

Georgian Technical University



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**Factors Contributing to Managerial Success in Georgian Business Companies
(A Case Study of Rombi, a Geological and Surveying Company)**

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We, the undersigned, confirm that we have reviewed the master's thesis by Tamari Tabatadze entitled "Factors Contributing to Managerial Success in Georgian Business Companies: A Case Study of Rombi, a Geological and Surveying Company".

We recommend that the thesis be submitted to the Examination Committee of the Faculty of Business Technologies at Georgian Technical University for consideration for the master's degree.

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Factors Contributing to Managerial Success in Georgian Business Companies

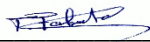
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Factors Contributing to Managerial Success in Georgian Business Companies
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June, 2021

Abstract

This master's thesis, entitled "Factors Contributing to Managerial Success in Georgian Business Companies: A Case Study of Rombi, a Geological and Surveying Company", examines the role of management in the performance and development of business organizations in Georgia.

The study aims to assess the role of management in Georgian organizations and identify managerial approaches that support the achievement of organizational objectives. It also considers the contribution of effective managers and coherent management strategies to business performance and organizational success.

Strategic management is an important organizational capability. Its effective application may support organizational development and contribute to wider economic activity. Improving management practices is therefore relevant to both business performance and broader development.

As competition intensifies, organizations face increasing pressure to recruit and retain qualified managers. Managerial competence is particularly important for organizational coordination, workforce development, and responses to changing market conditions.

A central organizational challenge is the selection and implementation of an appropriate strategy. Strategic managers are responsible for aligning organizational activities with established objectives, the mission, and the vision, thereby supporting operational effectiveness.

Effective management requires attention to organizational objectives and employees' expectations. Aligning these considerations can support employee motivation, operational efficiency, and the achievement of desired outcomes.

The empirical component examines management strengths and weaknesses at Rombi, an engineering and geological services company. The thesis also discusses management models that may support organizational development and goal attainment.

The study identifies challenges affecting organizations in the Georgian engineering services market.

It considers management approaches that may address these challenges, improve productivity, support organizational objectives, and facilitate business development.

The thesis discusses the importance of appropriate strategic management in contemporary business and examines its role in improving organizational effectiveness and competitiveness in Georgia, with particular reference to Rombi.

The study further considers how the effective application of management functions may contribute to organizational development and economic performance.

Drawing on the material examined, the thesis presents strategic management as a significant contributor to business development and assesses its functions and prospects in the context of Rombi.

რეზიუმე

წინამდებარე სამაგისტრო ნაშრომი — „მენეჯერული წარმატების განმსაზღვრელი ფაქტორები საქართველოს ბიზნესკომპანიებში: გეოლოგიური და საამზომველო

კომპანია „რომბის“ მაგალითი“ — იკვლევს მენეჯმენტის როლს ორგანიზაციულ საქმიანობაში.

კვლევის მიზანია საქართველოს ორგანიზაციებში მენეჯმენტის როლის შეფასება და იმ მმართველობითი მიდგომების გამოვლენა, რომლებიც ხელს უწყობს ორგანიზაციული მიზნების მიღწევას. ნაშრომში ასევე განხილულია სტრატეგიული მენეჯმენტის მნიშვნელობა კომპანიის განვითარებისა და კონკურენტუნარიანობისთვის.

სტრატეგიული მენეჯმენტი ორგანიზაციის ერთ-ერთი მნიშვნელოვანი შესაძლებლობაა. მისი ეფექტიანი გამოყენება ხელს უწყობს ორგანიზაციული საქმიანობის გაუმჯობესებას და შეიძლება დადებითად აისახოს ეკონომიკურ განვითარებაზე.

კონკურენციის გაძლიერების პირობებში ორგანიზაციებისთვის სულ უფრო მნიშვნელოვანი ხდება კვალიფიციური მენეჯერების შერჩევა და შენარჩუნება. მმართველობითი კომპეტენცია გავლენას ახდენს თანამშრომელთა საქმიანობის კოორდინაციაზე, მოტივაციაზე და ორგანიზაციის შედეგიანობაზე.

თანამედროვე ორგანიზაციების ერთ-ერთი ძირითადი გამოწვევაა სათანადო სტრატეგიის შერჩევა და განხორციელება. მენეჯერებს ეკისრებათ პასუხისმგებლობა, რომ ორგანიზაციის საქმიანობა შესაბამისობაში იყოს მის მიზნებთან, მისიასა და ხედვასთან. ეს საკითხები განხილულია კომპანია „რომბის“ მაგალითზე.

ეფექტიანი მენეჯმენტი მოითხოვს როგორც ორგანიზაციული მიზნების, ისე თანამშრომელთა საჭიროებების გათვალისწინებას. ამ ორი მიმართულების შეთანხმება შეიძლება ხელს უწყობდეს სამუშაო პროცესების გაუმჯობესებასა და დასახული შედეგების მიღწევას.

შესაბამისად, ორგანიზაციებისთვის მნიშვნელოვანია მენეჯმენტის არსებული პრაქტიკის შეფასება და იმ მიმართულებების გამოვლენა, რომლებიც საჭიროებს გაუმჯობესებას.

კვლევის ემპირიულ ნაწილში განხილულია საინჟინრო-გეოლოგიური კომპანია „რომბის“ მართვის ძლიერი და სუსტი მხარეები. ასევე გაანალიზებულია მენეჯმენტის მიდგომები, რომლებსაც შეუძლიათ ხელი შეუწყონ ორგანიზაციის განვითარებასა და მიზნების მიღწევას.

ნაშრომში წარმოდგენილია საქართველოს საინჟინრო მომსახურების ბაზარზე არსებული ზოგიერთი მმართველობითი გამოწვევა.

განხილულია ორგანიზაციული მართვის ის მიდგომები, რომლებიც შეიძლება გამოყენებულ იქნეს საქმიანობის გასაუმჯობესებლად, პროდუქტიულობის გასაზრდელად და ბიზნესის განვითარებისთვის.

ნაშრომი ხაზს უსვამს სტრატეგიული მენეჯმენტის მნიშვნელობას თანამედროვე ბიზნესგარემოში და განიხილავს მის როლს კომპანია „რომბის“ ორგანიზაციული მიზნების მიღწევაში.

განსაკუთრებული ყურადღება ეთმობა იმას, თუ როგორ შეიძლება მენეჯმენტის ფუნქციების სათანადო გამოყენებამ ხელი შეუწყოს ორგანიზაციის ეკონომიკურ საქმიანობას.

შეჯამებულია მენეჯმენტის ძირითადი ფუნქციები და განხილულია მათი გამოყენების შესაძლებლობები კომპანია „რომბის“ საქმიანობაში.

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Dedicated to myself and the Managers of the Georgian Business Companies.

June 2021

I would like to express my sincere gratitude to Professor I. Iashvili and Professor G. Baghaturia, as well as to everyone who contributed to the completion of this thesis.

Introduction

Management is a central function of business organizations, encompassing the coordination of people, resources, and activities to achieve organizational objectives.

Managers play a central role in setting organizational objectives, coordinating resources, and guiding implementation.

Managers influence organizational performance through strategic decision-making, leadership, communication, and the effective allocation of resources. Rather than relying exclusively on formal authority, effective managers work with employees to identify problems, develop solutions, and respond to changing business conditions.

This thesis examines the implications of effective and ineffective management practices for engineering and geological service organizations. It also considers management approaches that may support organizational development and the achievement of business objectives.

The research explores management challenges in Georgia's geological and surveying services market and considers approaches that could improve employee productivity and organizational performance.

In addition to examining the role of managerial competence in contemporary business, the thesis discusses selected management practices in Georgia's engineering and geological services sector, with particular attention to private-sector organizations.

Against the background of a changing business environment, the study considers the potential contribution of strategic management to fair working conditions and the retention of qualified employees.

The study also examines how the appropriate use of management functions may support organizational effectiveness and economic activity.

On the basis of the material reviewed and the company case study, the thesis presents management as an important component of business development and considers opportunities for improving managerial practice.

Current State of Research on the Problem

Georgian companies may face challenges related to employee motivation, communication, organizational ethics, and the application of management principles. Effective management requires both technical knowledge and interpersonal competence, including the ability to understand employee needs, respond to problems, and support individual development. These issues provide a basis for examining managerial practice in the selected case study. The availability of appropriately qualified managers in specialized engineering and geological services is another issue considered in this study.

Research Significance

Managers contribute to organizational development by establishing objectives, coordinating activities, and guiding employees. Their effectiveness is therefore relevant to organizational performance and business sustainability.

Engineering and geological services support infrastructure development and economic activity in Georgia. Management practices in this sector may influence service quality, operational reliability, and organizational competitiveness.

High-quality architectural, engineering, and geological services are important for infrastructure development. Providers must respond to client requirements, professional standards, and changing market conditions.

Qualified management is particularly important in engineering, construction, and geological organizations, where operational decisions may have implications for project quality, safety, and organizational outcomes.

Organizational outcomes depend on the coordination of managerial responsibilities across functional areas. Accordingly, cooperation among managers is an important consideration in evaluating organizational effectiveness.

Strategic management may help engineering and geological service providers identify risks, allocate resources, and control costs, while operational management supports employees and coordinates day-to-day activities.

Novelty

The case study considers the use of fixed-wing drones in surveying services. The eBee X, for example, is a fixed-wing surveying platform that can be used to collect data for orthomosaics, topographic maps, digital surface models, and other geospatial outputs.

Such technology may reduce the time and labor required to survey large areas, depending on project conditions and the resources available.

Purpose of the Study

The purpose of this study is to examine the role of strategic management in Georgian geological and engineering service organizations, using Rombi as a case study. The research considers managerial practices, employee motivation, organizational challenges, and the ways in which strategic planning may support business development.

Research subject: Managerial activities in the field of engineering geology.

Research object: Rombi, a geological, engineering, and surveying company.

Research Methods

The study draws on Georgian and international management literature and examines the role of strategic management in business development, with particular reference to geological and engineering services. It combines a review of secondary sources with an empirical examination of Rombi.

The empirical component explores managerial and employee perspectives within Rombi, including motivational factors, opportunities for professional development, and organizational conditions relevant to business performance.

Literature Review

The geologic risks management is a process that requires to follow the tendencies of the new models of technological innovation. At present it becomes necessary to elaborate a specific model for the management of the geologic risks, that is adapted to the peculiarities of the current development of the building and infrastructure systems; and allow the use of the current tools as the GIS, Wombs, Analysis Cost Benefit, etc., for the organization and the control of the knowledge management and final quality of the executed works. To model with the process's management could be an alternative form before this task. Proposing in this occasion a variant to negotiate from this perspective the management of geologic risks in the building and infrastructure processes. Keywords: Model, risks, management, geological hazards, process management, buildings, infrastructures.

Geological risks are part of a broad set of risks that would be encompassed between environmental hazards and grouped into classes according to their origin. The definition of geological risk has been addressed by several authors. One of its early definitions, formulated by the U.S. Geological Survey in 1977, states that geological risk means any geological condition, process or event which represents a potential threat to the health, safety, or welfare of a group of citizens or functions of a community or economy. Geological risks

cannot arise from simple description of the material or natural processes. Not conceive, either, regardless of the purpose for which they can cause on people, on their work or in general on the ecological balance

According to Ayala ([1992](#)), geological hazards are those processes, events or situations that take place in the geological environment and can cause damage or harm to communities or infrastructure that are vulnerable zones occupying a territory. Also understood as a process, situation, or event in the geological, natural, induced or a mix that can generate economic or social harm to any community, and whose prediction, prevention or correction geological criteria are to be employed. Another definition is understood as a circumstance or situation of danger, loss, or damage, social and economic, due to geological condition or a possibility of occurrence of geological process, induced or not.

Hence, to know what kind of events can occur in the future in each region, although not known exactly when and at what level can occur, is an activity of fundamental importance in guiding the development of a region, so that the impact of these events is the minimum possible and do not pose a disruption to the social and economic development of it. Knowing the potential effects and / or losses that may occur in the social and material allows within development plans and investment programs, you can define measures to prevent or mitigate the consequences of future disasters, whether through involvement in the occurrence of the event, if this is possible, or modifying the conditions conducive to its effects occur.

Geological risks are part of a broad set of risks that would be encompassed between environmental hazards and grouped into classes according to their origin. The definition of geological risk has been addressed by several authors. One of its early definitions, formulated by the U.S. Geological Survey in 1977, states that geological risk means any geological condition, process or event which represents a potential threat to the health, safety, or welfare of a group of citizens or functions of a community or economy. Geological risks cannot arise from simple description of the material or natural processes. Not conceive,

either, regardless of the purpose for which they can cause on people, on their work or in general on the ecological balance.

Managers in geological, surveying, engineering, and architectural companies need to consider these risks in collaboration with relevant technical specialists when planning and implementing projects.

Strategic management can be defined as the art and science of formulating, implementing, and evaluating cross-functional decisions that enable an organization to achieve its objectives. as this definition implies, strategic management focuses on integrating management, marketing, finance and accounting, production and operations, research and development, and information systems to achieve organizational success.

the strategic-management process consists of three stages: strategy formulation, strategy implementation, and strategy evaluation. Strategy formulation includes developing a vision and mission, identifying an organization's external opportunities and threats, determining internal strengths and weaknesses, establishing long-term objectives, generating alternative strategies, and choosing strategies to pursue. Strategy-formulation issues include deciding what new businesses to enter, what businesses to abandon, whether to expand operations or diversify, whether to enter international markets, whether to merge or form a joint venture, and how to avoid a hostile takeover.

Because no organization has unlimited resources, strategists must decide which alternative strategies will benefit the firm most. Strategy-formulation decisions commit an organization to specific products, markets, resources, and technologies over an extended period. Strategies determine long-term competitive advantages. For better or worse, strategic decisions have major multifunctional consequences and enduring effects on an organization. top managers

have the best perspective to understand fully the ramifications of strategy-formulation decisions; they have the authority to commit the resources necessary for implementation.

Strategy implementation requires a firm to establish annual objectives, devise policies, motivate employees, and allocate resources so that formulated strategies can be executed. Strategy implementation includes developing a strategy-supportive culture, creating an effective organizational structure, redirecting marketing efforts, preparing budgets, developing, and using information systems, and linking employee compensation to organizational performance. Strategy implementation often is called the “action stage” of strategic management. implementing strategy means mobilizing employees and managers to put formulated strategies into action. Often considered to be the most difficult stage in strategic management, strategy implementation requires personal discipline, commitment, and sacrifice. Successful strategy implementation hinges on managers’ ability to motivate employees, which is more an art than a science. Strategies formulated but not implemented serve no useful purpose. interpersonal skills are especially critical for successful strategy implementation. Strategy-implementation activities affect all employees and managers in an organization. every division and department must decide on answers to questions such as “What must we do to implement our part of the organization’s strategy?” and “How best can we get the job done?” the challenge of implementation is to stimulate managers and employees throughout an organization to work with pride and enthusiasm toward achieving stated objectives. Strategy evaluation is the final stage in strategic management. Managers desperately need to know when strategies are not working well; strategy evaluation is the primary means for obtaining this information. all strategies are subject to future modification because external and internal factors are constantly changing. three fundamental strategy-evaluation activities are (1) reviewing external and internal factors that are the bases for current strategies, (2) measuring performance, and (3) taking corrective actions. Strategy evaluation is needed because success today is no guarantee of success tomorrow! Success always creates new and different problems; complacent organizations experience demise. Formulation, implementation, and evaluation of strategy activities occur at three hierarchical levels in a large organization: corporate, divisional, or strategic business unit, and functional.

By fostering communication and interaction among managers and employees across hierarchical levels, strategic management helps a firm function as a competitive team. Most small businesses and some large businesses do not have divisions or strategic business units; they have only the corporate and functional levels. nevertheless, managers and employees at these two levels should be actively involved in strategic-management activities. Peter Drucker says the prime task of strategic management is thinking through the overall mission of a business: that is, of asking the question, "What is our business?" this leads to the setting of objectives, the development of strategies, and the making of today's decisions for tomorrow's results. this clearly must be done by a part of the organization that can see the entire business; that can balance objectives and the needs of today against the needs of tomorrow; and that can allocate resources of men and money to key results.

Edward Deming once said, "In God we trust. All others bring data." the strategic-management process can be described as an objective, logical, systematic approach for making major decisions in an organization. it attempts to organize qualitative and quantitative information in a way that allows effective decisions to be made under conditions of uncertainty. Yet strategic management is not a pure science that lends itself to a nice, neat, one-two-three approach. Based on past experiences, judgment, and feelings, most people recognize that intuition is essential to making good strategic decisions. intuition is particularly useful for making decisions in situations of great uncertainty or little precedent. it is also helpful when highly interrelated variables exist or when it is necessary to choose from several plausible alternatives. Some managers and owners of businesses profess to have extraordinary abilities for using intuition alone in devising brilliant strategies.

although some organizations today may survive and prosper because they have intuitive geniuses managing them, most are not so fortunate. Most organizations can benefit from strategic management, which is based on integrating intuition and analysis in decision making. choosing an intuitive or analytic approach to decision making is not an either-or

proposition. Managers at all levels in an organization inject their intuition and judgment into strategic management analyses. analytical thinking and intuitive thinking complement each other. Operating from the I've-already-made-up-my-mind-do not-bother-me-with-the-facts mode is not management by intuition; it is management by ignorance's Drucker says, "i believe in intuition only if you discipline it. 'Hunch' artists, who make a diagnosis but do not check it out with the facts, are the ones in medicine who kill people, and in management kill businesses as Henderson notes:

the accelerating rate of change today is producing a business world in which customary managerial habits in organizations are increasingly inadequate. experience alone was an adequate guide when changes could be made in small increments. But intuitive and experience-based management philosophies are grossly inadequate when decisions are strategic and have major, irreversible consequences in a sense, the strategic-management process is an attempt to duplicate what goes on in the mind of a brilliant, intuitive person who knows the business and assimilates and integrates that knowledge using analysis to formulate effective strategies.

Strategists are the individuals most responsible for the success or failure of an organization. Strategists have various job titles, such as chief executive officer, president, owner, chair of the board, executive director, chancellor, dean, or entrepreneur. Jay conger, professor of organizational behavior at the London Business School and author of Building Leaders, says, "all strategists have to be chief learning officers. We are in an extended period of change. if our leaders are not highly adaptive and great models during this period, then our companies will not adapt either, because ultimately leadership is about being a role model." Strategists help an organization gather, analyze, and organize information. they track industry and competitive trends, develop forecasting models and scenario analyses, evaluate corporate and divisional performance, spot emerging market opportunities, identify business threats, and develop creative action plans. Strategic planners usually serve in a support or staff role. Usually found in higher levels of management, they typically have considerable authority for decision making in the firm. the CEO is the most visible and critical strategic manager.

One of the most important role also plays an Organization Manager of the companies. According to Henry Fayol, “To manage is to forecast and plan, to organize, to command, & to control”. Whereas Luther Gullick has given a keyword 'POSDCORB' where P stands for Planning, O for Organizing, S for Staffing, D for Directing, Co for Co-ordination, R for reporting & B for Budgeting. But the most widely accepted are functions of management given by KOONTZ and O'DONNEL i.e. Planning, Organizing, Staffing, Directing and Controlling. For theoretical purposes, it may be convenient to separate the function of management but practically these functions are overlapping in nature i.e. they are highly inseparable. Each function blends into the other & each affects the performance of others.

Chapter 1. Contemporary Challenges in strategic management

1.1. The Importance of strategic management

Strategic management can be defined as the art and science of formulating, implementing, and evaluating cross-functional decisions that enable an organization to achieve its objectives. as this definition implies, strategic management focuses on integrating management, marketing, finance and accounting, production and operations, research and development, and information systems to achieve organizational success. the term strategic management in this text is used synonymously with the term strategic planning. the latter term is more often used in the business world, whereas the former is often used in academia. Sometimes the term strategic management is used to refer to strategy formulation, implementation, and evaluation and strategic planning referring only to strategy formulation. the purpose of strategic management is to exploit and create new and different opportunities for tomorrow; long-range planning, in contrast, tries to optimize for tomorrow the trends of today.

A company strategy is a combination of competition methods and business organization aimed at customer satisfaction and achieving organizational goals.

The strategy defines the methods of competition and running the company's business, and the business model ensures the viability of the company based on the profit and cost ratios obtained using this strategy.

Developing strategies is one of the most important functions of management. Among the tasks of management, the most important is to develop long-term strategies, effective methods of competition and business management, as well as to implement strategies to achieve the set results.

Implementation of the best strategy is the best criterion for the quality of management and the most reliable recipe for the success of the company.

A well-thought-out strategic vision prepares the company for the future, sets the direction of development in the shortest possible time and determines the company's intention to take a competitive position

The strategic-management process consists of three stages: strategy formulation, strategy implementation, and strategy evaluation.

Strategy formulation includes developing a vision and mission, identifying an organization's external opportunities and threats, determining internal strengths and weaknesses, establishing long-term objectives, generating alternative strategies, and choosing particular strategies to pursue. Strategy-formulation issues include deciding what new businesses to enter, what businesses to abandon, whether to expand operations or diversify, whether to enter international markets, whether to merge or form a joint venture, and how to avoid a hostile takeover

Strategy implementation requires a firm to establish annual objectives, devise policies, motivate employees, and allocate resources so that formulated strategies can be executed. Strategy implementation includes developing a strategy-supportive culture, creating an effective organizational structure, redirecting marketing efforts, preparing budgets, developing and using information systems, and linking employee compensation to organizational performance.

Strategy implementation is a process by which strategies and policies are put into action through the development of programs, budgets, and procedures. This process might involve changes within the overall culture, structure, and/or management system of the entire organization. Except when such drastic corporatewide changes are needed, however, the implementation of strategy is typically conducted by middle- and lower-level managers, with review by top management. Sometimes referred to as operational planning, strategy implementation often involves day-to-day decisions in resource allocation.

Strategy evaluation is the final stage in strategic management. Managers desperately need to know when particular strategies are not working well; strategy evaluation is the primary means for obtaining this information. All strategies are subject to future modification because external and internal factors are constantly changing.

Strategic management Realizing that even the best strategic plans are worthless without the input and commitment of lower-level managers, top management forms planning groups of managers and key employees at many levels, from various departments and workgroups. They develop and integrate a series of strategic plans aimed at achieving the company's primary objectives. Strategic plans at this point detail the implementation, evaluation, and

control issues. Rather than attempting to perfectly forecast the future, the plans emphasize probable scenarios and contingency strategies. The sophisticated annual five-year strategic plan is replaced with strategic thinking at all levels of the organization throughout the year. Strategic information, previously available only centrally to top management, is available via local area networks and intranets to people throughout the organization. Instead of a large centralized planning staff, internal and external planning consultants are available to help guide group strategy discussions. Although top management may still initiate the strategic planning process, the resulting strategies may come from anywhere in the organization. Planning is typically interactive across levels and is no longer top down. People at all levels are now involved

strategic management This is the process of strategic vision, goal setting, strategy development and implementation by company managers, as well as timely correction of vision, goal strategies and sales.

That's how the manager sees his company's place in the market is a strategic vision. After discovering and developing the firm's mission and strategic vision, the manager conducts a public discussion, thus enabling employees to grasp the essence of the goal and clearly explains the direction of future development.

Goal setting, setting specific goals, helps the company move from a common formulation to developing a separate plan that achieves the goal.

In order for the company to move from the current situation to the desired situation, it is necessary to have more innovative skills, improve its financial performance and business reputation, which requires the mobilization of all forces of the company.

The objective is to support the development and improvement of the company's operations.

The head of the organization, as the captain of the ship, is the most famous and influential executor of the strategy. He is responsible for the development of the company, setting global goals and implementing strategies.

Senior managers also play an important role in this process. In comparative small companies, the strategy is developed and implemented personally by the manager.

Many organizations today develop a vision statement that answers the question “What do we want to become?” Developing a vision statement is often considered the first step in strategic planning, preceding even development of a mission statement. Many vision statements are a single sentence. For example, the vision statement of Stokes eye clinic in Florence, South carolina, is “Our vision is to take care of your vision.” Mission statements are “enduring statements of purpose that distinguish one business from other similar firms. a mission statement identifies the scope of a firm’s operations in product and market terms.”¹⁰ it addresses the basic question that faces all strategists: “What is our business?” a clear mission statement describes the values and priorities of an organization. Developing a mission statement compels strategists to think about the nature and scope of present operations and to assess the potential attractiveness of future markets and activities. a mission statement broadly charts the future direction of an organization. a mission statement is a constant reminder to its employees of why the organization exists and what the founders envisioned when they put their fame and fortune at risk to breathe life into their dreams.

Strategic Manager defines the Strengths, weaknesses, opportunities and threats of the companies and tries to develop these properties.

Objectives can be defined as specific results that an organization seeks to achieve in pursuing its basic mission. Long-term means more than one year. Objectives are essential for organizational success because they provide direction; aid in evaluation; create synergy; reveal priorities; focus coordination; and provide a basis for effective planning, organizing, motivating, and controlling activities. Objectives should be challenging, measurable,

consistent, reasonable, and clear. in a multidimensional firm, objectives should be established for the overall company and for each division.

the strategic-management process can best be studied and applied using this model.

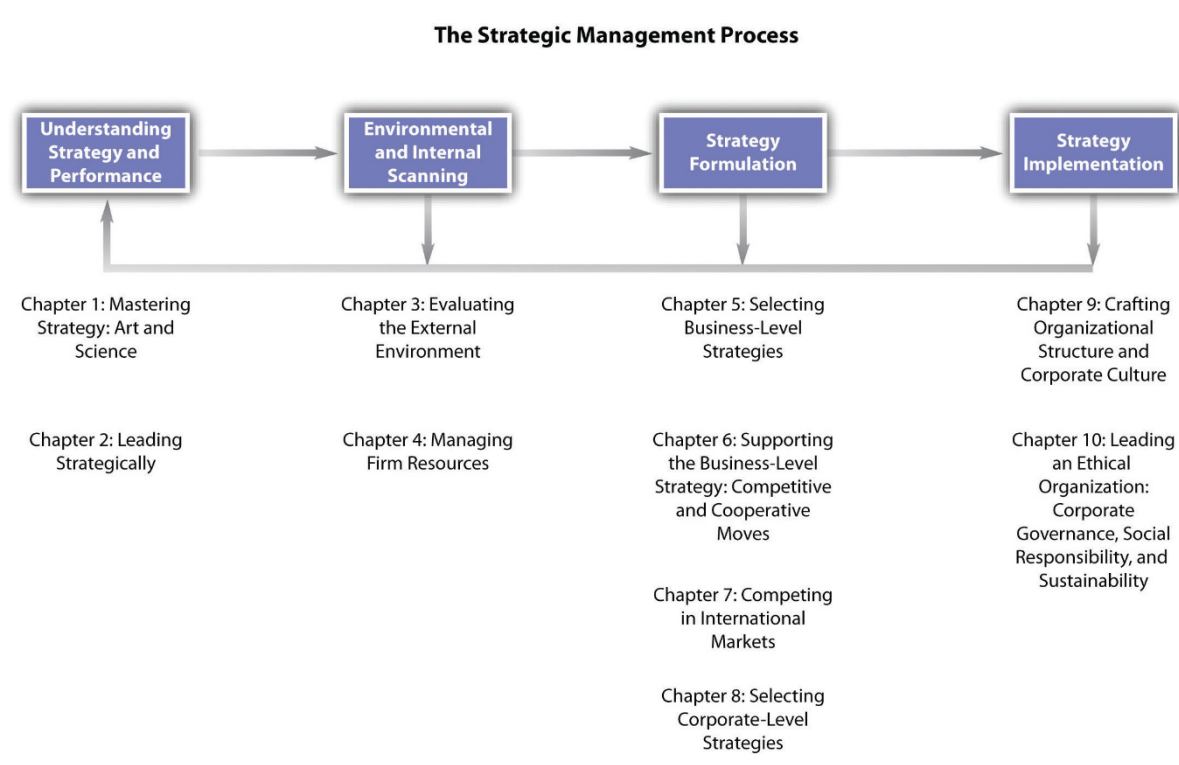


Table 1.1.1 strategic management Process

1.2 Managerial Value of strategic management

Modern management is unthinkable without strategic thinking. The manager is obliged to know the strategic position of the company, to be aware of the impact of changing

conditions, to monitor the internal and external environment of the company. To select the right moment to change the strategy

Experience shows that goal setting is a crucial moment for strategic management

Companies whose leaders set clear goals for each activity and take action to achieve the desired composition are more successful than those who are guided only by hope, intuition and expectation

In order for goals to have managerial value, they must be defined in quantitative and measurable terms. The principle of strategic management is for each company to set both strategic and financial goals.

Strategic goals are essential to focus on competition and building a strong competitive position in a particular area of activity.

Management Styles

Management is a process of leading and studying. “Managers are required to interact with a substantial number of people in the course of a workweek. They host receptions; take clients and customers to dinner; meet with business prospects and partners; conduct hiring and performance interviews; and form alliances, friendships, and personal relationships with many others. Numerous studies have shown that such relationships are the richest source of information for managers because of their immediate and personal nature” (OpenStax Rice University 6100 Main Street MS-375 Houston, Texas 77005)

Management is one of a central component of our Rombi. We have the General Manager, CEO, financial manager, strategic and planning manager, organizational manager, sales, and marketing manager. All these managers make an essential works for the company.

Author Warren Bennis listed several more differences between a manager and a leader in his book “On Becoming a Leader”.

A manager focuses on systems and structures, while a leader focuses on people.

A manager administers, while a leader innovates.

A manager relies on control, while a leader inspires trust.

A manager administers, while a leader innovates.

A manager generally looks at things in the short term, while a leader thinks long term.

Several management styles can be distinguished:

Directive

Authoritative

Affiliative

Participative

Pacesetter

Coaching

In Georgia there is often used directive and authoritative management style, that is not so good for employee and for the company's performance.

Directive Management style means:

The manager takes on the "do as I say" approach. He directs, or even dictates, what is to be done, and employees are expected to follow along, with no questions. They cannot be

innovators and independent thinkers, that is so important for the company's development.

Under a directive management style, supervisors closely monitor employees and their work.

Decision-making authority remains concentrated at the managerial level.

The manager retains final decision-making authority.

This style is easy for managing, cause of this advantage, that a manager has full control on employees and every issue in a company, though it has lots of disadvantages: It kills a

motivation of employees to do more and being innovators. Accordingly reduce an ability of the company's development and success. Furthermore, it decreases an enthusiasm of employees. This will ultimately result in low productivity and poor performance.

The directive style becomes an effective management style when the business or company is suddenly faced with a crisis.

At present, for millennials it is not a relevant style for managing, as millennials always have their opinion and their view about anything, and managers cannot always say to them what and how they have to do. They are very different from the X and Baby boomers' generation.

1.3 Benefits of strategic management

Strategic management emphasizes long-term performance. Many companies can manage short-term bursts of high performance, but only a few can sustain it over a longer period of time. For example, of the original Forbes 100 companies listed in 1917, only 13 have survived to the present day. To be successful in the long-run, companies must not only be able to execute current activities to satisfy an existing market, but they must also adapt those activities to satisfy new and changing markets.⁹ Research reveals that organizations that engage in strategic management generally outperform those that do not.¹⁰ The attainment of an appropriate match, or "fit," between an organization's environment and its strategy, structure, and processes has positive effects on the organization's performance.¹¹ Strategic planning becomes increasingly important as the environment becomes more unstable.¹² For example, studies of the impact of deregulation on the U.S. railroad and trucking industries found that companies that changed their strategies and structures as their environment changed outperformed companies that did not change.¹³ A survey of nearly 50 corporations in a variety of countries and industries found the three most highly rated benefits of strategic

management to be: Clearer sense of strategic vision for the firm. Sharper focus on what is strategically important. Improved understanding of a rapidly changing environment

Strategic management allows an organization to be more proactive than reactive in shaping its own future; it allows an organization to initiate and influence (rather than just respond to) activities—and thus to exert control over its own destiny. Small business owners, chief executive officers, presidents, and managers of many for-profit and nonprofit organizations have recognized and realized the benefits of strategic management. Historically, the principal benefit of strategic management has been to help organizations formulate better strategies through the use of a more systematic, logical, and rational approach to strategic choice. This certainly continues to be a major benefit of strategic management, but research studies now indicate that the process, rather than the decision or document, is the more important contribution of strategic management

A strategy of a corporation forms a comprehensive master plan that states how the corporation will achieve its mission and objectives. It maximizes competitive advantage and minimizes competitive disadvantage. For example, even though Cadbury Schweppes was a major competitor in confectionary and soft drinks, it was not likely to achieve its challenging objective of significantly increasing its profit margin within four years without making a major change in strategy. Management therefore decided to cut costs by closing 33 factories and reducing staff by 10%. It also made the strategic decision to concentrate on the confectionary business by divesting its less-profitable Dr. Pepper/Snapple soft drinks unit. Management was also considering acquisitions as a means of building on its existing strengths in confectionary by purchasing either Kraft's confectionary unit or the Hershey Company. The typical business firm usually considers three types of strategy: corporate, business, and functional

Chapter 2. The The Management Model of Rombi

2.1 Company Rombi – Modern strategic challenges

An engineering, geological Rombi was founded in 2014. The company has gone through several stages of development and today successfully operates in a competitive market and is currently responding to various challenges despite the difficult economic and pandemic situation in the country, however the company also has many unresolved issues.

The company has two founders whose differing views on certain matters can complicate managerial decision-making.

Initially, Rombi was only a surveying company and included measurement drawings, evacuation plans, cadastral and topographic drawings, but today Rombi offers a wider range of services in surveying as well as geological, architectural, and engineering issues.

Organizational Environments and corporate cultures

Rombi's corporate culture is based on its values and aims.

There are 6 main components for corporate culture: They are vision, values, people, practices, narrative, place.

“A great culture starts with a vision or mission statement. These simple turns of phrase guide a company's values and provide it with purpose. That purpose, in turn, orients all decision employees make.

A company's values are the core of its culture. While a vision articulates a company's purpose, values offer a set of guidelines on the behaviors and mindsets needed to achieve that vision”(John Coleman /Best and Brightest Young Business Leaders)

Satisfying our customers is most important and valuable thing in the company, Rombi. cares for the customer satisfaction and tries to do the job with high responsibility, quality and result in a relevant period of time. Its experience is also the reason for the customer satisfaction.

Rombi has three managers, and they have agreements to each other. They make the main decisions and conclusions for the company together.

Rombi has partnerships with different companies also.

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Management Style

Rombi is using a participative management style, were.

a manager listens to everyone.

recognizing that everyone has ideas that should be considered in the company's decisions.

They ask employees what they would like to do and opens the floor for voting.

The manager encourages employee participation in decision-making and other important aspects of management.

The most of employees of Rombi are millennials colleagues and they are doing everything together. They can give choices, tell their views, and can make decisions independently. It is a small team and every member has an equal permission. they listen to each other, deal the problems of the company and its members and care for the business and employees's development.

This manager motivates by recognizing team effort and rewarding employees – and the team – for it.rewarding the employees

This approach has several advantages:

This style encourages cooperation among employees, so they are willing to work together.

They will be better coordinated when it comes to their tasks.

Employees will feel more important, and morale will be high, especially when they are consulted or asked for their opinions and made to take part in the decision-making processes.

It motivates employees, make them creative and productive.

Gives to employees the possibility for development and career growth.

but the participative style also has disadvantages:

The progress of the company may be slow, it is often slow.

This will demand a lot from the manager, since close supervision will be required. The manager must keep his pulse on everything – employees, the tasks at hand, the vision of the organization, and its goals and objectives.

In Georgian organizations we also meet the coaching management style. It is a most popular in a new organizations and startups, but big companies also use them, for e.g.: TBC bank is using coaching, international organizations like PepsiCo, etc.

This type of manager is often known as the “developmental” manager,

The manager has great willingness to help employees and encourage them to further develop their strengths and improve on their weaknesses.

The manager motivates by providing employees and subordinates with opportunities for professional growth and development.

The manager is expected to be an expert and highly experienced, to be credible in performing coaching. She should also have good interpersonal and presentation skills, must be self-confident and have ability to achieve the belief of the people.

This is a great way to develop a strong bond, or a relationship of respect and cooperation between the manager and the subordinates. Subordinates will tend to look at managers as coaches or teachers, and respect them as such.

Employees have a greater tendency to feel proud of their achievements, knowing that they learned it and will grow from it.

disadvantages of coaching style

This creates a high demand for highly skilled and expert managers. Only a manager with a high level of expertise will have enough credibility to perform coaching.

This may promote unhealthy competition among employees, given that they are presented with opportunities for professional development.

Factors Constraining the Company's Performance

As Rombi has 2 founders, and they have different views at the same issues, it makes some understandings in the company often, that holding the company's development and success.

The main problems are:

- working hours

The company often rejects the orders, because of the undesirable working schedule.

- Unstable mode, incorrect distribution of time management
- The company hasn't enough employee, because of the fair of some risks, that attend the development of the company, so this problem also reduces the orders.

the company cannot take the big orders and tenders, that would change and increase the company's financial position and experience.

- Different relationship between the customers.

All these aspects encumbrance the development of the company.

Factors Supporting the Company's Success

Quality of service

Competitive price

Customized terms

Credibility

Satisfied user recommendations

Experience

Qualification level

Due to the specifics of the service, the company offers its customers services with modern, high-precision equipment, which ensures the quality of products and meets market demands.

The company also offers its customers high-quality professional services at a lower price compared to other companies in the market.

The company strives to take into account the requirements of the customer, to create a comfortable environment and to offer a variety of complex services tailored to it in the existing field. The company also has on-site delivery service.

Rombi has been in the measurement, geological and engineering market for 7 years and during these years the company has gained a lot of trust from satisfied customers, which has given it a steady customer.

Significant number of company customers represents the result of an existing satisfied customer recommendation.

The company is headed by individuals who have many years of experience in the existing field and high qualifications, which contributes to the success of Rombi in a competitive market.

This research is very important for the new generation managers. They must know the most popular problems and challenges in their field, that they have chance and ability to be a Good Managers and Leaders. It is not an easy work to be a good leader. Not everyone could that. So, if you want to do that job, you must know so many things about that. Managers need to learn the specificity of their organizations and all the time they must do the surveys in the companies and get any needful information about their employee and organization. Generally, managers must know everything, what do their colleagues in the different services. Managers are responsible for any mistake and problems of their employee, and they are the face of the companies.

Stages of the company development

Rombi has been operating in the engineering market of Georgia since 2014. Initially, the organization offered customers only engineering services, which meant:

Compilation of evacuation and cadastral survey drawings by internal measurement.

In 2016, the company acquired expensive equipment with high technical precision, which enabled the organization to expand and develop the service sector. Since 2016, the organization also offers customers topographic surveying services.

In parallel, the company has added engineering and geological research services and offers customers geological findings. And expertise.

Since 2019, the company has also added architectural services and now offers customers the design and costing of individual apartments.

Since 2021, the company has been carrying out preparatory work to also carry out construction services in the future

2.2 Organizational Structure of Rombi

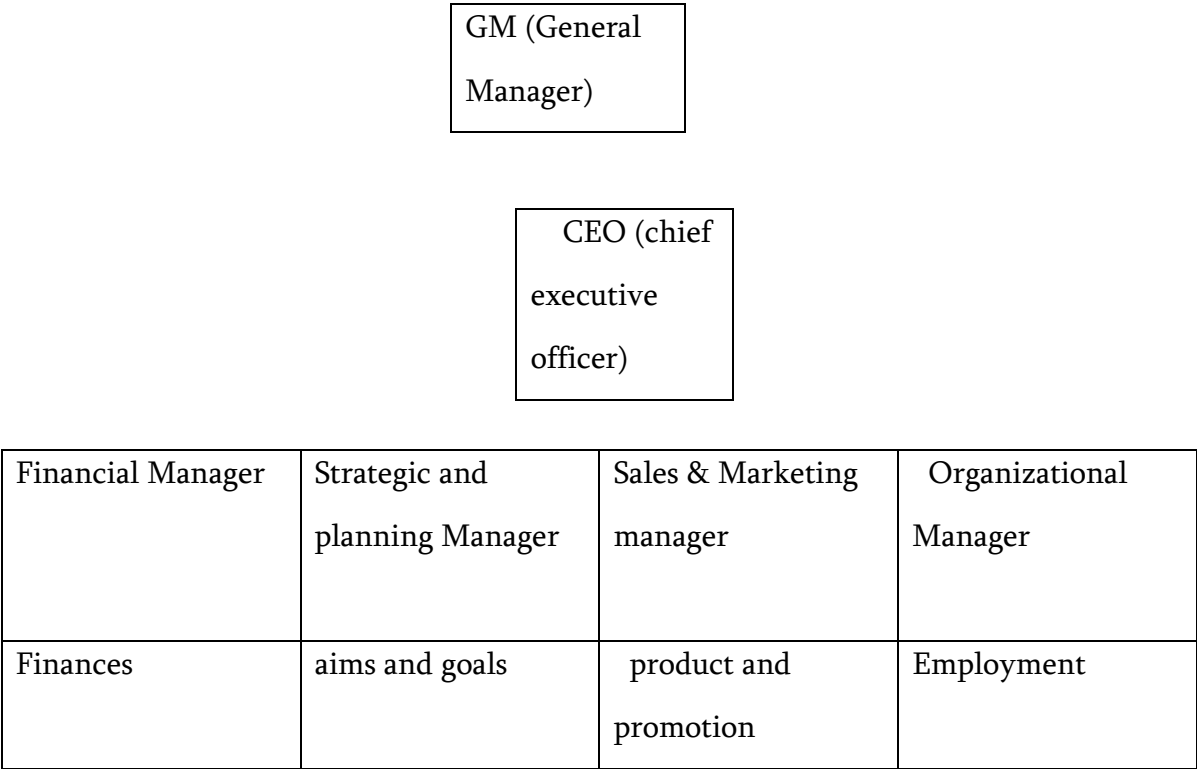


Table 2.2.1 Organizational Structure of Rombi

The functions and the responsibilities of the managers

General Manager (GM) is a person, who is doing all the managerial functions and responsibilities.

expected to improve efficiency and increase profits.

managing staff, overseeing the budget, employing marketing strategies, and many other facets of the business.

hold various titles, such as CEO, branch manager, or operations manager.

CEO like the GM is responsible for doing the team work of all employees, controlling them and give feedback, plans, commissions and getting reports.

Financial Manager is responsible for the financial analysis and accounting.

Produce financial reports, direct investment activities, and develop strategies and plans for the long-term financial goals for the company.

Strategic and planning manager is responsible for the strategic development of the company.

Make goals, aims, values and help the company for achieving the success in an optimal way.

Collaborates with executives and managers to develop long-range, strategic goals for the organization.

Identifies and reviews pricing and market trends; analyzes and applies the information of the market segment.

Monitor's business climate, trends in technology and development.

Leads trials concerning new business initiatives, based on results, makes, recommends, and implements adjustments and modifications.

Performs other related duties as assigned.

Organizational Manager is doing all the organizational works and solves the problems, makes documents and agreements, controlling their times and conditions. Takes part in tenders and analysis the risk factors of an existing tenders.

improve results for an organization.

Define, maintain, and execute the operational plan.

Define, communicate, implement, and update processes.

Define goals, measurements and rewards and regularly provide feedback, recognize, and reward team members.

Report regularly on the assigned organization's performance in meeting goals — to team members, peers, and enterprise leadership.

Implement detailed action plans for the people and projects including the manager.

hiring, reassignment, performance feedback, praise, and promotions.

Communicate regularly about organization's plans, performance, progress, successes, and failures.

Network and collaborate with other managers in the enterprise and represent the assigned organization in meetings within the enterprise.

Model desired behaviors, practice what you preach, roll up your sleeves, get your hands dirty, and lead by example.

Sales and marketing manager is responsible for the market research, sales, products, customer needs, demand, promotion, etc.

Conduct surveys and market research to find the relevant and competitive prices.

Promoting the company's existing brands and introducing new products to the market.

Analyzing budgets, preparing annual budget plans, scheduling expenditures

Researching and developing marketing opportunities and plans, understanding consumer requirements, identifying market trends, and suggesting system improvements to achieve the company's marketing goals.

Gathering, investigating, and summarizing market data and trends to draft reports.

Implementing new sales plans and advertising.

Maintaining relationships with important clients by making regular visits, understanding their needs, and anticipating new marketing opportunities.

Staying current in the industry by attending educational opportunities, conferences, and workshops, reading publications, and maintaining personal and professional networks

The Marketing system of the company and managerial activities

Marketing events:

1. Advertising on social network: FB da Instagram
2. Advertising on Internet sites
3. By e-mail
4. PR events: meetings with potential customers, presentations
5. Distribute flyers through promo girls

Of the existing marketing methods, the most effective for Rombi are advertising on social networks, Internet sites and PR events.

Organizational Management of Rombi

After managers set up a firm's operations by planning strategy, organizing the work and responsibilities, and staffing those operations, they turn their attention to everyday activities. This ongoing behavior of individual people carrying out various daily tasks enables the firm to accomplish its objectives. Getting those people to perform their jobs efficiently and effectively is at the heart of the manager's challenge (Helen dereskey 351pg.)

Motivation is a function of the context of a person's work and personal life. That context is greatly influenced by cultural variables, which affect the attitudes and behaviors of individuals (and groups) on the job. In applying Hofstede's research on the cultural dimensions of individualism—uncertainty avoidance, masculinity, and power distance, for example—we can make some generalized assumptions about motivation, such as the following:

- High uncertainty avoidance suggests the need for job security, whereas people with low uncertainty avoidance would probably be motivated by more risky opportunities for variety and fast-track advancement.
- High power distance suggests motivators in the

relationship between subordinates and a boss, whereas low power distance implies that people would be more motivated by teamwork and relations with peers. permeates High individualism suggests people would be motivated by opportunities for individual advancement and autonomy; collectivism (low individualism) suggests that motivation will more likely work through appeals to group goals and support. • High masculinity suggests that most people would be more comfortable with the traditional division of work and roles; in a more feminine culture, the boundaries could be looser, motivating people through more flexible roles and work networks. More recent research, based on Hofstede's dimensions of individualism and masculinity, was conducted by Gelada, Dobson, and Auer. They compared what 50,000 workers in a global pharmaceutical company in 29 nations valued most in their jobs and how that positively impacted their company. The results, based on Hofstede's individualism dimension, showed that the higher the level of national individualism (such as is typical in the United States), the more employees valued their autonomy, opportunities for personal achievements, and a work–life balance. This compared with employees in the more collectivistic countries (such as in China and Singapore), who apparently are more motivated when they felt that their jobs fully utilized their skills, and when they felt that the company was providing them with good working conditions, fringe benefits, and training. 14 The findings based on the masculinity dimension were that the higher the level of “masculinity” (such as in Japan and Mexico), the more motivated employees were by being given opportunities for high pay, personal accomplishment, and job advancement. This compared with those from more “feminine” cultures (such as in Denmark and Sweden), who claimed that factors related to their relationships with their managers and co-workers provided more commitment to the organization. The authors conclude that: These findings show that the sources of organizational commitment are culturally conditioned and that their effects are predictable from Hofstede's value dimensions.

This research is very important for the new generation managers. They must know the most popular problems and challenges in their field, that they have chance and ability to be a Good Managers and Leaders. It is not an easy work to be a good leader. Not everyone could do that. So, if you want to do that job, you must know so many things about that. Managers need to learn the specificity of their organizations and all the time they must do the surveys in the companies and get any needful information about their employee and organization. Generally, managers must know everything, what do their colleagues in the different services. Managers are responsible for any mistake and problems of their employee, and they are the face of the companies.

Successful Managers must know all the factors, that motivate their employee. Motivational Factors are individual for everyone.

Maslow's theory of hierarchy of needs. We can say with certainty that the most famous theory of motivation is the hierarchy of needs of Abraham Maslow. Maslow hypothesized that there are five hierarchical levels of needs in every human being:

1. Physiological: hunger, sleep, shelter, and other physiological needs.
2. Safety: Needs for protection and safety from physical and emotional harm.
3. Social: Love, belonging, acceptance, friendship, and other social needs.
4. Respect: Internal factors of respect - self-respect, independence, and success; Factors of external respect - status, recognition and attention.
5. Self-realization: Striving for what a person is capable of, development, capacity building and other needs for self-realization.

2.3 Strategic management of Rombi

Definition of a strategy conception. LTD. RHOMBI is a small engineering and measuring company. We offer to the customers high quality and relevant price service. We are doing all measuring product such as:

- ✓ Internal Measuring drawing
- ✓ Preparing Cadaster plans
- ✓ Topography plans
- ✓ Marking of the lands and building's borders
- ✓ Evacuation plans
- ✓ Geological conclusions
- ✓ Architectural projects
 - **Who, what, How, why should be satisfied?**
 - **Who**-Customers (Architectural, building companies, legal and physical persons), employees, founders.
 - **what**-market demand, quality, values, objectives
 - **how**-with a good strategic plan
 - **why**-to be a successful company

Definition of a mission. To promote urban development and a real estate market in accordance with the European standards.

- **vision** is to make our business clearer, transparent and reliable as it must be for brand company.
- **value** is to offer to the customers high quality service with relevant prices, to support the needs of customers, follow to the business ethics and ecological requirements.
- **Slogan – Calm life for the future**

Determination of the goals (objectives, aims, targets)

Main objectives for the company are: Customer Creation and profit.

To be a successful company, you must have a loyal customer uniquely. Its very important to creat a customer and then maintanance it. For Rombi, one of the most important goal is to make the profit.

Rombi has as a strategic as a social objectives, such as:

Strategic Objectives:

- To become a brand company -
- to take a place to the international market - statistical data, how many orders we have from international customers) strategy -
- Improving the qualification and knowledgeable
- of employees for the tasks of their development. – exams regular (before you must organize internship, training)

Social Objectives:

- to be competitive and profitable
- to reduce operational costs
- To support mandatory level of producing costs

Analysis of a company's situation

SWOT analysis

Table 2.3.1 Swot Analysis of Rombi

STRENGTH	WEAKNESS
experience inventory knowledge quality price service qualification competitiveness	Essential place for an office qualification team strategic plan financial resources few contacts marketing and promotion market research time management less objective creative active presentative effectiveness
OPPORTUNITIES	THREATS
making a brand company becoming well known taking place at an international market implementing an investment increasing customers developing and qualification becoming tradable making geological laboratory starting building activities	bankruptcy competitive reduce customers. reduce income. encumbrance with various environmental conditions

First, to improve the strengths and decrease the weaknesses, need to use and manage the possibilities. To determine the time, experience rightly and planning objectives to achieve the goals and aims. Increase the productivity, for nonwasting time. Managing the working hours, working environment and employees better. Working on their strength and

motivators to improve their opportunities and mitigate weaknesses. To avoid threats, need to decrease expenses and risks for the company.

PESTEL analysis

Political analysis

At present the political situation is not a good in the country, Georgia. It is very unstable and unpredictable, hampers the business environment. The company cannot consider beforehand the risk analysis, planning the short term or long-term objectives. Also, in bad political situation decreases the customer demand, that is equal less developing and less profitable to business. Existing elections, corruptions, bureaucratic environment and nepotism are also the encumbrance factors for our business.

Political factors: Rombi has to take into account

- Government stability/instability
- Corruption level
- Tax policies
- Freedom of press
- Government regulation and deregulation
- Special tariffs
- Political action committees
- Government involvement in trade unions and agreements
- Competition regulation
- Voter participation rates

- Amount of government protests
- Defense expenditures
- Level of government subsidies
- Bilateral relationships
- Import-export regulation/resctrictions
- Trade control
- Lobbying activities
- Size of government budgets

Economical analysis

Economic factors are determinants of a certain economy's performance. Factors include economic growth, exchange rates, inflation rates, interest rates, disposable income of consumers and unemployment rates. These factors may have a direct or indirect long-term impact on a company since it affects the purchasing power of consumers and could possibly change demand/supply models in the economy. Consequently, it also affects the way companies price their products and services.

Consequent of these factors Rombi has to increase the product prices, which also decrease the customer demand.

Economical Factors:

- Growth rate(indirect)

- Interest rate
- Inflation rate
- Exchange rate
- Availability of credit
- Level of disposable income
- Propensity of people to spend
- Federal government budget deficits(indirect)
- Gross domestic product trend(indirect)
- Unemployment trend
- Stock market trends(indirect)
- Price fluctuations

Social analysis

This dimension of the general environment represents the demographic characteristics, norms, customs, and values of the population within which the organization operates. This includes population trends such as the population growth rate, age distribution, income distribution, career attitudes, safety emphasis, health consciousness, lifestyle attitudes and cultural barriers. These factors are especially important for marketers when targeting certain customers. In addition, it also says something about the local workforce and its willingness to work under certain conditions.

Social factors

- Population size and growth rate

- Birth rates
- Death rates
- Number of mariages
- Number of divorces
- Immigration and emigration rates
- Life expectancy rates
- Age distribution(indirect)
- Wealth distribution
- Social classes
- Per capita income
- Family size and structure
- Lifestyles
- Health consciousness
- Average disposable income
- Attitude towards government
- Attitude towards work
- Buying habits
- Ethical concerns(indirect)
- Cultural norms and values(indirect)
- Education level
- Minorities

- Crime levels(indirect)
- Attitudes towards saving
- Attitude towards investing
- Attitudes towards retirement
- Attitudes towards leisure time
- Attitudes towards product quality
- Attitudes towards customer service
- Attitudes towards foreign people

Technological Factors:

These factors pertain to innovations in technology that may affect the operations of the industry and the market favorably or unfavorably. This refers to technology incentives, the level of innovation, automation, research, and development (R&D) activity, technological change, and the amount of technological awareness that a market possesses. These factors may influence decisions to enter or not enter certain industries, to launch or not launch certain products or to outsource production activities abroad. By knowing what is going on technology-wise, you may be able to prevent your company from spending a lot of money on developing a technology that would become obsolete very soon due to disruptive technological changes elsewhere.

Technological factors

- Technology incentives(indirect)

- Automation
- Technological change
- Access to new technology
- Level of innovation
- Technological awareness
- Internet infrastructure
- Communication infrastructure
- Life cycle of technology

Environmental analysis

Environmental factors have come to the forefront only relatively recently. They have become important due to the increasing scarcity of raw materials, pollution targets and carbon footprint targets set by governments. These factors include ecological and environmental aspects such as weather, climate, environmental offsets, and climate change which may especially affect industries such as tourism, farming, agriculture, and insurance. Furthermore, growing awareness of the potential impacts of climate change is affecting how companies operate and the products they offer. This has led to many companies getting more and more involved in practices such as corporate social responsibility (CSR) and sustainability.

Environmental factors

- Weather

- Climate
- Environmental policies
- Climate change
- Pressures from NGO's
- Natural disaster(indirect)
- Recycling standards

Legal analysis

Although these factors may have some overlap with the political factors, they include more specific laws such as discrimination laws, antitrust laws, employment laws, consumer protection laws, copyright and patent laws, and health and safety laws. Companies need to know what is and what is not legal to trade successfully and ethically. If an organization trades globally this becomes especially tricky since each country has its own set of rules and regulations. In addition, you want to be aware of any potential changes in legislation and the impact it may have on your business in the future. Recommended is to have a legal advisor or attorney to help you with these kinds of things.

Legal factors

- Discrimination laws
- Antitrust laws
- Employment laws
- Consumer protection laws
- Copyright and patent laws

- Consumer protection laws
- Data protection laws

Political, Economical and Social factors are impact on the company indirectly. Also, when there is a bad political or social environment in the country, it decreases the market and customer's demand. Environment factors are impact directly. It is difficult to work in the bad weather. There is a bad visibility and contact for the GPS.

Technological factors also impact directly. When the company has new technologies, that are smart and are working fast, employees are doing their work in the less time, with the less expenses of the workability and so the company can perform much more orders in a day.

“NOISE «analysis. These factors are factors, that cannot see and those can direct or indirect impact implementation.

For ex: E.g, corruption may be the encumbrance factor, that the company cannot see directly.

Pandemic (support personnel with...), depression, stress (stress management)

The other analysis (various factors finance, resources, etc.)

Finances, human and material resources are impacted on the business directly.

Rombi does not have enough finances (cash budget) and employee to do more business and be more productive and active.

Crafting a strategy

Definition of a multitude of strategies

financial and strategic objectives:

Earnings growth (with reasonable profit and necessary costs),

Income is increasing every year and costs are reducing, it means that the financial strategies are working.

strategic objectives:

To be a brand company (to do with highest quality, timely, without rejected remarks, using modern technology, respectful and professional personnel, partnership with various international companies)

To operate at the international market -partnership with various international companies

To promote an urban development (by project writing)

At present it is very far from the branding, the company have to hard work to achieve this goal. It must work on its time management, on the quality, market and improve them.

First, Rombi could add employees who could work in the team and then the company could manage and save time for other important strategies. They might be students who wants to get an experience of working.

Then Rombi must do some market research to know the market demand and specific of their business. Rombi is doing it often, but not for the big population.

Rombi must know the prices, services, customers, and everything about, what they are doing and what they want to do.

To take positions at the international market is not easy. Rombi must connect to the international companies and offer its services, but for doing that the company has not enough resources.

For the urban development, Rombi needs the project that will represent the plan of developing and would be interesting for investment.

Analysis of effectiveness of strategies and choosing alternative strategies.

To analyze the effectiveness of strategies we need data before the strategy being implemented and the target data aimed to achieve.

An engineering and measuring company ROMBI was founded in 2017 year, First it was only the measuring company. Then we have added lots of important services like: Geological and architectural projects. At present we offer to our customers more essential and improved services. Also, we are working to expansion and add the building service to our company, that is very valuable and essential for our business.

Rombi's first strategy, to be a brand company is not done yet. At present Rombi has not enough resources for that, but the company is working on it everyday step-by -step.

To promote an urban development is very important strategy for the company and Rombi would do it when it have building service in the nearest future.

To operate at the international market is done. We have some agreements and orders from the international companies and customers. We are working on the tenders of the government that gives us possibilities to take place and integrate there. Making profit and customer creation are also the main objectives of our company.

Since 2017 year we have more customers and more orders and income every year. We have expanded our business and are more profitable every year, except 2020, because of the pandemic situation, that impacts on the world economical environment and have changed everything.

Annual Turnover (2017-2020)

2017-15000.00 GEL

2018-16 896.60 GEL

2019-39 332.06 GEL

2020-22 358.00 GEL

cash flow 2017	cash flow 2018
Cashflow (2017) $15000 \times 0.2 = 3000$ $15000 - 3000 = 12000$ $12000 - 6000((\text{lease})) = 6000$ income=6000	Cashflow (2018) $16896.60 \times 0.2 = 3379.32$ $16896.60 - 3379.32 = 13517.28$ $13517.28 - 6000 = 7517.28$ Income=7517.28
cash flow 2019	cash flow 2020
Cashflow (2019) $39332.06 \times 0.2 = 7866.41$ $39332.06 - 7866.41 = 31465.65$ $31465.65 - 6000 = 25465.65$ income=25465.65	Cashflow (2020) $22358 \times 0.2 = 4471.6$ $22358 - 4471.6 = 17886.4$ $17886.4 - 2400 = 15486.4$ income=15486.4

Table 2.3.2 Cashflow of Rombi(2017-2020)

Rombi's purpose and effectiveness to improve the qualification and be more competitive and profitable, with reducing costs, it seems on this turnover of these years (2017-2020)

The pilot realization of a strategy

This company with these strategies is working today.

Choice of the strategic Manager is to use the main objectives for developing the company.

- to promote urban development and a real estate market in accordance with the European standards
- is to make our business clearer, transparent, and reliable as it must be for brand company.
- integrate at an international market.

3.1 Definition of Goal Criteria

The objectives must be SMART specific, measurable, achievable, result-oriented and time-bound

financial and strategic objectives:

earnings growth (with reasonable profit and necessary costs),

strategic objectives:

To be a brand company (to do with highest quality, timely, without rejected remarks, using modern technology, respectful and professional personnel, partnership with various international companies)

Criteria

research: How popular and well known is the company's name.

Age

17 პასუხი

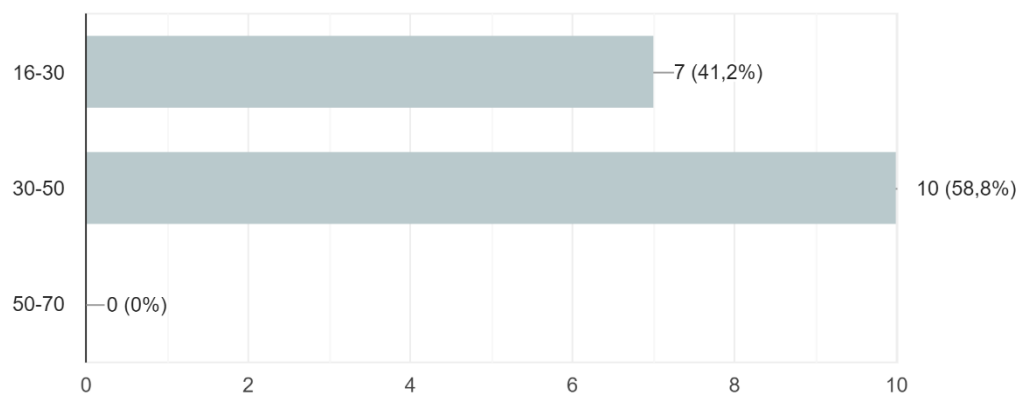


Figure 3.1.1 Research: How popular and well known is the company's name.

Gender
17 პასუხი

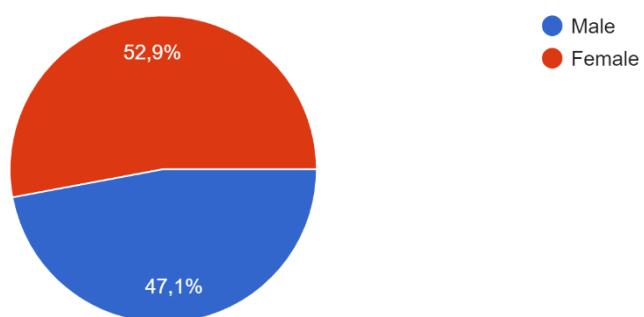


Figure 3.1.2 Research: How popular and well known is the company's name.

Do you need architectural,engineering,measuring or building services?
17 პასუხი

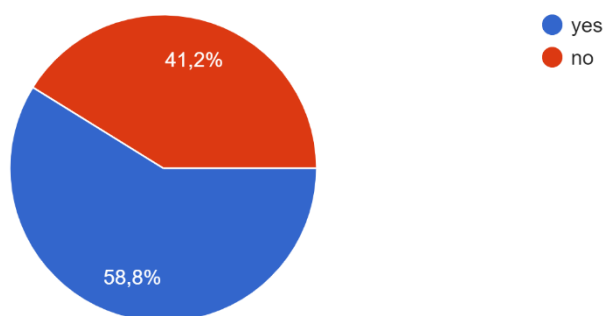


Figure 3.1.3 Research: How popular and well known is the company's name.

Do you like the service of the company ROMBI

15 პასუხი

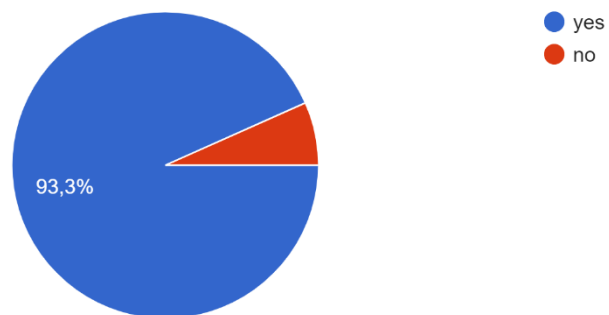


Figure 3.1.4 Research: How popular and well known is the company's name.

What service did you have use?

13 პასუხი

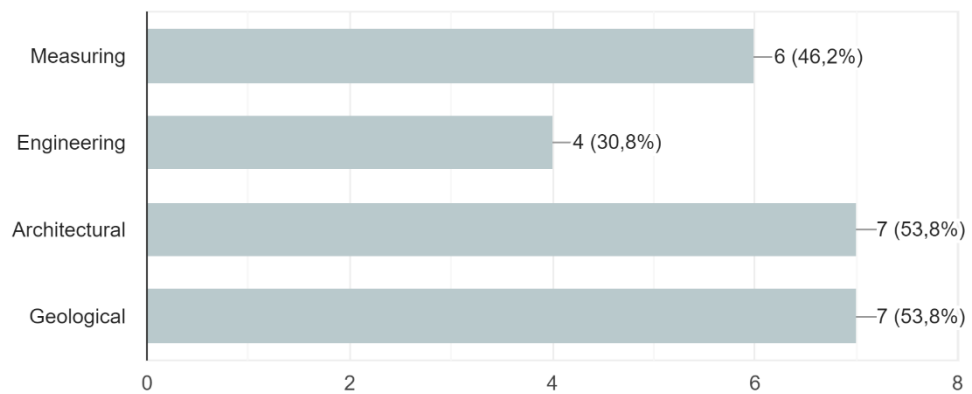


Figure 3.1.5 Research: How popular and well known is the company's name.

What do you like more?

15 პასუხი

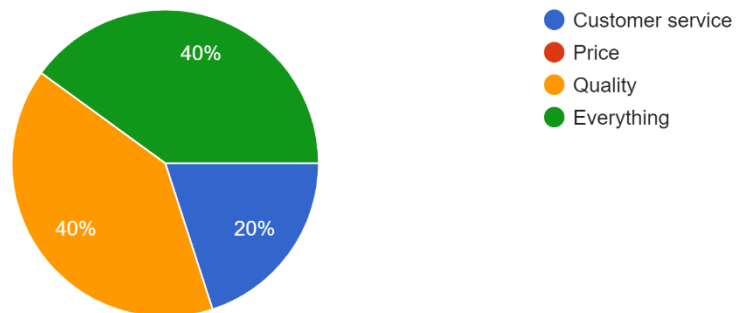


Figure 3.1.6 Research: How popular and well known is the company's name.

What you don't like?

11 პასუხი

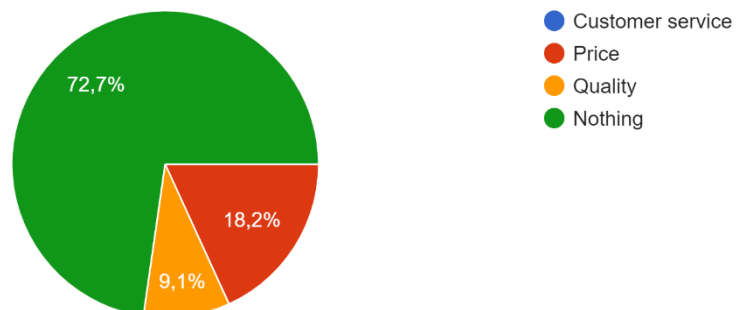


Figure 3.1.7 Research: How popular and well known is the company's name.

3.2 Motivational Factors determination for employees

Whereas Rombi is a small organization with only 20 employees, the organizational manager takes care of personnel selection, management, monitoring and motivation and qualification. He constantly conducts market research and employee surveys to make each employee more productive and successful and accordingly organization.

To be an organization successful, one of the most important and necessary factors is employee satisfaction and motivation, as well as their level of qualification. The company must constantly take care of the development of these components, which is well mastered by Rombi.

Organizational Manager conducts similar surveys once a quarter to increase employee's motivation, which is the basis of Rombi's success.

Thus, the motivation of employees is an important factor for the success or failure of any organization

To determine the motivator factors for employees of Rombi, there was interviewed employees.

Introducing the questions and the results of an interview

1. Please select your age
2. Please select your gender
3. Please tell your position
4. Are you satisfied with your job?
5. Please select the factors of the environment conditions, that satisfy your requirements?
6. Are you satisfied with your existing working schedule?
7. Are you satisfied with your salary?
8. Which of the following best describes your salary?
9. Do you have an ability for the development in your organization?
10. How do you mark your organizational structure?

11. Does your company give to you the possibility for the qualification growth?
- 12.? Does your company care for the encouragement and motivation for employees?
13. Do you have a feeling of stability and security in your organization?
14. Do you have a feeling of respect and estimation in your organization?
15. Do you have a feeling of participation in the process of an organizational development?
16. What is your aim and goal in an existing organization?
17. Do you love your job?
18. Please select three most of the important factors, that impact on your motivation?
19. Please select the three most of the important factors that impact on your demotivation?
20. Is an existing Organizational Management approvable for you?
21. What would you change in your organizational management?
22. Is it acceptable for you an existing organizational policy?
23. Please select the factors of the organizational policy, that are unacceptable for you?

Answers

სქესი/gender
16 პასუხი

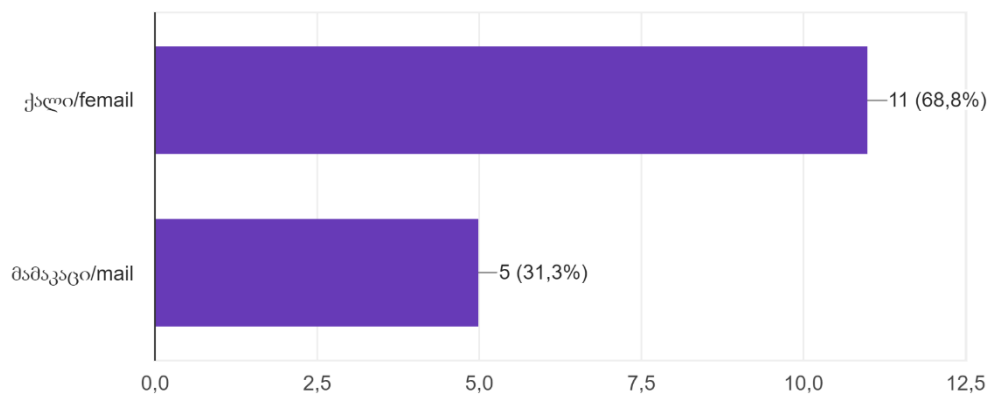


Figure 3.2.1 Research: Motivational Factors determination for employees

Position- 16 answers:

Head Manager

Strategic Manager

Financier

Online Sales Manager

Engineer

Portfolio Monitoring Manager

Intern

Intern

Engineer

Organizational Manager

QA

Engineer

Director

Intern

marketing manager

Customs officer

Measurer

კმაყოფილი ხართ არსებული სამსახურით?/Are you satisfied with your job?

16 პასუხი

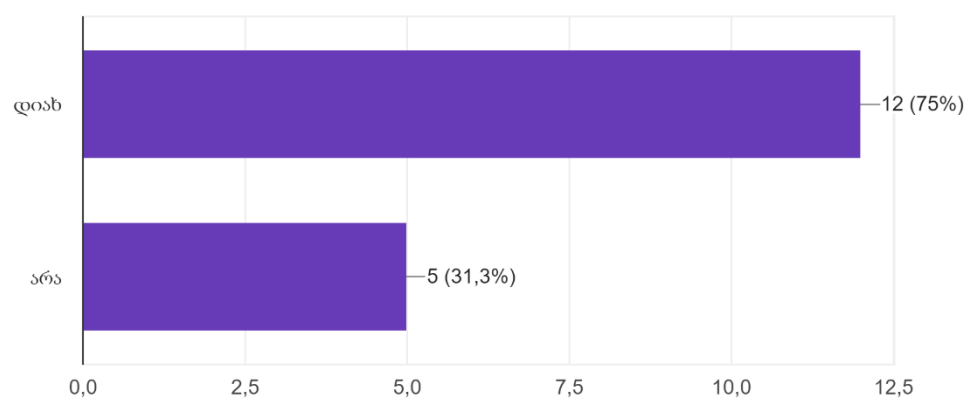


Figure 3.2.2 Research: Motivational Factors determination for employees

მონიშნეთ გარემო პირობების შემადგენელი ის ფაქტორები, რომლებიც აკმაყოფილებს თქვენს მოთხოვნებს? Please select the factors of the environment conditions, that satisfy your requirements.
16 პასუხი

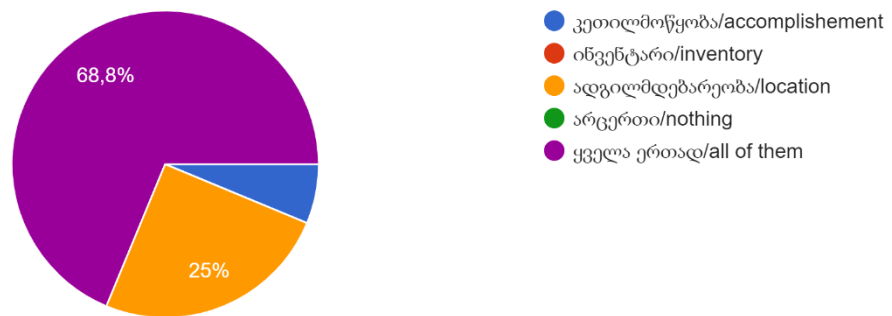


Figure 3.2.3 Research: Motivational Factors determination for employees

გაკმაყოფილებთ არსებული სამუშაო გრაფიკით? Are you satisfied with your existing working shcedule?
16 პასუხი

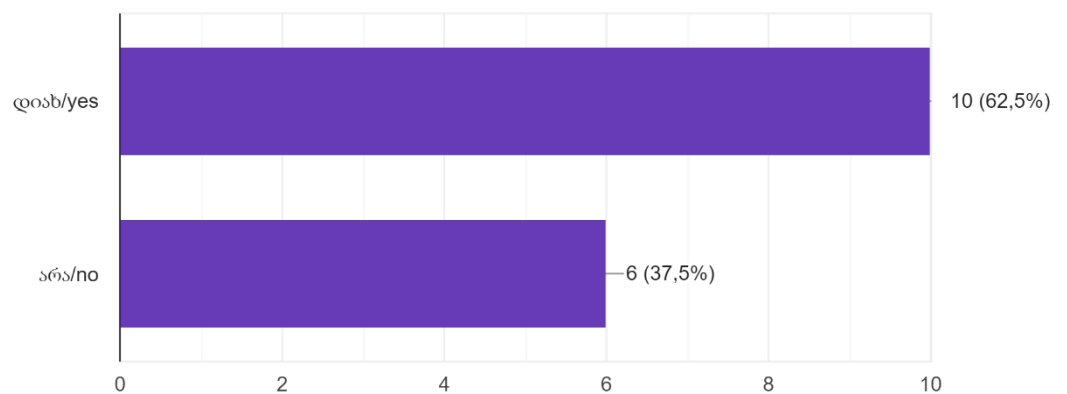


Figure 3.2.4 Research: Motivational Factors determination for employees

კმაყოფილი ხართ არსებული ანაზღაურებით? Are you satisfied with your salary?
16 პასუხი

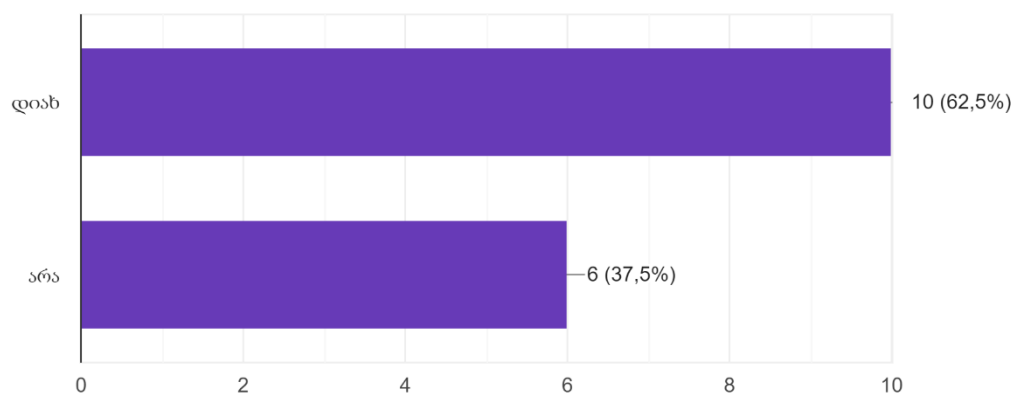


Figure 3.2.5 Research: Motivational Factors determination for employees

ქვემოთ ჩამოთვლილთაგან, რომელ პუნქტს შეესაბამება თქვენი ანაზღაურება თქვენს?/Which of the following best describes your salary?
16 პასუხი

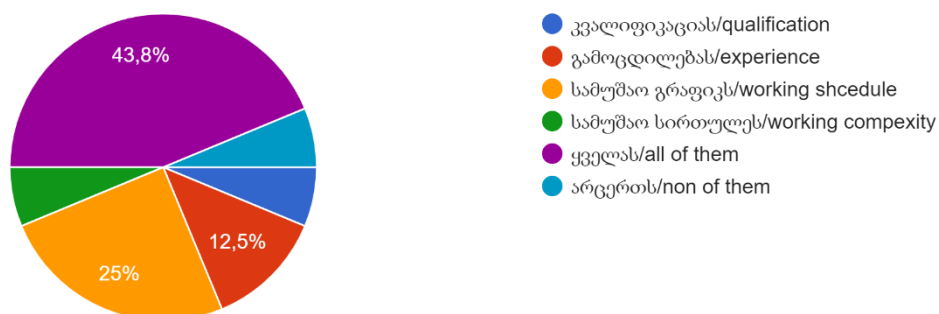


Figure 3.2.6 Research: Motivational Factors determination for employees

გაქვთ ორგანიზაციაში განვითარების შესაძლებლობა? Do you have an ability for the development in your orgaizaton?

16 პასუხი

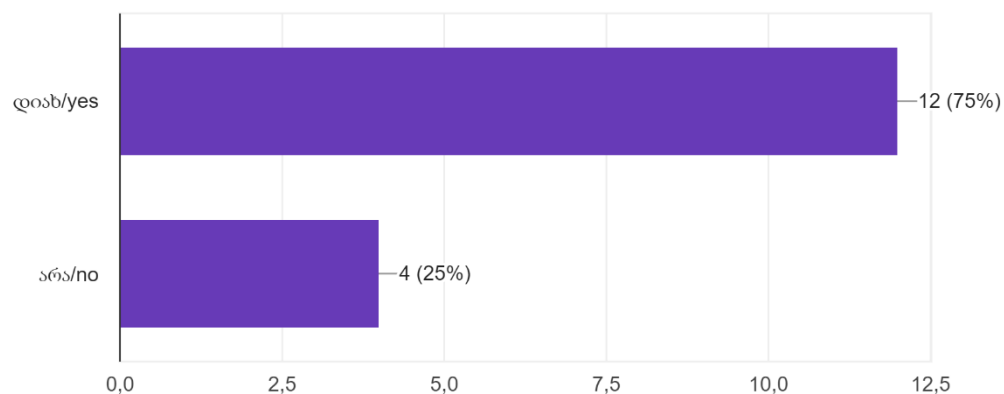


Figure 3.2.7 Research: Motivational Factors determination for employees

როგორ შეაფასებდით ორგანიზაციის კორპორატიულ კულტურას? How do you mark your organizational structure?

16 პასუხი

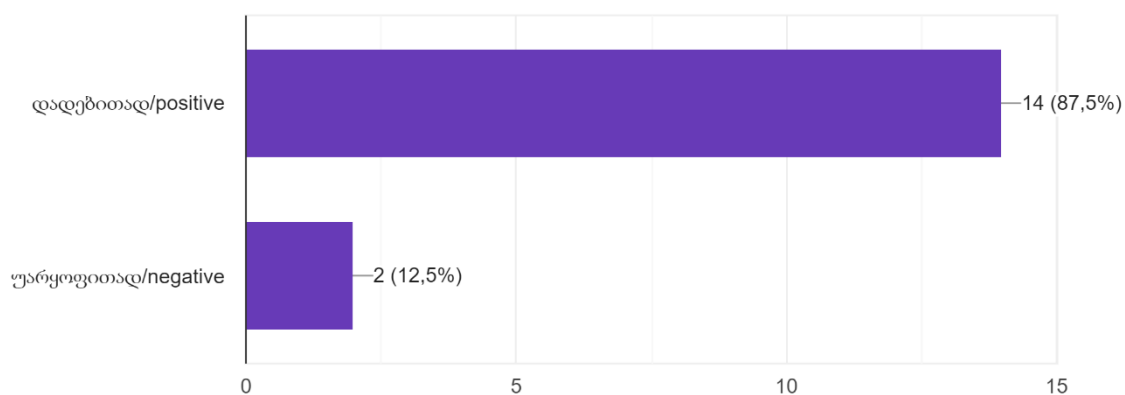


Figure 3.2.8 Research: Motivational Factors determination for employees

ზრუნავს ორგანიზაცია თანამშრომლების წახალისებასა და მოტივაციის ამაღლებაზე? Does your company care for the encouragement and motivation for the employee?

16 პასუხი

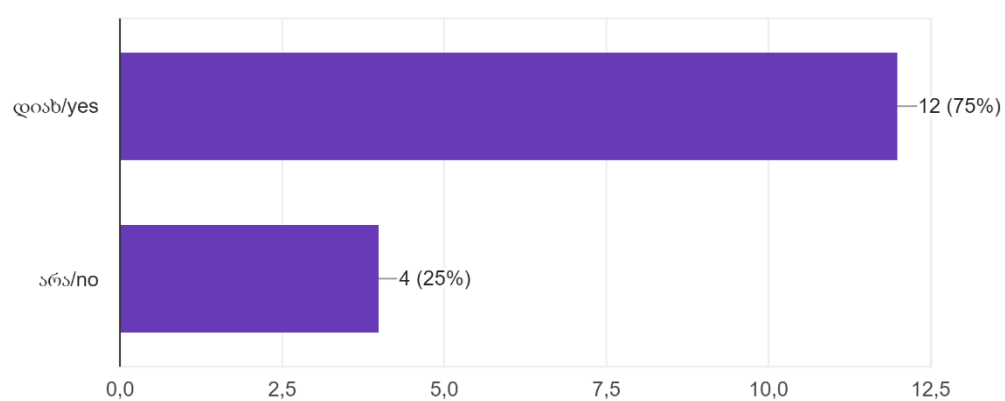


Figure 3.2.9 Research: Motivational Factors determination for employees

გაძლევთ კომპანია კვალიფიკაციის ამაღლების საშუალებას? Does your company give to you the posibiity for the qualification growth?

16 პასუხი

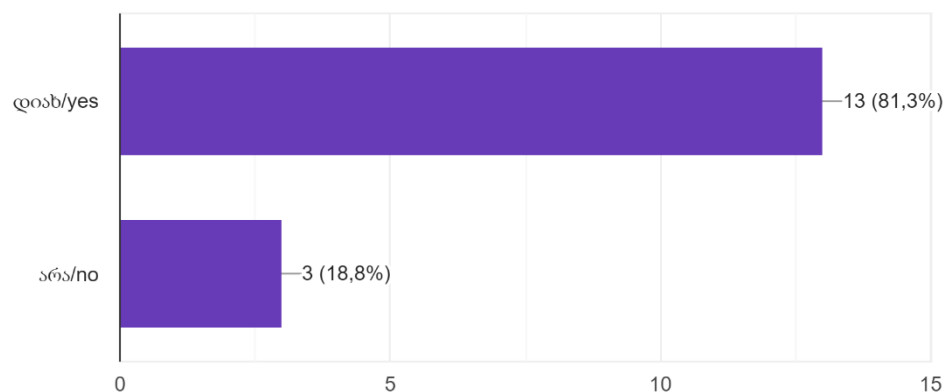


Figure 3.2.10 Research: Motivational Factors determination for employees

გაქვთ ორგანიზაციაში სტაბილურობისა და დაცულობის განცდა? Do you have a feeling of stability and security in your organization?

16 პასუხი

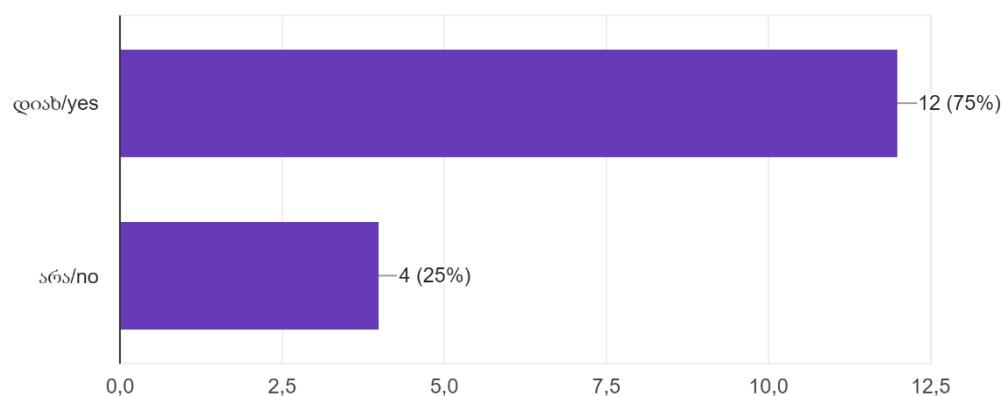


Figure 3.2.11 Research: Motivational Factors determination for employees

გაქვთ დაფასებისა და პატივისცემის განცდა ორგანიზაციაში? Do you have a feeling of respect and astimation in your organization?

16 პასუხი

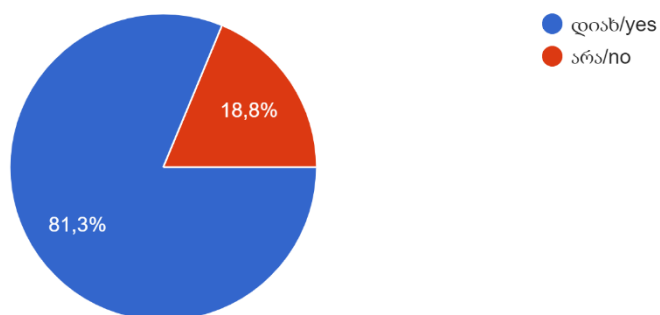


Figure 3.2.12 Research: Motivational Factors determination for employees

გაქვთ ჩართულობის განცდა ორგანიზაციის განვითარების პროცესში? Do you have a feeling of participation in the process of an organizational development?

16 პასუხი

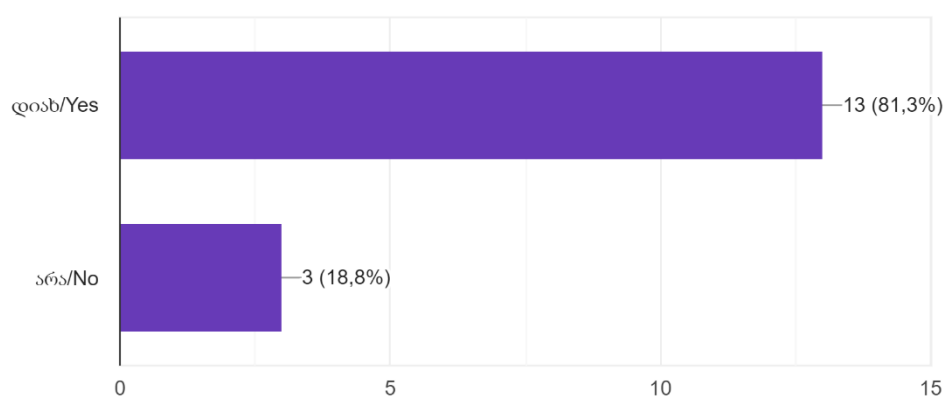


Figure 3.2.13 Research: Motivational Factors determination for employees

რა არის თქვენი მიზანი არსებულ ორგანიზაციაში? What is your aim and goal in an existing organization?

16 პასუხი

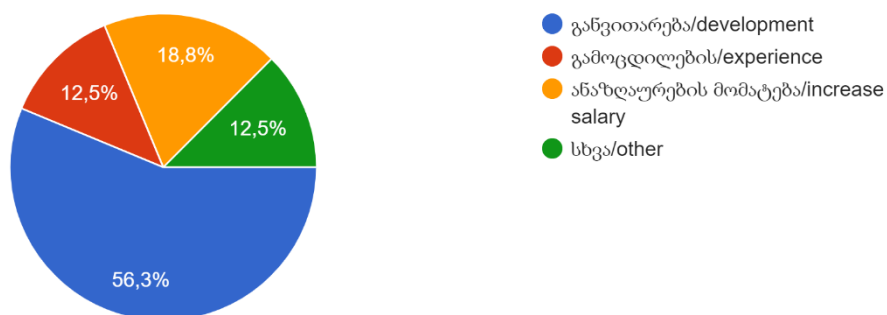


Figure 3.2.14 Research: Motivational Factors determination for employees

გიყვართ თქვენი სამსახური? Do you love your job?

16 პასუხი

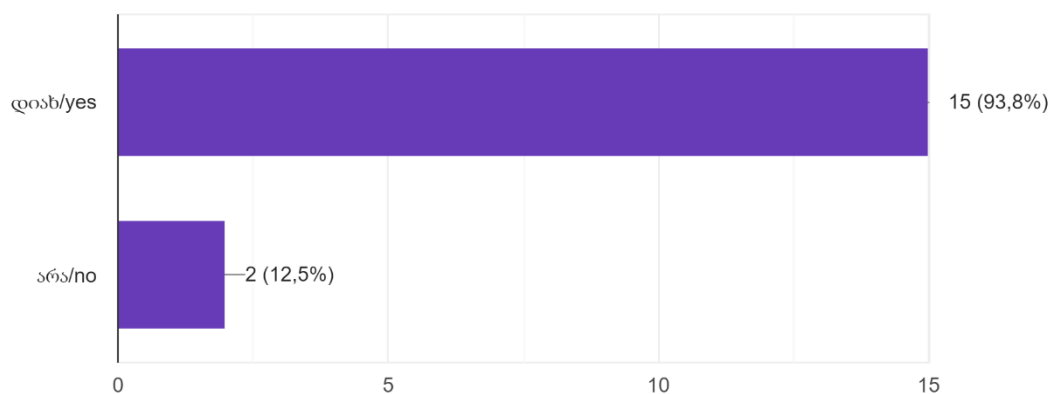


Figure 3.2.15 Research: Motivational Factors determination for employees

მონიშნეთ 3 ყველაზე მნიშვნელოვანი ფაქტორი, რომელიც გავლენას ახდენს თქვენს მოტივაციაზე? Please select three most of the important factors, that impact on your motivation?
16 პასუხი



Figure 3.2.16 Research: Motivational Factors determination for employees

მონიშნეთ თქვენთვის ყველაზე მნიშვნელოვანი 3 ფაქტორი, რომელიც გადემოტივირებთ? Please select the three most of the important factors that impact on your demotivation?

16 პასუხი



Figure 3.2.17 Research: Motivational Factors determination for employees

მისაღებია თქვენთვის არსებული ორგანიზაციული მენეჯმენტი? Is an existing Organizational Management approvable for you?

16 პასუხი

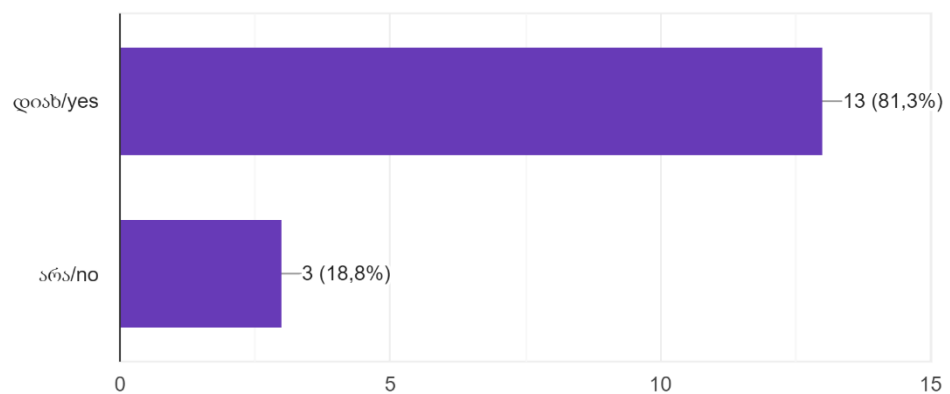


Figure 3.2.18 Research: Motivational Factors determination for employees

მონიშნეთ ორგანიზაციული პოლიტიკის ის ფაქტორები, რომლებიც მიუღებელია თქვენთვის./Please select the factors of the organizational policy, that are unacceptable for you
16 პასუხი



Figure 3.2.1 Research: Motivational Factors determination for employees

Conclusions and Recommendations

The survey findings suggest that Rombi is recognized by many respondents. However, recognition alone does not establish the company as a leading brand. Continued organizational development and strategic planning may strengthen its market position.

Expand operations into international markets through partnerships with international companies.

Develop relationships with international partners and pursue additional contracts.

Promote urban development through project development and investment.

Proposed strategic priorities:

- Conduct market research.
- Adopt new technologies.
- Attract investment.
- Establish a geological laboratory.
- Pursue ISO certification.
- Monitor return on investment.
- Invest in personnel development.

The study highlights the importance of strategic management for business organizations. An effective organizational policy should address employee development, corporate culture, compensation, organizational improvement, motivation, and career advancement.

These findings also illustrate the range of responsibilities associated with strategic management in contemporary organizations.

The case study suggests that Rombi benefits from its current strategic approach, management practices, and a team with specialized expertise. Nevertheless, the findings should be interpreted within the limits of the case-study design.

Sixteen company employees were interviewed to identify factors affecting motivation. Most respondents expressed satisfaction with their working conditions, including workplace facilities and equipment.

Most respondents also reported satisfaction with their working schedules and remuneration relative to their qualifications, experience, and job responsibilities.

The findings suggest that the organization provides employees with opportunities for professional development and skills enhancement.

According to the reported survey results, 87% of employees expressed satisfaction with Rombi's organizational culture.

The company's attention to employee recognition and motivation may contribute to individual performance and organizational effectiveness.

Most respondents reported feeling secure, respected, and appreciated within the organization. They also perceived employee well-being as a company priority. Employees' involvement in organizational development may support engagement and productivity. The responses indicate a positive attitude toward the company among the interviewed employees.

Employee motivation, commitment, and a sense of responsibility appear to be important contributors to Rombi's competitive position.

Overall, the findings indicate that Rombi recognizes the importance of organizational policies that support employee satisfaction and motivation.

The responses also indicate individual differences in employees' preferences and motivational needs.

Accordingly, motivational approaches should be responsive to employees' differing circumstances and expectations.

Employee satisfaction and motivation are important considerations in organizational development. Management should therefore assess these factors systematically rather than assume that one approach will suit all employees. Effective management can create conditions that support employees' professional success.

Regular organizational assessments can help identify factors that support or hinder performance and provide evidence for managerial decisions.

Organizations should treat employees fairly and respectfully not solely to improve performance, but also as a matter of professional responsibility and mutual respect.

In conclusion, the case study illustrates the potential contribution of strategic management to organizational development. Strategic managers can support leadership by aligning operational practices with the organization's mission, goals, and long-term priorities. The findings from Rombi provide an illustrative example rather than evidence that the same outcomes would necessarily occur in all Georgian companies.

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