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FLEXIBILITY AS A MANIFESTATION OF AN ORGANIZATION'S POSITIVE POTENTIAL BASED ON KNOWLEDGE

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> *"The most important value in society is man"* Marek Goliszewski- BUSINESS CENTRE CLUB

Abstract

The overall objective of the paper is to present, in terms of theoretical, cognitive and practical aspects, the issues related to positive potential of a manufacturing organization. In the context of such an adopted target, the authors considered it justified to analyse the subject literature, including conducting the definitional systematisation in the area of the positive potential of the organization (PPO). On the basis of which, the authors present their own definition of what was intentional for the implementation of the rest of scientific inquiry. Subsequently, a tool was prepared that as intended by the authors impacts the creation of innovative potential of a manufacturing organization and the product flexibility related to it.

The assessment of the innovation potential (which is also shown in this publication), by implementing of the developed tool in the selected enterprise, allowed to depict the translation of an organization innovation potential into its product flexibility.

Keywords: flexibility, positive potential of the organization, non-financial incentive system, innovations

Paper type: Case study/Literature review

1. Introduction

As noted by K. Perechuda (2013: 9), a modern economy requires constant demolition of the existing, long devalued mental patterns, concepts, paradigms [1], theories, models and methods of management. The dynamics of markets' changes, resulting from the increasing competition [2] and rapid technological progress, forces organizations to active participation in the acquisition, development and use of its knowledge in innovations (Dolińska, 2010: 7). The emerging concept of the knowledge [3] society constitutes the background for the interests of a form of economic organizations, characterized by a high degree of flexibility and adaptability to the changing functioning conditions [4]. We're facing a civilisation breakthrough, which takes place not only in information technologies but also in the organization of enterprises' functioning.

The increasing competition, as well as the great dynamics of changes in the business environment and the effects of the global economic crisis [5] cause that many traditional concepts of management lose their values. However, it does not mean the total abandonment of the past experience in this field. In fact, just the opposite. It is necessary to develop the mechanisms of creating the companies' abilities to survive in these, undoubtedly, difficult times.

In modern economics and management sciences, the thesis of a man's key role in shaping the success of the organization [6] is formulated. This issue is particularly relevant in terms of the development of knowledge-based economy sectors (Matusiak, Kuciński, Gryzik, 2009: 8), in which the human capital is becoming a key raising factor in the micro- and macroeconomic scale (Wyrwicka, 2003: 5).

This view is shared with the authors of this publication, noticing that one of the essential values, which we should pay attention to, is the innovative potential of the company [7]. Therefore, it is necessary to remember about the remarkably crucial role of a properly selected and shaped potential of employees and their knowledge, as well as building a modern organizational culture. In the modern way of thinking about management of organizations, those workers that are willing and able to introduce different kinds of innovation, together with new technologies, make the potential of the innovative organization. Furthermore, the organization itself should subscribe to the values that support and motivate employees to creative behaviour. This is the object of this paper, the overall objective of which is to present, in terms of theoretical, cognitive and practical aspects, the issues related to positive potential of a manufacturing organization [8]. In the context of such an adopted target, the authors considered it justified to:

• Analyse the subject literature, including conducting the definitional systematisation in the area of the positive potential of the organization (PPO). On the basis of it, the authors will present their own definition of what is essential for the implementation of the rest of scientific inquiry.

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- Subsequently, to create a tool that will have an impact on the creation of the innovative potential of a manufacturing organization and the product flexibility related to it.
- Moreover, to perform the assessment of the innovation potential in a given manufacturing organization by implementing the developed tool in one of the manufacturing enterprises. It will allow to depict the shift of the organization innovation potential to its product flexibility, and consequently, for its increase, and thereby the development. As B. Nogalski (2004: 35) emphasises, the Polish enterprises' use of emerging new tendencies towards the management of enterprises and the implementation of them in the form of changes constitute a great chance for them to establish a competitive struggle and the chance for survival and development in the future, that is a new paradigm [9].

The preservation of the paper's reasonable size implies the necessity of a synthetic presentation of the quoted arguments. The objective impossibility of the complete development of all the threads concerning this taken, quite complex issue, does not release the authors from the responsibility for the presented views.

According to the authors, the paper has to constitute the basis of a conscious development of an organization strategy, which is based on a systematic evaluation of own resources and capabilities in the context of changing conditions and needs of the environment. This paper has to provide practical tips in this field.

2. Positive Potential of the Flexible Organization vs. knowledge- systemizing deliberations

2.1. Positive Potential of Organization in management sciences

One of the essential values, which today the entrepreneurs pay attention to, is the innovative [10] potential of the company [11]. The managing people usually have in mind modern technologies and the means of work. Therefore, it is necessary to remember about the remarkably crucial role of a properly selected and shaped potential of employees and their knowledge, as well as building a modern organizational culture. In the modern way of thinking about the management of organizations, those workers that are willing and able to introduce different kinds of innovation, together with new technologies, make the potential of the innovative organization. Human resources that are so essential for the smooth functioning of an organization, are also the most difficult to be controlled and influenced (Aluchna, Płoszajski, 2008: 39). A fundamental element of management is the ideology depicting an enterprise as the community of all people [12] associated with it. This vision of an enterprise means that it has far-reaching and long-term commitments to the people [13] employed in it. Simultaneously, the employees' commitments to the enterprise are equally important, because, as noted by

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A. Sitko-Lutek (2004: 7), the success of organization depends on the employees, and their expertise and commitment are the unique quality of each enterprise's capital. The adoption of the above perspective in the turbulent times, in which negative phenomena such as the vision of the global economic crisis occupying managers' attention, should be reflected in enterprises' activities. Positive indicatives of human behaviour (employees- employers), which have been quite often ignored by many researchers and practitioners, are the cornerstones of the conception called "Positive Potential of Organization" which in turn is a new trend in management sciences [14]. As A. Glińska-Neweś (2007: 85) remarks, challenges faced by present-day organizations are also the challenges for the knowledge dealing with management.

At the root of the concept of "Positive Potential of Organization" is the assumption of a dominant meaning of the employees' conducts in achieving a success or suffering a defeat by the enterprise. However, the conducts are the effects of components interaction of the organizational culture within the area of the basic assumptions, as well as values and norms (Schein, 1985: 115)

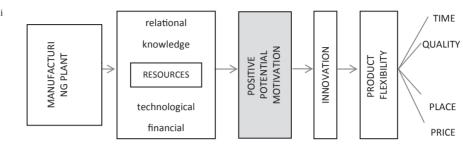
The concept known as Positive Potential of Organization by Kim S. Cameron, Jane E. Dutton and Robert E. Quinn, focuses on the study and description of the so-called deviation in organizations (Rozkwitalska, 2012: 16). According to the creators and supporters of PPO, the current interests of researchers analysing human conducts in organizations, focused mainly on the obstacles to their effective acting. Therefore, such organizational problems as low employees' morale, a burnout syndrome, bureaucracy, a conflict, a battle for power, etc. were studied. The perspective, which the focus was put on pathologies, barriers and weaknesses of human interactions, has been strongly placed in the social sciences, such as psychology, philosophy and ethics, and is also noticeable in management. Positive Potential of Organization has its roots in the positive psychology. The authors and supporters of this movement notice that organizations that strive for cultivating the positive emotions and characteristics, such as: trust, cooperation, satisfaction, etc., achieve better financial results and function better. Thus, they propose the necessity to look at the positive phenomena closer, the aspect of which is this publication representing barely a milestone in such a wide subject matter.

Unfortunately, the modest frameworks of this publication does not allow for a more detailed presentation of the individual contents, as well as conducting a more searching scientific discourse. However, the author's definition of it was presented. It assumes that PPO is conceived as a system of interconnected resource (of knowledge, relational, financial and technological), an accomplishment and motivation (the positive bias) to the pro-innovative actions in order to using them, aimed at efficient and effective implementation of products, in constantly changing, turbulent environment and economic conditions.

Figure 1 shows the identified, by the authors, correlations between PPO, and an innovation implying product flexibility of the manufacturing plant.

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Figure 1. Flexibility as a manifestation of innovation.



According to the past conducted deliberations, the positive interactions (relations) between the employee and the employer contribute to greater creativity, learning and sharing the knowledge, thereby improving communication and contributing to job satisfaction. As a result of it, a positive social capital, favourably influencing its development and functioning, evolves in the organization.

2.2. Knowledge as a determinant of PPO creating flexibility

According to K. Zimniewicz (2003: 106), knowledge and information will be essential competitiveness factors and thereby indispensable competence of a flexible organization for the company. A characteristic feature of the coming epoch will be considering knowledge as a decisive factor of production, and the skilful management of knowledge will become an instrument opening new horizons [15] for the company. Therefore, the following questions should be asked: What is this knowledge? What is the relationship between knowledge and a positive potential of the organization, and how does it influence its flexible behaviour?

The knowledge-based organization has the ability to adopt the changes implied by the environment, and very often also to anticipate these changes and shape actively its environment [16]. This kind of organization may be defined as smart. According to J.B. Quinn (Stoner, Freeman, Gilbert 2001: 612), smart companies are the organizations, of which the most valuable product is knowledge, having the form of valuable services. Smart organizations are characterised by: the rejection of traditional structures of activity, high level of the internal enterprise, continuous learning, friendly relationship with stakeholders, and unique methods of cooperation with customers and suppliers (Mikuła 2007: 51). The management of knowledge is the process of creating values from the organization's intangible assets. This process refers to the sharing and use of knowledge within the organization and outside towards the customers and partners of this organization (Love, Fong, Irani 2005: 1). Smart companies are capable of innovative and rapid adaptations, and the accumulation of intellectual capital and the management of knowledge [17] are the most important.

In many definitions, it is stressed that management of knowledge is a process that enables to identify, acquire, create, develop, popularise and use knowledge for achieving organization's objectives (Wyrwicka 2009: 122). B. Wawrzyniak (2001: 26) presents a similar approach. According to him, management of knowledge is clearly defined and systematic management. It is also knowledge, that is vital for the organization, as well as its associated processes of creating, collecting, organizing, diffusion, use and exploitation that are performed in the pursuit of achieving organization's objectives. The presented definitions show that the management of knowledge process is a conscious and controlled action, which leads the organization in the particular direction.

Management of knowledge is therefore a concept, which comes down to the creation of a competitive advantage of the company, based on its own (not borrowed) intangible assets, which are hard to be imitated (Perechuda, Stosik, 2003: 92). In this paper, it is assumed that the management of knowledge is a set of formalised methods of gathering and using the formal knowledge and the tacit knowledge of the organization's participants. In other words, the management of knowledge is an attempt to make the best use of the knowledge that is available in the organization, creating new knowledge and improving its understanding.

- Knowledge as a company resource is a synthesis of:
- the company's history,
- the technical- organizational experiences,
- the organizational procedures of actions,
- the economic, production, research and development, technological, financial, human resources and other processes,
- the cooperation's climate,
- the organizational culture.

Management of knowledge, as one of the management of organization problems, is a relatively new area of research [18]. According to the authors of this study, along with the development of knowledge in the process of creating organization's flexibility, new definitions resulting from the following questions will be formed (Rakowska, Sitko-Lutek, 2000: 60–61):

- 1) To know what (*know what*) knowledge of facts based on individual information, on the basis of which it is obvious what to do.
- 2) To know how (*know how*) knowledge of the methods of how to do particular things and in what order.
- 3) To know why (*know why*) knowledge explaining the reasons for taking actions just the way they are, showing the relationships and the correlations.

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- 4) To know who (*know who*) knowledge of the competence of a given person and if he/she is the most suitable to complete the selected activities.
- 5) To know when (*know when*) it means to define the appropriate time period for completion, and secure meeting the deadline.
- 6) To know which (*know which*) knowledge that indicates which of the activities during the execution a special attention should be paid to (e.g. to control).
- 7) To know between (*know between*) to know about the correlations, relationships between entities (functions, markets) of the action, as well as to recognize the systemic correlations.
- 8) To know where (*know where*) knowledge of the resources of gaining information, the location of production activities, the markets etc.
- 9) To know whether (*know whether*) knowledge of maintaining the existing or starting new (whether it is worth according to e.g. social, environmental reasons) business.
- 10) To know if (know if) knowledge of the consequences of starting, continuing or liquidating business.

Knowledge acquisition is the ability to acquire knowledge needed both at the operational and strategic levels. Acquired [19] and assimilated [20] knowledge undoubtedly increases flexibility of the individual. A small degree of using knowledge in the process of its creation and small competitiveness on the market means that the organization possesses insignificant- as far as flexibility is concerned- competence.

3. Creating Positive Potential in a flexible, manufacturing organization- the concept and application

The current market situation is characterised by high variability of conditions, in which manufacturing companies must function. The situation is particularly variable in the widely understood agricultural industry. The whole 2012 and the first half of 2013 are characterised by a slowdown and a decline in demand for agricultural products. This situation means, especially for the industry manufacturers, the change of functioning conditions. There is no chance for absorption of every produced part or agricultural machinery by the market- the product offered by the domestic enterprises, as it was in 2010 or 2011.

In the context of the above, the companies' products should be characterised by high quality and innovation. According to the authors of this paper, only technologically advanced products are guarantee of guarding against disadvantageous, crisis market tendencies.

At this point the question about the basis of the success of the manufacturer functioning in these tough times arises. What is the basis of its innovative potential? What is the source of its market advantage? According to the studies

previously presented by the authors of this paper, one of the market secrets of the manufacturer is a competent, appropriately motivated employee, whose knowledge, willingness and the ability to use it constitute a source of positive innovative potential of the organization, which has qualitative sense on the context Przemysław Niewiadomski of the product.

In the further part of the scientific investigations, there was presented a tool, the application of which, according to the authors' intention, will determine this potential to a large extent.

A tool based on the concept of non-financial motivating of the production workers constitutes the basis for the solution, designed by the authors of this paper. In this model, such a form of motivating workers was applied disregarding a number of other manufacturing plants' motivators [21], also applied in their practice.

It has been decided to base the tool on the so-called: cafeteria motivational system. This system is used especially often in international companies. In simple words, operating of this system can be compared with a visit in a cafe, where the customer, who has a particular sum of money, may order any cake, coffee or dessert from the offered range. The strength of the system consists in the suitable matching of a motivator with a given employee. This allows the employee to choose a reward that is interesting for him/her and the employee tries to achieve it. According to it, the authors decided to create their own cafeteria motivational system of production workers. A special programme called "Positive Potential of Organization as a way to innovation" was created.

The aim of this implemented in the company programme is to stimulate the company's employees in the field of the production lines' efficiency increase. It was decided to use the principles of the learning organization, including activating the lowest-level employees in this field. The improvements can be reported only by the executive employees. This restriction is intended to avoid a situation, in which senior engineers would be additionally rewarded for their work within the scope of their duties. The programme itself has to consist in collecting points. These points can be presented to the employee who had an idea for improving manufacturing operations. The improvement may directly concern the post occupied by the applicant or other posts within the company. The application will require a written form. The appropriate forms, on which the applications are reported, will be prepared. The ideas of improvements cannot concern the repair of defects because this issue is handled by the proper service of the company. If the reported ideas do not concern the above issue, the applicant receives points for each application. The employee may receive 5, 10, or 15 points.

The number of points awarded will be determined by a committee composed of four people: the owner (manager), manager of the manufacturing plant and the authors of this development. The set of 15 points will be given to the offer that will

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Bogdan Nogalski, Przemysław Niewiadomski not only indicate a given problem but also will give a complete solution, which in turn will contribute to increasing of productivity by at least 30%. 10 point will be dedicated to the offer that will not only indicate a problem but also will give a solution, which will contribute to increasing of productivity by 20%. 5 points will be given to the offer that will indicate a problem, but the solution will not be complete or will be just incorrect. 0 points will be given to the offer which violates safety rules or poses a threat in any other different way. Each of the production workers will have the right to report any number of innovation (improvements) at any time during the programme. The committee will be awarding a separate point, which will be added up, for every positive report. People taking part in the programme will be able to receive information concerning the quantity of accumulated points at any time and explain any possibly occurring doubts. Every month, the employees taking part in the programme will be informed about the quantity of received and added up points by written information distributed on the noticeboards in the company. The points collected by people taking part in this programme can be exchanged at any time for a prize gift from a prepared for the programme catalogue. The catalogue will contain all the prize gifts that are available in this programme.

According to the authors' intention, they will be grouped into rewards' categories for: 5, 10, 15, 45 and 60 points. The score will correspond to the value of the prize gift. Next to the score, a short description of the gift, as well as its photographies will be placed. All of the employees, who are interested in the programme, will receive a printed version of the catalogue. At the time of achieving a satisfactory number of points by the employee, there will be possible to place an order for a chosen gift. The rewards ordered from the catalogue will be presented by the owner (manager) of the manufacturing plant during the specially organized, monthly meeting with employees. According to the programme rules, receiving of a prize will cause reduction of points, corresponding to its points value, that are available for a given employee. However, the employee is still a participant of the programme and may collect the necessary points to win a new, interesting prize.

4. Positive innovative potential and flexibility- implementation and income indicator

4.2. Characteristics of company

How to function on the turbulent market in order to secure the company's safe growth and achieving success? Every answer, as well as every decision will always be a strategic choice of management. Every business owner sooner or later comes to the conclusion that the same current business is not able to provide a spectacular success. Every now and then, an impulse, which is the response

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to the environmental changes and new challenges, is indispensable. It consists in the owners' essential decisions having strategic importance for the company. In the context of the above, the enterprise referred to in the further part of the publication has decided to implement a solution, which according to the authors, was due to affect its competitiveness. Did it happen in the run? This issue will be discussed in the further part of this publication, which presented a preliminary assessment of the project emphasizing its reported solution, which may increase the competitiveness. The implementation of the non-financial incentive tool, which has been developed within the frameworks of the programme, called Positive Potential of Organization as a way to innovation" was conducted in the manufacturing plant operating in the sector of agricultural machinery [22]. A domain of the studied enterprise's activity is the process of production of modern agricultural machinery and its components and replacement parts. Our range includes replacement parts for combine harvesters, chaff cutter, lawn mowers, manure spreaders, ploughs, hay balers, and agricultural trailers. The company's offer includes the comprehensive package of systems and solutions for modern agriculture. The package was designed for the most demanding customers looking for the highest quality machine parts, characterised by their reliability of operation.

The tool was implemented on the first of June 2013. Until the 15th of July, 28 reasonable [23] applications, concerning indication of the particular problem, have been received. 14 of them contained the complete solutions to the problem. Until the development of this publication, the plant introduced 4 (not requiring large expenditure [24] but bringing the effects in the form of productivity growth) [25] solutions [26], and only one of them (due to the publishing requirements) will be presented in the further part of this paper [27].

4.2. Flexibility and its economic dimension- case study

The subject of research conducted by the authors of this publication is the process of production of the base of load bed panels, used as a component of agricultural trailer's production (see Figure 2). On the basis of observation, the



Figure 2. Agricultural trailer conveyor baseobject of study

Source: www.zpcz. pl (accessed 17 October 2013).

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Bogdan Nogalski, Przemysław Niewiadomski authors received information, which are indispensable in the execution of the further part of this publication.

The manufacturer, in question of this paper, has received the order for 50 pieces of the complete open load-carrying body. The net selling price [28] per one piece of the product amounted to 1100.00 PLN (265.06 Euro). Taking into account the value of the contract (60 000 PLN (14457.83 Euro)), sales of the product seems to be fully justified. Nevertheless, the results of the conducted analysis, concerning the cost of production, shows that (see Table 1), negotiated price is relatively low [29]. In order to clearly illustrate the presented solution, the authors will relate the conducted studies to one piece of the implemented product, in the further part of this paper.

Within the framework of supply of resource, which is essential for producing one piece of the base, the manufacturer purchases 6 metal sheets, dimensions: 3x1250x2500 mm, on the total weight of 450 kg. For production of the base, 345,66 kg of material is used, that is why the 100 kg waste is generated, with its total value of 219.00 PLN (52.77 Euro). In other words, the manufacturers should assume that the total material costs paid to produce one piece of the product amount to 975.09 PLN (234.96 Euro). In this situation, the profit from the sale fluctuates at 16.91 PLN (4.07 Euro).

PRODUCT NAME	BASE OF LOAD BED			
MATERIAL COSTS	756.09 PLN (182.19 Euro)			
Including:	Weight of raw material	Quantity	Net price (kg of raw material)	Net sum
Sheet 3 2310x350 mm	310.46 kg [30]	16 pcs	2.19 PLN [31]	679.90 PLN [32]
Sheet 3 2310×370 mm	20.50 kg	1 piece	2.19 PLN	44.90 PLN [33]
Sheet 3 2310×265 mm	14.70 kg	1 piece	2.19 PLN	32.19 PLN [34]
LABOUR COSTS	60.00 PLN (14.46 Euro)			
Including:	Cutting 10.00 PLN	Bending 30 00 PLN		Painting 20.00 PLN
OTHER COSTS	48.00 PLN (11.57 Euro)			
PRODUCTION COSTS	864.09 PLN (208.21 Euro)			

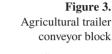
Table 1.

Real-cost of producing agricultural trailer's base of load bed

A well-designed workplace generates less production waste. Reducing this waste leads to lower demand for natural resources, which in turn increases the production [35] of performance indicators. This idea was inspiring an employee, who according to the functioning non-financial incentive tool, implemented within

the framework of "*Positive Potential of Organization as a way to innovation*", offered a solution, which had a significant impact on the profitability of the transaction.

The employee presented a different concept of using waste as a valuable Przemysław Niewiadomski product. In the view of the above, it was decided to implement a new product, which was the agricultural trailer conveyor block, dimensions: 3x940x80 mm, and on the total weight of 1.80 kg (see Figure 3). The market price of the product was established at 10.00 PLN (2.41 Euro) [36].



Source: www. grene.pl (accessed 5 October 2013).

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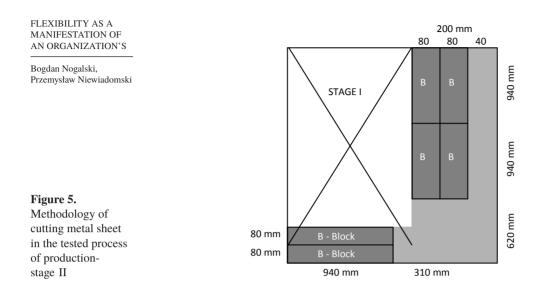
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It has been observed that within the framework of the post-production waste of metal sheet (see Figure 4), 6 conveyor blocks may be additionally cut out (see Figure 5). Consequently, in terms of the material used for production a set of base (6 metal sheets), it gives 36 pieces with a total value of (according to sales prices) 360.00 PLN (86.75 Euro). In the context of the adopted solution, profitability of the transaction is dramatically increasing because the manufacturer generates profits of 371.91 PLN (89.63 Euro), from the sale of each set of the base.

1250mm 200
mm
1050 mm 200
mm
RIGHT
PRODUCT
UNASTE
WASTE
WASTE

Figure 4. Methodology of cutting metal sheet in the tested process of productionstage I

Taking into consideration the analysed transaction (supply of 50 sets), the manufacturer will generate the profit of 18 845.50 PLN (4 541.08 Euro), while before the implementation of this solution (thanks to generating the positive



innovative potential of the production worker), the same transaction had the value of 845.50 PLN (203.73 Euro) [37] and 50.00 PLN (12.05 Euro), which the manufacturer could obtain from the sale of post-production waste (scrap).

Conclusions

The emerging concept of the knowledge society constitutes the background for the interests of a form of economic organizations, characterised by a high degree of flexibility and adaptability to the changing functioning conditions (Niewiadomski, Nogalski, 2012: 314). Accordingly to the above, a new tendency in management, which puts special emphasis on the process of diminishing the production, is visible. In the future it gives the opportunity to produce more and more goods, using less quantity of the materials necessary in the production process at the same time.

The studies conducted by the authors, qualify them for presenting the essential conclusions:

- In the modern way of thinking about the management of organizations, those workers that are willing and able to introduce different kinds of innovation, together with new technologies, make the potential of the innovative organization.
- The positive interactions (relations) between the employee and the employer rouse to greater creativity, learning and sharing the knowledge, thereby improving communication and contributing to job satisfaction. As a result of it, a positive social capital, favourably influencing its development and functioning, evolves in the organization.

• A characteristic feature of the coming epoch will be considering knowledge as a decisive factor of production, and the skilful management of knowledge will become an instrument opening new horizons for the company.

• A tool is based on the concept of non-financial motivating of the production workers constitutes an essential element of innovative potential of the organization.

• In order to increase the probability of success of a given product's implementation strategy, the enterprise should create the appropriate conditions, which determine effective management of the implementation process to a large extent. In reaching the implementation decisions, the manufacturer should carefully analyse the possibilities of cutting the raw material, in so as to minimize waste.

• Waste resulting from the manufacturing process must be used in other implementation processes to the limit. In this way, the manufacturer generates the additional incomes which undeniably influence the manufacturer's profit. Reducing the quantity of waste in the production process, which is achieved through the proper cutting of materials, contributes to the reduction of production costs and to increase the margin of the implemented product.

Notes

[1] Z. Malara (2011: 74) points out that the next wave of changes, reaching the world, heralds a new breakthrough in the economy, which has a significant influence on the theory and practice of organization's management. The emerging paradigms, which distinguish themselves in the changes of the existing beliefs, behaviours, and attitudes towards a new reality, are visible echoes of these changes.

[2] The subject matter of competitiveness is broadly discussed by M.J. Stankiewicz (2002, 2005, 2006) in his papers.

[3] According to M.J. Stankiewicz (2006: 14–16), knowledge becomes a main strategic resource, on which the competitive advantage on today's markets should be built.

[4] Flexible organization used to be and still is the subject of academic interests of many researchers, both Polish, among others: G. Osbert-Pociecha (2011), R. Krupski (2008), B. Nogalski and P. Niewiadomski (2012), as well as foreign ones: E.S. Bernardes, M.D. Hanna (2009), C. Booth, M. Hammer (1995), S.L. Goldman, R.N. Nagel (1993), R.J. Vokurka, G. Fliedner (1998) and many others.

[5] At this point, the authors express, a rather controversial view, that the times of crisis should be seen as the opportunity to the development, which can be provided by an appropriate innovation strategy and the ability to implement it.

[6] In this paper, the terms like: company, plant or organization will be treated as synonyms.

[7] The innovative potential of the company is determined by the Positive Potential of the Organization. However, the innovative potential is the ability to create, implement and popularise the innovation, and PPO means status, levels and configurations of the organization's resources, which in turn, stimulates a positive organizational culture, and also contributes to the positive, pro-development employees' behaviour. FLEXIBILITY AS A MANIFESTATION OF AN ORGANIZATION'S

Bogdan Nogalski, Przemysław Niewiadomski [8] This paper refers to the manufacturing companies connected with the agricultural machinery sector, mainly because of the fact that this area constitutes the subject of the authors' interests.

[9] According to the authors of this paper, the word paradigm is a model served as help with understanding of certain aspects of reality.

[10] When creating an innovative organization, it is possible to face two major obstacles. The first of them is the internal barrier experienced by employees. It concerns the sense of lack of capacity, competence and motivation for this type of activities. The second, however, is the formal external barrier which the organization itself is largely responsible for. Responsibility of the organization is related to the building of structures and using processes that are favourable or detrimental to the efficient and creative behaviours.

[11] The innovative potential is defined as the ability to production, diffusion and consumption of the innovation by an individual. However, it is worth emphasizing that innovations are not only inventions in the field of high technologies, but also new items, processes, methods of organization concerning everyday life (Button, 2004: 33–36).

[12] The social, cultural and economic changes cause an increase in workers' consciousness, thus changing the relationship between subordinates and superiors, it changes the nature of teamwork, the employees' demands on concerning their participation in the organization and taking on decisions are increasing (Glińska-Neweś, 2007: 85).

[13] This view seems to be supported by Solange Olszewska, who is a chairwoman of Solaris Bus & Coach management. She is conscious of the fact that being an employer involves a great responsibility for people. "Today, our company employs more than 2,500 people. Including their families, we are responsible for more than 10 thousand people and it is a huge responsibility. We will do everything to provide these people with a job" – said Olszewska during one of the lectures for the Sobieski Institute.

[14] The proof of interest is now the second International Conference on the Management of the Positive Potential of the Organization, organized by the Department of Fundamental Management Problems WNEiZ GCM sponsored by the Committee of Organization and Management Sciences and the Center for Positive Organizational Scholarship, and numerous scientific papers such as: (Stankiewicz, 2010) and (Rozkwitalska, 2012: 16–28).

[15] The term managerial knowledge owes its popularity to the search of new solutions to the challenges that the companies have to face due to the increasing global competition, and treating knowledge and information as a resource to more effective competition on the market.

[16] The essence of change- its characteristics, manifestations and types are widely discussed in the title of G. Osbert-Pociecha (2011: 15–133). Cf.: R. Brett (2002).

[17] This view seems to be confirmed by B. Kromer (2009).

[18] M. Romanowska notes that the function of knowledge management systems is still a very important, but yet poorly studied topic in the field of management studies. A similar view is expressed by B. Nogalski, who claims that knowledge management, as the essential modern management issue, is listed as a very popular theory and practice trend of strategic management source. See: *Ocena pracy habilitacyjnej oraz pozostałego dorobku naukowego dr inż. Edyty Tabaszewskiej w związku ze wszczęciem postępowania habilitacyjnego*, source: http://www.ck.gov.pl/index.php/postepowania-awansowe/postepowania-habilitacyjne/dziedzina-nauk-ekonomicznych/476-tabaszewska-edyta (accessed 26 August 2013).

[19] The acquisition of knowledge takes place in many different ways, such as: conversations, interviews, survey, analysis, benchmarking (imitation) or borrowing or purchase (renting or hiring specialists).

[20] Acquisition of knowledge, its understanding by those for whom it was obtained, or who acquired it.

[21] According to the authors' studies, in practice of the manufacturing plants, the motivators are:

the employees' transport or reimbursement of travel costs, additional health care, and a book for a pool or gym. These are non-financial incentive tools such as MultiSport book. With the MultiSport card, the employee has a virtually unlimited access to the best and the most popular sports facilities in the whole Poland. More: http://www.kartamultisport.pl/multisport.aspx

[22] According to the authors of this paper, agricultural engineering is the process of replacing manual labour in agricultural production with machines and technical equipment, leading to reduced demand for labour, increase of productivity, the relative reduction of production costs and ensuring proper quantity of crops and quality of the final product.

[23] Unfortunately, management received a dozen or so uneconomically justified applications that do not fit the criteria.

[24] Both financial and time.

[25] The authors share the view that sometimes small changes (corrections) significantly affect the improvement of the quality of the production process, which is reflected in the productivity and the quality of the final product. Many managers have a tendency to look for complex solutions, and yet simple changes produce outstanding results. Sometimes on the influence of "big" innovation managers forget about simple everyday problems and preventing them. This fact seems to confirm the solution that is presented within the framework of implementation of the developed tool.

[26] Naturally, all of the presented solutions are worth being implemented, but the process of their implementation requires a much longer perspective.

[27] Other results of the authors' studies will be the subject of subsequent publications.

[28] The research, referred to in this paper, were conducted in the Polish manufacturing plant, thus all financial parameters are expressed in the Polish currency. However, to the benefit of international readers, the analysed values were also presented in Euro. The conversion of the currency was done according to the table of the average of the National Bank of Poland, number: 249/A/NBP/2013, as of 2013–12–27, when 1 Euro had the value of 4.15 PLN. See: http://www.nbp.pl/home.aspx?navid=archa&c=/ascx/tabarch.ascx&n=a249z131227

[29] Due to the complexity of the offer, the plant was forced to implement the product.

[30] Weight per piece of the base panel amounts to 19,4 kg (2,31x0,35x24), which gives a number of pieces:

- [31] 0.53 Euro
- [32] 163.83 Euro
- [33] 10.82 Euro
- [34] 7.76 Euro

[35] Another aspect is the awareness of the fact that the company guarantees the profits in the future, due to the reduced use of raw materials nowadays.

[36] The average price which was established through negotiations conducted by telephone (12 August 2013) with eleven employees of the plant.

[37] Profit from sale of goods.

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