VI INTERNATIONAL CONFERENCE

QUALITY SYSTEM CONDITION FOR SUCCESSFUL BUSINESS AND COMPETITIVENESS

PROCEEDINGS

ASSOCIATION FOR QUALITY AND STANDARDIZATION OF SERBIA

CENTER FOR QUALITY KRAGUJEVAC

FACULTY OF MECHANICAL ENGINEERING EAST SARAJEVO

CENTER FOR QUALITY PODGORICA

KOPAONIK, 28/11.-30/11/2018

ASSOCIATION FOR QUALITY AND STANDARDIZATION OF SERBIA

VI INTERNATIONAL SCIENTIFIC CONFERENCE

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Kopaonik, 28/11 – 30/11/2018

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PREFACE

Dear colleagues, ladies and gentlemen, followers of quality, welcome to the 20thNational and 6th International Conference organized by the Association for Quality and Standardization of Serbia, named QUALITY SYSTEM CONDITION FOR SUCCESSFUL BUSINESS AND COMPETITIVENESS, within which the following events are organized:

- *45th National Quality Conference of Serbia*
- *22nd Counselling SQM 2018*
- *2nd National Quality Conference of Bosnia and Herzegovina*
- *2nd International Conference for Quality Research*
- *12th International Quality Conference*
- *12th International conference ICQME 2018*
- *3rd International conference on Quality of Life*

Significant changes are happening on the global plan of quality infrastructure, which strive to constant improvement and advancement.

As far as our country is concerned, we have a trend of a more serious understanding of the need for quality whose task is to contribute to a higher quality business through the quality of products and services, education, health care, public sector, politics, media, and by that, to the quality of life of our citizens.

It is of high importance for the Republic of Serbia to put all the available resources in function of advancement of economy. We believe that the resources are not exploited enough, especially the human potential, that is, scientists and experts who work with the system of quality.

By organizing scientific conferences so far, including this one, 20th National and 6th International Conference, the Association of Quality and Standardization wishes to give a scientific and expert contribution to the tendency of economic growth, and thus to the improvement of the standard of life.

A larger number of topic fields will be processed on this scientific conference related to: Quality system condition for successful business and competitiveness; Improvement of quality infrastructure management systems; Development and establishment of management (in theory and practice); Management by knowledge; Quality of products; Audit and certification; Global quality; The Culture of quality; Management systems in the public sector; Quality and risk; Information system in the function of management system development; Motivation and quality; Organizational behaviour, leadership and management; Quality and quantity of life; Influence of science and technology on the quality of life; Local, regional and global quality of life.

Organization of "round tables" on the topics:

- *Development and implementation of system for performance evaluation of high education institutions and systems in Serbia;*
- *Availability and safety of food: From vision to reality;*
- *We will process the topics and draw conclusions for two very significant fields such as high education and food safety.*

Papers published in three collections give a possibility to leaders in the real and public sector to find the right strategy, politics, vision and mission; to strengthen their competitive position on the market by a good setting of goals and their realization, and to increase the satisfaction of their customers and users of their services.

This year, 20th National and 6th International Conference will be organized in cooperation with:

- *The Centre of Quality of Faculty of Engineering in Kragujevac*
- *The Centre of Quality of Faculty of Mechanical Engineering in Podgorica*
- *Faculty of Mechanical Engineering, University in East Sarajevo*
- *College of Applied Studies In Technics and Technology from Krusevac*
- *Middle and South East countries quality initiative*

with the support of

- *Ministry of Economy Of the Republic of Serbia*
- *Ministry of Education, Science and Technological Development*
- *Ministry of Trade, Tourism and Telecommunications*
- *Serbian Association of Employers.*

On behalf of the organizational board of the 20th National and 6th International Conference, I would like to thank all the authors and co-authors of papers, co-organizers, sponsors and donators, means of public information, participants from Serbia and abroad who helped us organize this conference.

The Chairman of the Organizational board
Professor Zoran Punoševac PhD

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ANALYSIS OF THEORY AND APPROACHES TO ORGANIZATIONAL STRUCTURE FORMATION WITH THE GOAL OF PROCESS APPROACH APPLICATION

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Abstract: *Organizational theories are presented at the beginning of the 20th century and have no direct impact on the strategies of the organization formation today but lay the foundation for building new approaches relevant to modern organizations and their environment. Processes are one of the foundations of an organization, which is why they play a key role when it comes to change. In addition to the six sigma methodology, many authors also define other approaches to managing changes and improving business processes, such as Theeight-step model or Nadler-Tushman's stacking model. The importance of the process in modern companies has not been overlooked by numerous authors, who are focusing on the processes when designing contemporary approaches. New organization design strategies represent extended existing approaches, whichin most cases include reengineering of business processes as a starting activity. Although these approaches provide a framework for reorganization, they do not define the overall approach or innovative strategy relevant to modern companies. Therefore, a posibility is open for defining new strategies of the organization formation, especially those based on process orientation.*

Keywords: *Reorganization, Processes, Organizational design*

JEL Classification*: M - Business Administration and Business Economics; Marketing; Accounting; Personnel Economics, M0 - General*

1. INTRODUCTION

With organizational resources and organizational procedures, organizational structure is one of the most important parts of the organization. Organization and its structure are created and changed as a result of development. During their lifetime, organizations need to adapt to the environment, which often results in the necessity of reorganization.When reorganizing, it is necessary to recognize the

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impact of changes that have occurred on all parts of the organization, as well as on the interested parties. The organizational structure consists of a multitude of elements and sub-elements, such as organization of work and material factors or organization of management, and during the reorganization it is necessary to look at the overall picture of the company and to predict how could this changes affect those elements.Forming an organization is the toughest decision in the company and many theorists have suggested various ways to achieve the best result, but the conclusion of all was that the best result does not exist. Each organization is unique and requires a special approach, but there are several theoretical approaches, ie strategies to shape the organization, and these strategies are: Top Down Strategy, Basisupward Strategy, Bipolar Strategy, Wedge Strategy and Multiple nuclei strategy. These strategies can be used alone or combined.

Reorganization at the beginning of the 20th century was referred to through organization theories, which tried to explain what is happening in organizations and identify all potential changes as well as possible outcomes of these changes and an appropriate way to deal with changes. Organizations at that time differed considerably from organizations in today's environment, and the biggest reason for this is the rapid development of technology. Precisely because of the unpredictable environment, organizations are faced with quick and unpredictable changes, which can have positive or negative consequences.Changes can be caused by threats from the environment, increased competition, or progress and growth of the company, and no matter what kind of change is happening, the organization must be altered. Although theories of organization presented at the beginning of the 20th century have no direct impact on the formation of organization strategies today, they set the foundation for building new approaches relevant to contemporary organizations and their environment.New approaches are formed by individual organizations and are based on individual business practices that are considered to be influential or applicable to a large number of companies.

In the latest edition of ISO 9001: 2015, the emphasis is on the process approach. The previous revision of the ISO 9001: 2008 standard encourages the use of a process approach in developing, implementing and improving the efficiency of a quality management system, but the latest issue explicitly requires the identification of processes required for a quality management system (ISO 9001: 2015, t.4.4 - Quality Management System and its processes).Understanding and managing interconnected processes as a system, contributes to the organization's effectiveness and efficiency in achieving its planned business goals. This approach allows the organization to manage the interconnection and interdependence of processes in the system so that they can improve the organization's overall performance, ie provide a key organizational management requirement.

2. ORGANIZATIONAL THEORIES

There are different ways to systematize organizational theories. Hernaus explains that the theories are divided into pre-modern, modern and post-modern, and can also be classified in other ways, such as through four schools or orientation, but the most important and acceptable criteria of classification is the level approach of W. R. Scott and G. F. Davis. They differentiate between three levels of theory: individual level (behavior and interpersonal relationships), organizational level (relation of structure and process) and ecological level (relation of organization and environment). (Hernaus 2016:8)

Individual level includes so-called. micro-theory organizations, developed at the beginning of the 20th century, such as classical theory with Taylor, Fayol and Weber as principal representatives; neoclassical theory and theory of socio-technical design. The organization's macro-theories include organizational level and, as most important systematic theory, contingency theory and organizational economy theory are emphasized. The ecological level of the organization encompasses meta theories, and most important are population - ecological theory, non - institutional theory and resource interdependence theory.The first organizational theories were focused on the technical components of the organization, and the organization was viewed as a closed system, but in the mid 50s of the twentieth century, more precisely by the contribution of neoclassical theory, man is placed at the

center of the organization. Very soon, there is an understanding of how the organization interacts with its environment and the organization is viewed as a system that consists of a series of subsystems interacting with each other and interacting with their environment. „Such an understanding has its roots in the General System Theory set by Austrian biologist L. von Bertalanffy in 1951. " (Hernaus 2016:23) With the development of the market economy, more began to think about the organization in the economic framework, where Ronald H. Coase was the most significant. He was among the first who advocated the link between the organization and the economy. He recognized the cost policy by which managers decided and defined organizational boundaries. (Hernaus 2016:28) Organizational theories were made according to changes in the environment, and so because of the increase of the importance of certain resources, but also the scarcity of others, the theory of resource interdependence was made. While organizations are always dependent on resources, "in today's complex business conditions when the competition for many organizations is global, they need to focus on their core business and primary activities and get everything else from outside sources. That is why this theory has such importance today. " (Hernaus 2016:36)

Organizational theories have been developed to help managers solve the organization's problems by identifying the importance of the interdependence of different factors that have a significant impact on business. Theories help define the steps and identify key areas in a company that are important to pay attention to when making changes and deciding how to react and reorganize the organization in specific situations.

3. ORGANIZATIONAL THEORIES

In 1979 Henry Mintzberg in The Structuring of the Organizations defines the division of the organizational structure into five parts: the operational core, the strategic top, the middle level, tech structure and the support staff. Mintzberg's division of structure into 5 structural units requires appropriate coordination in the work. (Jaškoetal 2014:461)Mintzberg mentions 5 basic coordination mechanisms, ie organizational forms: simple structure, machine bureaucracy, professional bureaucracy, divisional structure and matrix structure (Adhocracy). The way in which the organizational form will be designed according to Mintzberg depends on the choice of flow system information (formal authority, information flow regulation, input and output specification, ...) and 9 basic parameters for organization design (standardization of jobs, standardization of performance, training and indoctrination, grouping of organizational units, organizational units size, planning and control system, coordination mechanism and decision making - vertical decentralization and horizontal decentralization).A few years later, more precisely in 1982, Robert H. Waterman Jr., Tom Peters in In Search of Excellence define the famous 7S model. The 7S model is named after its main components, ie elements(strategy, structure, systems, style, staff, skills, sharedvalue). His author's thesis is that productive organizational changes are not and can not be just a matter of structure. It is also not enough to consider the interaction of strategy and structure. Effective organizational changes concern the relationship between structure, strategy, system, style, skills, people and superior goals. (Fabac 2017:206-207) In 1992, based on the 7S model, Burke - Litwin 's model emerges, focusing on the mission and vision of the organization, and defining two types of changes that affect certain parts of the organization."Transformational changes occur in response to challenges from the organization's environment and affect the most important determinants (mission, vision, leadership, culture), while transactional changes affect organizational and psychological variables in relation to prediction and control of organizational performance." (Fabac 2017:207) Contemporary approach to designing the organization was proposed by Cichock and Irwin in 2011, and the approach was called OPTIMAL. This approach is defined through 7 design stages."In the first phase of the model, design sponsorship, strategic intentions regarding change and the required abilities are established. In the second phase, the team is gathered, program infrastructure is defined: leadership, management system, plans etc. In the third stage decisions are made on the most important aspects of the change so that effort can be directed toward the goals and re-seeking authorization for the direction. In the fourth phase based on the principles and design criteria, an evaluation scheme is formed that will serve to

select the optimal design options. In the fifth stage, ideas are being elaborated, and a number of alternatives are developing. In the sixth phase, an evaluation of existing design options is carried out in accordance with previously defined criteria, and in the final stage an optimal design option is chosen. " (Fabac 2017:210) OPTIMAL approach focuses on the main components of an organization, defining all the required abilities and goals that they want to keep or achieve after a certain change occurs. Optimal organization design results from detailed analysis and collection of relevant data, allowing the company to better understand the upcoming situation.

3.1. Models and Methodologies of Business Process Improvements

Designing an organization focuses on business processes. Business processes encompass all business activities that the company conducts to a specific goal. By improving business processes, the whole organization is improved. Processes are one of the foundations of an organization, which is why they play a key role when it comes to change.The methodology accepted for improving business processes, which has its roots in 1986, is the so-called " Six sigma. "The term itself comes from the use of standard error, deviation (sigma) concepts, where for normal or Gauss distribution, the rule of the fixed and known percentage of cases in the interval (mean value +- sigma) is valid. These cases can be the results of measurements of a product's dimension, performance, duration of a process, costs of certain activities, and so on." (Fabac 2017:176)In addition to six sigma methodology, many authors also define other approaches to managing change and improving business processes. One of these authors is Lewin, which defines three steps to manage change, and those steps are: defrosting the existing state, changing behavior, ie directing the existing system to a new level and re-freezing. "Bullock and Batten defined the phases of the planned changes and modeled on the discipline of project management. Steps are: exploration, planning, action and integration. " (Fabac 2017:52) In 1995, Kotter formulated the so-called " The eight-step model, Beckhard and Harris, developed a formula for change, in 1997, Nadler-Tushman's arrangement model was developed, while Stacey and Show emphasized the importance of an individual in the organizational system. When designing a process and thus designing the organization, the redesign of the existing processes plays a very important role. Association of Business Process Management International (ABPMP) in 2008 through the Guide to the Business Process Management (BPM CBOK) mentions activities within the organizational design process, and these activities are: "defining data collection standards, defining project scope, disclosing data and AS-IS modeling (identifying the current state), work flow analysis and change recommendations, workflow design and process design and simulation.“ (Fabac 2017:152) Processes are the main component of the organization and by focusing on redesigning the process, it is possible to affect the reorganization of the entire business.

4. CONTEMPORARY APPROACHES IN COMPANY REORGANIZATION

When it comes to the reorganization or transformation of a company, one of two approaches is most often used. The first approach sees the whole company, its internal relations and external relations. This kind of approach with analyzes wants to find a specific area that is the source of the problem and affect that area to solve the problem. The second approach is focused on processes. In this case, it is most often focused on operations within companies that ultimately carry out the entire reorganization process.Most contemporary approaches to company reorganization are guided by these two approaches and are based on one of the previously defined theories. But despite the differences between these two approaches, Drljača thinks the biggest mistake is "the view that the restructuring process can be carried out in the correct way without changing the structure of business processes. What kind of business process improvements will be chosen depends on the current state of affairs and reliability of business processes and also on the goals." (Drljača 2007:74) When restructuring, it is necessary to look at the organization's processes and to find weak areas within the individual processes that lead the organization in the wrong direction. Precisely because of the large role of business processes in operating the company itself, most authors put emphasis on processes when designing contemporary approaches. Business process reengineering is the foundation of new approaches and many modern organizations base their approach on reengineering. There is a big dif-

ference between reengineering and business process improvement. Reengineering is performed once and the existing processes within the organization are checked. Reengineering can redesign or replace existing processes. "Its purpose is to improve productivity by 95% and it mostly leads to changes in organizational structure and in the business culture itself." (Vukšićetal 2008:94) Business process improvement is constantly and is not seen as a one-off project, which is the case for business processreengineering. Business process improvement does not involve redesigning or replacing the process, but carrying out the existing processes through continuous improvement and enhancement of the efficiency of the process. "Such an approach largely leads to a 5-20% reduction in costs and time, or improvements in the quality of business processes." (Vukšićetal 2008:94)As a result of changes, organizations often need to completely change individual processes, which is why BPR (Business process reengineering or reengineering of business processes) is often chosen. As a BPR critic, many authors point out insufficient focus on employees and their relationships, which is an important factor for the company. Precisely for these and similar reasons, many authors are upgrading the BPR approach and as one of the contemporary approaches BPR2 is emerging.

Authors Sangjae Lee and Hyunchul Ahn in their work Assessment of process improvement from organizational change defined the so-called four analysis model, which emphasizes the implementation of four different analyzes before the redesign itself, which will allow a better assessment of the overall performance of the process. The authors proposed a feasible model for evaluating change process improvements.Four analyzes were carried out by structuring the spreadsheets filled in with the requested data and aligned with the research framework. "Each analysis highlighted its own set of considerations and importance, enabling a broader view of process improvement as well as enriched understanding of why, where and how to apply organizational change." (Sangjae i Ahn 2008:280) The authors consider that "the selection and development measures should be carefully implemented to identify specific output requirements and a detailed model for their generation, enabling a reliable analysis of predicted process performances." (Sangjae i Ahn 2008:271) Process performance is important because by their analysis an alternative process that has the greatest impact on the overall organization is gotten. Four analyzes, mentioned by authors, are associated with four major factors - cycle time, bottleneck process, cost cycle, and resource utilization. "When defining the goals of each analysis, specific variables should be given as the input or output of each analysis. Some variables are estimated by polling staff members or by observing the process; others are derived from the estimated variables by means of defined relationships between the variables. " (Sangjae i Ahn 2008:271)

4.1. Four analysis model

The purpose of improving business process performance is to satisfy the user's wishes. Four analyzes provide an overview of business processes and enable the choice of the right solution. Through the spreadsheets of organizations, they have a better insight into certain key research data. The spreadsheet is considered a very simple tool of collecting and reporting on the data. Such a table can help predict the performance of alternative processes composed of multiple interrelated tasks in terms of cycle time, bottleneck process, cycle costs, and resource utilization. "Measuring and evaluating the overall performance of the process before redesigning business could contribute to better understanding of the process, lower implementation costs, lower organizational resistance, and faster implementation with less complications during organizational change." (Sangjae i Ahn 2008:280) The defined alternative process is used to determine whether the existing design will be implemented or redesigned, and to make this process having the largest organizational impact, four analyzes need to be conducted. Through the Four Analysis Model, the focus is on organization processes and their redesign to the desired outcome. The goal of this model is to identify the area within which appropriate changes are required that will be aligned with the changes that take place in the organization's environment.

4.2. „I-deal" concept

The "I-deal" concept is somewhat different from the usual approaches to reorganization. Most approaches are focused on processes and finding a specific part of an organization that needs to make the right change, while this concept puts employees at the center of observation. As one of the approaches or strategies of designing the organization, top-down approach is emphasized, which is inherent in traditional companies in which hierarchy is governed.By studying top down and basis upward strategies, authors Hornung, Rousseau, Glaser, Angerer, and Weigl believe that the authority in the organization is multifaceted and that, apart from acting downwards and upwards, it also acts sideways. The authors emphasize the existence of informal authority in the organization. Unlike the informal authority in the organization, formal authority deals with solving the problem.Employees in the organization are subject to the influence of both formal and informal authorities, and there are a number of tasks, ie the actions they must do, before them. "A series of decisions or actions accepted as part of a deal is the acceptance zone. The acceptance zone is subject to limited rationality and incomplete information. " (Hornungetal 2010:188) In many cases, employees have enough knowledge to make decisions about their own field of action, but they are limited by formal authority, which sometimes does not take full advantage of employees. "The traditional top-down redesign restricts individualization, emphasizing the demands of the average job user instead of optimizing the configuration of the duty." (Hornungetal 2010:188)

"I-deal" is a redesign of jobs. Although redesigning jobs often means investing large amounts of resources, it sets certain standards that can differentiate the entire organization. This concept emphasizes the needs and abilities of individuals as the resources needed for better quality and well-placed work. The main idea of this concept is to allow employees to create or transform their own workplace.Transforming the workplace involves activities such as adjusting work schedules, developing special opportunities for advancement and acquisition of skills, adapting work content, and so on. "I-deal offers represent the middle ground between top down decision making and the private efforts of a particular worker to do business. Workers are limited to the extent that they can substantially change their duties without permission. Employees need to influence their employer if they need approval for aditional changes. " (Hornungetal 2010:190) In this way, jobs will be adjusted to an employee at one level in which he has the ability to make his or her decision. After that level, it is necessary to consult with decision-making superiors. This approach allows employees and superiors to communicate and enables superiors to better understand and access individual wishes and employees' needs, which can then be included in their employee rewarding and motivating system.

4.3. BPR2 metodology

Many business failures stem from neglecting people's relationships and affect that redesign has on people. Business reengineering is focused on business processes, but what is lacking is a human factor. Ignoring employee worries and employee resistance to radical change can result in a failure of the organization, which is why BPR2 is created and it is based on BPR. The BPR2 methodology is defined through 7 steps to achieve organization redesign without destroying the existing structure. Those 7 steps are:

1. Aiming for excellence;
2. Definition of internal and external customer values;
3. Rearrangement to ensure customer values;
4. Creating new customer values;
5. Renaming to promote customer values;
6. Automation to facilitate customer values; and
7. Measurement of customer values. (Khosravi 2015:8)

The first step is targeting excellence, which would mean that BPR2 is implemented within a project aimed at achieving business excellence. BPR is a one-off project and therefore should be done within a project aimed at reducing costs or increasing profitability. „BE models such as the Malcolm

Baldrige Model or the model presentedby the European Foundation for Quality Management (EFQM) recommend manystrategies for a sustainable improvement including the process orientation. Thus,training the employees on the BE principles can help them to understand the benefits ofprocess orientation, and reduce their resistance." (Khosravi 2015:9) BE (Business Excellence) enables to achieve the desired level of quality and achievement of projected results. The second step of BPR2 methodology focuses on clients and their desires and needs. The organization must know its internal and external customers and clearly identify their expectations. The third step involves redefining the responsibilities of individual parts of the organization. „BPR2 changes the departmental boundaries, but does not consider people ascomponents that can be easily moved or removed from the organization. In contrastto BPR that holds little concern for the organization's existing human resources, BPR2 does not separate people from their current teams. After a BPR2,the organizational structure will remain unchanged with new roles for departmentsto play." (Khosravi 2015:10) Changing certain departments is a problem, because then some departments do not have their own product or service because they are integrated within other processes and teams. In this case, there is a fourth step and that is creating a new value or a new product or service for which this department will be responsible. „It is advisable that in this situation the leaders think creatively and consider that it is an opportunity to create new products / services instead of removing additional departments from their organization." (Khosravi 2015:13) By reorganizing and creating other departments, it is necessary to rename the processes, which is the 5th step of the BPR2 methodology. „Some of the proposed names may look too long, and notcomfortable to use. For these long names, abbreviation of the names is morerecommended than a kind of shortening that destroys the meaning and motivatingcharacter of the name." (Khosravi 2015:16) This increases the value of an organization, especially if departments reflect customer expectations. The foregoing step involves the use of the Internet and information technology to create software support departments. „Information technology enabled us to better control data, information and knowledge and reduce barriers of time, place and language." (Khosravi 2015:18) Since investment in information technology also means a significant cost, it is important to justify this type of technology. The last step of the BPR2 methodology is to measure customer value. This step means defining process measures and goals that will be continuously monitored and whose effectiveness will be measured.

4.4. Software reorganization framework

Structuring an organization is an important step in which employees rank in organizational parts and gain roles. Information technology has enabled the development of software solutions that allow the analysis of the data needed to make the process of reorganization faster and easier. In order to determine the optimal way of reorganization, it is necessary to define the existing processes and to look at the links between all the existing processes. Based on these processes, the desired state is defined, ie the process models that come with the redesigning organizational structure.The key to this software solution is to define and enable the method of determining the bottlenecks and the degree of alignment with real business processes by structural quantities and indicators, which takes several steps, namely:

1. Capturing the enterprise world
2. Business process & relationships information extraction
3. Topological structure and social network analysis
4. Reporting & visualization
5. Organizational re-design
6. The new organizational structure (Besria i Boulmakoulb 2017:167-168)

The first step in creating a software is to capture a world of companies, or to create a database that will contain all the basic information about the company itself. „In particular, the data is produced referring the resultsfrom the investigation conducted on: the organizational structure, the data set of the company's business processes(ERP, ECM, BPM, CRM, transactional system ...) resulting from the process mining" (Besria i Boulmakoulb 2017:167) The next step is to redesign business pro-

cesses that have bottlenecks and assessment of these processes. Once all business processes in the organization have been defined, it is necessary „to extract a set of processes. These processes may be particularly responsiblefor the ineffectiveness and congestion on the company organization." (Besria i Boulmakoulb 2017:167) The distinct processes are classified into a separate matrix that is analyzed in the next step, and it is the analysis of the social network and the topological structure. „This step involves using two analytical approaches to checkand test non-compliances with the real organization adopted by the company. The first structural approach is basedon the algebraic topology." (Besria i Boulmakoulb 2017:168) This approach to the organization allows to view links between individual parts. The second approach uses social network analysis techniques and allows computing social network metrics such as centrality, similarity, etc. The fourth step is reporting and visualization, or giving a diagnostic map.„This diagnostic map represents an analytical view of the company organization and are presented synthetically. It also includes indicators of measurements at two levels of analysis. The first level is the structural analysis by simplicial complexes and the secondlevel is the analysis of social networks. This step also includes the proposed actions and recommendations of theorganizational redesign process." (Besria i Boulmakoulb 2017:168) Due to the impact of redesigning on strategic management decisions, it is very important that managers have their own contribution to system development and redesign. For this reason, during organizational transformation, managers must show a certain engagement. The new structure must be aligned with strategic decisions, which is why constant compliance analysis is carried out by management. As a last step, the new organizational structure is emphasized. After establishing the structure, the program continues with analyzes and further alignments until the structure becomes completely stable.

Despite the software gathering of all data and numerous analyzes, "the limitations of this research include the inclusion of financial indicators and other diagnoses. The results are consistent but can be supplemented by a specific analysis to estimate financial costs. " (Besria i Boulmakoulb 2017:173) The aim of the software solution is to present a comprehensive program, which will include all elements of the organization, and this model needs more work in the future.

4.5. MahindraSatyam model

Mahindra Satyam (formerly SatyamComputer Services Limited, merged withinTech Mahindra on 24th June 2013.) was aleading global business and informationtechnology services company based inHyderabad, India; that leverages deepindustry and functional expertise, leadingtechnology practices, and an advanced,global delivery model to help clientstransform their highest-value businessprocesses and improve their businessperformance.The model highlights three stages, which would be subject to company during BPR programs. These stages are:

1. Long-term Business Strategy: helping the companyidentify suitable business opportunities andcraft strategies to capitalize on them,enabling it to achieve its business objectives,despite mounting competition.
2. Process-Centric Enterprise (PCE)Phase I – Preparation: creation of a plan for the client to migrate into aProcess-Centric Organization.
3. Process-Centric Enterprise (PCE)Phase II – Transformation: helping the client become a PCE byredesigning key business processes. (Bhaskar 2018:80)

The next step is to evaluate the company's business functions and transform them into basic business processes. For each business process, gap analysis is developed and the strengths and weaknesses of each process are defined. This enables teams to identify problem source when performing and gives a better understanding of how to redesign the process, structure, and performance. This analysis helps identify core business processes, which is the basis for further operational improvements. Core are identified as:

- Business planning – Responsible forcreating business strategies, setting policyand outlining guidelines for operations andmonitoring performance.

- Product management –Responsible forconceptualizing, designing, and developingnew and upgraded vehicles, as well as settingup manufacturing facilities for theirproduction.
- Order management – Responsible forconverting orders for vehicles and sparesinto finished products. Also overseespurchasing, manufacturing, assembling anddispatching of finished goods.
- Customer management – Responsible forgenerating demand for vehicles and spares,resolving customer complaints andmaintaining relationships with customers,and monitoring dealers and otherintermediaries.
- Vendor management – Responsible foridentifying and selecting vendors,monitoring their performance and helpingthem upgrade as necessary. (Bhaskar 2018:81)

Identifying thesecore processes allow companies tofocus its BPR during this company-widetransformation and get asignificant advantage over its competition.

5. CONCLUSION

Reorganization is a long-term process that takes into account a variety of elements and parts of the organization directly affected by this process. Despite the numerous organization theories that began in the early 20th century, it is difficult to apply one of these theories to modern companies. Theories have changed, and the organization's environment has changed, so modern organizations are influenced by new technologies, trying to find their answer through various software solutions. It is important to take advantage of the possibilities of information technology, but there are numerous disantvantagesto this model.

Since the beginning of organizational theories, organizations have been seen as machines and even political systems, while in the modern world the organizations are seen as networks, which has influenced the development of network and virtual organizations. Even in such types of organizations, communication and interpersonal relationships are a major problem. As a major criticism, numerous models and redesigning concepts emphasize the neglect of the human factor. Aside from the reorganization of almost all organizational components, it is very important to emphasize the adjustment of employees to the stated change. For this reason, it is very important to involve employees in change and communicate. Changes directly affect each individual element and it is crucial to systematically look at the entire process. Since the reorganization process is important, it is important to identify which are the key elements of this process, what are the links between these elements, what is the relationship of these elements to the environment, and how these elements function as a whole. Although there are various organization design strategies and most are defined through the distribution of responsibility or authority, a large number of successful contemporary organizations work according to the process approach. Modern approaches emphasize reengineering of business processes as a relevant methodology, but it represents a one-off project to improve or replace existing processes rather than a strategy of design.

Global companies bring their own contemporary approaches based on process orientation. But in spite of the functioning of certain approaches to individual organizations, the question arises are those approaches universally applicable. Each organization is different and the reorganization has to be approached in a different way, depending on its own existing structures and the state itself. New organization design strategies represent extended existing approaches, which in most cases include reengineering of business processes as a starting activity. Although these approaches provide a framework for reorganization and show appropriate steps to analyze all parts of an organization and model the desired state of affairs, they do not define the overall approach or innovative strategy relevant to contemporary companies.

Accordingly, there is a need to find a new form of organization strategy primarily based on the process approach. Based on business process requirements and their decomposition to business activities, it is crucial to define operational and formal activities at workplaces and associate them with appropriate people for their execution within the organizational units. It is crucial to take into ac-

count Mintzberg's principles of organizational design, elements of organizational competence (human capital, technological competence, technical competence and structural competence) and the overall context of the enterprise (internal environment, business environment and external environment).In this way, the form of organization would enable future rapid and operational, as well as formal adaptation of the organizational structure to continuous, highly dynamic changes in the overall context of the organization. In order for the organization's strategy to operationalize an organization, it must be adequately implemented within the organization. Therefore, implementation should be implemented as a project, according to the principles of contemporary organization design methodology. It is important to note that such projects have a significant impact on employees, therefore it is crucial to apply contemporary knowledge in the field of change management.

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