Strategic Management of Organizational Innovations In The Company

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ABSTRACT

in this article the peculiar features of such complicated phenomenon as strategic management of organizational innovations within the framework of problem oriented management are investigated. Criteria for selecting the most important approaches of organizational innovations are detected.

INTRODUCTION

Strategic management in conditions of the market economy is, at our opinion, comparable with labor arrangement as a complicated systematic phenomenon, performing mutual adapting role in the production and economic system. Oriented not at the process, but at the final result, it creates background for forward management, provides combination of diversifies forms and methods of management influence and integration of all stages for management of organizational innovations. These moments are specifically necessary in conditions of the market competition, when insight of the needed and possible ways for achievement of high final results on the basis of organizational improvement, as well as carrying out measures on their realization become one of the priority approaches for development approaches, which do not require very large investments and providing reduction of production expenses.

Management of organizational innovations is based first of all on determination of the final aim of management and formation of the bank of problems. Search, detecting, fixation (recognition) of problems with the direct participation of all management entities and their reflection in the consolidated document serves as the basis for determining a scientifically justified objective for management of organizational innovations, taking into account objective manufacturing requirements. (Radaev, V.V., 2003)

Effectiveness of investigating the needs for organizational innovations, choice of justified approaches for their development taking into account the existing and the forming background for resolving problems are to a great extent reasoned by the internal and external innovation situation. The internal innovation situation shall be determined by the innovation need of the company, sensitivity and initiative of the economic entities as regards the innovations, derivatives, in their turn, first of all from the level of scientific and technical and organizational potential of manufacture (objective factors), psychological readiness of the employees and labor teams as to innovations, as well as active creative participation in this activity. Particular significance, in line with them, belong to the innovation need of the company, as well as availability of resources to carry out research and technological development (RTD), interrelations with related companies, scientific and research, design organizations etc.

External innovation situation is composed mainly under the influence of market relations and the level of developing scientific research designs on the whole in the country, the region, the industry, interrelation of the main links of the economy with each other, as well as with the scientific research organizations. (Asaliyev, A.M., et al., 2013)

Internal and external innovation situations jointly form the innovation situation, serving as the main factor, defining the scope, the quality of organizational innovations, the potential of innovations. Reasonably reflecting

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public and collective needs in organizational innovations, the innovational situation stipulates the purposes for management of this process, which may be disaggregated at various features.

Methods:
Achievement of purposes for management of organizational innovations, resolving tasks, being in the bank of problems, require formation of organizational innovations program. Therewith this program is a derivative from the social and economic order or, in other words, from setting and carrying out the system of purposes for social and economic development, which serve as the basis for determining the criteria for selecting problems and formation of the contents of programs. (Bychin, V.B., 2000)

The essence of program management of innovations in the sphere of labor arrangement shall correspond with its nature as a system phenomenon to the greatest extent and be determined with the end aims of its functioning and development. One of the basic approaches of carrying out this requirement may be reflection of the following tasks in the programs:

- System resolving in the unity of problems of fundamental improvement of labor, manufacture and management organization;
- Providing combining of labor arrangement with the economic mechanism (in particular, by way of development and introduction of progressive self-financing varieties of forms for arrangement and promotion of labor);
- Development of scientific research activity in the sphere of labor arrangement, determining approaches for interaction with scientific research, design, consulting, introductive organizations and leading companies with the high scientific technical and organizational potential;
- Promotion of creative participation of members of labor team in development, introduction, implementing and distribution of organizational innovations, purposefully improvement of their qualification taking into account resolving problems of organizational innovations;
- Cooperation of facilities, opportunities and resources of certain subdivisions both – at the level of the company, and between different companies and organizations with the purpose of resolving problems, contained in the program of organizational innovations;
- Establishment of contribution of labor arrangement in the end income of the team for the purpose of establishment of the share of moneys, directed at development of organizational innovations etc.

Main part:
Criteria for selecting the most important approaches for development of organizational innovations shall, at our opinion, be constructed, taking into account achievement of the end purposes of labor arrangement, derivatives from its level and effectiveness. Therewith the level of labor arrangement as the characteristics of arrangement and orderliness measure of its system may be estimated first of all from the position of its correspondence with the technical manufacture level. (Glubokiy, S.V., 2008) This conclusion is based on methodological approach to the functional evaluation of the role of labor arrangement as the resource for providing interaction of factors for improvement of manufacture effectiveness. The basis for possible criteria, used in the course of forming the structure of programs, may be the following alternative requirements:

- The system of labor arrangement under formation at its level is in advance of technical manufacture level;
- Parameters of the system of labor arrangement under formation corresponds with the parameters of the technical manufacture base;
- Improvement of labor arrangement shall be performed in the direction of achievement of correspondence of its level with the technical level of manufacture which increases.

However, in all cases, there shall be performed a preliminary evaluation of the expected general and comparative social and economic effectiveness of variants for organizational improvements with the implementing of regulatory rates, differentiated taking into account the nature of events (organizational and economic, technical, social).

First two groups of alternative requirements shall be the basis of the criteria for selecting events for programs of organizational improvements as applied to formation of labor arrangement system at the stage of designing and construction of the new, reconstruction and technical re-equipment of the existing companies, as well as development of technological processes and equipment. As far as the third group of requirements is concerned, they are, as the rule, carried out in the course of formation of labor arrangement system in conditions of ongoing manufacture, as applied to the functioning technological processes and the operated equipment. (Coleman James, S., 1990)

In conditions of market system of management the approach to strategy of organizational development, based on the evolutionary way of rationalization of labor arrangement (which essence is bringing to the system of partial amendments with the purpose of adjusting its level to that, required by the technical manufacturing base) may not serve as the alternative to the fundamental, radical, i.e. innovational variant of improvement of labor arrangement at all stages of live cycle of the company. That is why, at our opinion, it is methodologically
wrongful to construct criteria for formation of the structure of programs of organizational improvements based on requirements, not orienting at achievement of permanent correspondence between the technical and the organizational manufacture levels.

As far as requirements for advance development of labor arrangement is concerned (as compared to the technical base of manufacture) it is possible to mark two important aspects.

The first one is connected with the fact that this or that certain system of labor arrangement shall be always stipulated, justified by the technical base of a certain manufacture. In the reality any scheme of labor activity arrangement shall be based on quantitative proportions and qualitative characteristics of labor processes, which are determined by the specificity of manufacture technology and labor facilities in use. Advance of parameters of labor arrangement by the technical manufacture parameters, being the technical basis for the first one, is almost unattainable. (Moller, K., D. Wilson, 1988)

The second aspect is connected with the setting of a hypothetic task of the advancing development of labor arrangement system, when between the level of labor arrangement and the technical level there is a certain gap formed (created) in favor of the first one. This gap could take place in cases of predomination of the evolutionary development of the technical base of manufacture. However, the regularity of development of manufacture process elements, determined by the internal logics of their movement, as it is evidenced by the whole accumulated development experience of the company’s production forces development, is the revolutionary type of technology development and the evolutionary type of labor arrangement, manufacture and management development. Therefore the technology in its development regularly reflects the organizational processes and, in particular, labor arrangement.

Potentially, the level of labor arrangement may be higher than the technical in organizational projects only, when flexible systems for labor arrangement are designed, based on the innovational achievements of science and technology. At the stage of ongoing manufacture there may exceeding of the level of qualification of an accumulative employee take place over the level which is required by the technical base. However, in the last case it is necessary to take into account the two circumstances. Firstly, those or those knowledge and experience of the employees shall be realized only in case of their interaction with material and technical factors of manufacture and only within those limits, which are objectively substantiated by the latter, and the "surplus" of qualification shall remain in the potential. Secondly, advance of only one of the constituent parts of labor arrangement, not accompanied by measuring of parameters and behavior of other elements of this system may not be evaluated as the increase of the level of system organization on the whole, i.e. the latter, characterized in its integrity, may remain even as not corresponding with the requirements of the technical base. (Bychin, V.B., Ye.Ye. Nechupei, 2011)

It is important to stress one more significant factor. The notion "correspondence" is relational. In this case one can speak about the extent of correspondence of the functioning labor arrangement with the limit value of its parameters, which is set, substantiated by the technical base of manufacture. Certainly, this may not serve as the basis for ignoring the logics of labor arrangement development, when the internal contradictions of its system, justifying accumulation of the quantitative changes, leading to qualitative fluctuations when they achieve certain values, stipulate negation of the existing system. Together with this, in the course of practical functioning the labor arrangement system adopts to the technical base and it may at best only correspond with the latter.

**Constructional type:**

Market relations, relying upon the independence of the main links of the economy, determining the opportunities of development and realization of the own strategy for development of either of them, together with that strengthen the influence of indefiniteness factor as, forming with each economic entity the need in obtaining income sufficient for self-financing of expanded manufacture and labor payment, increase the extent of multi variants of innovation programs in the environment of changeable market environment and conditions of performing programs.

Hence it is hard to escape a conclusion that contents of programs for organizational innovations shall be not a detailed and a certain description of all tasks, but shall cover the most general, integral problems which could serve as a carcass for perspective regional programs of organizational innovations, the basis for organization and coordination of development and realization of the latter. (Granovetter, M., 1973)

Formation of effective system for labor arrangement based mainly on organizational innovations, not always possessing the predictable nature, but with that, requesting management based on forecasting of changes and making flexible urgent decisions, stipulates it planning. Therewith planning of labor arrangement means defining purposes for perspective development of the object under management in line with the needs of its functioning environment, selecting facilities and resources for its achievement, as well as establishment of terms and executors of the works. In combination with the initiative of the primary labor teams and certain employees it has to consciously realize the requirements of objective economic laws, to create conditions for achievement
of the optimal combination of economic interests in conditions of the market environment, to provide effective
development of labor arrangement in its interaction with other factors.

Fulfilling all elements of the mechanism of conscious use of economic laws, leading them to a certain
system, planning at the same time stipulates implementing of the whole range of economic levers, facilities, incentives of influence at the object under management, which means its combination with the initiative of the primary labor teams and each employee.

The need in growing of the potential for manufacture and economic system, the interests in achievement of long-term aims stipulate carrying out principles of strategic planning in the system of management over organizational innovations. The objective necessity in strategic planning shall be reasoned also by the nature of organizational innovations, the growing indefiniteness of external environment of both – the company and the system of labor arrangement in connection with the possible radical changes in the technical base of the manufacture and the dynamics of the market environment, when setting new problems and search for new ways of resolving management situations in the sphere of organizational innovations are the most important factors of providing competitive capacity of the economic entities. (Hakansson, H., 1987)

**Decision:**

Taking into account the abovementioned aspects, we consider the model of the systematic formation of potential for labor arrangement as the more substantiated within the framework of production and economic systems, which is based on detecting the needs of the company in the organizational improvement of the manufacture, substantiated by the requirements of the external and first of all of the market environment. Such approach represents the form of carrying out principles of strategic planning of organizational innovations in combination with the self-planning. Therewith realization of the following basic principles of strategic planning of the organizational innovations is provided:

1. Orientation at the dynamic external environment and, first of all, the market environment. Taking into account of this principle allows "going from the future to the present", which is objectively assumed as the peculiar features of the dynamic market environment, and the specific features of the organizational innovations process itself.

2. Participation and self-planning based on the interested creative participation of all categories of the employees in development and realization of the planned events at their working places, the brigade, the workshop, the company. Therewith plans for improvement of labor arrangement shall be made by the autonomous work groups, created at the level of workshops, sites, large brigades. Functions, delegated to the level of professional services of planning, come to the fact that they deliver substantiated calculation values characterizing the extent of influence of this or that possible event at the end results of their activity to the structural subdivisions; provide them with the respective regulatory documents, necessary information and consultations, promote self-planning.

3. The continuity of the planning process and carrying out measures on improvement of labor arrangement based on continuous detection the needs of the company in organizational improvement of manufacture and renewal of the bank of problems, system evaluation of correspondence of the labor arrangement with the progressive requirements, regulations and norms and the operational modification of plans.

4. The system, providing systematic improvement of labor arrangement simultaneously at all its directions, in interaction with other factors for increase of manufacture efficiency.

**Conclusions:**

Carrying out the offered approach in the activity of the national companies at the modern stage seems to be a difficult task, which is reasoned by both – absence of the due experience and the low qualification level of the specialists in the sphere of organizational innovations. However, as it is evidenced by the experience of the economically developed countries, this is the way of realization of strategic planning principles, how it is possible to come to the main direction of development of effective organizational innovations, corresponding with the requirements of the market economy.

**REFERENCE**


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