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Management decisions in organization management model

Tomsk Polytechnic University

Olga Stupnikova ^a, Natalia Serkova ^b, Ekaterina Sukhushina ^c

^a Institute of Humanities, Social Sciences and Technologies, Tomsk Polytechnic University ^b Institute of Humanities, Social Sciences and Technologies, Tomsk Polytechnic University ^c Institute of Humanities, Social Sciences and Technologies, Tomsk Polytechnic University

Abstract

The presence of a significant number of scientific publications in the field of management decisions does not diminish the relevance of their role in the organization management model. There is an active search for a new paradigm for determining the direction of solving the problems of modern theoretical and practical managements' aspects. The paper presents the author's approach to the disclosure of management decisions in the management of the organization model what include content analysis of the main components of the management decisions theoretical aspects. It also makes conclusion, that the decomposition of management decisions in segment will allow more detailed to understand the essence of management decision, to improve its efficiency and to expand the scope of application, indicate the degree of responsibility for decision-making.

Keywords: management decisions, management, organization, classification of management decisions, decomposition of management decisions.

1. Introduction

Currently, there are many different concepts and approaches in management theory, but there is also an active search for a new paradigm, which is able to determine the direction of solving the problems of modern theoretical and practical aspects of management organization, and one of that is the problem of improving management decision-making and their information component.

To determine ways to solve modern problems of information support of management decisions there is a need to initially explore the management decisions in the organization management model and then, based on obtained results, determine the methodological basis of management decision's information support for which it is necessary to build a model of organizational management.

Structure and properties of any model depend on the purpose for which they were created. The purpose of constructing the model is to reflect the many individual elements with all their properties, functions, especially in the establishment of interdependencies and interconnections between them. The organization management model includes the following core components: the definition of management, types of management, strategy, principles, subject and object of management, functions, methods, technology of management, management decisions. [4] Therefore, in this paper, management decisions are considered as a key component model of organization management model.

Management decisions are included in the implementation of all management functions as an essential component. They are kind of mechanism for their implementation. The position of the key role of management decisions in the management of the organization is consistent with the definition of management as a set of system-components aimed at implementing management technologies, the end result of which is the process of management decision-making.

2. Discussion

The term of "management decision" is a many-sided, since decisions in the organization are characterized as:

- Conscious and purposeful activities;
- Behavior based on facts and values;
- The process of interaction between members in the organization;
- Choice of alternatives within the social and political condition of the organizational environment;
- Part of the overall management process;
- An inevitable part of the daily work of the manager;
- The basis for the implementation of all other management functions [3]

A content analysis of individual definitions of "management decision" leads to the conclusion that to give a universal interpretation of the concept of "management decision" is not possible, as the area of his research is versatile. It is necessary to agree with the majority of authors that management decision is the result of the analysis carried out on the basis of research management situation, the result of selecting the subject of management of all the available alternatives to a particular course of action to achieve their goals.

Management decisions have a common feature of polymorphism. [5] Polymorphism of management decisions in conjunction with their key role in the management model organization is responsible for the high degree of complexity of management decisions, their individual and collegial form, a variety of stages of the decision making process and their methods, a specific form of responsibility for decisions.

Analysis of classification features of management solutions offered in the economic literature suggests that the classification features are not exhaustive, and there is discrepancy of management solutions to their classification criteria, in some cases.

In addition, offered classification management decisions require supplements because they do not reflect all aspects of the management model organization. The need to complement classification management decisions is caused by differentiation of solutions, improving methods of decision-making, the expansion of the boundaries of practical application. The complexity and diversity of management decisions not only assumes, but also requires development of the theory and practice of the use of different criteria for classification decisions at the present stage. In addition to the current classification of management decisions proposes the following classification features and highlight, accordingly, management decisions:

- 1. On the mechanism: creative, logical.
- 2. Using in a variety of areas: universal, limited.
- 3. In terms of the necessity: urgent, necessary, desirable.
- 4. According to the degree of readiness: designed, developed, preparing for development.
- 5. On the basis of directorship approval: approved, rejected.
- 6. On segments of the organization:
 - Production, marketing, finance, personnel, innovation;
 - Supply, production, finance, marketing;
 - Operating activities, investing activities, financing activities;
 - Main activities, financial activities, other activities.

Management decision-making is a complex and systematic process consisting of a series of successive stages. Managers are offered various schemes of process management decisions different from each other in levels of detail of individual procedures. Universal scheme of management decision-making used in any organization includes formulation of the problem, solutions development, the organization implementing the decision and its assessment. [2]

Management decision making process is carried out under the totality of information on a specific management situation. Therefore, a flow of information is the basic condition for the action of the universal scheme of management decision-making. In preparing solutions, there is a need for information about the parameters of the management system, including search, collect and process information, its interpretation, that allows to identify and to create problems that require solutions. In the process of developing solutions, the information should be converted according to the tasks. Controlled system monitors its quality by obtaining information on the implementation of the administrative decision.

Expanding universal scheme is implemented by supplementing certain procedures within these stages. The number of procedures should be the maximum possible, and process management decisions must be logically consistent and sufficiently detailed. Stages of management decision-making form a complete cycle of decision-making process. Moreover, as already mentioned, the composition and content of the stages will depend upon the particular management problem.

The effectiveness and efficiency of management decisions is largely determined by the methods used in the process of making and implementing decisions. Methods of making and implementing management decisions are a set of techniques and methods of study for obtaining reliable and complete results on solving management problems. There is a wide range of research methods to substantiate management decisions, their development and implementation:

1. Methods are based on the use of knowledge and intuition of experts. This group includes the methods that are based on the identification and synthesis of the views of experienced professionals - experts, their expertise and innovative approaches to development and implementation of management decisions.

2. Formal methods. They are based on predefined algorithms, widely used mathematical apparatus.

3. Non-formalized methods. They are based on the description of procedures substantiation, development and implementation of management decisions on a logical level.

4. Methods of information flow's research. The aim of the research is to study the flow of information and formalization of information processes relatively management problem. [1]

During the substantiation, development and implementation of management decisions it is important to make the right choice of methods, which are used at a particular stage and applicable to a particular type of management decisions. Specific method, a group of methods or their combination are using at each stage of substantiation, development and implementation of management decisions. The selection methods and their optimal combination is determined by knowledge, experience and intuition of person who responsible for management decision.

The final stage of substantiation, development and implementation of management decisions is the evaluation of their effectiveness and efficiency, which allows to determine the quality of management decision. Quality of management decision is a set of such parameters as reasonableness, timeliness, consistency, optimality, brevity and clarity, concreteness in time, efficiency.

Interconnection of accounting and analytical information is important in making management decisions because not any information is useful for management, the information must be strictly targeted.

The content of management decisions is proposed to extend through their decomposition. Decomposition method allows dividing the complex phenomena into simpler, thus providing insight into the essence of the phenomenon and determining its content. Decomposition of management decisions implies consistency, self-sufficiency, finiteness, distinctness. The importance and necessity of decomposition management decisions determined by the following factors.

Firstly, the management decision is seen as a process that requires the study of the situation in the managed system and the development of measures for its purposefully changing. In this sense, the decision making process appears as a process that needs to systematize the distribution of solutions within each segment of the organization.

Secondly, managers need to flexibly and quickly solve issues within their competence in order to avoid duplication management actions.

Decomposition of management decisions concerning the segments of the organization will contribute to the efficiency and flexibility of management model, clear division of responsibilities in order to avoid duplication and overlap.

Conclusion

Thus, the decomposition of management decisions in segment will allow better understanding the essence of management decision, to expand the scope of application, indicate the degree of responsibility for decision-making, and improve efficiency of management decisions. Decomposition of management decisions is one of the foundations of development of methodological approaches to provide information for management decision. Management decisions are distributed throughout the management cycle, are included in all components of the model of organization management and significantly determine its results, efficiency and effectiveness.

Therefore, the matching circuit management decision-making at various levels of management should be the basis for the development of methodological approaches to the formation of providing information for management decisions.

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