Teorijski pristup principima menadžmenta – Pregled literature

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Apstrkat: U novijem dobu menadžment je termin koji se često koristi, i poistovećuje sa drugim sličnim terminima drugačijeg značenja, kao što su neki vid upravljanja ili rukovođenje. Jedna od najstarijih definicija menadžmenta je umetnost ostvarivanja određenih ciljeva posredstvom drugih ljudi, rada i sistema kako bi se dobili definisani ciljevi. Menadžment je čitava nauka i vještina upravljanja ljudima. Glavni fokus je na ljudima, tj. ljudskim resursima, koji su veoma bitni, pošto od njih zavise svi drugi resursi. Ljudi koji se bave menadžmentom nazivaju se menadžeri. Na svim univerzitetima Zapada, nauka o menadžerstvu zauzima vidno mesto, jer priprema kadrove za menadžerske funkcije. . Oni su eksperti profesionalci za menadžment, ljudi koji su u organizaciji angažovani da obavljaju tu funkciju i koji su odgovorni za rezultate poslovanja organizacije, kao i za njen razvoj i rast. Za svoj rad oni kao i drugi zaposleni u organizaciji primaju odgovarajuću nagradu, zaradu. Henri Fejol (Henry Fayol) u svom glavnom delu ističe potrebu za definisanje principa koji treba da omoguće sprovođenje osnovne koncepcije i definiše 14 principa menadžmenta.

Ključne reci: menadžment, principi, profit

Theoretical Approach to Principles of Management – Literature Review

Abstract: In the modern era, management is a term that is often used, and it is often identified with other similar terms, but of a different meaning, such as some kind of managing or controlling. One of the oldest definitions of management says that management is the realization of certain goals through other people, work and systems, in order to achieve set goals. Management is the whole science and the skill of managing people. The main focus is on people, i.e. human resources, which are very important, as all other resources depend on them. People who deal with management are called managers. At all Western universities, the science of management takes a prominent place because it prepares personnel for managerial functions. These people are experts in management, who are engaged in the organization to carry out this function and who are responsible for the results of the organization's operations, as well as for its development and growth. They, like other employees in the organization, receive the appropriate reward, i.e. earnings for their work. In his capital work, Henry Fayol emphasizes the need to define principles which should enable the implementation of the basic concept and defines 14 management principles.

Key words: Management, principles, profit

Introduction

The word manager is present not only in everyday life, but also in professional parlance. The term exists in many countries, but even in the United States where it was created, people use the term "manager" for different things (Zerfass & Radojković, 2011).

For someone who is less involved in this issue, the manager represents the boss, the owner of the organization or the company. He is the one who founded the company and who leads and directs it in the desired direction.

On the other hand, the word "manager" means professional managers, hired professionals from one field of work, authorized to run a company's business and tasked to do so in a more efficient and effective way. These experts are not the owners and founders of the organization, or "bosses". They are experts in management, people who are engaged in the organization to carry out this function and who are responsible for the results of the organization's operations, as well as for its development and growth. For their work, they, like other employees in the organization, receive the appropriate reward, earnings (Mayer, R. C., & Gavin, M. B. 2005).

For the third, the word "manager" refers to all those who deal with managerial work, who lead the organization's business and who are responsible for the results of the work in it, where it does not matter whether they are the owners of the organization or not (Sikavica, P., & Bahtiarević-Šiber, F. 2004). It is important that they are engaged in the organization in the above mentioned business and that they have the necessary powers for doing so and to do so with professional responsibility, and this latter refers to the owners or co-owners of the organization.

There is another understanding of managers that is often cited in the literature, which is characteristic of the first development of management, and according to that understanding, the manager is defined as someone who is "responsible for the work of other people" (Mratinić 2013).

Concept and development of management

In industrialized countries, primarily in the United States and Western Europe, there is a well-processed theory, known as scientific management. At all Western universities, the science of management takes a prominent place because it prepares personnel for managerial functions. The basic assumptions of this theory are based on the acquisition of power, without ownership. This is the birth of a new class of managers, not only in enterprises, but also in government services, and for governing the country. Management is a discipline that can be applied to different organizations (Erić, D., & Stošić, I. 2013). Management applied to a company is enterprise management or business management. Business management should enable survival and prosperity of enterprises as organizations with specific goals. Enterprise management uses the organization to combine human and material resources more effectively, adapting to the conditions in the company environment. Organizing as an element of management is expressed through the organizational structure and organizational form (Dragnić, A., Lazić, J. M., & Cvijanović, J. M. 2003).

Transformation in the industrial enterprise begins with input resources (people, energy, materials, machines, etc.) (Topić, R., Božović, M., & Topić, G. 2017). It enables getting products that meet the needs of the users. It is precisely the saturation of demand that is the main reason for the emergence of planning in the fifties in developed industrial countries, primarily in the United States. In this regard, there may be distinguished:

- 1) The age of mass industrial production
- 2) The age of a mass marketing
- 3) Postindustrial age

Each of these ages puts the enterprise under special conditions, which the company must respond to with adequate behavior and management system. Thus, the era of mass industrial production (1900 - 1930) is characterized by the orientation of the manager to the efficiency of the production mechanism and the operating mode of behavior that becomes dominant, avoiding the risk of entering into new ventures, and it is positively more successful to realize the existing ones. During this period, the companies that offered the standard product at the lowest price were predestined to win. The age of massive marketing occurred in the early 1930s when consumers began to look far more than meeting basic needs (Đekić, I., & Marković, Z. 2004). This is a period when companies initiate switching from production to market orientation, which means that promotion, advertising, sales and other forms of consumer impact have become of the highest importance to management. Moving towards "marketing orientation" is characterized by the development of new products more than the production process. The post-industrial era is a period since the mid-fifties of the 20th century in which companies face new and unexpected challenges, which have nothing to do with the past (Marinković, D. 2009). Organizations are forced to turn around their environment and accept the change from the famous world of marketing and production to an unknown world of new technologies, new competitors, new consumer attitudes, new dimensions of demand, and re-examining their role in society. This period is characterized by four specific areas of social responsibility concern of the organization:

- 1) Consumer care

- 2) Care for employees
- 3) Care for the environment
- 4) Care for society in the widest sense

The rapid development of infrastructures, and above all communication and transport, allow for wider access to the products concerned, and market environment has been created.

The business environment of the organization becomes more dynamic, different from the past, and this contributes to the creation of an effective and efficient planning management system, which is a much more difficult task than the previous situation (Petrović, P. B. 2003). Consequently, an organization as an institution is instrumentalized as a management tool for the prompt realization of relationships, roles and activities. Operational strategic management as a concept of change management is of a relatively recent date (Janićijević, N. 2006). In accordance with different levels of turbulence and complexity of the environment, that is, the environment of the organization, different management systems have been developed, which are increasingly detailed and complex. Thus, two types of management systems have been developed (Cuzovic, S., & Cuzovic, Đ. 2012):

- 1) Positioned systems
- 2) Timely systems

Positioned systems correspond to conditions and organizations whose environment and future can be predicted, and the representatives of such systems are (Kotler, P., & Keller, K. L., 2008):

- Long-term planning
- Strategic planning
- Strategic management

Timely systems (multivariate planning, surprise management, etc.) were created as a need for a quick response to challenges and discontinuities in conditions in which many significant changes develop extremely quickly. In this regard, strategic management is a systematic approach to strategic change management, which consists of (Lončar, D. 2011):

- 1) Positioning the company through strategy and planning opportunities
- 2) Timely strategic response through management decisions
- 3) Systematic management of resistance during strategy implementation

Strategic management is one side of the medal, i.e. responsibilities that belong to general management. The other side of the medal-responsibility is operational management. While strategic management deals with the creation of a strategic position that ensures the future life span of an organization, operational management is engaged in exploiting the current strategic position to achieve the operational goals of the organization. In business enterprises, the strategic manager takes care of the profit potentials, and the operational worry is to turn the potential into real profits. Activities of a strategic and operational character are often in conflict, but, on the other hand, if strategic management is effective, then the preconditions for the effectiveness of operational management are created (Janićijević, N. 2013).

Managers - characteristics

Managers are people who have skills and knowledge to do business with the help and through other people (Williams, C., & McWilliams, A. 2010). Manager is nowadays an increasingly popular expression and is often used in the media, especially in specialized journals. The word 'manager' has several meanings in the literature, and four seem to be the main ones: the manager, the controller, the entrepreneur and the director (Nikolic, M., Mihajlovic, L. S., Stanojevic, D., & Stefanovic, S. 2014). It was very easy to define a manager before. Managers were members of organizations who were telling others what to do and how to work. It was easy to distinguish managers from employees who were not managers, i.e. from those members of the organization who were

directly involved in the work and did not have their subordinates. A manager is someone who works with people and with their help coordinates their work in order to achieve organizational goals. As managers, people perform managerial functions of planning, organizing, staffing, guiding and controlling. The aim of all managers is the same (Garača, N., & Kadlec, Z. 2011): to create a surplus. A manager is a person whose primary tasks derive from the management process, he plans and makes decisions, organizes work and business, employs and manages people and controls resources. He is also a person who achieves the goals by engaging others in performing tasks. The word manager is the term used to designate the managers in all organizations (profit or non-profit type) (Ajduković, M. (2016). Considering that this is a specific American expression that does not have an adequate synonym, this term is most often used in the original form. Basically, the term manager refers to a person who performs a managerial function in a particular organization. In practice, the very definition of managers refers to:

- the specialists who are the owners of capital or companies engaged in the task of performing managerial functions in accordance with the defined powers and responsibilities,
- the owners of the company when they, as individuals or members of the management team, perform (in accordance with the relevant authorizations and responsibilities) managerial functions (i.e. jobs and tasks) and receive the appropriate remuneration for performing the tasks (functions) (Mihajlović, M. 2016).

According to the foregoing, for conceptual determination, as well as for the practical identification of managers, it is completely irrelevant whether one is the owner of the company (or its part) or not. However, what is especially emphasized, or what is essential, is that the managers:

- possess managerial skills which verify them, i.e. qualify as potential or actual bearers of management.

Managers are in charge and authorized to perform managerial tasks (functions or tasks) in given organizations (profit or non-profit character) and are responsible for the work and results of the organization's operations (in whole or in part) in which they perform managerial functions (Petković, M., Mirić, AA, & Božinović, I. 2011).

Principles of Management

Management guru Henry Fayol emphasizes in his main work the need to define a principle which should enable the implementation of the basic concept. In doing so, it is necessary to emphasize the variability of the conditions in which the business takes place. Fayol formulates fourteen principles that are significant in contemporary conditions (Cole, GA 2004):

1) **The division of labor** - with the increase in volume and complexity of all types of jobs at all levels, especially the professional one, there is a more diversified division of labor. A clear definition of the division of labor as a means of achieving the effect would be: "The division of labor is the best means for both individual as well as collective power in production". The division of labor lies in the possibilities for specialization of individuals, executors of work tasks. Specialization is a consequence of the division of labor that determines the experience regarding the spirit of work, and these boundaries do not need to be crossed. Regardless of relative inconsistency, Fayol's sense of measure is very characteristic, and especially this is of particular significance considering the exaggerations that subsequently followed and led to serious difficulties in the implementation of chain production (Djukic, R., Jovanović, J.).

2) **The authority** is defined as "the right to command, that is the power that makes all that is necessary to be done, and to listen to and execute the task". In this simplified interpretation of authority, there are predominant elements of authority, which are the subject of numerous later considerations. Thus, Fayol links power and authority to a unified whole, while in recent times there is a debate over the power of authority that says "authority is the power of the power". In relation to this, Fayol points out the necessity of matching the so-called "position authority and real authority, which stems from the moral and other quality of the personality of the bearer of the authority". It is particularly emphasized that the transfer of authority to power should not occur. According to Fayol, the authority of managers among the working masses is decreasing when it is based on the understanding that the position is gaining power, that is, that the authority is aligned with the notion of power, that authority is placed on the basis of capitalism and exploitative intentions (Biličić, M. 1999).

3) **Discipline** is defined as "the respect of conventions", with obedience, care, activity, and external signs of appreciation as objects. In explaining discipline, which is considered as necessary, there is a phenomenon: it is not only a set of imposed restrictions for a subordinate, but primarily a part of the behavior of bosses. Fayol particularly emphasizes the need for the consensual determination of conventions and rules, between employers and workers, on which discipline rests (Ivanišević, S. 2012). There he sees the guarantee of real acceptance and a certain free submission, which means that he is not the agent of blind obedience, characteristic of the military organization of his time, on which he is criticizing, but he creates his own views on discipline.

4) **The unity of command** - as an antithesis to duality in the command, Fayol especially emphasizes this fundamental principle. "Every single person in the staff can have only one boss". By elaborating the thesis, it specifies that an individual "receives orders from only one boss", i.e. that one commanding officer has one executor. As support of the unsustainability of the duality in the command, there are only additional elements through the emergence of disorder, indiscipline, inefficiency, etc. It is understood that multiple command, such as the principles of a hierarchical military organization, is not taken into account at all, which is also the cause for the general qualifying of his unity of management (planning) like "only one boss and one program for a certain set of operations that have the same goal". This principle is necessary for the convergence of all factors and a unique action. Fayol points out that the unsustainable existence of duality is in control, just as it is, in biological systems, the monster with two heads. At the same time, it points to the necessary conditionality, i.e. that unity in command cannot exist without unity in the management, that is, planning. It is understood that a unique plan of group activities has a common goal. Unquestionable unity in management has so far represented an unprecedented principle in the classic theory of organization.

6) **Subordination of individual interests to the general interests of the company** is emphasized as a condition for the entire survival of the whole at all levels. Various individual weaknesses such as ignorance, egoism, laziness, etc. are cited as the causes of the denial of the need of subordination to individual general interests (Jasko, O., Čudanov, M., Jevtic, M., Krivokapic, J. 2013.). This principle is so clear for Fayol that he does not think it needs to be specifically elaborated and explained. However, a very important question remains open: on which basis have the general interests been built, and it diminishes the inconsistency of the principle.

7) **Awarding staff**, i.e. "salaries or staff rewards, that is the price of the service, which they perform" (Nastasić, A., Lazić, J., & Cvijanović, J. M. 2007). In considering these issues, Fayol points out that this is a very complex problem, which is very different in practice, but that none of the solutions has been absolutely satisfactory so far. With a relaxed absolutism, the above conclusion would be acceptable. Fayol's rewarding ideas could be interpreted through the following two basic characteristics:

- differentiation of staff to workers and lower, that is, senior staff
- participation of all levels in profit of companies is classified as impossible.

In considering some isolated aspects of the issue of rewarding, especially weaknesses and advantages of paying by time and piece, the current remarks are observed. However, the basic attitude is determined by the socio-economic order in which Fayol does not find an adequate solution and does not see the real causes of the position in which it is located.

8) **Centralization of control functions** is treated as a natural phenomenon in analogy with living beings, where all the impressions and information are acquired by the brain, that is, the board of directors of the enterprise, and from there come the orders and instructions for the operation of parts of the organism of the human or enterprise. In further elaboration, Fayol analyzes the capabilities of the bosses from the aspect of achieving the best results of the whole through the greater activation of associates at the head of the organism, i.e. the enterprise, and concludes that through decentralization and giving up some of the powers, it gets better. In this regard, he concludes that "the question of centralization and decanalisation is simply a question of measure, one just has to find convenient boundaries for that in the enterprise itself." Centralization of control functions is necessary due to the efficiency of decision making, Fayol concludes. In a slightly modified form, this problem has remained permanently current.

9) **The hierarchy**, or the pyramidal structure of management, (Šofranac, R., Tonić, N., & Đurđević, S.) is a way that transfers orders and instructions from senior to lower bosses, which ensures the security of the organizational structure. At the same time, the hierarchy determines the way by which subordinates inform their superiors of events and their actions. By accepting the hierarchical order as inevitable for achieving security, Fayol notices the weaknesses and inefficiencies of that order, when a rapid response is required in order to

achieve better results. And with this principle, as elsewhere, the results are primary. To that end, Fayol foresees the establishment of a horizontal link between bosses at the same level with the notification of their immediate superior bosses and the issuance of their consent. Fayol believes that in this way a rigid, inelastic structure is repaired.

10) **Order** - "there must be material and social order". The explanation of both orders is reduced to two simply formulated positions:

A) for the material order - "one place for everything and everything in its place". In doing so, the essence of the real, thoughtful order against the formal order, which is not based on adequate internal relations, is emphasized.

B) for the social order - "one place for every person, every person in his place". This setting is especially emphasized by Fayol because its implementation is a prerequisite for the functioning of each organization. As a formal expression of adequate application, these settings are indicated by organs and grams, and their place and role in the organization of the company are emphasized. With these attitudes, Fayol defines a formal organization, giving it a great and almost exclusive significance, although in the part of the definition that every person is in his place, has elements that reflect the need for respecting specific characteristics of individuals, but this is underdeveloped (Arsić, P.).

11) **Justice** - comes as a result of combining understanding, good will and affection in all specific conditions of action of individuals, on the one hand, and justice on the other. Thus understood and applied, justice greatly encourages all staff to work, which is the purpose of establishing justice. Fayol continuously presents justice in the form of bosses, as bearers of justice, which somewhat diminishes the human character of this attitude (Biličić, M. 1999).

12) **Staffing** - introducing new staff into the job demands extra time, so frequent change is cited as a cause of inadequate results. This is particularly the case with more responsible managerial positions. Recognizing that physiological and other natural factors cause the forced staff change, Fayol ignores the need to change personnel, due to possible requests, which can be very harmful. He corrects it partially by saying: "The principle of staff stability is also a matter of measure".

13) **The initiative of all employees** is the ability to make something meaningful and engage in self-confidence. The initiative at all levels is a very desirable and important component in the work, but within the predicted discipline and under the control of managers. It is up to the bosses to give up vanity, to create an atmosphere that reminds and develops an individual's initiative.

14) **Unity of staff** - "unification makes power", Fayol points out. Pointing out that this principle is very important for the success of the whole, it undoubtedly shows that it has an understanding of relations between people. At the same time, he points to two major dangers for achieving staff unity, such as:

A) misinterpretation of the motto 'divide and rule',

B) the excessive use of written announcements shows the depth of Fayol's analysis of characteristic phenomena that undermine modern management.

Management in your own company on the basis of "share and rule" is short-term and can cause a lot of serious problems, undermining the fundamentals of mutual trust and cooperation of members of an organization.

According to Fayol's conclusion, the number of these principles and their composition is not final, thus opening the door to changes with the goal of alignment with the changed conditions. What is characteristic for the aforementioned Fayol's understanding of the principles is the following:

- unity in a range of aspects such as management, command and staff,
- human factor has a relatively prominent place and role, as well as appropriate interpersonal relations.

New principles of management

Managing changes in the time when there are the same goals for a changed paradigm enterprise requires new management principles. In the conditions of the industrial economy, the main consequence is the functional hierarchy of management, which modern managers usually use as a rule.

The ultimate goal of the enterprise in the industrial era is profit based on mass production and sales. In order to achieve this goal, the management team has to focus on reducing costs. In the meantime, there has been an expansion of focus in the direction of work, materials, energy and savings products. There are at least three important consequences of this evolution. First, concentration within the branch is relatively high, which means that only a limited number of competitors manage to overcome a barrier of size that guarantees minimal efficiency. Secondly, entering or leaving the branch is not a common occurrence due to large capital investments. Third, the factors within a company are clearly separated from outside factors (customers, suppliers, partners).

According to R. Nolan and D. Croson, there are thirteen principles (Nolan R. and D. Crosson 1995). First, the principle of hierarchical structure. Usually there are three hierarchical levels. The managerial top is above the middle level management, and this is above the manager of the first line that controls the direct executors. Second, a functional principle. Jobs are organized within strictly defined functions. Processes are analytically broken down into jobs. Analytical breakdown of the process to jobs is possible as there is already a connection between them. There are line tasks such as procurement, production, sales, and staff tasks that support liner activities. Third, the principle of decentralization. According to this principle, centralization is not a fate although it is preferred. Applying this principle ensures the transition of a functional organization into a divisional organization (or M-form). M-Form means dividing the company into a corporate top and corporate base. Activities of importance for the whole enterprise are centralized within the corporate top, while other activities are decentralized by divisions. Fourth, the principle of leadership. The task of the managerial top is to formulate the strategy and explicitly formulate the organizational structure and control system for the implementation of this strategy. Anderson, J. L., Adams, C. D., Antman, E. M., Bridges, C. R., Califf, R. M., Casey, D. E., ... & Lincoff, A. M. (2007).

Fifth, the principle of strategic orientation. According to this principle, the company is organized to produce certain products and services that ensure fulfillment of its goals. Sixth, the principle of activities or jobs. All activities are performed within functions. Acts are independent and have minimal communication costs between themselves and with the functions. Seventh, the principle of the time period. Time horizon decisions regarding resource allocation are fiscal years. This affects the definition of a business plan and a profit distribution plan. Eighth, the principle of the type of worker. According to this principle, all workers are divided into administrative workers, or the so-called white collar, who determine the goals and the way in which certain activities will be carried out, and the production workers, or the so-called blue collar, who perform these activities. Ninth, information approach. According to this principle, the information flow follows the command line. The command line is a consequence of the distribution of responsibilities between different hierarchical levels. Tenth, the principle of communication. According to this principle, communication is strictly formalized and done on the basis of written documents. Eleven, the principle of control. According to this principle, control is based on direct monitoring of subordinates' work. Twelfth, the principle of compression. According to this principle, the reward is a consequence of the position in hierarchy, responsibility and loyalty. Thirteen, the principle of the breadth of managerial competence. According to this principle, the manager is limited to 6 to 10 in the number of subordinates that they control.

In enterprises of industrial economy, the principles of functional hierarchy and bureaucratic management are the basis of the system of planning and system of monitoring results. The basic problem is the rhythm of functioning. Namely, the rhythm is determined by the duration of the fiscal year, arbitrarily assumed by the laws on accounting and taxes. Metaphorically speaking, the heart of the industrial economy has only one beat a year. In the information economy in which the market is looks for real-time functioning, and the technology provides it, such slow rhythm of functioning cannot be positively assessed.

There is no doubt that information and knowledge are in a different mode than conventionally defined rare resources, such as raw materials, financial resources, etc. First of all, information is not consumed by using, but it even becomes more valuable the more it is used. For example, the value of information on an efficient method of creating a business plan is much greater for a diversified enterprise due to greater application capability. Also, information on cheap sources of long-term financing is more important for a company with significant development opportunities, than for a stagnant enterprise. The fact that money information has become more valuable than money itself speaks for itself. What this suggests is the fact that knowledge where to invest money is more important than the amount of money. Instead of high investments, the main barrier to entering the IT era is speed. Modern businesses are fast cycle companies. The existence of this barrier means that competitor handicaps have slow, and not as before, small businesses.

The principles of management in the informatics economy lead to the transition of a functional hierarchy into network organization and bureaucratic management into adhocratic management. Transition from the industrial economy to the informatics economy cannot be achieved by replacing one principle with another and thus, say, thirteen times. Transition from the industrial economy to the informatics economy is a holistic process, moving from one set of principles to another. A number of conventional principles do not apply to the information economy. A number of conventional principles are valid with certain adjustments due to changes in the character of the business process. Finally, a number of completely new principles have been immanent to the informatics economy. The new conditions do not match the principles of hierarchy and functional organization. Namely, the company that channels information only through hierarchical structure and functional communication channels, is not able to compete in the global market using databases of customers, suppliers, partners and other participants.

According to R. Nolan and D. Croson, there are 20 principles of enterprise management in the information economy. First, the leadership principle. Under this principle, management manages and coordinates enterprise vision, playing an important role in defining projects through which this vision is realized. Second, the principle of the scope of managerial competence. According to this principle, the scope of managerial competence is not limited by the capabilities of the controller, but by the available information. Third, the principle of control. According to this principle, control has an indirect character, that is, control is performed through monitoring the results instead of monitoring the immediate execution of the work norm. Fourth, the principle of compaction. According to this principle, employees' rewards are primarily influenced by results rather than positions in the hierarchy. Fifth, the principle of the type of worker. According to this principle, all employees are treated as a unique group of so-called thinking workers. Sixth, the principle of value creation. Namely, all activities of the company must be focused on creating value for buyers and owners. The seventh, informational principle. According to this principle, all employees have access to most of the relative information. Eighth, the principle of coordination. Namely, the information enables all employees the discretion regarding the examination and anticipation of the problem, as well as the harmonization of opinions regarding the choice of how to solve them. Ninth, the principle of dynamic equilibrium. According to this principle, the created value is monitored in real time and distributed to owners based on current information. Tenth, the principle of project organization of the business. Namely, all activities are grouped into projects with precisely defined objectives, time of execution and resource allocation. Projects are a temporary organizational category that is created by meeting the goal. Eleventh, the principle of organizing the organization. According to this principle, the management top forms the organization of the company as an infrastructure for self-organization of project teams. Twelfth, the principle of strategic orientation. According to this principle, the company is at the service of customers, not in the capacity of users of certain capacities. Thirteenth, team principle. According to this principle, the jobs are done in a team. At the head of the teams are team leaders tasked with finding suitable experts in order to achieve the goals of the projects. Fourteenth, the principle of communication. Namely, communication is fast, spontaneous and has to include everything from start to finish. Fifteenth, the principle of jurisdiction. According to this principle, the authority over the use and allocation of resources changes depending on the performance of the tasks. Sixteenth, the principle of the time period. According to this principle, decisions on allocation of resources are made in real time, instead, in fiscal years or in any other arbitrary fixed period. Seventeenth, the principle of feedback. According to this principle, feedback is the basis for controlling and compensating employees. Eighteenth, the principle of conflict resolution. Specifically, conflicts between interest groups are solved by the top management of companies. Use of a third party for conflict resolution is an exception. Nineteenth, the principle of opportunity. According to this principle, the company's activities are oriented to the use of opportunities, rather than solving the problems of organizational inertia. Twentieth, the border principle. According to this principle, the boundaries between businesses and the environment are organic, that is, they are exposed to expansion and narrowing. Variable boundaries are the basis for network relations.

Conclusion

The manager is an increasingly popular term and nowadays it is often used in the media, especially in magazines and professional literature. The word manager in literature has a lot of meanings, and the main ones are: manager, entrepreneur and director. Since this is a word originating from the American domain, there is no adequate synonym (in our country it is only transcribed), this term is most often used in its original form. Basically, this term means a person who performs a managerial function in a particular organization. The goal of the enterprise in the industrial era is profit based on mass production and sales. In order to achieve this goal, the management team has to reduce costs. In the meantime, there has been an expansion of focus with work, materials, and energy. There are at least three important consequences of this evolution. First, concentration within the branch is relatively high, which means that only a limited number of competitors manage to overcome a barrier of size that guarantees minimal efficiency. Secondly, entering or leaving the branch is not a common

occurrence due to large capital investments. Third, the factors within a company are clearly separated from outside factors (customers, suppliers, partners).

In countries that are highly developed in the industrial sphere, first of all in the United States and the countries of Western Europe, there is a well-processed theory, more commonly known as scientific management. At all Western universities, the science of management takes a prominent place, as it prepares personnel for managerial functions. Management is a discipline that can be applied in different organizations. Management applied to a company is enterprise management or business management. Business management should enable survival and prosperity of enterprises as organizations with specific goals. Enterprise management uses the organization to combine human and material resources more effectively, adapting to the conditions in the company environment. Organizing as an element of management is expressed through the organizational structure and organizational form.

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