

THE PSYCHOSOCIOLOGY OF THE ORGANIZATION'S DEVELOPMENT IN THE MANAGERIAL STRATEGIC VISION

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Abstract: *The paper examines aspects regarding psychosociology of the organization's development in the managerial strategic vision. The objectives of the development of the organization include effective, concrete tasks which will be performed by the organizations in a psycho-social framework and in a period of time which corresponds to the strategy chosen by the company. The research was conducted using a variety of bibliographic sources such as statistics, surveys, reports, professional articles.*

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The strategic vision for the organization's development

In the literature regarding managerial psychosociology, there are numerous points of view in relation to the concept of organization development. In general, this concept is defined as the ensemble of decisional processes for choosing the optimal objectives of the company and the optimal factors (resources, actions and other) which help in meeting these objectives in a certain period of time. Other authors, such as John B. Miner (2002), identify the organization development with the strategic management. In doing so, they are trying to differentiate the strategic management from the operative management. The organization development is a complex concept which includes the decisional effort of the unit's

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management which tries to establish the long term objectives as well as the orientation, means, resources and methods of implementation.

Depending on the actual situations and the specific and psycho-social variables, the development and the strategies manifest themselves in various ways. Therefore, according to the priority of objectives, there are economic, technique and technologic, management, human development and trade strategies. If we take into consideration the dynamic of objectives, there are retention strategies and growth strategies. The latter are also of two types: growth strategies based on accumulation and growth strategies based on innovation. Another criterion of classification could be the receptivity to change, according to which strategies can be consolidative, imitative or innovative. According to the types of objectives, there are market, product, organizational and international strategies. The nature of the approach to objectives can also be a classification criterion, according to which there are offensive, defensive and interstitial strategies. And finally, according to the coverage area, there are global and partial strategies.

The strategic vision for the organization's development is made up of the following *elements*: the objectives, the methods and practical actions of organization and management of the organization and the necessary resources.

The objectives of the strategic vision for organization development include effective, concrete tasks which will be performed by the organizations in a psycho-social framework and in a period of time which corresponds to the strategy chosen by the company. In order to establish the objectives, the manager determines, at first, through diagnosis, the situation of the organization during the elaboration of his development strategic vision. Then he seeks the development of events, by using the necessity prognosis and the possibility prognosis, in order to determine the two coordinates of the company in an adequate way.

Next, the manager uses the methods of managerial psychosociology, of modern mathematics, of the calculating techniques and on the basis of the information obtained through diagnosis and prognosis, he/she tries to indicate the future conditions in which the organization will function. Afterwards, in order to choose a reference model, the manager has to calculate efficiency.

The practical methods and actions of organization and management of the organization also represent components of the strategic vision of development. They mainly focus on the directions that the organization has

to follow in order to meet its objectives. Some adequate methods for this purpose are the following: specializing the production, technological innovation, conquering new markets, expanding the organization, diversifying the production or the supplied services, professional development of the managers and of the employees, influencing the basic components of the management for human resources etc.

Finally, the resources, as a component of the strategic vision for the organization's development, represent the foundation of the strategy and they secure the conditions for its creation.

When elaborating the strategic vision for organization development, the manager has to take into account the main factors of influence, to determine in the way each factor conditions or acts upon the strategy that will be chosen on the basis of his/her strategic vision. Some of the most important factors that influence the elaboration of the strategic vision are the following:

- The contemporary scientific and technical revolution which requires that the process of elaboration has to include the new in the organization. The objective of this factor is to determine the manner and direction of the national and international evolution of research.
- The situation of the energy resources, raw matter and other materials, according to which, when elaborating a strategy for the organization's development, the manager has to look for the existing resources in the national economy and to see which resources can be imported, according to the sale conditions of the global market of resources.
- The situation of the work force resources, i.e. the existence of such resources at a numeric and qualitative level, as well as future organizational and psycho-social interests to determine the necessary personnel, the methods of recruitment, selection, employment and professional training.
- The market and its evolution, which requires close study of the supply and demand, i.e. knowing and monitoring them permanently in order for the manager to be able to take correct decisions regarding the production of the organization.
- The lifecycle of the product is a factor that aims at renewing the products and changing the consumers' attitude.

The process of change in the strategic vision and the psycho-social issues thereof

The theory and practice of the managerial underline the fact that, in the current stage, organizations need a change in almost all the fields of activity and for every production factor, whether material or immaterial. Hence the manager's need to manifest an active attitude towards the changes and dynamic of the environment, an attitude that should allow him/her to identify the external and internal forces that produce changes and to recognize, in due time and in a competent manner, the general and psycho-social problems related to the process of change. On this basis, the manager should be able to elaborate the organization's strategy of change.

Nowadays, the change appears more and more as an essential component of the strategic vision. It is conceived and it acts as a process of structural adjustment of the management itself and of the management's methods of organization and leadership, its act of creation, the place and role it plays in the modernization and improvement of the information and decision-making system, but also that of the communication and involvement system. The change strategy in general and any change in particular must aim at and create the improvement of the technical and economic performance of the company by satisfying the demand and requirements of the market in terms of quality, deadlines, quantity, price, rhythmicity etc. The role of the strategy is to bring about a change in the mentality of the company's employees, to maintain their focus on performance problems and to raise the values promoted during the concerned period (Dragomir, C., Panzaru, S., 2014, p. 51).

Change is defined as the passing from a relatively stable state, quality or structure to new, more evolved forms thereof. In the field of technology and economics, the concept of change bears in mind the specific changes that are different from those in the psycho-social domain. Thus, *change in technology* refers, mainly, to the change of the processes, methods and operations used to obtain a certain product. Change in economy aims, first of all, at the quantitative and qualitative, micro and macroeconomic aspects of the production conditions and factors, of the social framework in which there are performed, of the companies' behavior for the purpose of identifying and influencing the modalities of minimization of the efforts (costs) and of maximization of the results. *In the psycho-social field*, change does not only refer to any modification of the social behavior or

human relations, but it comprises the process of replacement of the existing state, feature, psycho-social structure with some newly elaborated one that would perform more adequately and efficiently within the framework of the development of the macro and micro social assembly.

Regardless of its nature, any change can be made on the background of material continuity and of the cultural elements that secure the relational durability of that respective group.

It results from the above that change in the manager's profession consists of *the fundamental rethinking and the radical redesign of the managerial process* for the purpose of radically improving the indicators that are nowadays considered critical in the assessment of performance.

From the point of view of the managerial psycho-sociology too, *the understanding and implementation of changes by a manager* can be easily and efficiently achieved only through a systemic approach of the entire problem. For that purpose, the manager needs, while exercising his role, to know the possibilities of the system, the change of the organization and to act in a methodical and competent manner towards transformation in the sense of success and opportunity. Change in the manager's profession must be conceived and achieved as an act of creation oriented towards the improvement of the organizational structures and the flexibility of the managerial acts, through the on-going training of the managing team and of the employees. It has to secure an increased speed of assimilation of the new. The manager mainly needs to develop his receptivity to changes and the motivation of the organization's management.

In this process, the successful manager must be a convinced *author of the changes*. The managerial world and the manager's profession itself are subject to continuous change. Transformations take place more and more often, especially in the technological, social and managerial fields. The manager has to direct any possible changes towards the greater good and benefit of the organization and its employees. He has to be aware of the logical or emotional aspects that a change entails and he has to be ready to cope with it.

While exercising his/her profession with competence and abnegation, the manager has to act in such a manner as to earn the employees' trust and adherence so as they may feel, or catch a glimpse of the positive motivation elements, see their interest and be co-interested in the achievement of the changes. At the same time, the manager is asked to permanently manifest a true perseverance.

The transposition of the professional experience into life forces the manager to be efficient, to shape the future through the intermediate of a system of scientifically conceived and exigently achieved changes. To this end, the manager acts and is not satisfied to just react. He/she has to take any action required to be certain that he/she wields the destinies of the organization and of the manager's profession

An important field in the theory and practice of the managerial psycho-sociology is the practice of changes and the change of the practice in the manager's profession.

Change, with its two components – *the practice of change and the change of practice* – represent a fundamental preoccupation of the manager's profession.

We bear in mind the fact that the changes made in the exercise of the manager's profession, as well as those that will occur in the Romanian organizations on the path of the market economy do not allow managers and their collaborators to assume or remain on passive positions, but force them to meet numerous and concrete requirements. One of them is *innovation*. In the past, managers settled for the situations in which they were and they only adapted to them. At present and much certainly in the future, the manager has to be especially active, even aggressive, not only in the sense of wanting to make the change, but also to predict it and to use the change as a dynamising force of the organization.

Not less significant is the second exigency that the manager is put up against, which consists of *accepting the challenge of growth*. Referenced to its connections to the process of change, this exigency currently ranks first in the top of the managerial preoccupations. The two components of the economic growth are taken into account in the case of the organization, that is:

- Technological development;
- The issue of the size of that respective entity.

Focusing his preoccupations upon technological development, the manager has to approach technology as a systemic application of science and of all the other knowledge in an organized manner to the practical tasks of the organization. Also, the manager has to keep in mind the fact that the rapid development of technology has two apparently opposing consequences:

➤ The shortening of the time that separates the invention from the industrial application;

- The complication of the studies for the production of the goods.

Another component of the economic growth that the manager faces is the size of the organization. In this respect, the manager mainly has to bear in mind the market and production, the need to change mentalities and structures and, as a consequence of the changes in the general and specific conception and orientation of the managers to secure survival, the efficient development and management of that respective entity or company.

In order to survive and, so much the more, to carry out a profitable activity under the conditions of competition, specific of the market economy, the organization must be receptive to the demands and signals of the external environment. As regards changes, the entire activity will be conceived and practically carried out in a marketing vision. At the time of marketing, organizations may functionally form a marketing organization. This process also involves numerous and significant changes, especially in what the market outputs are concerned.

We keep in mind:

- The management of the marketing activity (organization of the marketing activity, the marketing information system, the decision-making process and the marketing program).

- The external environment of the organization (the structure, relations, the organization's market, the state of the market).

- The marketing research (study of the consumption, market study, supply forecasting, promotional policies).

- Marketing policies (the product policy, price policy, supply policy, promotional policy)

Another moment that involves numerous and complex changes is given by the *implementation of the total quality management* in the general management of the organization. The motivating factor of the process itself and of the transformations and changes that it involves is underlined by the idea that the right of access to the European and world trade, the chance to become competitive in the international trade and economic relations depend on the knowledge and respect of the standards thereof, and on the adoption of the total quality management of the organization's commodities and services. As the criteria are complex and evaluative, the problem arises of the adaptation to the current and future tendencies of the world market through the implementation of the total quality management in the general management. This process encompasses many changes: in the general

strategy, in the general and fundamental purposes, in the functional objectives, in the mentality of the organization's employees, in the all the levels of the quality culture, in the passing from the classical engineer's strategy to the convergent engineering, in assessing the costs of non-quality and in motivating the employees to take part in the total quality management and so on and so forth.

The managerial psycho-sociology investigations mention the fact that the *preoccupation for change is neither simple nor easy*. It requires a large amount of work, the learning of the new managing practices and methods, of the laws, and boldness in applying and adapting them to the specificity of each entity or company, and to every product of change.

The efficiency of the change process towards the boosting of the organization's management mainly depends on the managers' initiative and qualities. In the current conditions, an organization that does not develop its management through changes is certainly in the danger of getting bankrupt. The managers are called to make change, because it is only so that they may have the upper hand of the competition. By acting with perseverance to make changes in all the fields of activity, managers have the duty to find and apply new methods that would allow increase the turnover and obtain extra profit. The managers are obliged to understand and convince their immediate collaborators and the rest of the employees that sale, as a method of meeting the customer's requirements and needs, represents the key psycho-social and economic element of the organization's development and boosting. For that, they have the duty to move numerous activities to the centre of preoccupations, of which the most important are: the study and organization of the markets, the sale methods, the managerial and marketing forecasting and study, the organization of management, prices, the improved managerial and commercial structure and equipment.

The managers' pursuit to make changes must be done in all directions, in the sense of increasing efficiency by applying new methods and techniques based on forecasting, action and decision-making. We bear in mind operational research, management control, managerial organization, production strategy, creativity, management boosting, managerial decision, sales and stock control, technical and material supply control. In this respect, special attention must be paid to the increase of labor productivity. For that, appeal must firstly be made to the psycho-social investigations and the operational research based on sale forecasting. As regards this

management method, it will be necessary to insist upon stock control. In this process it is required to take into account the ratio between the stock rotation speed and the productivity growth index.

In order to change the organization's management, it is necessary to *pay more attention to the psychology of the organization and the practice of management control*. The latter must rely on the income and expense budget and on the best expenditure scheme resulted from the accounting records and the quantitative and qualitative manufacturing program oriented towards profitability.

In the process of change of the organization's management, the managers have to pay a *special attention to the formalization and change of the operational elements of their company*. We are referring mainly to the environment, upon which, in certain situations, the organization can act to influence the change. The operational elements upon which it can act in the process of change are divided into controllable and uncontrollable forces. The manufacturing processes and the macroeconomic factors are among the controllable forces. Among the uncontrollable forces we retain market control and the macroeconomic factors.

In order to change the organization's management, *essential transformations and changes are required in the field of motivation, labor quality and performance*. They represent the main lever of action on the manager's direct and immediate aids and all the employees to allow them to turn to good account their potential of knowledge, experience and creativity. This requires the manager to secure the best conditions for the employees to feel and to work with motivation in the field of change, with certain effects on the work performance and quality of those employees. Each employee has an individual and a collective strategy, depending on their competencies for intervention in solving the technical or operational problems of the company. If economic performance is under a control relating to commitments and production capacities, it forces the observation of the employee's behavioral subtleties and their potential to react (Petrescu, I., 2008). A performing management must not only identify the solutions and strategies most adequate but also to use the most efficient communications instruments that facilitate the achievement of organizational objectives (Ștefănescu, C., 2011, pp. 71-77).

In the life of the working groups of the organizations we may also come across *cases of manifestation of the opposite of change*, under the

form of inertia and resistance. Inertia is a tendency of the nervous processes to take place slowly, to stagnate, or to persist in a certain form of organization. *Resistance to change* appears as a phenomenon opposed to the changes expected from the behavior, relations or personal opinions and which manifests through the rejection of change by an individual or a group. The manager needs to know the generating sources thereof and to set the measures required to eliminate them. Among the factors of resistance to change we remind: private interests, the fear of the unknown, the defence of some newly earned status, the lack of the necessary information about the consequences of change, organizational rigidity, routine, bureaucracy and conservatism, authoritarian leadership, the ignorance of scientific experience, the predominance of certain traditions opposed to innovation and others.

While referring to *the important factors that nurture resistance to change*, Mihail Dumitrescu (1995) systematized it in *three groups*:

- *Factors related to the character of the desired change:*
 - The reduction of the hierarchic positions, of the rights of decisions and action (the proliferation of the necessary instructions and endorsements);
 - The impossibility to use the existing knowledge or the necessity of certain efforts to gather new knowledge (failure to introduce computer science in the management process, to prepare changes and the lack of team actions);
 - A too deep gap between decision and responsibility (directive-like changes or, on the contrary, hazardous or insufficiently substantiated measures)
- *Factors related to the manner of accomplishment of the change:*
 - Insufficient communication of the character and consequences of change (the impossibility of correlated action, surprise, reserve in making the change);
 - Refusal to grant authority to those entitled to make the change and going over the hierarchical level (the imposed character of the change that can generate a managerial conflict);
 - Non-involvement in the design, debate and definition of the intended changes (lack of motivation, lack of a clear image of the completion);

- *Factors related to the persons who make the change*, respectively those who lead the change, be they specialists, or managers:
 - Using inadequate language (reduction of the number of persons likely to be involved in the accomplishment of change resulting into compromise);
 - Impatience to see the result of the intended changes too early;
 - Failure to pay enough attention to both the technical side and the human side;
 - Relatively tense, inadequate relations between the leader and the team he is a part of;

Inside the organizations, *the manners in which resistance to the management's changes manifests* can be numerous and various. They can be systematized as follows:

- Direct rejection, with the justification of the numerical insufficiency or lack of competence for the accomplishment of the proposed change;
- The delay or the filing of this 'case' in the *current issues* file that a commission will later analyse;
- Complacency with the justification that everything is all right and, therefore, there is no need for change;
- Unjustified cautiousness based on the fact that no one has tried that before or that the respective change is not mentioned in the legislation in force.

Certainly, a manager who faces such a situation must adopt *measures to fight resistance to change* by influencing the employees' behavior or attitude towards the change and by securing a situational balance depending on the existing issues, resources and the personnel involved in those respective changes. The following measures might prove to be efficient:

- ❖ The development of a climate of creativity;
- ❖ The identification of weaknesses and the elimination thereof;
- ❖ The preparation and expansion of the process of managerial professionalization;
- ❖ The use of experiments to confirm the validity of the different options and the generalization thereof;
- ❖ The expansion of the process of use of the basic principles in the tackling of management changes;
- ❖ The principle of creativity in the sense that the creativity-change relation should rely on the results of the employees' creativity and, on the

other hand, creativity should be shaped by change. To be more specific, the issue is that of the maximization of the results of the creative activity;

❖ The principle of compatibility between change and requirements according to which the compatibility should be accomplished between change and each of the three components of the applicative environment:

- Human, material and financial potential;
- The process requirements;
- Human requirements.

❖ The principle of motivation of change according to which a strategy must be elaborated to harmonize interests, to constructively use the tensions and to secure the success of the actions taken;

❖ The principle of planning of the change, a process that consists of removing or, at least attenuating the contradiction between the emergency of the current requirements and the period of occurrence of the effects of change;

❖ The creation and extension of the conditions in which the action of combat of the resistance to change is made more efficient;

- A clear definition of the objectives of change;
- Appeal to flexibility in operating the changes established through negotiations;
- Informal discussions, reunions and newsletters to secure the understanding of the process of change;
- Materialization of the manager's support in the allocation of human and material resources and in the elaboration of the instructions necessary to secure the training and time required by the personnel to adapt to and to master the new systems;
- Participation of the affected persons into the conception and enforcement of change;
- Correct distribution of the results of change, while making sure that the new forms of labour are acceptable to the persons and compartments who participated in the process.

The practice in general and the *practice of change* in particular represent the activity through which people change the objective, natural, social, economic and technological reality. The fundamental element of the practice is the activity of change. Practice helps know the mechanism of change, the concrete modalities in which the human factor acts to accomplish the entire process of transformation of the phenomenon or the components thereof.

The practice of change represents an *interaction* of man and the reality in which he carries out his activity. It aims efficiency that, generally, can be substantiated and measured. Regardless of the domain in which it manifests itself, the practice of change is an effective transforming activity with conspicuous economic, technical, social and pedagogical results. Owing to this feature, the practice of change occupies a central place in the management of the organization.

In the practice of change of the organization's management there are functional relations between managers and employees, between work groups and the entire social system of the organization that are manifested. By becoming relevant and explicative, the practice of change reveals itself as a source, a basis of support and purpose of the entire managerial activity that is carried out in the organization. That is why managerial psychology pays special attention to the practice of change, by placing it in direct connection with the theory, through the inter-influences of which the concrete manner of construction of science in this field is created. As a matter of fact, scientific knowledge represents a ceaseless effort to elaborate theories that are objectively true or theories that are closer to the truth than some prior theories, i.e. they correspond better to facts.

By acting on the ground of the practice of change, the manager resorts to many methods and tools of investigation of the managerial status and of establishment of the ways to change that respective reality. These tools can be common or specific of a manager or group of managers. It strictly consists of locating, analysing, developing and solving the problems that await a change.

In time however, a part of the practices no longer correspond to the purpose and they need to be developed and improved, or they might even have to be replaced. This process is called practice change. It represents an ascending movement and it is oriented towards the removal of those instruments and methods of the practice of change that no longer yield results in the practice of the managerial change. At the same time, practice change brings about a series of solutions that might lead to modernization in the conception and work tools that are used in the practice of change.

Practice change appears as a *manner of intervention* in the external and internal order, a way of shaping and transforming consciously initiated by the manager to the purpose of improving his/her work tools, to make the modalities used in the practice of managerial change more efficient. At the same time, the process of practice change must be characterized by

differentiated sensitivity and resolute power; it must be dynamic and it must have a large range of instruments of action and increase of the managerial efficiency available.

In what concerns the special significance of the practice of change of the organization's management, we believe that this process must *be directed and coordinated simultaneously and impelled* by the general manager, with the organization department as the operational headquarters.

In this process, the manager has the obligation to conceive *change* as a *constant value in the organization's management, and the new as a part of the change*, with a significant contribution to the increase of the company's profit and the employee's social protection. Hence the promoter's role that the general manager should secure in promoting, amplifying and accelerating the application of certain improvements in the managerial practice and in the essential fields of the organization's management. Among the methods that the general manager can use *to valorise changes* we remind:

- ❖ Encouragement and promotion of the cooperation relations by taking into account individual interests and by putting them in concordance with the collective relations and interests and with the interests of the organization.
- ❖ Taking into account of motivation for the purpose of maximizing the degree of satisfaction of requirements on the path of motivational structures.
- ❖ The shaping of managerial style for the purpose of eliminating resistance to change both in manager and employees.
- ❖ The allocation of an adequate time budget for changes, with the stress laid on the allocation of a differentiated span of time for transformations, for the implementation of the intended changes.

Among the techniques and procedures that have proved efficient in the change management we remind:

- Work in the managerial team oriented towards change by the general manager, with positive effects in the avoidance of resistance to change;
- The diagnosis reunion that appeal is made to for the purpose of assessing the situation and defining the objectives of change and the concrete modalities of accomplishment thereof;
- Meetings of the managing team with specialists for the purpose of making exchange of ideas with regard to change;

- Negotiation with a view to making the changes; managerial games with a view to change.

Conclusions

In the market economy, managers have the duty to understand the role and value of change as a factor of success and survival of the organization. While wondering about the future of those respective companies, the managers have to adapt the organization's management to the new situations, to make sure that the management is, in its essence, a science of change.

The changes that we have referred to herein above currently establish a tight connection between the managerial practice and the training of the organization's managers and employees. The managers' tasks require analysis, professional engagement and, first of all, action, but not just any sort of action, only successful and profitable actions. All these require solid training of the managers that would target the development of competencies rather than the reproduction of some special knowledge.

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