

(4) Further evolution of customs law is closely related to development of international political and economic environments, further improvements in the customs mission, rendering procedures more uniform both on the EU and on national levels as well as broader application of facilitated and simplified procedures in international dealing in commodities, proportional to a growing effectiveness of customs inspection.

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### **CHANGE OF STRATEGIC MANAGEMENT PARADIGM IN THE CONTEXT OF KNOWLEDGE ECONOMY**

#### **Abstract**

In the article the questions of evolution of theory and practice of management are examined concerning nature of role of man in an economy.

The basic stages of development of strategic management are analyzed in the context of changes of organizational culture.

The questions of mutual impact of management and economic theory in directions of modern of scientific thought are also revealed.

**Key words:** Human capital, human factor, management of human capitals,

Management of a man.

### Introduction

Modern world is verging towards a new society intellectual one that is based on the concept of «knowledge economy» («knowledge-based economy», «knowledge-intensive economy»). This phenomenon is viewed on both, macro-level and microlevel<sup>1</sup>.

On the turning point between two millennia the issues of «knowledge economy», «learning organization», as the objects of strategic management, became the subjects of study for world renowned researchers as well as post-Soviet management theorists and practitioners: P. Drucker, P. Senge, B. Gates, H. Mintzberg, N. Blinov, S. Popov, Ye. Savelyev, V. Kurylyak, and others.

The term «strategic management»(strategic administration)<sup>2</sup> appeared in the end of 1950s in order to underline the difference between current administration at production level and administration at higher organizational level, as well as changes in the way human is viewed within the economic system. The necessity for such «fixation» was caused by new paradigms in business, and the leading idea of transfer from operative to strategic management consisted in the necessity of shifting the focus of organization's higher authorities to the environment to be able to reach the changes betimes.

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<sup>1</sup> On the macro-level, for example, «new economy\* is defined as «the production and implementation of new knowledge and its transformation into independent factor of production, which plays the leading role in the system of production factors; and the development under the «old» laws which function in a new way under new conditions, as well as under new laws which stipulate accelerated development). On the micro-level the landmark view is the one expressed by I. Nonaka - the forerunner of research in organizational knowledge management: «The only reliable source of competitive advantage is knowledge. When markets change, new technologies appear, number of competitors grow, and goods become obsolete in most a night, only those enterprises succeed that continuously create new knowledge, diffuse it in the whole organization, and transform it into new technology and products. This is called «a knowledge-based company engaged in a single business of systematic innovations (Op. cit.: Савельєв Є., Куриляк В. Наука й освіта у становленні «нової економіки». - 2004. - Том 3. - № 1. - pp. 80-81)

Management is gradually becoming one of the fundamental issues in the development of modern organizational systems. It is known, that under conditions of practically equal access to resources, an organization can be competitive only on

The basis of distribution of these resources (that makes up the essence of management as a competitive advantage of a successful organization). It turns out, that skillful management can help any organization survive in a long term, while management failures cause untimely «death» (of those who were the «stars» in the «sky» of business or public management) of organizational structures.

The problem of the long term survival is the object of study in strategic management, a research trend followed by the world theorists and practitioners from among economists, lawyers, psychologists, mathematicians, managers, and others. The term strategic management appeared long time ago amidst martial leaders.<sup>3</sup> However, in the mid-1960s many successful businesses, first and foremost, the multinational enterprises (transnational corporations) started to become actively interested in strategic aspects of development. This was due to changes that took place on the world geo-political map (world socialism system, struggle of former colonies for independence, formation of three centers of capitalism: the USA, Europe, and Japan), and the focus of management on development and improvement of the mechanism of the production cost reduction by certain firms under conditions of growing competition on both: domestic and international markets. Progressive development of social and economic systems

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<sup>2</sup> The question that often arises is how identical the notions «management» and «administration» are. This dilemma is not only theoretical, but also a practical one. For example, state Ukrainian (as well as other post-USSR) organizations prefer the term «administration», while for commercial companies the term «management» is more common. We consider that the simplest explanation is the following: the term «administration» is mostly used in technical systems, and the term «management» in organizational structures with human resources as their component (Though this aspect is not the object of the given study but it is possible that the basic reason of inefficiency of the state's activities at the modern stage of development consists in this).

<sup>3</sup> In the dictionary of borrowed words we find the following meanings of the word «strategy»: 1) a part of generalship that is its most important branch; it comprises the theoretical and practical issues of armed forces training in warfare measures; closely related with the state policy and directly depending on it; 2) an art of managing social and political struggles; general plan of controlling this struggle, that arises from the dislocation of the basic class and political forces at the given stage of historical development.

enabled to foresee, forecast, and program the activities of organizations. This was further reflected in the ways the strategy was viewed from the standpoint of planning. This was clearly manifested in the works of researchers that represented the classic schools of strategic management (such as «design» and «planning»). [6]

As the environment (internal and external) was changing, the theory and practice of strategic management also felt certain pressure that forced their improvement. That is why even the definition of strategic management in both, academic and business areas, was constantly changing within 1960s - 90s. «Objectives», «plans», and «tasks» were the basic categories in these areas. [1; 7; 11; 14]. It is noteworthy, that the strategic management paradigm had been expressed precisely by N. S. Khrushchev long before the Western scientists came out with their own theoretical findings: «Goals are clear, tasks are set: let's work comrades!» And the idea of strategic planning and division of plans into strategic, tactical, and operative ones, was obviously borrowed by the Western planners from the Soviet five-year construction plans (Nowadays not many people remember the GOELRO plan, five-year industrialization and collectivization plans, though it was the five-year term that turned out to be the best for strategic planning. When N.S.Khrushchov tried to shift to a seven-year plan, the performances of the USSR in the area of social and economic development were «successfully failed»).

With the beginning of the mass sales epoch, the leading position in the sphere of management was taken by marketing. On the other hand, under conditions of resource deficit and more open access to the resources, «human re-sources» («personnel», «human capital», «human factor») become the basic competitive advantage of organizations. Starting from the second half of the 20<sup>th</sup> century, the following new categories were introduced into the sphere of research: «personnel management», «corporate culture», organizational skills», «human resource management». As management science is ramifying (now terms such as operational management», «financial management», «taxation management», «innovation management», «investment management», «eco-logical management»,

etc. appear) some researchers start to identify «management» trend with «personnel management», and «human resources management»<sup>4</sup>.

This is mostly peculiar to management of external economic activities and international business that, in fact, brought the paradigm of modern strategic management into life. At the beginning of 1980s the analysis of a company behavior at the international markets was focused mostly on economic and technical parameters (see, for example: *Burton F.N. Contemporary trade. - (Industrial studies series) - Oxford: Philip Allan, 1984, - 187 p. - PP. 117-184*). In the 1990s more and more heed was paid to cross-cultural aspects of firms' international activities (*Grosse R, Kujava D. International Business: Theory and Managerial Applications. - Boston: Irwin, 1992. - 733 p. PP. 321-347, 459-488*;). In the beginning of the 21<sup>st</sup> century human factor takes the key role in international business strategies (*Cullen J.B. Multinational Management: A Strategic Approach. - Washington State University, 2002. - 664 p.*).

### **Problem statement**

In order not to deep into the evolution of strategic management, we will focus on certain researches that nowadays are considered the «classics» in what concerns the strategic aspect of organization development and view it in the light of organizational knowledge («the Learning School»). [2; 6; 9; 12]. Modernresearchers consider such human resources (skilled personnel, organization knowledge) the source of competitive advantages of successful companies. The

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<sup>4</sup> Maybe the given approach is right even if taking the etymology of the notion «management» into consideration, that is (one way or the other) related to human factor (In modern understanding American term «manage» comes from French «manage» - to train wild horses; in Flemish (Holland) this word transformed into «menage» - household, family; and in German «managen» means «handling»). Even in very close cultures, such as Ukrainian and Russian, the understanding of management is a little bit different: compare Russian word «руководить» (*rukovodit' - guide by the moves of a hand*) with Ukrainian «керувати» (*keruvaty - steer a boat by means of a rudder*).

functioning analysis of both, commercial and public organizations that has been performed by the authors proves this statement. For example, there is a fairly clear interrelation between the level of organizational knowledge (or complexity of organization) [12] and its efficiency. According to the data, the correlation between the achievement of expected strategic indicators, the introduction of new products or technologies and the level of professional education accounts for 0,5-0,6; the correlation between the personnel professional training system and these indicators is 0,7-0,8.

The Learning School was the first one to pay attention to the role of abilities and skills in the firms' functioning. This is, so to say, an axiom. The Learning School has included them into the range of strategy factors: from now learning is both, the factor of strategy formation and the factor of strategy implementation. We will investigate the peculiarities of the Learning School's impact upon strategic management as a management trend, as well as upon the strategy aspects in general. On the basis of the «spiral of management by learning» algorithm, suggested by Russian researchers, [9, 363-367], we will continue the logical chain of strategic management development with regard to modern organizations.

The Learning School (Management by Learning, MBL) challenges us with strategy formulating and forming. What we are used to call «strategy creation» the Learning School calls «strategy formulation», making the formal side of the given issue absolute. This School suggests strategy formation as an alternative process: the strategy that is constantly developing, since its creators (or a single creator) are studying, developing, the same way as the organization and personnel are developing. Thus, we are talking about certain relativistic generalization: the strategy emerges in the process of this activity, sometimes not consciously. That is why we talk about the moment of its formation, its instability and changeability in time. The theoretical views of the Learning School are influenced by the views of the incrementalists: they were discussing the strategy that is formed incrementally, i.e. the strategy is formed up from moments, trifles, or through settling local issues. That

is why certain critics of the Learning School claimed that in this case there is no strategy as such. However, substantial unsteadiness of the strategy under modern conditions does make sense since the company's internal and external environment in question is the one in which nothing is possible to predict. Thus, the strategy needs constant adjustment and the standpoints of the Learning School have practical importance under these conditions.

### Research results

The most known researchers, whose views concern the Learning School, are the following: Quinn, Weike, Norman, Shell, Lampel. Of course, this is not a complete list of researches working in the tideway of the Learning School, since some separate ideas of this School, in one way or the other, concern any management theorist. We will apply the basic principles of the Learning School marked out by Henry Mintzberg:

1. External environment of a company is complicated and unpredictable, and, accompanied with the need for constant renewing of knowledge, necessary for the strategy elaboration, it does not give a chance for efficient control. Thus, the strategy elaboration should take the form of an educational process, at least until the strategy formulation and implementation become inseparable.

2. The organization's leader should be the best student; however, staff education is more common since there are many potential strategists among the staff.

3. The learning procedure develops through behavior that facilitates retrospective thinking that is oriented on realizing the essence of actions that have been previously taken. Only those who have resources and learning abilities can become the subjects of the company's strategic initiative. Scilicet, strategies may appear at the least expected places and in the least expected way. They of ten appear as a result of try-and-error method application; once a while some random idea of an employee working at any level is followed up by the managers,

suggested to the company leaders, and further developed into a strategy, or it becomes the strategy even before it is approved by the company leader.

4. The role of leadership does not consist in imagining the future and formulating the strategy relying on the leader's personal views, but in management of strategic learning process within which new strategies may appear. Thus, strategic management includes the ability to see intangible relations between thoughts and actions, control and learning, stability and changes.

5. Strategies appear, in the first place, as schemes taken from the past, and some of them, once a while, turn into plans for the future. Thus, they can be viewed as general tendency of joint activities.

These basic principles determined the characteristic features that the learning organization should have. According to Joseph Lampel they are the following:

Failure teaches organization more than success. Learning organizations are fighting against the wish to forget the mistakes that have been made as soon as possible. Though failures are too expensive, these organizations realize that a part of expenses connected with these failures is covered in the process of failure causes analysis.

This kind of organization vigorously rejects the principle: «If something is not broken, it should not be fixed». Even the most effective process can be improved. The source of improvement is sometimes hidden in the depth of a usual routine, and the organization periodically inspects its routine activities in order to find out whether everything goes the right way, or a correction in a form of new technology, new practice, or new knowledge is needed.

The organization of this type considers that employees, managers, who work in the areas of design, production, distribution, and sales are more competent in the areas they work in, than their chief. Mobilization of employees' knowledge and team work are the things the organization relies on. The organization welcomes outspokenness of its managers and direct executors by giving them an opportunity to share their problems and suggestions, and, at the same time,



demanding constant interaction between them.

4. The organization of this kind is actively facilitating the spread of experience within itself through meetings, personnel rotation, as well as through establishment of project groups and multi-functional groups.

5. The learning organization makes great efforts to find information in external environment. It learns from suppliers and competitors and also involves its clients into its own development.

As we can see, the organization of this type, in many respects, is an antipode of the old one, bureaucratic organization. It is open and facilitates team work as well as all development-propitious communications. As a result, the organization possessing the skills of organizational learning is prepared to any emergencies, and, at the same time, ready to adjust to any change of the external environment.

The Learning School distinguishes two strategy types, stating that strategies can be either stagnant (foreseen), or self-sufficient, appearing and developing spontaneously. The strategy of the first type is already formulated before its official formulation, and the process of formulation bears exclusively formal character, being limited to a certain extent. The spontaneous strategy is formed out from nothing, instead. It can emerge from an accidental occurrence or from spontaneous development of affairs. And, though to some extent it is a prearranged mission, it depends on this prearrangement much less than in case of stagnant strategy [6, 216-230].

In the frames of the Learning School, as a strategic management trend, there also exist views that are somewhat different from those shortly expressed by Henry Mintzberg. In particular, one of the approaches suggests studying practical experience, so-called implicit knowledge, i.e. intuition, in stead of rational knowledge that can be acquired through reading of books and attending lectures. This kind of knowledge is specifically individual, i.e. based on personal qualities of an employee. However, this view does not underestimate the role of irrational, group

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(organizational) knowledge a bit. Thus, this view does not exceed the limits of the Learning School. Hence, knowledge can be either individual or group, moreover, the first one is both: explicit and implicit.

This also shows certain defects of the learning organization strategy: knowledge acquisition as an end in itself and the burden from the past of this knowledge. The MBL appeared under conditions when scientific and technological progress together with the development of society and economics became unpredictably dynamic. Actually, the external environment of the 1970s became turbulent, i.e. predictions started to lose their sense in many cases. In this kind of environment now and again there appear unpredictable relationships of cause and effect that the organization is able to merely watch and take into account, not being able to affect them. Changes on the market force the organization to direct activities towards a separate consumer more and more. That is the way there appears the philosophy of a product (service) made for small consumer groups, or even for separate persons - from now it is customized - made according to customer's individual requirements. Thus, the market stops to be the mass one, as it used to be, and turns into a segmented one. Within this market new the niches that are quickly filled up with new products appear all the time. This means that while making the next step in its activities, the organization should respond to all changes that are taking place in the most effective way and take every new condition into consideration. This causes the origination of the new terms: «management by learning», and «learning organization\*». Hence, not only an employee should have a creative behavior, but the organization on the whole should. Thus, the leader should be the main student: he should be the first to study, take innovations into consideration and «sense» these innovations. At the same time, since the MBL's views are characterized by the heed to knowledge, involvement of the employees into decision-making process and strategy development is needed. Personnel's interest should be quickened; this is the leader's task, since changes that happen in organizations depend on him and not on somebody else. It is leader who decides

which of the proposals or ideas of which of the employees will be taken into account in the process of strategy development, i.e. it is also a part of leader's learning. After that employees should learn, since these are them who will be implementing this strategy. And it looks obvious that the quality of implementation of the strategy depends directly on whether the personnel manage to understand what the strategy consists in, and what is expected from it - whether the personnel is able to learn and change itself [4, 309].

At the same time, social and economic changes that took place on the turning point between the two millennia showed that in order to be successful an organization should not only adjust itself to the environment but also shape the environment in the desired way. This is how modern organizations (and further also researches) come to a new stage of strategic management development that, by analogy, can be called MBT - Management by Teaching (Organization that teaches). There are no absolutely identical goods, even in case there is a great similarity of kinship goods, a consumer will still single out a distinguishing I feature. Thus, modern market is associated with monopolistic competition: every commodity of a certain firm is a unique one, at the same time it is competing with kinship commodities; the difference between them, however, is of high importance. Even difference in trademarks is important, since it also distinguishes I one commodity from another one. In fact, if consumer has a choice between two I matrices (clean CDs), what will he choose «Phillips» or «Samsung» if the characteristics are equal? *{If his «Samsung» monitor has previously exploded, «Phillips» trademark has the evident advantage over «Samsung»}*. This example is provided here in order to show the basic values peculiar to management and marketing nowadays: every product has its values for a consumer. Organizations, in one way or the other, «bring a consumer up» on their products. It is one of the reasons why the given trend is called management by teaching, and that is why the organization that teaches is spoken about: it creates the desired environment, engrafs on its contact audience, and, moreover, on a consumer an idea that this

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organization itself and its product has these peculiar advantages and that these advantages are the ones to be expected in the future. Thus, the idea of management by teaching is the following: organizational culture goes beyond the limits of internal environment; consumer (often subconsciously) is also included into the organizational culture, however this process is perfectly objective and absolute.

Under such conditions the market needs even higher responsiveness of personnel and organization to the changes that take place. Labour becomes even more creative; the dynamics of environment lessens the possibility of interference with work of every employee. This means that the role of the employee's professional or other skills and abilities, that he/she has and applies in his/her work, becomes more important. Thus, it makes role of the leader more important: according to Management by Learning, the leader should not only learn all the time, but also exhort his/her subordinates, and teach them. In such way, the idea of coaching is practically implemented: the leader should not make orders or point on purposes and ways of their achievement but use all means to suggest these ways to his/her employees and to help them in finding these ways independently. This is where the understanding of the best employee as a professional comes from. This very characteristic of the best employee, the one resulting from his/her knowledge, including that acquired in the given organization, or caused by this organization, is the crucial one [5, 143].

Evolution review of the scientific views on the role of a human in public production enables us to conclude that in the process of its development the problem of human as an object of study in strategic management and in theories of organization during the 20<sup>th</sup> century, had gone through several stages: starting from Taylorism up to applying a complex study from the standpoints of all areas of social sciences and humanities in economic practice. Due to this, different categories were formed. By means of these categories some or the other traits of economic behavior of a personality were described: «homo economicus» and «homo sociologicus», «human relationships», «human resources», «human capital», «living standards», «human factor», etc. Eclectic mixture of terms, social and natural phenomena, problems of mankind, and reality of present, past

and future times, often led to the situation when the limits of researches did not provide enough possibilities to understand the quality essence of that social phenomenon or the other (Figure 1).

On the other hand, the vector of attention focusing of the researches who studied the nature of organization and organizational development on human factor of internal environment led to the necessity of studying the role of a human (first and foremost of leaders) in organizational structure, in the first place, and further the organization's vitality. We consider that the evolution of views on human in management should be examined from the standpoint of «alienation of labor», the degree of which depends on the development of scientific and technological progress<sup>5</sup>. Thus, it becomes obvious that the shift from F. Taylor's «homo economicus» to E. Mayo's «homo sociologicus\*», gradual fusion of their approaches into «human re-sources»<sup>6</sup>, and

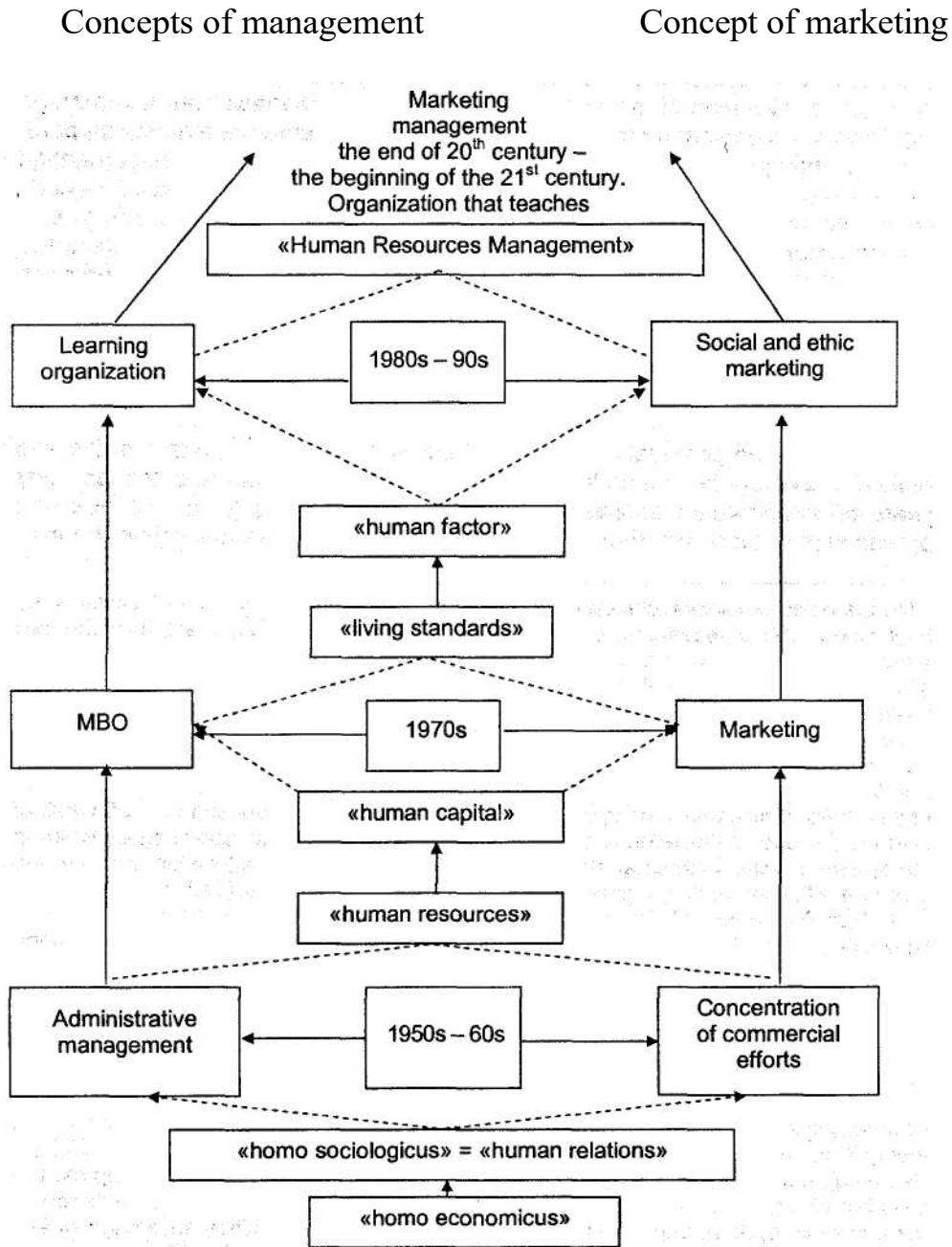
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<sup>5</sup> On the basis of «sociotechnical» approach to management in the end of 1950s - the beginning of 1960s, researches came to general conclusion that labor activity influences a human more than the human influences the labor's character and meaning. The level of «human resources» quality has a U-shape, descending from shop manufacturing to production line and ascending again in the times of automation. Thus, in the end of 1970s there appeared an objective need for complex approach to study of interaction of a human with social and economic environment. However, further development of scientific and technological progress, particularly related to computerization, made theorists and practitioners of business management and ethics, starting from the end of 1980s, talk of sinusoidal shape of alienation and the decay of the «labor ethics» epoch again, when in the system of values labor starts to give way to leisure, family, education, etc., i.e. the shift from «live for working» principle to «work for living» principle (See, e. g.: Lachman *Wirtschaft und Ethik: Masstaebe wirtschaftlichen Handelns.* - Neuhansen. Stuttgart: Haenssler, 1989; Show W.H. *Business Ethics.* - Wadsworth Publishing Co Belmont California, 1991).

<sup>6</sup> This category appears in the mid-1950s, when the «human relations\*» concept proved to be helpless when taking competitive activities between capitalism and socialism into consideration (the theory of Western management could not deeply explain the causal relations of effective USSR performance after the civil war and the WWII). However, investigating the positive changes in economic system of socialism, and further the Japanese economic system, the theory of management enriched itself with the following concepts: theory X and theory Y (McGregor), theory Z (W.Ouchi), and motivation-hygiene theory (F. Herzberg), that enabled the scientific school of management to shift to examining the notions like «human capital\*» and «human factor\*» that became the acme of human's role in the economic system, and made human factor the basic competitive advantage of any organization in the modern conditions of resource deficit at the global market.

Figure 1.

Evolution of concepts of human role in economics in the context of management and marketing development



further into «human capital» and «human factor» is nothing but the result of evolution of theories and practices of the management and marketing. However, considering the development of «management - marketing» paradigm, a change in approaches to human factor in strategic management at modern organizations can be traced. It is noteworthy that the tools of Taylor's «homo economicus» system are used even nowadays in the processes of production organization and management, constantly updating with the account of the scientific and technical progress and strategic management development. For example, the classic of management P. Drucker in the mid-1950s said that «Taylorism is a rock on which we build our discipline» [13, 60]. Ten years later, he starts to assert that it is necessary «to pay less attention to the development of management as a means of individual's adjustment to demands of the organization, but to focus management on the organization's adjustment to the needs, expectations, and potential abilities of the individual» [18], and, again, in the end of the 20<sup>th</sup> century he comes to the mistaken as to its essence and agrees with F. Herzberg that in personnel management the motivation theories work only with their founders, and the only motivation for work is the *KITA (Knock In The Ass) mechanism* [3, 39-40, 264].

In such way, under conditions of the new stage of «alienation of labor», Neotaylorism becomes an inseparable part of management, i.e. «forced» engagement and motivation of personnel for the organization's purposes is a characteristic component in the practical strategic management of modern organizations.

On the other hand, under conditions of modern market even higher responsiveness of personnel and organization to the changes that take place is needed. Labor becomes even more creative, and the dynamics of environment lessens the possibility of interference with work of every employee. This means that the role of his/her professional or other skills and abilities, that he/she has and applies in

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his/her work becomes more important<sup>7</sup>. Thus, classic «manage-ment-leaming» spiral can be extended in the process of strategic management development: MBI - MBO - MBL - MBT (Table 1).

*Table 1.*

### Evolution of modern management culture

<b>Environment characteristics</b>	<b>Administrative management (MBI)</b>	<b>Management by objectives (MBO)</b>	<b>Management by learning (MBL)</b>	<b>Management by teaching (MBT)</b>
<b>External environment</b>	Stable	Changeable	Turbulent	Turbulent, shocking
<b>Product</b>	Simple, standard	Relatively sophisticated, standard	Sophisticated, «for destination consumer»	Complex, «mosaic»
<b>Market</b>	Mass	Mass, segmented	Divided into niches within segments	Atomization of niches within segments
<b>Organization-consumer relationships</b>	All that is on sale is bought	Broad feedback: «you give me, I give you»	Partnership	«We are one big family*»

<sup>7</sup> It can be asserted that there is a change in the word «resources» meaning in management: from «reserves and capacities of any kind» to «the ability to handle any problem» (see:[20])



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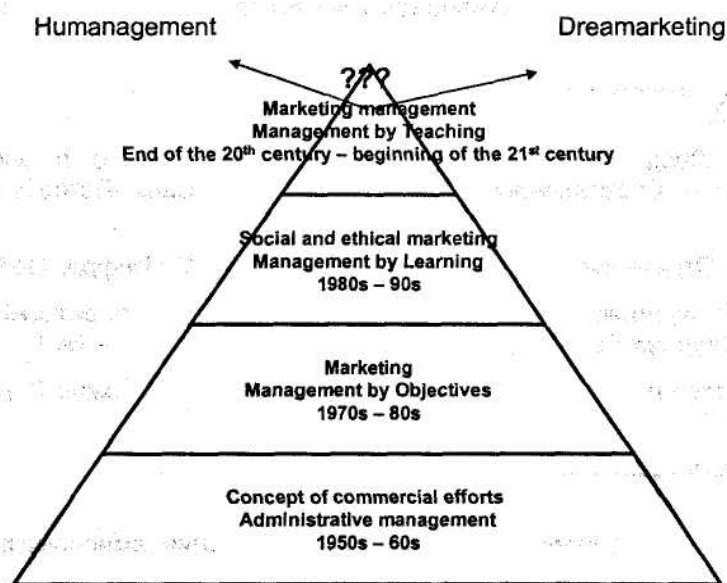
<b>Environment characteristics</b>	<b>Administrative management (MBI)</b>	<b>Management by objectives (MBO)</b>	<b>Management by learning (MBL)</b>	<b>Management by teaching (MBT)</b>
<b>Labor characteristic</b>	Monotonous	Complicated, non-creative	Complicated, creative	Universal, creative
<b>Theory</b>	A. Smith, F. Taylor, M. Weber	R. Ackoff, P. Drucker, G. Odiorne, A.	P. Drucker, T. Peters, P.Sing	P. Drucker, T. Peters, H. Mintzberg,
<b>Authority</b>	Centralized	Decentralized	Distributed (delegated)	Vague, shapeless
<b>Structure</b>	Hierarchy	Multidimensional hierarchy	Heterarchy, project-oriented	Four-dimensional
<b>Symbol</b>	Pyramid	Matrix	Network, web	Trawl, dredge
<b>Attitude towards the future</b>	«I control the future». Future is rather defined and presupposes the extrapolation	Theoretically, future cannot be controlled	Theoretically future is vague and this is the source for development	Future should be created today for one's own benefit
<b>Organization characteristics /Concepts of management</b>	<b>Concept of strategic planning</b>	<b>Concept of strategic management: First stage of development</b>	<b>Concept of strategic management: Second stage of development</b>	<b>Concept of marketing management (management of market)</b>
<b>Ways of quality assurance</b>	Military acceptance	Military acceptance combined with manipulation approach	Technologies, based on engagement of personnel into the process of	Self-control based on high quality of personnel
<b>Efficient mode of behavior</b>	Human-function	Human-manipulator	Human-partner	Human-professional
<b>Efficient type of leader</b>	Authoritarian, technocratic boss	Leader, who is able to see a future shape and express it in the form of clear and concrete objectives	Coach, who is concerned with achievements of his team (colleagues, co-workers)	Instructor, who is able to develop potential of his coworkers – subordinates

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Environment characteristics	Administrative management (MBI)	Management by objectives (MBO)	Management by learning (MBL)	Management by teaching (MBT)
<b>Corporate culture</b>	Normative-manipulatory, low-adaptive	Normative-procedural, adaptive	Highly adaptive, «game»	Creative, expansive
<b>Terminology</b>	«I have it under my control», «I control the issue», «Situation is under control»	«Let's decide together», «I suggest to revise the situation once again»	Systematic approach, creativity, sources of uncertainty, socio-technical design	Business processes, information technologies, «Suggest your visions»
<b>Basic way of authority realization</b>	Direct instruction fixed in the order	Procedure and/or mechanism fixed by the order	Procedure and/or partnership fixed in the agreement	Procedure and/or rules on the basis of approved methodical instructions (recommendations)

Figure 2

### Development of Modern Management Culture



### Conclusion from the research

Taking into account all the information mentioned above, we conclude that theory and practice of modern management are verging towards the new stage of the areas of study, namely: in strategic management - the «learning organization» and environment management phenomena, and, in the given context -possible shift from «human resources management\* towards «humanagement -human management» (Figure 2). At present, the mentioned trend is only partially defined and it is to become the object of further investigation.

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