УДК 658.3 SIGNS OF ORGANIZATION AGING AS AN ACTUAL ISSUE OF MODERN MANAGEMENT Лавринович Анна Владимировна, Сорокина Алла Ивановна, к.п.н, доцент Белорусский национальный технический университет Lavrinovich Anna Vladimirovna, <u>neon.9960@gmail.com</u> Sorokina Alla Ivanovna, PhD, Associate Professor, <u>allasorokina@bntu.by</u> Belarusian National Technical University

Abstract. The article is devoted to the actual issue of modern management - the aging process of an organization. Managers are involved greatly in this process. Their re-

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sponsibility is to determine the beginning of this process at an early stage and take measures to avoid company aging, that requires certain knowledge and skills.

Keywords: aging of, social system, financial environment, signs of aging, young organization, old organization.

The life cycle theory states that organizations are born, grow, become mature, and die. The period of successful existence of the organization depends on the management.

Effective management is characterized by considering the issues of organization aging, and the effective introduction of something new to reduce the risks of aging and collapse of the company.

According to I. Adizes, signs of aging in an organization appear at the stage of "aristocracy", but they may appear even earlier [1]. Sometimes this happens at the stage of youth. At both stages, the signs of aging will be similar.

How to understand that an organization is starting to age? The response is evident – study of the reports on financial indicators carefully and the analysis of the company activity will show deterioration only when the organization has already aged. Unfortunately, in this case it will be too late. The company will start to get lost in the market and become inefficient. Therefore, it is necessary to find earlier signals by which it will be possible to determine problems. This analysis is similar to the analysis of "weak signals", which allows you to identify signs until they become evident. Practice shows that first signs of the problem appear in the social system: in relations between employees, in working environment, in the organizational structure, in teamwork. However, these signs are very difficult to observe, unlike the financial mistakes. Negative signals in the organizational culture make it possible to identify and prevent serious crisis phenomena in the company in time. These signs were most fully revealed by I. Adizes, D. Welch, L. Kolind, L. Greiner.

Considering this problem in details we'll speak about two types of organization: "young" and "old" [3]. We'll speak about a form and a content, attitude to risk, authority and responsibilities, attitude to problems, clothing style and manner of communication, types of employees, powers within the structure, managers and employees, financial indicators.

Managers and employees working in young organizations pay more attention to a function than a form, they give preference to knowledge and professionalism. In old organizations importance is paid greatly to a form and the presence of connections. Employees in young organization are estimated by their results at work, employees in aging ones - by loyalty and the presence of promoters. That is why, the key positions in old organizations are occupied by not professionals, but employees devoted to the leadership.

Attitude to risk.

Employees in a young organization are used to take risk situations. They consider risk as an opportunity for the organization to be profitable and successful. In an aging organization, on the contrary, employees fear to take risks, that is why they do their best to avoid risk situations.

Authority and responsibilities.

In a young organization, authority and responsibility are balanced. In an aging organization a hierarchical management structure is being created, employees have more responsibilities than authority. The authority is concentrated mainly at the highest levels, and responsibility is distributed at the lower and middle levels. Therefore, employees are involved in performance without lack of the authority and resources to complete it. This causes passive behavior and the impossibility of serious changes.

Attitude to problems.

Employees in a young organization consider problems as opportunities. In an aging organization, opportunities are perceived as problems. In an aging organization, managers and employees don't get used to talk about problems at all. They consider such behavior to be a bad form. Accordingly, systemic problems are not solved, but accumulated.

Clothing style and manner of communication.

In a young organization, employees are busy with their duties and performance, that is why don't pay much attention to clothing style. Manner of communication in a young organization is characterized as open. In an aging organization, clothing style and manners differs from the communication in a young organization: clothing style is more formally, communication between employees is veiled greatly, no one says directly what he thinks. All this causes misunderstanding and mistrust in the company.

Types of employees.

In a young organization, a significant part of employees is considered to be ambitious, entrepreneurial, risky and initiative people. They are open to new knowledge and ready to improve their skills for the benefit of the organization and for their well-being. They prefer to take responsibility for their actions. They are easy to be empowered for the responsible performance. They respect organizational structure and are proud of the corporate culture of their organization. In an aging organization, employees are cautious and formalistic. The culture is defined by administrators. Entrepreneurs in such a working environment do not stay long. The turnover of the personal is greatly.

Powers within the structure.

The situation in young and aging organization is different: the driving force in a young organization is marketing and sales, in an aging organization power is concentered in hands of lawyers, financiers, and security service. A young organization deals greatly with customers, is interested in the promotion of products to the market, create customer's loyalty. Departments, who are responsible for these activities, have the most power. In an aging organization management provide control, power belongs to financiers, lawyers and the security service. The management are interested in political games of the sphere they are busy in. Customers are not important part of their plans.

Managers and employees.

There are no limits in the communication of managers and employees in young organizations: they work in the same office, eat in the same dining room, use the same services offered by the organization. In an aging organization, there is a great distance between managers and employees: the privileges of leaders are many times higher than the privileges of ordinary employees; the personality cult of the top leader outweighs the meaning of ordinary employees. All this complicates the communication process between management and performers.

Financial indicators.

Aging organizations are usually very rich in comparison with young organizations, which need time to earn money. Most of the products and services of rich organizations are at the stage of "cash cows" (BCG matrix). The reason for this profitability is not related to advances in marketing or new technologies. They invest very little in new developments and risky projects, so there is an accumulation of money. This money is beginning to be spent on mythologizing PR, luxury. This contributes to further lagging

behind the market. If an organization does not notice signs of aging in time, then inevitably it enters the stage of a systemic management crisis and usually ends its activities in the market.

After considering the signs of organization aging, it is necessary to decide on further management in the organization [2].

When the company starts to age, the manager should adhere to the anti-crisis management policy. Anti-crisis measures can be applied even if the company is declared bankrupt. At the initial stage of bankruptcy, a temporary manager is appointed, who takes all possible measures to preserve the company's property, analyzes the financial condition, and determines the signs of artificial bankruptcy. During this period, measures for the financial and economic recovery of the company may be carried out. If the bankruptcy process has already begun, it is necessary to attract assistance from creditors. The manager makes decisions only after agreeing them with creditors. In case of dissatisfaction of creditors, external management measures may be introduced.

Even before the bankruptcy stage, anti-crisis management measures can be carried out. They are aimed at monitoring the financial and economic situation of the company, developing norms and principles for the formation of complete and reliable information about the state of the company. Changes are also being made to the marketing and personnel policy, to the management of expenses and incomes of the enterprise. Special attention is paid to accounts receivable and management of relations with counterparties. This is necessary to extract their own income, to maintain the life of the enterprise.

In conclusion, it should be noted that the state of the company is needed to be monitored at various times, to adjust the work of all departments, to monitor the social environment, to identify communication problems of employees. If problems are identified, develop a policy to eliminate them. It is important to give freedom to ideas and thoughts of employees to improve management systems and organization of activities in the company. Comprehensive problem solving will help to avoid the aging of the organization.

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