Enhancing business sustainability: improving business policy’s methodology by managerial principles’ development

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Abstract

Leadership has been subject to so many studies examining the high performing organizations in literature. Besides leadership style, the approach changing the notion of management is considered in the article. It includes the non-traditional tools of the business policy formation which are based on sustainable business construction. Maintaining the given level of stability is accomplished at the expense of self-organized space. It is created in the course of transforming the ideology of control into the efficient management principles. The efficiency of forming these principles is checked up in the frames of the complex procedure. The development of the procedure is accomplished on the base of the combination of the scientific and applied investigations. The performance of the procedure in frames of the known supplement is tested using the example of the functioning enterprise. The obtained results prove the stability of the constructed business. The results are supported by the author’s investigations as well as by foundations of papers of P.Senge, S.Cammings, H Mintzberg, E.Deming, S.Beer, G.P. Schedrovitsky, T.Peters, R.Ascoff, B.G. Litvak and others.

Keywords: Notion, Functions of Control, Space, Rules, Problems, Adaptation

1. Introduction

At present, the management policy envisages the development of strategies (Mintzberg, 2004). It is quite obvious that strategies efficiency is rather low (Cokins). According to Kaplan and Norton only 10% of the development strategies are realized in practice (Kaplan, Norton). The cited statistics concerns only successful enterprises. In reality, the things are becoming worse (Senge). The low level of realization is cased by the inability of managers to carry out necessary tasks (Cummings). This is connected as a rule, with the absence of the distinct management instructions (Prigozhin). The blurred instructions (Litvak), the absence of unity between separate business positions lead to the situation when the developers of various strategies are transforming the integral management into narrow-specialized one (Doyle), the result being the translation from policy to strategy (Learned, Christensen, Andrews & Guth). The strategic management includes a number of heterogeneous strategies (Ansoff). We should remember that the

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uniformity of strategies does not create the common reconstruction of the enterprise management (Neave). The fact that strategies are aimed at the reduction of uncertainty at the expense of the simplification of reality is badly influencing the enterprise stability (De Gues). The application of the exact analysis methods considerably complicates the problem (Kets de Vris). In case of widening the borders of certainty by means of the approximate formalization the taken decisions prove to be incorrect (Mandelbrot).

The problem can be solved through the total reproduction of the organizational environment. Its appearance is caused by transformation the business ideology into management principles (Kopitov, 2010). Such environment is the foundation for constructing the enterprise business policy. The efficiency of the business-oriented policy is determined by the usefulness of the constructed principles (Peters). The ability to manage the enterprise is used as the measure of performance (Ackoff, Emery). Thus, the heart of the stable business development is the policy of management (Beer) and its formation depends on the management principles.

In this connection, the main objective of the article is to enhance the business sustainability at the expense of the development of the enterprise business policy. Such development should provide the qualitative certainty and integrity of the chosen principles. Besides, the integrity and interconnection of these principles is confirmed by the criteria of the reasonable actions. In this context the consequences of sudden affects should not harmfully influence the ability to manage, thus, the invariable managerial principles can lead to successful business policy.

The success of the enterprise external policy is provided by the manager’s actions inside the enterprise. The main prerequisite of such success is the stable development of the enterprise in the medium-term perspective. The provision of the enterprise stability depends on the managerial staff ability to react to the external changes (Christensen), that, in its turn, reflects the proficiency of the business policy. The estimation of the proficiency is performed on the base of the enterprise functioning management algorithms being stable to changes. The algorithms efficiency is created during their approbation based on experience of the functioning enterprise.

2. Changes of the Conception at the Expense of Breaking the Traditional Management Stereotypes

The efficient management (Mintzberg, 2009) is carried on in the frames of the developed business policy. These frames are determined by constructing special organizational environment being the result of the compatibility between the practical instructions to actions and the managerial principles (Neave). These principles should be clear, characterize managerial activity and reflect the interests of different participants. The principles are to be formed on base of the reliable information. The information is obtained with the help of the well-founded coordinating instruments. Their great advantage lies in using the methodologies prohibiting the data manipulation and including the divisions which cannot be described numerically (Kopitov, 2012b). For example, the technology of the work on the semantic problems with different formulations belong to them. The potential participants should agree to these formulations and as a result, the conditions for the enterprise stable functioning are created on the basis of the managerial principles (Kopitov, 2009). Such conditions help the enterprise to move in the direction of the interrupted qualitative improvement and react to variable demands of the business participants. In the course of developing principles the approach to management is changed. Table 1 includes the prerequisites reflecting the change in the enumerated prerequisites being revealed in the frames of the suggested approach to the management principles formation.

<table>
<thead>
<tr>
<th>Changes Category</th>
<th>Old Conception</th>
<th>New Conception</th>
<th>Reason</th>
</tr>
</thead>
<tbody>
<tr>
<td>Management</td>
<td>Arbitrary Decisions Manipulating</td>
<td>Best Decisions Theatre</td>
<td>Methodological Position Change</td>
</tr>
<tr>
<td>Management Style</td>
<td>Combination of Art Practice and Science</td>
<td>Practice Embedding in Art</td>
<td>Changes in the Management Formation</td>
</tr>
<tr>
<td>Thinking</td>
<td>Mental Images</td>
<td>Operational Definitions</td>
<td>Integral Reproduction of the Problem on the Base of the Humanitarian Arguments</td>
</tr>
<tr>
<td>Category Problems</td>
<td>Time Perspective</td>
<td>Belonging to the System</td>
<td>Changes of the Approach to the Problems of the Non-System Character in the Course of Studying the Variations Nature</td>
</tr>
<tr>
<td>Classification</td>
<td>Supporting the Given Level of the Liquidity in the Survival Conditions</td>
<td>Supporting the Given Level of the Liquidity in the Functioning Conditions</td>
<td>Removal of the Problems of the Non-System Character</td>
</tr>
<tr>
<td>General Aim</td>
<td>Management Style</td>
<td>Management Ideology</td>
<td>Reproduction of the Management Integral Property on the Base of the Economically Applied and Practically Realized Approach</td>
</tr>
<tr>
<td>Principles Transformation Source</td>
<td>Organizational Environment</td>
<td>Organizational Space</td>
<td>Change of the Integral Management Property through the</td>
</tr>
</tbody>
</table>
The suggested approach is based on the use of the methodology of improving the searching processes as well as on the principles definition and formulation (Kopitov, 2010). Their formation is connected with the investigation of the actions of the supposed consequences. Such consequences change the existing conception of management. The change of conceptions is directed to the construction of the business policy. Its necessity is caused by the absence of the checked up management technique. The arrangement of technique is accomplished in the course of the management activities transformation. These transformations are performed on the base of the unchangeable management principles. The estimations of the current management processes with the account of their unrealized opportunities is performed by means of these principles.

2. Scheme of Business Policy of Managing the Enterprise Functioning

The enterprise business policy characterizes the organization of the managing activities in case of constant formulated management principles. The suggestion on the acception of the efficient principles allow to reach the integral management of the enterprise stable functioning. Such management is aimed at the transformation of the strategic control into the management art. We should focus our attention on the synthesis of the approached strategies. In this connection the principles become the “so-called” management language and by means of them the modern science of control acts in the vanguard of management. The exact analysis is substituted by the uncertain management. More over the intertwining of practice into art of the management takes place. As a result, the new integration causes the increased attention to the management science. It is quite obvious that the principles are becoming the heart of management. On their base the separate organizational elements are transformed into integrated unity. In this case the administrator needs not the analysis of separate constituent parts, but the estimation of their contribution to synthesis. The solution of this complicated problem is based on managing the revealed interconnections between elements. For this purpose the instructions reflecting the correct application of principles should be developed. The use of checked up instructions allows the management to influence the market, but not to adapt to its demands. This is achieved thanks to the fact that the principles play the role of some methodological framework (Kopitov, 2012a); due to this framework the inter-disciplinary investigations are carried out successfully. Their results reveal for management the opportunities in the direction of the synthesis of natural sciences and humanities increasing the quality of enterprise management (Schedrovitsky). The growth of the management quality is caused by the realization of the management functions.

In the frame of this work the four-staged procedure of the formation of the management principles was developed, see Fig. 1.

This procedure is presented in the form of 5 pentagrams. The external pentagram consists of 5 interconnected triangles. Each of these triangles acts as a methodological platform of the principles development. Their sides symbolize the directions of the investigation and the bases reflect the types of activity. Inside of the external pentagram composed of the triangles bases there are 4 internal pentagrams. In the scheme they are presented in the form of the dotted lines of pointers. The internal pentagram is presented as a closed cycle, characterizing the main stage of the procedure. The accomplishment of each stage is connected with the realization of actions. The cycle consists of 5 actions and their performance takes place in the frames of the definite type of activity. The types of activity are presented by capital letters, but the actions – by the inclined small letters. Every action is carried out in the course of the definite stage of investigation. The name of the phase is placed in the rectangle. The combination of 4
stages, placed parallely on, one of the sides of the external triangle, characterize the direction of the investigation. The names of the directions are presented in the oval. The developed 4-stage procedure is used for checking up the correctness of the existing principles and the formation of new ones. In the frames of such procedure the agreement between the 20 phases of the investigation and 20 phases of activity is accomplished. The agreement is provided in the course of the cyclic management of processes by means of using the balanced complex of the operational definitions. With their help the meaning of principles is revealed by means of notions. Further on, they are transformed into the concrete actions.

Fig.1. Detailed Scheme of the Management Principles Formation Procedure

Thus, taking into consideration the formed principles, we can develop the business policy on the level of the management functions, but not on the level of business functions (Barnard). This fact allows to accomplish the management in the real time on the base of the enterprise standards. The availability of these standards provides the enterprise functioning, but not the creation of conditions for achieving aims. In this context the comprehension of the integrated management changes the essence of principles. They are worked out not for making decisions, but for developing the manager’s abilities. The process of management should not envisage the presence of administration. As
As a result, the business policy is developed not for the administration, but for the direction of the manager’s actions. The availability of exact and definite information enables such significant transformation and non-manipulating decisions are taken on the basis of this information. The increased manager’s confidence strengthens the correctness of taken decisions, their personal and professional growth being provided through the integral comprehension of reality. Managers are starting to possess the abilities to act under complicated conditions and to fulfill complex tasks. The rational behaviour, determining the directions of the business policy, is gradually forced out by the systematic thinking. The organizational conformities are revealed on the basis of systematic thinking by means of the management principles. Following these principles demands the construction of own facilities, but not the imitation of the competitors’ technologies. Such means are developed taking into account the own demands. The way by which management technologies is developing is chosen from the reality. It is quite obvious that policy of the separately taken enterprise reveals the social problems, this being achieved is the course of the efficient formation of the interpersonal communication skills. Such skills should promote the organization of the social-useful activities under the conditions of constant changes (Duck).

Taking into consideration the above-mentioned circumstances, the prerequisites for constructing the business policy on the basis of the management principles were found. Figure 2 presents the scheme of developing such policy.

![Business Policy of the Enterprise Formation](image-url)

Fig.2. Business Policy of the Enterprise Formation

On the I-st and II-nd levels of the scheme the inducements of the efficient management by eliminating the considerable disadvantages are determined. At the beginning the preferences are fixed and only then the necessary conditions are created. On the III-rd and the IV-th levels the obligatory knowledge is structured, by means of which the nucleus and tools of the policy are formed. On the conclusive level the acquired knowledge is transformed into the necessary actions.

The key stage of policy characterizes the block of correspondence of the enterprise principles. Such block is distinguished by the triple unbroken line. In case if the criteria of the developed procedure (see Fig. 1) were not accomplished, we should return to the block of correspondence on the level of standards. Further on, the correspondence to the values is estimated etc. When the demanded correspondence is obtained, the transition to the block of substituting monitoring functions by the functions of management takes place. This block is distinguished by the double unbroken line. The adoption of the management conception in the real time demands special knowledge on the
enterprise ability to be controlled. The adapted to control, estimating tools are used on the base of this knowledge. Thus, in the course of estimating the investment attractiveness of efficiency of the controlling activity is reproduced. The obtained conclusions become the foundation for developing the effective ways of organizational transformations.

In spite of the distinguished blocks, the creation of the enterprise business policy can be performed from any scheme location. The main condition for constructing the policy is the integral perception and the readiness of all the preceding stages. For example, for being in the left lower corner of the scheme, it is necessary to possess the business information of approximately following contents. The development of the policy is carried on by the leader of the enterprise. His individual actions are commensurable with the integral controlling enterprise activity. At his disposal there are the management tools of estimating the stable growth. Such tools are constructed taking into consideration the reflexion knowledge. On its foundation the borders of the systematic space of management are widened at the expense of investigating the non-systematic factors. The acceptance of the stability category follows from the definite enterprise demands.

The obtained conclusions become the foundation for developing the effective ways of organizational transformations.

The interpretation of the business policy consists of constructing some organizational space. The borders of this space determine the founded normatives. On the base the founded normatives the final results are determined. The achievement of results is revealed through the stable enterprise functioning (Kopitov, Faingloz). Support of the given policies is obtained in the course of collection, processing and systematization of 30 prominent investigations in the field of forming the controlling principles. Besides, there were considered developed requirements to the principles of management.

### 3. Peculiarities of the Stable to Changes Business Policy

In general, the business policy is the result of the transformation of the controlling ideology into the management principles. In its turn, the controlling ideology consists of the combination of the generalized principles. The activities of the definite enterprise are accomplished by means of these. We should remember that every enterprise possesses its own mentality, individual style and unique management. It means that the action of the general controlling principles should spread to the management principles of the concrete organization. Such suggestion will unlikely convince somebody. But the solution of the task of constructing the efficient business policy demands the identification of the general controlling principles with the particular principles of management. In other words, the principle of the process should be equal to the principle of the system. It means that the adopted management principles of the definite enterprise, being used in the new environment, should be adapted to its demands.

The combination of such actions reflects the integral controlling activity. Its realization comes from the standards of management but not from the demands of the competitive environment. The stable achievement of results witnesses the ability of the enterprise to be controlled, the high level of the latter confirming the expedience and usefulness of the developed business policy.

In course of developing the business policy methodology a number peculiarities were fixed and the knowledge of such peculiarities facilitates the process of constructing the business policy.

### Table 2. General peculiarities of the business policy development

<table>
<thead>
<tr>
<th>Peculiarity</th>
<th>Reason</th>
</tr>
</thead>
<tbody>
<tr>
<td>Recognition of the Business Policy as an Instrument without Future</td>
<td>Low Outcome</td>
</tr>
<tr>
<td>Result of the Transformation of the Controlling Ideology into the Management Principles</td>
<td>Determination of the Control</td>
</tr>
<tr>
<td>Multitude of the Theories of Constructing the Management Principles</td>
<td>Different Composition of Principles</td>
</tr>
<tr>
<td>Universal Nature of the Controlling Principles</td>
<td>Necessary Condition of Principles</td>
</tr>
<tr>
<td>Permanency of the Controlling Principles in Time</td>
<td>Sufficient Condition of Principles</td>
</tr>
<tr>
<td>Different Number of Controlling Principles</td>
<td>Author’s Arguments</td>
</tr>
<tr>
<td>Different Contents of the Hierarchy of the Notion Principles</td>
<td>Different Attributes of Grouping</td>
</tr>
<tr>
<td>Displacement of Notions in Using the Category of “Principle”</td>
<td>Transition of Principles into the Other Category</td>
</tr>
<tr>
<td>Individual Approach to the Incorporation of Requirements of the Enterprise Managers</td>
<td>Peculiarities of Functioning</td>
</tr>
<tr>
<td>General Conditions of the Policy should be Adapted as Particular Ones</td>
<td>Integrity of Principles</td>
</tr>
</tbody>
</table>

**Source:** Own study

Such conditions are obtained in the course of collection, processing and systematization of 30 prominent investigations in the field of forming the controlling principles. Besides, there were considered developed requirements to the principles of management.
The II-nd class presents the distinguished peculiarities (see Table 3). The main difference between the category of “policy” and the category of “strategy” is shown on the foundation of these peculiarities.

Table 3. Distinguished peculiarities of the business policy development

<table>
<thead>
<tr>
<th>Distinguished peculiarity</th>
<th>“Strategy” category</th>
<th>“Policy” category</th>
</tr>
</thead>
<tbody>
<tr>
<td>Source of Transformation</td>
<td>Style</td>
<td>Ideology</td>
</tr>
<tr>
<td>Detalization of the Organizational Orienting Points</td>
<td>Way</td>
<td>Work</td>
</tr>
<tr>
<td>Provision of the Control Organization</td>
<td>Conditions</td>
<td>Conveniences</td>
</tr>
<tr>
<td>Transformation Result</td>
<td>Environment</td>
<td>Space</td>
</tr>
<tr>
<td>Transformation Result Form</td>
<td>Plane</td>
<td>Capacious</td>
</tr>
<tr>
<td>Category Direction</td>
<td>General</td>
<td>Concrete</td>
</tr>
<tr>
<td>Normative</td>
<td>Conditionally</td>
<td>Grounded</td>
</tr>
<tr>
<td>Basis for Making Decisions</td>
<td>Dynamics</td>
<td>Statics</td>
</tr>
<tr>
<td>Characteristics of Managers</td>
<td>Strangers</td>
<td>Toilers</td>
</tr>
<tr>
<td>Appointment of the Stable Achievement</td>
<td>Purpose</td>
<td>Result</td>
</tr>
<tr>
<td>Preference of Estimation</td>
<td>Quantitative</td>
<td>Qualitative</td>
</tr>
<tr>
<td>Associations of the Assembly</td>
<td>Puzzles</td>
<td>Lego</td>
</tr>
<tr>
<td>Characteristics of Complexity</td>
<td>Detailed</td>
<td>Dynamic</td>
</tr>
<tr>
<td>Characteristics of Vision</td>
<td>Double-Sized</td>
<td>Three-Sized</td>
</tr>
<tr>
<td>Mission Status</td>
<td>Formal</td>
<td>Significant</td>
</tr>
<tr>
<td>Source of Requirements</td>
<td>Market</td>
<td>Manager</td>
</tr>
<tr>
<td>Nature of Generalization</td>
<td>Autonomous</td>
<td>Complex</td>
</tr>
<tr>
<td>Level of Consulting Connections</td>
<td>Conformity</td>
<td>Dependence</td>
</tr>
<tr>
<td>Degree of Estimation</td>
<td>Approximate</td>
<td>Exact</td>
</tr>
<tr>
<td>Arguments for Proving</td>
<td>Mathematical</td>
<td>Humanitarian</td>
</tr>
<tr>
<td>Degree of Recognition of the Information Quality</td>
<td>Certainty</td>
<td>Uncertainty</td>
</tr>
</tbody>
</table>

Source: Own study

The knowledge of differences leads to eliminating the usual mistakes, which are encountered during the development of strategies, this fact not allowing to take strategies for policy. The image of the business policy is formed according to the distinctive reasons. On this image foundation a number of the most important moments connected with constructing business policy are taken into consideration.

Generalizing the listed peculiarities we can formulate 4 significant conclusions. Firstly, there are absent scientific tools of constructing enterprise business policy. Secondly, the provision of business stability demands the changes in the management conception. Thirdly, the business policy development should be accomplished on the base of invariable, flexible and universal principles. Fourthly, there are absent scientific tools of forming management principles.

In this connection the grounded management principles constitute the foundation of business policy.

4. Formation of the Management Principles for Providing Stable Business

On the foundation of the considered four-staged procedure the 76-stepped complex programme was developed. The programme includes the result of systemizing the operational information, systematization having been conducted in the course of projecting the principles specifications. As a result, by means of specifications there were revealed and restored the characteristics of the controlling positions. After obtaining such characteristics there were found some important connections and dependences. The integral property of the management principles is reproduced on their foundation. Table 4 shows the main characteristics.

Table 4. Characteristics of the Integral Quality of the Management Principles

<table>
<thead>
<tr>
<th>Position</th>
<th>Qualitative foundation</th>
<th>Quantitative Estimation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hierarchical structure of the principles and rules subordination</td>
<td>Results of systemizing 7 popular methodological controlling platforms.</td>
<td>3 levels</td>
</tr>
<tr>
<td>A number of rules</td>
<td>Prof of using the 3-level functional-structural procedure.</td>
<td>14</td>
</tr>
<tr>
<td>Range of control of principles</td>
<td>Integration of 4 models. 5 formulated properties characterizing hierarchy levels.</td>
<td>5 and 3</td>
</tr>
<tr>
<td>Self-organized field of controllability</td>
<td>Results of the classification of the century history in the field of the controlling principles. Limitation on the number of relations between principles and rules. Results of the systematization of 7 popular methodological platforms.</td>
<td>3 planes; 6 system-forming</td>
</tr>
</tbody>
</table>
Point of the attraction of coordinating mechanisms is becoming the strategical top.
Projection of the forces reflects the borders of knowledge.
Accomplishment of the quality of invariability and flexibility of principles.

Connection of the elements of the self-organized field of the controllability
Strategical top is located on the axis drawn from the centre of the principles plane.
Projection of the forces from the strategical top to points of the principles.
Accomplishment of the invariability and universality quality of the principles.

Measurement of the control policy
Estimation of the sustainable growth rate under the stabilization conditions.
Estimation of the sustainable growth rate under the variable conditions.
Considering the coordination of the purposes.
Neutralization of special reasons on the foundation on the operational determinations mechanism.
Estimation of the total present value competence.
Estimation of the present value separate improvement.

Measurement of the controllability
Neutralization of the reasons of the systematic nature.
Estimation of the total present value competence of the separate improvement.
Estimation of the total present value competence increase.
Acceptance of the efficient improvements on the base of sensitivity calculation.
Estimation of the sustainable growth rate increase.
Estimation of the total present value competence.
Estimation of the investment attractiveness.

Source: Own study

The formation of the management principles is provided at the expense of transforming the controlling knowledge into real actions. This is accomplished on the base of coordinating instruments corresponding to the selected management policy. The stable enterprise functioning is determined by means of them. Its determination approaches the dynamic following the constituent parameter - sustainable growth rate under the variable conditions (SGR\(_r\)) (Kopitov, 2006):

\[
SGR_r = \frac{(E - div - mot) \times \left[ S \frac{A}{E} \times \left(1 + \frac{D}{E}\right) \right]}{1 - \frac{P_r}{S} \times \left[ S \frac{A}{E} \times \left(1 + \frac{D}{E}\right) \right]} \times \frac{1}{S_0} - 1
\]

where

- \(E\) - equity to the beginning of the current year;
- \(div\) - dividends paid for the current year;
- \(mot\) - fond of stimulating managers for the current year;
- \(S\) - planned asset management ratio;
- \(A\) - planned financial leverage;
- \(D\) - planned margin sales;
- \(P_r\) - debt to the beginning of the current year;
- \(P_r\) - increase of retained earnings for the current year;
- \(S_0\) - sales for the current year.

Sustainable functioning of the enterprise is provided by constructing the efficient business policy. During its creation the management principles are acting as the main resources of increasing the enterprise controllability. Considering the non-material nature of forming the management principles the competence value performs as a quantitative measure (Andriessen, Tissen). The total present value competence is calculated on the base of the corrected Gordon’s model under conditions of the sustainable development (PV\(_{TC}\)):

\[
PV_{TC} = \frac{FV_N \times (1 + q_K)}{\left[ \left( d_A - L \times t_s \times d_D \times \frac{1 + d_A}{1 + d_D} \right) - q_K \right] \times (1 + d_A)^N} \times W_{NM}
\]
The value estimation allows to judge about the strategical steps of improvements, put forward on the base of proved expectations (Copeland, Dolgoff).

Commensuration of results takes place in relation to the logically chosen reduction base. Such base corresponds to the priority variant of the management policy. Besides, the fact of accepting the improvement is determined, taking into consideration the suggested losses. The number of losses is commensurated with the value of consequences, originated because of the unrealized improvements. In the general form, their finding leads to the determination of the negative spread, where the internal return rate \((IRR^p)\) does not exceed the rate of discount of the main activity \(d_A\):

\[
(IRR^p - d_A) < 0
\]

The expected results are determined in context of the compatibility of the organized space with the manager’s actions. The realization of the compatibility in practice is expressed in constructing the sustainable business

The sustainability business is determined not by its non-defectness at the expense of correspondence to the demands of accesses, but at the expense of decreasing the number of uncertainties, disturbing the improvement of processes.

The task of managers is to work at the improvement of process, supporting them in the sustainable condition. Estimation of certainty helps to determine the corridor of the accessible variability of the parameters of the controllability. The determination of the corridor demands the conformity of more than 40 parameters (Kopitov, 2006). Their conformity is performed through the proof of the preference of one indicator in comparison to the other.

Besides, there is checked up the balance of the tempo indicators characterizing the capital \((T_C)\), the sales \((T_S)\), the profit \((T_P)\) and the value \((T_V)\), in the frames of the modified golden rule of economics (Kopitov, 2006):

\[
100\% < T_C < T_S < T_P < T_V
\]

It is necessary to determine the borders of the permit before this. These borders are formed with the account of instructions to their measurement. Besides, the rules of meeting the demands for permits from the managers’ side are taken into consideration. The actions on the reproduction of the integral property of the management principles and the tools on measuring the stability constitute the foundation for conception development, which is suitable for constructing business policy.

5. Estimation of Efficiency Connected with the Approach Introduction

The efficiency of approach is determined using the example of the man profile transport enterprise. The obtained results characterize 3 stages of its development. The I-st stage is connected with development of strategy. In the course of its realization a number of disadvantages were revived. Being combined, they demanded the new business policy formation. The organization of such business policy was conducted in the frames of suggested approach. This action required the accomplishment of the II-nd stage, directed to revealing the existing problems, and, certainly, of the III-rd stage, connected with improvement. Table 5 presents the assessment of 3 stages of control, characterizing 3 stages of the enterprise development.

<table>
<thead>
<tr>
<th>Alternative</th>
<th>Stage I. Strategy Development</th>
<th>Stage II. Eliminated of Problems</th>
<th>Stage III. Improvements</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Market Value, Euro</td>
<td>1254000</td>
<td>1968000</td>
<td>2308000</td>
</tr>
<tr>
<td>2. Total Present Value Competence ((PV_{TC})), Euro</td>
<td>609000</td>
<td>1191000</td>
<td>1516000</td>
</tr>
<tr>
<td>3. Investing Attractiveness: ((IRR^p - d_A))</td>
<td>0.38%</td>
<td>2.44%</td>
<td>4.90%</td>
</tr>
<tr>
<td>4. Condition of the Tempo Indicators ((T_V &lt; T_S &lt; T_P &lt; T_C))</td>
<td>2.8%&lt;3.6%&lt;5.4%&lt;8.4%</td>
<td>6.7%&lt;10.6%&lt;13.2%&lt;15.3%</td>
<td>8.1%&lt;12.5%&lt;15.9%&lt;16.9%</td>
</tr>
<tr>
<td>5. Suitable Growth Rate ((SGR_g))</td>
<td>10.74%</td>
<td>11.95%</td>
<td>14.70%</td>
</tr>
</tbody>
</table>

The analysis of estimations characterizes all stages as successful. But the I-st stage, in spite of the high value of \(SGR_g\), adequate value and balance of tempo indicators, doesn’t bring the investment attractiveness to the enterprise control. At the given stage all the investments are commensurable with the presented incomes. On the second stage 96\% increase of the competence value was confirmed. This was caused by neutralization of the revealed organizational problems of the non-systematic origin. This is observed, in case of considerable \(SGR_g\) and accomplishment of 2 conditions shown in the Table 5. In the course of the II-rd stage the improvements which allowed to increase the competence value in relation to the II-nd stage by 27\%. Improvements were caused by 6.2\%
increase of the scope of sales and by 2% growth of profit. The increase of the current value of the total present value competence, in its turn, led to the increase of the business stability.

6. Conclusion

Summing up what has been said, using approach of the managerial principles in the management technology led to increase performance of the sustainable enterprise. Such increase was achieved thanks to efficient business policy. The expedience and suitability of approach in time and space were examined on its base. The Coordinating instruments of the business policy allow to real the hidden organizational pathologies. After their elimination making decisions are information under the conditions of the real functioning. This fact provides the realization of more efficient level of management.

References