

MANAGEMENT AND THE PROGRESS OF SOCIETY

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ABSTRACT

Management represents a subject of interest because it contributes through leading and coordination of individual and group activities, using the organization's resources to achieve its objectives in accordance with its mission and its economic and social responsibilities. The organizational development directions and the company's progress are decisively influenced by the quality of the management. Companies are increasingly taking into account the progress based on strategies that are founded on a high-performance management. Highly competitive companies consider the constant analysis of the investments in management and research to ensure organizational progress in the development of the company, but also of the society. The skills developed through investments lead to the consolidation of human resources and the management process. The article aims to present several aspects in relation to how the progress of the society is influenced by management, which in turn is influenced by innovation management, by the development of companies and the ability to integrate them into the competitive environment.

KEYWORDS: *growth, innovation, management, progress, society.*

1. INTRODUCTION

Analysing studies on the development of management and the way of manifestation of the organisational environment, it is important to present the connections between the organisational environment and the progress of society.

Over the last 200 years, the organizational environment has been through evolution and dramatic changes being influenced equally by: the access to resources, human training, geopolitical contexts and investments in innovation. Today's society is the result of these evolutions and it is influenced by the quality of resources. Today's manager's skill set is constantly changing, in a time when organizational dynamics emphasizes the increasingly important role such manager plays in preparing people. Innovation underlies the new solutions that are put into value in the existing competitive environment so that managers are determined to develop new methods and techniques to reach competitive advantage.

As a catalyst in technology, economics and society, progress can enable an improvement in the human condition, optimizing social, political or economic structures. The concept of progress was introduced at the beginning of the 19th century in the space of social theories by Auguste Comte and Herbert Spence, influencing the evolution of society and offering the possibility of comparative analyses.

The Industrial Revolution created the prerequisites for some qualitative jumps at the technological, economic and social level. From this perspective we can talk about technical progress, economic progress and social progress. Companies become the promoters of progress because they contribute to the development of the society. This is precisely why organizational management becomes an

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engine of company development, contributing to progress (Velamoor, 2000). In order to foreshadow the evolution of society over the next few years, it is useful to present briefly two organizational contexts that have decisively influenced such evolution.

A relevant example is provided by Henry Fayol, considered to be one of fathers of management. Starting his career as an engineer in a coal mine in France and reaching general manager in 1880, Henry Fayol saved the company from bankruptcy, using successfully methods and techniques of management. His observations and ideas became management theories which, at the time, represented the germs of managerial theories (Peaucelle, 2015). In 1916, Henry Fayol published his famous book "Administration Industrielle Generale". Organizational functions are presented here starting from the point of view of a manager fully involved in the production processes. From his perspective, in an organization, the industrial activities can be divided into six major spheres: technical (referring to the production line), commercial, financial (search for capital and its use in an optimum way), security (the protection and good activity of employees), accounting (planning of accounts and balance in an efficient manner) and managerial (planning, organizing, coordination and control. The functions of management and the grouping of industrial activities become the inspiration for theorists, but also for future practitioners. Elements of such theories are found even today within the organizational management and innovation management.

We can mention another personality in the field of management that has decisively influenced the optimization of the activity at organizational level. In 1918, Ford became the largest automotive manufacturer in the world. At first, Henry Ford did not intend to produce a production line. First, he asked himself the question on how the company could use a product that is financially accessible. Ford's related production observations finally led to the creation of an assembly line. The ambition and desire to develop a business led Ford to create conditions for the development of the automotive industry, changing the evolution of the society altogether. People had an edifying example of the advantages offered by the initiative (Ball, 1997). Ford introduces the first forms of innovation at the level of management, creating the prerequisites of the technological process. The personalities that have marked the management in the last 200 years have created the prerequisites for decisive change at organizational level with implications in the development of the society.

2. LABOUR FORCE TRENDS AND INNOVATION MANAGEMENT

We find that there is a close connection between the drivers of change, between the employment trends, the stability of the skills and the strategies on labour force. It is evident that the germs of change create the conditions for the emergence of new trades, and such new trades require specific abilities. This is why it is imperative to think of strategies for the development of labour force to respond to these commands. In the future 25-50 years it is appreciated that the first jobs that will disappear will be that of: driver, farmer and bank clerk. Starting from these findings, we can mention the study made by C.E.D.E.F.O.P. (European Centre for the Development of Vocational Training) on the growth of employment at the level of some countries, at the level of some sectors and occupations. The data we mention below are very suggestive because they mention countries whose tradition and economic development are not necessarily illuminating. From the perspective of statistics, the first countries in Europe on employment growth between the 2016 and 2030 are: Cyprus (22.8%), Ireland (19.5%), Luxembourg – 15.4%, Spain 14.3%, Malta 11.2%. This increase in employment is undoubtedly linked to the development of top economic areas, demographic trends and, not least, of the partnerships existing between these countries and developed countries. Three of these countries (Cyprus, Luxembourg, and Malta) are countries having small areas and a small number of inhabitants. This trend is probably linked to their geographic settlement, but also to the economic policies. The same reference provides us interesting information about the first 5 sectors that will have increases in future employment growth: professional services (23.5%), administrative services (16.3%), arts & recreation (12.9%), energy supply services (10.5%), finance & insurance (9.8%).

The position of professional services demonstrates that professional training and education will be permanent concerns of the decision-makers. From this perspective management will hold an extremely important place in the development of future organizations. We notice in this taxonomy that arts & recreation occupies a very important place and is closely related to the permanent concern of individuals, but also the organizations' of finding the balance between professional activity and personal life. We can also talk about a management of own existence that will provide the individual with methods, techniques and tools to make him optimally manage his/her personal resources. Here's how organizational management and personal management represent two vectors that can contribute to the progress of society. In close connection with the previous classification lies the top five occupations of future employment growth: legal & social associate professionals (52,9%), customer clerks (30,0%), assemblers (26,8%), technical labourers (22,2%), legal & social professionals (20,5%). This complex image of future employment growth can be complete if we point out the top 10 Skills of 2020 according to Future Jobs Report (World Economic Forum, 2016): complex problem solving, critical thinking, creativity, people management, coordinating with others, emotional intelligence, judgement and decision making, service orientation, negotiation, cognitive flexibility. Innovation management becomes an important component of organizational performance because it favours the development of innovative projects, has the ability to decide the launching of these projects, but also the obligation to market avant-garde products or implement new processes (Hamel, 2010). In the last instance, innovation management contributes to increasing competitiveness, in fact, the organization and allocation of resources to acquire new knowledge and generate new ideas can lead to performant processes, products and services (Herrera, 2016). Ultimately, innovation management is a part of the business strategy of the company that takes into account the business objectives, the dynamics of the activity of the company, the dynamics of the markets, the competitive environment, the regulations and last, but not least, the leadership. This is how, in the context of innovation management, the close connection between the innovation management, technology management and R&D management makes perfect sense. The diagram below (Classification of technology, R&D and innovation management) clearly defines the connections between the components of innovation management starting from technology management and extending the area of interest to R&D management:

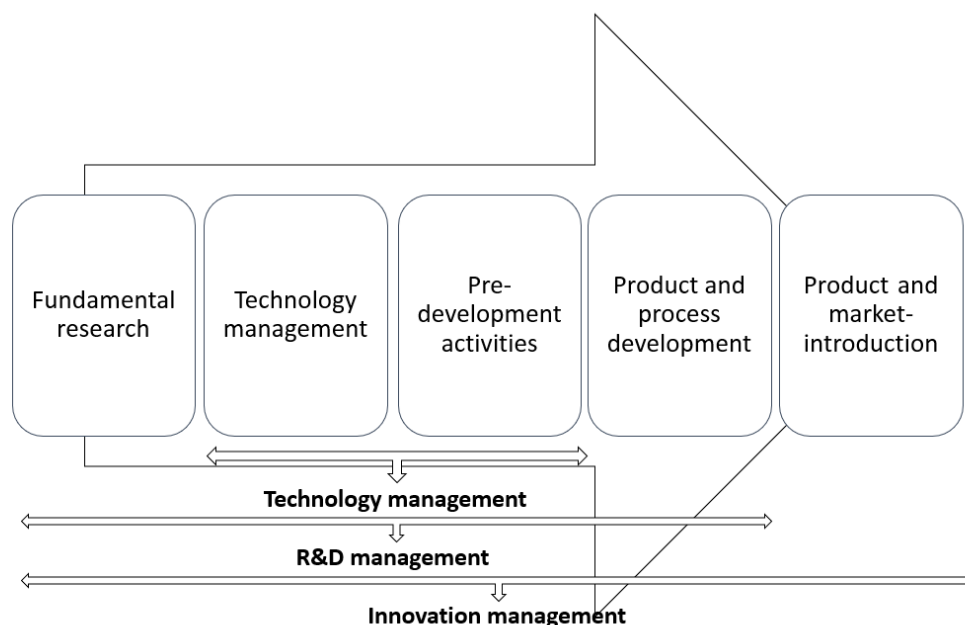


Figure 1. Classification of technology, R&D and innovation management
 Source: Adaptation after Specht, 2002

Generating ideas, selecting ideas with a chance to materialize, developing technologies that can materialize that idea, identifying opportunities in potential markets and, not least, analysing these opportunities, provides a rough image on the way in which the idea can be put into value in the innovation management.

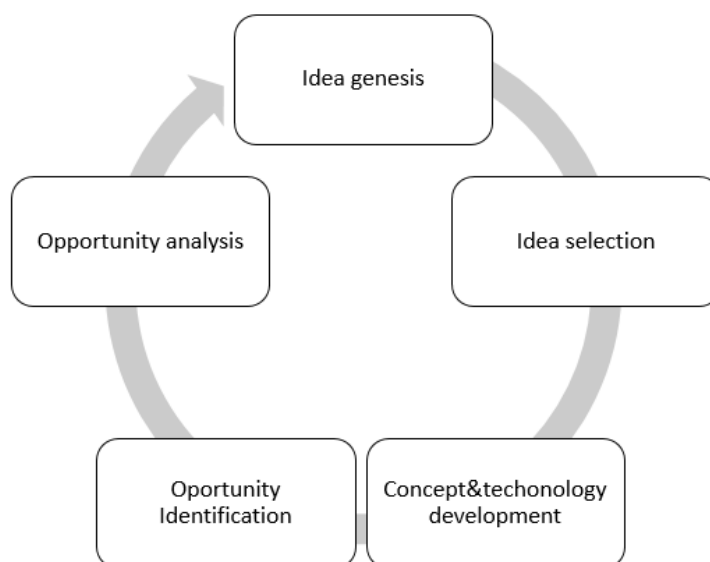


Figure 2. Generating ideas within innovation management

Source: Adaptation after Koen et. al, 2001

A different, but important study developed by Gladwell (2000), emphasizes that the difference in communication levels between certain spaces influences organizational progress. Innovation is the foundation of organizational development, being known to the company's concern for the use of IT components in their activities.

Duan, et. Al (2018) clearly emphasizes this aspect:

“Organizations need to innovate in response to changing customer demands and opportunities offered by technology and changing marketplaces, structures and dynamics.” Joshi, Chi, Datta and Han (2010) examine the relationship between IT and firm innovation focusing on knowledge capabilities that are enhanced through the use of IT, and demonstrate that IT plays a significant role in enhancing firm innovation.”

Management, creativity and innovation play an important role in business development (Fellnhofe, 2017). Talented and skilful people are increasingly sought to facilitate the creation of new solutions. Progress is supported by new inventions and new types of trading. A clarifying example is the Alibaba Company, developed by Jack Ma through innovative methods and techniques, through creativity and through managerial practices. Alibaba is a trading platform, representing a selling space for retailers and brands. Until September this year, Alibaba Group Holding registered an estimated 499.6 trillion dollars in the capital market (Forbes). Innovation becomes the catalyst of organizational processes influencing the innovation management and organizational management of the company's progress: “Innovation is the commercialization of an invention, but it can be also described as bright new ideas that are brought to the market by implementing these bright new ideas into firms' products, processes, or organizational methods. Therefore, product, process and organizational innovation are identified as the three main types of innovation.” Souto (2015)

3. CONCLUSIONS

The society of the future will dictate and entail a different type of organizational architecture, connected to the restrictions imposed by the markets, but also by the "scarcity of resources". This relation between supply and demand will be redefined because a multitude of challenges will arise: the exponential growth of the population, the resource crisis, the revolution in technology, the new geo-strategic command. Management will have to adapt to the newly created context and the monitoring, control and assessment processes will become essential factors in increasing economic performance. Technological progress will impose new standards on human resources training by eliminating the sources of bureaucracy and facilitating the increase in creativity and the value of human potential. Tools will appear for the implementation of fundamental changes because management will become a continuous innovation system that will facilitate the development of companies on the long-term and the adaptation thereof to permanent changes. During these dramatic changes, free time will become an essential factor in shaping people's personality because it will provide the conditions for their development. Progress will become a form of manifestation of the society of the future in which the individual will seek answers to the problems he has.

There is the risk that some jobs that will disappear in the future to create social problems, but innovation management can facilitate the creation of new jobs. Starting from the examples mentioned throughout the article, it is important to point out the fact that existing problems in society have led to innovative solutions that have changed the way of the management manifestation and last, but not least, solutions have been found that positively influenced employment growth. There is a constant concern for research and development, which contributes to the progress of society. The human ability to predict the evolution of society through modern instruments of estimating the evolution of the society can lead to the foreseeing of some threats and the finding of innovative solutions. The manner in which management will evolve will decisively influence the economic, social and technical progress. Identifying problems that might occur in the future at the level of society represents the chance to identify opportunities for solving them for the development of the society.

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