

MANAGERIAL DECISION PREPARATION, ADOPTION AND ORGANIZATION OF IMPLEMENTATION PROCEDURE: ADMINISTRATIVE LAW ASPECT

Victoria ORLOVA,

Post graduate student of The Department of Administrative and Commercial Law of Odessa I.I. Mechnikov National University

SUMMARY

The article analyzed problems of working out and practical application of procedures of preparation, acceptance and the organization of execution of administrative decisions in an operational administration by manufacture. Offers on formation of the special organization-legal mechanism for the effective decision of programmed (standard) and not programmed tasks (problems) are made. Substantive provisions of special Typical rules of preparation, acceptance and the organization of execution of administrative decisions are formed.

Key words: Administrative decisions, procedures of preparation, acceptance and the organization of execution of administrative decisions; features of the decision of programmed (standard) and not programmed tasks (problems).

АННОТАЦИЯ

В статье анализируются проблемы разработки и практического применения процедур подготовки, принятия и организации исполнения управленческих решений в оперативном управлении производством. Вносятся предложения по формированию специального организационно-правового механизма для эффективного решения программируемых (стандартных) и непрограммируемых (проблемных) задач. Формулируются основные положения Типовых правил подготовки, принятия и организации исполнения управленческих решений.

Ключевые слова: управленческие решения, процедуры подготовки, принятия и организации исполнения управленческих решений; особенности решения программируемых (стандартных) и непрограммируемых (проблемных) задач.

Problem definition. One of the most distinctive displays of conscious, purposeful management activity and the most essential stage in the process of governance at all levels of social administration, including those in the framework of the particular manufacturing organizations, is the preparation and adoption of the managerial decisions. Any administration body of the company or firm, endowed with organizational and power authorization, implements its objectives and functions with the help of appropriate managerial decisions, which appear to be the intellectual and volitional acts forming ideas about the ways, means, forms and methods to achieve certain socioeconomic or production results [1, p. 9]. Moreover, the solution of some administrative tasks gives rise to others. Each managerial cycle, while getting the subject of management closer to a solution of a particular task (or a problem), at the same time raises the need to

detect, identify and locate other means to solve managerial tasks (or problems). In other words the whole aggregate of the specific types of activities of any industrial organization managerial body employee within the overall boundaries of administrative work from the occurrence of a specific production situation to the nuts-and-bolts solutions for administrative tasks caused by it, in one way or another is connected to the preparation process and organization of implementation of managerial decisions, which represents the main type of administrative work [2, p. 39], or "major general and necessary function of management [3, p. 85]".

Topicality. The problem of decision making and execution management solutions studied by famous scientists and lawyers, as A.S. Vasiliev, V.G. Afanasiev, G.F. Osipova, L. Plunkett. But the procedure is a management decision remains little studied phenomenon in legal science. This fact deter-

mines the increased actuality of the topic of choice.

Main text. In the procedures of managerial decision-making specific steps of decision preparation and substantiation are fixed, for a particular class of administrative tasks (planning, financing, manufacturing maintenance supply etc.). They set out the oreder of relationships between the participant of the decision-making process, their rights, duties and responsibilities for the proper conduct of certain activities and operations that are required for taking a managerial decision. Typically, they include mandatory requirements and recommendations: on the comprehensive analysis of industrial and economic situations, on how to detect and solve management problems, the ways and forms of institutional cooperation between the participants of the decision-making process at all stages of its implementation, on the protocol of documenting the decisions and validating them by publishing

the relevant acts of governance, on forms of organization and implementation of decisions and local laws based on them, on the persons responsible for the development and organization of decision being implemented, as well as on the rational division and cooperation of their labor, etc.

Due to the consolidation of coherent actions and operations system in administrative decisionmaking procedures, the necessary guarantees are provided for the effective implementation of management functions. The prerequisites are created for the process of making decisions and publishing them pursuant to the local governance managerial legislation was strictly arranged and regulated in accordance with the requirements of the scientific organization of administrative work. Moreover, according to the requirements of the scientific organization of administrative work, a substantial basis for these procedures varies depending on the peculiarities of managerial tasks being solved. Specifically, when solving the socalled programmable (or standard) problems, the pre-designed procedures are applied, which are stored in special information banks of the corresponding enterprise (or firm). At the same time, when solving creative problems, there is a need to develop special organizational and managerial mechanisms (procedures) that are individualized in relation to the characteristics of the relevant class of creative (non-programmable) tasks.

Programmable (or as they are sometimes called - standard) tasks in the production operational management occupy, according to the economists' estimate, 70-80% of the total volume of tasks solved [4, p. 28]. These problems can include, in particular, the managerial situations related to the framework development for determination of the need for equipment, materials

and labor; the framework for the organization of the production plan implementation; activities related to the optioneering for preferred development and reconstruction of the company; choosing the best loading production capacity; finding the optimal process conditions, etc. All of these situations are actually multi-choice in matter. Each of them has certain peculiarities. However, their general feature is that the substantive elements of the administrative body organizational activities and the order of defining the institutional linkages and relationships that arise in the course of their analysis and solution, has been studied so well that it can be expressed in a certain schematic form (as a standard or model) with precise quantitative characteristics of the corresponding parameters.

The model (standard) is understood as a simplified representation of substantive and organizational aspects of the contemplated industrial and business situation, which is based on the sufficient information regarding its true nature. As an important methodological analysis and evaluation tool for the real facts of industrial and economic activities of a given company or firm, such models (standards) provide identification and justification of the specific ways and means to resolve the occurring production situation. They allow you to rather accurately determine in advance not only the content of the forthcoming administrative operations, but also their sequence, mutual consistency and shapes of the technological and organizational support, as well as the expected results and their effectiveness. This in turn deprives the leaders engaged in the organization of some standard administrative problems resolution from routine mental work related to the performance of duties for redistribution of powers and responsibilities between the parties to the solution of this problem, establishment of the necessary connections and relationships between them, definition of restrictions and performance criteria for managerial decisions prepared and etc.

For the convenience when using certain institutional and managerial models (standards), they are categorized and arranged in various reference books. When necessary, these directories are complemented by relevant charts, tables, matrices, various figures, etc. All together these documents capture the experience gained in management tasks resolution for specific classes and therefore can be used as a special fund (or "assembly point") of the made-up managerial decisions that are used in operations management process.

Specific rules for the use of the fund, as well as the updating and renovation procedure on account of new programmable tasks solution models is defined by administration of appropriate industrial enterprise (a company or a firm) in order for it to match the real needs of the administrative apparatus. Thus, the adoption of programmable solutions and the local administrative laws based on them requires, substantially, only corrections of the existing solutions stock based on a change in quantity of values in some of the original data. Of course the development of such detailed procedures for troubled tasks solution, as those used when solving programmable (routine) task is almost impossible. Indeed, any well-functioning industrial enterprise is constantly evolving and changing. The process of managing it varies in content, highlighting new, previously unknown problems. At the same time we must not forget that, firstly, at each industrial enterprise (a company or a firm) in one or another way, experience accumulation process for managerial tasks solution evolves, allowing to produce a relatively stable classification of possible problems and

LEGEA ȘI VIAȚA

possible ways and methods of their solutions, and, secondly, the creative process is useful only when it is structured in a certain way, i.e. "subordinated" to the correct serial stages (steps) that are applicable to all types of decisions. In other words, the solution process for any creative task, according to experts in management science, is not a disordered anarchic approach where the emphasis is made on "sudden insight". On the contrary, it must be carried out within the framework of a particular procedure of the creative research, which prescribes a certain sequence of steps towards some verifiable result [5, p. 98-100]. Thus managerial decision-making procedures (although they are directed mainly at solving standard problems), basically turn to be useful in unusual situations as well when there is no fixed set of possible behaviors, and there is no pre-known algorithm for finding these options. After all, the basic steps or blocks of analytical work (situation analysis, detection and description of the problems, statement of the task, search for alternative solutions, etc.) remain equally important.

Naturally, for routine (programmable) tasks, such procedures can be developed in much more detailed manner, based on a complete description of the entire set of actions and operations that are committed by the participants of the managerial decisions preparation process and which based on their intraorganizational local administrative acts. In respect of solving creative tasks, only the most basic rules of organizational interaction and choice of analytic research methods used by the relevant managers and functional services specialists are defined. However, in any case, the procedures and rules for decision-making and organization of implementation for managerial decisions are designed to determine the regulated sequence of actions and operations that are performed by management bodies and administrative staff participating in the work in order to obtain the optimal, in their matter, decisions and make these decisions binding.

On this basis, as we believe, Model Rules for the preparation, adoption and the organization of implementation of managerial decisions in the operations management can be developed and approved at the level of the Cabinet of Ministers of Ukraine. It would be viable to include in these Rules, in particular, the general requirements on an independent organizational provision for the function managerial decision-making and implementation procedure, for the bodies and officials who may participate in decision-making process; for the principles of cooperation and division of their labor; for the regulated forms of scientific methods of decision-making application, the conditions of their applicability and rules of procedure; for the forms of specialists involvement and consultants participation in the development and justification of decisions; as well as the rules of documenting decisions and making them legally binding.

The Model Rules, in accordance with the principles of division and cooperation of administrative work, must establish that the organization of preparing decision projects is the prerogative of the leaders of those units to be entrusted with solving certain types of managerial tasks. They are assigned the right to give the developers binding instructions regarding any issue of their labour organization and the requirements for a particular managerial decision (specifically, the objectives and criteria for its evaluation, for the accounting of a variety of constraints; for the possibilities and limits of the use of resources available, for the timing of the preparation of decisions project, etc.).

The Model Rules should also

establish the procedure for approval of decisions at different levels of the industrial enterprise with the definition of the persons responsible for the relevant procedure implementation, implementation terms and forms for its stages, as well as the procedure of the final selection and approval of the decision by the particular authority or the manager.

A special section of the Model Rules should set out the requirements for the execution of managerial decision as an organizational document in terms of its language, style, logical presentation and ease of implementation. It also must state requirements for the order of control over the implementation of decisions and guidance for the inducement and responsibility of the actual participants of the managerial decisions development, adoption and organization of implementation procedures.

In case of the development and adoption of such Rules, the fundamental legal framework of the legal acts could be formed setting forth the legal status of administrative units and officers, who participate in the managerial decisions development, adoption and organization of implementation at the level of operations management, i.e. in specific industrial institutions, enterprises and firms. Referring to this legal basis, the officials of the relevant associations, enterprises or firms would get a chance to organize their administrative work more effectively, they would have a real opportunity to personally determine not only the objectives and criteria for future managerial decisions, but also to guide the practical activities of particular decisionmakers by organizing their practical actions and operations directed at the development of possible options for this decision.

In turn, this could also contribute to the efficient organization of the administrative apparatus for solving the relevant problem problems because solving them requires cooperative efforts of many administrators and professionals working within a well-organized mechanism for solving complex management problems.

In turn, this could also contribute to the efficient organization of the administrative apparatus work when solving the relevant troublesome tasks because for their solution the cooperative efforts of many administrators and specialists, working in terms of well-organized mechanism of complex management problems solving, are necessary.

Responsibility for the establishment of such a mechanism at the specific enterprises and other industrial institutions should be vested in members of senior management represented by the Executive director and his deputies, heads of major functional services and departments. These managers should hold personal responsibility for the preparation of timely and highquality decisions of all problems assigned to them. They are not just involved in managerial decisionmaking, but also they organize it, being responsible for bringing to its preparation professionals, experts and other employees of the organization. In this regard, the aforesaid managers, as the supervisors of the managerial decisions preparation process should be entitled to the issuance of special regulatory acts that would identify all the basic requirements for content of the managerial decisions and order of their preparation, specifically: for the purpose of the adoption of specific managerial decision and criteria of its effectiveness; compulsory identification of the causes of the problem addressed and its importance for the various units of the organization; defining the possible

consequences of the problem being solved (both positive and negative); need for making certain economic calculations and justification of different variants of decision: mandatory research of experience in solving similar problems in the past; feasibility of using ready-made solutions, if they are available in the institution. These acts must also formulate the requirements for organizational forms and methods for the activity of participants involved in decision-making and the development of recommendations for the organization of decision implementation; materiel supplies and organizational technique that can be used in the decision-making process; terms of making a decision and methods of regulation and control over the course of decision implementation, as well as for the forms of reporting and motivation for the participants of decisionmaking [6, p. 212-213].

Besides, in the course of solving a particular problem managers should have the right to give additional guidance to its developers, if necessary, change the direction of research, apply new methods for the preparation of decision or take into account newly emerged circumstances and constraints (e.g., lack of material resources, regulations of higher authorities acts, changes in industrial and economic conditions, etc.). On the basis of these administrative acts and directives from the heads of relevant industrial enterprises, the direct study of administrative problems and the search for the optimal managerial decisions with regard to their economic, legal and social implications can be unwrapped.

Conclusions. Thus, the development of management procedures and standards for programmable (standard) problem solutions and the formation of a special institu-

tional mechanism to address the troublesome tasks, arising in the course of operations management, facilitate the creation of fairly substantial preconditions for regulating the intra-management relations that arise in the course of the managerial decisions preparation, adoption and organization of implementation. It contributes to a significant increase in the level of scientific validity and the effectiveness of managerial decisions made over the course of operations management. In turn, this may play an important role for the start-up and development of industrial enterprise business activity (enterprises, associations and firms), their adjustment to the new conditions of industrial and business activity, which are formed on the basis of developing market relations.

Cited literature:

- 1. Vasiliev A.S. *Preparation and adoption of managerial decisions: Procedural and institutional problems*; Monograph/ A.S. Vasiliev. Odessa, JSC "Bakhva", 1997. 160 p.
- 2. Vasiliev A.S. *Managerial decisions in the industrial enterprises (legal aspect)*: Monograph/A.S. Vasiliev. Kiev-Odessa: «Vyscha shkola», 1986. 200 p.
- 3. Afanasiev V.G. *A person in the society administration:* Monograph/V.G.Afanasiev. M.: Politizdat. 1977. 382 p.
- 4. Osipova G.F. *Manager's paperwork:* Monograph/ G.F.Osipova. M.: Economica, 1978. P. 195 p.
- 5. Plunkett L., Hale G. *The Proactive Manager: The Complete Book of Problem Solving and Decision Making:* Monograph / L.Plunkett, G.Hale. M.: Economica, 1984. 167 p.
- 6. Vasiliev A.S. Preparation and decision-making procedure for the management of the state enterprises, institutions and organizations / A.S. Vasiliev. // In the book "Managerial procedures". M.: "Nauka", 1986. P. 203-216.