

Diagnostics of management technologies in the context of business organization

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Abstract

This is a study of the new means of fundamental diagnostics, which are focused at the identification of management problems and exclusion of organizational pathologies. Systematization of both early and late symptoms lies in the basis of diagnostic evaluation. The results of such systematization serve as grounds for the development of symptomatic measures, which are viewed as a way of eliminating the manifestation of external pathologies. This calls for drastic sure aimed a tradical changes within a business organization.

Keywords: subject, decision, mechanisms, results, procedures, approbation

1 Terms of reference

Business organization in the open-systems context is associated with a high level of ambiguity [1]. Against the background of conventional market and resource ambiguities, which are routinely experienced by modern managers, there are manifestations of technological and organizational misunderstandings [2]. The current problem of multi-directional ambiguities is further complicated by their interaction by way of synergy. Therefore, for an investment project to pass a complex initial phase successfully, one must reduce the ambiguity in all four directions. All this requires objective means of interpretation of complex situations related to the choice of management technologies [31]. In aggregate, the said means are part of the fundamental diagnostic system, whose functions are confined to the analysis and estimation of the management technologies development and efficiency upgrading.

The aim of the fundamental diagnostics is to form a general view of the stable functioning of a business organization, and to determine pathways of in depth studies aimed at the identification of management problems.

Such diagnostics, based on strategy-oriented approaches, must provide for special requirements to business information gathering, processing and analysis.

The object of research is the unstable functioning of a business organization. To identify the measures determining the state of instability, one must conduct a comprehensive analysis of the symptoms related to the organization systems' conversion into a non-operable state. The focus is on the object of research, whose backbone is to identify the causes of the onset of critical state within a business organization.

2 Specifics of management technologies diagnostics

When estimating a new business before its startup, one must take measures to enhance its stability. That is predetermined by high ambiguity, which is the source of not just risks but also potential wrong diagnoses. Therefore, the risk of high losses will grow unless possible mistakes are excluded at the preliminary stage of investigation. From the managerial

viewpoint, one must not record deviations in diagnostic parameters, and not create conditions for augmentation of organizational pathologies. This is the manifestation of the specifics of management technologies diagnostics, which must be tuned to specific management technologies. Of special importance are the following two categories: ambiguity and tolerance, which are closely interrelated in the context of diagnostic measures. Tolerance for ambiguity includes the following three components:

First, it is the ability of compensating for the missing information by way of thinking process, the ability of seeing 'more than is known' about a situation, thereby making up for the ambiguity.

Second, it is the ability of perceiving ambiguous situations not as threatening or mentally disturbing but as natural and inevitable, although undesired.

Third, ambiguity tolerance comprises such personality traits as self-confidence, determination, lack of fear of defeat, high level of ambitions, emotional stability, independence from the group, low reflectivity.

That is how the diagnostic system user reaches strategic decisions and makes conclusions regarding the quality of the decisions made.

Thus, in the context of open systems, special attention is paid to specific, tailor-made business diagnostic methods for a concrete enterprise. For example, in estimation of a stable business, there are two interpretations of the IRR value indicator, which are used in the new quality of the 'business deposit' and the rate of return on capital. The comparison of the two allows linking of the two positions together: business and management.

Ignoring of the aforesaid specifics would reduce the diagnostic accuracy, which may lead to major mistakes, and, consequently, to losses and damages.

3 Applied aspects of productive diagnostics

Any diagnostics, whatever the object of research, must be considered from both sides [4].

Firstly, at the beginning of the investigation, the diagnostic means help identify the problems, select the main

spheres of expedient in depth studies and work out measures for management improvement and a relevant plan of activities.

Secondly, having completed the whole set of investigations, one must verify the hypothesis, which was put forward at the initial stage, formulate the final conclusions about the problems existing in management sphere and specify the possible solutions in view of the specifics of the given business entity and its environment.

Developers of diagnostic systems and management technologies must have the means of business objective appraisal at their disposal.

The aforesaid means must provide for verification of the fulfillment of the specified goal-setting conditions, which must be previously identified using the main management parameters.

When estimating the stable functioning of a business entity, a general view of in depth studies of management problems identification is formed. Such a view requires development of algorithms for diagnostics, which shall be unique for each business entity. The basis for the said algorithms is such methods of analysis as oriented at the identification of problems and bottlenecks in the management system.

The management system diagnostics algorithms must be tailor-made for each individual business entity. The algorithms are based on methodological support providing

for a number of consequential procedures, which would enable to gain reliable information about the business entity's development problems. As a methodology for productive diagnostics, organizational measures have been proposed consisting of 28 stages.

4 Results

Diagnostics is the first stage in the management improvement process resulting in identification and formation of objectives to be fulfilled in the course of development and implementation of a complete set of specific activities.

For a business organization, conducting of diagnostics would bring a number of positive results.

Firstly, the business entity receives information updates about the state of the business entity as a whole.

Secondly, consulting methods used during the diagnostics would ensure both collection and production of information, which cannot be gained by a manager by any other methods.

Thirdly, the application of organizational diagnostics helps identify the core problem with in a business organization, which will subsequently helps resolve a set of minor problems.

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