- 2. оперативне прийняття рішень щодо здійснення заходів зі зменшення залежності підприємства від закордонних поставок енергоресурсів;
- 3. пошук альтернативних джерел придбання матеріальносировинних ресурсів у регіонах, що менше страждають від впливу хаотизаційних процесів;
- 4. забезпечення (за можливістю) мобільного переміщення виробництв з регіонів, що перебувають під загрозою спалахування збройних конфліктів, у спокійніші місця дислокації.

За таких умов професіоналізм виробничих менеджерів не мо-

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реагувати на екстремальні ситуації, що виникають внаслідок хаотизації.

Повинні змінитися сутність та стиль мислення фахівців, яке також має стати нелінійним і гнучким. Але найголовнішим є те, що має сформуватися розуміння — хаос діє не лише руйнівним чином, але і відкриває нові можливості самоорганізації та подальшого розвитку у постхаотичний період.

D. Radosavljević, PhD,

Associate professor, Faculty for business studies and law, University Union-Nikola Tesla

dragana.radosavljevic@fpsp.edu.rs,

A. Anđelković, MSc,

General manager, Faculty for business studies and law, University Union-Nikola Tesla.

aca.andjelkovic@fpsp.edu.rs,

T. Soboleva, Ph.D.,

Associate professor, Faculty of Economics and Management, Kyiv National Economic University named after Vadym Hetman soboleva\_tatiana@mail.ru

## IMPACT OF IT ON MANAGEMENT AND HUMANS IN MODERN CONDITIONS

ANNOTATION: The introduction of IT changes the organizational structure and all the elements of management processes, particularly the way we manage organizations. The problem is the fact that information technology is not adequately implemented in all the parts of the business process. Specifically, it is applied to the operatively executive, administrative, accounting jobs, archiving, retrieval and selection of data

for planning and analysis, and its implementation is lagging behind in leadership and management.

This paper aims to highlight the impact of IT on the management process, i.e. on people as the most valuable potential of each organization.

KEY WORDS: IT, management, man, modern business conditions

### Impact of IT on management

Quite a lot has been written on the impact of IT in all areas of economy and society. However, turbulent changes and progress, threaten to destroy the very foundations of the modern business and that is man as the only creative potential of any organization. Hence, the need for the reduction in size of the organization, its decomposition to 'profit centers' and reduction of the 'range' of management has led to other qualitative influences and changes in corporate organization. The most important effect is manifested in the sphere of leadership and management.<sup>1</sup>

However, when reducing the range of management, the number of so to say subordinates increases to one manager preventing the management from exercising control over any behavior and operation of a subordinate. This way the classic pyramid gets reduced with the tendency to take the form of a rectangle, increasing democracy in the organization and creating conditions for each individual to perform their business activities on the principle of 'creative chaos,' without waiting for orders, directions or instructions from higher levels. Every individual and organization needs to act independently, in accordance with the situation and adopted the program settings.

The internet has radically redesigned business management systems. The above is evident on daily basis as it is clear that the network does not have neither head office nor boards, structures meant to motivate and win over people for their ideas. There is neither center nor periphery within the network. The centuries-old importance of the center in classical economics was associated with centralization as the most efficient way of organizing. The center used to be located at the very top of the hierarchical pyramid, i.e. at the top or strategic management. However, if there was any center in the network

<sup>&</sup>lt;sup>1</sup> Here we can speak of leadership or conduct as the two methods that can be applied in the management of corporate organizations. It is evident that leadership remains the classical way of directing the joint work dominated by authority. That is why they insist on keeping the term conduct as it includes a softer management style of the people and, as such, it has been successful.

economy at all, it would be for the first time in the former periphery understood in the classical sense. Today the center of all centers is His Majesty the buyer. In order for the network to function, each part must feel like no one but him is is in the center, or is the center as such. Otherwise, the network will not be reliable because its strength is determined by the weakest link in the network leading to new relationships in the corporate organization where every person is important for the achievement of the corporate mission. In this context the flow of information that are important for making timely management decisions has been accelerated. [6]

The internet has enriched leadership (conduct) in corporate organizations because it did reduce the participation of labor, mechanized numerous processes and eliminated the cause of numerous 'frictions' occurring and adversely affecting relationships as the key factor in everyone's success. By using the internet, management is able to streamline many processes in the management of the company and, according to the above, it is provided more time to deal with human resources, especially in finding ways to motivate people to achieve the objectives that have been defined. In these circumstances, management may be more committed to the company's development, i.e. to the creation of favorable atmosphere of innovation and support for innovation.

The internet puts question mark upon survival of bureaucracy. Taxes and other forms of payments are the main force that has for centuries supported first the formation and then the maintenance and expansion of the bureaucracy because its collection was based on the territorial principle. Since the introduction of IT abolished location, in terms of the existence of virtual companies all this becomes questionable or prevents the collection of taxes and other duties in the traditional manner. It turns out that this is the first major threat to bureaucracy. Accordingly, all the regulations, approvals, orders and state government agencies are also under question mark since no one commands on the internet, and often it is impossible to control the internet in any form whatsoever. In the classic conditions bureaucracy kept repeating the words 'no' and 'impossible'. In terms of internet technology bureacucracy shall disappear, and if it survives at all it must be radically transformed and must learn to pronounce the word 'YES' as well as learn to find ways to not only to solve problems, but to solve them in a rapid and efficient manner. Without IT all this is impossible.

Therefore, we have now all the necessary conditions for internet and information technology to completely marginalize classical governments, their administration, etc. and create a new kind of democracy or technocracy that would allow a higher level of freedom in the life and work of each individual, as well as corporations. In this regard, Collins Porras has rightly noted: «More than at any time in the past, today companies will not be able to sustain the business through traditional methods such as hierarchies, systems, budgets, etc... The connection that will connect companies in the future will increasingly be ideological.' In Nordstrom's manual for employees we read the following: 'Use your good judgment in all situations. There will be no additional rules.[8]

## Impact of IT on man in modern conditions

The introduction of information technology has not diminished the role of the man, as it is often said. It is rather increased, especially when it comes to critical positions in the business process of modern organizations. This is confirmed by the practice of Google and Apple who attach special significance to man. These companies 'providing a network of creative interaction with peers, relaxation training, through branding create elite status for employees. None of this is rocket science, nor is it novelty to anyone, says Rob Goffee. \* (\* R. Goffee: Creating the Best Workplace on Earth, HBR, May 2013). Therefore, the use of IT technology enables man to, so to say, 'preserve' the brain from trivial and routine things by transfering these operations to IT, which can do the same in a much faster and more reliable way. However, computers will never be able to think, or to give ideas because they are solely the result of man as the only conscious human being. This constatation was valid in the past, true today and will apply in the future, which can be relatively evident from the following ideograms:[10]

Phases of development of work structure	Manuelization	Manuelization	Automatization	Computerization
Idea	Man	Man	Man	Man
Planning	Man	Man	Man	Tools
Control	Man	Mann	Tools	Tools
Realization	Man	Tools	Tools	Tools

From the previous ideograms we can clearly see that man from the beginning of time to the present day has managed to transfer work transfer from his muscle to primitive tools at first and in modern times to automate, such as 'steel hand, etc. In every new dimension of time man was successful in this endeavor which is changing the quality of life and work for him. By the level and quality of these changes we annotated some socio-economic formations, which were once noted by classic authors of Marxism: 'We do not differ socio-economic formations by what they can produce, but with what it was produced.'

Previous observation applies equally to the stage of manualization, as well as to the phase of mechanization and automation, and computerization. In the manualization phase that can be roughly described as the period of the original community and slavery, all functions (planning, implementation and control) belonged to the man. In the machinery stage and feudalism and manufacture capitalism, man transferred working functions on to mechanisms by exploiting the energy potential of steam, water, wind, etc. The automation phase appeared in more developed stages of capitalism and is accompanied by a new quality, or transfer of some control functions from humans to automates. In the era of robotics man transferred to robots and to information technology operational executive and routine tasks; all this allows him to more effectively plan, execute and control. This is control through the use of sound, light and other signals. In the process of automation man managed to create machines that control other machines, which is the practice of Toyota, Volvo and other companies through the system called 'poka yoka' (definitely idiotic) control confirmed at the end of the second half of the last century.[11]

The mechanization, automation and robotization phase was followed by transformation of matter and energy in products or services. It turns out that technology constantly improves and that the process of transformation and use of materials and energy in each new stage gives more effect and that it is one of the requirements to meet the growing needs of man. This process will continue, at a faster pace and with a higher success rate, regardless of the level achieved in the modern age. In this manner technology takes on the characteristics of dynamic technology, or

Further analysis of ideograms of development and improvement of work structure shows that creation and broadcasting of ideas have always belonged to man as the only reasonable being. Therefore, only man has the ability to create an idea, then get it operationalized, or transfer it to someone else, i.e. to mechanisms in order to operationalize the idea. This property does not belong to any machine, including computers, regardless of vision and optimism of IT and other professionals to create a thinking machine. This is evident from the following statement by Emerson: 'Every one of my inventions was just like I had previously created it in your head.' In other words, if a person wants to change one or more of the performance of a machine, he must first develop and then implement.

Information technology for the first time in human development seeks to replace or spare the brain as the most valuable part of man, and to delegate to computers routine, deterministic and trivial tasks, according to algorithms and principles determined again by humans. Apart from matter and energy, IT has the information as the object of transformation, the third compulsory component of any organization. It can perform it faster, cheaper and more reliable than man, as can be seen in ordinary communication through the internet and other information resources. In this way we improve the quality of management decision-making, and corporate governance, which has a positive impact on corporate, and national, and global success. This is also indicated the H. Davies statement: 'Whatever corporate structure and safeguards we set up, none of them can guarantee success if the individuals within do not work with a real degree of independence, motivation and expertise, especially in the management team, and then with the other employees.[2]

Therefore, it is certain that internet through availability and dispersal of information, as well as by reducing the monopoly over information that was previously held exclusively by individuals, reduces the possibility of establishing a bureaucratic methods of management. At the same time, internet creates conditions for the introduction of democratic or liberal style of governance, which shows a higher degree of success in today's business. The internet has improved the communication with the environment in which organization operates. This communication importance in the last two decades when the boundaries and responsibilities of corporate management have expanded beyond the company's boundaries thanks to corporate social responsibility as a new system of values. In other words, in terms of social responsibility management has the responsibility towards the environment in which it exists. Mutual exchange of information the environment, such as governments, utilities. healthcare, cultural, sports, recreational and other services are often a requirement for the successful functioning of the organization. In

this regard, the authorities and corporate management often collaborate in decision-making at the local government level, as well as in corporate decision- making. This cooperation is essential because collapse of a certain company might lead to major problems in the region, given that the company funds specific projects, and through taxes and charges contributes to local government budget, etc. Therefore, the introduction of information technology improves communications within the company, but also with the environment which is favorable to establih higher levels of economy for the whole, rather than through summation of partial or individual effects.

The above indicates that through more intensive implementation and use of IT both the place and role of man in the modern conditions will not be jeopardized, or marginalized. On the contrary, it will further intensify, but in the area of providing ideas as the most valuable resources of every organization. Through the release of man's brain from routine tasks, such as: collection, selection and processing of data, etc., man creates more space to create ideas and find ways for their successful implementation. On the other hand, the management will have more time to devote to human resources as the most valuable resource of any organization, and to try and persuade people to accept the ideas of management.

#### Resume

Information technology has radically changed both management process as a whole and its individual elements. The introduction of information technology in the company is particularly reflected in leadership (conduct), i.e. motivation of employees and their motivation to accept the ideas of management, but also to create their own innovative environment in which they may create more efficient and effective ways to perform tasks and duties.

The analysis has shown that the introduction of IT in the organization shall not marginalize the importance of man, but will rather increase his role. In the information age man shall not deal with menial jobs, i.e. with the transformation of matter and energy products and services, because this work can be far more efficiently performed by machines, or robots. However, the role of man, i.e. management of corporate systems will be reduced to creation of ideas, and creation of a favorable climate for the development of ideas, and then creation of high-quality strategies to implement the ideas into practice. In the end, it is useful to recall the statement by E. Fromm: 'The danger of the

past was that men became slaves. The danger of the future is that man may become robots.'

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Свинчук А. А., аспірант кафедри менеджменту ДВНЗ «Київський національний економічний університет ім.В.Гетьмана» nsvynchuk@gmail.com

# ОСНОВНІ ПЕРЕПОНИ НА ШЛЯХУ СТВОРЕННЯ ТА РОЗВИТКУ СОЦІАЛЬНИХ ПІДПРИЄМСТВ

АНАТОЦІЯ. Визначено основні групи перепон розвитку та створення соціальних підприємств, що, в свою чергу, негативно впливає на