

Management Planning Paper

Altria Group Inc.

When the organizations are involved in business they have to navigate their every step and move very deliberately. No matter what the size of the company is, it'll have to be very conscious about all its activities and functions in order to sustain its position. The fundamental purpose is to plan in the most effective way in order to survive, grow, compete and expand. There are certain factors which affect the planning process. Especially when we see large companies, they are very much influenced by such various factors like society, market trends, organizational behavior thus not only making planning complicated infact the implementation at times become more complex. They are responsible to take care of the society, make sure no rule and regulation is violated and the ethical values are been persuaded.

Here we'll discuss the strategic management or planning adopted by the Altria Group, Inc. Like other large companies, the company is always under the immense pressure and scrutiny that it is ensuring ethics and social responsibility. These concerns affect the planning process also.

The Altria Group Inc. is well known to be best in packaged goods. It has to offer a range of beer, tobacco and food products to the market. A large variety of very popular brands of variety of tobacco products and cigarettes such as Marlboro, Virginia Slims, Chesterfield, and Basic are manufactured by it. It was previously know as The Phillip Morris Company. At present a division named as Phillip Morris USA is indulged in making these tobacco products for USA and the international market. Altria has the chief share holding in SABMiller plc, previously known as the Miller Brewing Co. which is well-known for manufacturing and selling outstanding brands of beer in USA and the international market. The food division, Kraft Foods, Inc., is involved in producing a

variety of popular cereals, prepared foods, and beverages. It is considered to be one of the largest and most famous brand worldwide and include Kraft, Maxwell House, Oreo, and Oscar Mayer” (Microsoft® Student 2008 [DVD], 2007)

A number of allegations are there on Altria. It has been accused of making unethical promotional and advertisement campaigns. On the other hand it is believed to be involved in political lobbying and is also known as a defendant in several tobacco related lawsuits. In dealing with such situations all the functions and units of the company are under immense pressure and the management planning can not be done without it.

It is better here to review and revise the comprehensive business planning. Every move will have to be very cautious and calculated. Dealing with sensitive issues like social and ethical responsibility is not at all an easy task. The main concern is to redefine the company’s image in the society. This can be done through the strategy implementation or reiterating their social responsibility by bringing in new solutions to these problems. This all is necessary to be done when planning is on the formal stage.

Most obviously, when a company is accused of several unethical actions, the company’s management team should be looking back at step one of the strategic planning phase, which is to establish a mission, vision, and goals. Every organization has its mission statement which is the foundation of all its business activities. “A mission is a clear and concise expression of the basic purpose of the organization. It describes what the organization does, who it does it for, its basic good or service, and its values.” (Thomas S. Bateman, 2009)

When a company is been accused of such allegations its market is very much affected. The reactions of customers are not positive towards such organizations and they

start backing out. In this type of a situation the management of Altria is required to review all the minute details of its strategic plan. This strategic panning will form the basis of all the operations and activities conducted by the organization. The organization will have to see that which issue is the most sensitive and then start tackling it accordingly. On the basis of this issue the other problems can also be resolved.

Strategic panning is usually done for the long term goals where a proper plan is formulated. To further simplify the process and enhance the control mechanism the plan is then conked out in smaller goals which are specified and are concerned with short terms. This is known as the tactical planning. They provide a sort of an action plan that how to move ahead.

If all this is applied on Altria then there is a need that the company should first try to improve their image in the society. This could be done by launching an advertisement campaign which will rectify the company's reputation. They could highlight a social cause thus creating and delivering a message that they are concerned about the society.

In 2003, "Philip Morris changed its name to Altria Group, Inc. The name change was approved at a shareholders' meeting the previous year. Observers noted that the name change was intended to distance the company from its tobacco heritage." (Microsoft® Student 2008 [DVD], 2007)

One more example will be that, "Altria was named one of the "Top Ten Green washers" in 2003 by the Earth day Resources for Living Green. The company was cited for its use of nature photos in its advertising to create the image that Altria is committed to, among other things, protecting the environment. The report claims, however, that in actuality the company's products pose significant risks to public health and the

environment.” (Knowmore.org, 2009)

Thus by adopting such other ideas the company would be able to bring back its positive image. Al this is no doubt a long term goal and will definitely take time but with the help of tactical planning the phases can be broken down through tactical planning. Another type of planning which needs attention will be the operational planning. This is the planning about the procedures involved at lower levels of the planning stages. The day to day strategic decisions are also made like this; even the making of the new campaign could be a part of such planning. This level of planning would most likely focus on marketing staff tasked to support Altria’s ad campaign, or perhaps Altria’s legal department. Ethical and social backlash are the factors which no doubt effect the overall planning of the company but is calculative and well-organized measures are taken the chance of coming out this situation is not far away.

## Bibliography

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