


SITUATION ANALYSIS

Vision / Purpose / Mission and Values
Statement
Stakeholder Analysis
Effectiveness Analysis
S.W.O.T. Analysis



SITUATION ANALYSIS

Definition

The situation analysis should describe briefly in summary form the management situation reflected in the case. This is not a restating of the case details or history. Instead, it captures the essence of the management situation and leads to the development of the issue(s) statement to follow.

SITUATION ANALYSIS

Vision / Purpose / Mission and Values Statement

Definition

An organizations vision/stakeholder analysis utilizes a vision and values-driven stakeholder approach to achieve congruence that will foster corporate social responsibility (CRS). This process is initiated by developing a vision/mission whereby strategic leaders and/or followers can initiate CSR to serve key stakeholders. This vision must vividly portray a journey which, when undertaken, will give one a sense of calling, of one's life having meaning and making a difference. The vision then forms the basis for the social construction of the organization's culture as a learning organization and the ethical system and values underlying it.

Vision/Purpose/Mission – Answers three questions:

What is our journey?

Why are we taking it?

Who are we and what do we do?

Qualities of an Effective Vision

1. Broad appeal to key Stakeholders
2. Defines the Destination and Journey
3. Reflects High Ideals
4. Encourages Hope/Faith
5. Establishes a Standard of Excellence

SITUATION ANALYSIS

Vision / Purpose / Mission and Values Statement

Example:

Baylor Health Care System Founding Statement

"It is not now time that we build a great humanitarian hospital, one to which men of all creeds and those of none may come with equal confidence?"

George W. Truett, 1903

Our Vision: To be trusted as the best place to give and receive safe, quality, compassionate health care.

Our Purpose: Founded as a Christian ministry of healing, Baylor Health Care System exists to serve all people through exemplary health care, education, research, and community service.

Our Mission: To operate as an integrated health care system by offering a continuum of quality services with a commitment to patient care, medical education, research and community service.

Our Values: These values reflect how we seek to relate to patients, families, physicians, employees, payers and communities we serve.

Integrity – Conducting ourselves in an ethical and respectful manner.

Servanthood – Serving with an attitude of unselfish concern.

Quality – Meeting the needs and striving to exceed the expectations of those we serve through continuous improvement.

Innovation – Constantly exploring, studying and researching new concepts and opportunities.

Stewardship – Managing resources entrusted to us in a responsible manner.

SITUATION ANALYSIS

Stakeholder Analysis

Definition

From a strategic and empowered team leadership perspective, it is necessary for organizations to adopt a stakeholder approach in viewing social organizations as being imbedded in layers or levels (individual, group, organizational, societal) with various internal and external constituencies (employees, customers, suppliers, government agencies, and so forth), all of whom have a legitimate strategic and moral stake in the organization's performance. Each of these stakeholders may have different values and interests as well as different stakeholder relationships with other individuals, groups and organizations.

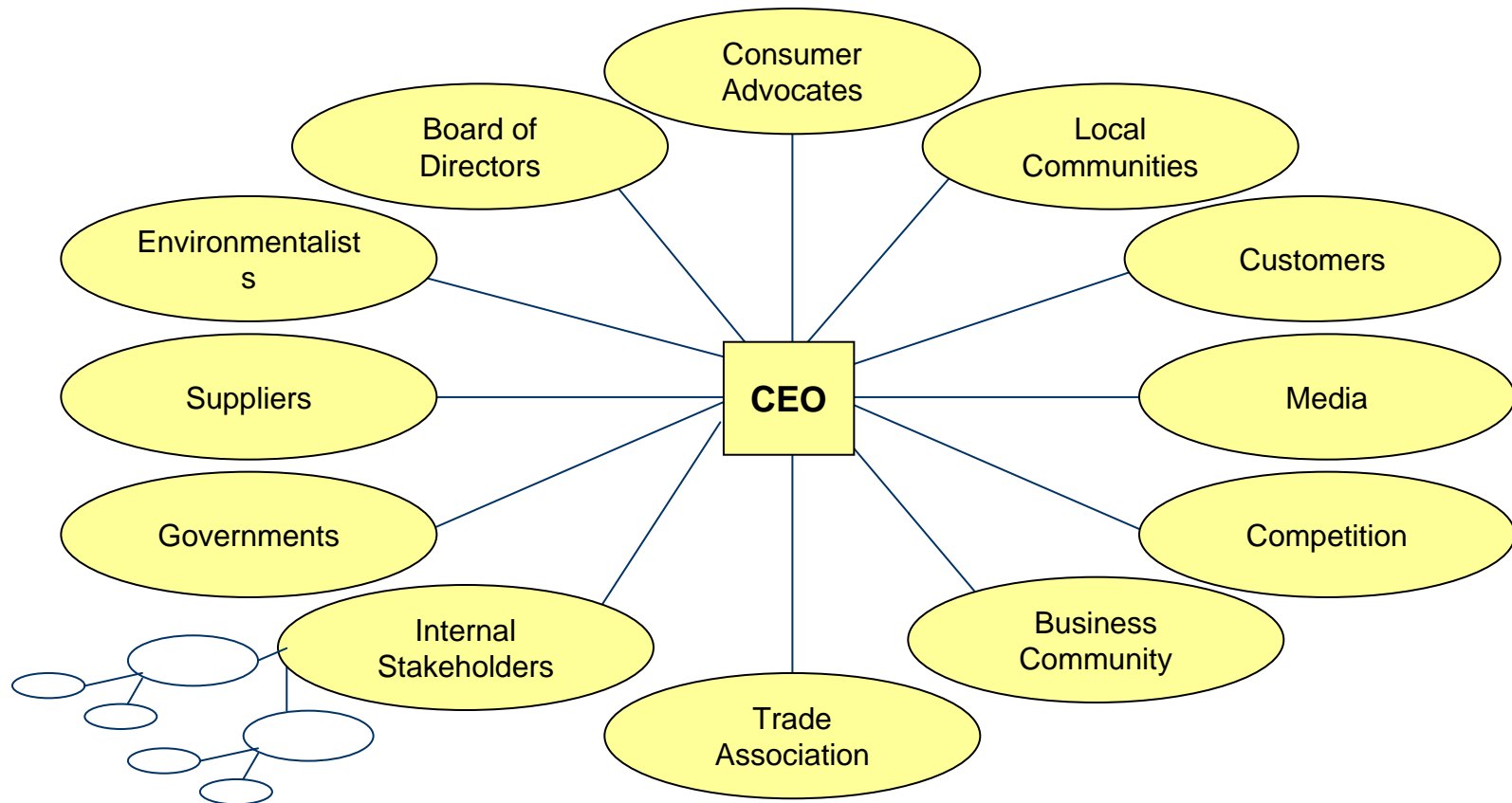
Stakeholder Analysis Process

1. List all stakeholders of an organization.
2. Determine amount of power each stakeholder has with respect to the organization.
 - a) Power is the ability to influence others to behave as you would want.
 - b) Low power / Low importance stakeholders are generally not included in the analysis.
 - c) Typically will have 3 to 6 stakeholder groups.
3. For a particular effectiveness criterion, determine its importance to each stakeholder group.
 - a) What does the stakeholder group expect?
4. Place stakeholder group in appropriate place on model.

SITUATION ANALYSIS

Stakeholder Analysis

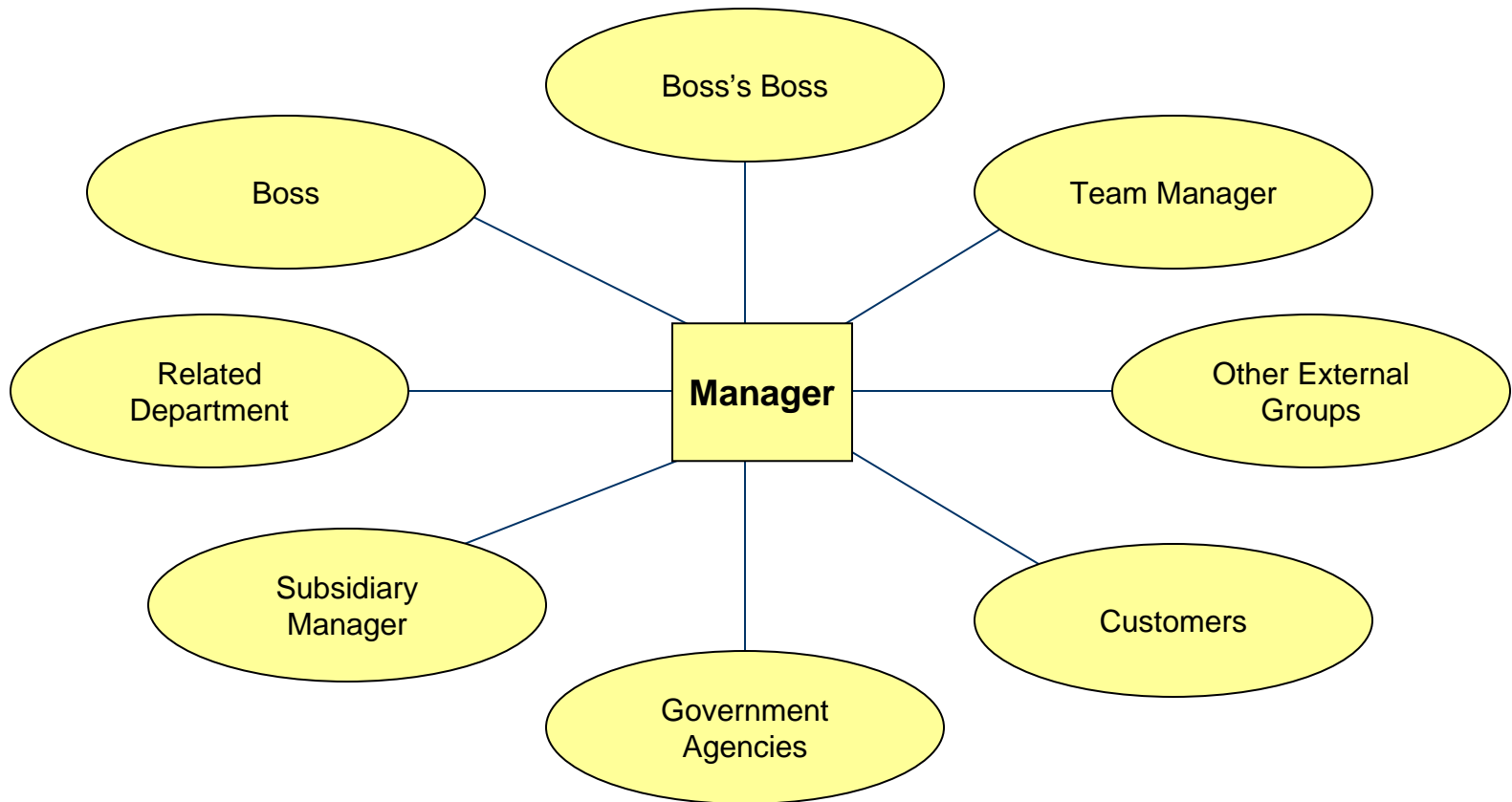
Example: CEO Stakeholder List



SITUATION ANALYSIS

Stakeholder Analysis

Example: Managerial Stakeholder List



SITUATION ANALYSIS

Stakeholder Analysis

Stakeholder Power

High	High Power Low Importance	High Power High Importance
	Low Power Low Importance	Low Power High Importance
Power of Stakeholder Group Over Organization	Low	High
	Relative Importance of Effectiveness Criterion to Stakeholder Group	

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Stakeholder Analysis

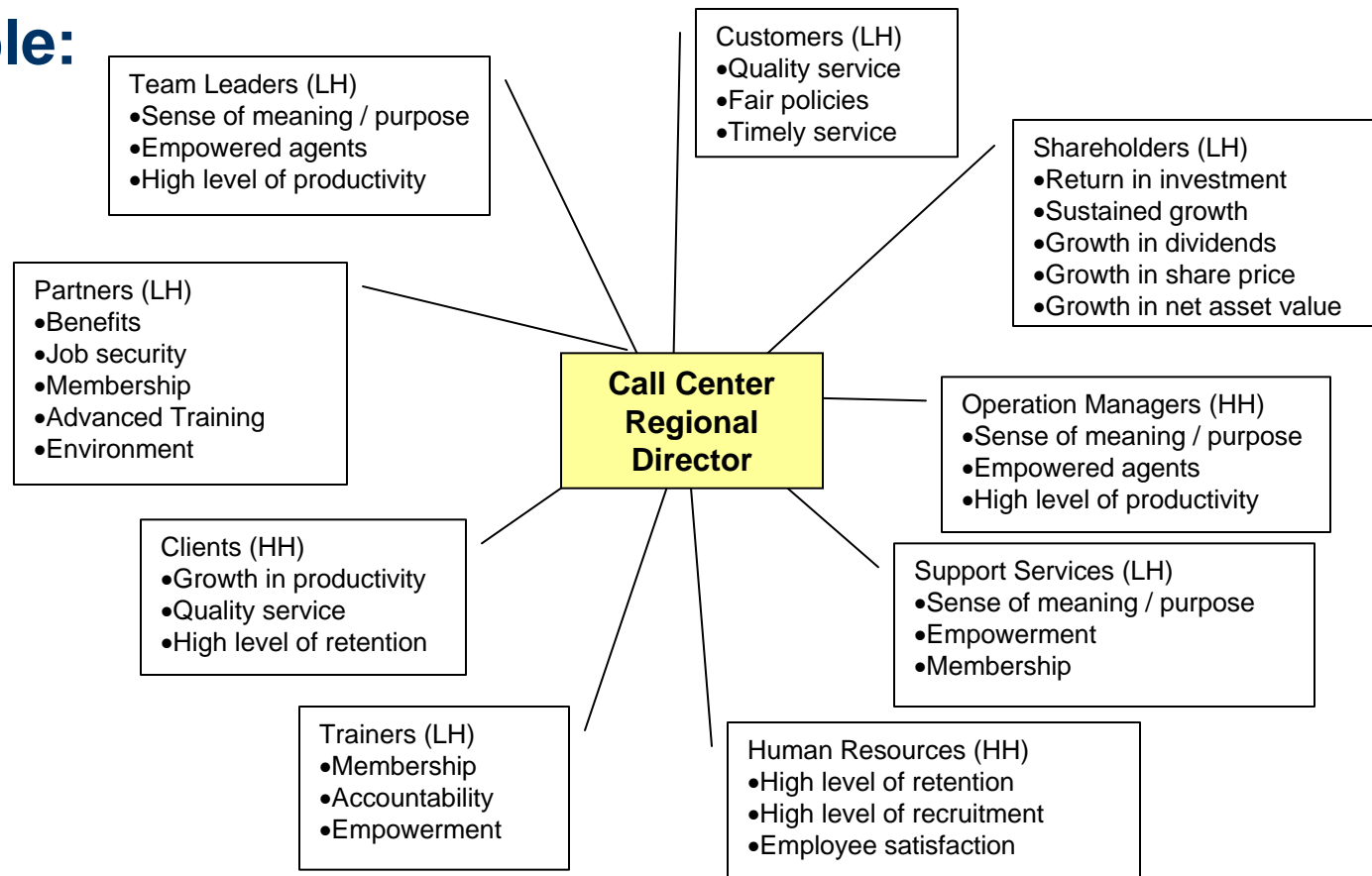
Stakeholder Effectiveness Criteria

<p><u>Shareholders</u></p> <ul style="list-style-type: none">•Growth in dividend payments•Growth in share price•Consistent dividend payments•Growth in net asset value	<p><u>Customers</u></p> <ul style="list-style-type: none">•Price always competitive•Emphasis on quality•Return and Replacement policies•Warranty / guarantee provisions
<p><u>Suppliers</u></p> <ul style="list-style-type: none">•Timely payment of debt by company•Adequate liquidity•Integrity and public standing of directors•Negotiating ability of the purchasing manager	<p><u>Employees</u></p> <ul style="list-style-type: none">•Good compensation and benefits Job security•Sense of meaning or purpose in the job opportunities for personal development•Amount of interesting work
<p><u>Government</u></p> <ul style="list-style-type: none">•Efficient user of energy and natural resources•Adhering to the country's laws•Paying taxes•Provision of employment	<p><u>Lenders</u></p> <ul style="list-style-type: none">•Liquidity of the company•Character and standing of company management•Quality of assets available for security•Potential to repay interest and capital on due date

SITUATION ANALYSIS

Stakeholder Analysis

Example:



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Dimensions of Organizational Effectiveness

Definition

Organizational effectiveness is built on the components of internal / external efficiency and internal / external effectiveness. While no component is dependent on the other, they represent perspectives that may conflict. If any one component is low then the overall organizational effectiveness will be low.

Internal Efficiency is the traditional subject of industrial engineering, concentrating on work flows and controls to optimize quantity, quality, and efficiency.

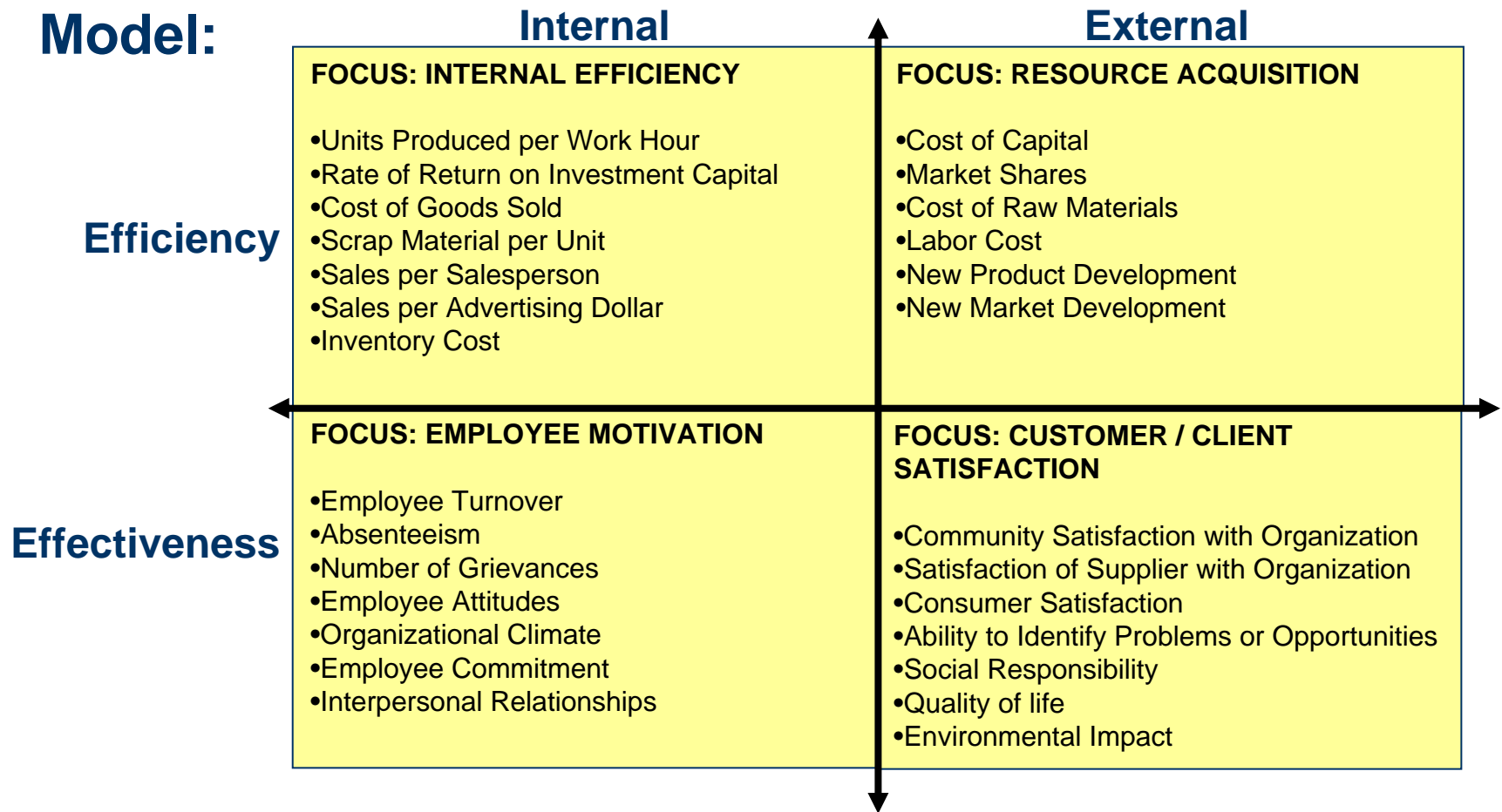
External Efficiency deals with the acquisition of resources and the distribution of products and services.

Internal Effectiveness is concerned with the motivation and commitment of particular organizational members to perform specified task. The extent to which the individual is motivated to the degree that their efforts lead to high performance and the fulfillment of positively attractive personal goals or needs.

External Effectiveness considers the relationship between the organization and its environment. Emphasis is on the commitments that are developed with external clients and segments, to the extent that the organization provides some useful and meaningful product or service.

SITUATION ANALYSIS

Dimensions of Organizational Effectiveness



SITUATION ANALYSIS

S.W.O.T.

Definition

S.W.O.T. Analysis is an effective way of identifying an organizations Strengths and Weaknesses, and of examining the Opportunities and Threats that they face. Strengths and weaknesses are internal factors. Opportunities and threats are external factors

Strengths are an organizations resources and capabilities that can be used as a basis for developing a competitive advantage.

Weaknesses can be viewed as the absence of certain strengths.

Opportunities should reveal external environmental analysis of certain new prospects for profit and growth.

Threats are changes in the external environment that may present pressure to the firm.