orders him around when the employee is not in the project. The project organization should be a consequence from the project strategy, it should be created in such a way that the strategy can be implemented within the context of the project[7]–[9]. The project team that does the work should be as minimal as possible. Small is lovely and effective. Project organization refers to the exact structure and distribution of resources, roles, and duties inside a project. It entails defining how individuals and teams are organized to efficiently and successfully fulfil project goals and deliverables.Project organization is a fundamental part of successful project management. It entails structuring and organizing the many components of a project to guarantee efficient execution and the fulfilment of project goals. Effective project organization sets clear roles, duties, communication channels, and decision-making processes, enabling project teams to work cohesively towards project success.

One of the important parts of project organization is the identification and allocation of roles and duties within the project team. Each team member should have a clearly defined position and a set of responsibilities that match with their expertise and contribute to the overall project objectives. This clarity helps eliminate confusion, ensures accountability, and facilitates successful communication among team members.At the center of project organization is the project manager. The project manager performs a vital role in managing and Organising project activities. They are responsible for creating project goals, developing a project plan, managing resources, monitoring progress, and resolving difficulties that arise during project execution. The project manager serves as the main point of contact for stakeholders and encourages communication amongst team members.

Clear communication channels are crucial for good project organization. Project teams must establish open and transparent lines of communication to share information, make updates, and address project-related concerns swiftly. Regular team meetings, progress reports, and collaboration tools can support successful communication and ensure that everyone remains aligned and informed throughout the project lifecycle.Another key part of project organization is the establishment of decision-making mechanisms. Decisions in a project generally include several stakeholders and may affect project timelines, budget, and deliverables. Defining a clear decision-making framework, including the identification of decision-makers and the process for obtaining consensus or escalation, helps speed decision-making and minimizes unnecessary delays or conflicts.

Project organization also requires drafting a complete project strategy. The project plan outlines the project's scope, objectives, deliverables, timetable, and dependencies. It provides a roadmap for the project team, ensuring that everyone understands the project's direction and how their specific duties contribute to the larger project goals. The project plan also acts as a reference point for monitoring progress and detecting any risks or concerns.The organizational structure chosen for a project is another crucial aspect. Different forms of organizational structures, such as functional, matrix, or projectized organisations, have distinct consequences for project management. The organizational structure affects how authority, resources, and communication move throughout the project team. It should fit with the project's complexity, scale, and goals to ensure effective coordination and decision-making.Effective resource management is a critical component of project organization. The project team must identify and allocate resources, including human resources, budget, equipment, and materials, to meet project needs. Proper resource allocation ensures that the project team has the necessary means to perform project tasks successfully and produce quality outcomes within the specified time and budget.Key components of project organization include:

Project Manager

The project manager is responsible for overall project management, planning, and control. They are liable for ensuring the project's success, managing stakeholders, and monitoring the project team.

Project Team

The project team consists of persons who work together to perform project tasks and deliverables. Team members may have varied functions, such as project coordinators, subject matter experts, designers, developers, or testers. The team collaborates to achieve project objectives.

Project Roles and Duties

Defining defined roles and duties is vital for project structure. Each team member should have a defined scope of work, tasks, and deliverables, assuring accountability and eliminating misunderstanding.

Organizational Structure

The project's organizational structure can vary based on the type and complexity of the project. It may follow a functional organisation, where team members report to functional managers, or adopt a matrix structure, where project team members collaborate across functional areas. Other structures, such as a projectized or hybrid structure, can also be applied.

Communication and Reporting

Effective communication channels and reporting methods are crucial for project organization. Regular status updates, progress reports, and coordination meetings ensure that information flows easily among team members, stakeholders, and the project manager.

Governance and Decision-Making

Establishing clear governance structures and decision-making processes is vital. Project governance specifies the authority and decision rights of various stakeholders, assuring project progress and conformity with company goals.

Resource Allocation

Efficiently allocating resources, such as time, budget, and equipment, is vital for project organization. Project managers need to guarantee that resources are available and correctly utilized to meet project needs.

Risk Management

Project organization entails recognizing and managing risks throughout the project lifecycle. Establishing risk management protocols and allocating roles for risk mitigation and contingency planning assist ensure project success.

Matrix Organization

This style of organization was initially developed in the United States in the early 1960‘s. It was developed to overcome management challenges in aerospace sector. Matrix organization is a mixture of two or more structures. It might be combination of project organization and functional organization. Both the organizational managers work in close co-operation with each other. The authority of departmental managers goes downwards whereas authority of project managers flows across[10].

Characteristics

1. It is a hybrid construction. It is a blend of project organization and functional organization.
2. This form of structure is primarily ideal for multi projects organization.
3. It is highly sophisticated and most difficult form of organization to establish.
4. This style of organization gives additional specialization as project managers and functional managers specialize in their fields.
5. The responsibility of project managers is of administrative kind. They decide actions of project.
6. The responsibility of functional managers is of functional kind. They decide how the work is to be done.
7. Subordinates receive orders from two bosses therefore unity of command principle is not observed.

CONCLUSION

Organizational structure plays a significant role in shaping how an organization runs, how decisions are made, and how work is coordinated. An efficient organizational structure encourages clarity, efficiency, and collaboration among personnel, enabling them to work towards common goals and objectives.The choice of organizational structure depends on numerous aspects, including the organization's size, nature of operations, strategy, and external environment. distinct structures offer distinct advantages and challenges, and organizations need to carefully analyse their individual goals and circumstances while building their structure. Communication and coordination are crucial characteristics influenced by organizational structure. A well-designed structure provides clear lines of communication, promotes information sharing, and supports successful decision-making processes. It also offers flexibility and agility, allowing firms to adjust to changes in the external environment and exploit new possibilities. As organizations expand and grow, periodic assessments and alterations to the organizational structure may be necessary to guarantee alignment with strategic objectives and changing business needs. By regularly reviewing and modifying their structure, organizations may develop a framework that encourages efficiency, innovation, and success in a dynamic and competitive landscape.

REFERENCES:

[1] M. Ali, I. Ali, K. A. Al-Maimani, and K. Park, ‘The effect of organizational structure on absorptive capacity in single and dual learning modes’, *J. Innov. Knowl.*, 2018, doi: 10.1016/j.jik.2017.03.007.

[2] D. Zhang, N. Bhuiyan, and L. Kong, ‘An analysis of organizational structure in process variation’, *Organ. Sci.*, 2018, doi: 10.1287/orsc.2017.1192.

[3] G. Kováts, ‘The change of organizational structure of higher education institutions in Hungary: A contingency theory analysis’, *Int. Rev. Soc. Res.*, 2018, doi: 10.2478/irsr-2018-0009.

[4] J. R. San Cristóbal, V. Fernández, and E. Diaz, ‘An analysis of the main project organizational structures: Advantages, disadvantages, and factors affecting their selection’, in *Procedia Computer Science*, 2018. doi: 10.1016/j.procs.2018.10.103.

[5] E. Erol and A. Ordu, ‘Organizational structure scale – University version’, *Eur. J. Educ. Res.*, 2018, doi: 10.12973/eu-jer.7.4.775.

[6] Z. Chu, B. Feng, and F. Lai, ‘Logistics service innovation by third party logistics providers in China: Aligning guanxi and organizational structure’, *Transp. Res. Part E Logist. Transp. Rev.*, 2018, doi: 10.1016/j.tre.2018.08.007.

[7] P. Killingsworth and L. Eschenbacher, ‘Designing organizational structures: Key thoughts for development’, *Am. J. Heal. Pharm.*, 2018, doi: 10.2146/ajhp170657.

[8] J. Chen, X. Qiu, J. Rong, and X. Gao, ‘Design method of organizational structure for MAVs and UAVs heterogeneous team with adjustable autonomy’, *J. Syst. Eng. Electron.*, 2018, doi: 10.21629/JSEE.2018.02.09.

[9] J. Drysdale, ‘The organizational structures of instructional design teams in higher education: A multiple case study’, *Educ. Leadersh.*, 2018.

[10] A. S. Sitar and M. Škerlavaj, ‘Learning-structure fit part I: Conceptualizing the relationship between organizational structure and employee learning’, *Learn. Organ.*, 2018, doi: 10.1108/TLO-09-2015-0050.

CHAPTER 2

DELEGATION OF AUTHORITY: PRINCIPLE, TYPES AND ORDER

Dr.Akhila Udupa, Associate Professor,
Masters In Business Administration (General Management), Presidency University, Bangalore, India,
Email Id-akhila.udupa@presidencyuniversity.in

ABSTRACT:

This chapter provides a succinct review of the important topics and conclusions connected to the delegation of authority. It emphasizes the major issues mentioned in the paper or study, focusing on the importance of delegation, its benefits, obstacles, and best practices. The chapter discusses the topic of delegation of authority as a vital part of effective leadership and management. It underlines the significance of empowering individuals and teams by allocating them suitable amounts of authority and responsibility. Furthermore, the chapter covers the benefits of delegation, including higher efficiency, improved decision-making, employee growth, and enhanced organizational agility. It also discusses the inherent obstacles and hazards involved with delegation, such as loss of control, lack of accountability, and potential disputes. The chapter covers recommended practices for successful delegation, such as clear communication, defining expectations, giving enough support and resources, regular feedback, and trust-building. It emphasizes the significance of matching activities with the correct persons, considering their capabilities, skills, and experience.

KEYWORDS:

Authority, Decentralization, Delegation, Managers, Responsibility, Subordinates.

INTRODUCTION

Authority is the right or power assigned to an executive or a management in order to fulfil particular organizational objectives. A manager will not be able to perform properly without adequate authority. Authority is one of the founding stones of formal and informal organizations. An organization cannot survive without authority. It signifies the right and power of making decisions, providing orders and instructions to subordinates. Authority is delegated from above but must be accepted from below by the subordinates. In other words, authority flows downhill[1]–[3].Responsibility indicates the duty ascribed to a position. The individual holding the post has to do the duty assigned. It is his obligation. The term duty is sometimes referred to as an obligation to complete a particular task entrusted to a subordinate. In an organization, responsibility is the duty as per the guidelines set. Responsibility is the anchor of any satisfying job. Being held accountable for job accomplished offers the employee a sense of trust and reward. Without responsibility, a job is essentially a list of chores with no influence on the underlying business.

Concept of Authority

Authority is the official and legitimate right of a management to make decisions, issue instructions, and allocate resources to achieve organizationally intended goals. A manager's authority is defined in his or her job description. Organizational authority has three fundamental underlying principles: Authority is dependent on the organizational position, and anybody in the same position has the same authority. Authority is accepted by subordinates. Subordinates comply because they believe that supervisors have a valid right to make orders. Authority moves down the vertical hierarchy.Positions at the top of the hierarchy are entrusted with more formal authority than are positions at the bottom. In addition, authority comes in three types: Line authority offers a manager the right to control the work of his or her personnel and make many choices without consulting others. Line managers are always in control of key tasks such as sales, and they are empowered to issue orders to subordinates along the chain of command. Staff authority supports line authority by advising, servicing, and assisting, although this form of authority is often limited. The department head may also give the assistant the ability to act, such as the right to sign off on expense reports or letters. In such instances, the directions are delivered under the line authority of the boss[4]–[6]. Functional authority is authority assigned to an individual or department over specific operations conducted by workers in other departments. Staff managers may have functional authority, meaning that they can send instructions down the chain of command within the very restrictive constraints of their authority.

The concept of authority refers to the legitimate power or right to make decisions, give commands, and enforce obedience within a certain setting or organization. It provides the basis for hierarchical relationships and the exercise of control and influenceAuthority can be formal or informal, depending on the context in which it functions. Formal power is often granted through official positions or functions inside organizations, such as managers, supervisors, or elected authorities. It is based on recognized titles, job descriptions, and organizational structures that specify the extent of authority and obligations.Informal authority, on the other hand, is based on personal attributes, knowledge, or influence that individuals develop within a social or group situation. It may arise through trust, respect, or the perception of skill and knowledge. Informal authority can have a considerable impact on decision-making and the dynamics inside an organization or social group[7]–[9].Authority is closely related to power; however it is crucial to distinguish between the two ideas. Power relates to the ability to influence or control others, whereas authority refers to the validity of that power. Authority is frequently gained from established rules, regulations, policies, or societal conventions, whereas power can be acquired through other means, including coercion, persuasion, or personal ties.

Responsibility

Responsibility can be defined as a duty or obligation to carry forward a given task to a successful conclusion, or to satisfactorily perform or complete a work that one must fulfill, and which has a resultant consequence for failing. With responsibility goes authority to lead and take the required action to guarantee success.

Relation between Authority and Responsibility

Authority is the legal power of person or superior to command his subordinates while responsibility is the obligation of individual to carry out his obligations as per standards of performance Authority flows from the superiors to subordinates, in which orders and instructions are given to subordinates to execute the work. It is only via authority, a manager exercises control. In a way via exercising the control the superior is demanding accountability from subordinates. When the marketing manager directs the sales supervisor for 50 units of sale to be undertaken in a month, if the above standards are not completed, it is the marketing manager who will be answerable to the chief executive officer. Therefore, we can argue that authority flows from top to bottom and accountability flows from bottom to top. Accountability is a result of responsibility and responsibility is outcome of authority. Therefore, for every authority an equal accountability is connected.

Delegation of Authority

According to F. C. Moore, Delegation means allocating works to the other and providing them authorization to do so. Delegation does not remove the responsibilities of the delegator A concept connected to authority is delegation. Delegation is the downward transfer of authority from a manager to a subordinate. Most firms today encourage managers to transfer responsibility in order to provide maximum flexibility in satisfying client requests. In addition, delegation leads to empowerment, in that people have the freedom to contribute ideas and accomplish their work in the best possible ways. This involvement can boost job happiness for the employee and frequently leads in higher job performance. Without delegation, managers undertake all the job themselves and underutilize their personnel. The ability to delegate is vital to managerial success. Managers need to take four actions if they wish to successfully assign duties to their staff.

Objectives of Delegation

The purpose of delegation is to get the job done by someone else. Not just the easy chores of reading instructions and turning a lever, but also the decision making and modifications which depend upon new information. With delegation, your staffs have the authority to react to events without referring back to you. To enable someone else to accomplish the task for you, you must ensure that: they know what you want they have the authority to achieve it they know how to do it. These all depend upon explaining clearly the nature of the assignment, the scope of their discretion, and the sources of important information and knowledge.

Process of Delegation

Delegation of authority is the base of superior-subordinate relationship, it involves following steps:

1.Assignment of Duties: The delegator initially tries to identify the task and duties to the subordinate. He also has to define the result expected from the subordinates. Clarity of duty as well as result expected has to be the initial step in delegating.

2.Granting of Authority: Subdivision of authority takes place when a superior divides and shares his authority with the subordinate. The managers at all levels delegate authority and power which is related to their work roles. The subdivision of powers is highly crucial to attain good results.

3.Creating Responsibility and Accountability: Responsibility is considered to be the factor or obligation of an individual to carry out his responsibilities in best of his abilities as per the directions of superior. Responsibility is absolute and cannot be shifted. Accountability, on the others hand, is the obligation of the individual to carry out his obligations as per the standards of performance. Therefore, it is argued that authority is assigned, responsibility is generated and accountability is imposed. Delegation of authority is a procedure in which the authority and functions are divided and shared amongst the subordinates. When the task of a manager becomes beyond his capacity, there should be some way of sharing the work. This is how delegation of authority becomes a key tool in organization function. Through delegation, a manager, in effect, is multiplying himself by dividing/multiplying his task with the subordinates[10].

DISCUSSION

Importance of Delegation

The importance of delegation can be justified by

1. Through delegation, a management is able to divide the job and give it to the subordinates. This helps in decreasing his job load so that he may work on essential areas such as - planning, business analysis etc.

2. With the lessening of load on superior, he can concentrate his energy on significant and critical topics of concern. This approach he is able to provide effectiveness in his task as well in the work unit.
3. Delegation of authority is the ground on which the superior subordinate relationship stands. An organization functions as the authority flows from top level to bottom. This in fact reveals that through delegation, the superior-subordinate connection become relevant.
4. Delegation of authority in a way allows ample room and space to the subordinates to flourish their abilities and competence. Through delegating powers, the subordinates get a feeling of importance. Delegation stimulates and also helps to break monotony.
5. Delegation of authority is assistance to both superior and subordinates. This, in a way, lends stability to a concern ‘s operations. This assists in both virtual as well as horizontal growth which is very crucial for a concern ‘s stability.

Principles of Delegation

The principles of delegation are as follows:

1. Principle of result expected. indicates that every management before delegating the powers to the subordinate should be able to clearly identify the goals as well as outcomes expected from them. The goals and targets should be totally and clearly established and the standards of performance should also be disclosed clearly.
2. Idea of Parity of Authority and Responsibility. According to this idea, the manager should keep a balance between authority and responsibility. Both of them should go hand in hand. The authority should be delivered in such a way which matches the duty given to him. Therefore, there should be no degree of discrepancy between the two.
3. Principle of total responsibility. This indicates that the authority can be delegated but responsibility cannot be given by managers to his subordinates which means responsibility is fixed. The manager at every level, no matter what is his authority, is always responsible to his superior for carrying out his work through delegating the authorities.
4. Principle of Authority level. This principle says that a manager should exercise his authority within the jurisdiction framework granted. This principal stresses on the degree of authority and the level up to which it has to be maintained.

The Benefits of Delegation

It is often impossible to do everything that needs to be done. Therefore, it is often helpful to delegate certain work to other persons. As a result, it is necessary to grasp the four benefits of delegation before assigning any assignment.

1. First, delegating concentrates attention and enhances production. By allocating lower priority jobs that are often easier to perform than higher priority activities, enabling delegators to better focus on more essential and more difficult responsibilities. Keep in mind that training and monitoring may be essential when assigning new responsibilities, which leads to the second benefit of delegation.

2. Second, develop new abilities. persons with assigned duties will learn new and useful skills when working on delegated jobs that that they have never worked on before. Eventually, these newly delegated responsibilities will not require any training or supervision, thus enhancing the productivity of the delegator and the entire team.

3. Third, delegating helps manage time effectively. For instance, when less trained individuals focus on less skilled activities, this permits expert people to concentrate working on more skilled ones. As a result, delegation helps manage the limited time of more skilled staff.

4. Eventually, delegating helps to accept challenges: has the extra benefit to allow staff more time to work on new projects and challenges, since it is alwaysa good idea to prevent a job from becoming monotonous and dull.

Problems of Delegation

1. Complexity of Delegation of Authority and business processes.
2. Misalignment of Delegation of Authority and business processes
3. Delegation of Authority not aligned with organizational structure.
4. Ineffective decision-making structures.
5. Lack of staff awareness and inappropriate training.
6. Failure to enforce code of conduct breach.
7. Poorly managed when staff in temporary roles.

It has been found by numerous authors that effective delegation of authority is not observed by the Indian managers, even though most managers know how and why to delegate. Many have concluded that managers are ineffective delegators because they are reluctant to share power, don't trust their subordinates ‘low level skill, knowledge and efforts etc., their love for authority, desire to influence the subordinates, personality factors of the senior managers, fear of incompetence, or they are just plain afraid to delegate.

Implications of Decentralization

1. There are fewer burdens on the Chief Executive as in the case of centralization.
2. In decentralization, the subordinates receive an opportunity to decide and act autonomously which improves skills and talents. This approach the company is able to process reservoir of abilities in it.
3. In decentralization, diversification and horizontal can be easily implanted.
4. In decentralization, concern diversification of operations can place efficiently as there is more possibility for constructing new departments. Therefore, diversity expansion is of a degree.
5. In decentralization structure, operations can be coordinated at divisional level which is not possible in the centralized set up.
6. In the case of decentralization structure, there is better motivation and morale of the employees since they gain more independence to act and decide.
7. In a de-centralized system, co-ordination to some extent is difficult to maintain as there are lot many department divisions and authority is delegated to maximum possible extent, i.e., to the bottom most level delegation reaches. Centralization and decentralization are the categories by which the pattern of authority relationships became obvious. The degree of centralization and de-centralization can be determined by various aspects like nature of business, volume of profits, number of departments, size of a concern, etc. The larger the size of a concern, a decentralization set up is proper in it.

Centralization versus De-Centralization

The general pattern of authority throughout an organization defines the extent to which that organization is centralized or decentralized. A multitude of factors can determine the amount to which a corporation is centralized or decentralized. The following is a list of probable determinants: The external environment in which the firm operates. The more complex and uncertain this environment, the more probable it is that senior management will let low-level managers make crucial decisions.The nature of the decision itself. The riskier or the more significant the decision, the greater the inclination to centralize decision making. The abilities of low-level managers. If these managers do not have excellent decision-making skills, top managers will be unwilling to decentralize. Strong low-level decision-making skills foster decentralization. The organization's tradition of management. An organization that has traditionally practiced centralization or decentralization is likely to maintain that posture in the future.

Distinction between Delegation andDe-Centralization

Decentralization is not the same as delegation. In truth, decentralization is all extension of delegation. Decentralization pattern is bigger is scope and the authorities are diffused to the lowest most level of management. Delegation of authority is a comprehensive procedure and takes place from one person to another. Decentralization is greater in scope and the subordinate 's duties rise in this circumstance.On the other hand, with delegation the managers remain liable even for the acts of subordinates to their superiors. Decentralization can be characterized as extension of delegation. When delegation of authority is done to the fullest feasible extent, it lends use to decentralization. Authority is the official and legitimate right of a management to make decisions, issue instructions, and allocate resources to achieve organizationally intended goals. It is built on three essential basic principles Authority is based on the organizational position; it is accepted by subordinates.

It flows down the vertical hierarchy. There are three categories of authority's line, staff and functional. Authority can be delegated. This entails allocating works to others and providing them power to do so. There is the obligation to clearly state down the objectives of delegation of authority in a specified process. It improves the organization as it divides work, decreases strain on superiors and helps developing abilities for the subordinates. It may also bring in certain disadvantages like complexity, misalignment, inadequate decision-making processes and Failure to enforce breach of behavior. If properly handled it benefits both the organization and the personals. Decentralization is a systematic delegation of authority at all levels of management and in all organizations. Decentralization can be characterized as extension of delegation. When delegation of authority is done to the fullest feasible extent, it lends use to decentralization

CONCLUSION

Delegation of authority is a vital part of good leadership and management. By empowering individuals and teams with the proper level of authority and responsibility, organizations can unlock the full potential of their workforce and achieve optimal outcomes. Delegation delivers several benefits to both individuals and organizations. It helps executives to focus on important objectives, promotes staff growth and development, generates a sense of ownership and accountability, and boosts overall organizational efficiency and agility. However, effective delegation takes careful analysis and application. Leaders must guarantee clear communication of duties, objectives, and expectations to avoid confusion or misunderstandings. Providing proper support, resources, and training to individuals taking on delegated duties is vital for their success. Regular feedback and open channels of communication are crucial in the delegation process.

This provides for continuing guidance, celebration of achievements, and timely course adjustment if needed. Trust-building between leaders and team members is also vital for successful delegation, as it fosters a good and collaborative work atmosphere.

REFERENCES:

[1] T. Said and Z. Assistance, 'Effect of Delegation of Authority (Financial, Administrative) on the Performance Level of Employees: Field Study With Banks in the Kingdom of Saudi Arabia', *Asian J. Manag. Sci. Educ.*, 2018.

[2] G. F. Muttaqin, 'Pengaruh Pendelegasian Wewenang Terhadap Kinerja Organisasi', *J. Ris. Akunt. Terpadu*, 2018, doi: 10.35448/jrat.v11i2.4255.

[3] A. Pattypeilohy, S. Sutarno, and A. Adriano, 'Kekuatan Hukum Pelimpahan Wewenang Dari Dokter Kepada Ners Ditinjau Dari Aspek Pidana Dan Perdata', *J. Ilm. Huk. Leg.*, 2018, doi: 10.22219/jihl.v25i2.6000.

[4] J. M. Liberti, 'Initiative, incentives, and soft information', *Management Science*. 2018. doi: 10.1287/mnsc.2016.2690.

[5] K. Meagher and A. Wait, 'Trust and the Delegation of Real Authority', *SSRN Electron. J.*, 2018, doi: 10.2139/ssrn.3003695.

[6] R. Nuraisiah, 'Pengaruh Intensitas Persaingan, Delegasi, Strategi Dan Perubahan Sistem Akuntansi Manajemen Terhadap Kinerja Organisasi', *Prog. J. Pendidikan, Akunt. dan Keuang.*, 2018, doi: 10.47080/progress.v1i1.133.

[7] K. N. Larsen, S. R. Kristensen, and R. Søgaard, 'Autonomy to health care professionals as a vehicle for value-based health care? Results of a quasi-experiment in hospital governance', *Soc. Sci. Med.*, 2018, doi: 10.1016/j.socscimed.2017.11.009.

[8] H. Nai and W. Wijayanti, 'Pelaksanaan tugas dan fungsi kepala sekolah pendidikan menengah negeri', *J. Akuntabilitas Manaj. Pendidik.*, 2018, doi: 10.21831/amp.v6i2.10182.

[9] R. Robuwan, W. Wirazilmustaan, and R. A. Agustian, 'Konsep Hubungan Kewenangan Antara Pemerintah Pusat Dan Pemerintah Daerah Dalam Bingkai Negara Kesatuan Dengan Corak Otonomi Luas', *Progresif J. Huk.*, 2018, doi: 10.33019/progresif.v12i2.976.

[10] A. H. Mutiha, 'The Effect of Regional Own-source Revenue, Tax Revenue-sharing Fund, General Allocation Fund and Special Allocation Fund to the Human Development Index …', *KnE Soc. Sci.*, 2018.

CHAPTER 3
A BRIEF HISTORY OF SPANMANAGEMENT

Dr. Nalin Chirakkara, Associate Professor,
Masters In Business Administration (General Management), Presidency University, Bangalore, India,
Email Id-nalinkumar@presidencyuniversity.in

ABSTRACT:

The range of control alludes to the quantity of subordinates that a chief or boss can successfully manage. It is a significant part of authoritative design and the board hypothesis. This paper plans to give an outline of the idea of length of control, its suggestions for authoritative viability, and different variables that impact the proper range of control in various settings. The concentrate likewise looks at the possible advantages and disadvantages of more extensive or smaller ranges of control and gives proposals for administrators to enhance their range of control in light of authoritative requirements and the nature

KEYWORDS:

Associations, Control,Connections,Correspondence, Range, Subordinates.

INTRODUCTION

Range of control is additionally called as length of the executives or range of management. This idea was presented by Sir Ian Hamitton. It was upheld by V.A.Graicunas and Urwick. There is a breaking point on the quantity of people that can be overseen by supervisor at a time. Length of control manages this idea. Length of control or range of the executives is a component of hierarchical plan estimated by the quantity of subordinates that report straightforwardly to a given director. This idea influences organizationdesign in different ways, including velocity of correspondence stream, representative inspiration, announcing connections, and regulatory above[1]–[3]. A little, or tight, range of control brings about every chief overseeing few workers, while a wide range of the executives happens when more subordinates report straightforwardly to a given supervisor. A little range of the executives would make it important to have more chiefs and more layers of the board to direct similar number of employable workers than would be needed for an association utilizing a more extensive range of the executives. The smaller range of the board would bring about additional layers of the executives and more slow correspondences between lower-level workers and high-level supervisors of the firm.

Importance of span of control

Range of control is vital standard of coordinating. The significance of length of control can be made sense of as follows:

1. Unrivaled can focus on significant work: Because of appropriate range of control boss gets sufficient opportunity to focus on significant exercises. In the event that range of control is irrationally enormous, better may not be capable than focus on significant regions as his time will be spent something else for Management.
2. Legitimate size of length of control works with to keep up with great relations among supervisors and subordinates.
3. Appropriate range of control works with cooperation in the association. As relations are sound, it grows great solidarity among all.
4. Speedy activities. As a result of good co-appointment, relations and camaraderie fast activities are conceivable.
5. Expanded productivity. Because of appropriate management effectiveness of the association increments.

6. Because of higher proficiency and great relations, corporate picture of the association develops.
7. Legitimate size of length of control spurs subordinates. As subordinates are near their bosses, they get legitimate direction now and again. 8
8. Lessens work non-attendance and turnover. As every one of the representatives are essential for co-facilitated group, it creates resolve of the workers. It results into less work non-attendance and turnover [4]–[7].

The range of control assumes a crucial part in hierarchical viability and proficient administration rehearses. It alludes to the quantity of subordinates that a director or boss can really regulate and direct. The significance of range of control lies in its effect on correspondence, navigation, coordination, representative fulfillment, and generally authoritative execution. The following are a few key motivations behind why length of control is critical. Correspondence and Coordination. A clear-cut range of control works with smooth correspondence and coordination inside an association. At the point when the quantity of subordinates is reasonable, directors can connect all the more regularly and straightforwardly with their colleagues. This cultivates compelling data stream, criticism trade, and joint effort, prompting better direction and ideal execution of assignments. A sensible range of control permits chiefs to successfully zero in on their administrative obligations. At the point when the quantity of subordinates is inside reasonable cutoff points, supervisors can give sufficient consideration and backing to every person. They can intently screen execution, give criticism, and address concerns immediately, bringing about superior worker improvement and efficiency. Adaptability and Versatility. The range of control influences an association's capacity to adjust and answer evolving conditions. More extensive ranges of control give more noteworthy adaptability as administrators can supervise bigger groups, making it simpler to designate assets, shift needs, and conform to variances in responsibility or market requests. This readiness is pivotal in powerful and serious conditions.

The range of control impacts the speed and effectiveness of dynamic inside an association. A smaller range of control might bring about a more various leveled dynamic interaction, with chiefs expecting to talk with different layers of managers. Then again, more extensive ranges of control take into account quicker decision-production as administrators have more independence and can settle on choices straightforwardly without unnecessary organization.Worker Fulfillment and Strengthening. The range of control influences representative fulfillment and strengthening. With a smaller range of control, supervisors can give more individualized consideration, direction, and backing to their subordinates. This can prompt more significant levels of occupation fulfillment, inspiration, and commitment. Furthermore, a more extensive range of control can engage workers by giving them more independence and dynamic power, encouraging a feeling of pride and obligation.Authoritative Construction and Cost Proficiency. The range of control impacts the plan and design of an association. A more extensive range of control might bring about compliment orders with less administrative layers, diminishing organization and managerial expenses. This more streamlined construction can upgrade functional proficiency and cost-adequacy.Administrative Turn of events and Progression Arranging. A proper range of control permits associations to recognize and foster skilled administrators for future administrative roles. By furnishing supervisors with the chance to direct a sensible number of subordinates, associations can prep and set them up for more elevated level administrative jobs, guaranteeing a smooth progression process

Factors Affecting Span of Control

Different variables that influence size of range of control are made sense of as follows:

1. Nature of Work: In the event that the work to be performed is of routine nature, length of control can be enormous. Yet, on the off chance that work is mind boggling and muddled, there ought to be not many subordinates in range of control as chief will have invest more energy on conversation rather on oversight.

2. Experience of Subordinates: In the event that subordinates are enough skilled and experienced, length can be enormous though on the off chance that there are less capable subordinates, range ought to be less. This is on the grounds that less experienced individuals require more management.

3. Limit and Experience of Unrivaled: Assuming that supervisor is capable and adequately fit, range can be enormous. While new supervisors with less experience ought to be given not many numbers of subordinates for management.

4. Degree of Assignment of Power: On the off chance that supervisor designates more and clear power, quite a bit of his time will be saved which can be utilized for oversight. For this situation length of control might be enormous

5. Individual Help: In the event that supervisor can utilize help from individual staff like individual collaborator then he can deal with a greater number of subordinates. As private colleague is accessible chief can invest more energy on management.

6. Predominant Subordinate Relations: In the event that the relations among prevalent and subordinates are sound, size of length of control can be huge. Great relations generally foster great correspondence and collaboration.

7. Utilization of Standing Plans: Standing plans are those plans which are utilized much of the time. On the off chance that the association has created appropriate standing plans, subordinates can follow something very similar. Then better won't have than give more guidelines and size of length of control can be kept enormous.

8. Control Framework Utilized: Size of length of control additionally relies on control framework utilized in the association. Great control framework works with appropriate controlling of subordinate's execution. This decreases oversight work of chief.The proper range of control in an association is affected by different elements. These variables can shift contingent upon the idea of the work, the authoritative design, and the particular setting. Here are a few key factors that influence the range of control:

Intricacy of Assignments. The intricacy of undertakings performed by subordinates can affect the range of control. In the event that the undertakings require elevated degrees of skill, specialization, or close oversight, a smaller range of control might be important to guarantee sufficient direction and backing.Worker Expertise Levels. The abilities, experience, and capability of representatives assume a part in deciding the range of control. In the event that workers have a serious level of independence and independence, a more extensive range of control might be plausible. Be that as it may, in the event that representatives require more course and involved management, a smaller range of control might be proper[8]–[11].Level of Worker Independence. The degree of independence allowed to representatives influences the range of control. In the event that workers are enabled and urged to pursue choices freely, a more extensive range of control might be practical. On the other hand, if dynamic authority is unified, a smaller range of control might be important.

Correspondence Channels. Compelling correspondence is fundamental for fruitful oversight. The sort and productivity of correspondence channels accessible inside an association can affect the range of control. In the event that correspondence channels are deep rooted and solid, chiefs can supervise a bigger number of subordinates. Interestingly, in the event that correspondence channels are restricted or inadequate, a smaller range of control might be expected to guarantee clear and ideal correspondence.Administrative Abilities. The abilities, experience, and limit of chiefs themselves impact the range of control. Supervisors with solid initiative capacities, viable designation abilities, and the capacity to perform multiple tasks might have the option to deal with a more extensive range of control. Notwithstanding, in the event that chiefs miss the mark on essential abilities or are overpowered by their obligations, a smaller range of control might be more fitting.Hierarchical Construction. The design of the association, including its progressive system and the quantity of administrative levels, can influence the range of control. A compliment hierarchical construction with less progressive levels for the most part considers more extensive ranges of control. On the other hand, a more progressive construction might require smaller ranges of control to keep up with successful oversight and coordination.

Nature of the Business. The idea of the business or area wherein an association works can impact the range of control. Businesses with exceptionally directed or security delicate conditions might require smaller ranges of control to guarantee consistence and moderate dangers. Then again, ventures that focus on adaptability and versatility might take into account more extensive ranges of control. Mechanical Headways: Progressions in innovation can affect the range of control. Current specialized instruments and cooperative stages can improve correspondence and empower administrators to successfully regulate bigger groups or geologically scattered workers more. Innovation can build the attainability of more extensive ranges of control by giving constant data sharing and virtual oversight capacities Associations actually must consider these variables and find some kind of harmony in deciding the range of control. Normal assessment and change in view of changing conditions can assist with guaranteeing that the range of control lines up with the association's requirements, improves efficiency, and advances powerful administration rehearses.

Graicunas Theory on Span of Control

Graicunas recognized three sorts of connections - direct single connections, cross-connections, and direct gathering connections every one of them adding to the aggregate sum of communications inside the association. As per Graicunas, the quantity of potential communications can be processed in the accompanying manner. Allow n to be the quantity of subordinates answering to a boss. Then, at that point, the quantity of connections of direct single sort the boss might actually draw in into is n.Three fundamental sorts of connections were portrayed.

1. Direct single connections among prevalent and individual subordinates.
2. Cross connections between individual subordinates.
3. Direct gathering connections among prevalent and blends of subordinates.

The amount of these three sorts of cooperations is the quantity of possible connections of a boss. Graicunas displayed with these equations, that each extra subordinate builds the quantity of potential connections essentially. It seems regular, that no association can stand to keep a control design of an aspect being expected for executing a scalar chain under the solidarity of order condition.Consequently, different components must be found for managing the difficulty of keeping up with administrative control, while keeping cost and time at a healthy level, hence making the range of control a basic figure for the organization.The Graicunas recipe is named after V.A. Graicunas, who gave a numerical recipe to make sense of the intricacy of range of control on the off chance that more subordinates are added to the chief. Each leader generally gauges the weight of his obligation to control the subordinates concerning single connection among himself and his subordinates.

Graicunas feels that in any gathering, the relations among chief and his subordinates can't simply be determined in light of single relationship alone. As per him, there additionally exists cross connections which expansion in numerical extent. The immediate single connections generally expansion in similar extent as the quantity of subordinates.According to these formulae, in any association on the off chance that there are three subordinates' direct single connections would be three, cross connections six and direct gathering connections nine. Yet, in the event that another part is added there wouldn't be any adjustment of the immediate single connections which would be four, yet the cross connections would increment to 12 and direct gathering relationship, nonetheless, ascent dramatically to 28. This clarifies that expansion of every part for the gathering heavily influenced by the leader would build the quantity of direct gathering connections so much that immediate commitment becomes troublesome at times even inconceivable.

Controlling comprises of checking whether everything happens in similarities with the plans took on, guidelines gave and standards laid out. Controlling guarantees that there is compelling and effective use of authoritative assets in order to accomplish the arranged objectives. Controlling measures, the deviation of genuine execution from the standard presentation, finds the reasons for such deviations and helps in making restorative moves. Controlling has got two essential purposes. It works with co-appointment. It helps in arranging.

CONCLUSION

The range of control is a pivotal thought in planning powerful hierarchical designs and guaranteeing proficient administration rehearses. The ideal range of control fluctuates relying upon elements, for example, the intricacy of undertakings, level of worker independence, correspondence channels, and administrative abilities.

While more extensive ranges of control might upgrade adaptability, correspondence, and dynamic speed, they can likewise prompt diminished administrative oversight and worker fulfillment. Then again, smaller ranges of control might give nearer management and better coordination yet can bring about expanded organization and more slow navigation.

To decide the fitting range of control, chiefs ought to evaluate the particular prerequisites of their association, including the idea of work, representative expertise levels, and the requirement for coordination and control. They ought to likewise consider the abilities and limit of individual chiefs to manage and uphold their subordinates successfully. Normal assessment and change of the range of control in light of changing conditions and authoritative necessities are fundamental.

REFERENCES:

[1] K. Remenova, Z. Skorkova, and N. Jankelova, 'Span of control in teamwork and organization structure', *Montenegrin J. Econ.*, 2018, doi: 10.14254/1800-5845/2018.14-2.10.

[2] M. Ellrich, 'How to Reduce Spans of Control in Nursing.', *Gall. Bus. J.*, 2018.

[3] L. B. Andersen, B. Bjørnholt, L. L. Bro, and C. Holm-Petersen, 'Achieving High Quality Through Transformational Leadership: A Qualitative Multilevel Analysis of Transformational Leadership and Perceived Professional Quality', *Public Pers. Manage.*, 2018, doi: 10.1177/0091026017747270.

[4] T. Kikuchi, K. Nishimura, and J. Stachurski, 'Span of control, transaction costs, and the structure of production chains', *Theor. Econ.*, 2018, doi: 10.3982/te2376.

[5] P. P. Jung *et al.*, 'Natural variation of chronological aging in the Saccharomyces cerevisiae species reveals diet-dependent mechanisms of life span control', *npj Aging Mech. Dis.*, 2018, doi: 10.1038/s41514-018-0022-6.

[6] K. A. Tsvetanov *et al.*, 'Activity and connectivity differences underlying inhibitory control across the adult life span', *J. Neurosci.*, 2018, doi: 10.1523/JNEUROSCI.2919-17.2018.

[7] K. C. Bormann, U. Poethke, C. Cohrs, and J. Rowold, 'Doing bad through being selective in doing good: the role of within-unit variability in ethical leadership', *Eur. J. Work Organ. Psychol.*, 2018, doi: 10.1080/1359432X.2018.1491550.

[8] S. K. Nayak, 'Brief Critiques on Chain of Command, Unity of Command, Span of Control and Leadership in Health Sector of Nepal', *Heal. Prospect*, 2018, doi: 10.3126/hprospect.v10i0.5644.

[9] S. Bachri and D. Dasmo, 'Upaya Meningkatkan Hasil Belajar Ilmu Pengetahuan Alam (IPA) dengan Metode Pembelajaran Two Stay Two Stray (TSTS)', *Form. J. Ilm. Pendidik. MIPA*, 2018, doi: 10.30998/formatif.v7i3.2235.

[10] L. Zhuo, Y. Dong, and X. Xu, 'Flutter Suppression of Long-Span Bridges Using Suboptimal Control', *World J. Eng. Technol.*, 2018, doi: 10.4236/wjet.2018.62b004.

[11] C. Lee, H. goo Kang, and W. Seok, 'How does organizational structure affect executive compensation?', *Appl. Econ. Lett.*, 2018, doi: 10.1080/13504851.2017.1327116.

CHAPTER 4

MANAGEMENT CONTROL: PRINCIPLES, CATEGORIES, AND APPROACHES

Dr. Pramod Pandey, Associate Professor,
Masters In Business Administration (General Management), Presidency University, Bangalore, India,
Email Id-pramodkumar@presidencyuniversity.in

ABSTRACT:
In order to guarantee that organisational actions are in line with set goals and objectives, controlling is a vital management role. An overview of the notion of controlling, its importance in organisational management, and the numerous components of the controlling process are provided in this essay. It examines several control mechanisms, stressing their functions in preserving organisational effectiveness and efficiency, such as financial controls, quality controls, and performance controls. The research also looks at the difficulties and advantages of successful managing, and it makes suggestions for managers on how to improve their control procedures for the best possible organisational performance.

KEYWORDS:

Association,Controlling, Control,Execution,Financial, Plans.

INTRODUCTION

Controlling Comprises of confirming whether everything happens in similarities with the plans embraced, directions gave and standards laid out. Controlling guarantees that there is viable and effective use of authoritative assets in order to accomplish the arranged objectives. Controlling measures, the deviation of real execution from the standard exhibition, finds the reasons for such deviations and helps in making remedial moves. Controlling has got two fundamental purposes. It works with co-appointment It helps in arranging. Controlling is the end capability of the board. It is expected at every one of the degrees of the board. Controlling is a course of checking genuine execution and going to remedial lengths whenever required[1]. It is the most common way of checking to decide if plans are by and large appropriately carried out and goals are accomplished[2], [3].

Definition

1. As per George Terry. Controlling is figuring out the thing is being achieved, or at least, assessing the presentation, and if essential, applying remedial measures with the goal that the exhibition happens as indicated by the plans.
2. As indicated by Koontz and O'Donnell. Control is estimation of achievement against the norm and the amendment of deviations to expect fulfillment of targets as per plans.
3. As per Brech. Controlling is a deliberate activity which is called as a course of really looking at genuine execution against the norms or plans so as to guarantee satisfactory advancement and furthermore recording such insight as is acquired as a commitment to conceivable future needs.

Purpose of Controlling

Controlling is utilized for the different targets. Some of them are as per the following:

1. Controls are utilized to normalize execution for expanding effectiveness and decreasing expense via time and movement studies, examinations, composed strategies or work schedules.

2. Controls used to monitor organization resources through allotment of obligations, partition of functional, custodial and bookkeeping exercises and reception of legitimate approval and record keeping.
3. Controls are utilized to normalize quality via review, factual quality control and item details.
4. Controls utilized for giving free cutoff points to the utilization of appointed authority with next to no further top-administration endorsement.
5. Controls are utilized to gauge hands on execution via exceptional reports, inward reviews, financial plans, standard expense and result each hour or per representative.
6. Controls are utilized for arranging future tasks through deals and creation gauges, financial plans, cost norms and different guidelines for estimation.
7. Controls are utilized to allow top administration for keeping different plans and projects.
8. Controls are intended to inspire faculty through advancements, awards for ideas, benefits sharing and different strategies for perceiving accomplishments.

Areas of Control

Crafted by the chief in controlling includes four explicit regions. These regions are as per the following:

1. **Laying Out Norm of Responsibility:** Supervisor ought to make sure that there are substantial, justifiable and satisfactory principles for estimation of work as it goes ahead. These norms depend on the plans laid out to start the work
2. **Estimating Work Underway:** Record should be kept of work as it advances with the goal that exhibition can measure up to the appropriate norm. Estimation might be as far as sum spent, units sold, clients reached, exercises finished, etc. Successful estimation additionally requires exact announcing of the work achieved.
3. **Deciphering Results:** The outcomes achieved should be assessed as far as the principles by which work is being judged. Understanding includes correlation of real against standard as well as ID of disparities and investigation of why these changes have happened.
4. **Making a Restorative Move:** When varieties from plan happen, it is important to take the work happening back to the ideal course. The administrator himself should conclude what is expected to achieve the outcomes he anticipates. No one but he can provide the orders which lead to powerful restorative activity.

Steps in Controlling Process

1. Setting Targets: Administrators should fix the objectives to be accomplished. The guidelines are for the most part fixed for a positive period might be for one month, one year and so on the norms are expected to be set appropriately on the grounds that against these main the genuine exhibition looked at. For example, the promoting director might fix the norm for his specialization to sell 10000 units in a specific month.

2. Execution of Targets: Supervisor should make game plan for real execution of targets. For implantation legitimate game plans of assets is required.

3. Estimation: After execution director ought to count the real exhibition of his subordinates. For example, the subordinates may really sell 9000 units in the market in that specific month.
4.Correlation: Supervisor ought to contrast the genuine exhibition and the standard presentation. In our model Promoting supervisor will look at the genuine exhibition i.e 9000 units against standard execution for example 10000 units.

5. Deviation: Deviation is contrast among standard and genuine execution. Supervisor ought to then figure out deviation if any. In our model deviation is 10000-9000=1000 units.

6.Restorative Measures: In the wake of figuring out deviation, director ought to drill down potential explanations behind deviation. In our model reasons can be unfortunate promoting, low quality of item, unfortunate conveyance procedure and so on. Chief then rattle off the remedial measures to conquer these reasons. The restorative measures can be improvement in item quality, further developing publicizing systems, further developing dissemination network and so on

7. Carrying Out Measures: Chief then ought to choose the best restorative measure out of the multitude of recorded measures. This determination is finished subsequent to doing money saving advantage examination of every other option. Director ought to then carry out the best-chosen restorative measure.

8. Follow up: After execution chief ought to take a survey of execution that regardless of whether the chose restorative measure can tackle deviation. On the off chance that there is no improvement, director ought to again figure out the other elective restorative measure.

DISCUSSION

Techniques of Controlling

Following are a portion of the procedures of administrative control:

1. Monetary Control: Spending plans are articulations of expected results either in e money related terms or in non-financial terms. There are different sorts of spending plans, for example, cash financial plan, creation financial plan, capital use spending plan and so on. As a result of quantitative nature spending plans give premise to estimating execution and work with correlation across divisions, between levels in the association and starting with one period then onto the next. It follows the standard of control by special case. The subordinates report just uncommon deviations to their bosses.

2. The Board Review: The executives review alludes to the precise assessment of the working and execution of the board. It surveys the nature of the board. It is intended to make an evaluation of the board cycle. It is an intermittent assessment of over a wide span of time administrative practices to distinguish the changes important to make the association more successful. It is directed by a group of specialists. The group gathers significant information from the executives, representatives, clients, vendors and others. The information is gathered, examined and ends are attracted regard of execution of the board[4].

3. Sprightly and CPM: The two significant organization procedures are Energetic (Program Assessment Survey Strategy) and CPM (Basic Way Technique). Energetic was created by the Unique Activities Office of the U.S.Navy regarding the Polaris Weapons Framework. CPM was created by Du Pont organization for working with control of enormous, mind boggling and modern activities. The Energetic and CPM procedures depend on similar standards. The main contrast is that CPM depends on a solitary gauge of time expects for the fruition of exercises The CPM procedure is utilized for projects like development and support projects. Energetic depends on expected culmination time, processed from three assessed times-the hopeful time, the skeptical time and the most probable time. The Spunky strategy can be utilized for additional confounded ventures like designing and toolingprojects[5].

4. MBO: The idea of MBO (The executives By Goals) was first advocated by Peter Drucker in 1950s. In MBO bosses and subordinates mutually choose the objectives, plan out the exercises. The subordinate directors carry out the arrangement lastly there is a joint survey of execution.

5. Direct Oversight: It is the most seasoned method of controlling. In each association managers straightforwardly direct and notice the subordinate's execution. In the event that they found any deviation they can recommend quick remedial activities.

6. Poise: Restraint implies controlling the exhibition on own. This is uniquely relevant at more elevated levels. Here the supervisors set their own objectives, notice the presentation, figure out the deviations and make important moves to work on the exhibition.

7. Make Back the Initial Investment Examination: This strategy investigations the expense benefit volume relationship. It demonstrates at what cost and volume a firm would create a gain. It assists with concluding earn back the original investment point. The earn back the original investment point is where cost is precisely same as income ie no benefit no misfortune point. With the assistance of this investigation a firm screen the exercises in order to arrive at essentially the equal the initial investment point[6], [7].

8. MIS: MIS (The board Data Framework) is a device instead of a procedure of controlling. In MIS data is gathered from interior and outer climate, examination is finished and afterward information is put away for future reference. Directors can utilize this data at whatever point required.

Budgetary Control

A conventional assertion of the monetary assets put away for doing explicit exercises in a given timeframe. A spending plan is an arrangement communicated in quantitative, typically financial term, covering a particular timeframe, normally one year. All in all a financial plan is a precise arrangement for the use of labor supply and material assets.

In a business association, a spending plan addresses a gauge of future expenses and incomes. Spending plans might be isolated into two essential classes: Capital Financial plans and Working Spending plans. Various kinds of financial plans are ready for various purposed for example Deals Financial plan, Creation Financial plan, Managerial Cost Financial plan, Rawmaterial Spending plan and so forth. This large number of sectional spending plans are a while later incorporated into an expert spending plan, which addresses a general arrangement of the association[8].

Importance of Monetary control: A control method by which genuine outcomes are contrasted and spending plans. Any distinctions are created the obligation of key people who can either practice control activity or reexamine the first spending plans.

Qualities of a Financial Plan: A decent spending plan is described by the accompanying:

1. Support: Affect whatever number individuals as would be prudent in drawing up a financial plan.

2. Completeness: Embrace the entire association.

3. Norms: Base it on laid out guidelines of execution.

4. Adaptability: Consider evolving conditions.

5. Input: continually screen execution.

6. Examination of Expenses and Incomes: this should be possible based on product offerings, divisions or cost focuses. It is ready ahead of time and is gotten from the drawn out procedure of the association.

It connects with future period for which targets or objectives have proactively been set down. It is communicated in quantitative structure, physical or financial units, or both.

The Process of Budget Control

1. Planning of different financial plans.
2. Nonstop examination of real execution with monetary performance.
3. Modification of spending plans in the illumination of changed conditions.

An arrangement of monetary control shouldn't become inflexible. There ought to be sufficient extent of adaptability to accommodate individual drive and drive. Monetary control is a significant gadget for making the association. More proficient on all fronts. It is a significant instrument for controlling expenses and accomplishing the general goals. No process for arranging can find lasting success without having a viable and productive arrangement of control. Planning is firmly associated with control. The activity of control in the association with the assistance of financial plans is known as monetary control.

Steps In Budgetary Control:

1. Association for planning.
2. Financial plan manual + Hypothesis. A report which sets out, bury moniker, the obligations of the people took part in, the daily schedule of and structures and records expected for monetary control.
3. The spending plan manual is a composed record or booklet that determines the goals of planning association and systems. Following are a portion of the significant issues canvassed in a financial plan manual:
4. An assertion in regards to the goals of the association and how they can be accomplished through monetary control.
5. An assertion with respect to the capabilities and obligations of every Leader by assignment both in regards to planning and execution of spending plans.
6. Strategies to be followed for getting the vital endorsement of financial plans
7. The power of giving endorsement ought to be expressed in unequivocal terms.
8. Whether one, two or more marks are to be expected on each archive
9. Ought to likewise be obviously expressed.
10. Schedule for all phases of planning.
11. Reports, articulations, structures and different records to be kept up with.
12. The records arrangement to be utilized. It is essential that the structure inside which the expenses, incomes and other monetary sum are ordered should be indistinguishable both in accounts and the spending plan offices.

Advantages of Budgeting and Budgetary Control

Budgeting and financial management provide a lot of benefits:

1. One of a budgetary planning and control system's most crucial features is that it forces management to consider the future. In order to anticipate and give the organization a purpose and direction, it forces management to spell forth specific plans for reaching the objectives for each department, operation, and each manager.
2. Encourages collaboration and dialogue.
3. The scope of each duty is specified makes budget center managers accountable for the accomplishment of budget goals for the activities under their direct supervision.
4. Acts as the foundation for performance evaluation. In essence, a budget serves as a standard by which actual performance is measured and evaluated. Comparisons of actual outcomes to the budget plan give control. The causes of budget deviations may then be classified into elements that are within your control and those that are outside of your control.
5. Allows corrective action to be done when discrepancies are discovered.
6. Encourages staff members to participate in budget creation.

7. Betters the distribution of limited resources.
8. Makes use of the management by exception approach to save management time.
9. It makes the organization's operations more effective and efficient.
10. It is a method of informing different organizational units on the plans. Exact duties are given by defining the divisional, departmental, and sectoral budgets. Thus, it reduces the likelihood of blame shifting if the budgetary goals are not attained.
11. It is a technique for encouraging managers to meet the objectives established for the units.
12. It acts as a standard for managing ongoing activities.
13. It fosters a sense of teamwork by encouraging involvement in budgeting.
14. By identifying waste and losses in time for remedial action, it helps to reduce them.
15. It provides a framework for assessing managers' job performance.
16. It acts as a tool for managers' education.

Problems in Budgeting

1. Budgets have a lot of drawbacks, especially in terms of perception, despite the fact that they may be a necessary component of any marketing effort.
2. Budgets may be seen as managerial pressure tools, which can lead. A dysfunctional labor union and inaccurate record-keeping.
3. Disputes over resource allocation and departments blaming one another when goals aren't met are the two main causes of departmental conflict. It is challenging to balance corporate and personal ambitions.
4. When managers adopt the mindset that we had better spend it or we will lose it, waste may result. This is often used in conjunction with empire building to raise a department's stature.
5. Managers may overstate expenditures in order to avoid being held accountable for future overspending.

CONCLUSION

In order to monitor and control operations and achieve desired results, managing is crucial to the management of organisations. It includes different checks and balances that are necessary to keep an organisation functional, efficient, and in line with its aims and objectives. Managers can detect deviations from plans, gauge performance, and implement fixes as needed with the help of effective management.

Managers may guarantee that resources are allocated effectively, processes are optimized, and intended results are realized by putting in place the proper control mechanisms, such as financial controls, quality controls, and performance controls. Controlling, meanwhile, also comes with difficulties that managers must overcome.

To encourage creativity, innovation, and employee engagement, it is essential to strike the ideal balance between control and individual liberty. While a lack of controls may result in inefficiency, subpar performance, and diversion from organisational objectives, too strict rules can stifle initiative and demotivate workers.

REFERENCES:

[1] N. Y. D. Twumasi, Z. Shao, and A. Orhan, 'Remote Sensing and GIS Methods in Urban Disaster Monitoring and Management – An Overview', *Int. J. Trend Sci. Res. Dev.*, 2019, doi: 10.31142/ijtsrd23976.

[2] C. C. Lopez-Jaramillo, C. C. Bearden, and D. B. Neale, 'Genetics of Severe Mental Illness In A Colombian Population Isolate', *Eur. Neuropsychopharmacol.*, 2019, doi: 10.1016/j.euroneuro.2019.07.076.

[3] M. Boy *et al.*, ‘Interactions between the atmosphere, cryosphere, and ecosystems at northern high latitudes’, *Atmospheric Chemistry and Physics*. 2019. doi: 10.5194/acp-19-2015-2019.

[4] K. Kuschel, F. Cotapos, M. Á. González, and N. U. Salcedo, ‘Prey: startup and public institution alliance while struggling to retain talent’, *Emerald Emerg. Mark. Case Stud.*, 2019, doi: 10.1108/EEMCS-10-2019-0269.

[5] A. Stewart and S. Coleman, ‘Contributions from anthropology.’, *Oxford Handb. Theol. Sex. gender.*, 2015.

[6] R. J. Rathish *et al.*, ‘Corrosion issues in electronic equipments – An overview’, *Int. J. Corros. Scale Inhib.*, 2019, doi: 10.17675/2305-6894-2019-8-4-2.

[7] A. D. Barker and K. Buetow, ‘Abstract SY36-03: Viewing cancer as a complex adaptive system and managing immunotherapy as homeostatic reset’, *Cancer Res.*, 2019, doi: 10.1158/1538-7445.am2019-sy36-03.

[8] C. Thaddeus and K. Watanabe, ‘Environtmental Determinants in the Control of Dengue Mosquito Vector, Aedes Aegypti’, in *Reserach Gate*, 2014.

CHAPTER 5

COORDINATION MANAGEMENT: NATURE AND SIGNIFICANCE

Mr. Ram Srinivas, Assistant Professor,
Masters In Business Administration (General Management), Presidency University, Bangalore, India,
Email Id-ramsrinivas@presidencyuniversity.in

ABSTRACT:
Coordinating the work of people and departments in order to accomplish shared objectives is a crucial component of organisational administration. In this essay, coordination, its importance to organisational performance, and the difficulties it poses are all briefly discussed. It looks at the issues that might prevent efficient coordination, such silos, unclear responsibilities, competing goals, and impediments to communication. The research also emphasises the value of cooperation, trust, and strong leadership in resolving coordination issues. Organisations are advised to improve coordination by investing in training and development, building a collaborative culture, and establishing clear communication channels and roles. In the end, efficient coordination helps businesses establish synergy, maximise their resources, and boost productivity.

KEYWORDS:

Coordination, Communication,Cooperation,Efforts,Management, Organizational.

INTRODUCTION

Coordination is the unification, integration, and synchronization of group members' actions in order to create cohesion of action in the pursuit of shared objectives. Every level of management engages in it. It deals with the duty of coordinating efforts to guarantee the effective completion of a goal. It is completed by the use ofOrganising, planning, and controlling. It is a component of every stage of administration and is not a separate activity. It is a secret power that holds all other managerial functions together. Through its fundamental duties of planning, Organising, staffing, leading, and regulating, management aims to accomplish coordination. Because developing harmony between individual efforts towards the attainment of collective objectives is essential to management success, coordination is not a distinct management job. The core of management is coordination, which is implied in every management function[1].

Coordination is the connection of several management tasks inside an organisation. At all levels, coordination is necessary. Middle level operations are coordinated at the top level. Lower-level activities are coordinated by middle level. Workers' actions are coordinated at a lower level. Coordination, according to Mooney and Relay, is the systematic structuring of group actions to create cohesion in the pursuit of shared objectives. Charles Worth asserts that coordination is the integration of several elements into a systematic pattern in order to attain the goal of knowledge [2]. Defines coordination as the attempt to provide a seamless interaction of the forces and functions of the many constituent sections of an organisation so that its mission will be realized with the least amount of friction and the greatest amount of collaborative effectiveness.

Need and Importance of Coordination

Management is really about coordination. This is due to the need of coordination while performing all managerial functions. Planning entails choosing in advance what to do, how to do it, when to do it, and who will execute it. All departmental actions must be coordinated with one another when the plan is being finalized. Cooperation across departments is necessary for a sound strategy. Coordination and organisation. Coordination is the arranging and acquisition of all human and material resources necessary for the implementation of a strategy. Choosing superior-subordinate relationships is another aspect of it. Coordination is necessary during planning to ensure that resources are used just as needed and that no resources are wasted. Staffing and coordination. Staffing refers to filling and maintaining vacancies in organisational structure jobs. Additionally, it covers hiring, training, transferring, and promoting personnel. Coordination is necessary when the staffing process is being carried out to ensure that the proper candidate is chosen for the position.

Directing and coordination. Directing entails offering directions and guidelines to subordinates in order for the job to go as planned. It takes a lot of coordination to give commands and provide instructions. There shouldn't be any misunderstandings or duplicate orders. Motivating and coordinating. Motivating subordinates' entails encouraging them with monetary and non-monetary rewards in order to achieve desired outcomes. Coordination is necessary for motivation to succeed. Leading and coordinating. Leading entails motivating the whole team to work towards a common objective. Communicating and co-ordination. Communication is the most crucial component of co-ordination. A leader should constantly coordinate the actions of his followers to accomplish the desired objectives. Coordination within the organisation is always made easier by effective communication. It encourages collaboration.Controlling and coordination. Controlling entails keeping track of subordinates' output and putting improvement-oriented methods into practice. In order to identify faults, superiors should attempt to coordinate all of their subordinates' efforts.

Coordinating and integrating the work of people or departments within an organisation in order to accomplish shared objectives is a core management idea. It includes all of the procedures, controls, and methods used to encourage coordination, communication, and synergy amongst diverse organisational constituents [3]–[5]. It is impossible to exaggerate the value of coordination in an organisation. When jobs are allocated correctly, resources are used most efficiently, and efforts are coordinated towards achieving organisational goals, effective coordination is ensured. Here are some significant features and gains of coordination: Coordination makes ensuring that everyone in the organisation is aware of and working towards shared organisational objectives. By ensuring that everyone is heading in the same direction, it aids in creating a common understanding of the overarching purpose, vision, and strategic goals. Resource Allocation and Utilization Optimisation. Coordination aids in the effective distribution and use of resources. Organisations may reduce duplication of effort, get rid of pointless redundancies, and distribute resources based on priorities and requirements by coordinating operations. Cost reductions and increased production result from this.Tasks and responsibilities are assigned to people or groups depending on their expertise, availability, and skill sets during coordination.

Effective task delegation guarantees that everyone is aware of their responsibilities, minimizing misunderstanding, disagreements, and lost effort. Effective communication and information exchange between people and agencies are made possible through coordination. Everyone must have access to the information they need in order to make educated decisions, solve problems, and coordinate operations. This is only possible with clear and timely communication [6], [7]. Coordination aids in the identification and resolution of disputes that may develop as a result of disparities in goals, viewpoints, or the distribution of resources. Coordination permits the early detection of disputes and aids their constructive resolution by encouraging open communication and cooperation. By fostering synergy among people and teams, coordination makes it possible for them to collaborate more successfully. It promotes teamwork, information sharing, and the use of a variety of views and abilities, which enhances creativity, problem-solving, and overall performance. Coordination enables organisations to swiftly react to new problems and opportunities in a dynamic and fast changing business environment. It makes it easier to realign resources, activities, and strategies in order to successfully adapt to changes in the market or internal dynamics. Organisational Culture and Employee Engagement. Good coordination helps in creating an environment where employees feel trusted, collaborative, and supported. Employees are more likely to be engaged, motivated, and pleased when they believe that their efforts are coordinated and linked with the larger organisational objectives.

DISCUSSION

Principles of Coordination

For efficient cooperation, Mary Parker Follett outlined four rules;

1. Direct Personal Contact: In accordance with this tenet, communication with the parties involved directly is the best way to establish coordination. The best technique to communicate ideas and information and avoid misunderstandings is face-to-face, direct conversation.

2. Early On: Coordination is easier to accomplish while planning and policy-making are in their infancy. Plans should thus be based on shared dialogue or involvement. Once the uncoordinated plans are put into action, integrating the activities becomes more challenging. The quality of planning is also enhanced by early cooperation.

3. Reciprocity: According to this tenet, every element in a certain circumstance is interdependent and connected to every other element. In a group, for instance, every member impacts every other member and is in turn impacted by them. When individuals value reciprocity in relationships, they refrain from taking unilateral action and coordination is made simpler.

4. Continuity: Unlike certain activities, coordination is a continuous or never-ending process. It cannot be left to chance; management must work hard at all times. Fire-fighting, or addressing issues as they occur, is not good coordination. The approaches listed below may be used for efficient coordination:

The following are the primary methods of efficient coordination.

1. Thorough Planning: The first need for coordination is a shared objective. Thus, both the organization's and its units' objectives must be clearly stated. The optimal time for coordination is during planning. Uniformity of action is ensured through clear goals, consistent policies, and unified processes and norms.

2. Simplified Structure: A solid and simple structure is a crucial tool for coordination. The organisation structure's lines of power and responsibility should be distinct from top to bottom. Relationships of power that are clearly defined assist to prevent disputes and keep individuals accountable. One department or unit should include all related operations. Avoid overspecialization since it tends to turn each unit into a self-contained entity[8].

3. Effective Communication: Coordination depends on honest and frequent communication. Mutual understanding and conflict resolution are facilitated by effective opinion and information exchange. The best methods of collaboration and communication are one-on-one interactions. Committees aid in fostering departmental cohesion and consistency of approach.

4. Effective Management and Supervision: Effective management makes sure that coordination is maintained throughout both the planning and implementation phases. A competent leader can motivate his followers to work together to achieve shared goals and steer their efforts in the appropriate direction. Effective leadership may convince followers to have a shared perspective and to have a common identity. Personal supervision is a crucial strategy for settling disagreements.

5. Chain of Command: In an organisation, authority has the highest level of coordinating power. The conventional method of coordination is the exercise of power via the chain of command or hierarchy. By placing all interdependent units under one boss, coordination may be guaranteed.

6. Indoctrination and Incentives: Incentivizing organisational members to support the organization's aims and purpose may turn a disinterested group into a dedicated one. Similar incentives might be used to foster shared interests and lessen disagreements. Profit sharing, for instance, may serve to foster a sense of unity and cooperation between employers and employees.

7. Liaison Departments: Liaison officers may be recruited if regular connections between various organisational units are required. A liaison department, for instance, may make sure that the manufacturing department adheres to the delivery deadlines and requirements that the sales department promised. In certain situations, special co-coordinators may be chosen. To coordinate the efforts of several officials in a project that must be finished within a certain time frame, for example, a project co-coordinator is chosen.

8. General Staff: In big organisations, coordination is handled by a centralized pool of staff expertise. All departments of the company get their information and expert guidance from a single staff group. Such general staff is particularly beneficial for creating horizontal or cross-departmental coordination. Teams for projects and task forces may both help with coordination.Self-coordination occurs when each organisational unit understands the operations of related units and adapts its own operation to fit them. A culture of commitment and reciprocal cooperation is conducive to self- or voluntary coordination. It arises from the organization's members' cooperation and sense of teamwork. It cannot, however, take the place of managers' coordinated efforts.

Problems of Coordination

Both horizontally and vertically within the organisation, coordination issues arise. Compared to vertical coordination, horizontal coordination has a significantly greater influence.The disparate operations of several hybrid units have to be merged and harmonized with the overarching goals and predetermined patterns of behaviour of the organisation under horizontal co-ordination. On the other hand, vertical coordination necessitates the symmetrical behaviour of individuals at different levels in order to achieve organisational goals via the linking of personal contributions to collective performance.Coordination presents a number of difficulties even though it is crucial for an organisation to succeed[9], [10]. A number of issues may prevent an organization's coordination from being successful. Here are a few typical coordination issues:

Lack of Communication: A major obstacle to coordination is poor or inadequate communication. It is difficult for people or departments to communicate information, coordinate actions, and successfully cooperate when communication routes are imprecise, inconsistent, or inadequate.

Silos and Departmentalism: When people or departments put their personal interests and aims ahead of the larger organisational goals, silos and departmentalism result. Due to a lack of communication, cooperation, and coordination across various organisational units, this may result in duplication of effort, disagreements, and less than ideal decision-making.

Conflicting Aims and Priorities: Coordination is difficult when various people or departments have competing aims or priorities. Conflicting interests and misaligned aims may lead to conflict and impede group efforts to accomplish organisational goals.

The roles and responsibilities are not clearly defined: Roles and duties that are unclear or overlap each other may cause misunderstanding, duplication, and coordination problems. Coordination of tasks and ensuring efficient workflow are challenging when people are unclear about their roles or when there are gaps or overlaps.

Resistance to Change: Internal resistance to change might thwart coordinating attempts. The integration of efforts and good coordination are hampered when people or departments are reluctant to accept new procedures, technology, or working methods.

Poor Decision-Making and Leadership: Coordination may be hampered by ineffective leadership and decision-making. Uncertainty and a lack of direction for coordinating efforts result from leaders' failure to provide clear instructions, make prompt choices, or handle issues.

Lack Of Trust and Cooperation: Poor communication or cooperation between departments or people may make coordination difficult. Lack of trust may make people hesitant to collaborate, share information, or depend on one another, which makes coordination difficult.

Geographical or Cultural Differences: Coordination may be especially difficult in businesses with several sites or people from various cultures. Time zone, linguistic, workplace, and cultural differences might pose obstacles to efficient cooperation and need extra work to close the gaps.Organisations have a number of options for addressing these coordination issues. Clarifying roles and responsibilities, fostering cross-functional teams, supporting leadership, establishing clear communication channels, fostering a culture of collaboration and trust, encouraging open and transparent communication, and investing in training and development initiatives to improve coordination skills are some of the things that need to be done.Overall, creating a collaborative and coordinated work environment takes a determined effort by people, teams, and organisational leadership to overcome coordination issues. Organisations may improve their coordination efforts and boost overall performance and results by identifying and resolving these obstacles.

CONCLUSION

Organisational success depends heavily on coordination since it makes sure that activities are aligned and integrated towards shared objectives. However, a number of obstacles, such as silos, unclear roles and duties, communication impediments, and opposing goals, might prevent successful coordination. Organisations must promote a culture of trust, cooperation, and good leadership in order to overcome these obstacles. Organisations should have open and transparent communication channels that allow information to flow between people and departments in order to improve collaboration. To prevent misunderstandings and unnecessary duplication of work, roles and duties must be clearly defined. Coordination may be made easier by creating a collaborative environment that values cooperation, respect for others, and information sharing. Coordination is greatly aided by effective leadership. To foster a climate that encourages collaboration, leaders should provide clear instructions, make prompt judgements, and settle disputes. Through training and development initiatives, they should also make an investment in the improvement of coordination abilities among the workforce.

REFERENCES:

[1] B. Kiely, A. Croke, E. O'Shea, D. Connolly, and S. M. Smith, 'Effectiveness of link workers providing social prescribing on health outcomes and costs for adult patients in

primary care and community settings. A protocol for a systematic review of the literature.', *HRB Open Res.*, 2019, doi: 10.12688/hrbopenres.12936.1.

[2] T. Hussein Musa *et al.*, 'Epidemiology of Measles in Sudan', *J. Adv. Med. Med. Res.*, 2019, doi: 10.9734/jammr/2019/v30i1130273.

[3] D. Delcuvellerie, 'Tracking of aircraft in distress using the cospas-sarsat system', in *15th International Conference on Space Operations, 2018*, 2018. doi: 10.2514/6.2018-2343.

[4] Petra Kaczensky *et al.*, 'Status , management and distribution of large carnivores – bear , lynx , wolf & wolverine – in Europe 2', *Eur. Comm.*, 2012.

[5] H. R. Hutomo, 'Laporan Tugas Akhir Asuhan Kebidanan Komprehensif pada Ny.M G2P1A0 di Bidan Praktek Mandiri S.H Periode September 2018 s/d Maret 2019', *Prodi DIII Kebidanan Univ. Binawan*, 2019.

[6] Karmila and B. Suryawardani, 'Pengaruh Periklanan Pada Sosial Media Terhadap Keputusan Pembelian Konsumen INDIHOME Di Bandung Tahun 2019', *e-Proceeding Appl. Sci.*, 2019.

[7] Y. Firmanto, 'Pengaruh Brand Image dan Harga Terhadap Keputusan Pembelian Konsumen Pada Produk Chicken KFC', *J. Manaj. dan bisnis*, 2019.

[8] A. Handayani, 'Pengaruh Corporate Governance, Leverage, Dan Manajemen Laba Terhadap Agresivitas Pajak (Pada Perusahaan Property dan Real Estate yang terdaftar di Bursa Efek Indonesia Tahun 2016-2018)', *Molecules*, 2019.

[9] M. Rusadi, 'Makna Simbolik Acara Mappacci Pernikahan Adat Bugis Wajo Di Kabupaten Wajo (Kajian Semiotika Charles Sanders Pierce)', *Molecules*, 2019.

[10] D. Mardianti, 'Analisis Hukum Islam Terhadap Pemberian Giveaway Bersyarat Dalam Akun Instagram @Sakinaholshopsby', *Fak. syariah, UIN Sunan ampel*, 2019.

CHAPTER 6

TOTAL QUALITY MANAGEMENT AND QUALITY CIRCLES

Dr. Srinivasan Palamalai, Associate Professor,
Masters In Business Administration (General Management), Presidency University, Bangalore, India,
Email Id-srinivasanp@presidencyuniversity.in

ABSTRACT:
Two strategies that work to raise the general caliber of goods and services inside a company are total quality management (TQM) and quality circles (QC). While QC places an emphasis on staff engagement and involvement in problem-solving and decision-making processes, TQM places a greater emphasis on fostering a culture of continuous improvement and customer satisfaction. The main ideas, advantages, and difficulties of TQM and QC are examined in this paper's overview. The synergistic link between TQM and QC is also covered, as well as how this could affect organisational performance. This study illustrates the advantageous effects that may be attained via the effective use of TQM and QC practises by looking at numerous case studies and empirical facts. Overall, TQM and QC provide organisations with essential ways to improve quality, boost customer loyalty, and achieve long-term success in today's cutthroat business climate.

KEYWORDS:

Benchmarking, Business,Management, Organization. Performance,Quality.

INTRODUCTION

Companies who don't priorities quality face the danger of not surviving in the long term. In the competitive business world of today, quality is the key to competitive advantage. There are more options available to companies looking to establish a quality system as more organisations choose Total Quality Management (TQM). Total quality management is a management strategy for a business that puts the needs of the customer first and engages all staff members in making constant improvements to every part of the business. To incorporate the quality concepts into the organization's culture and daily operations, TQM makes use of strategy, data, and effective communication[1], [2]. The goal of Total Quality Management (TQM) is to raise performance and quality to a level that meets or exceeds customer expectations.

This may be accomplished by unifying all quality-related tasks and procedures throughout the whole business. TQM examines a company's entire quality control and maintenance procedures, as well as its management of quality design and development, improvement, and assurance procedures. TQM considers all quality initiatives implemented at all levels and including all workers in the firm.

Meaning of Quality

Generally speaking, quality is the absence of flaws, shortcomings, and notable variances. A product's or service's quality is defined by the ISO standard as the sum of its features and characteristics that bears its capacity to satisfy stated or implied needs. 2. Manufacturing: Ensuring output is homogeneous and meets particular customer or user criteria by adhering strictly and consistently to quantifiable, verifiable standards. The impression of a product's or service's level of compliance with customer expectations often serves as the common denominator across corporate definitions of quality. Quality is meaningless unless it is connected to a particular item or function. A perceptual, constrained, and partly subjective trait is quality.

The Principle of Quality Control

Successful companies always put a strong focus on managing quality control, which refers to well-thought-out actions taken to guarantee that the goods and services provided to consumers are trustworthy, consistent, and actually suit their expectations. According to legend, Mr. Ibuka, a co-founder of the Japanese company that would later become Sony Corporation, stated this when establishing the company's guiding principles [3]–[5]. If it were possible to establish conditions where persons could become united with a firm spirit of teamwork and exercise to their hearts' desire their technological capacity, then such an organisation could bring untold pleasure and untold benefits. Japanese companies have led the way in developing management strategies meant to consistently enhance quality for many years. American and European businesses have been playing catch-up for years.Principles of quality management as summarized by Krister Forsberg:

1. A company that prioritizes its clients. Because businesses rely on their consumers, they must comprehend their present and future needs, satisfy their demands, and work to surpass their expectations.
2. The internal atmosphere of an organisation is unified by a leader's determination of its purpose and direction. They provide the conditions necessary for individuals to actively participate in attaining the goals of the organisation.
3. An organization's core is its people, and with their full participation, their skills may be exploited to the organization's advantage. Process-Based Approach. When connected resources and activities are handled as a process, a desired outcome may be attained more quickly.
4. Systematic Management Approach. To increase the efficacy and efficiency of the organisation, a system of interconnected processes must be identified, understood, and managed for a specific goal.
5. Constant Development. Continuous improvement is one of the organization's long-term goals.
6. Fact-Based Decision-Making Methodology. The rational and intuitive examination of facts and information serves as the foundation for effective judgements and actions.
7. Relationships with suppliers that benefit both parties. The capacity of the organisation and its supplier to produce value is improved through mutually beneficial ties.

The success of the company depends on the understanding and agreement of all management professionals, beginning with the owner. Every employee has to be a part of the process after that understanding has been attained. Employees are often hesitant to bring up quality issues with management because they fear rocking the boat or being accused of criticizing their coworkers. Every effort must be taken to persuade each employee that good goods and services are necessary for success and employment, and that collaboration and cooperation are crucial for maintaining quality[6], [7].To increase customer satisfaction, it is necessary to analyse every step involved in providing a service. Profitability will undoubtedly come next. It is impossible to consider tasks like sales, credit approval, material procurement, measuring and sizing, shop fabrication, shipping, installation, invoicing, and collection as independent, unconnected tasks. Most often, information passing from one of these processes to other encounters issues that result in consumer displeasure or financial losses. Every process must reliably link to the processes next to it, thus extra care must be given.

DISCUSSION

Quality Circles

Quality circles were created by Kaoru Ishikawa and were first used in Japan in 1962. The Japanese Union of Scientists and Engineers (JUSE) organized the campaign in Japan. The Nippon Wireless and Telegraph Company hosted the first circles, which later extended to more than 35 additional businesses in the first year. More than a million Quality Circles allegedly included 10 million Japanese employees by 1978, according to reports. Most East Asian nations currently have Quality Circles; it was recently reported that China has more than 20 million Quality Circles. A quality circle is a formal volunteer group of employees, usually under the direction of their supervisor though they can elect a team leader, who have been trained to locate, assess, and resolve issues related to their jobs and then present their solutions to management in order to enhance organisational performance and inspire and enrich employee work. On business time, they get together at least once a week. True quality circles develop become self-managing organisations as they grow and obtain management support. Quality circles provide an alternative to the dehumanizing division of labour model, which treats people like machines. They revive the idea of craftsmanship, which is unprofitable when used individually but devastatingly effective when used in groups, as it allows for the enrichment of the lives of the employees or students and fosters harmony and high performance in the workplace. Improvements in workplace safety and health, product design, and work environments and production procedures are typical subjects[8].

Principles

The phrase quality circles are derived from Dr. W. Edwards Deming's PDCA (Plan, Do, Check, Act) circles idea. The management system standards set out by ISO operate on the PDCA cycle, which stands for Plan, Do, Check, Act. Plan - identify goals and create a strategy (examine the current state of your organization, decide on your long-term goals and short-term objectives, and create a strategy to reach them). Do carry out your intentions. Check and evaluate your outcomes to see how closely your real accomplishments match your original goals. Act by modifying your plans and the way you carry them out fix and learn from your errors to improve your plans to get better outcomes the next time). In India, quality circles are being promoted by the QCFI (Quality Circle Forum of India), which has even implemented them in the educational sectors. Although certain circles still exist, this was unsuccessful in the United States because it was not well understood and turned out to be a fault-finding exercise.

TQM

Total Quality Management (TQM) is a structured system for meeting and exceeding customer needs and expectations by creating organization-wide participation in the planning and implementation of improvement continuous and breakthrough processes.

Importance of TQM

The caliber of an organization's management, people, work procedures, product, and service will be a key factor in identifying it in a worldwide market as successful. This implies that goods must be delivered in a way that is always improving, prompt, cost-effective, inventive, and productive in addition to satisfying the demands of customers and the community for value. Total Quality Management is a method of management that was developed in the 1950s in Japanese industry and has progressively gained popularity in the West since the early 1980s. Total Quality refers to a company's culture, mindset, and organisational structure with the goal of consistently providing its clients with goods and services that meet their demands. The company's culture demands quality in all facets of its operations, with tasks being completed correctly the first time and faults and waste being eliminated.

Features

TQM puts the needs of the client first. The organisation considers customer happiness to be its top goal. The business thinks that happy consumers are essential to success. Being responsive to client needs extends beyond just adhering to specifications or lowering customer complaints in the context of TQM.Top management must lead and commit to TQM in order for it to succeed. Instead of doing so, top management delegated and gave lip service. Top management must be committed and personally involved in developing and implementing explicit quality values and goals that are compatible with the company's objectives, as well as in developing and implementing well-defined systems, procedures, and performance measurements for attaining those goals. Continuous improvement is at the core of TQM and applies to all operations and activities. When it is realized that offering a high-quality product is the only way to satisfy customers, continual product quality improvement is considered as the only means of maintaining a high degree of customer happiness. The business must act quickly to address consumer demands in order to achieve customer satisfaction.

This suggests quick introduction cycles for products and services. Because of the consequent simplicity and efficiency, these may be accomplished with customer-driven and process-oriented product development while significantly cutting down on time. Fact-based decisions. A key component of TQM is the statistical analysis of engineering and production data. Facts and analysis serve as the foundation for planning, performance evaluation and tracking, operational improvement, and performance evaluation in relation to rivals. A logical rather than an emotional foundation for decision-making is provided by the TQM strategy, which is based on the utilization of objective facts. An effective TQM environment demands a dedicated and skilled workforce that actively takes part in quality improvement initiatives. Systems of rewards and recognition that place a strong emphasis on achieving quality targets help to support this involvement. Taking on additional responsibility, communicating more clearly, acting imaginatively, and innovating are all encouraged among staff members.

TQM Culture

The introduction of TQM is not simple. Management must foster an environment that is open and collaborative. Making employees feel accountable for ensuring client happiness is necessary. If people see management acting irresponsibly, stating one thing while doing another, they are unlikely to act appropriately.

Product Development in a TQM environment

In a TQM environment, product creation is customer-driven and quality-oriented. Teams communicate with their internal customers and are process-oriented in order to get the desired outcomes. Controlling the whole process and praising collaboration are the management's main priorities.

Advantages

1. Promotes the use of a strategic management approach at the operational level by incorporating many departments in procedures for cross-functional improvements and systemic innovation.
2. Increases efficiency to provide a high return on investment.
3. Effective in both the industrial and service industries.
4. Enables organisations to benefit from innovations that make it possible to manage operations as cross-functional processes.
5. Establishing a culture of cooperation across various organisational divisions fits an attitude towards inter-organizational collaboration and strategic partnerships.

Definition of Benchmarking

Benchmarking is the procedure used to determine best practice in regard to both the goods and the procedures used to produce and distribute those items. Understanding and evaluating a company's or organization's present status in regard to best practice and identifying areas and strategies for performance improvement are the goals of benchmarking. Quality, time, and money are three factors that are often assessed. Learning to accomplish things better, quicker, and cheaper is an improvement. The goal of benchmarking is to compare one's own results and processes to those of the best companies in the industry or any other industry where similar processes exist in order to determine how well the targets perform and, more importantly, how they do it.

The Benchmarking Process

In order to learn how other businesses, organisations, industries, regions, and countries reach their performance levels, benchmarking entails looking outward (from inside a certain firm, organisation, industry, region, or nation). Thus, benchmarking aids in the explanation of the mechanisms that underlie exceptional performance. When the benchmarking exercise's lessons are implemented correctly, they enable increased performance in crucial organisational activities or in significant regions of the business environment. Applying benchmarking entails four essential steps:

1. Clearly comprehend the current business procedures.
2. Examine other companies' business procedures.
3. Compare your company's performance to that of other businesses that were examined.
4. Put the appropriate measures in place to narrow the performance difference. To be successful, benchmarking must become a continuous, integrated component of an ongoing development process with the aim of staying current with best practises that are always evolving.

Procedure

1. Determine your issue areas. Carefully and methodically determine the area that needs benchmarking.
2. Locate other industries with comparable processes. Using outside sources, locate other businesses and sectors with continuing comparable procedures.
3. Identify companies that are industry leaders in these fields. Search for the greatest companies worldwide, in every sector. To decide which businesses merit research, speak with clients, vendors, financial analysts, trade groups, and periodicals.
4. Survey businesses for measures and practises. Businesses utilise thorough surveys of the measures and practises used by top businesses to target certain business processes.
5. Visit best practice organisations to find cutting-edge practises. In a benchmarking group, companies normally agree to share the findings and exchange information that is advantageous to all participants.
6. Implement cutting-edge business practises. Take cutting-edge practises and create implementation plans that involve identifying particular possibilities, securing funds, and pitching the concepts to the company in order to show the process' worth.

Types

1. Process benchmarking is when a company sets out to find and study the best practises from one or more benchmark organisations. This is done by concentrating its observation and analysis of business processes.
2. Financial benchmarking is the process of doing a study of your finances and comparing the findings in an attempt to evaluate your overall productivity and competitiveness.
3. Performance benchmarking enables the initiator company to evaluate their competitive position by comparing their goods and services with those of the intended recipients.

4. Product benchmarking is the process of creating new goods or making improvements to existing ones. This procedure sometimes involves reverse engineering, which entails disassembling rival goods to identify strengths and shortcomings.
5. Strategic benchmarking entails looking at how other businesses compete. Since this kind is often not industry-specific, it is better to look at different sectors.
6. Functional benchmarking: To optimise the performance of a single function, a corporation will concentrate its benchmarking efforts on that function.
7. Operational benchmarking encompasses everything from productivity and personnel to office flow and examination of activities carried out.
8. Internal benchmarking is the process of comparing several business units or activities that are part of the same company. Analysing external organisations regarded as top in class entails external benchmarking. Learning from people who are leading edge is made possible via external benchmarking.
9. International benchmarking: this entails finding and analysing the top practitioners elsewhere in the globe, sometimes because there aren't enough benchmarking partners inside a certain nation to get reliable findings.

International Organization for Standardization

The ISO is an international organisation for standardization. An international standard-setting group made up of delegates from several national standards organisations is the International Organisation for Standardization, or ISO for short. The International Federation of the National Standardising Associations (ISA), which is now known as ISO, was founded in 1926. This company put a lot of emphasis on mechanical engineering. During the Second World War, it was dissolved in 1942, although it was later reorganized in 1946 under the name ISO. The organisation, which was established on February 23, 1947, publishes global exclusive industrial and commercial standards. Geneva, Switzerland serves as its administrative Centre. Despite the fact that ISO considers itself to be a nongovernmental organisation, it has greater influence than other non-governmental organisations due to its capacity to establish standards that often become national or international legislation. In actuality, ISO functions as a coalition with close ties to governments.

Members

Out of the 203 nations in the globe, ISO has 163 national members. There are three types of membership in ISO: Member bodies are national organisations that are regarded as the most inclusive standards body in each nation. These are the only ISO members with voting privileges. Countries who don't have their own standards organisation are considered correspondent members. These members are aware of ISO's activities but do not take part in the standardization process. Countries that are subscriber members have modest economies. They may participate in the formulation of standards but pay lower membership dues. Observing members are referred to as O members, while participating members are referred to as P participants.

Advantages

It is generally agreed that effective quality management enhances operations, often having a favorable impact on investment, market share, sales growth, sales margins, competitive advantage, and lawsuit avoidance. Implementing ISO may benefit any competitive organization by providing the following benefits: Improve the operation's effectiveness and efficiency. Enhancing marketing will improve staff enthusiasm, awareness, and morale while decreasing audits will reduce waste and boost productivity. Promoting foreign commerce will increase profit. The ISO standards are intended to assist organizations in ensuring that they satisfy the requirements of customers and other stakeholders and are related to quality management systems.

Criticism

The amount of money, effort, and documentation needed for registration is often mentioned as a drawback to ISO certification. In no way does ISO certification imply that goods made using its approved processes are any better. Even if a corporation intentionally produces low-quality goods, it may nevertheless get the ISO 9001 certification if it does so regularly and with the required paperwork. If product end consumers do not need ISO certification, the additional cost of certification and subsequent maintenance may not be justifiable. When competing with a firm that is not ISO certified, the price may potentially put the company at a competitive disadvantage. The standard is seen as particularly vulnerable to failure when a business prioritizes certification above quality. In reality, certifications are often focused on contractual obligations to customers rather than a desire to truly enhance quality. Another issue raised is the rivalry between the many certification agencies, which results in a softer attitude to the flaws found in how a firm's quality system is run.

CONCLUSION

The usefulness of Quality Circles (QC) and Total Quality Management (TQM) in raising customer satisfaction, strengthening product and service quality, and boosting organisational performance has been established.

TQM offers a thorough structure that prioritizes staff engagement, customer focus, and continual improvement. Organisations may develop a culture of quality that pervades every facet of their operations by putting TQM concepts like leadership commitment, process management, and customer-driven initiatives into precision the other side, Quality Circles provide a particular approach within the larger framework of TQM, concentrating on employee involvement and empowerment. QC encourages staff members to contribute their knowledge, abilities, and insights in order to identify and address issues, which improves productivity, decision-making, and a feeling of ownership among staff members. Combining TQM with QC takes use of each method's advantages and promotes a comprehensive and long-lasting culture of quality improvement.

REFERENCES:

[1] Y. Martin *et al.*, 'Offering patients a choice for colorectal cancer screening: A quality improvement pilot study in a quality circle of primary care physicians', *BMJ Open Qual.*, 2019, doi: 10.1136/bmjoq-2019-000670.

[2] X. Q. Yu, S. G. Yang, H. Li, Y. Xie, J. S. Li, and P. Zhang, 'Preliminary Study to Evaluate Three Different Treatments on Stable Chronic Obstructive Pulmonary Disease Patients Based on Markov Model', *Evidence-based Complement. Altern. Med.*, 2019, doi: 10.1155/2019/6478926.

[3] O. Scott *et al.*, 'Survival of patients with severe combined immunodeficiency in the newborn screening era: A single-centre experience 2013-2019', *LymphoSign J.*, 2019.

[4] P. M.-L. See, 'Branding: A Prosthesis of Identity', *M/C J.*, 2019, doi: 10.5204/mcj.1590.

[5] M. McGettrick, G. Jayasekera, M. Brewis, C. Church, M. Johnson, and A. Mackenzie, 'Late Breaking Abstract - The effect of exercise rehabilitation on cardiac function, measured by cardiac MRI, in patients with pre-capillary pulmonary hypertension', 2019. doi: 10.1183/13993003.congress-2019.pa3946.

[6] A. R. Goncalves, R. S. Costa, F. R. Martins, and E. B. Pereira, 'Cenários De Expansão Da Geração Solar E Eólica Na Matriz Elétrica Brasileira', *VII Congr. Bras. Energ. Sol.*, 2018.

[7] L. L. Gishkayeva*, R. K. Aziyeva, and M. V. Abubakarov, ‘Employment And Salary As Indicators Of Social Quality Of Life’, 2019. doi: 10.15405/epsbs.2019.03.02.238.

[8] O. Zubko, ‘Movie in the life of ukrainian emigration in the interwar CHSR (1921–1939)’, *Bull. Mariupol State Univ. Ser. Philos. Cult. Stud. Sociol.*, 2019, doi: 10.34079/2226-2849-2019-9-18-37-43.

CHAPTER 7

ETHICS, CORPORATE RESPONSIBILITY AND SUSTAINABILITY

Dr. Ranganathan Kumar, Associate Professor,
Masters In Business Administration (General Management), Presidency University, Bangalore, India,
Email Id-drsenthilkumar@presidencyuniversity.in

ABSTRACT:

Modern business practises that stress the significance of social and environmental factors alongside economic success emphasize the relevance of ethics, corporate responsibility, and sustainability. This essay offers an overview of these three interconnected ideas, examining their meanings, guiding principles, and importance in the business world. It looks at how ethics directs moral decision-making, corporate responsibility pushes businesses to face up to their social implications, and sustainability fosters long-term environmental stewardship and social well-being. The expanding understanding of the connections between ethics, corporate responsibility, and sustainability is also discussed in the article, along with the possible advantages and difficulties of implementing them. This study illustrates the benefits of adopting moral, responsible, and sustainable practises by examining case studies and empirical data. In general, organisations that want to have a beneficial influence on society while guaranteeing long-term prosperity must be built on the pillars of ethics, corporate responsibility, and sustainability.

KEYWORDS:

Business, Ethical, Moral, Organizations,People, Rights,Values.

INTRODUCTION

Ethics primarily refers to our behaviour, way of life, and how we treat others. Ethics also refers to our moral beliefs and ideals that guide our behaviour in terms of what is right and wrong as well as our decisions and decision-making processes.1 Normative ethics is the area of ethics that asks, how should and ought we live and act?How should we apply our principles to the way we do business? Business ethics is applied ethics that focuses on real-world circumstances and the context and environment in which transactions occur. In businesses, academic institutions, and schools both domestically and abroad, ethics and business ethics continue to grow in importance. Due to crises in many different domains, corporate ethics are no longer seen as a luxury but rather as a need[1]–[3]. For instance, the global subprime loan crisis of 2008, the impacts of which are still felt economically, exposed widespread misconduct within major investment banks and lending organisations. Mortgages were sold falsely and without any real financial basis.

Many mortgage holders lost their houses as a result of the bankruptcy of certain significant financial firms, including Lehman Brothers Holdings, Inc. Over $22 trillion USD is the projected cost of the catastrophe to the world economy.2 CEOs and other senior executives from well-known companies like Enron, Tyco, WorldCom, and others were exposed in the early 2000s for engaging in blatantly avaricious and dishonest white-collar larceny against their companies and shareholders. The now-classic movie The Smartest Guys in the Room shows how Enron's management at the time, including Andrew Fastow who was released from jail in 2011, Jeff Skilling, and Kenneth Lay, fooled shareholders, Wall Street, and workers. The Enron catastrophe drained the American economy of an estimated $67 billion in shareholder money. These illegal acts paved the way for national legislation like the Sarbanes-Oxley Act, which we'll cover later. While these current historical problems serve to highlight the continued relevance and significance of corporate ethics, ethical challenges extend beyond wrongdoings that are financially or economically driven. Let's fast-forward to the emergence of artificial intelligence (AI), which is highlighting the need and significance of ethics in scientific organisations, corporations, and governments. These technologies, which are mostly controlled by algorithms (a sequence of instructions telling a computer what to do), need to be fully disclosed to the public in order to fully convey both the potential and actual negative effects as well as all the obvious positive effects[4].

Such designs contained in artificial intelligence technology may be misused in damaging and undesirable ways that have an impact on both individual lives and whole society. For instance, studies reveal that organisations often discriminate against a variety of minorities in society when determining who qualifies for mortgages and who is likely to go to prison using flawed algorithms. Such technological innovations often discriminate against low-income minorities and people of colour[5].On a social level, The Minority Report, another now-classic movie, serves as an example of how technological abuse may jeopardise people's rights to privacy, free will, and choice. Even though this may sound like science fiction, leaders in science and business, including Elon Musk, Stephen Hawking, Bill Gates, and others, have openly stated that society must be cautious, ethically aware, and engaged if we are to prevent the negative effects of the dominance and control of certain AI algorithms in our lives. One method that ethicists, business executives, and consumers might assist the moral self-regulation of technology is via scientific and ethical corporate social responsibility (CSR) practises.

To prevent AI technology from being misused negatively in society, certain scientific and technical companies have established ethics committees[6].The European Union (EU) has created policy studies that serve as models for future legislation protecting against potentially hazardous robotics applications.The environment and climate change are two current ethical issues. According to a wide group of respected experts, the atmosphere of Earth, as well as our neighborhoods, is in danger due to a lack of sustainable environmental practises that reduce air pollution and damaging uses of land, water, and natural resources.The earth's atmosphere is changing at an accelerated pace, as are glaciers melting and sea levels increasing, according to scientific research and UN assessments. As an example, California's coastline could rise up to 10 feet by 2100, about 30 to 40 times faster than sea-level rise experienced over the last century. Although local community, corporate, and academic organisations are pushing for legal action to stop and punish environmental polluters, current governmental executive orders oppose rules that are meant to stop future environmental deterioration.The key takeaway is that since the public's health, welfare, and safety are at stake, these challenges are moral and ethical in addition to technical, economic, and political in character. To avert a catastrophe, the following pertinent ethical issues might be raised. Who is accountable for stopping and dealing with what affects people, the general public, our institutions, and the government, as well as for stopping crises and negative impacts from happening and happening again?

Whose and at what expense? Whose job is it to safeguard and uphold the common welfare of societies? What moral and ethical values may inspire people to act to alter their course? What ethical values should? Colleges and universities are paying attention.

Courses and offers on business ethics and corporate social responsibility are becoming more and more significant. AACSB (Association to Advance Collegiate Schools of Business), the organisation that accredits business schools nationwide, stated that business schools must be advocates for the human dimension of business, with attention to ethics, diversity, and personal well-being, in their curricula, research, and outreach [7], [8]. Additionally, NGOs (nongovernmental organisations), emerging international organisations that represent the interests of the general public and the common good, and political action movements are starting up again to speak out against injustices and potentially dangerous ethical as well as fiscal, health, and discriminatory racism and stereotyping large segments of society problems that demand stakeholder as well as shareholder actions.

DISCUSSION

Dimensions of Ethics

When there is community agreement over a wrongdoing, such as laws against drunk driving, robbery, and murder, ethical principles are often formalized into laws and regulations. The local context in which people operate and carry on business is shaped by these laws and sometimes unwritten cultural norms and beliefs. Individuals' values and views are impacted by their family, neighborhood, friends, culture both locally and nationally, society, religion or other forms of communities, and physical surroundings. A person's own beliefs and ethical standards should be taken into consideration since they have an impact on their choices and actions, including whether or not they decide to take action in response to another person's misconduct. Peers, subordinates, and supervisors in an organisation, as well as the organisational culture, may have an impact on a person's ethical behaviour. Individual decisions are often greatly influenced by organisational culture, which may either support and encourage moral behaviour or encourage unethical and irresponsible behaviour.

Ethics and Values

Ethical values are currently regarded as among the most significant of the values that make up an organization's culture and a person's motivations. One odd business objective was stated in Google's prospectus when the firm went public in 2004: Don't be evil. Being a multibillion-dollar firm with operations all over the globe and investors expecting you to turn a profit might make it difficult. Regarding how successfully it is achieving its declared objective, Google's actions both domestically and internationally have sparked controversy and discussion. Integrating ethical ideals into organisations is a constant requirement. According to the Ethics & Compliance Initiative, 22% of employees worldwide said they were under pressure to lower their standards.

Top corporate executives are subject to more public scrutiny than ever before, and even small businesses are realizing that they must place a greater focus on ethics in order to rebuild trust with their clients and the community. Values may be potent and inspiring compass points for organisational, group, and individual behaviour. However, on a personal level, a persistent problem people appear to have with behaving morally is that many people are not cognizant of or actively select their ideals. We often behave without thinking or rationalizing beforehand. In a similar vein, we also don't always choose our actions and tactics to achieve our aims and objectives. Because of this, we often base our choices and deeds on whether the ends or the means justify the ends.

A lack of knowledge about how to sort out and consider potential outcomes of our actions or inaction frequently leads to ethical dilemmas, which are situations and situations in which there is not an optimal or desired choice between two options, neither of which solves an issue or provides an opportunity that is ethical. The first step towards being able to behave morally and responsibly in order to avoid harming ourselves or others is being aware of and cognizant of our beliefs. Understanding values that have been categorized as terminal and instrumental is useful in achieving this goal. Terminal values are the desirable end states, aims, or ambitions that people seek to achieve. In order to achieve such aims,instrumental values are the chosen methods of behaviour. At a higher level, some examples of terminal values are freedom, security, pleasure, social acceptance, friendship, success, comfort, adventure, equality, wisdom, and happiness.

Being helpful, honest, brave, independent, courteous, responsible, competent, ambitious, loving, self-contained, and forgiving are a few examples of instrumental values.14 When making decisions, individuals, groups, and work units can benefit from being able to distinguish between the ends from the means methods to reach the goals and vice versa. Doing so will enable us to make more ethical decisions, or at the very least less unethical ones. By the conclusion of the calendar quarter, for instance, a sales manager wants to inspire his team to reach individual sales performance levels that are 17% higher than current levels. The manager suggests using the following strategy: Go for it. Put your creativity and will to use. Just make sure everyone accomplishes or surpasses that objective. The ultimate aim in this situation is great accomplishment to the point of being excessively ambitious in order to meet a challenging financial objective[9], [10].

Aggressive accomplishment may also be used to denote the instrumental value. For certain members of the sales force, the terminal and instrumental values in this situation may very well lead to excessive pressure or even worry. This case illustrates the ethical principle that end justifies means. The situation also begs the issue of whether or not members of the sales force would decide to follow the manager's instructions if each one of them thought about and recognized the values that underlie them. The methods value would probably cause stress and unethical behaviour as well if the ultimate value produces excessive pressure, is unrealistic, and is not achievable. This scenario somewhat resembles current events at Wells Fargo & firm, a San Francisco-based American holding firm for worldwide banking and financial services.

In that organisation, top-down policies were developed and put into place that imposed excessive pressure and unattainable sales objectives. As a consequence, members of that sales force lied, put pressure on, and deceived devoted clients into purchasing fictitious financial goods in order to fulfil irrational sales objectives. When these acts were found, they exposed officials at the top of the organisation as well as the sales professionals' unlawful and unethical behaviour. In the end, the CEO was forced to leave, 5,300 workers were sacked, and several legal actions followed.15 The Wells Fargo debacle offers several lessons to be learned. From an ethical standpoint, one tip is to be aware of the guiding principles of organisational directives as well as other job- and task-related instructions given. Another is to come to terms with your own morals and ethics so that you may use them to direct you in your career, studies, and personal affairs and prevent difficulties from becoming your own.

Ethical Principles and Effective Decision Making

We explore classical ethical concepts that are still extremely relevant today and on which choices may and are made by people, organisations, and other stakeholders who select principled, responsible ways of behaving towards others before moving on to organisational and systemic levels of ethics. In contrast to values, which are thought to be more ephemeral, subjective, and ever-changing, ethical principles are norms that are regarded to be more permanent, universal, and unchangeable. Values are informed and influenced by principles. Some of the concepts discussed here have their roots in the writings of ancient religious movements as well as Plato and Socrates. These ideas may be combined, and they often are; different ideas are also used in various circumstances. We will discuss utilitarianism, universalism, rightslegal, justice, virtue, common good, and ethical relativism approaches as our guiding principles.

Consider which of these principles best describes and informs your own values, beliefs, behaviours, and actions as you read through them. If the answer is unclear, try asking what principles you now use the most and those you want to employ more of, along with why. You may analyse possibilities and choices before making a choice or resolving an ethical challenge by actively using one or more of these principles and ethical techniques.

Learning about these principles may thus assist you in making moral decisions and in observing the values of any team, workgroup, or organisation that you are a member of or will soon join. When considering morally challenging choices, creativity is crucial because there may occasionally appear to be two right actions to take or even no actions that seem morally appropriate. In these cases, it may be necessary to refrain from acting at that time unless doing nothing leads to worse outcomes.

Utilitarianism

The Ends Justifies the Means School of Consequences The primary tenet of the utilitarianism principle is that a deed is ethically justified if it results in the greatest benefit for the greatest number of individuals. When compared to the net advantages of all alternative options, an action is ethically justified if the net benefits outweigh the costs for all parties involved. This is wide in nature and seems to be fairlychapter, much like all of these ideas and methods. Each one has logic at the same time. This and the other principles start to make sense when we offer the particular and facts of a case, however judgement is still necessary. There are certain restrictions on this idea that imply it disregards people and there is disagreement about what is meant by good for all concerned. Additionally, it is difficult to quantify costs and benefits. Given the restrictions that come with it, this is one of the concepts that businesses, organisations, countries, and people employ the most. A zero-sum decision is about to be made when there are limited resources, competing goals, and no obvious solution that will satisfy everyone's requirements.

Universalism: An Approach Based on Duties

A universalist concept takes into account all parties' welfare and dangers while evaluating potential outcomes and policy actions. Additionally, the requirements of those engaged in a decision are determined, together with the options available to them and the details they need to ensure their welfare. This idea calls for respecting people as individuals with wants and values of their own. It is a technique to include a compassionate consideration of and for persons and groups while choosing a course of action, not just a method for arriving at a choice. What is a human life worth? some people have questioned. Universalism is the outward expression of leadership character and is made manifest by respect for others, fairness, cooperation, compassion, spiritual respect, and humility, noted Cooper, Santora, and Sarros. The World's Most Ethical Companies corporate leaders work to establish a tone at the top to demonstrate and reflect universal values in their business practises.

Sheryl Sandberg, chief operating officer of Facebook, Howard Schultz, Jim Sinegal, the co-founder of Costco, and Ursula M. Burns, a former chairwoman and CEO of Xerox, have all shown how to create successful ethical tones at the top of organisations. Limitations highlight the fact that using this theory may not always be practicable or useful. Additionally, applying this concept may need the sacrifice of human life, i.e., surrendering one's life in order to assist or rescue others, which may appear in conflict with the idea. The movie Based on actual events, The Post describes how the daughter of the Washington Post's founder assumed the position of CEO and was forced to choose between publishing top-level generals and officials' classified government documents or remaining silent to protect the newspaper. The material in the secret papers demonstrated that generals and other senior government officials had misled the public about the real state of the United States' involvement in the Vietnam War. These records showed that as hundreds of American soldiers continued to perish in battle, there were concerns about whether the war could be won.

The predicament facing the then-CEO of the Washington Post was whether to speak out in defence of free speech, which was the newspaper's purpose, or to keep quiet and hide the secret information. She made the decision to make the secret papers public with the encouragement and persuasion of her editorial team. Her and her team's judgement was supported by the Supreme Court. Widespread public demonstrations from American teens and others were sparked as a consequence. Secretary of State McNamara subsequently apologized, and the conflict finally came to a conclusion with the withdrawal of American forces. President Johnson was under pressure to resign. Universalist ethical ideals may sometimes be difficult to apply in complicated settings, but they can also save lives, safeguard a country's integrity, and prevent pointless devastation.

A Moral and Legal Entitlement-Based View of Rights.

This idea is based on both moral and legal rights. Legal rights are privileges that are only recognized by a certain legal framework and jurisdiction. Legal rights for people in the United States, such as the right to life, liberty, and the pursuit of happiness and the right to freedom of expression, are based on the Constitution and Declaration of Independence. On the other hand, moral (and human) rights are universal and founded on standards in every community, such as the right to labour and the right not to be subjected to slavery. Visit one of the yearly Best Companies to Work For lists at http://fortune.com/best-companies/ to get a feel of employee rights in the workplace. It is possible to evaluate profiles of leaders and organizations' policies, practises, benefits, diversity, pay, and other data pertaining to employee welfare and benefits. Additionally, the list of the World's Most Ethical Companies offers examples of workplace and employee moral and legal rights. When people, communities, and countries are engaged in choices that may violate or impair rights like life, liberty, the pursuit of happiness, and free expression, this concept, like universalism, may always be applied. This theory has certain drawbacks, including the following:

1. It may be used to mask and manipulate egotistical and unjust political goals.
2. It can be challenging to decide who deserves what when both sides are right.
3. People may overestimate their own claims at the cost of others. To preserve everyone's fundamental rights, the U.S. Constitution's Bill of Rights, which was established in 1791, was intended to serve as and continues to serve as its cornerstone. It is built on freedom and justice.

Justice: Processes, Punishment, and Compensation This principle is based on the tenets that all people should be treated equally, justice is served when all people have equal access to society's opportunities and burdens through their positions and offices, fair decision-making practises, procedures, and agreements between parties should be practiced, and punishment is meted out to someone who has harmed another person and compensation is given. When examining a moral quandary, it is easy to summaries this concept by asking if a suggested course of action or choice is fair. Is it correct? Who is injured? Who is responsible for the costs? (5) Do I/does the group want to take responsibility for the outcomes? It is intriguing to consider how many company problems and tragedies would have been avoided if the leaders and individuals concerned had given these issues some serious thought before making choices. For instance, updating the machinery and equipment that failed in the BP and Exxon Valdez oil crises and following regulations that forbade investment banks and lending institutions from peddling subprime mortgages that could not and would not be repaidactions that almost brought about the collapse of the world economymight have prevented the disaster. The issue of who determines who is right and wrong and who has been hurt in complicated scenarios is a limitation when using this approach. Particularly when there are no accessible facts and no objective external jurisdiction of the state or federal government, this is the situation. Additionally, there are occasions when we must decide Who has the moral authority to punish or compensate whom? Still, justice continues to stand as an essential and priceless component of democracies and freedom, just like the other ideals described here.

CONCLUSION

Corporate responsibility and sustainability are essential elements of contemporary business practises that have a significant impact on how an organisation behaves and performs. Ethical concerns operate as a moral compass for decision-making, directing organisations to behave honorably and with regard for the rights and interests of stakeholders. Maintaining high ethical standards helps businesses build connections with clients, staff, suppliers, and the general public by fostering trust, accountability, and openness. By highlighting the larger duties that businesses have towards society and the environment, corporate responsibility builds on ethics. Taking responsibility for their effects and aggressively addressing social, environmental, and economic concerns are encouraged by this. Organisations may improve their reputation, reduce risks, and support sustainable development by engaging in ethical practises including charity, community involvement, fair labour standards, and environmental conservation.

REFERENCES

[1] E. Abad-Segura, F. J. Cortés-García, and L. J. Belmonte-Ureña, 'The sustainable approach to corporate social responsibility: A global analysis and future trends', *Sustain.*, 2019, doi: 10.3390/su11195382.

[2] A. T. Ningsih and C. Cheisviyanny, 'Analisis Pengungkapan Corporate Social Responsibility PT. Bukit Asam, Tbk Berdasarkan Global Reporting Initiatives (GRI) Dan Kaitannya Dengan PROPER', *J. Eksplor. Akunt.*, 2019, doi: 10.24036/jea.v1i3.114.

[3] N. Addini, C. Cheisviyanny, and M. A. Setiawan, 'Analisis Pengungkapan Corporate Social Responsibility PT. Aneka Tambang Tbk Berdasarkan Global Reporting Initiatives (GRI) Dan Kaitannya Terhadap PROPER', *J. Eksplor. Akunt.*, 2019, doi: 10.24036/jea.v1i3.118.

[4] T. Bani-Khalid, 'Examining the quantity and quality of online sustainability disclosure within the Jordanian industrial sector: A test of GRI guidelines', *Probl. Perspect. Manag.*, 2019, doi: 10.21511/ppm.17(4).2019.12.

[5] J. Storopoli, H. Ramos, G. Quirino, and C. Ruffn, 'Themes and methods in sustainability research', *Revista de Gestao Ambiental e Sustentabilidade*. 2019. doi: 10.5585/GEAS.V8I3.15731.

[6] A. A. Shah, D. Wu, and V. Korotkov, 'Are sustainable banks efficient and productive? A data envelopment analysis and the Malmquist productivity index analysis', *Sustain.*, 2019, doi: 10.3390/su11082398.

[7] A. Suryani, A. Paramita Sari, and . A., 'Disclosure of Social Responsibility, Profitability to Improve the Company Value', *KnE Soc. Sci.*, 2019, doi: 10.18502/kss.v3i26.5427.

[8] K. Karatekin, 'Model review related to the effects of teachers' levels of ecological citizenship', *Int. Electron. J. Environ. Educ.*, 2019.

[9] J. M. Nkwabi *et al.*, 'INSTITUTIONS AS THE DRIVER OF ECONOMIC GROWTH IN CLASSIC , NEOCLASIC AND ENDOGENOUS THEORY Slobodan Cvetanovi ć Uroš Mitrovi ć Marko Juraki ć', *Bus. Strateg. Environ.*, 2019.

[10] A. N. Fathonah, H. J. T. Subing, and D. Y. Mulyati, 'Corporate Governance and profitability: The case of Corporate Governance Index Firms in Indonesia', *Int. J. Innov. Creat. Chang.*, 2019.

CHAPTER 8

A BRIEF OVERVIEW ABOUTINTERNATIONAL MANAGEMENT

Dr. Muralidhar Sunil, Assistant Professor,
Masters In Business Administration (General Management), Presidency University, Bangalore, India,
Email Id-sunilrashinkar@presidencyuniversity.in

ABSTRACT:
In the context of a global corporate environment, international management addresses the possibilities and problems that confront organisations. The main ideas, theories, and practises of international management are covered in this overview. It looks at the dynamics and complexity of managing across borders, including cultural differences, governmental and legal issues, and economic concerns. The significance of building successful cross-cultural communication, global leadership skills development, and the use of sensible international operations methods is also covered in the study. This study emphasises the importance of organisations adapting to and thriving in a globalized society by using case studies and empirical data to illustrate the advantages and difficulties of international management.

KEYWORDS:

Cultural,Culture, Education,International, Managers, Nations, Social.

INTRODUCTION

Due to globalisation, the phenomena whereby nations are becoming more linked and where trade barriers are dissolving, international management is a crucial field for every serious management student. There is no longer a restriction on what sorts of businesses may produce and where they can sell their products. In order to remain competitive, businesses are really urged to investigate international markets, so they are more likely to do business anyplace in the globe. The business world is becoming increasingly internationally linked due to a number of important causes, and businesses that wish to flourish in this environment must be aware of these elements[1].The first important component is the reduction of trade barriers via trade agreements, which are agreements between governments to do away with cross-border trade restrictions and advance global integration. It is vital to remember that governments have historically employed tariffs to safeguard domestic industries and businesses in order to comprehend the significance of trade agreements.

Tariffs are tariffs that are tacked on to the cost of imported goods from abroad. Imposing tariffs on imported products provides local enterprises with a pricing advantage and shields them from international competition since these levies are often passed down to the customer in the form of higher costs.2Reducing or removing tariffs has always been the main objective of trade agreements. International Management, more obstacles to facilitate international commerce. The regulations members of the World Trade Organisation (WTO) adhere to are one of the most important international trade accords.The WTO is the only organisation that properly deals with international trade regulations. It was founded on January 1, 1995, and as of July 2016, 164 nations were members[2]. The WTO performs various tasks, but the four most crucial ones are to provide countries a way to negotiate trade agreements, monitor those agreements, give ways to resolve trade disputes, and give developing nations instruction on how to put agreements into practice.

Factor 2 of Globalisation. Foreign Direct Investment Foreign direct investment (FDI) refers to a nation or company's intentional attempts to invest in another country by taking ownership positions in businesses there. Global FDI inflow were $1.52 trillion USD in 2017. As you can see, several of the industrialized economies of the globe, like the United States, Germany, Canada, and France, are among the top receivers of FDI. It's also vital to keep in mind that this list includes a significant number of rising economies, like China, Brazil, Mexico, and India.For the last ten years, emerging marketsthose markets in developing nations that offer enormous potential for multinationalshave been crucial to the global business climate. Brazil, India, China, and South Africa, among other nations, have all had rapid economic expansion and are now setting corporate trends[3].

Factor 3 of Globalisation. Internet Today, any business may sell its goods to everyone in the globe because to the Internet's widespread use. In reality, with to advancements in information technology and falling prices for technical equipment, any multinational may now communicate with everyone on the planet. Additionally, social media platforms like Twitter and Facebook provide international corporations a way to establish connections with clients all over the globe[4]. Data also reveals that the Internet is now widely available in nations that formerly had limited access.Although penetration rates in certain areas, such as Europe and North America, are high, regions in Asia (46.7%) and Africa (31.2%) show considerable potential. Any international company must recognize the significance of the rise of the Internet given its startling growth rates in places like Africa (more than 8000% increase from 2000 to 2017), Latin America (2137%), and the Middle East (4374%). What effects may this element have on global management? As previously said, businesses situated anywhere in the globe will have access to new markets and channels for expanding their consumer base. Think about Russian businessman Dmitrii Dvornikov, who offered table clocks and jewellery created with local semiprecious stones.

Dvornikov was unable to go beyond of its local markets until 2013. But he made the choice to advertise his goods on eBay. His company's revenues have increased by 30% as a result of this. The use of software by eBay's Russian operators contributed to this accomplishment. Smaller businesses may now sell anywhere in the globe thanks to this software[5]. These elements have significantly increased e-commerce, or the purchasing and selling of goods through the Internet. E-commerce need not always be conducted between businesses and particular consumers. In reality, there are numerous other types of e-commerce, including business-to-consumer (like eBay), business-to-business (B2B, where businesses sell to one another), consumer-to-business (C2B), where consumers can sell to businesses, and consumer-to-consumer (C2C), where consumers can sell to other consumers. The worldwide business community is becoming increasingly integrated thanks to all of these kinds of e-commerce. Multinational corporations must recognize the significance of the Internet. Businesses may expand their customer base and enhance their business strategies. The Internet also gives businesses the chance to establish connections with customers all around the globe[6], [7].

Hofstede's Cultural Framework

Workers will probably deal with firms from other nations at some time in their careers, and even workers of local organisations will probably come into contact with people from other countries as the corporate world becomes more international. Additionally, statistics indicate that immigration, or the transfer of individuals from their nation of origin to another, will increase globally, which will result in a more varied workforce for businesses. A lot of multinational corporations also depend on expatriates to manage their local operations. An expatriate is a foreign worker who relocates to another nation and works there for a protracted length of time. Because of all of these tendencies, there is a great likelihood that you will work with someone who comes from a different culture and that there will be cross-cultural conflicts. To better prepare for handling such difficulties, it is crucial for every student studying international management to have a solid understanding of culture. Geert Hofstede, a social psychologist from the Netherlands, defined culture as the collective programming of the mind which distinguishes the member of one group or category of people from another. It teaches individuals about who they are and what behaviours are suitable and inappropriate in various social contexts. It influences practically everything we think, feel, see, and do. In reality, you are already familiar with one part of American culture if you have heard of the American dream, which holds that anybody can attain their goals if they put in the necessary effort.

Any area of your life that you can think of is probably impacted by your culture. Your culture has an impact on everything you do, including what you eat, how you dress, and even how you speak to your employer or instructor. Societies create cultural norms, values, and beliefs to help individuals of their society adapt to their surroundings. Why is it essential for a manager working in a diverse setting to understand culture? Anyone from any nation will probably work with someone from another country, as you have previously witnessed. If not handled effectively, such encounters may lead to misunderstandings or conflicts. Business periodicals are rife with instances of intercultural miscommunications that have ruined partnerships and operations. Another example is when American managers are brought to Beijing, China, and discover that their hosts are more interested in socializing than closing a business. Understanding Chinese culture would have avoided the later misunderstanding since American managers would have seen the significance of Chinese enterprises getting to know their partners before entering into any agreement. You will learn about Hofstede's model of national culture in this part, which is one of the most effective resources for comprehending cultural differences.

DISCUSSION

First Cultural Dimension:

Distance in Power In his initial study, Hofstede identified four key cultural aspects among the more than 88,000 workers he surveyed from 72 different nations. The degree to which individuals of a culture tolerate inequalities in power and authority is the first cultural dimension, or power gap. People are more inclined to agree that power imbalance is beneficial and acceptable in communities with large power distance. People in high power distance cultures are more inclined to acknowledge the existence of powerful individuals in authority who are deserving of special privileges. In contrast, low power distance societies tend to see all members as being equal[8], [9].

A Cultural Dimension

Individualism versus Collectivism, for instance Individualism vs. collectivism is the second cultural factor we take into account here.The degree to which a society emphasizes the connection between the individual and the collective is referred to as individualism.The level of collectivism describes how much of a society is concerned with how members of the collective interact with one another. Individuals are respected for their accomplishments and are rewarded and recognized for such achievements in communities with high levels of individualism or low levels of collectivism. People who live in communities with strong collectivism low individualismare seen as belonging to a larger group known as the in-group. The family, team, or socioeconomic class are examples of the in-group, and how people interact with these larger groups is seen to be crucial to their success. In other words, a person's success is determined by how their group members see and support them.

Third Cultural Dimension

Avoiding uncertainty the level to which members of a culture feel at ease with risk, uncertainty, and unforeseen circumstances is uncertainty avoidance, Hofstede's third cultural dimension. People tend to seek to avoid uncertainty and unpredictability in communities with high levels of uncertainty avoidance. As a consequence, workplaces in these nations make an effort to give stability and predictability via unambiguous guidelines and norms. Societies with low levels of uncertainty avoidance, in contrast, are tolerant to risk, change, and unpredictability. In these nations, individuals are less prone to get agitated by uncertain or dangerous events.

The Global Framework

The Global Leadership and OrganisationalBehaviour Effectiveness (GLOBE) initiative offers managers yet another cultural framework through which they may more clearly comprehend how to function well in a global setting. The GLOBE project, which was started in the 1990s, is a more contemporary effort to comprehend cultural elements than the Hofstede framework, which was created in the 1960s.8In the GLOBE study, 170 researchers from more than 60 nations gathered information on 17,000 managers from The GLOBE researchers discovered nine cultural aspects, much like Hofstede. The fact that five of these characteristics are identical to those identified by Hofstede, notably uncertainty avoidance, power distance, and future orientation a measure of how much society values the long term, is not unexpected, however, given that the authors based their research on Hofstede's cultural dimensions, assertiveness orientation.

Gender equality femininity, institutional collectivism, and social collectivism. Performance orientation the amount to which cultures emphasize performance and accomplishment and humane orientation the extent to which societies put priority on justice, benevolence, and caringare the only two cultural aspects that are exclusive to the GLOBE project. The GLOBE researchers organized nations into clusters of nations with comparable cultural traits, much as Hofstede did. This classification makes it easier for an international manager to manage well in clusters of countries by offering a handy approach to summaries cultural knowledge for a greater number of nations. comparable cultural modifications may be undertaken since the clusters comprise civilizations with comparable cultural features. We will only discuss the seven clusters that the GLOBE study determined to be the most important for international managers: the Anglo cluster, the Confucian Asia cluster, the Germanic Europe cluster, the Nordic Europe cluster, the Latin America cluster, the Middle East cluster, and the sub-Saharan Africa cluster[10].

Cultural Stereotyping and Social Institutions

You learned a lot about cultural differences from the aforementioned topics. Cultural academics often come into instances when cultural realities don't really fit cleanly or entirely into the categories suggested by models, notwithstanding these findings. Take into account, for instance, the fact that American managers often urge their employees to address them by their first name and tend to conceive of themselves as being quite egalitarian. Additionally, American managers will promote their staff members' opinions on things pertaining to the workplace. In contrast, managers in Japan are often seen as authoritarian, with top-down decision-making. According to the consequences of these preferences, American managers are more inclined to make choices that represent the egalitarian attitude of taking into account the opinions of their subordinates.

In contrast, Japanese managers are expected to take independent choices with minimal help from staff. As a consequence, when American and Japanese teams collaborate, there is sometimes a great deal of uncertainty. Observers have noted that while American managers are often seen as egalitarian, in fact they are not, and top-level decisions are frequently taken unilaterally, which is the source of this misperception. However, despite their reputation for being authoritarian, Japanese managers often favor consensus-based choices. According to Erin Meyer, an INSEAD professor,the aforementioned preferences often cause conflict when American and Japanese teams collaborate. Because of the authoritarian attitudes of the Japanese culture, such misunderstanding often arises because American managers think that Japanese managers have power. The episode that occurred when Suntory, a Japanese whisky producer, acquired the controlling stake in Jim Beam, an American producer of bourbon, amply demonstrates the ensuing confrontation. In order to offer a proposal to a Japanese management who would have the power to make the choice, a Jim Beam manager travelled to Japan when a crucial decision needed to be made.

The Jim Bean manager discovered that he was unable to influence the meeting's outcome since a decision had already been reached by agreement. The a cultural paradox shown in the aforementioned case illustrates how cultural awareness may provide conclusions that don't always match up with reality. Why would Japanese managers, who are often thought of as autocrats, spend the effort to reach consensus? Another example of a cultural paradox is the fact that, while having high levels of uncertainty avoidance and a poor tolerance for uncertainty, contracts with the Japanese often include substantial ambiguity. In contrast, Americans make highly clear contracts because they are far more used to ambiguity. Cultural stereotyping may occur if an international management student or manager fails to see the significance of cultural paradoxes.When one presumes that everyone inside a culture acts, thinks, and behaves in the same manner, this is known as cultural stereotyping. Broad generalisations may not always be beneficial, even while national cultures can serve as a prism through which to see a nation. In these situations, it is much wiser to exercise caution and recognize that individuals within a culture vary greatly from one another.

Social Institutions' Function in Global Management

Recent studies studying Hofstede's writings show that caution should be used when utilising culture as the sole source of knowledge about cultures.12The researchers looked at the prevailing view that all citizens of a particular nation would act in accordance with broad cultural norms and discovered that 80% of cultural value variance occurs inside nations. In other words, it may not be true to assume that individuals inside a nation are more similar to one another than those from other countries. In reality, the researchers discovered that other cultural elements related to people's employment or the wealth of the nation also have an important influence. These results imply that elements other than national culture need to be investigated. The social institutions of a nation are one of these elements. A social institution is defined as a complex of positions, roles, norms, and values lodged in particular types of social structures and organizing relatively stable patterns of human resources with respect to fundamental problems in. sustaining viable societal structures within a given environment.To put it another way, as you can see in the chart below, social institutions like education and the level of social disparity have an effect on how people behave within a community. Social institutions have a significant impact on how individuals think, act, and behave, just as national cultures do.

We restrict ourselves to the three social institutions that are most important in the workplace: social stratification, educational attainment, and religion, even though there are numerous social institutions in every given nation or culture.According to social stratification, social benefits are unequally distributed, and those patterns are perpetuated for life. Wealth and income distribution are two examples of these societal advantages. Children are trained to accept such inequity via education and parental guidance, and over time it solidifies and is accepted as a given feature of life. It is crucial for managers to comprehend a country's degree of social stratification since it affects how job items are seen in that nation. According to recent studies, societies with high levels of social stratification are likely to have a very small number of privileged people who can access jobs with benefits like the opportunity to work at enriched jobs that can promote personal development or that may not be closely supervised. Employees may not have a particularly positive attitude on their jobs in nations with significant levels of social inequality. The same study demonstrates that workers tend to have lower degrees of connection to their jobs in nations with significant levels of socioeconomic inequality. Therefore, it is crucial for managers of international corporations to comprehend how people feel about their jobs in the society where they do business.

Education

Education is a second social institution because it gives people the social skills they need to function in society. In order to socialize people into the accepted norms of their community, education is essential. The degree of education is a significant area where nations vary from one another. Most citizens of various nations, like the United States and Western European nations, have access to education. However, education may be far more aristocratic and less widely available in other countries, such as those in Western Africa, South Asia, and Latin America. What impact does education have on the workforce? According to research, education affects a variety of workplace factors, such as gender roles and employee attachment. For instance, research involving 30,270 people from 26 different nations found that people are less likely to get attached to their jobs the more easily available education is the researchers contend that the more people who have access to education, the more probable it is that they will have the resources to experience life happiness and the less important employment will be in their lives.

In contrast, people must depend on their employment in places where access to education is limited in order to reap desired benefits. Another research demonstrates that managers' perceptions of gender roles are similarly influenced by schooling. The research, which looked at a sample of more than 1,500 managers in 19 different nations, discovered that managers' perceptions of gender roles are influenced by the ease of access to education. Particularly, managers had fewer conventional attitudes about the status of women in society in nations where there was more access to education, and as a result, they were more accepting of women in the workplace. The data mentioned above highlight the significance of education as a social force. Regardless of cultural variations, societies and people with comparable degrees of educational accessibility may act more similarly. Therefore, smart global managers would be wise to take these concerns into account while running global operations.

Religion

Religion is the last social institution we'll look at since it's founded on a common set of practices and structures.Religion has always been and will always be a crucial component of the global economic world. The prevalence of faiths has increased significantly in the majority of nations. For instance, Islam is still growing in popularity across the globe. In a similar vein, the explosive rise of Protestantism in Latin America and the continued importance of Hinduism in Indian culture both point to the fact that religion has a substantial impact on both society's citizens and the companies they run.

CONCLUSION

For organisations working in today's linked and globalized economic world, international management is a crucial area of study and practice. Companies looking to extend their business overseas face obstacles as well as possibilities due to the ever-increasing degrees of globalisation.

Managing cultural variations is one of the main difficulties in global management. Building effective connections with stakeholders in international markets requires an understanding of and respect for local conventions, beliefs, and practises. In order to manage varied teams and satisfy local consumers' demands and preferences, organisations must cultivate cultural intelligence and adapt their management strategies to distinct cultural situations. International management also heavily depends on political and legal factors. The difficulties of varying political systems, laws, and trade policies in numerous nations must be negotiated by organisations.

This calls for a thorough grasp of international laws and rules as well as the capacity to forge bonds with key decision-makers and other interested parties.

REFERENCES:

[1] K. Digvijay, M. Neri, W. Fan, Z. Ricci, and C. Ronco, ‘International Survey on the Management of Acute Kidney Injury and Continuous Renal Replacement Therapies: Year 2018’, *Blood Purif.*, 2019, doi: 10.1159/000493724.

[2] R. Cassano, V. Costa, and T. Fornasari, ‘An effective national evaluation system of schools for sustainable development: A comparative European analysis’, *Sustain.*, 2019, doi: 10.3390/su11010195.

[3] S. G. Tangye *et al.*, ‘Human Inborn Errors of Immunity: 2019 Update on the Classification from the International Union of Immunological Societies Expert Committee’, *J. Clin. Immunol.*, 2020, doi: 10.1007/s10875-019-00737-x.

[4] N. Tinanoff *et al.*, ‘Early childhood caries epidemiology, aetiology, risk assessment, societal burden, management, education, and policy: Global perspective’, *International Journal of Paediatric Dentistry*. 2019. doi: 10.1111/ipd.12484.

[5] T. D. Phan, T. H. Dang, T. D. T. Nguyen, T. T. N. Ngo, and T. H. Le Hoang, ‘The effect of enterprise risk management on firm value: Evidence from Vietnam industry listed enterprises’, *Accounting*, 2020, doi: 10.5267/j.ac.2020.4.011.

[6] S. L. Murphy, J. Xu, K. D. Kochanek, E. Arias, and B. Tejada-Vera, ‘Deaths: Final Data for 2018’, *Natl. Vital Stat. Rep.*, 2021.

[7] J. Xu, S. L. Murphy, K. D. Kochanek, and E. Arias, ‘Deaths: Final data for 2019’, *Natl. Vital Stat. Reports*, 2021, doi: 10.15620/cdc:106058.

[8] M. Proietti, D. A. Lane, G. Boriani, and G. Y. H. Lip, ‘Stroke Prevention, Evaluation of Bleeding Risk, and Anticoagulant Treatment Management in Atrial Fibrillation Contemporary International Guidelines’, *Canadian Journal of Cardiology*. 2019. doi: 10.1016/j.cjca.2019.02.009.

[9] E. Abad-Segura, F. J. Cortés-García, and L. J. Belmonte-Ureña, ‘The sustainable approach to corporate social responsibility: A global analysis and future trends’, *Sustain.*, 2019, doi: 10.3390/su11195382.

[10] S. Baldofski *et al.*, ‘Efficacy and cost-effectiveness of two online interventions for children and adolescents at risk for depression (E.motion trial): Study protocol for a randomized controlled trial within the ProHEAD consortium’, *Trials*, 2019, doi: 10.1186/s13063-018-3156-8.

CHAPTER 9

A HOLISTIC OVERVIEW OF ENTREPRENEURSHIP AND ITS MANAGEMENT

Mr. Ashok Bhat, Assistant Professor,
Masters In Business Administration, Presidency University, Bangalore, India,
Email Id-ashokbhat@presidencyuniversity.in

ABSTRACT:
Entrepreneurship is a dynamic and transformational process that entails seeing and seizing chances to add value via innovation, taking calculated risks, and mobilizing resources. This essay gives a general review of entrepreneurship while examining its salient traits, motivators, and difficulties. It talks on the value of having an entrepreneurial attitude and having the right talents, how entrepreneurship contributes to economic growth, and how entrepreneurship affects society. The essay also looks at many forms of entrepreneurship, such as social entrepreneurship, technological entrepreneurship, and small company entrepreneurship. This study emphasizes the advantages and disadvantages of entrepreneurship and emphasizes its function as a catalyst for innovation, job creation, and economic development by analyzing case studies and empirical data.

KEYWORDS:

Business, Company, Dynamic, Entrepreneurship, Small.

INTRODUCTION

Early on, Fernando and Santiago Aguerre showed signs of being enterprising. They started selling strawberries and radishes from an empty lot next to their parents' house in Plata del Mar, Argentina, when they were 8 and 9 years old, respectively. They operated a surfboard repair business out of their garage when they were 11 and 12. Fer and Santi, as they are known, started Argentina's first surf store as adolescents, which sparked their most daring business endeavours yet. In 1984, the flat-footed brothers invested their $4,000 savings into creating their own brand of beach sandals after seeing how painful it was to walk on scorching sand in flip-flops[1]. With a presence in almost every surf store in the United States, Reef sandals have emerged as the trendiest beach footwear in the world, providing sandals and footwear for women, men, and children in addition to clothes for males.Christy Glass Lowe, who oversees surf gear for USBX Advisory Services LLC, observes that They [Reef] built a brand from nothing and now they're the dominant market share leader[2].

The Aguirre's sold Reef to VF Corporation for more over $100 million in 2005; they presently reside two blocks apart in La Jolla, California. We've finally found our freedom, Fernando claims after selling Reef. Santiago continues, we exchanged money for time. As president of the International Surfing Association, Fernando continues to be involved with surfing organisations. He earned the nickname Ambassador of the Wave for his efforts in persuading all 90 members of the International Olympic Committee from around the world to vote unanimously in favour of including surfing in the 2020 Olympic Games.2In addition, he has twice in the last 24 years received the Surf Industry Manufacturers Association's Waterman of the Year award.3Santi works to generate money for his preferred nonprofit, Surf Aid. Both brothers are happy to give back to the business that has given them so much. The United States is fortunate to have a large number of small company owners like the Aguirre's. Two-thirds of college students want to start their own business at some point in their lives, according to data by the Small Business Administration. These students hope to follow in the footsteps of Amazon.com founders Bill Gates or Jeff Bezos.

Entrepreneur or Owner of a Small Business

The majority of small-business owners are often referred to be entrepreneurs in this broad sense. The two groups have certain similarities, and we'll see that some of the motivations for starting a small company or becoming an entrepreneur are extremely similar. But managing a small company is not the same as being an entrepreneur. In order to start a new company or significantly alter the scope and direction of an existing one, entrepreneurs must take a risk. Entrepreneurs are often inventors who launch businesses to develop their concepts for novel goods or services[3]. They are trend-spotters with vision. Even while small-business owners may also be entrepreneurs, not all small-business owners are entrepreneurs. Managers or individuals with technical knowledge who launched a firm or acquired an existing one and made the intentional choice to remain small are considered small-business owners[2]. A small business owner is someone like the owner of your neighborhood independent bookshop, for instance. The creator of Amazon.com, Jeff Bezos, also sells books. But Bezos is a businessman: He created a brand-new modelweb-based book retailingthat not only transformed the bookselling industry, but also transformed retailing as a whole. Entrepreneurs tend to perceive things more long-term than small-business owners do, and they are less inclined to accept the status quo.

Types of Business People

There are three different types of entrepreneurs: traditional entrepreneurs, multiplexers, and intrapreneurs. Traditional Entrepreneurs Traditional business owners take calculated risks and start their own firms based on creative concepts. Traditional business owners include microbrewers who start small and want to remain small. They often launch firms only for lifestyle and personal enjoyment. A nice illustration of a microbrewer is Miho Inagi. Inagi fell in love with the city's bagels on a 1998 trip to New York with college pals. She said, I simply didn't expect something like a bagel could taste that amazing[4]. The young office assistant left her job to follow her ambition of one day starting her own bagel store in Tokyo since she was so passionate about bagels. Nothing stopped her, despite her parents' best efforts to persuade her out of it and the fact that bagels were almost unheard of in Japan. Inagi took part in an unpaid six-month apprenticeship at Ess-a-Bagel where she took orders, cleaned trays, and swept floors on subsequent travels to New York. Owner Florence Wilpon let her to bake dough on the weekends. Inagi ultimately launched little Maruichi Bagel in August 2004 with $20,000 of her own funds and a $30,000 loan from her parents. The time was fortunate since a bagel boom was about to start in Japan.

Following a sluggish start, a positive comment on a regional bagel website encouraged people to visit what are regarded as the greatest bagels in Tokyo.

Inagi makes the same amount she did when working for the firm, or around $2,300 per month after costs. She claims, I had no goals before I opened this store, but now I feel so satisfied.4 Growth-oriented business owners, on the other hand, desire to see their company develop into a significant organisation. Entrepreneurs who are focused on growth create the majority of high-tech enterprises. Jeff Bezos saw that he could compete with massive chains of conventional book sellers using Internet technologies.

The name Bezos picked for his firm, Amazon.com, underlined his intention to transform it into a high-growth business. After his business found success in the book industry, Bezos expanded his online retailing model into other product categories, including toys, home and garden supplies, tools, clothing, music, and services. Bezos is well on his way to realizing Amazon's mission to be Earth's most customer-centric company; to build a place where people can come to find and discover anything they might want to buy online. via collaboration with other shops [5], [6].

Multipreneurs

Then there are multipreneurs, business owners that launch many businesses. They like the challenge of starting a company from scratch and seeing it develop. In fact, more than half of the chief executives of Inc. 500 businesses indicate that if they sold their existing business, they would start a new one. A notable example of multipreneurs is the Sloan brothers, who built a number of unlikely businesses from their ideas. They have repaired homes, run a horse breeding and marketing company, created a tool to stop automobile batteries from dying, and other things during the previous 20+ years. Their most recent endeavours, a multimedia firm called Startup Nation, aids people in realizing their ambitions of starting their own business. The brothers are also certain about the next business they intend to launch: yours.

DISCUSSION

Intrapreneurs

Some businesspeople work for giant corporations instead of running their own businesses but nonetheless exhibit innovation, vision, and risk-taking. These workers, known as intrapreneurs, have the flexibility to create new products and nurture their ideas while receiving regular compensation from their companies. Within the bigger company, intrapreneurs have a great deal of autonomy to manage their own mini-companies. Although they assume less personal risk, they exhibit many of the same psychological qualities as traditional entrepreneurs. Large corporations, according to Gifford Pinchot, who popularized the word taperer in his book of the same name, contribute seed money to encourage internal entrepreneurial endeavours. These include Xerox, Intel, IBM, Texas Instruments a trailblazing internal firm, and Salesforce.com[7].

Why Start Your Own Business?

Entrepreneurs may be found in numerous sectors and have a variety of reasons for founding businesses, as the examples in this chapter demonstrate. The difficulty of starting a company is often stated as a motivation by CEOs of theInc.500, the magazine's annual ranking of the fastest-growing private firms. This is followed by the desire to have control over one's own future. Financial freedom and the annoyance of working for someone else is further reasons. A sense of personal pleasure with their employment and building the lifestyle they desire are two significant reasons stated in other studies. Do business owners believe starting their own company was worthwhile? Without a doubt, the answer is yes. The majority said they would repeat it.

Traits of successful business people

What traits do successful businesspeople have in common? Have you had what it takes to start your own business? A fantastic idea alone is insufficient. An entrepreneur has to be able to build and run the business that carries out his or her concept. In addition to administrative and technical proficiency, becoming an entrepreneur calls for a unique combination of drive, tenacity, enthusiasm, and an adventurous spirit. Entrepreneurs are the company; as a result, they often put in more hours, take fewer holidays, and can't leave issues unattended when they return to the workplace. They also have more traits in common, which are listed in the next section.The Business-Oriented Personality. According to research on the entrepreneurial personality, entrepreneurs share a few essential characteristics. They strive for success and are competitive.

Independent. They are self-starters and individualists who like taking the initiative over following. Self-assured. They have self-confidence, are resolute, and are aware of the difficulties in beginning and running a firm. Risk-takers. While not afraid of it, most successful company owners choose moderately hazardous projects where they have more influence over the result over extremely dangerous ones where fate plays a significant part. What distinguishes entrepreneurs from small-business owners and managers is their capacity to see trends and take appropriate action. Entrepreneurs must possess imaginative product ideas, audacious marketing plans, and ground-breaking management problem-solving techniques in order to compete with bigger businesses. Opening and running a company requires long hours. Nevertheless, several business owners launch their enterprises while continuing to hold full-time jobs elsewhere.Passionate. Miho Inagi opened a bagel store in Tokyo despite the odds against it being a success, proving that entrepreneurs enjoy what they do.

Entrepreneurs are prepared to make sacrifices because they are so dedicated to their businesses. Most business owners mix some of the aforementioned traits. The low salary, high stress, and long hours of a commercial kitchen bothered 23-year-old Sarah Levy, who enjoyed her profession as a pastry chef at restaurants. So, she started Sarah's Pastries and Candies after discovering a new one in her parents' house. Part-time employees assist her as she fills orders for pastries and candies while calming music videos are playing in the background. Conor McDonough, a Cornell University graduate, founded his own web design company, OffThePathMedia.com, after becoming frustrated with the bureaucratic nature of his previous employment. There wasn't enough room for my own expression, he claims. Ana Sanchez, a busy graphic designer, adds, Freelancing keeps me on my toes. It motivates me to work at the highest level since I am aware that my success will rely on it[8].

Technical Expertise and Managerial Aptitude

Even though a person has all the traits of an entrepreneur, they may not have the commercial acumen to manage a successful company. Entrepreneurs need technical expertise to implement their ideas as well as management skills to set up a business, create operational strategies, get funding, and manage day-to-day operations. During a meeting, Jim Crane, who turned Eagle Global Logistics from a start-up into a $250 million firm, said, I have never run a $250 million company before. So, you guys are going to have to start running this business.8 When interacting with coworkers, clients, and other business partners like bankers, accountants, and lawyers, it's crucial to have strong interpersonal and communication skills. Entrepreneurs think they can pick up these crucial abilities, as we shall cover later in the chapter. Jim Steiner invested $400 to launch his toner cartridge remanufacturing company, Quality Imaging Products. He spent $200 on supplies to repair his first printer cartridges and $200 on a consultant to educate him the business. He conducted sales calls from 8:00 a.m. to 12:00 p.m., and from 12:00 p.m. to 5:00 p.m., he delivered to consumers. After a fast meal, he went to the garage to replenish copier cartridges until midnight, when he passed out in bed and sometimes got soot on him. And for the next 18 months, this was not something he did to pass the time till he got the firm off the ground.9But most business owners quickly realise that they can't do everything by themselves. They often decide to concentrate on what they do best while hiring others to do the rest.

Small Business

Although giant companies controlled the corporate world for many years, small enterprises have recently regained prominence. Numerous individuals are searching for work at smaller businesses because of the downsizing that sometimes comes with economic downturns, and they have numerous options. Small companies are significant contributors to the American economy, accounting for over half of its production, employing roughly half of its workers in the private sector, and providing opportunities for success to people from all backgrounds[9], [10]. The Ewing Marion Kauffman Foundation is one of the greatest places to keep tabs on entrepreneurial activities in the United States. The Kauffman Foundation, one of the biggest private foundations in the US with a $2 billion asset base, focuses on initiatives that promote entrepreneurship and education via grants and research. In 2013, they dispersed awards totaling more than $17 million. Through two research programmes, The Kauffman Foundation promotes innovative company development in the United States. The yearly Kauffman Index of Entrepreneurship series evaluates and analyses national, state, and metro-level indices of American entrepreneurship. A public-private cooperation between the foundation, the U.S. Census Bureau, and the Minority Business Development Agency, the Annual Survey of Entrepreneurs (ASE), is funded in part by the foundation. Data on specific economic and demographic characteristics of employer enterprises and their owners by gender, ethnicity, race, and veteran status are provided annually by the ASE.12A set of yearly papers known as the Kauffman Index of Entrepreneurship examines how individuals and companies contribute to the larger American economy. The Kauffman reports are distinctive in that they focus on entrepreneurial outputsthe actual outcomes of entrepreneurial activity, such as new businesses, business density, and growth ratesrather than just inputs, as most previous small-business reporting has done. The reports also provide thorough, interactive data visualizations that let readers explore a variety of data on a national, state, and 40 major metropolitan area level.

Three comprehensive studiesStart-up Activity, Main Street Entrepreneurship, and Growth Entrepreneurshipmake up the Kauffman Index series.An early predictor of new entrepreneurship in the US is the Kauffman Index of Startup Activity. Utilising three factorsthe rate of new entrepreneurs, the opportunity share of new entrepreneurs, and start-up densityit focuses on the formation of new businesses and the individuals who engage in business start-up activity. The Kauffman Index of Main Street Entrepreneurship, which tracked small-business activity from 1997 to 2016, focuses on American companies older than five years and with less than 50 workers. It was formed in 2015 and considers three aspects of local, small-enterprise activity: the percentage of firm owners in the economy, the survival rate of companies over five years, and the density of existing small businesses. The Kauffman development Entrepreneurship Index is a composite indicator of the development of entrepreneurial businesses in the United States. It includes growth entrepreneurship across all sectors and assesses job creation and revenue growth. It was established in 2016 and consists of three business growth component measuresthe percentage of scale-ups, the rate of start-up growth, and the density of high-growth companies.

The Current Population Survey (CPS), which has sample sizes of more than 900,000 observations, and the Business Dynamics Statistics (BDS), which covers almost 5 million enterprises, serve as the data sources for the Kauffman Index computations. Also included in the Growth Entrepreneurship Index are statistics from Inc. 500/5000. Almost every sector of the economy in the United States, including services, retail, construction, wholesale, manufacturing, finance and insurance, agricultural and mining, transportation, and warehousing, is home to small companies.Launch Your Own Company. What should you do initially when beginning your own business? You've made the decision to launch your own company. What is the most effective course of action? begin with nothing? Purchase an existing company? or invest in a franchise? About 75% of new businesses are completely new organisations, with the remaining 25% being franchises or bought businesses. The other two alternatives will be covered in this part as franchising may have already been covered in another portion of your course. Getting Going The first step in beginning your own company is a self-evaluation to see whether you possess the qualities necessary for success and, if so, which kind of business is ideal for you. Discovering the Idea Entrepreneurs get inspiration for their companies from a variety of sources.

It is not unexpected that 80% of Inc. 500 executives developed the concept for their business while employed in the same or a closely related sector. Your chances of success are increased if you start a business in a sector where you have expertise. Other sources of inspiration include one's own consumer experiences, likes and pastimes, ideas from clients, loved ones, and friends, industry conferences, as well as formal education such as college courses.Choosing an Organisational Structure Choosing whether to form a new company as a sole proprietorship, partnership, corporation, or limited liability company is a crucial choice. Each style of corporate organisation has benefits and drawbacks, as was previously described. The decision is based on the business's industry, size, number of workers, capital needs, tax implications, and amount of risk. Making a business plan You must establish a business strategy after you have the fundamental idea for a product or service. One of the most crucial aspects in beginning a company is this planning process, which results in a solid business plan. It may aid in attracting suitable loan funding, reduce associated risks, and play a significant role in determining whether a corporation succeeds or fails. Many individuals are too paralyzed by uncertainty and worries to go out on their own.

A thorough business plan enables you to examine your company and perform a number of what if scenarios without incurring any costs or taking any risks. Additionally, you may create solutions to issues well in advance of opening your firm. It pays off to invest the effort in creating a strong company strategy. A business plan may not appear as fantastic as it does when the concept is first developed. Entrepreneurs are forced by a thorough, well-written business plan to examine their idea critically and objectively, make decisions about staffing, marketing, sales, operations, production, budgeting, and financing, and set goals that will aid in managing and tracking the venture's development.

CONCLUSION

Entrepreneurship is a key factor that stimulates economic development, fosters opportunity creation, and promotes innovation. Entrepreneurs are people who have a special mix of vision, passion, creativity, and a predisposition for taking risks. They find market gaps, create creative solutions, and gather resources to turn concepts into successful enterprises. By creating new employment, encouraging competition, and boosting productivity, entrepreneurship is essential to economic growth. In particular, startups and small firms make a considerable contribution to innovation and employment creation in economies all over the globe.

They introduce innovative ideas, challenge established sectors, and support the corporate landscape's resilience and diversity. Entrepreneurship is not only for established businesses. Social entrepreneurship seeks to improve society by addressing social and environmental issues. Innovative solutions are sought by social entrepreneurs that combine commercial savvy with a social goal.

REFERENCES:

[1] E. R. Becker, T. Chahine, and R. Shegog, ‘Public health entrepreneurship: A novel path for training future public health professionals’, *Front. Public Heal.*, 2019, doi: 10.3389/fpubh.2019.00089.

[2] G. Sharma, ‘Innovation and entrepreneurship research in India from 2000 to 2018: a bibliometric survey’, *J. Manag. Dev.*, 2019, doi: 10.1108/JMD-11-2018-0316.

[3] I. Bozhikin, J. Macke, and L. F. da Costa, ‘The role of government and key non-state actors in social entrepreneurship: A systematic literature review’, *Journal of Cleaner Production*. 2019. doi: 10.1016/j.jclepro.2019.04.076.

[4] M. Irwansyah and H. Subiyantoro, ‘Pengaruh Kreativitas, Lingkungan Keluarga dan Jiwa Entrepreneur Terhadap Niat Berwirausaha Mahasiswa Stkip Pgri Tulungagung’, *JPEK (Jurnal Pendidik. Ekon. dan Kewirausahaan)*, 2018, doi: 10.29408/jpek.v2i1.798.

[5] H. Polat, 'Analyzing Entrepreneurship Skill Levels of the 3rd Grade Primary School Students in Life Sciences Course Based on Different Variables', *Int. Educ. Stud.*, 2018, doi: 10.5539/ies.v11n4p63.

[6] I. Puspitasari, 'Pengaruh Pengetahuan Kewirausahaan, Adversity Intelligence, Dan Kreativitas Terhadap Intensi Berwirausaha Siswa Smk N 1 …', *Ekon. dan Bisnis*, 2019.

[7] E. Restianingsih and M. K. Mawardi, 'The Effect Of Entrepreneurship Education On Entrepreneural Intention (Study on Students of Class XII SMKN 5 Madiun, Academic Year 2017/2018)', *J. Adm. Bisnis*, 2019.

[8] R. Song, H. Xu, and L. Cai, 'Academic collaboration in entrepreneurship research from 2009 to 2018: A multilevel collaboration network analysis', *Sustain.*, 2019, doi: 10.3390/su11195172.

[9] N. Bosma and D. Kelley, 'Global Entrepreneurship Monitor 2018/2019 Global Report', *Glob. Entrep. Res. Assoc.*, 2019.

[10] R. Romanello and M. Chiarvesio, 'Early internationalizing firms: 2004–2018', *J. Int. Entrep.*, 2019, doi: 10.1007/s10843-018-0241-8.

CHAPTER 10

STRATEGIC ANALYSIS: UNDERSTANDING A FIRM'S COMPETITIVE ENVIRONMENT

Ms. AnandasrinivasanDeviprabha, Assistant Professor,
Masters In Business Administration, Presidency University, Bangalore, India,
Email Id-deviprabha@presidencyuniversity.in

ABSTRACT:

An essential step in understanding an organization's competitive environment and determining its future course is strategic analysis. This essay offers a general introduction of strategic analysis with a particular emphasis on comprehending a firm's competitive landscape. It examines important theories and methods of strategic analysis, including SWOT, Porter's Five Forces, and PESTEL analysis. The significance of examining market structure, competitive pressures, and external variables that affect a firm's performance and competitiveness is discussed in the article. This study emphasises the usefulness of strategic analysis in recognizing opportunities, reducing risks, and creating successful strategies for success in a dynamic and competitive company environment by looking at case studies and actual data.

KEYWORDS:

Businesses, Company, Environment, Market, Opportunities, Pestel.

INTRODUCTION

The method that businesses employ to investigate and comprehend the many levels and facets of their competitive environment is known as strategic analysis. Why do businesses invest time and resources into attempting to comprehend their environment? Businesses don't function in a vacuum. They are touched by forces and variables both from inside their organisations and by the outside world. For a firm to be successful, it is essential to comprehend these dynamics and variables[1]. For instance, many businesses have changed their store signage and product labels to include Spanish as a result of the rise in the number of Spanish-speaking people in the United States in order to improve the shopping experience for this expanding market. Because they have done their research and comprehend how outside influences affect their operations, the most successful businesses are able to anticipate and respond to environmental changes. The external environment is always changing[2], [3].

The Market Competition

Both internal and external factors make up the competitive environment of a corporation.Things in the external environment, such as an increase in interest rates or a natural catastrophe, might have an effect on a company's operations or performance. Although external influences cannot be completely controlled, they must be handled well and understood in order for the company to be as successful as possible. For instance, the capacity of a business to recruit suitable workers at a fair wage would be impacted by the unemployment rate. A company will likely have a lot of candidates for whatever positions it needs to fill if unemployment is high, which indicates that many individuals are seeking for work[4], [5]. Because the employee would prefer work for a lower pay rate than not have a job at all, it will be able to pick more highly eligible people to recruit and may be able to hire them at a lower pay rate. On the other hand, businesses may need to give greater compensation or accept candidates with fewer credentials when unemployment is low, which indicates that few individuals are seeking for work. Internal factors are traits of the company as a whole. A company must be aware of its physical, financial, and people resources, as well as its strengths and organisational structure, in order to prepare for competition with other businesses. For instance, Walmart has a sophisticated IT system that analyses inventory and automatically purchases things before they run out, comparing the pace at which the product is moving off the shelves to the time it will take for the new product to arrive.

In order to avoid the requirement for storage space for inventory, the system places orders for fresh goods such that it will arrive just when the stock on the shelves is running low. The whole Walmart inventory is available for sale to consumers on the store's shelves. How does Walmart gain from this system? All of the business's goods may produce income since they are accessible for purchase by consumers, and when the system is operating at its best, the store never runs out of things that customers desire. It also saves money by not having to store or keep track of inventories[6], [7].SWOT analysis used for strategic analysis .What is a SWOT analysis, and what information can it provide about a company? You may already be familiar with the abbreviation SWOT, which stands for strengths, weaknesses, opportunities, and threats, which businesses often use to analyse their strategic and competitive circumstances. Businesses utilise SWOT analysis to get a basic grasp of their strengths, weaknesses, and external variables that may increase or decrease their chances of success. Let's examine the SWOT analysis in pieces.

Strengths

A company's strengths are, to put it simply, its areas of expertise. Nike excels in selling sporting goods, McDonald's makes quick, affordable meals, and Ferrari produces stunning, rapid automobiles. A list of a company's skills and resources is compiled when it does a strengths analysis. Does the company have a lot of money on hand? That is a quality. Does the company employ people with advanced degrees? Added benefit. A company may develop strategies to capitalise on its strengths when it is clear what those strengths are. Nike may decide to produce goods for a sport it doesn't already support in an effort to grow its customer base. It will effectively launch that new product line with the assistance of its experience in sports marketing.

Weaknesses

A company's weaknesses are its areas where it falls short—areas where it lacks the capacity to execute well. Remember that not all businesses can be excellent at everything, therefore weaknesses are not necessarily defects. When a company is aware of its limitations, it may avoid taking on projects for which it has the necessary resources or expertise, or it can look for methods to strengthen those areas before starting anything new. Weaknesses of a company are only gaps in its skills, and such gaps may not necessarily need to be rectified by the company itself. Companies may fix gaps in their skills by developing capabilities, finding assistance in those areas, or working around them with the use of SWOT analysis. For instance, Paychex is a company that manages payroll for more than 600,000 businesses.5For businesses that would prefer not to handle such responsibilities themselves, Paychex processes hours, pay rates, tax and benefit deductions, and direct deposit. A major company would require a team of workers committed to carrying out that duty, as well as software solutions to enable that team to work quickly and precisely. These skills are a corporate strength for Paychex since that is what it does. Other businesses may employ Paychex to do the task for them if they lack the means to do so or may not be interested in doing so[8].

Opportunities

Opportunities and dangers are always external, but an organization's strengths and shortcomings are internal. An opportunity is a possible circumstance that a business is prepared to seize. Consider opportunities in terms of market developments. Opportunities have good potential, but occasionally a company is not set up to take advantage of one, which is why it's crucial to take the full SWOT into account before making a choice. For instance, parking is becoming harder to find as cities become denser. Younger customers who reside in cities are beginning to wonder if it is even necessary to possess a vehicle given the availability of public transit and the lack of parking. However, sometimes a person could want a vehicle to drive beyond the city or transfer a particular acquisition. To cater to this new market of part-time drivers, Daimler, the maker of Mercedes-Benz and Smart vehicles, launched a car-sharing service called Car2Go in Europe, North America, and China. Daimler has discovered a method to sell the use of its cars to consumers who would not purchase them altogether by creating Car2Go.

Threats

When a manager evaluates the external environment for competition, she classifies everything that might make it more difficult for her company to succeed as a threat. A broad range of circumstances and possibilities, from an economic slump to a rival company releasing a more improved version of a product the business already sells, might jeopardize a company's prospects of success. A comprehensive examination of the external environment is necessary to identify dangers to the firm's operations so that countermeasures may be taken. Opportunities and risks may also depend on how they are seen. For example, the Car2Go service that Daimler created for young urban clients without automobiles might alternatively be seen as a defensive measure against the decline in car ownership among this clientele. Daimler might have seen the challenge posed by the decline in sales among young urban professionals and created Car2Go as a substitute strategy to retain these consumers while generating money.

DISCUSSION

SWOT Analysis's Drawbacks

A SWOT analysis may reveal significant variables and circumstances that have an impact on a company, but it is only as good as the analyst who does it. SWOT may provide a good assessment of the organization’s internal and external surroundings, but it is more likely to miss important concerns since it can be difficult to recognize or visualize every potential danger to the firm, for example. The methods for creating a strategic analysis that is more extensive and methodical in assessing both the internal and external contexts that organisations operate in will thus be presented in the next sections of this chapter.

A Firm's External Macro Environment: PESTEL

What factors make up a firm's external macro environment, and how can strategists utilise PESTEL 3 to comprehend it? The external environment for enterprises is the whole globe. To flourish, a company must face, adjust to, capitalise on, and protect itself against what is taking on in the world around it. Strategic analysts have identified a number of broad types of activities and groups that managers should study and comprehend in order to make obtaining and analysing information about the external environment simpler.The macro environment of a company comprises factors that might have an effect on it but are often beyond of its direct control. No matter what sector or sort of company they are in, all firms must deal with these aspects since they are features of the larger world. Be aware that all of the phrases in the blue ring are big-picture concepts that exist apart from business operations. However, despite the fact that both may and do occur, companies are typically unable to directly alter parts of the macro environment. This is not to suggest that they do not influence firms or that company actions cannot affect macro environmental factors. To understand about facts and trends that might bring opportunities or risks to their companies, strategists research the macro environment[9], [10].

They don't often just consider SWOT, however. More sophisticated tools for analysing the external environment have been created by strategists. PESTEL PESTELis a technique that helps managers to consider a number of different macroenvironmental areas. PESTEL is an acronym, similar to SWOT. In this instance, the letters stand for the several categories to be looked at: political, economic, social, technical, environmental, and legal aspects. Similar to SWOT, there may sometimes be overlap between several PESTEL factor categories when utilising PESTEL to analyse a particular firm's condition. Considering our prior example Sales of automobiles are challenged when urban millennials determine that owning a vehicle is no longer appealing. However, those same manufacturers could be able to modify their sales strategies to provide millennials with car-sharing services, seizing the chance to profit from millennials who need access to automobiles for huge shopping excursions or holidays. PESTEL may also show many effects from a single external environment factor. A sociocultural trend may be urban millennials' declining interest in automobile ownership. Ride-sharing services like Uber and Lyft, which are app-based and offer convenience by quickly connecting drivers and passengers and making transactions cashless, are made possible by the technological connectivity of those same urban millennials.

Political Variables

Taxation, tariffs, trade agreements, labour laws, and environmental laws are all examples of political variables that influence the macro environment. Notably, elements in PESTEL are not classified as opportunities or threats. They are only things that, depending on how a company interprets or handles them, might be used to its benefit or handled as issues. Environmental rules that limit American Electric Power's capacity to utilise coal to produce energy because of the pollution created by coal burning may have a detrimental effect on the major firm. However, another energy company has developed a method to absorb the pollutants while generating electricity, capitalizing on the government's desire to reduce coal pollution. NRG and JX Nippon created the Petra Nova facility in the vicinity of Houston with funding from the Energy Department. Despite the fact that businesses do not directly affect governmental policy, many sectors and businesses participate in lobbying activities in an attempt to influence governmental policy development to increase opportunities or decrease dangers.

Economic Variables

The condition of the domestic and international economy affects every company. Evaluating the economic aspects in a firm's macroenvironment is increasingly difficult now that various nation economies are more interdependent. When deciding whether to join or leave certain geographic markets, engage in growth, or hire or fire personnel, businesses use economic data. As was said previously in this chapter, employment rates affect the number, caliber, and price of workers that are accessible to businesses. Sales of expensive things that people often finance, such appliances, vehicles, and houses, are impacted by interest rates. Interest rates have an effect on the cost of financing for businesses looking to engage in growth. Exchange rates provide dangers and possibilities for all multinational corporations, and the price of oil has an influence on a wide range of sectors, from solar panel manufacturers to plastic recycling businesses to transportation and airline companies.

Economic factors shouldn't be taken for granted to be inherently good or evil since, as said before, every event might represent a danger to one organisation and an opportunity to another. Sociocultural Elements Sociocultural elements are very probably the broadest group of macro environmental components an analyst might look at. This large category covers a wide range of topics, including shifting national demographics, fashion trends, and many other things. Facts concerning income, education levels, age groupings, and the ethnic and racial makeup of a population are all included in the category of demographics, which is a subset of this one. These realities all create opportunities and problems for the industry. By researching the needs and preferences of demographic groups like working women who may need nursery services but may not watch daytime television, college students who may be interested in affordable textbooks but cannot afford to buy new cars, or the elderly who may be willing to pay for lawn-mowing services but may not be interested in adventure tourism, businesses can tailor their products to specific market segments.

Political Factors

Political factors that affect the macro environment include things like taxes, tariffs, trade agreements, labour regulations, and environmental legislation. It is noteworthy that PESTEL components are not categorized as opportunities or dangers. They are just variables that, depending on how a business understands or responds to them, might either be exploited to its advantage or seen as problems. American Electric Power may suffer if environmental regulations restrict its ability to utilise coal to generate electricity due to the pollution that coal combustion produces. To take advantage of the government's intention to limit coal pollution, another energy business has created a mechanism to absorb the pollutants while producing power. The Petra Nova project in the Houston area was built by NRG and JX Nippon with support from the Energy Department.6Even though corporations do not directly influence governmental policy, many industries and businesses engage in lobbying operations to try to influence the formation of governmental policy in order to maximise opportunities or lessen risks. economic factors Every organisation is impacted by the state of the national and global economies.

Given the increased interdependence of the economies of different countries, evaluating the economic components of a firm's macroenvironment is becoming more challenging. Businesses utilise economic data while determining whether to enter or exit certain geographic markets, pursue expansion, or recruit or dismiss workers. Employment rates have an impact on the quantity, quality, and cost of employees that are available to firms, as was previously stated in this chapter. Interest rates have an effect on sales of costly items that individuals often finance, such as appliances, cars, and homes. Interest rates have an impact on how much it costs to finance expanding enterprises. Exchange rates provide risks and opportunities for all multinational enterprises, and the price of oil has an impact on a variety of industries, including those who produce solar panels, recycle plastic, and operate transportation and airline companies. Since any occurrence could provide a threat to one organisation and an opportunity to another, economic issues shouldn't be assumed to be necessarily good or bad.

Social and Cultural Factors

Sociocultural components are perhaps the largest collection of macro environmental factors an analyst might consider. This broad area includes a variety of subjects, such as evolving societal demographics, current fashions, and much more.Demographics, a component of this category, includes information on things like income, education levels, age brackets, and the ethnic and racial composition of a population. For the industry, these facts both provide possibilities and challenges. Businesses can tailor their products to specific market segments by studying the needs and preferences of demographic groups like working women who may need childcare services but may not watch daytime television, college students who may be interested in cheap textbooks but cannot afford new cars, or the elderly who may be willing to pay for lawn-mowing services but may not be interested in adventure tourism.

Environmental concerns have an increasing daily influence on enterprises. Businesses are creating technologies to run more efficiently and with less resources. In the twenty-first century, political pressure on corporations to lessen their environmental footprint has substantially grown around the world. In order to address difficulties with air quality, London, Barcelona, and Paris declared their intentions to outlaw internal combustion engine vehicles during the next several decades. Because environmental awareness is also a societal trend, with more people buying recycled goods and electric and hybrid vehicles, this PESTEL category often overlaps with others. On the political level, businesses are subject to more regulation worldwide on their use of natural resources and carbon emissions. PESTEL merely describes these variables as elements of the external environment that enterprises must take into account when making future planning decisions, while SWOT would categorise them as either opportunities or threats. Legal Aspects Because laws are passed by governmental bodies, legal elements and political factors often coexist in the external environment. The categories may not always indicate the same problems, however.

Even while environmental and labour laws have strong political ties, other legal aspects might have an influence on a company's ability to succeed. For instance, licencing costs represent a substantial expense for businesses in the streaming video sector. Netflix gives film and television studios billions of dollars each year in exchange for the right to broadcast their works. In addition to being legally required to pay the studios, Netflix also has to take into account the possibility that customers would use illicit means to see the films they want, which will decrease their willingness to pay for Netflix subscriptions. Patents and intellectual property rights are significant legal problems. It should be noted that PESTEL has difficulty classifying certain external influences. Tariffs, for example, may be considered as either a political or an economic issue, while internet impact can be seen as either a technical or a social one. Although certain problems may straddle two or more PESTEL sectors, this does not make PESTEL any less valuable as an analytical tool.

Porter's Five Forces

The Micro Environment of a Firm 4. What factors make up a firm's external micro environment, and how may strategists analyse it? The green circle in Exhibit 8.4 shows an illustration of a firm's microenvironment. All of these entities have a direct connection to the company in some form, thus for businesses to succeed in passing on their knowledge to future generations.8 Danish toymaker LEGO said in 2015 that it will spend over $160 million dollars to achieving the objective it set in 2012. You're familiar with LEGO; they are the colorful plastic blocks that can be snapped together to create a variety of toys, from Star Wars fighter craft to Harry Potter castles. Ole Kirk Christiansen established the family-owned business in 1932, and it has since developed into the top toy brand in the world.9 Why would the firm want to abandon the substance that makes its toys so popular when plastic and LEGO appear to go hand in hand? Plastic is a key component of the manufacturing process used by LEGO to create extremely accurate plastic bricks that always fit together safely and quickly.

It is challenging to find an alternative to plastic that is as resilient, vividly colored, and precisely moldable. The management of LEGO has determined that a position dependent on fossil fuels is unsustainable and is taking steps to switch to a more ecologically friendly material for product production. Economically speaking, abandoning plastic derived from oil would be a good idea. Petroleum-based product manufacturers must deal with erratic oil prices. If oil prices rise like they did in 2011, the cost of raw materials for LEGO might increase dramatically over night. Conflict in Libya and other Arab countries, which was wholly outside of the control of any firm, was the cause of that price increase. LEGO11, which is collaborating with academic experts from all around the world to find a solution to its carbon footprint issue, believes that technological advancements in bio-based polymers hold the key to the solution. Sources: Roar Rude (2016) and Trangbaek.

A set of businesses producing or providing services that are comparable to one another, such as automakers or airlines, constitutes an industry. As we'll examine momentarily, businesses within a given industry may or may not compete directly with one another, but they all deal with issues like client interests, supplier relationships, and industry development or decline. Michael Porter, a Harvard management professor, created an analytical tool to assess a firm's micro environment. In order to comprehend the effects each micro-environmental group has on a corporation in an industry, Porter's Five Forces is a method that is used to study various micro-environmental groups Each force is a component of competition that influences a company's chances of succeeding in its sector. It's crucial to keep in mind that this tool differs from Porter's general strategy typology, which we'll talk about later.

Business Rivalry

The Centre represents industry competition, the first of Porter's forces. Keep in mind that the diagram's arrows depict reciprocal interactions between rivalry and each of the other factors. This is due to the fact that each factor may have an impact on how intensely businesses in a given sector compete with one another for clients, build solid connections with suppliers, and protect themselves against entrants. An analyst will decide if each factor has a strong or weak influence on industry businesses using Porter's model. When it comes to competition, the issue of strength centres on how hard businesses must battle against competitors to win over clients and market share. Strong industry competition lowers the potential for profit for all businesses since customers have a wide range of options for where to buy goods and services and may base at least some of their selections on pricing. An industry with less competition will either have fewer businesses, which means that there are enough clients for everyone, or it will have fewer businesses, each of which has established a distinct place in the market, which means that customers will be more loyal to the business that best fits their individual demands.

CONCLUSION

Organisations must conduct a thorough study of their competitive environment via strategic analysis in order to determine their strategic orientation. Organisations may identify their strengths, weaknesses, opportunities, and threats by thoroughly analysing internal and external elements. They can then build plans that make the most of their competitive advantages and handle possible problems. Organisations may evaluate the attractiveness and level of competition in their sector by utilising frameworks like Porter's Five factors to analyse industry structure and competitive factors.

They may use it to identify possible sources of competitive advantage, including differentiation or cost leadership, and to create plans for assuming advantageous market positions. Insights into the larger corporate environment and prospective possibilities and dangers are provided by external analysis, which takes into account aspects including political, economic, social, technical, environmental, and legal (PESTEL) considerations. Organisations can anticipate change, adjust to market trends, and spot new opportunities or risks by understanding these external forces.

REFERENCES:

[1] I. Bozhikin, J. Macke, and L. F. da Costa, 'The role of government and key non-state actors in social entrepreneurship: A systematic literature review', *Journal of Cleaner Production*. 2019. doi: 10.1016/j.jclepro.2019.04.076.

[2] Y. R. W. Flora Puspitaningsih, 'Pengaruh Literasi Ekonomi dan Pengalaman Prakerin terhadap Minat Berwirausaha Peserta Didik Kelas XI Kompetensi Keahlian Administrasi Perkantoran (APK) SMK Negeri 1 Pogalan Tahun Pelajaran 2017/2018', *Equilib. J. Ilm. Ekon. dan Pembelajarannya*, 2019, doi: 10.25273/equilibrium.v7i2.4787.

[3] U. W. Nuryanto, R. Purnamasari, M. Djamil Mz, A. H. Sutawidjaya, and A. B. Saluy, 'Effect Of Self-Efficacy, Motivation On Entrepreneurship, Entrepreneurship Education, And Social Environment Against Interest In Entrepreneurship On Micro, Small And Medium Enterprises Businesses In Serang Regency', *J. Akad. Akunt.*, 2019, doi: 10.22219/jaa.v2i2.10016.

[4] Á. Perényi and M. Losoncz, 'A systematic review of international entrepreneurship special issue articles', *Sustainability (Switzerland)*. 2018. doi: 10.3390/su10103476.

[5] M. Desalegn Fantaye, 'Factors Affecting Entrepreneurial Intention Among Graduating Students at Debre Berhan University, Ethiopia', *J. Invest. Manag.*, 2019, doi: 10.11648/j.jim.20190801.14.

[6] D. Rinaldo, M. H. Yuneline, and I. Diryana, 'Implementasi Program Studepreneur Sebagai Upaya Menciptakan Wirausaha Baru dan Model Pengembangan Kewirausahaan Perguruan Tinggi', *J. Pengabdi. Pada Masy.*, 2017, doi: 10.30653/002.201722.25.

[7] Arwansyah and S. Wahyuni, 'Pengaruh Penggunaan Smartphone dan Minat Belajar terhadap Prestasi Belajar Siswa pada Mata Pelajaran Kewirausahaan SMK Al-Wasliyah Pasar Senen Medan T.A 2018/2019', *J. Ekon. Pendidik.*, 2019.

[8] A. S. B. W. A. S. Utami, 'Pengaruh Mata Pelajaran Kewirausahaan, Status Sosial Ekonomi Orang Tua, dan Internal Locus of Control terhadap Minat Berwirausahaan Siswa Kelas XI TKJ SMK Batik 1 Surakarta Tahun Ajaran 2017/2018', *BISE J. Pendidik. Bisnis dan Ekon.*, 2018.

[9] M. S. A. Yajid, A. Khatibi, S. M. F. Azam, and H. K. G. S. Ranasinghe, 'A systematic literature analysis on entrepreneurial orientation and business performance', *Pressacademia*, 2018, doi: 10.17261/pressacademia.2018.955.

[10] A. J. Sánchez-Oliver, P. Gálvez-Ruiz, M. Grimaldi-Puyana, J. Fernández-Gavira, and J. García-Fernández, 'New ways of sports entrepreneurship in the university', *J. Entrep. Public Policy*, 2019, doi: 10.1108/JEPP-07-2019-110.

CHAPTER 11

STRATEGIC MANAGEMENT PROCESS: ACHIEVING AND SUSTAINING COMPETITIVE ADVANTAGE

Dr. Narayana Srikanthreddy, Assistant Professor,
Department of Management, Presidency University, Bangalore, India,
Email Id-srikanthreddyn@presidencyuniversity.in

ABSTRACT:

In a dynamic and competitive business world, the strategic management process is a comprehensive framework that directs organisations in obtaining and maintaining competitive advantage. This essay gives a general overview of the phases and important elements of the strategic management process. In the pursuit of competitive advantage, it examines the significance of strategic analysis, goal-setting, strategy creation, strategy execution, and strategy assessment. The study also examines how to maintain competitive advantage over time by allocating resources effectively, aligning organisational goals, and engaging in continuous learning. This study emphasises the importance of the strategic management process in directing organisations towards long-term success and competitiveness by analysing case studies and empirical data.

KEYWORDS:

Business, Company, Plan, Process,Strategies.

INTRODUCTION

What is the process of strategic management? We concentrated on examining and comprehending a firm's competitive environment in the previous chapter. This chapter demonstrates how the knowledge provided by strategic analysis is put to use. The strategic management process is a collection of tasks that company managers carry out in an effort to position their organizations as competitively as feasible in the marketplace. The function of each action in creating and maintaining a strong competitive position will be covered in depth in this chapter. The majority of top managers, however, deal with each phase concurrently. They do environmental scanning to refresh their analytical picture of the company, implement previous plans, create future strategies, and so forth. Even while breaking down the strategic management process into steps is helpful, it's crucial to remember that the cycle happens such that everything is done at once[1], [2].

Solid Goals and Objectives

What distinguishes a company's purpose from its vision? The establishment of the business itself should include the first stage in the process of creating a successful strategic position. Entrepreneurs often have a reason for beginning a company when they make the decision to do so, a reason that provides a solution to the question, what is the point of this business? Even if an entrepreneur originally considers opening a business as a way to work for themselves, they must also have a plan for what their company will do. In general, there are several reasons why entrepreneurs launch their enterprises. A vision statement is an expression of what a company's founders want to achieve. It is not even necessary to identify a product or service in the vision statement since it is often quite broad. The purpose of a corporation is simply stated in one or two sentences in the vision statement, which does not outline the approach a company would use to carry out its goal. A company's mission statement is more precise than its vision statement, which is a generic declaration of its principles. The mission statement summarizes a firm's efforts to achieve its vision by including the why of a vision statement. A mission statement focuses on outlining the items a company aims to sell or the target markets it wants to service, albeit it's still not quite a strategy[3], [4].

The Function of Strategic Analysis in the Development of a Strategy

Why is strategic analysis crucial for developing strategies? You learned about the many degrees of study a management does to comprehend their company's competitive environment in the previous chapter. A business's management may clearly see what they have to work with and what needs to be addressed when establishing a strategy for the firm's success by conducting a strategic analysis of the firm's internal environment firm capabilities and resources and external environment the world, rivals. Because the knowledge a manager learns from the analysis impacts the decisions that follow, analysis occurs early in the strategic process. This analysis is carried out by business owners who are writing business plans before the company even existsin order to determine whether their idea is workable and how to position their company in relation to current rivals or potential clients to increase their chances of success[5].

Strategic Goals and Strategies at Different Levels

What are levels of strategy, grand strategies, and strategic objectives? What ties them together? Establishing strategic goals is the next phase in the strategy process once a strategic analysis has been finished. At this phase, the management has determined the purpose of the business and how it intends to carry out its objective. The firm's resources and capabilities, competitive knowledge, and client preferences have all been revealed via strategic analysis. It is now time to begin making successful plans. The strategic goals The Company’s strategic objectives serve as its overarching aims and outline the actions it will take to strive to achieve its purpose. Typically, strategic goals involve some type of performance target, such as to introduce a new product, boost profitability, or expand market share for the company's goods[6]–[8].

Various Strategies Once a company has determined its goals, it must next consider how it will get there. The framework a company employs to structure its operations is called a business-level strategy, and it is created by the senior administrators of the company. Business-level tactics include cost leadership and differentiation, as examples. Businesses having a single product or a variety of items follow these tactics. Consider that you own a coffee shop as an example. You are a neighborhood store that you own and operate, not a chain like Starbucks. Although you have staff, you serve as the company's owner, manager, and overall decision-maker. You have already made some fundamental choices regarding how your store will function when creating your vision and mission statements. For instance, you have decided to either provide full-service coffee or fast, affordable coffee. Your choice of quality or low-cost suppliers, the design of your store, and the number of personnel you need to attend to your clients are all impacted by this choice. A business-level strategy directs a company's approach to the value chain's operations. For instance, operations would priorities value addition for a differentiator and efficiency for a cost leader.

You may choose whether you want to attempt to expand your company by attracting more clients, keep your business at its present level, or decrease your business perhaps because you don't believe you have enough time to spend with your family. If you determine that your goal is to expand, for instance, you should specify a particular aim, like increasing sales by 10%. Once you've established that explicit goal, you can outline precisely the business-level steps you'll need to take to achieve it. Even though a company is considerably bigger than a little neighborhood coffee shop, the strategic goals it pursues are conceptually quite similar.Large corporations with several distinct business divisions, like Nike or Apple, adopt strategies at various levels. Similar to the coffee shop example, each distinct business unit let's say Nike Basketball will have a manager who determines the unit's goals. The chief executive officer, or CEO, is the top management of the firm and is responsible for formulating corporate strategy.The largest level of strategy, corporate strategy is concerned with choices about the expansion, preservation, or contraction of extremely big corporations. At this level, business-level strategy initiatives won't be sufficient to substantially affect the firm as a whole, such as a marketing campaign to bring in new consumers for a specific product line.

Unless the company runs as a single business unit, the CEO of a corporation effectively controls a collection of companies and devises policies to ensure the success of the whole organization. Consider the collection of companies as an investment portfolio. Investors want to diversify their holdings to reduce risk and improve portfolio performance. An investment that isn't doing well on any given day should be balanced out by one that is. The same goal is pursued through corporate strategy, and CEOs must balance the benefits and drawbacks of each business unit to determine how well it is serving the organization as a whole. For instance, to lessen the chance of experiencing times of poor income, a corporation that has business units that do well in the winter (ski resorts) may attempt to also establish business units that will work in the summer swimming pools. The BCG Matrix is one technique used by corporate strategists to comprehend how each of their companies contributes to the firm as a whole. Managers may quickly see which business units are doing successfully using the BCG Matrix. For instance, a company in the dog quadrant should be sold or shut down, according to the tool's suggestions.

Cash cows bring in revenue for the business, while stars spur expansion. To maximize overall company performance, a CEO always seeks to balance the group of business units among the four quadrants. Please take note that businesses that operate as a single business unit are not eligible for the BCG Matrix.Because it is concerned with the extensive efforts necessary to enter a completely new geographic market, international strategy is comparable to corporate strategy. Strategic concerns for multinational corporation's center on how to effectively enter and compete in a foreign market. Because a growth plan at any scale may require entering new markets in order to reach new clients, international strategy may be combined with business-level or corporate-level strategies. The Big Picture In answer to the first question they should ask themselves: does the business aim to develop, seek for stability, or adopt a defensive stance in the marketplace, organizations at all three levels pick a grand plan. Since businesses normally desire to develop until something like a recession makes that impossible, the choice of a grand plan is often predicated on the business climate.Remember that there may be substantial overlap between a grand plan and a company strategy. Creating plans to expand the firm's size in terms of revenue, market share, or geographic reach typically a mix of these, since they might overlap substantially is part of a growth strategy.

With the purchases covered in the corporate strategy section, Walmart is putting its expansion plan into practice. A corporation might use a stability strategy to maintain its present level of revenue, market share, or geographic reach. When the alternative, for instance due to competition or economic circumstances, is to lose ground in one of those categories, a corporation often attempts to retain a steady position. Because shareholders and the stock market reward company development, publicly owned companies seldom strive to just preserve the status quo in today's economic climate. Firms use defensive tactics when faced with difficulties.

For instance, a failing business may opt to scale down activities in order to save expenses and remain afloat. In order to avoid losing too much market share to the newcomer, a firm that is up against fierce new competition may need to fundamentally reconsider its product offers or price.

A technological advancement could render an organization's goods outdated or at least less desirable, pushing it to develop items that keep up with the new technology. Ford recently chose to discontinue selling sedans in the United States due to sluggish sales compared to trucks and SUVs, which was a defensive move.

DISCUSSION

Implementing a Grand Strategy

At each level of strategy (business, corporate, and international), a company operationalizes its selection of a grand plan differently. When it comes to the business level, a growth plan implies that the management must come up with strategies to expand the company via the creation of new goods or the increase of the consumer base for current products, both domestically and internationally. There are many options on how to grow a business. The CEO may create new enterprises, expand into other nations, buy out or join forces with rivals, or carry out tasks that were previously outsourced. Exporting products to another nation or purchasing a business with a similar mission in another nation might help a corporation expand internationally and create a presence there. The overarching goal in each of these three scenarios would be expansion, and the tactical goals may be articulated in terms of escalating sales, profits, market share, or even share prices.

Planning Firms Actions to Implement Strategies

Managers prepare how their company will compete in the market and what measures the business will need to take to compete when they develop strategies. A plan is a choice to carry out a specified activity in order to accomplish a particular objective. A plan contains choices about the timing and method of activities as well as the resources needed to carry them out. A good manager should have strong goal-setting abilities, technical knowledge of the tasks required to achieve goals, time-management abilities, and the organizational skills necessary to set up the company resources so that they are available to complete the planned tasks. Planning is one of the fundamental management functions. Choosing what has to be done, working out how to accomplish it, allocating responsibilities to people and giving them the tools, they need to do their jobs, and supervising the work to ensure it is completed properly and on schedule are all parts of planning.

Setting Goals

We must first comprehend the purpose of planning before we can study the planning process. A goal is something you're attempting to achieve, and every business will have a long list of objectives accomplish. Take a look at the Walmart issue in a college town. The shop has to have all the supplies children will need when they move in when it is time for them to return to school in the autumn. The Walmart store manager will make decisions on what merchandise to purchase, how many to order, and when to hire more employees so that more customers may be checked out effectively months in advance using data gleaned from the previous year's sales. Because Walmart is a worldwide company, keep in mind that objectives will probably be set at a higher level, and it will be the store manager's job to respond with a functional plan.

Mini-refrigerators and twin XL sheets will arrive and be stocked in the shop in time for the back-to-school rush thanks to the manager's preparations, which take into consideration the lead time for purchasing items.In order to create place for all those little refrigerators, it may be necessary to lower the pricing of other things. It may also be necessary to hire and train more staff members so that there will be enough personnel to assist kids and their parents during back-to-school season. The manager's ultimate objective is to have a successful back-to-school sales season, but reaching that objective will include carrying out duties including making product selection selections, fulfilling ordering deadlines, and creating interim targets for recruiting and training extra personnel.

The Planning Process

Setting a goal to be achieved is the first step in any planning process. Spending time creating a goal that meets all of the SMART criteria will make the planning process simpler and increase the likelihood that it will be effective.Designing the strategy is the next stage after determining your aim. Let's break down designing the plan into the several steps that must be taken as it comprises multiple different actions. Consider planning as a process for addressing problems. Planning is simply deciding what should be done in a plan, which is a series of activities created to achieve a goal. The plan provides a solution to the How do we get there? issue. The aim is the destination.

A management may consider a variety of strategies while creating a strategy. He or she may organize an employee brainstorming session to generate ideas. However, not all of the suggested solutions are likely to be workable. The manager's job while creating a plan includes balancing different ideas with a company's resources, skills, and time restrictions. Finding the best approach to accomplish a goal with the resources the company has or can feasibly acquire in the time available turns into the plan's design process. There is no cure for this, and practicing planning is the only method to learn how to do it. Since you've been preparing in some capacity for a while, you fortunately already have a decent amount of experience. You have scheduled meals, team practises, club activities, and even study time. The same abilities are used in a different setting in strategic planning. Although organizing a wedding may seem more difficult, so is organizing a product launch. Although the size and breadth of the tasks a manager must organize to accomplish corporate objectives may be more than you are accustomed to, the particular abilities are probably nothing new.

Let's look at the difficulty that Tesla is now experiencing as an illustration. Tesla has created a mass-market vehicle, and there is now a queue of nearly 500,000 people waiting to purchase one. Up until this point, Tesla has been more of a niche automaker, producing only a few models that they can sell for a premium price. But the Model 3 was designed from the ground up to be a cost-effective vehicle that practically everyone can own. There is a great deal of interest in and demand for this new model thanks to the name and reputation that Tesla has established with its high-end vehicles. Elon Musk, the CEO of Tesla, therefore, intends to produce automobiles more swiftly and in greater quantities than ever before.What is Tesla's objective? 500,000 automobiles need be produced annually to satisfy demand. Is this a SMART objective? Analysts debate whether or not this is feasible, but because Tesla is concentrating on it, Musk must have a strategy to achieve it. What resources are required for Tesla to produce at this level? They created an automobile that is simple to produce since they anticipated wanting to produce it in huge quantities.

They still need production workers, components, and manufacturing facilities. They require money in order to get these things. Although Elon Musk is a fantastic fund-raiser, they need billions of dollars to create these kinds of production skills. Musk so keeps raising money even while Tesla constructs the Gigafactory, the biggest factory in the world, in Nevada.Batteries in particular are a problem for the Model 3's components, and Musk constructed his massive factory in part to produce the millions of batteries required to power the Model 3.

Elon Musk is working to identify the many interconnected operations that Tesla is planning, as well as the resources that Tesla will need to carry out those activities and how to acquire those resources. Tesla is a fascinating business with many facets. Their capacity to create enough automobiles has been seriously questioned, thus it is advised to look at more recent opinion.

Implementing Strategies for Various Firm Activity Levels and Time Horizons

Every organisation concurrently develops strategies at various levels. Plans, as in the grade example from earlier, often call for several stages to accomplish a significant goal. When a company chooses growth as its grand strategy, managers at every level of the organisation should create plans to ensure that their respective parts of the organisation are working to execute the growth strategy. Grand strategies cascade across the organisation, becoming more and more detailed until front-line staff is engaged in activities that directly support the grand plan.When senior managers create firm objectives and the strategies to attain them, time is a crucial factor. Businesses often plan for two time periods: the short term and the long term. Any strategic plan that can be completed in a year or less is considered short-term. When a goal cannot be achieved in less than a year, a long-term strategic plan is created. Companies often have both types of plans in place at any one time. For example, short-term plans can comprise quarterly sales targets, but long-term objectives might include launching operations in a new nation or constructing a new facility. Long-term ambitions would be exemplified by the Tesla Gigafactory and Apple's new headquarters at Apple Park in Cupertino, California, both of which are multiyear, multibillion dollar endeavours. When Tesla understood it intended to mass build automobiles at the level needed for the Model 3, the Gigafactory was first conceived many years ago.

Scale level of planning

Scale is a different factor that has an influence on strategic planning. Some broad planning ideas, such business-level and grand plans, have previously been discussed. In order to succeed, managers must organize their daily activities in order to move towards these larger goals.Mid-level planning, or tactical planning, comprises of broad concepts for how the business should carry out its objective. Division managers carry out planning of this kind. For instance, Walmart division managers implement the firm's development and cost-leadership goals by figuring out how to expand the business while maintaining the ability to charge cheap rates. They may choose which producers of items they can purchase inventory from at discounted costs, where to establish additional shops to draw in more consumers, and where to situate distribution centres to maximise store-stocking efficiency.

Operational planning outlines the primary tasks that each person inside the organisation will do to carry out the tactical strategies. Operational plans are created by McDonald's restaurant managers, although you may be more familiar with them as personnel schedules or marketing strategies. Operational plans outline the daily duties necessary for the business to run, such as placing orders for goods or supplies, assigning work schedules and responsibilities to employees, creating sales targets, and creating promotions to assist those targets be met. Scheduling enough employees to work in the restaurant at specific times to keep the store operating smoothly without scheduling more than you need and incurring excess labour costs is a crucial task for the manager at McDonald's, as it is at other companies that pursue a cost-leadership strategy.

Doing that task successfully is how the manager contributes to the company's larger cost-leadership strategy.

CONCLUSION

A basic framework that helps organizations to develop and maintain competitive advantage is the strategic management process. Strategic analysis, goal setting, strategy creation, strategy execution, and strategy assessment are some of the interrelated processes that are involved. Through the use of methods like SWOT analysis and environmental scanning, strategic analysis aids organizations in understanding their internal strengths and weaknesses as well as external possibilities and dangers.

Setting definite goals and objectives that are in line with the organization's vision and purpose is based on this study.

Formulating a strategy is the process of creating a detailed plan to accomplish the set objectives. It entails making strategic decisions, such as deciding on competitive positioning, value proposition definition, and target markets. To build successful strategies at this level, comprehensive study of market dynamics, competitive analysis, and resource allocation is necessary.

REFERENCES:

[1] H. Patria, S. Wahyuni, and R. D. Kusumastuti, ‘Intellectual structure and scientific evolution of strategic decision in the field of business and management (1971 to 2018)’, *Asian J. Bus. Account.*, 2019, doi: 10.22452/ajba.vol12no2.9.

[2] G. H. S. Rampini, H. Takia, and F. T. Berssaneti, ‘Critical success factors of risk management with the advent of ISO 31000 2018 - Descriptive and content analyzes’, in *Procedia Manufacturing*, 2019. doi: 10.1016/j.promfg.2020.01.400.

[3] S. H. Afrizal, P. W. Handayani, A. N. Hidayanto, T. Eryando, M. Budiharsana, and E. Martha, ‘Barriers and challenges to Primary Health Care Information System (PHCIS) adoption from health management perspective: A qualitative study’, *Informatics Med. Unlocked*, 2019, doi: 10.1016/j.imu.2019.100198.

[4] K. H. Basri and E. Suryani, ‘Strategic Planning Information System for Improving Quality of Datu Sanggul Hospital in Rantau’, *IPTEK J. Proc. Ser.*, 2018, doi: 10.12962/j23546026.y2018i1.3526.

[5] R. C. M. Ribeiro, G. T. Marques, P. C. dos S. Júnior, J. F. S. de Almeida, P. S. da S. Campos, and O. Chase, ‘Holt-Winters Forecasting for Brazilian Natural Gas Production’, *Int. J. Innov. Educ. Res.*, 2019, doi: 10.31686/ijier.vol7.iss6.1559.

[6] L. M. A. Jaggi, S. T. Canabarro, E. G. Rabin, and R. C. A. Caregnato, ‘Strategic management promoting teaching and service integration: Multidisciplinary residency deployment in onco-hematology [Gestão estratégica promovendo a integração ensino e serviço: implantação de Residência Multiprofissional em Onco-Hematologia] [Gest’, *Interface Commun. Heal. Educ.*, 2018.

[7] R. J. Burke, ‘Building a Safe and Healthy Workplace’, *Occup. Heal. Saf.*, 2011.

[8] U. K. Malaysia, F. I. Zaidi, E. Marinie, and A. Zawawi, ‘Analysis of Strategy Implementation Process and Employees’ Performance in Construction Companies’, *J. Build. Perform.*, 2019.