STRATEGIC MANAGEMENT AND MANAGERIAL EFFECTIVENESS

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ABSTRACT

Managerial Effectiveness is important not only because its knowledge makes people easier in becoming effective managers, but also because it helps in the economic development of a country by improving productivity and allocation of resources, the researcher has discussed vividly various issues related to managerial effectiveness. These issues as the basics of the present study have been presented in this paper. These issues are the core of effectively of modern managers. We believe there been a more rewarding or challenging time to be a manager. The reward comes from knowing that effective, efficient mangers can make and are making a real deference in our world. Managers make a difference by influencing the development of new products and services. Globalization is likely to induct new technology, new management cultures and styles, new product and brands into India. It will create new opportunities and pose new threats from within and abroad. In the short, run there shall be upheavals. Whether, ultimately it leaks to more output, more employment and emergence of a real competitive market is a body's guess, but it requires redefining goals, adoption of rational management principles and modified managerial styles in terms of managerial effectiveness.

Keywords: Strategic Management, Managerial Effectiveness

INTRODUCTION

Managers, effectiveness is of paramount importance for the success of and enterprise. The researcher has taken extra care to examine various issues related to managerial effectiveness on the one hand and organisational effectiveness on the other hand. A sincere effort has also been made to establish synchronisation between the two co-related aspects. The researcher is of the opinion that there is virtually no difference between managerial effectiveness and organisational effectiveness. They are in fact two sides of a coin. The following discussion corroborates these two aspects of organisational milieu in an easy and analytical manner.

Concept of strategic Management And Strategic Planning: While strategic planning helps to resolve the problem of strategy formulation on the basis of mission - and objective-setting and the analysis of environmental and internal factors, it falls short of taking into account a few relevant aspects. An off et al. (200) deal with these short- comings in terms of three variables. First, with regard to managerial problems, strategic planning considers the external linkages with the environment "under a basic assumption that the internal configuration of the organisation will remain essentially unchanged". Second, dealing with the process of resolving managerial problems, it covers only problem-solving (or planning) while assuming that implementation and control will follow. Thirdly, the variables included in strategic planning analysis are exclusively "technological - economic- informational while social and political dynamics both within and outside the organisation is assumed to be irrelevant and unaffected."* The sub-variables, which have been excluded from consideration, have a major impact on resolving strategic problems. For instance, it is essential to consider the impact that formulation of strategy, and changes in it, have on the organisation. Again, thesolution of managerial problems can only be done through a comprehensive approach that not only considers formulation but also implementation and control of strategy.

Factors like psycho-sociological and political dimensions of policy-making are essential for diagnosing the myriad of problems faced by managers. Strategic management, a newer and broader concept of managing organisations strategically, takes into account all the aspects of managerial problems, the processes of solving them, and the manyvariables that operate in a problem-solving environment.Strategic management and strategic planning are pivotal concepts in the realm of business and organizational development. They involve the systematic formulation, implementation, and evaluation of strategies and initiatives aimed at achieving the long-term objectives and goals of an organization.

Strategic management encompasses the overall process of managing an organization strategically, ensuring alignment between its internal resources and capabilities and the external environment in which it operates. It involves assessing the organization's current position, defining its vision and mission, setting specific objectives, and formulating strategies to achieve those objectives effectively. Strategic planning, on the other hand, is a specific phase within the broader strategic management process. It involves the development of a comprehensive plan that outlines the organization's strategy, objectives, and action plans over a defined period. Strategic planning typically includes environmental scanning, SWOT (Strengths, Weaknesses, Opportunities, Threats) analysis, goal setting, strategy formulation, resource allocation, and implementation frameworks.Both strategic management and strategic planning are crucial for organizations to thrive in today's dynamic and competitive business environment. They provide a structured approach to decision-making, resource allocation, and performance evaluation, helping organizations adapt to changes, capitalize on opportunities, and mitigate risks effectively.

KEY COMPONENTS OF EFFECTIVE STRATEGIC MANAGEMENT AND PLANNING INCLUDE

i). Vision and Mission: Defining a clear and inspiring vision statement that outlines the organization's long-term aspirations and a mission statement that articulates its purpose and reason for existence.

ii). Environmental Analysis: Conducting a thorough analysis of the internal and external factors that may impact the organization's ability to achieve its objectives, including market trends, competitor analysis, technological advancements, regulatory changes, and socio-economic factors.

iii). Goal Setting: Establishing specific, measurable, achievable, relevant, and time-bound (SMART) objectives that align with the organization's vision and mission.

iv). Strategy Formulation: Developing strategies and action plans to achieve the defined objectives, considering the organization's strengths, weaknesses, opportunities, and threats.

v). Resource Allocation: Allocating resources, including financial, human, and technological, in a way that supports the implementation of strategic initiatives and maximizes their impact.

vi). Implementation and Execution: Executing the strategic plan effectively by mobilizing the organization's resources, aligning stakeholders, monitoring progress, and making adjustments as needed.

vii). Performance Evaluation: Continuously monitoring and evaluating the performance of strategic initiatives against established objectives and key performance indicators (KPIs), and making data-driven decisions to improve effectiveness and efficiency.

Overall, strategic management and strategic planning provide a roadmap for organizations to navigate complexity, drive innovation, foster growth, and achieve sustainable competitive advantage in the marketplace. By embracing these concepts and practices,organizations can adapt to change more effectively and position themselves for long-term success.

MANAGERIAL EFFECTIVENESS MENT AND CORPORATE STRATEGY

Managerial effectiveness and corporate strategy are intricately linked in the realm of business management. Managerial effectiveness refers to the ability of managers to achieve desired outcomes efficiently and successfully, while corporate strategy pertains to the overarching plan that guides an organization towards its goals and objectives. Together, they form the backbone of a company's operations and direction.A traditional measure of the professional calibre of any organization is the efficiency of its operations. How well it controls the internal costs and how much it squeezes from its sales are typical indicators of how successful a company is.

Effective management is essential for the successful execution of corporate strategy. Managers play a crucial role in formulating, implementing, and adapting strategies to navigate the complexities of the business environment. They are responsible for aligning the efforts of individuals and teams with the strategic objectives of the organization, ensuring that resources are allocated optimally and that tasks are carried out effectively. It is by doing the right things, or by not doing the things right, that the difference between success and failure for any organization is spelt out. The former co of action measures a company's efficiency. Effectiveness is by far themost important criterion for growth and prosperity. Course 2024/0NIA RAN46 to elucidate my point, I quote two case studies from corporate history.

An Italian electronics company established a beach-head in the USA and began to consolidate its position by adding a large parts and service operation. It quickly expanded its sales base through addition of many reputable distributors across the country. Like many companies that have experienced fast growth, its support operations, parts and service in particular, failed to keep pace with the company's Kazmi, Azhar: Business Policy, Tata McGraw-Hill Publishing Company Limited, New Delhi, 2001.One key aspect of managerial effectiveness in the context of corporate strategy is strategic leadership. Effective leaders inspire and motivate their teams, fostering a shared vision and a sense of purpose that drives performance towards strategic goals. They provide guidance and direction, make informed decisions, and adapt strategies as needed in response to internal and external factors.

MANAGERIAL EFFECTIVENESS AND MANAGEMENT AUDIT

Managerial effectiveness refers to the ability of managers to achieve desired outcomes efficiently and competently. It involves a combination of skills, knowledge, and behaviors that enable managers to effectively lead and coordinate the efforts of their team toward organizational goals. Management audit, on the other hand, is a systematic evaluation of managerial performance, practices, and processes within an organization to identify areas of strength and weakness and recommend improvements.On a broader and more objective level, managerial effectiveness can be viewed as how well the management does in both formulating and achieving organisational goals in comparison to the management of other similar kinds of organisations and/or compared to itself over time. For example, let us take two similar Firms A and B. Firm A sets considerably less ambitious goals than Firm B. If both these firms achieve their goals, it cannot be said that management of firm A is as effective as Firm B. Firm B is perhaps more efficient and effective thanFirm A.

The concept of managerial effectiveness encompasses various aspects of management, including leadership, communication, decision-making, problem-solving, and delegation. Effective managers possess strong interpersonal skills, such as empathy, active listening, and conflict resolution, which enable them to build trust and rapport with their team members. They also demonstrate a clear understanding of organizational objectives and develop strategies to align their team's efforts with those objectives. In addition to interpersonal skills, effective managers are also adept at making informed decisions under uncertainty, prioritizing tasks, and allocatingresources efficiently. They understand the importance of setting SMART (Specific, Measurable, Achievable, Relevant, Time-bound) goals and regularly monitoring progress toward those goals. Furthermore, they foster a culture of accountability and continuous improvement within their team, encouraging feedback and learning from both successes and failures.

OBJECTIVES AND THEIR IMPORTANCE

Laying down of appropriate objectives in an organisation is very crucial. The objectives that the management decides upon spell out what results the organisation expects and the basic means for achieving them. Richman and Farmer identified thirteen generally important firm objectives/goals.The importance and sales advances. Service was erratic, and parts either failed to reach customers at promised dates or sometimes never arrived at all. Was the company a failure? Although the efficiency of its operations was substandard, its direction was proper. The right thing to do for the company at the early stage of its evolution (effectiveness) is to expand its distribution network so that it could sellmore products. Of course, its parts and service operations needed to beimproved, and eventually they were. Had the company chosen toconcentrate its scarce resources early in the game on improving partsand services operations rather than on expansion of its distributor'snetwork, sales undoubtedly would have suffered. The Italian company focused on being effective, it did the right thing and prospered.After six months ofquiet negotiations, global consumer products giant Procter and GambleCo., US, tied a strategic knot with Godrej Soaps Ltd. Though inturnover terms, the latter may be miniscule (Rs. 532 crore against P&G's Rs. 92,000 crore),in India's consumer markets Godrej is a forceto reckon with. Both readily concede that it is a marriage of utmostconvenience. David Thomas, India's recently installed Chairman-cumManaging Director P&G says, "We are looking for a relationship inperpetuity.And the Godrej group with its high values, brandconsciousness and market knowledge was the ideal choice".

CONCLUSIONS

To conclude, globalization is likely to induct new technology, new management cultures and styles, new product and brands into India. It will create new opportunities and pose new threats from within and abroad. In the short, run there shall be upheavals. Whether, ultimately it leaks to more output, more employment and emergence of a real competitive market is a body’s guess, but it requires redefining goals, adoption of rational management principles and modified managerial styles in terms of managerial effectiveness.

In the light of the above mentioned conclusions, there is an urgent need in India, if India wants to preserve the fruits of these reforms,

(i) to maintain an optimal effective exchange rate and positive real rate of interest in order to increase the domestic level of savings and international competiveness, achieve price stability through a reduction in the rate of growth of supply of money deflated by output growth, and increase in overall productivity,

(ii) of further cut in fiscal deficit gradually,

(iii) for taking efficient investment decisions, and constant technology up-gradation,

(iv) have continuity and stability in the fiscal and monetary policies,

(v) for enforcing a complete ban on generalized loan waivers particularly by the state governments, the introduction of speedy and effective loan recovery processes, a phased reduction in SLR 25 present and CRR up to 10 present for avoiding another scam, reducing transactions costs by the bands.

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