

Statement Essay: *Most large corporations are run by managers to satisfy shareholders, they should instead be run to suit the interest of all stakeholders in them.*

Managers within different businesses have to look at several different angles which are related with the business itself. This means that there is a general sense of negativity attached with the way in which managers perform their tasks. It also gives air to the notion that managers know nothing about what the requirements of the stakeholders are in the whole equation but then again this assumption might just not be correct as well. The managers might just be thinking about the long term scenarios and therefore have to sacrifice the short term interests of the stakeholders for their long term ones. However this is all pretty confusing to understanding and more so within the business circles and the related processes in which managers perform their duties and tasks.

A business is seen from quite a number of different stances. First there is the business stance which suggests that it has to remain in a particular industry to thrive itself in order to earn revenues. Then there is the customer stance which suggests that the customer wants

value for money and the best possible product at the cheapest price always. The third stance is that of the distribution channels and vendors who do their bit at manufacturing, wholesaling, distributing and retailing the very products. When all these viewpoints meet in harmony, then only one can witness a complete symphony between the different business processes, activities and feelings that are so very significantly attached with the business that we are talking about here. Long range planning can help a particular company gain so much in accordance with its goals and objectives that had been planned and drafted but in the current times more and more attention and emphasis is making the rounds of the discussion as to whether these plans can actually deliver what was expected of them in the first place. Now we shift to the methodology and rationale behind building competitive advantage. This is something that is build over time and requires synchronization between the tactics, activities and the overall strategy of the company which is producing the product(s). Competitive advantage is developed when there is a differential undertaking on the part of the customer. This could be in the form of lower prices than the competitors, better quality, efficient sales services and support and a number of other features. Thus customer satisfaction is something

which cannot be measured by a standard set of parameters. It has to be experienced always with different set of offerings that are made available. These offerings could be in the form of better quality products, higher and more efficient services or a bundle of both high class product and state of the art service, in which case it would not be categorized under either of them rather as a mixture of both. It is pretty true that the market dynamics suggest that the competitive advantage can only be achieved when the customer is given what he or she wants but then again is there any limit to his or her wants? The answer would be NO and quite rightly so. The customer expect value for money and thus the best possible product at the most effective rate, thus it would be correct to understand his point of view and then go about changing the product offerings, prices and the value thus provided. However in this whole equation, we cannot forget the stakeholders' role since these are the people who have invested in the equities of the company and they are there for quick returns. Therefore the benefit point for the stakeholders is one that has to be understood in the proper contexts before we move any further. First of all, let us just define who these stakeholders actually are. They might consist of the stockholders, who have bought the stocks of

the company in the stock exchange or these could be the governmental bodies that have some specific bodies working for the betterment of the public through the help and facilitation of the private sector and this company comes under the auspices of that very private concern. These could also consist of the different political and legal representatives who have one or the other motive in the company and are thus labeled under the heading of stakeholders. Apart from them, the stakeholders can be the general public, the partners (formed up due to partnerships and alliances), the local governments, the environmental and similar agencies who have their due say in the perspectives of a company crossing the line of health protection and human rights (not applicable for all companies), etc.

Organizations in the present times are doing their utmost in order to know more and more about their valued customers and stakeholders. For this, they have devised certain strategies which are in line with the values that their business has set for itself. These values are thus deeply intrinsic within the mission and vision statements of the company. In order to gain further knowledge about the customers, research is being given proper emphasis which would eventually discern the exact basis for the

customers to come and make that vital purchase. It is a fact that the business world of present times can have a lot of improvement within their ranks if they adopt the policy of working towards the establishment of a performance management system. This would guarantee them a lot of success as their employees and workers would dedicate their whole hearted efforts towards the well being of the company as well as towards their own individual capacities. Also these would not care for the long term gains or the short term ones as long as the company is benefiting from their actions and one should believe that at the end of the day, the same is very significant to say the least. Once these performance management systems are installed and in place, we can have a proper check and balance mechanism as concerns to the people who are working in the company. Performance management systems make use of the fact that performance is increased on the part of all concerned and there is no shortfall as concerns to commitment, dedication and devotion when at work.

The performance management systems can ensure the right people for getting the bonuses, incentives and so on as well as point out the ones who have fallen short on the company's expectations over a period of time. This would help in giving them rewards and incentives which will

eventually make one and all happy at the end. Also this will continue their desire to achieve more and more within a specified period of time and thus come into the good books of the company. In return, they can be given all these rewards so that they could be encouraged in line with their work attitudes. Moreover, the people who lag behind with regards to their work schedules and dedication levels will stand up and take notice and thus would want to be counted as the effective and efficient ones within the company as well. The role of organizations in the maintenance of these systems is also very paramount. The role played by the organizations in advancing their performance management systems is immense since a lot of the population depends on them for their needs and wants. This is met in a fair manner courtesy the E-government initiative adopted by several different companies and organizations. All such innovations which help and facilitate the related process must indeed be given thumbs up since these try to solve the miseries of the people and it is because of these people that the performance management systems are put into place originally. The important thing here is to understand that incentives are not divided between the short term and long term parallels rather the focus has to be made strong, one that is

directed towards the betterment of the company and nothing else. This further pinpoints the fact that the deployment of an efficient performance management system policy within the organization would indeed help it to essentially tackle its internal issues in a better and more effective manner possible. Performance management systems will definitely ensure that the performance levels of all employees would exceed the expectations since it will guarantee them instant rewards and incentives. Their interaction with each other would develop in an informal manner and thus a competitive environment would sustain within the organizations. The ideology could literally backfire if there is a complete lack of commitment on the part of the people who are at the helm of affairs in the said organizations and were just interested with bringing the system to their respective organizations but not with their actual working methodologies. The companies which will benefit from the results of the performance management systems would indeed be the leaders in their business geographical zones and thus stand out amongst the very best.

Managers need to make fast and accurate decisions in the best of times and for that they are accountable to each and every person in the company, not to forget the top

management who keeps a note of all the dealings and processes that the managers undertake. This also includes the esteemed stakeholders without which there would be no investment in the company in the first place. For this, managers have to be sharp and visionary with the future in mind, both from the company's perspective as well as that of the customers for which the company is actually striving to make some efforts. Managers also need to understand that the strategic options can be balanced alongside the tactical and short lived goals which are basically brought into play so as to meet some realistic goals and tasks. They need to align the same in the light of the mission and vision statements which are drawn up by the company when it was formed. The usage of sound planning on the part of the managers is very imperative as it ensures that the same is not only important to the whole well being and the actual basis of the business but also the manner in which it invites the short term gains and incentives that come along all this while. Long term planning has to be drawn in the light of the objectives that the company has set for itself and this does not mean that the revenues and profits alone are the points that need discussion rather the emphasis is on understanding the mission and vision statements of the company and the manner in which the two align with the

goals that it has to meet over a period of time and then only weigh it with the benefits that are reached courtesy the long term incentives and the short term gains. Thus it is a fact that contingency planning is the buzzword which is making the business circles' rounds in the current times. These provide a stop gap solution to the needs which are drawn up by the companies and then the answer is found out so as to cope up with the very same. Different scenarios and short term plans thus provide for a lot of cushion as far as vital tactical planning on the part of the said company is concerned and this indeed forms up as an important ingredient of the different processes that are running within the company. It might also be possible that the different departments present within a company have their own respective agendas that they have to meet and thus the long term planning can take a back seat in this equation. The administrative, decisional, interpersonal and other skills present within the repertoire of the management of the company have to understand that the long term planning has to make way for the tactical moves that are introduced within the company every now and then and which is for the betterment of all concerned, more than anything else, for the company and its stability in the long run itself. The skills just discussed have to come

into play so that all of these unite and thus form up as a single, coherent message, a message that will take over the reigns of the company and talk about the problems that it is facing in the light of the completion and the eventual attainment of the strategic goals. The short term activities and tasks thus gain more and more attention from all concerned, not only the employees working within the company but also the stakeholders who have one thing or the other within the proper and sound functioning of the business, the consumers who want to know what exactly is happening with the company's different products and services and why there is a lag at the retail side of those very products and services.

In the end, we will summarize the whole discussion by stating that the large corporations and entities need to have managers who have sound vision and proper tact within their grasps so that they can well understand the mannerisms of the ball game of satisfying the different publics, the customers and last but not the least the stakeholders. The requirement is to balance all of these so that the company benefits in the long run with the proper consent of all concerned. The stakeholders' satisfaction is of paramount importance for the organizations function to run in a smooth and flawless manner.

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