

# **A MANAGEMENT MODEL TO GUARANTEE ORGANIZATIONS SURVIVAL**

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## **ABSTRACT**

The aim of this article is to present relevant facts related to the administrative management which lead some organizations to greater longevity. It must be said that the article does not claim to propose administrative models since every enterprise adapts to model that best meets its contingent necessities. Future-oriented organizations have bigger survival probability since they are continually looking for new alternatives for their performance: They gradually adapt themselves to these new changes and mold themselves according to their necessities. It is even possible to say the future-oriented enterprises have a bigger probability of survival than others, for a longer time, different from those which do not count with any visionary characteristic.

## **KEYWORDS:**

Administrative management: administrative model of an organization

Longevity: life span of an organization

Visionary: organizations with a future-oriented management

## **INTRODUCTION**

The present article has the purpose of relating important events as to the survival of the organizations. Some important factors used by the managers, in these organizations, will be presented, for the better management of their businesses.

One cannot guarantee the existence of an administration model that serves, entirely, as a model for the other organizations. What is perceived is that a contingency relative to the moment, to the type of selected business and mainly the vision of its idealizers? Arising first with an idea, the company becomes a visionary, that is to say, nothing has yet been defined as to strategic planning.

Organizations are always, by means of their directors looking for new alternatives to improve their performance as changes emerge. For that, the collaborators need to get to know all the movements of the company, that they may be able experience the changes competitively, in order to conquer the so looked for differential.

Each organization defines its own culture and the behaviors become molded according to the necessities. According to Robins (1998) the whole organization has an unwritten culture that defines the employees' acceptable and non acceptable models.

It is understood that the study will contribute in a more concrete way to a significant range of directors and proprietors of Small and Medium Sized Enterprises, which do not have any link with superior courses, more specifically the Administration course, because these proprietors or directors, most of the times did not even finish High School, and show optimum performance in their companies.

Schein (1999), says that one of the reasons for the scarce duration of changes in the organizational cultures is the lack of alignment among the executives' culture, the engineers' culture and the operators' culture.

The executives' culture is individualistic, hierarchical, focalized in a financial understanding of everything organizational and risk and competition orientated. DEVELOPMENT

Origins on Behalf of the Missions History: Missions Management Model.

The existent administration models in the Missions settlements, were different among themselves. The interior commercial current was reduced to very little. It is true that the Indians were very inclined "to treat and to hire continually, to exchange some things for others", but this tendency was limited, on one hand, due to the prohibitive tutelary measures, carried out by the priests themselves, and on the other hand "because the Indian in general, did not have extra species that

he could exchange for others, but that they lacked things for their sustenance, due to laxity and improvisation." One could add to these causes a third one, arisen from the uniformity of the cultivations practiced by the Indians. If the exchanges among the Indians were strange and it is supposed to have been so, that in most of the cases they took place without the Father's authorization (this is in the black market), the changes between the individual economies and the economy of the people themselves, seem to have been practiced more often. It happened with some frequency, Hernandez affirms, that the Indian, when on his own account, produced a certain quantity of "yerba" or some other fruit, he would go to the Priest requesting some other object he needed, exchanging it for "yerba" according to the fixed rate. No doubt, these alone, were exceptional cases.

Business trade among the settlements, was developed in a more active way. That was due mainly to circumstances of geographical nature. Although it is also true that the economic plans of each settlement also pursued as its first objective, the self-sufficiency, not in all of them there, were there the same characteristics due to the nature factor. There were some towns where bovine livestock prospered more, such as Yapeyú, San Borja and San Miguel. In others sheep: La Cruz and Santo Tomé, but also Yapeyú and San Borja, because of the good climate. In the so called "Lower towns " (San Ignacio Guazú, Santa María de Fe, Santiago, Santa Rosa, San Cosme, Nuestra Señora de Encarnación de Itapuá) which were located downriver on the Paraguay, on the road towards Asunción and equally to San Carlos and Yapeyú, located on the most accessible roads in the south, "there was busy traffic in which the Guaranies exchanged their species for others, or for goods, doing business with the neighbors or with the merchants that went by, all which were able to enter the town so as to trade", giving these towns a business characteristic.

### **Entrepreneur and Innovative**

It is a great challenge for the managers of Small and Medium Sized Enterprises, because they understand that change is necessary to carry out adjustments even for their survival, based on this, it is possible to see how the innovative entrepreneurs begin to appear. .

For Walery (1999) those who practice innovation rarely stops to examine what they are

doing. All of them are working on the task of creating. All always follow some modification form, generating a demand or a new form of exploring the existent market.

It is this new market dynamics that opens a space for a wider vision and defines in this way the entrepreneurs' profile. This entrepreneur did not always sit in school benches and not even defined a theory which would have as fundamental, in order to guide the directions of his organization, we can say that they are, visionary entrepreneurs.

According to Drucker (1987) entrepreneurs and innovators are not satisfied in improving that which already exists. They try to create new and different ones, and new and different situations, changing a "material" into a "resource." The author concludes that: "Systematic innovation in the deliberate and organized search for changes, and in the systematic analysis of the opportunities, that such changes can offer for economic and social innovation. To be an entrepreneur is to be innovative."

The entrepreneurs fight to maintain their enterprises in position of competitiveness. Excluding the economic side, it is necessary to mention the cultural matters that are so diversified in Brazil.

Each organization has its own culture and, depending on its strength , it can be a significant influence on attitudes, behaviors, ways of behaving, of thinking, to elaborate strategies and they play a very important role for all those that make up the organization.

In this context the leader in a Small and Medium Sized Enterprise acts within a model that includes a mixture of traditional ways and constant innovation trying to assist the objectives fixed by the company, whose managerial functions are connected to planning, organization, leadership and control.

### **Forms of Management.**

M. J. Morris (1991) clarifies it in this way. Good sense and creativity are indispensable so that the entrepreneur enters the business world. Many enterprises were founded by people with completely adverse formation to the field of the chosen business. In As to this, the author affirms that the proprietor of the business fixes his treatment in the AINDA structure, that is to say, Attention, Interest, Desire and Action.

The first task is to obtain the buyer's attention, once that is obtained, it becomes necessary to draw his interest and to be evolved in what one is offering, creating the desire for his product and finally guiding the client to a purchase action, always having in mind, the arguments in defense of the buyer's counter arguments.

The importance of the human talents grows with the increase of environmental complexity. Changes demand innovation that may or may not be liberated in benefit of the organizational objectives.

According to Caravantes, (2000) the traditional bureaucratic forms are opening up space, for new treatments, where people are more autonomous, capable of making decisions without consulting the higher levels. Many successful enterprises have developed and motivated human talent. Valuing people, motivating knowledge, innovation and the strategic alliances will lead to success. In the business world, people are investing in the ways of seeing things beyond what is habitual. The author still highlights that "... the essence of the works was in discovering ways of being able to see things that had not yet been done."

In this sense it is seen that change needs unconditionally to begin within ourselves, Caravantes (2000). The Small and Medium Sized Enterprise leaders need to develop the habit of cohabiting with changes in their own lives. Needing to have the vision of the future harmonized with their own habits.

### **Skills Based Management**

How can enterprises guarantee that their officials produce more? A solution is management based on skills (skills-based management), a program that methodically accompanies the skills of each one of the officials and combines them with tasks.

Skills based management identifies the lack of the official's qualification for specific tasks and later, it supplies them with resources, so that he may be able to improve his capacities. The result is a group of more talented and more productive officials.

Using skills based management, the enterprises can also confront the requirements of a project, as a group of skills identified in a business unit. In this way, the leaders are in condition of

choosing the best possible teams for their projects.

Skills based management, even implies concrete changes in the mentality and in the values of all the members of a business unit. Therefore, it is a strategy that should be established and endorsed by the highest levels in the company in a conscious way.

1) Skills based management rewards the enterprises that apply it in a planned and committed way. In the same way, a small percentage won in productivity may mean enormous financial results. The capacities that the program presents are developed in four types:

- Technical Skill: to dominate concepts, methods and specific tools to determine business units;
- Supervision Skill: to know how to control in an efficient way;
- Interpersonal Skill: to know how to allow people to communicate and to interact in an effective way;
- Management Skill: to dominate specific activities and of managerial support.

Management Competitiveness: A new treatment on Human Resources.

One lives today in a time of deep transformations that are significantly affecting the life of the organizations and of people that work in them. Many authors are devoted to analyzing the main changes that are taking place in the international cenacle and the impact that, they have produced in world economy, in business managerial policies, in work relationships and in the work profile force.

A company does not grow, does not develop, does not innovate, does not reach excellence, does not to carry out expressive investments in technology and in training Human Resources. The incorporation of new technologies affects the profile of the work force, demanding greater qualification levels. In that way, the company should contribute to the training of its employees, offering challenges and providing opportunities so that people can obtain new knowledge and to develop new abilities.

As partners of the organization, the employees are in the same way responsible for the reaching of the desired results. It is necessary; therefore that they be aware of the pressures to

which the company is subjected and to assume the responsibility of adding value to the work that they are carrying out. For that, it is necessary that each one invests in their own professional growth, acquiring and developing new skills, without expecting that task to be a mere company initiative.

### **Learning in innovative enterprises**

What distinguishes the innovative company from the traditional, one is the permanent commitment as to excellence of the products / services, and with the client's satisfaction. Enterprises guided by these values modernize their work processes, they stimulate innovative practices, do not bureaucratize administrative procedures, force the teams and develop the human talents which they have.

The training and development programs constitute a means directed to produce results. They are focalized in the development of skills, identified starting as from the mission and from the enterprise's macro objective. It has a pro active orientation, focalizing on the development of new skills, adapting, in this way, the profile of the work force with the demands of the work process and not for the development of the task, thus enlarging, the qualification level and of people's employment capacity. Polyvalent employees, able to carry out multiple functions, are better prepared to successfully face challenges that in world complexity, work imposes.

Innovative enterprises create an atmosphere where people learn how to share the outcome of their experiences and results. They build an organizational culture that favors collective learning, contributing so that the organization reaches greater performance levels.

### **Visionary Enterprises**

They are institutions, according to, PORRAS COLLINS, which have a substantial durability; they are real companies, leaders admired in their sectors. One of the main points of the visionary enterprise is the organization. The enterprises that have the capacity of being visionaries, prosper for many years, it is necessary to verify if these enterprises follow the following criteria:

- It is an organization leader in its sector;

- It is well admired by all the well-known managers;
- It has left a significant mark, etc.

These enterprises do not do miracles, because most of them had a serious problem in their history. A series of them face gigantic crisis, for example HP, Boeing, Walt Disney, etc...

The most important detail is located in the incredible recovery capacity, being able to overcome setbacks, as said by Porra Collins, 1997.

Thus just as the financial recovery has to be worked on in the long term, in the so called visionary enterprises, the most predominant factor is that their products be consumed by society. Many of the long lasting enterprises (more than 50 years old), went through many difficulties, reaching the point of going bankrupt, in truth they faced setbacks and committed mistakes, but the enterprises that have the vision in the future, show unbelievable capacity.

One of the points to be highlighted is that these enterprises do not present profit as an impulse force, these go after a series of objectives, within which to make money is only one of the objectives.

There are in these enterprises a group of values not only in which they believe in, but in how they live.

The management practices, growth, developed internally dictates the rules in the visionary enterprises, in a more significant way than the others. These enterprises concentrate firstly in perfecting themselves.

### **Vision Declaration**

The visionary enterprises did not reach the level where they are, due tot their declaration of vision, but grew, that is why, they are one of the stages of an infinite process of expression of fundamental characteristics.

An outstanding example of that, is HP, Bill Hewlet and Dave Packard, who first decided to open the company and, later resolve what they would do, they simply began to work, Sony, when Masaru IBUKA, founded his company in August 1945 they did not have any specific idea of the product. IBUKA and his seven officials had a brainstorming encounter, after opening the company



to decide what to produce. According to AKIO MORITA, who entered the enterprise shortly after its foundation "the small group met in conferences... and for weeks they tried to discover, in what kind of business the new enterprise could adventure in, so as to make money."

Another case is Wall-Mart, when Mr. Walton began in 1945, with small store franchise, in an article in the New York Times Mr. Walton says: "I did not have the slightest idea of the scope of the business I was starting".. But I have always believed that if we did our work right and treated our clients well; there would be no limits for us.

The courses in Administration careers, teach us above all, the importance of beginning with a good vision and a well developed product/market strategy, so as to take advantage of the opportunity. He who has a visionary company does not behave in this way. Moreover, their actions were developed according to the theories taught in Administration Skills. The enterprises should not be seen as vehicles for the products, but yes, see the products as vehicles for the enterprise.

The company is the one which must be highlighted, and not vice-versa.

## **CONCLUSION**

In this article we have tried to show or to tell the important factors on how, long standing organizations are run, the opposite to so many others that are not able to achieve success and become extinct, having an extremely reduced useful life span. .

Some factors such as culture, are of vital importance. At first there is a story about Guarani culture, that maintained an administration model which was in a certain way enviable, as the Guarani did not have a notion of many things that took place in the settlements, and of the existent pattern they were totally due to the priests' orientation, who mangled the settlements, they were deprived of administrative knowledge, because the events were treated in an empiric way and the priests imposed a strong control action.

Another factor related to the management model is the figure of the entrepreneurs that fight to maintain their enterprises in position of competitiveness, there being the need to change the traditional and bureaucrat form, opening spaces for new approaches.

Another approach in the management model, is that management based on skills, where the

managers are constantly choosing the best team for development of their projects. These enterprises create training and development programs, constituting a means, addressed to the results.

PORRAS AND COLLINS' (1997) perception, we already saw, that the enterprises that have a greater longevity index, were visionary enterprises and are considered as leaders in the sector, very much admired by all the entrepreneurs, and have doubtlessly left a significant mark.

These enterprises had some characteristics in common, one of them is that they do not impulse profit as an imposing force, because they follow a series of objectives, within which to make money is just one to them.

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