Table of Contents

Foreword ................................................................................................................................................ ix
Preface .................................................................................................................................................... xii
Acknowledgment ................................................................................................................................ xvi

Section 1
The Company Dealt with Systemically

Chapter 1
Information in Systems Theory ............................................................................................................ 1
  THEORETICAL APPROACH OF THE “SYSTEM” CONCEPT .............................................................. 1
  USE OF THE ANALYSIS AND SYNTHESIS METHOD IN SYSTEMS THEORY ................................ 5
  MODELLING AND SIMULATING THE SYSTEMS ............................................................................... 7
  AUTOMATIC ADJUSTMENT SYSTEMS ......................................................................................... 8
  AUTOMATIC ADJUSTMENT SYSTEM: MANAGEMENT SYSTEM INTERDEPENDENCE .................. 11
  SYSTEMS MANAGEMENT ............................................................................................................ 13
  INFORMATION AND ITS ROLE IN SYSTEMS MANAGEMENT ..................................................... 14
  SYSTEMIC DISTORTION OF INFORMATION USED IN SYSTEMS MANAGEMENT .................... 15

Chapter 2
The Risk in Systems Management ...................................................................................................... 21
  THEORY OF RISK .......................................................................................................................... 21
  THEORETICAL APPROACH OF MANAGERIAL RISK ................................................................. 23
  MANAGERS’ POSITION TO MANAGERIAL RISK ......................................................................... 25
  INDUSTRIAL RISK ....................................................................................................................... 29

Chapter 3
Use of Systems Theory to Deal with Industrial Companies .............................................................. 34
  ANALYSIS OF COMPANY AS “CYBERNETIC SYSTEM” .............................................................. 34
  PRODUCTION SYSTEM: “THE COMPANY” CYBERNETIC SYSTEM RELATION .......................... 35
  APPLYING THE SYSTEMIC THEORY TO ANALYSE COMPANY’S FUNCTIONS ............................ 37
  CONTEMPORARY THEORIES ON COMPANY’S STRUCTURE ..................................................... 39
  FULL CYCLE OF COMPANIES’ OPERATION ................................................................................. 42
  CONTROLLING THE ACTIVITY OF THE ORGANISATION ........................................................... 45
Chapter 4
Companies’ Operation Environments in a Global Economy .................................................. 50
COMPETITION AND COMPETITORS, ELEMENTS OF COMPANIES’ EXTERNAL ENVIRONMENT ........50
COMPANY’S INTERNAL ENVIRONMENT AND ITS COMPONENTS ........................................... 56
COMPANIES’ AMBIGUOUS OPERATING ENVIRONMENT .................................................... 59
DECISIONAL PROCESS IN COMPANIES OPERATING IN AN AMBIGUOUS ENVIRONMENT .......... 61

Chapter 5
Companies’ Activities in the Current Market Economy ......................................................... 64
MARKET UNDER GLOBALISATION ....................................................................................... 64
COMPETITIVE DEVELOPMENT OF COMPANIES UNDER GLOBAL ECONOMY ...................... 68
COMPANIES’ GROWTH “IN WAVES” UNDER A GLOBALISED ECONOMY ............................. 72
COMPANIES’ INTERNATIONALIZATION UNDER GLOBAL ECONOMY ..................................... 75
COMPANIES’ RATING UNDER THE CURRENT MARKET ECONOMY ..................................... 81
COMMUNICATION MODELS USED IN CURRENT COMPANIES’ MANAGEMENT ...................... 87

Chapter 6
Company Organisation under Current Globalisation ............................................................ 91
STRUCTURAL ORGANISATION ............................................................................................... 91
FACTORS INFLUENCING THE STRUCTURAL ORGANISATION ........................................... 93
ORGANISATIONAL STRUCTURE DESIGN .............................................................................. 99
ORGANISATIONAL STRUCTURE DESIGN: MANAGERIAL COMMUNICATION INTERDEPENDENCE ....100
TYPES OF ORGANISATIONAL STRUCTURES ..................................................................... 103
FORMAL ORGANISATION: INFORMAL ORGANISATION RELATION ...................................... 111
STRATEGY HARMONISATION WITH COMPANIES’ STRUCTURE ............................................. 115

Section 2
Use of Systemic Theory in Strategic Management

Chapter 7
Companies’ Strategies: A Theoretic Approach ................................................................... 119
COMPANIES’ STRATEGIES AND POLICIES ........................................................................ 119
COMPANY MANAGERIAL STRATEGIES ............................................................................. 122
COMPANY STRATEGIES SYSTEM ...................................................................................... 129
STRATEGIC ALTERNATIVES AND THEIR CLASSIFICATION .................................................. 137
EVALUATION AND CONTROL OF STRATEGIES ................................................................ 148
STAKEHOLDERS AND THEIR ROLE IN PREPARING COMPANIES’ STRATEGIES ...................... 152
COMPANY’S SUSTAINABLE DEVELOPMENT STRATEGY ...................................................... 158
# Chapter 8
Considerations on the Current State of Strategic Management .................................................. 166
  * Opinions on the Strategic Management Process Structure .......................................................... 166
  * European Concept of Strategic Management ............................................................................... 170
  * Japanese Management, Existence Form of Strategic Management .............................................. 177
  * Kaizen Strategy in Automotive Industry ...................................................................................... 186
  * Industrial Companies’ Strategies Under Current Globalisation .................................................. 203
  * Strategy as Working Tool of Strategic Management .................................................................. 209
  * Optimisation of Company Strategy ............................................................................................ 215

# Chapter 9
Communication in the Process of Elaborating Strategies on Company Development .................... 219
  * Theoretical Approach of Communication in Industrial Companies ............................................. 219
  * Specificity of Managerial Communication in Companies ............................................................ 224
  * Companies’ Diagnosis: Starting Point in Developing Industrial Companies’ Strategy .............. 225
  * Models Used to Analyse the Industrial Companies’ Strategies Portfolio .................................. 229
  * Development of Romanian Industrial Companies’ Strategies During the Transition Period ........ 234

# Chapter 10
Production Strategies of Companies in Machine Manufacturing Industry ........................................ 240
  * Complexity of Production Process in Machine Manufacturing Industry ..................................... 240
  * Positioning the Industrial Strategy in Regional Development Strategy ....................................... 247
  * Use of Decision Tree to Optimize Production Strategies ............................................................. 251
  * Strategy of Advanced Production Systems .................................................................................. 264
  * Use of Expert Systems to Develop the Production Strategy ......................................................... 285

# Chapter 11
Strategies Used to Improve Industrial Companies’ Production Quality ........................................... 298
  * Strategies in the Production Quality Field .................................................................................. 298
  * Use of Taguchi Method to Improve Production Quality ............................................................... 304
  * Strategies to Improve the Quality of Production Processes in Industrial Companies .................. 317

# Chapter 12
Budgeting Technique of Strategic Management .............................................................................. 328
  * The Fundamentals of Budgeting ................................................................................................... 328
  * Budgeting the Activity of the Industrial Company ....................................................................... 337
  * The Use of Budgets in the Management of the Industrial Company ........................................... 355

# Chapter 13
Use of Budgets to Elaborate the Strategy of Industrial Production Costs ........................................ 363
  * Theoretical Approaches .............................................................................................................. 363
  * The System of Production Costs Budgets ..................................................................................... 366
Chapter 14
Interdependence Relation between Industrial Companies’ Logistics and Commercial Strategies ..... 396

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>INVOLVEMENT OF LOGISTICS IN COMPANY’S COMMERCIAL RELATIONS</td>
<td>396</td>
</tr>
<tr>
<td>IMPACT OF LOGISTICS IN ORGANISING THE MANUFACTURERS – DISTRIBUTORS – CUSTOMERS RELATIONS</td>
<td>399</td>
</tr>
<tr>
<td>LOGISTICS: PILOT OF DISTRIBUTION NETWORKS</td>
<td>401</td>
</tr>
<tr>
<td>IMPROVEMENT OF SERVICE QUALITY AT THE CUSTOMER: CONSEQUENCE OF LOGISTICS</td>
<td>402</td>
</tr>
<tr>
<td>DEFINING THE COMMERCIAL LOGISTICS SYSTEM</td>
<td>404</td>
</tr>
<tr>
<td>DESIGNING AND PLANNING THE COMMERCIAL LOGISTICS SYSTEM</td>
<td>407</td>
</tr>
<tr>
<td>MEANS TO MONITOR COMPANY’S SALES</td>
<td>411</td>
</tr>
<tr>
<td>SYSTEM FOR MONITORING THE PERFORMANCES OF COMPANY’S COMMERCIAL ACTIVITY</td>
<td>415</td>
</tr>
<tr>
<td>LOGISTICS: COMMERCIAL STRATEGIES RELATIONS</td>
<td>420</td>
</tr>
</tbody>
</table>

Compilation of References ........................................................................................................ 425
About the Contributors .................................................................................................................. 432
Index .............................................................................................................................................. 439