



Formation of mechanism of business management by means of ps and creative management in the context of providing investment attractiveness

Formación del mecanismo de gestión empresarial por medio de ps y gestión creativa en el contexto de proporcionar atractivo de inversión

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ABSTRACT:

The recent years saw the dynamic development of management and some radical transformation of scholars and practitioners' views of the "management" process. The outdated paradigms and management concepts have been replaced with new and more sophisticated ones. As a result, the modern process of management system improvement prescribes that psychological aspect is to be taken into account along with the mechanism of process-structured management. The authors consider the basic conceptions of the formation of modern management systems and attempt to draw a model combining elements of process-structured and creative management. As the result, a new organizational model is presented capable of constant upgrading and updating. Only PS and creative management system provides staff motivation to self-education, produces innovations based on creativity management and thus ensures the success of the company.

Keywords: concept, management, PS-management (process-structured management), stages of management of creative process, methods,

RESUMEN:

Los últimos años vieron el desarrollo dinámico de la gestión y una transformación radical de las opiniones de los académicos y profesionales sobre el proceso de "gestión". Los paradigmas y conceptos de gestión obsoletos han sido reemplazados por nuevos y más sofisticados. Como resultado, el proceso moderno de mejora del sistema de gestión prescribe que se debe tener en cuenta el aspecto psicológico junto con el mecanismo de gestión estructurada por procesos. Los autores consideran las concepciones básicas de la formación de los sistemas de gestión modernos e intentan dibujar un modelo que combine elementos de gestión estructurada por procesos y creativa. Como resultado, se presenta un nuevo modelo organizativo capaz de actualizarse y actualizarse constantemente. Solo PS y el sistema de gestión creativa proporcionan la motivación del personal para la autoeducación, producen innovaciones basadas en la gestión de la creatividad y, por lo tanto, garantizan el éxito de la empresa.

Palabras clave: concepto, gestión, gestión de PS (gestión por procesos estructurada), etapas de gestión del proceso creativo, métodos, decisiones de

1. Introduction

The analysis of the conditions for the functioning of modern Ukrainian enterprises without engaging the outcomes of the management development in recent years, proves the management of enterprises to be ineffective, the taken decisions to be undue, the used tools to be outdated, etc.

A great deal of attention was paid to the crisis management and the need to change management paradigms by R. Griffin, A. Vičević, J. Dainowski, I. Ivanova, M. Kozoriz, A. Kredisov, S. Sobol, N. Ushakov, F. Khmil, D. Chervanov, V. Shatun, A. Shehda, A. Shpak, G. Shchokin, V. Yatsura and others. The writings of the authors reveal the problems of management, the organization of the management mechanism, but the problem of the formation of integrated effective management systems gets insufficient attention.

The purpose of the article is to explore current management theories, categories of PS-management, creative management, to characterize the main elements of the system of PS-management, creative management, as well as to develop a model of optimal management of the company by combining PS-management and creative management.

2. Materials and Methods

The global community continues to develop both management practice and theory. Current development of management practice spurs the development of management theory. The classical management theory outlined the commonly accepted approaches validated by the practice of organizations (Kuz'min, 2007). They are process (A); functional (B); systemic (C); situational approaches (D), etc.

Furthermore, the variable set of management approaches is an obvious result of the scientific advancement, because management has over 150 years of history as a discipline. Professor Mladkova emphasizes that management will have to change under the globalization and digitalization of the economy. However, the level of management innovations remains the same in contrast to industrial needs (Mladkova, 2016). Due to this fact, development of new mechanisms for business management becomes increasingly important.

Modern views are oriented on empirical approach (an effective manager is one who acquires the knowledge necessary for coordination of efforts), behavioral approach, social system approach (the manager must both know the aspects of individual behavior of employees and understand the dynamics of the group work), decision-making theory approach (each managerial factor can be calculated and coordinated), mathematical approach (the need to give definitions and characteristics, to apply functional symbols for duties maintenance), operational approach so on.

Practical experience proves the ambiguity of definitions and content of the approaches. Our views are focused on the PS-management definition by founders of the School of Management of the Ukrainian Academy of Sciences (Ukraïns'ka akademija nauk, 2018).

The article uses a multifactorial, multicriterial and normative method of searching.

3. Results

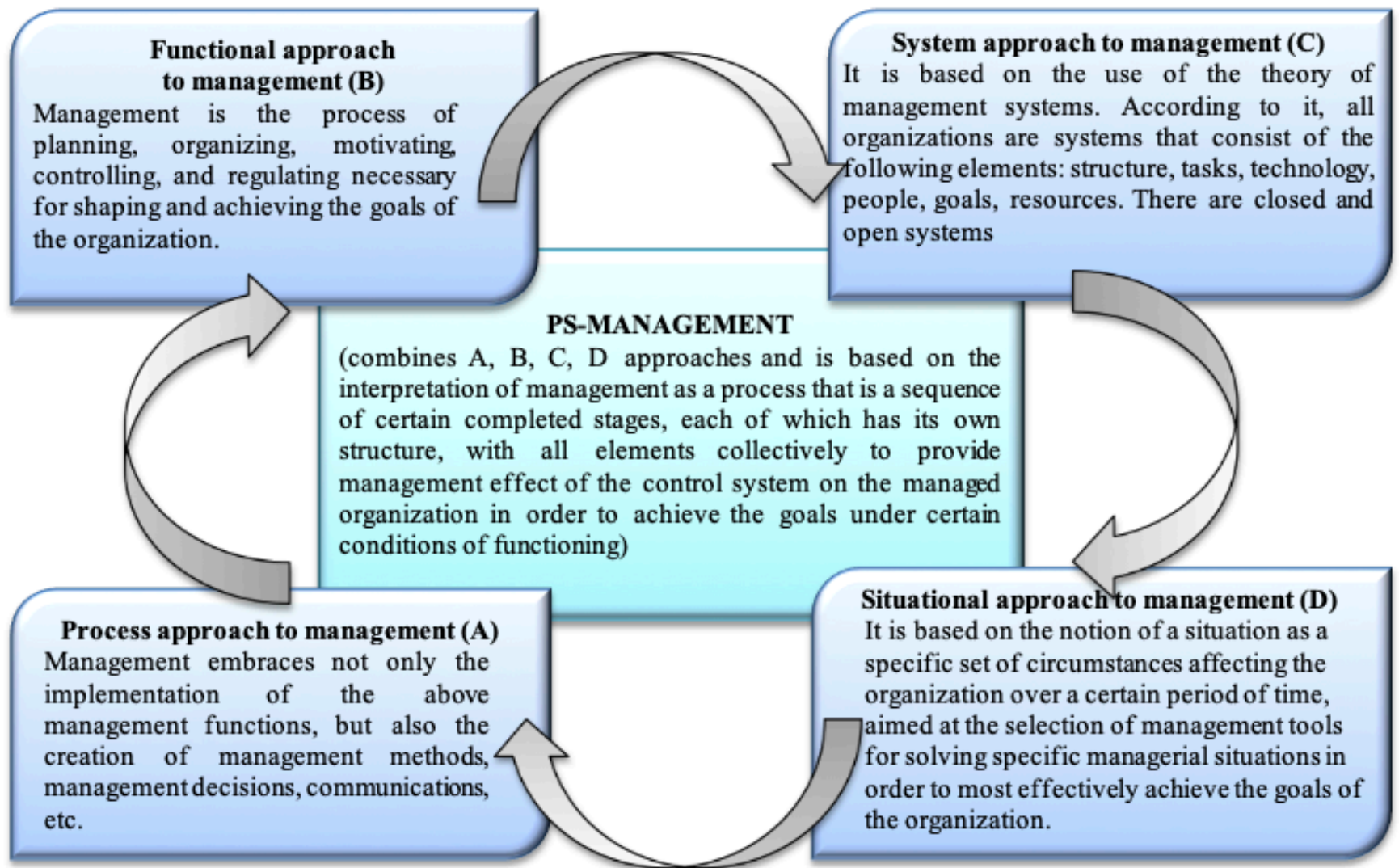
Process-structured management combines several systems that have certain definitions: goals are the expected result of a particular type of work; structure is a definite level of management and corresponding types of work (functional duties) within the organization, divided into sections and services, taking into account the horizontal and vertical division of labor; task is a type of work that must be performed in a certain time and in a certain way, it includes work with objects, information, people; technology is a way of transforming materials and resources into output products, goods, services by executing certain

operations, actions, etc.; resources are natural, raw, material, financial and other values that can be used by organizations to create goods and services; people are the most important situational factor of organization, its role is determined by the following characteristics: ability, talent, needs, knowledge (professionalism), behavior, attitude to work, position, understanding of values, environment, presence of leader qualities, etc. (Kuz'min, 2007)

As Figure 1 shows, PS-approach to management encompasses all objects of enterprise management – systems made up of elements: structures, tasks, technologies, people, goals, resources.

Organization employees are divided into managerial staff (managers), specialists, employees and workers of the mainline and ancillary proceeding. Within PS management approach, management activities are carried out in the following sequence: implementation of specific management functions; providing managerial influence on the basis of guidance based on such categories as leadership, power, etc. (Kuz'min, 2007).

Figure 1
PS- (Process-structured) management approach



(Kuz'min, 2007)

n be enhanced with not only the implementation of the process-structured management mechanism, but also giving proper weigh to psychological aspect of the modern specialist – creative potential of the team of specialists, human intelligence as the only source of new ideas and knowledge. In this case, we should note remarkable research of 113 creative teams in 8 counties (Lithuania, Poland, Canada, China, France, Italy, Russia, and Denmark) which was performed by Lithuanian scientists. Eventually they set the important question of how to manage creative teams to achieve a high productivity with limited resources and how to develop monitoring system of this process (Cerneviciute, 2018).

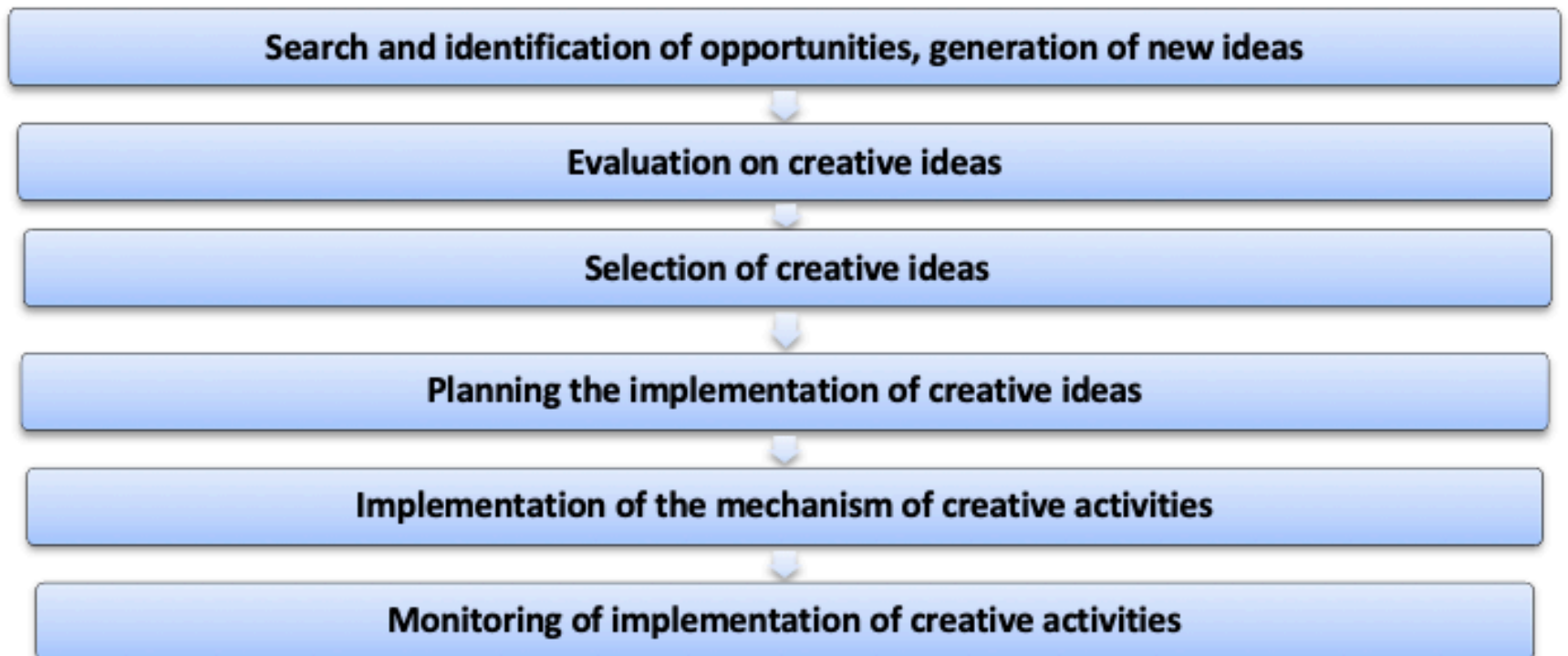
When building a system of monitoring of strategically important tasks implementation, it is important to set up the management accounting mechanism that is adequate to the characteristics of the company and focused on its need. The management of creative process or the process of generating a new “vision” can be split up into the following stages: search and identification of opportunities, actual generation of new ideas, their evaluation,

selection, planning of implementation, implementation of the mechanism of creative activities, monitoring. These stages are presented in Figure 2.

The effectiveness of creative efforts at each stage can be increased by applying creative techniques of managing the creative environment (the sphere, structure, social context), which forms the requirements for a creative product and create conditions conducive to its formation.

Figure 2

Stages of strategic management of the process of forming a new "vision" of organization staff



These days creative management becomes ever more vital in common management theory and this tendency largely reflects informational shift in our society (Stepanov, 2017). The creative environment "inspires" employees to find new ideas. It consists of specific structures and systems, culture and leadership that "work" for creativity. The factors influencing the development of creative management system are: the level of society development; creative economy functioning; development of creative education; level of enterprise's innovation activity; creative potential of the person; potential of a creative type manager. It should be noted that the functioning of creative management is possible only in a multi-faceted creative environment, with the use of various ways and means of motivation (especially internal), activation and development of creativity of employees. The main tasks of managers who form the management system, is the exercise of influence without disturbing the creative atmosphere of the team, while stimulating the level of intellectual activity. The system of creative management includes a set of interconnected and mutually agreed management measures, which relate mainly to one of three areas: the formation of organizational structures that support creativity; developing organizational systems and procedures that activate creativity and create new knowledge; organizational culture and creative leadership. The development of creative management system in modern enterprises is possible under the following conditions: lack of administrative pressure on employees involved in the promotion and development of creative ideas; guaranteeing the safety of employees involved in the promotion and development of creative ideas (Prodius, 2012).

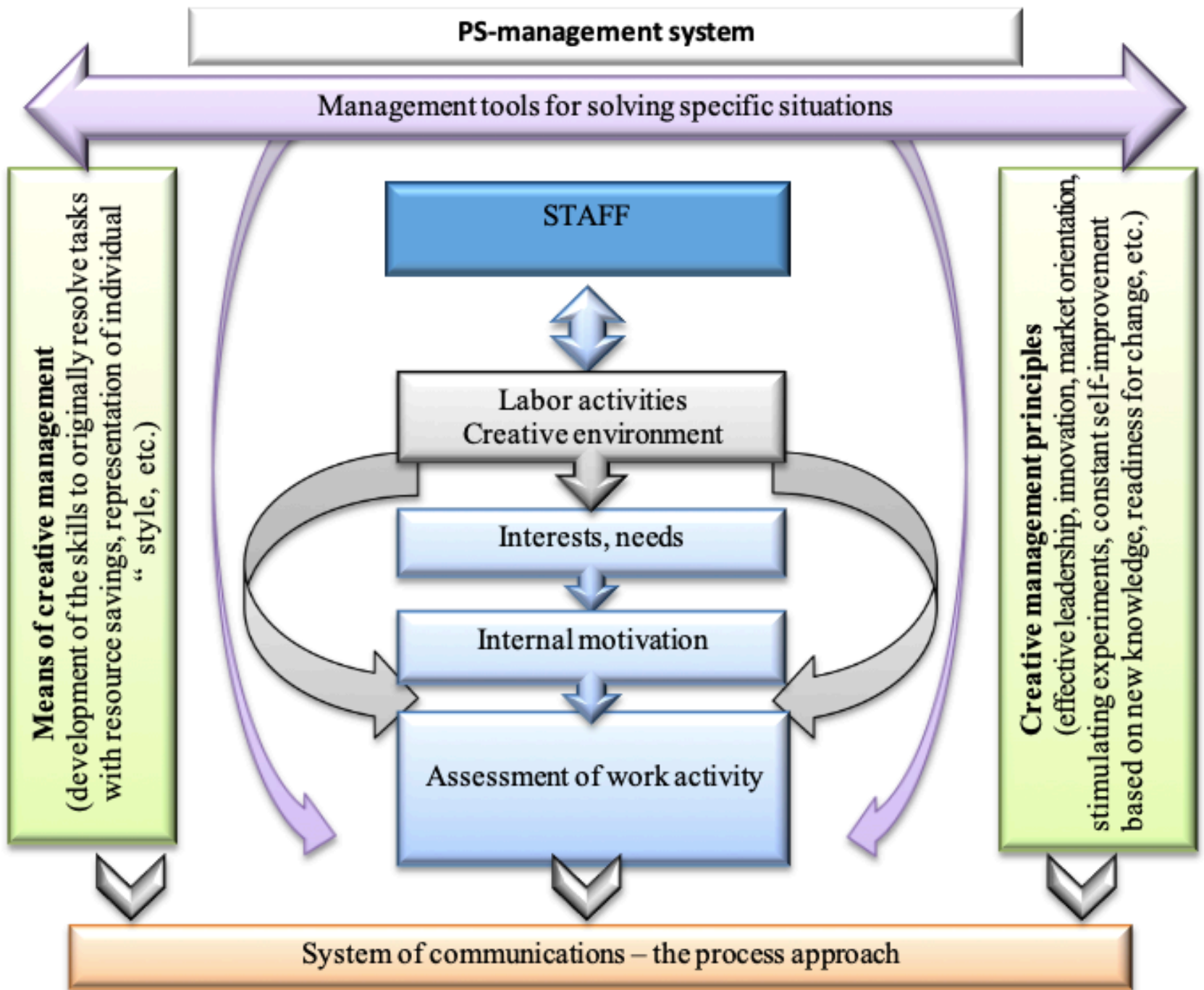
The tools of the creative management are quite specific and involve both implementation (if necessary, modeling) of already known methods and fundamentally new, previously unknown, non-standard and original solutions. However, the development and improvement of creative management systems should be based on scientifically based forecasts, calculations of risk systems, in other words, predicted trends and changes in technical and economic indicators and systems of organizational and technological and socio-economic development of the company (Atashkade, 2017).

The model presented in Figure 3 combines a classical system of management and a view on the formation of objective prerequisites for activating innovation activities on the industrial enterprises. It provides balanced relevance of innovation and academic technologies.

The main tasks solved by the modern system of creative management are: improvement of management tools and methods (planning, organization, motivation, control); activation, effective use of creative potential of management personnel; development, adaptation and implementation of non-standard, original management decisions based on advancing the original ideas.

Figure 3

Model combining process-structured and creative management in the organization



The modern system of creative management functions to provide mechanisms of search and realization of non-standard and original decisions leading to profitability of the company. Creative management is possible only in the multifaceted creative environment of the enterprise, with the use of various ways and means of motivation (especially internal), activation and development of creativity of employees. For example, in most economically developed countries, leaders use creative management methods to achieve greater efficiency and effectiveness of companies. The successful development of creative management results in the formation of a new organizational model, which is constantly upgraded. When creating a single system of PS management and creative management, the staff learns and produces innovations based on management of creative activity.

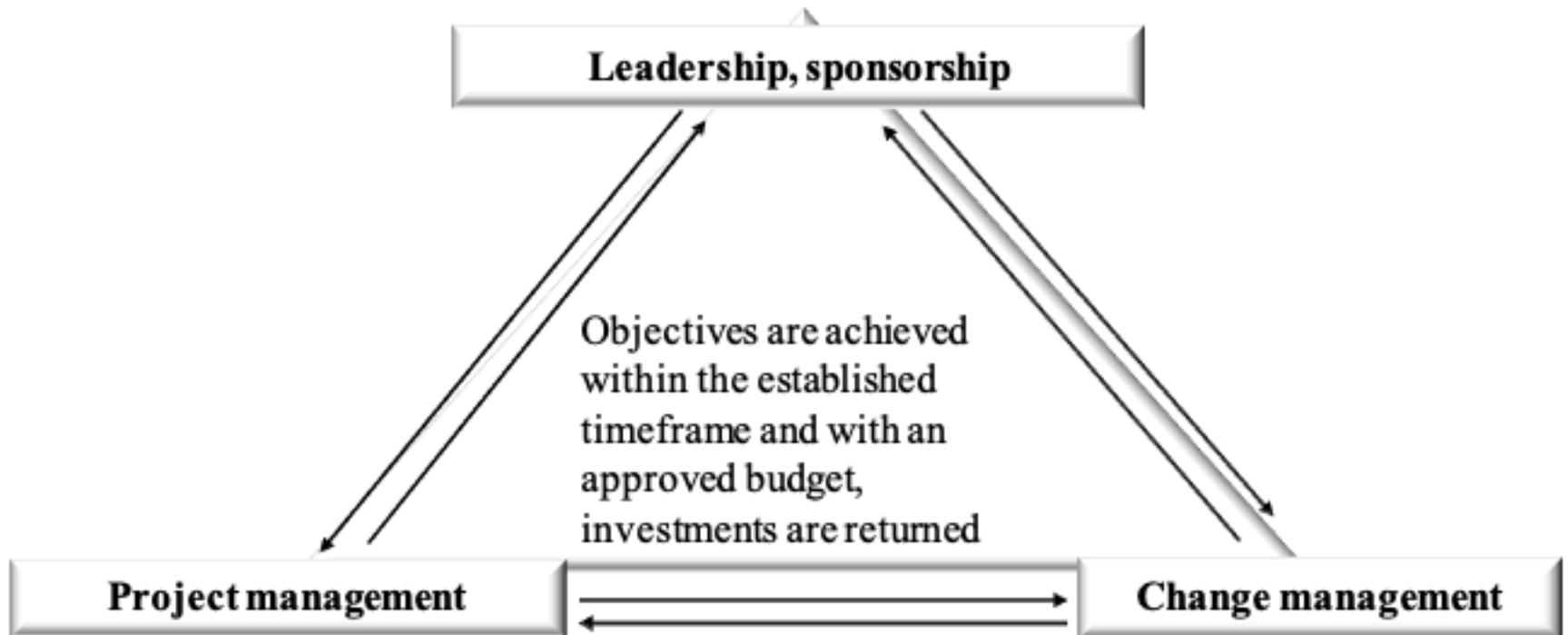
The system of creative management is designed to form a positive image, increase the company's competitiveness, which will be reflected in the use of resources and increase of company profits. The model of combination of process-structured and creative management contributes to solving a range of enterprise problems, including: creation of a system for monitoring the complex of new ideas of staff; determination of the factors influencing it.

The "Triangle of Changes" model confirms the interaction of the components of the change

management on modern enterprises and is presented in Figure 4 (Nel'son, 2018):

- Leadership, sponsorship → Project management – top management sets goals for the project team, motivates employees to create a team of changes;
- Leadership, sponsorship → Change management – top management forms the mission, key values of the company, philosophy that creates the foundation for a special corporate culture, explains to employees the need for change, creates a motivational system to help reduce resistance to change;

Figure 4
Triangle of Change



(Nel'son, 2018)

Project Management → Leadership, sponsorship – the project team periodically and systematically reports on the execution of works and costs of funds;

Project Management → Change Management – creates a task for the project executors and work plan, organizes the work of the employees, supervises the progress, organizes training;

Change management → Leadership, sponsorship – current updated philosophy of the company, perception of changes, reduction of resistance to changes;

Change management → Project management – high quality of tasks execution in an appropriate time.

There is an interesting classification of teams from a perspective of organization and forms of internal management (Shevchenko, 2015). There are: *manager-led teams* (the leader uses the principle of authority delegation and the team is responsible for the task assigned, but the manager-leader carries out the sole management of the team); *self-managing or self-regulating team* (the leader formulates the main goal of the activity, gives the team the freedom to choose methods to achieve this goal). Self-managing teams are gaining in popularity and are small groups of people who have the power to make decisions that are necessary for self-government. *Self-directing or self-designing teams* define their tasks and methods for their achievement. Self-directing teams offer maximum potential for innovation, enhance commitment to goals, provide opportunities for organizational training and change. All responsible decisions are made collectively, implemented by their team leader or one of the key team professionals. Self-directing teams are responsible for carrying out the task, managing their activities, creating a group or organizing committee. They assume the maximum degree of control and responsibility.

According to well-known researchers B. Nelson and P. Economy, it is self-managing or self-regulating teams that are the most effective teams or superteams in modern organizations (Taijiti, 2012). In our opinion, the use of creative management principles and approaches is more appropriate for self-directing or self-designing teams. This type of teams allows to

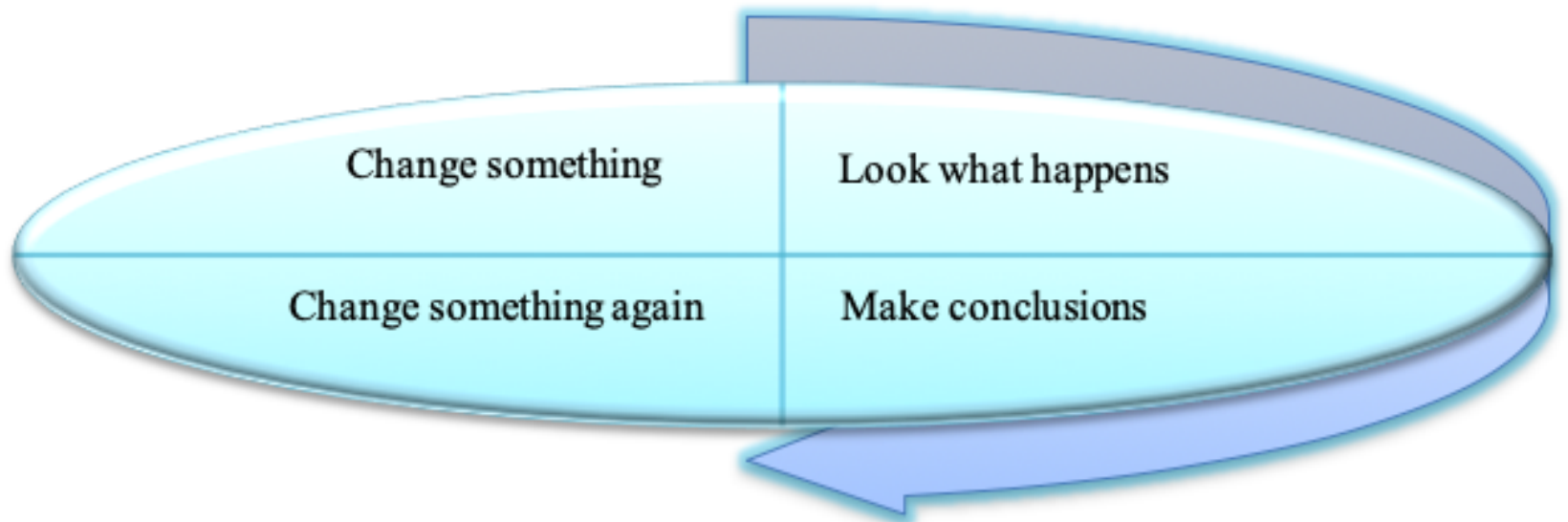
maximize the potential of team members for innovation and the search for new ideas.

The theory of Taiichi proposes to add value to the organization by developing its employees and partners, educate leaders who are perfectly aware of their business, profess the philosophy of the company and can teach others, educate outstanding people and form team (Kniberg, 2018). There are different tools for stimulating creativity of staff, for example, traditional methods of stimulation, Scrum and Kanban. Scrum and Kanban are tools for creating a map of the flow of values. They help to work more efficiently, to a certain extent suggesting what to do, thus using the creative abilities of the participants of the process. The key aspect of using these tools is the feedback chain improved by the authors and presented in Figure 5 (Kniberg, 2018).

The proponents of the Scrum and Kanban tools believe that there is no need to be afraid of mistakes; the creative team controls and supports the decision making of its members. The main task is not to stop on the achieved, but constantly improve the processes in the organization.

Figure 5

Logical model of Scrum and Kanban tools functioning



This fact is justified in the concept of Benefits Realisation Management (BRM). According to the complex research of variable projects launched in the United Kingdom and United States, BRM allows to erase the gap between strategy planning and "doing business" on the basis of the most valuable goals. Moreover, BRM practices contribute to successful execution of business strategies (Martins, 2015).

Competition in the business environment requires an appropriate response from the management system, therefore, the management of company development processes, providing the necessary resources, including investment, should be more dynamic and flexible. In addition, management system directly affects investment attractiveness of a business especially in innovative segment. Increasing the effectiveness of the company management will certainly raise the level of its attractiveness for investors (Soboleva, 2016). The professional approach to investment activities involves the same focus on both the use of investments and their involvement, which necessitates the formation of an appropriate management mechanism – a mechanism for ensuring the investment attractiveness of the enterprise. The mechanism of management of a certain process at the enterprise is presented in the directions of the company's activities, such as: management of intangible assets, intellectual capital, investment activity, personnel, costs, corporate governance, restructuring of corporate structures, etc. At the same time the mechanism of providing the investment attractiveness is not fully investigated (Kadnichans'kij, 2009)

Formation of the mechanism for providing the investment attractiveness of the enterprise (MPIAE) requires consideration of the following aspects: the relevance of MPIAE; purpose and tasks of its functioning; main functions of MPIAE (substantiation, characteristic, orientation); model of functioning of MPIAE (features of the functioning of the investigated mechanism as a system, its connection with the internal and external environment); elements of MPIAE; the interrelation of functions and processes of MPIAE (model); the interconnection of MPIAE with the enterprise management process and corporate support.

The mechanism of providing the investment attractiveness of the enterprise is considered as a set of elements having internal and external links, as well as the orientation towards the achievement of a certain goal, which makes it possible to characterize the MPIAE as a system. The MPIAE model can be presented as a system of interconnected elements based on the provision of MPIAE with the necessary resources and competencies. The complex of the elements of MPIAE is formed on the basis of the classical concept of management and ensures the fulfillment of its main functions (planning, organization, implementation and control). Accordingly, the work of this mechanism occurs through the implementation of these functions by a certain algorithm.

When forming MPIAE managers use the approaches associated with the examination of certain situations (using the method of expert assessments), its advantage is the use of information by the expert based on statistical time indicators, as well as irregular, one-time, but at the same time, important information of a qualitative nature. The method of qualimetric estimations, which is a combination of methods of factor analysis and expert estimations, is also effective. The assessment of investment attractiveness is the main stage in making a decision on investing, selecting an appropriate object, etc. To solve this problem when calculating the integral indicator of investment attractiveness one should use a minimum set of indicators of one level with a maximum coverage of significant factors (Fedorova, 2010). The study and analysis of the aggregate of interacting factors and indicators of investment attractiveness assessment allows to analyze the state of investment attractiveness of the enterprise.

4. Conclusions

In conclusion, we should note that PS-management involves changes in the foundations of management: strategies, development, quality, etc. The strategy of activity should be tightly connected with the requirements of the external environment of the organization and therefore its core is customer orientation. This requires constant team and individual effort using methods to ensure the continuous improvement of the quality of processes – Kaizen which is the basis of TQM and an integral part of the international standard ISO 9001-2009. Consequently, modern organizations operating in conditions of instability of the environment require the use of creative management approaches and tools. Shaping an effective creative team, preferably a self-managing or self-regulating, led by a creative leader, using modern tools for stimulating and developing creativity is the determining factor of achievement of the goals set in a specified time period within a specified budget and predetermines creation of competitive goods or services. There is also a need for enterprise in a mechanism for its investment attractiveness, systematic study of the system of indicators, a combination of methods of factor analysis and expert assessments.

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