



CHARACTERISTICS OF STRATEGIC CHANGES IN THE DEVELOPMENT OF QUALITY INDUSTRIAL BUSINESS

Características das mudanças estratégicas no desenvolvimento de negócios industriais de qualidade

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ABSTRACT

Producing a quality product today is a very complex issue that requires the implementation of a successful managerial business philosophy. This means that a modern and attractive product label with a clear message should be designed. Research shows that industrial business and production activity must form a homogeneous system that cannot function successfully without integration with national and international standards that ensure high quality products and services. How to organize teams for efficient company work is the most important job and task of management. The goal is to implement operational and efficient production based on the incorporation of modern marketing, especially when presenting products to the public, that is, through successful product advertising. Theory and practice show that teams are important for the realization of efficient business processes that provide the necessary quality business variables that are complementary to today's market requirements. Consequently, positive expectations are ensured through feedback. It is effectively possible to find out what the consumer's reactions are to the given variables incorporated in the product itself. According to the research data, an important characteristic of the business operations of today's industries is related to the connection with international trade chains that ensure the creation of space for greater perspectives of each industry, then the creation of greater opportunities for export, for more effective monitoring of changes due to global trends, as well as a greater level of knowledge, abilities and the skill of management to more quickly and efficiently develop the right values, norms, and to more efficiently harmonize its operations with market expectations. Bearing in mind the fact that the economic system at the global level is determined by three important categories: external environment, internal environment and strategic development, it is necessary to implement and improve the development of all relevant factors that make up the structure of important determinants without which today it would not be possible to achieve a quality product, success and profit of the company. That is why it is important to analyze the important characteristics of strategic changes that determine the development of quality in industries, economic changes, management, the influence of social networks, environmental issues, etc. on the market business environment at the national or global level.

Keywords: Industrial business, Strategic efficiency, Characteristics, Management changes, Product quality, Market operations

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CARACTERÍSTICAS DAS MUDANÇAS ESTRATÉGICAS NO DESENVOLVIMENTO DE NEGÓCIOS INDUSTRIAIS DE QUALIDADE

Characteristics of strategic changes in quality industrial business development

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RESUMO

Produzir um produto de qualidade hoje é uma questão muito complexa que requer a implementação de uma filosofia empresarial gerencial de sucesso. Isto significa que deve ser concebido um rótulo de produto moderno e atraente, com uma mensagem clara. A investigação mostra que os negócios industriais e a actividade produtiva devem formar um sistema homogêneo que não pode funcionar com sucesso sem integração com padrões nacionais e internacionais que garantam produtos e serviços de alta qualidade. Como organizar equipes para um trabalho eficiente na empresa é a tarefa e tarefa mais importante da gestão. O objetivo é implementar uma produção operacional e eficiente a partir da incorporação do marketing moderno, principalmente na apresentação dos produtos ao público, ou seja, por meio da publicidade bem-sucedida dos produtos. A teoria e a prática mostram que as equipes são importantes para a realização de processos de negócios eficientes que forneçam as variáveis de negócios de qualidade necessárias e complementares às exigências atuais do mercado. Consequentemente, expectativas positivas são garantidas através do feedback. é efetivamente possível descobrir quais são as reações do consumidor às variáveis incorporadas no próprio produto. Segundo os dados da pesquisa, uma característica importante das operações comerciais das indústrias atuais está relacionada à conexão com cadeias comerciais internacionais que garantem a criação de espaço para maiores perspectivas de cada indústria, depois a criação de maiores oportunidades de exportação, de monitoramento das mudanças decorrentes das tendências globais, bem como um maior nível de conhecimento, habilidades e habilidade de gestão para desenvolver de forma mais rápida e eficiente os valores e normas corretos e harmonizar de forma mais eficiente suas operações com as expectativas do mercado. Tendo presente que o sistema económico a nível global é determinado por três categorias importantes: ambiente externo, ambiente interno e desenvolvimento estratégico, é necessário implementar e melhorar o desenvolvimento de todos os factores relevantes que compõem a estrutura de determinantes importantes. sem o qual hoje não seria possível alcançar um produto de qualidade, sucesso e lucro da empresa. Por isso é importante analisar as características importantes das mudanças estratégicas que determinam o desenvolvimento da qualidade nas indústrias, as mudanças económicas, a gestão, a influência das redes sociais, as questões ambientais, etc. .

Palavras-chave: Negócio industrial, Eficiência estratégica, Características, Mudanças de gestão, Qualidade do produto, Atuação no mercado

INTRODUCTION

Comparative approaches of traditional strategic management and modern business operations of industries in the world show that there are no clearly defined models of success, which means that key elements should be determined on the basis of historical heritage, the influence of work ethics, social and economic development, modern business trends, etc. Important issues of strategic management lie in solving business efficiency, which is a skill and an important characteristic of strategic thinking when building successful strategies. Namely, the process of organizational and managerial business management in today's conditions must successfully incorporate that business strategy that can provide the company with a significant advantage over the competition. In that process, a previous analysis of strategic business is necessary for success, the results of which provide a starting point for strategic thinking.

In order to build successful strategies in the company's business process, three main factors are considered: the corporation, the customer and the competition. In order to achieve success, a strategic manager must ensure superior business and production performance in relation to the competition in the key elements of a particular job. At the same time he needs to be sure that the business strategy fits the strength of the corporation with a clearly defined market. A successful strategy means a better and stronger alignment of the company's strength with the market's demands compared to the competing company. The strategic realities provided by this reflect constant changes in the business world (globalization of markets and technologies, transition from multinational companies to multilocal ones, transition from international to local financing, development of information technologies, etc.)

Management should understand that this does not exclude conflicts, problems and new opportunities in business and production processes. Therefore, a good strategy that should be implemented by the company within the market complex business is to accept the reality on the market and to find the best solutions for the company in such circumstances.

1 STRATEGIC EFFECTIVENESS OF CHANGE MANAGEMENT IN INDUSTRIAL SYSTEMS

Research data show that the effectiveness of strategic changes in industrial practice today can be successfully achieved if the characteristics of two types of changes are considered, namely:

1. Changes imposed by various circumstances both internal and external
2. Changes that are planned to be adopted in order to encourage growth and improve the state of business in the market.

These changes can relate to the business of entrepreneurs, individuals - private sectors and large organizations - enterprises, firms, companies, corporations, etc. That said, change management systems today are being designed to help companies plan change more effectively.

In managerial practice, the most effective management of strategic changes is realized according to the stages of the creation of changes and their implementation.

The concept of successful change - successful change is carried out through activities given in stages (Figure 1), where:

Awareness – awareness of necessary changes - Business need; Desire - the desire for the necessary concept and design of those changes - Concept & design; Knowledge – knowledge needed to implement effective changes - Implementation; Ability - the ability to implement and improve changes; Reinforcement - strengthening of awareness for necessary changes as well as for post-changes; Concept & design; Implementation; Post-implementation.

Figure 1 – Implementation of successful strategic changes by stages in industrial enterprises

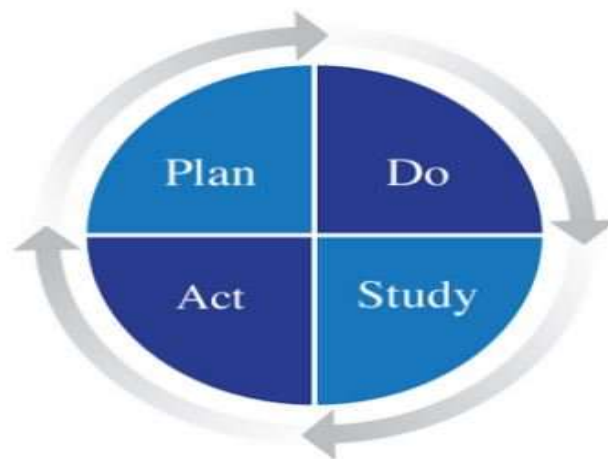


In the global practice of modern business, it is of particular importance that the management implements the business organization by applying the Deming cycle of continuous improvement of the production process (Figure 2) There are 4 important activities that should be carried out continuously, given by the quality circle. Management should implement activities that are of strategic importance in the system in order to increase efficiency, namely:

- Plan - Planning the implementation of necessary changes in business processes.
- Do - Implementation of activities according to the plan of set and accepted changes.
- Study – Study of introduced changes and analysis of obtained improvements and
- Act – activating employees for further process improvements.

Figure 2 - Deming's improvement cycle quality of business

PDSA Cycle



The given model applied in practice by the management and all employees can ensure the improvement of the quality of the industrial business process and the product it self. The process of quality development is determined by the significant characteristics of strategic changes that are implemented for this purpose. In Japanese and global practice, this process is carried out in eight important steps incorporated into the processes of effective change management in industrial business, namely:

1. An industrial organization should constantly implement strategic change: .This means that all relevant forms of market demands for change are included in the process, which means regardless of whether it is:

- implementation of new techniques and technologies,
- process diversification,
- implementing and harmonizing processes with various innovations,
- reorganization to improve customer satisfaction, etc.

Strategic changes are carried out in order to continuously achieve continuous business growth. Effective management through the change management process has the role of contributing to reducing the negative impact of employees in the organization.

2. Given initiatives for successful changes, what will be improved is conceived: Research data show that it is common in the practice of business and manufacturing companies in the world, that in accordance with introduced changes and new events in industrial production processes, management constantly focuses on improving the quality of processes, products and services. In this way, the goal of change in each company is confirmed. The attention of the employees is directed in the direction of continuously clarifying the situations and arriving at the final efficient and optimal solution. This includes identifying and engaging all resources, all employees and individuals, thereby facilitating the process and leading a responsible business.

3. Change plan : Attention should be focused on the *critical element of change planning*. This means *incorporating as necessary a multi-phase process*, which contributes to preventing sudden, unplanned changes. In this way, the evaluation of the project is successfully realized with clear steps and goals, with purposeful incentives, measurements and analysis of the obtained results.

4. The evaluation of the plan of changes to improve the company's operations is an important characteristic of strategic changes for the development and improvement of the quality of industrial operations in practice. It is implemented as an important part of the planning, resource identification and financing process. This may include the infrastructure, equipment and software systems in place, then the tools needed for restructuring, retraining and prioritizing practices. Such a model identifies the collection and analysis of data, as well as clear reporting on progress, which enables better communication, correct and timely distribution of all incentive factors, measurement of success and failure in the practical implementation of the development of that plan, etc.

5. Communication is the key to success which is carried out throughout the entire industrial change management practice. The ability to recognize quality communications management, planning, incorporating and executing a good change management plan depends on communication management skills

It is important to point out here that there are psychological and sociological realities that are characteristic of group cultures. If industrial systems are already involved in these ventures, they have thereby established the necessary skills, knowledge and experience. The provision of clear and open lines of communication by all employees in the industry throughout the entire process of establishing a business and production system is a key element in all modalities of change. If *modern methods* of communication are applied, the management presents the transparency and two-way communication structure, which creates good foundations for removing mistrust, supporting successful work, and changing what does not work.

6. Management of business resistance and risks: In the process of introducing changes in industrial systems, resistance is an integral part of change management. The goal is that it does not jeopardize the success of the high-quality project in the production of quality goods according to the requirements of international standards. The greatest resistance occurs due to fear of the unknown. In practice, there is a certain level of risk associated with change. Knowledge, anticipation and prevention of all preparations for employee resistance by management will contribute to a smooth life cycle of changes.

7. Achieving success: Managers focus on achievements in the change implementation system as an essential part of any project. Managing change through the business life cycle means recognizing the success of teams and individuals. It helps in the process of change management to achieve the quality of business and market operations.

8. State review, revise and continuous improvement of business quality: Based on the results of many research studies in industrial systems, there are no easy changes in practice. Therefore, no matter how difficult and even painful the change is, in reality it is a significant process that needs to be realized and is ongoing.

The change management strategy is adapted throughout the project. Based on effective communication, it is implemented in stages - steps to identify significant features of product quality development and to remove barricades. The basis is that in every process in the system there is a need for resources and data - information. In order for the process to

be successful and of high quality, it is necessary to commit to measuring and analyzing the obtained data of the state of business after the implemented changes.

2 MANAGERIAL CHALLENGES IN MANAGING CHANGES IN INDUSTRIAL BUSINE

Modern business operations of industries as well as science and practice determine success through realized business challenges of change management. The reason for this is the important determination of the characteristics of two key factors of change that should be implemented:

- Through realistic consumer expectations and competition in the global economy and
- Through the achieved level of knowledge about organizational changes in development.

The biggest problem with change management, as research data shows, is created by employees.

The solution is seen in the more effective involvement of people in modern business processes in order to join the early phase of the implementation of the change process and their adaptation to the conditions for improvement, which is of key importance for success. This includes detailed planning, then buy-in, processes, resources, communication and constant evaluation of the process of implemented market changes.

3 TOOLS FOR EFFECTIVE CHANGE

Research shows that changes are introduced in business if adequate tools are already prepared for the development of those changes. Application of change management tools in industrial business is performed on the basis of constant development and management internally, by the change management team, or participants of the change management process from the environment - consultants, customers and others. For example, the product management team develops a tool for effective change, i.e. product map that includes:

1. Product or business specification.
2. Readiness assessment, training and educational sessions.
3. Public and stakeholders for feedback.
4. Measurement and analysis.
5. Managing resistance to change.
6. Continuous improvement plan, etc.

In modern business, strategic changes aim to take care of quality business that includes a large number of internal and external factors. For example, the state of operations of small and medium-sized enterprises in the world indicates that business and production systems should incorporate EU requirements and standards, circular economy, regional trade, increased costs and value, etc. .

To implement effective business system development measures according to world standards, it is necessary to find the *right starting points for the performance measurement* scale of improvement. The goal is to carry out analyzes and determine the improvements achieved, to implement the necessary interventions in business operations in the **value chain** in order to realize plans that contain complex changes.

In any economic system, in which a large number of interconnected elements are in circulation, some of these factors may limit the success of them. Then the management's reaction to this type of problem should be manifested through determining the interdependence *of factors in the measurement system of process productivity*. Thus, it becomes possible to move all inefficient elements from an unfavorable position to a suitable level of success. In practice, *production transformation plans are used*, which have two significant features:

First - the proposed plans foresee the necessary activity for agile and selective focusing on the key points of the business - production system, where small changes can cause unfavorable changes in the overall success of the business;

Second - the focus is on areas within certain locations, that is, geographical areas or within particularly influential value chains.

The development of the change implementation process has a special importance for management. Monitoring that process enables timely recognition of unexpected events and timely response to eliminate bad factors.

Bearing in mind that today the business world globally is becoming more and more dynamic, so in strategic management there can be consequences of a bad choice of implementing the necessary changes. That is why

organizations are systematically preparing for major organizational changes that must be in line with market developments.

The research of Professor Kotter from the Harvard Business School, who developed a widely accepted approach for managing organizational changes through 4 phases, can still be useful today for the successful strategic management of industries (table 1).

Table 1 - Kotter's model, significant in the modern strategic business of industries

1. Defining the change	Alignment with the scope of the change, expectations, duration and impact on the business.
2. Planning the change	Find out how the change will affect the overall success of the business and accordingly devise an effective strategy for implementing the changes.
3. Implementing the change	Engaging management, employees and other stakeholders in order to successfully implement the change.
4. Maintenance and development of the new state of business after the introduced change	Engagement of leaders and employees to monitor permanent changes.

CONCLUSION

In global issues of importance for strategic change management and in the implementation of significant strategic organizational changes in the industrial business environment, according to research studies in the world there are examples of high success of business systems. The research data of scientists of industrial companies, the *Economist Intelligence Unit*, says that they continue to rise, that is, they strive to become even bigger and more global, if they successfully strategically manage operations in companies in several countries. Namely, tests and analyzes of industrial operations in countries were carried out, risks, etc. were analyzed.

It is useful for research that the premises are represented in these examples, i.e. culturally based assumptions about customer needs, infrastructure, competitive threats and other factors, for the tendency for cross-cultural change and for the successful implementation of change. Globally, it reflects the differentiation of an organization's products or services in one country, which may not be the same in other countries, and the advantages that the organization has in its home market are not easily replicated in other countries' markets. In industrial systems, business in the global market is accompanied by problems in strategic initiatives for cooperation with all employees and clients, from the beginning of initiatives for strategic changes of growth and development, taking into account the future potential for income, profit and quality of market operations. In this way, the organization should build an approach to change that integrates methods and patterns of achieved success with planned future directions.

Today's practice of *Multinational Organizations* is to design solutions for one country that will also be suitable for another country and thus believe that customers abroad will want to behave "like us". For example, foreign products may have significant appeal in some markets based on parameters that are present in the local context. Companies expect the same competitive framework, where the biggest competitive threats may come from companies that are unknown in the country.

The task of *leaders* in global change initiatives is to consider given potential problems and to plan in advance to solve them. In order to avoid problems related to changes, it is necessary to: achieve set strategic goals and to build and develop business partnerships characterized by a mutual program and plan for learning and achieving top business results.

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