Organization of enterprises in function of a successful business

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ARTICLE INFO

Article history
Received 25 January 2015
Accepted 27 January 2015

Key words
organization, management, enterprise, improvement of managerial skills, business processes

ABSTRACT

Management is a key function of the enterprise. The ability of management depends on the success of the company or other organization system. Therefore, it is considered that the main cause of underdevelopment of many countries is caused by insufficient application of modern management system, rather than a lack of resources. It is believed that management by its very nature is universal and hence its wide application in various forms of social organization systems is required. Key elements of management are universal and, with appropriate adaptations, applicable in different environments, as recent scientific research and practical experience and demonstrated. However, this does not mean that management and the organization of the enterprise are applied everywhere in the same way.

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Introduction

Major changes in the development and application of new techniques and technologies [1] have characterized the twentieth century. In the western world, the phenomenon of gradual transition from industrial society to an information society [2] was brought by a mid of twentieth century. This was lately followed in the others part of the world.

These changes have led to a transformation of the planet in the so-called global economic village.

The increasing competition in the market requires enterprises a high degree of efficiency and the rational utilization of available resources. It is therefore necessary to establish the organizational structure that can respond to the challenges that come from the environment. The process of enterprise organization [3] involves the formation of an organizational structure that includes a large number of management activities. Creation of organizational structure starts with the analysis, ie. with the overall task of parsing the partial tasks. The process of analyzing the overall task of the company and synthesis of partial activities will then be continued by grouping tasks in the tasks and the formation of working units. This is followed by a process of decentralization of management and division into sectors or departments as well as the establishment of centers of responsibility. The business enterprise is a complex activity that involves various tasks that require adequate knowledge and skills. The first activity of managers within the organization functions is to determine the individual tasks to be performed to ensure the achievement of the objectives of business.

Organizing is a management activity that optimally combines the activities of company resources in a coherent whole. It is a management activity that should provide consistent connecting of people and resources for work and materials for successful business.

Organization is based on the division of labor between the participants in the organization of business. Total business of enterprise is allocated to groups of employees, and to individuals. This allows the creation of specialized groups and individuals for specific jobs, and thus increases the efficiency of the business. All this requires coordination activities whose efficiency is provided by the authority of the executive.

Company management [4] uses the organization to efficiently combine human and material resources, adapting to the conditions in the environment of the company. Organizing as an element of management is exerted by the organizational structure and organizational forms.

The ability of companies to achieve a competitive advantage, grow and develop not only depends on the supply of quality products tailored to the needs of customers, but also by improving business processes. By applying a suitable model for managing business processes, companies can reduce production costs, improve work organization and increase profits.

However, although the improvement of business processes in accordance with customer needs basis of successful business, a relatively small number of companies successfully organize, manage and improve key processes in order to increase the return on investment and providing better market position.

Companies operating in the same industry or sector differ in the way they manage their core business processes. The business strategy of successful companies is based on the efficient organization of business processes as a prerequisite for the successful management of the entire business. Changes in the market are forcing these companies to continuously analyze and improve business processes, to create value for customers and to achieve maximum business impact with minimum cost of necessary resources.

Term and management definition

Management is the process of planning, organizing, motivating and controlling towards achieving the company's goals [5-13]. Starting from this definition and study management as a process, with particular stages, leadership occurs as a part of which is the allocation of individual and group behavior directed toward defined goals of the company.

Routing is a narrower activity that is part of the leadership and means sending workers to a specific task that may not be part of the activities defined in the employment contract. In this approach, the management has emerged as a universal activity whose principles are applicable to all areas of the economy and society.

Management comprises a number of interrelated functions that are present in all organizations and at all organizational levels. As a process, the management of the company is focused on the setting and achievement of goals. Key highlights of the management process are: decision-making, influencing, communication, coordination and networking. The main objectives of management processes are related to the efficiency and
effectiveness of the organization. Modern enterprise, with many challenges and processes of change, would be
difficult to survive and develop without management. Management is now engaged mainly in human beings and
their relationships in the organization. Modern management [14] emphasizes the importance of employees in the
organization, their knowledge and skills, leadership styles, unlike the earlier phases of management that focused
on strategy, company structure and company size and technology. The new phases in the development of
management are followed with the development of the enterprise and the establishment of new systems,
processes and organizational structures.

One of the main problems facing modern management is how to best use the resources of enterprises in a
changing and turbulent environment. The optimal combination of available resources and their best use is one of
the most difficult problems the management of the company faces in this century. In solving these problems,
there is no uniform practice of management, which would be universally applicable to all kinds and types of
companies (in this respect there are significant differences in practice). In Japanese management focus is on
lifetime employment and consensual decision-making. In Germany, the emphasis is on the powers of
management and employee participation in decision-making, in the UK's security comes first etc).

Business function is often not understood. It is defined differently depending on who uses it. The business function, in the European South-East terminology, in planning is a model of business activity and in
the execution represents a real business activity. If complex, it consists of a set of activities that consists of a
number of simpler functions. Business functions are planned and executed in order to achieve a business
objective. It can be said that the business functions are the ways to achieve business objectives.

Organization function

The process of organizing is one of the four key stages of management that in the order comes after the
planning and execution but preceding to implementation and control. Therefore it is for managers on the threshold
of XXI century, knowledge of the process is necessary as well as a consequence is the creation and development
of modern organizations in order to effectively achieve their goals.

And today, when the process of organizing is based on the one hand on many years of experience, on the
other hand, new knowledge and concepts, many resources are not used in a way to provide the greatest impact.
As a result, managers are constantly in a quest for continuous changes in the conditions of organizing their
business in a manner to meet time demands and to make their organizations dynamic and adaptable to respond
to these challenges.

Management as a function at the highest level of the hierarchical division of labor in the enterprise has a
special role and importance for the successful operation and the achievement of company goals.

The company management tasks can be grouped in several activities, such as:

- Defining business goals,
- Planning tasks to achieve the objectives,
- Election of the management functions,
- Providing the necessary funds for the scheduled tasks,
- Examination of the conditions in the environment of the enterprise,
- Distribution of realized results of operations.

Management function comes down to deciding on the objectives of the company, conditions and methods
to achieve these goals, based on the given objective, social, economic and technical conditions of reproduction.
Enterprise management is manifested through the process of making business decisions and organization which
are essential to the functioning and performance of the business system, which directs current operations and
long-term development of enterprises. Decisions can be related to business areas, results, distribution, and
development. The purpose of these decisions is the adaptation of work packages of some or all services incurred
due to objective changes, in order to preserve the unity of the originally set goal: to achieve corporate objectives
with optimal economic conditions.

Given the types, decisions are classified in decisions relating to [15]:

- Identification of the goals of the organization that need to be completed in a period of time,
- Tasks that must be performed in order to realize the established goals of the organization. These
decisions transform objectives into tasks, establishing the conditions under which tasks will be
implemented and achieve established goals,
- The resources required to perform the tasks and achieve the set goals.
Making decisions about the goals of the current business and enterprise development requires extensive and complex preparatory activities in order to avoid the risks of failure or loss. The realization of each of these decisions is conditioned by investing appropriate amount of money - capital, which fertilization is possible only with a rational choice of objectives and efficient use of available material and personnel resources. Therefore before making a decision, market research is necessary, introduction of competition, information on the status and trends in the environment, as well as knowledge of possibilities for achieving the planned objectives.

Leadership is defined as the conduct of a single action in the achievement of the business objectives of the organization. The management is a much broader concept of leadership. As part of the management, the emphasis is on the rational analysis of the situation, developing the strategy, coordination activities, management and control of employees.

To ensure the quality leadership, organization and management are essential. In particular, the continued success of an organization and quality improvement is achieved by removal and supplementing these processes. A good leader does not have to possess managerial skills. It may have its contributors. But, successful manager, top manager, should know how to lead and organize people.

The supreme managers are responsible for 85% of failure in terms of quality [16], so they must be at the forefront of change.

To successfully be able to lead employees, the manager should possess adequate power. The sources of power are different [17]; depend on the managers themselves and their role in the organization:

- **Legitimate power** – based on authority and hierarchy of the functions,
- **Power of rewarding** – rewarding desirable behavior in the form of salaries, promotions, awards
- **Coercive power** – influence through penalty
- **Reference power** - impact on employees through personal example
- **Special knowledge, expert power** – based on a knowledge-based manager.

Top management exercises its role in building the organizational environment for the quality of planning, over selection of employees, the introduction of the work, training and personnel development, to organize, motivate and control. With personal engagement, manager shows to employees that the interests of management and employees are the success of the organization and quality of work on which work together.

**Managerial levels**

Managers are the carriers of the activities of planning, organizing and controlling. They all do not have the same level of (management) competence and responsibility to perform assigned tasks.

In a managerial competence there are at least three areas of businesses:

- Decision-making;
- Implementation of decisions;
- Monitoring and implementation of decisions by subordinates.

As managers, people perform managerial functions of planning, organizing, staffing, leading and controlling. The aim of all managers is the same: to create a surplus. The manager is a person whose primary tasks arising from the process of management, planning and decision-making, organizing work and business, employs and manages people and controls the resources. A manager is also the person who achieves goals by engaging others to perform tasks.

Some managers vary in terms of responsibility and the personal characteristics of skills and abilities which they must possess.

Differences between managers are differences with the different levels of hierarchical management structures, such as means and width of the area of their responsibility.

Moving from top-level management to the lowest level, the number of managers increases. So the company has more middle-level managers than those on the highest level, and more first-level managers than middle-level.

First level managers are also called first-line managers and they represent the lowest level managers in the company. They are responsible only for the work of employees in executive positions. They represent direct managers of employees and they are the only group of managers who are not responsible for the work of other
Managers. They are exclusively responsible for the direction and control of employees and only on operational – executive jobs.

Middle managers are a group of managers typically spread out on several levels of the administrative hierarchy. They are located between managers at the highest level and managers at the lowest level of management. The position of this group manager determines their relationship to other groups of managers, their responsibility and competence in managing the company. Correlation between middle-level managers with the highest is that they are responsible for implementing the strategies and policies, as well as for the implementation of decisions made at the top of the company. Reference to managers at the lowest level is that they are responsible for directing their activities between decisions taken at higher levels of the administrative hierarchy. They are often co-ordinate requests of top managers with abilities of their subordinates. Sometimes they direct operational activities of employees.

Conceptual knowledge allows managers coordination and integration of all the activities and interests of companies into a single unit. This knowledge contributes to abstract thinking of managers, their ability to problem diagnosis and capability of different situations analysis, as well as the ability of managers to rise above the everyday, the current situation. Managers with such knowledge to realize the enterprise as a whole recognize relationships established between enterprises and their environment as well as the relationships between the various functions of the company such as organization.

Summary

Today the management [18] is seen as a process that involves making quality management decisions. When carrying out management activities (making and implementing decisions) managers daily face numerous challenges. Starting from introduction of multiple connections of the workplace to organization with internal and external environment within decisions are made. It is characterized by the use of scientific methods to determine the best way that job is done.

Entrepreneurship and organization are a fundamental conceptual structure of governance that is the current institutional form of governance. They represent an innovative knowledge, vision and creativity that will survive, rigid organizational structures, and the socialist economy, transform to the market, and entrepreneurial. The most valuable capital are business ideas that have been validated in the market with which they are satisfied with the buyer and the community. With today's generations knowledge and innovation are needed for changes. Organization and innovation are needed to state, society, public services and economic organizations now and in the future. Good organization is the engine of economic development. They represent the technological and market opportunities to implement new range of products and services to create new results.

Entrepreneurial society must know what will not be able to function in the old way. It knows who and what changes can be handled by organizational strategies. In a company work, it constantly strives to a new way of thinking. Problems in enterprises cannot be dealt with the same people and the same level of thinking where they were when they are created. There are no finished and absolutely confirmed rules to solve problems in society. Problems of a society development best solve entrepreneurial economy.

Management [19] is defined as the art of conducting operations with people and with the help of people to achieve the organization's objectives. Leadership is nothing more than motivating. Leadership is the ability to influence, stimulus and direction of others to achieve the set goals. Leadership occurs at the moment when some impact on someone else, or when members of the group choose a leader and subordinate to his conduct and fulfilling his instructions.

Company strategy represents activities that lead to achieving the objectives. If a company has no defined plans the question is how to achieve planned because in such a situation there is no possibility that the objectives are realized. The analysis gives a key response to which business areas the organization can derive the greatest competitive advantage.

Management should ensure a successful and stable strategy that result in multiple satisfactions [20] of consumers, shareholders and company purposes.
References


Организация предприятий как функция успешного бизнеса

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Информация о статье
УДК 331.103.6

История
Подана в редакцию 25 января 2015
Принята 27 января 2015

Ключевые слова
организации, менеджмент, предприятия, улучшение управленческих навыков, бизнес-процессы

АННОТАЦИЯ

Менеджмент - это ключевая функция предприятия. Качество менеджмента определяет успешность компании или другой организационной структуры. Таким образом, предполагается, что основная причина отсталости многих стран обусловлена недостаточной обеспеченностью современными системами управления, а не нехваткой ресурсов. Считается, что менеджмент по самой своей природе является универсальным инструментом, и следовательно, необходимо его широкое применение в самых различных формах социальных организационных систем. Ключевые элементы управления являются универсальными и адаптированными, подходящими для применения в различных условиях, как показывают последние научные исследования и демонстрирует практический опыт. Тем не менее, это не означает, что менеджмент и организация предприятий применяются повсюду одинаково.

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