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DOI: <https://doi.org/10.5281/zenodo.7310244>**GENERAL DECISION-MAKING ASPECTS IN THE MANAGEMENT PROCESS***Oleg FILIMON**Universitatea de Studii Politice și Economice Europene „Constantin Stere”*

In the paper, the author tries to present some elements of the decision as a dynamic and very important process of private company management, as well as the concept of decision system and elements of the decision process.

The complex issue raised by the adoption of a scientifically sound decision requires knowledge of the elements that must be emphasized in its elaboration.

The synthesis of the theoretical aspects allows us to mention the importance of qualitative evaluation of decisions, prior to their application, because in this way the waste of resources can be largely avoided human energy, time, etc., imposed by the adoption of corrective ones.

The fundamental aspect of matter, structured, ascertaining the decision-making process, which contributes to the emergence and development of the process itself to obtain its final product, is called "decision". The final product, decision, comes to be the key element, decisive of the decision-making process, which can have a different meaning according to the character, role and influence in the evolution of the public factor.

**Keywords:** *managerial process, decision-making process, decision, decision elements, decision-making system.*

**ASPECTE GENERALE ALE DECIZIEI ÎN CADRUL PROCESULUI MANAGERIAL**

În lucrare, autorul încearcă să prezinte câteva elemente ale deciziei ca proces dinamic și foarte important al managementului în cadrul companiei private, precum și conceptul de sistem decizional și elemente ale procesului decizional. Problematika complexă ridicată de adoptarea unei decizii fundamentate științific necesită cunoașterea elementelor ce trebuie să fie accentuate la elaborarea acesteia.

Sintetizarea aspectelor teoretice permite să menționăm importanța evaluării calitative a deciziilor, anterior aplicării lor, pentru că pe această cale se poate evita, în mare măsură, risipa de resurse, energie umană, timp etc., impuse de adoptarea celor de corecție.

Aspectul fundamental al materiei, structurat, constator al procesul decizional, care contribuie la apariția și dezvoltarea procesului în sine pentru obținerea produsului final al acestuia, este numit „decizie”. Aname produsul final, adică decizia, vine a fi elementul-cheie, hotărâtor al procesului decizional, ce poate avea o semnificație diferită după caracter, rol și influența în evoluția factorului public.

**Cuvinte-cheie:** *proces managerial, proces decizional, decizie, elementele deciziei, sistem decizional.*

**Introduction**

Globalisation, marked by the increasing interdependence of economies at global level, has seen the best performing economic asset price growth in a hundred years, with very strong global shares and bond returns, with progressive management projects. "Anarchy", in contrast, threatens the global values, not through the falling prices, but "by cheapening them especially in real terms", through inflation. Admitting the universality of the dysfunction law, according to which in nature the order tends to turn into disorder, means that the state of dysfunction is also characteristic for the socio-economic systems. Under these conditions, the modern companies, as a system, must constantly adapt to the influence of disruptive factors – external or internal – that oppose or halt to achieve the predetermined objectives. This adaptation, self-regulation of the private companies functioning, is achieved through the managers' activity, which is essentially a chain of interdependent decisions.

The Republic of Moldova, as part of the world economy, is facing great uncertainties, but it can intelligently take advantage of multiple opportunities that allow business to grow and the entire economy to develop sustainably. Reconfirming the idea that the sooner the aspects to modernize the decision-making system are clarified and agreed upon, the greater chances that the instruments of the process will become the major factor for healthy economic growth. Therefore, in the context of a crisis that started out severe but later showed signs of becoming chronic, we need new approaches of economic theories for a genuine modernization and, definitely, not a rethinking of the decision-making processes within the modern private companies, which are also attacked by pandemic processes, such as COVID-19.

## 1. Materials and Methods

The methodology used to prepare the article has oriented the author to research theoretical sources by applying concrete methods, such as: analysis method, literature synthesis method, comparative method, induction and deduction method, logical and dialectical method. To gain a deeper understanding of the research objectives, the following authors were examined: I.T. Gigi, C. Dinte, I.M. Miclăuș, M.M. Miclăuș, M. Jensen and W.Meckling, V.M. Kolpakov, M.I. Faenson, who explained in detail both the notion of decision and the role of decisions in the managerial process.

The steps that were applied in the research allowed us to focus on the following: researching the exposure of the concept of decision in the managerial process and approaches in making decision. At the same time, the selection of the elements that allow the elaboration and adoption of the decision that guides the administrative staff within private companies in the quality of final results.

## 2. Results and Discussions

Decision-making in the managerial process. Promoting the ideas to implement an efficient and effective management in the Republic of Moldova is accompanied by a dangerous managerial instability and uncertainty. The adoption and application of new management methods is a necessary component of relaunching the investment process. It should be stressed in advance that each action involves not only a single decision, but also multiple types of risks. The risks often manage and influence the decision-making process, which requires a quantitative assessment that usually consists of calculating the so-called risk values.

As B.G. Litvak states, "risk management is one of the main components of activity management. Only through the correct assessment of possible failures and successes one can take effective decisions in the management process" [1, p.78].

In the 1950s and 1960s, the established and widely used system of decision-making methods in the managerial process was rethought and formulated as a particularly emerging scientific disciplines, such as operations research, systems analysis, technical systems management, etc.

**Table**

**A definition of what constitutes a decision according to different authors**

Author	Source	Definitions
M.Jensen, W.Meckling	"Theory of the firm: managerial behavior, agency, costs and capital structure", Journal of Financial Economics, 1976, no.3.	The authors of the agent theory who aim to structure the contractual relationships between the participants in the entrepreneurial activity.
I.M. Miclăuș M.M. Miclăuș	Articol „Elaborarea procesului decizional”, Conferința internațională „Dezvoltarea durabilă în condiții de instabilitate economică”, 2017, p.136-143 [2, p.136]	"... the decision, in general, is the conclusion of the process by which we make a deliberate choice, an option between two or more alternative courses of action that are available in order to achieve one or more objectives"
I.T. Gigi C.Dinte	"Decizia și rolul său în managementul financiar al întreprinderii", <u>Annales universitatis apulensis series oeconomica</u> , faculty of sciences, "1Decembrie 1918" University, Alba Iulia, vol. 2(8) [3, p.1]	"The decision is a dynamic, rational process in which, based on appropriate information, a course of action is chosen from several possibilities (alternatives) in order to influence the activity of the executors and to achieve a certain result"
V.M. Kolpakov	Teoriya y praktyka pryniatyia upravlencheskykh reshenyi [Theory and practice of management decision-making] K.: MAUP, 2004, p.504 [4, p.1]	The managerial decision as a result of systematic human activity and the product of cognitive (mediated by cognitive factors), emotional, volitional, motivational nature, synthesis of mental processes that have an initial regulatory orientation. It represents the act of will of people making decisions, performed as a document

M.I. Faenson	Роль управленческих решений, p.240-249 [5]	The managerial decisions are the main forms of management activity and occupy a central place in the management system. In a broader sense, management decisions are regarded as the main type of managerial work, a set of mutually interrelated, purposeful, and logically consistent managerial actions that ensure the implementation of management tasks.
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*Source:* developed by the author based on the studied literature.

From the definition presented by the authors Ioan Marian Miclăuș and Mircea Marian Miclăuș [2, p.136], it results that making a decision is to determine a program of actions after reflecting well. Why is prior reflection necessary? Because new actions cannot be left to chance if we want them to be effective in relation to the goals we have set ourselves. So, there is a decision every time it is necessary to change a pre-determined programme or to draw up an action plan, with or without alternatives [2, p.2].

The authors Ion-Trifoi Gigi and Constantin Dinte [6, p.1] confirm that "the essential element of the management process, the decision is the act of moving from thought to action." The aim of this is to find the most rational ways of future action, designed to ensure the maximum efficiency of management actions.

The process of continually improving the effectiveness of management actions requires that any taken decision has a solid scientific basis. Each decision has a specific character, depending on the nature of the problem it deals with, the specific conditions in which production processes are carried out and the consequences it has on the overall activity of the unit over a given period of time, depending on the technical issue to be regulated by the decision, the economic nature of the decision is determined, expressed in terms of the resulting economic indicators. As a result, there is an interdependence between the technical and economic content of the decisions, but at the same time there is also a delimitation between the two aspects, determined by the peculiarities of the constraints, the nature of the information and the methods used in building the decision options.

The decision-making process is also the basic element of the private companies' management, being an important instrument of expression of the companies' management, which is reflected at its best in the elaborated decisions, representing both the act of implementing the ideas and transforming them into achievements.

Based on the concept of "decision" as defined by Ion-Trifoi Gigi and Constantin Dinte, the following elements can be outlined: a) the decision is seen as a process of rational choice; b) the decision is the final act in determining the action direction of achieving an objective; c) the action is called a decision only if it corresponds to a situation of choice; d) the decision directs the activity of subordinates, etc. Thus, if a manager's action is imposed by events/force majeure, without the possibility to choose another alternative, we infer that it is not a decision. Providing management with the ability to attract and combine available resources and to direct the production process, the management decision is the main instrument for achieving the objectives set for a given period. The decision-making process can have several component parts that can be seen as a quick solution and represents the final arrangement in setting the action steps to achieve the proposed objectives. In many cases, the decision-making process triggers the need to adopt new solutions, which become necessary due to the emergence of negative influencing factors, or the emergence of new reservations that were not initially considered, and the driving factors require to accelerate the achievement of the proposed objective by exploiting these resources.

The role of the decision-making process is particularly important in increasing the managerial capacity and there are various forms of collaboration with specialists on management issues, such as consultations, co-optation of these specialists in various management units, etc., as well as attending various kinds of specialised courses, etc.

Approaches to decision-making. The final product, i.e. the decision, is the key, decisive element of the decision-making process, which can have a different significance according to its character, role and influence in the evolution of the public factor. In the specialised literature on the study of decision-making processes within private companies, including public ones, there are two different approaches to the numerical and nominal components of the structural elements of the decision-making process. These two views focus on

concrete structural variables, forming different approaches to the field. The first view, fully supported by researchers in public management and public organisations, considers that the decision-maker, multitude of decision options, multitude of decision criteria, the environment represented by all internal and external conditions of the organisation, multitude of consequences and decision objectives form the actual structural elements of the decision-making process [7, p.512]; [8, p.56, 57].

The characteristic phenomena of decision-making situations are well-identified in terms of complexity. However they are presented in the following chronological order with regard to the nominal sequence of their presentation: the problem to be solved or the non-regulated situation; the decision-maker or decision-makers; the aim and objectives of the decision-making process; the endogenous and exogenous conditions influencing the problematic or non-regulated situation; the decision-making alternatives; the consequences of the decision-making alternatives; the decision-making criteria and the selection or choice of the best decision-making alternative. Further on, we will analyse the character and importance of each element in the decision-making process, which is subsequently aimed at identifying and deciding. It should be noted that the decision-maker is the first structural element of the decision-making process that can be represented either by a single person (i.e. it can be a single-person decision-maker) or by a group of people (i.e. it can be a multi-person decision-maker), and it can also be represented by the whole company [7, p.512; 9, p.55].

In society, the necessity of management decisions is required at least in the following situations:

- 1) changes in the quality structure of the inputs allocated;
- 2) when disruptive factors have created an disequilibrium between the leading subsystem and the driven subsystem, which endangers the achievement of the proposed objective;
- 3) when there is a balance between the two subsystems regarding the achievement of the proposed objective, but the unit's management strives to achieve better results. It implies a new correlation of objectives with the material and human resources at the company's disposal [10, p.240].

The activity of drafting and adopting decisions requires continuous professional development, the development of the ability to assess the various consequences resulting from their practical implementation. The subordination of all decision-making activity to the experience gained in management, without using creativity and appropriate methods such as simulation, scenarios and economic and mathematical modelling to identify options for decision-making cases, can have negative consequences, both in terms of stimulating the creative initiative and the results obtained as a result of the implementation of decisions in practice.

Understanding, as an element of the decision, must follow certain procedures, grouped within the general framework of discussion or deliberation. Deliberation consists of three stages:

- 1) determining the object of the decision to be taken,
- 2) analysing the object of the deliberation,
- 3) determining the actions to be taken to achieve the decision.

This opinion, in order to be obtained, requires a complex analysis of the relationship between objectives and means on one hand and the aim pursued on the other. At the stage of presenting the measures proposals, the collected data are analysed and systematised, and the established relationship between objectives and means and the aim pursued is analysed. No matter how in-depth an analysis is and how clear the opinion is formed on the proposed goal, or the objective pursued or the means necessary to achieve it, people have to decide and act in a certain direction. This decision is an expression of will. The will represents the affirmation of a tendency that the decision-maker identifies with. This means the existence of certain persons or groups of persons empowered to decide on behalf of a national or local community. Willpower, in any situation, requires the involvement of certain moral qualities, a decision-making spirit, a desire to achieve the common good and the general interest, as well as a certain determination and courage, in order to remove hesitation in the choice of action [11, p.836; 12, p.373; 13, p.222; 14, p.277; 15, p.117; 16, p.246].

The two elements of the decision – understanding and will, are not on the same plane. The first appeals to judgement, the second – to character. Therefore, there must be a certain "logical and necessary" sequence between the two elements, so that deliberation will precede the will in an evidence-based decision. The will must be based on understanding, on judgement justified by the pursued goal. For an informed and effective decision to be taken, the will must take account of the realities of the measures established by deliberation.

The time factor is just as important to the administrative decision as the other two elements, understanding and will. For every decision there is also an opportune time, i.e. the right moment when it should be taken,

adopted or issued. Time is also the factor that constantly checks the thoroughness and accuracy of a decision. It is therefore accepted that the future is essential for a decision since it represents a forecast of the acts and actions to be carried out by the person (or administrative authority). In other words, the decision is a projection of the present into the future or an interpretation of the past and a conception of the present placed in the future. [11, p.928; 12, p.512; 13, p.279; 14, p.351].

### Conclusions

Systematising the above analysis, we can confirm that the decision-making system is a true command system. Organisationally, its constructive and functional characteristics sensitively condition the decision-making content and the effectiveness of the activities carried out, which are striking due to their dynamism and pronounced flexibility. The decision-making system is used to carry out all the management functions, mainly because of the spectacular progress that regulates all the activities involved, and this explains why most of the early studies of management science were devoted to it. The importance and value of the decision-making process lies in achieving an objective by adopting a decision on the basis both of an analysis of the production factors and of the expertise underlying the elements that make up the decision-making system.

The amplification of the decisional capacities in the management of the private companies, allows the adoption of some decisions in real situations that direct the economic activities. The strategies implemented by the leaders of private companies aim at outlining an expected financial result, that is, one that would satisfy all parties involved in the process. The trends of the future are the development of risk-based management skills, based on short-term strategies and rapid implementation, omitting the long preparation phases, the actions of a long decision-making process that would ultimately only bring losses to the company, coming from the slogan it's the money.

Simultaneously with the recorded achievements, the decision-making process in the present time tends to become more and more complex and reasons for this are sufficient, social character – increasing the income of the population, reducing the life cycle of technologies, accelerating the rate of moral attrition, increasing the completeness of the world market, inflation and monetary instability and many other factors that directly or indirectly influence the decision as a key element of companies' global financial results.

Analyzing the work of illustrious decision makers in decision management, we can conclude that the solutions that appear in extraordinary situations require a special approach, performing complex research-based calculations. Thus, the concept of decision, decision-making process, permanently has the need to manifest special knowledge, experience and intuition of the manager of private companies.

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**Date despre autor:**

**Oleg FILIMON**, doctorand, Universitatea de Studii Politice și Economice Europene „Constantin Stere”.

**E-mail:** oleg.filimon@gmail.com

**ORCID:** 0000-0002-5171-2986

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