

Kamen Kamenov, Professor, Dr. Ec. Scs.

## ON THE CHRONIC MANAGEMENT DEFICIENCY SYNDROME

The management process is not aimless. It is directed towards the object of management for the achievement of certain goals. Various reasons are possible as well as the influence of various factors leading to deviation from the set goals. Thus, they can be achieved or only partially fulfilled and even if their achievement is ensured it has to be at the expense of the accelerated exhaustion of resource potential. The possible deviations from the goals are always accompanied by specific problems. Generally they can be defined as problems that emerge ad hoc and are active for a short period and problems that act for a longer periods of time. The latter are related to the chronic management deficiency (CMD). However, this does not mean that the former could not be transformed into long-term if not resolved in time and completely.

JEL: D23; M11; M12

CMD is characterized with the accumulation of negative characteristics of problems that haven't been taken into account for a long period of time, i.e. certain problems exist, but they are either ignored and left unresolved or resolved inadequately and thus become chronic. For instance, if we look at the legislative activity, certain existing laws are either changed too frequently or the laws needed to satisfy the needs of the society are missing. Further, it is logical to reach the institutions that have to enforce the laws through their powers. The allocation of comprehensive and clearly defined powers and the lack of parallel co-existence (or the lack) of important functions is a prerequisite for avoiding CMD. In this connection it is extremely important to ensure the management process with a subject which is adequate to the institutional powers, allowing the development and implementation of such managerial decisions that would lead to the complete achievement of the set goals. The managerial process could hardly provide the desired results unless it is supported by an efficient administrative process.<sup>1</sup> This implies an absence of bureaucratic behavior in the process of decision making, implementation management and the execution of decisions itself.

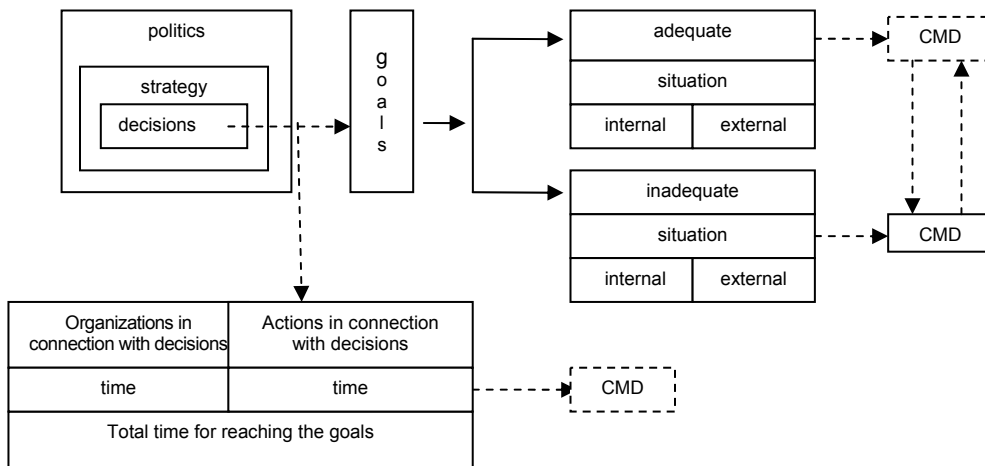
Therefore, the achievement of the objectives stems from the managerial decisions, the decisions are related to a certain strategy and it is within the framework of the policy adopted by the company or the organization. The scheme below illustrates the possible origins of CMD symptoms.

---

<sup>1</sup> *Kamenov, K. Management Process and Managerial Behavior. Svishtov, "Economic world" library, 2007, p. 84.*

Scheme 1

Possible locations for CMD



The scheme shows the differentiation of two critical locations for CMD – in connection with the total time for reaching the goals and when determining the goals that are inadequate for the internal and external situation. In the first case the organization connected to the taken managerial decisions and subsequent actions is of a vital significance, while in the second case it is the lack of sufficiently profound analysis of the situation. It is natural that if the goals are inadequate to the situation, the organization and action for their achievement are pointless. But this isn't always the case. Even when the goals are adequate to the situation, the appearance of problems leading to CMD is possible, in case the dynamics of internal and external factors from which the final results are dependent is not accounted for. Thus the goals that are adequate to the situation can turn out to be inadequate in time and vice versa. In order to avoid such transformation, it matters how the organization and the action in the time regarding the set goals will be realized.

The set of potential dangers from the rise of problems of long-lasting nature leading to CMD is easily found here.

The organization related to the managerial decision generally includes disposal in time at certain sequence and horizontal relation of activities, tasks and operations that have to be performed, i.e. all works to be positioned and connected logically in the time. The action connected with the decision is the human potential's direct realization – professional skills, motivation, etc. at the established organization by now. In this case the following combinations are possible (see Table 1).

Table 1

The “organization – action” link for achievement of goals

№	Organization	Action	Expected result
1.	Correct	Correct	Results conform to the goals and are achieved in time
2.	Correct	Incorrect	Possible deviation in the results towards the goals, in case actions are not corrected
3.	Incorrect	Correct	Delay in time, possible deviations from goals
4.	Incorrect	Incorrect	Goals are not realized, CMD symptom

Except for the fourth version where obvious CMD symptoms are present, there is a potential danger in the time from the CMD syndrome with versions 2 and 3 if opportune regulating decisions are not taken to ensure the necessary conformity.

Two approaches for defining CMD are possible – institutional and individual. The first one shows the framework in which CMD can develop and the second one is related to the professional and personal qualities of the human factor. The peculiar thing in this case is that in the chain “institutions – subject – object of management” the last link is the personality at the relevant workplace and from the conformity between the requirements for the held position and the personal qualities depends on to what extent the powers given by the institutions will be utilized. In this sense there is a close connection and dependence between the two approaches.

The systematic breach of management process stability is at the basis of CMD. This may result in various non-conformities. One of them is between the goals of politics and institutions. The possible versions are given in Table 2.

Table 2

CMD as a result of discrepancy between political goals and institutions

№	Political goals	Institutions	Possibilities for the appearance of CMD
1.	Correctly set	Corresponding	CMD is excluded
2.	Correctly set	Non corresponding	In the presence of continuous institutional blockade - CMD
3.	Incorrectly set	Corresponding	If political goals are not corrected - CMD
4.	Incorrectly set	Non corresponding	Crisis in politics and institutions – a typical CMD condition

*Version 1.* At this level of conformity CMD is excluded. It is imperative to control the goal setting and the institutional changes in the time.

*Version 2.* The continuous institutional blockade is one of the main reasons for CMD.

*Version 3.* If an effective control is not exercised over political goals, then rise of problems of different nature (organizational, structural, personnel, behavior, etc.) is possible and their development and absorption in time lead to CMD.

*Version 4.* At such typical condition of CMD, change looks like the only way out. It can appear in all spheres of the social life and can affect not only the political subjects but institutions as well.

Every institution is bound with certain normative base. It predetermines the institution's behavior. It secures the accomplishment of the political goals on its part. In this chain of links and dependencies, leading role plays the normative base. The latter is a result from the legislative power. Observing the laws themselves is assigned to the executive power which is controlled by institutions established for the purpose.<sup>2</sup> Within these relations, the combination "goals – institutions" – "normative base" has an extremely important significance for the management process stability. The breach of this inconformity can lead to emerging of problems the solving of which can be prolonged at such extent in time that they can acquire chronic nature. This means that although the necessary conformity may be formally restored, part of these problems would persist.

If we analyze the possible versions of conformity between goals and institutions on one hand and the normative base on the other, the following possible versions can be obtained, some of which lead to CMD (see Table 3).

Table 3

CMD as a result of discrepancy among goals, institutions  
and normative base

№	Goals and institutions	Normative base	Possibilities for the rise of CMD
1.	Breached conformity	Modern normative base	In case there is no change in the goals and institutions – CMD
2.	Breached conformity	Outdated normative base	In this case CMD is proved by the political and economic crisis
3.	Presence of conformity	Outdated normative base	The stability of the management process is violated by its outdated normative base
4.	Presence of conformity	Modern normative base	CMD is excluded

<sup>2</sup> See in details *Kamenov, K.* The Management Process. V. Tyrnovo: Publishing house "Abagar", 2003, p. 18, 19.

Table 3 shows that versions 1, 2 and 3 include CMD's potential although in different extent and in connection with different kind of problems. Except of version No. 2, which is a proof for CMD, we can talk about a possible danger with the other two unless adequate decisions of the arising problems are taken. Taking into consideration the circumstance that this case concerns political goals, institutions and normative base, the change of which requires besides political will and high professionalism as well, the probability for CMD emerging is great. This circumstance is exalted also by the fact that the solution of the problems themselves requires comparatively long periods of time, especially when it concerns institutions and normative base.

The achievement of complete conformity between goals and institutions on one hand and the normative base on the other is not an easy task. Most often the backlog is in the normative base and moreover it can affect at different stages different institutions. This is one of the main reasons for the rise of inter-institutional conflicts which lead to stability breach of the management process.

The differentiation between the management and administrative process is of significance in order to define basically the responsibilities for the taken managerial decisions about the development goals of the companies and organizations from those linked to the realization. One of the main difficulties in practice is that part of the process of administering the decisions passes into the management subject, which at possible deviations from the decisions intention will have an effect on the realization in the object. Therefore, when looking for a connection between the management goals (solutions for them) and administering the managerial decisions this link should be traced along the whole chain.<sup>3</sup> The unconformities are possible due to some different combinations, which give a reason for the rise of different problems that hide potential danger of CMD. The next table gives the possible versions where CMD can be provoked.

It is seen from Table 4 that only version No1 excludes CMD. With all other versions unconformities are present and they cause different problems depending on where they have arisen. Every problem can be at the basis of CMD, if the problem is not solved timely and completely. Moreover for every company and organization the weak spots connected with the inconformity between the management goals (solutions for them) and the administrative process can appear in different time and in different way, which makes the use of one and same approach for overcoming them impossible. In this way in order to avoid CMD it is also necessary to have a constructive approach towards solving every concrete problem besides the high professionalism.

---

<sup>3</sup> See in details *Kamenov, K. Administering and Behavior in Management*. V. Tarnovo: Publishing house "Abagar", 2005, p. 11 and 12.

Table 4

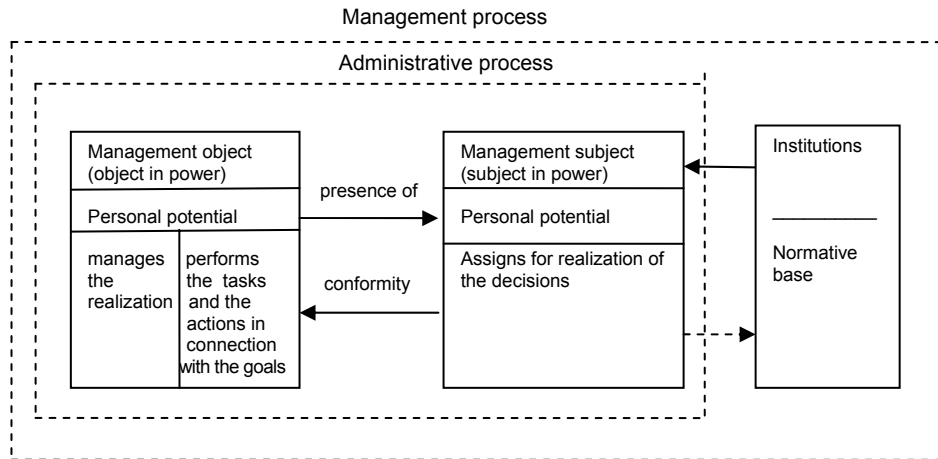
CMD as an inconformity result between the management goals and the administrative process

№	Management goals (solutions for them)	Method of assignment	Method of managing the realization	Method of implementation	Possibilities for rise of CMD
1.	Correctly set	Correctly set	Correctly managed	Correctly implemented	CMD excluded
2.	Incorrectly set	Correctly set	Correctly managed	Correctly implemented	Possible CMD
3.	Correctly set	Incorrectly set	Correctly managed	Correctly implemented	Possible CMD
4.	Incorrectly set	Incorrectly set	Correctly managed	Correctly implemented	Possible CMD
5.	Correctly set	Correctly set	Incorrectly managed	Correctly implemented	Possible CMD
6.	Incorrectly set	Incorrectly set	Correctly managed	Correctly implemented	Possible CMD
7.	Correctly set	Correctly set	Incorrectly managed	Correctly implemented	Possible CMD
8.	Incorrectly set	Correctly set	Correctly managed	Incorrectly implemented	Possible CMD
9.	Correctly set	Correctly set	Incorrectly managed	Incorrectly implemented	Possible CMD
10.	Incorrectly set	Correctly set	Incorrectly managed	Incorrectly implemented	Possible CMD
11.	Correctly set	Incorrectly set	Incorrectly managed	Incorrectly implemented	Possible CMD
12.	Incorrectly set	Incorrectly set	Incorrectly managed	Incorrectly implemented	Possible CMD

The administrative process is the one that transforms in practice the taken managerial decisions into concrete results (set as goals). Thus the assignment of the managerial decision, the managing of implementation and the implementation itself are decisive for the management effectiveness. They are directly connected with the personal potential and they realize it in practice through the organization and the action connected to the decisions (Scheme 1).

Institutions and existing normative basis are decisive for the effective management process, but without relevant personal potential they can turn out to be just a good frame without any contents. The personal potential in the administrative process structure is realized in the subject as assigning the realization of the managerial decisions and in the object as leading the realization of the decisions and the realization itself (see Scheme 2).

Conformity in object's potentials and management subject



The bilateral connection between the power object and subject allows a flexible approach upon the realization of the management process. The connection between the subject and the institution is unilateral which means that every institution gives exactly defined powers for taking the relevant managerial decisions from the subject in power. These powers are as a result of the relevant normative base – laws, decrees, regulations, etc. The possible initiatives for changes are given at the Scheme 2 by a broken line.

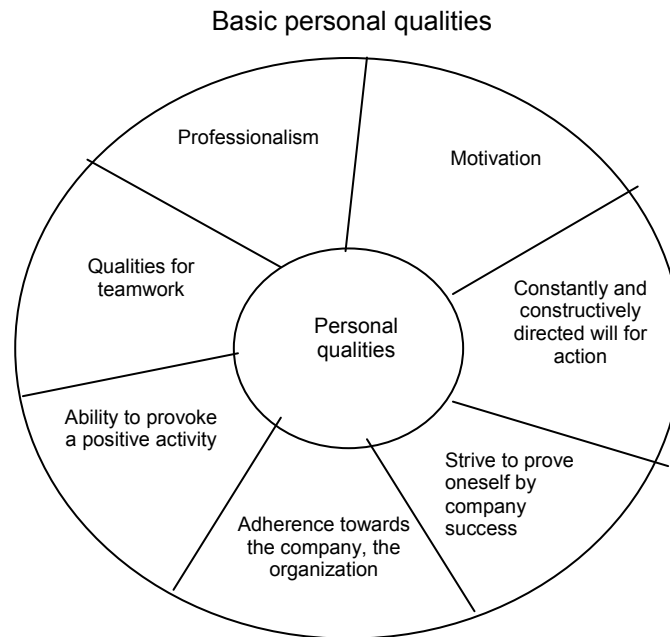
If the institutions and the normative base include the necessary potential for an effective management process, then its actual realization depends on the personal potential. Different requirements are demanded towards the potential, some of which concern qualities that are decisive for the effective realization of the management process while others have a private character depending on the company or the organization. We shall define the qualities that are basically accrued for the personal potential as basic ones. The following can be referred to them:

- professionalism;
- motivation;
- permanently and constructively directed will for action;
- strive to prove oneself by personal and company success;
- adherence towards the company, organization;
- skill to provoke the positive activity;
- qualities for teamwork.

In order to have the necessary potential available for the effective realization of the management process, the specified seven basic personal qualities are as a

result of considerable advices of the author with the employers, managers and other persons interested in the formation of complete personal potential at every working place. They can be illustrated as follows below:

Scheme 2



People effect their personal potential in the course of time. In this sense as a social-productive unit it is a time function. The specified seven basic personal qualities have a direct connection with the organization and the action in time at every working place, in every team. Moreover these qualities are defined in different way and developed to different level in every person, which means that persons with different basic qualities will participate in a team as a combination as for the separate person and for the team as a whole. If there is an enduring inconformity in the basic qualities of the person and the team, a prerequisite for CMD is present.

The basic qualities can have asymmetrical valuations for the person itself which means that reserves for utilizing its potential are present. If we assume the six-point marking system and eliminate the extreme marks 2 and 6, the following sample structure of the person's basic qualities can be obtained. (Table 5 is meant only to illustrate the valuation of the basic qualities. Different versions can be used for practice needs – point system, valuations or point system with significance factors for the particular basic qualities, etc.).



Table 5

Sample marks for the basic qualities of the person

№	Basic qualities of the person	Mark		
		Very good	Good	Satisfactory
1	Professionalism	x		
2	Motivation		x	
3	Constantly and constructively directed will for action			x
4	Strive to prove oneself by personal and company success			x
5	Adherence towards the company, the organization		x	
6	Ability to provoke the positive activity			x
7	Qualities for teamwork		x	

The marks analysis from Table 5 shows that high professionalism does not correspond with qualities like “constantly and constructively directed will for action”, “strive to prove oneself by personal and company success” and “ability to provoke the positive activity”. These qualities combined with the good marks for “motivation”, “adherence towards the company, the organization” and “qualities for teamwork” show that the person has an unused potential. The asymmetrical mark for some of the qualities is a real prerequisite for CMD in case the person participates in the administrative process by assigning the managerial decisions for realization or the management of the realization itself, i.e. holds a leading position. The imposed conclusion is that relying only and solely to the high professionalism is important but not enough condition for an effective management process. And it is like this because qualities like “constantly and constructively directed will for action” or “strive to prove oneself by personal and company success” and the “ability to provoke the positive activity” are formed into the person during his whole life. What is more – they are part of the basic values in the person’s system of values, formed from the first conscious years.

In this sense every manager and employee should be estimated besides from the purely professional qualities point of view, but also from the position of the remaining basic qualities, because they are in the basis of the professional skills’ active usage. It is clear that without any professionalism the remaining qualities lessen considerably or lose their significance, but it is not less dangerous when the high professionalism is not combined with them.

Provoking CMD from personal behavior is difficult to be defined because of few main reasons: *first*, very often there are no clear symptoms about the character of the interpersonal relations; *second*, there is a possibility the self valuation of the person not to coincide with the valuation of the management and the one from the colleagues; *third*, every person can estimate the arising situations in a different way

and from the position of different potential, which can bring to conflict of interests, etc.

It is important how the particular person thinks and considers his own behavior and if he has a proper judgment for others opinion about his behavior. Lack of objectivity along these lines can lead to serious unconformities which is a substantial demotivator for the personal potential disclosure in full value. The next table shows different versions for the possible unconformities in the valuation and self valuation (Table 6).

Table 6

CMD as a result of inconformity for the valuation and self valuation of the basic qualities

№	Valuation type	Profession- alism			Motivation			Constantly and constructively directed will for action			Strive to prove oneself by company success			Adherence towards the company			Ability to provoke the positive activity			Qualities for teamwork		
		marks			marks			marks			marks			marks			marks					
		v.g.	g.	sat.	v.g.	g.	sat.	v.g.	g.	sat.	v.g.	g.	sat.	v.g.	g.	sat.	v.g.	g.	sat.			
1	Self valuation	x			x		x			x			x			x			x			
2	Valuation from manager		x			x			x				x				x				x	
3	Valuation from colleagues			x				x			x			x			x				x	

\* v.g. – very good; g. – good; sat. – satisfactory.

The self valuation and the external valuation in connection with the basic qualities concern the informal relations in the team. It can be easily concluded that with the necessary education and qualifications the person should be placed in the group of “the professional”, but this is just a possibility. There could be a considerable inconformity between these formal requirements and the real professional appearance. Besides not a single diploma or qualification document contain marks for such qualities as – constantly and constructively directed will for action or ability to provoke the positive activity. They are product of the values that a person has acquired in all social structures through which he has passed – family, school, university, circle of friends, etc. Without these qualities, the purely formal requirements for professionalism can be even misleading and in the time that can bring to the accumulation of many negatives in the organization or company, especially if the person holds a responsible position. Thus CMD can be provoked at completely executed formal requirements.

The self valuation and the external valuation in connection with the basic qualities concern the informal relations in the team. It can be easily concluded that with the necessary education and qualifications the person should be placed in the group of “the professional”, but this is just a possibility. There could be a considerable inconformity between these formal requirements and the real professional appearance. Besides not a single diploma or qualification document contain marks for such qualities as – constantly and constructively directed will for action or ability to provoke the positive activity. They are product of the values that a person has acquired in all social structures through which he has passed – family, school, university, circle of friends, etc. Without these qualities, the purely formal requirements for professionalism can be even misleading and in the time that can bring to the accumulation of many negatives in the organization or company, especially if the person holds a responsible position. Thus CMD can be provoked at completely executed formal requirements.

The conformity between the self and the external valuation (of the manager and the colleagues) can turn out to be very substantial for the auto-motivation of the separate person. This can be accomplished in the range from complete coincidence of the marks till the complete inconformity. Table 7 shows a sample version of conformity in some of the basic marks with those of the manager and colleagues, and unconformity in some others. Possible versions can be traced in the following table.

Table 7

CMD as an inconformity between the self and external valuation

№	Valuation type	Conformity with manager's valuation			Conformity with colleagues' valuation		
		complete conformity	partial conformity	complete inconformity	complete conformity	partial conformity	complete inconformity
1	Self valuation	x			x		
2	Self valuation			x			x
3	Self valuation		x			x	
4	Self valuation	x					x
5	Self valuation			x	x		
6	Self valuation		x		x		
7	Self valuation	x				x	
8	Self valuation		x				x

9 -----

Only some of the possible versions of inconformity between the self valuation of the person and the external valuation are given in Table 7.

We can assume that although possible, the endmost versions – 1 and 2 of complete conformity and complete inconformity happen more rarely, because of

the fact that it concerns seven basic qualities and a three-staged mark, so it is most probably to come across a version for partial inconformity between the self and external valuation (table 7). In this case however it makes no difference what is the degree of this inconformity as we excluded the complete inconformity versions, because in such cases the person is simply at the absolutely unsuitable place in the administrative structure and with his presence considerably complicates the management process. So, what's left is to accept a certain limit of inconformity rate from which a real danger of CMD is formed further on.

It is seen from Table 6 that the self valuation of the seven basic qualities and the external valuation coincide with only 4 of them – motivation, strive to prove oneself by personal and company success - adherence towards the company and ability to provoke the positive activity. Moreover coverage of the self valuation with the external valuation – of the manager and the colleagues is present only for the motivation. Only 4 out of a total of 14 externally made marks are covered with the self valuation and just one completely. The coverage percentage is 28 and that is an index for essential inconformity between self and external valuation.

The bigger the asymmetry in the self and external valuation is, the bigger the possibility for arising of CMD is, if it is not a reality already. In this sense the 50 percent limit of inconformity can be accepted as critical. One might say that the companies and the organizations that have passed it already possess CMD. And it is like this because sufficiently differently directed interests are accumulated in the interpersonal relations which can not compensate otherwise a management process that is correctly structured in technological respect.

Besides the valuation unconformities, the method the power is exercised can be a source of CMD also, like:

- the exercise of a power is connected to less foreseeing and more conjuncture. The subordinates can not stand the lack of perspicacity and farsightedness for a long time and conflicts which are orientated subsequently against those possessing power start;
- the presence of sanctions that originate from the possessed power should happen only when necessary. Only few are affected by this, but the chaos and disorder affect all otherwise. The uncontrolled sanctioning causes tension and fear with the subordinate;
- power should be used in doses compared to what kind of situation has aroused. The use of the entire given power can lead to serious motivation problems;
- the subordinates shouldn't fear of the power but only a necessity for a personal and team protection when necessary. According to a well known philosophic thesis, all who are convinced against their own will keep their initial convictions. The fear of the manager who is empowered to sanction, as well as the expectation for a stimulus can not be constant sources for activity of the subordinates if there is a lack of real motivation. This could bring a temporary success, but strategic results will be obtained with difficulty. In order to rely on a

success in strategic plan, the subordinates should feel the change as part of their own development. The indifference to the nature and type of the change can not be compensated with power or more power. Every attempt to turn this into management practice hides a real danger of CMD appearance. So it is more judicious to seek the reasons for this, which can be different for each concrete case. Here are some of the more important ones – unclear purposes; neglected personal and group interests; unattainable goals for the personal potential; inconformity between self and external valuation, etc.

The use of power on behalf of the management as main means for solving the existing problems is an approach which shouldn't be overdone. What is more – it is even possible part of the problems to deepen, which is a real prerequisite for CMD. Actually there are critical conditions, going out of which is possible only by the use of power, but as it was already stated, definitely not the whole power but the power which is exactly stipulated by the situation. Precisely the managers' unmeasured use of power makes the subordinates feel fear of it. If all problems in a company or organization are solved by means of the full given power then this can be assumed as a certain CMD symptom.

The correctly used power by the managers has a direct link with the seven personal qualities examined already. The bigger the asymmetry is at the self valuation of the manager and the external valuation (from managers at the same level and supreme bodies), the more ineffective is the power used for solving the problems. Subordinates can be included in appropriate way for valuating the managers in the administrative structures, which should be done after specifying the approach for this in advance. Otherwise it can be reached to incorrect valuation.

Problems with different nature and different complexity arise in the managerial practice, which require a special attitude of the manager towards them. This is expressed by the way he thinks and reasons for them before taking a step to concrete action for their solving. The possible versions of manager's behavior are given in Table 8.

Table 8

Manager's attitude towards the problems

№	Versions for displaying the problems	Manager's attitude	Behavior	Possibilities for CMD
1	Different problems	Thinks and reasons in one and same way	intentionally	Exist
2	One and same problem	Thinks and reasons in different way	analytically	Do not exist, but provided that the problem is solved in time and completely - there is a danger of putting off in the time
3	Exactly defined problem	Thinks and reasons in concrete way	operatively	Do not exist, but provided that the strategic look for the situation is not lost

The version for the manager's attitude towards the problems shown in the table is just one of the many possible. Prerequisites for CMD are present with the remaining ones but in a different stage. This is more clearly shown with the following versions:

*Version 1* – “different problems – thinks and reasons in one and same way”. In this version the approach of operative behavior is suitable only under one condition – that it is possible all problems to be covered and solved in time. Otherwise some problems will remain unsolved at the expense of others which in the time can lead to CMD.

*Version 2* – “different problems – thinks and reasons in different way”. It is natural the analytic behavior to be connected with different attitude towards the problems. Common features between the problems can be looked for at such approach which can lead to their more quickly and effective solving. At such behavior there is no danger of CMD, as long as solving of the problems is made in the necessary terms.

*Version 3* – “one and a same problem – thinks and reasons in one and same way”. The intentional behavior is justified and is based on the constant characteristics of the problem. There is no danger of CMD if the problem is not developed in the time and acquires new characteristics.

*Version 4* – “one and a same problem – thinks and reasons in concrete way”. This is an improved version of the previous. Operative behavior takes into account the possible changes in the problem situation and is completely suitable. CMD is excluded.

*Version 5* – “an exactly defined problem – thinks and reasons in one and same way”. The intentional behavior at exact parameters of the problem situation is not only unsuitable but can provoke complication of the problem as well as the rise of new ones. An obvious danger of CMD is present. Only in one case solving of the problem can be expected – if the preliminary attitude of the manager corresponds to the parameters and its contents, which is quite probable.

*Version 6* – “an exactly defined problem – thinks and reasons in different way”. The analytic behavior is unduly when the problem is clearly defined. In practice this leads to introducing a bureaucracy of the management process, more concretely expressed in slow and sluggish administrative services, unnecessary pedantry which in essence is a prerequisite for CMD. This is strengthened still more by the possible prolongation of the time for solving the problem.

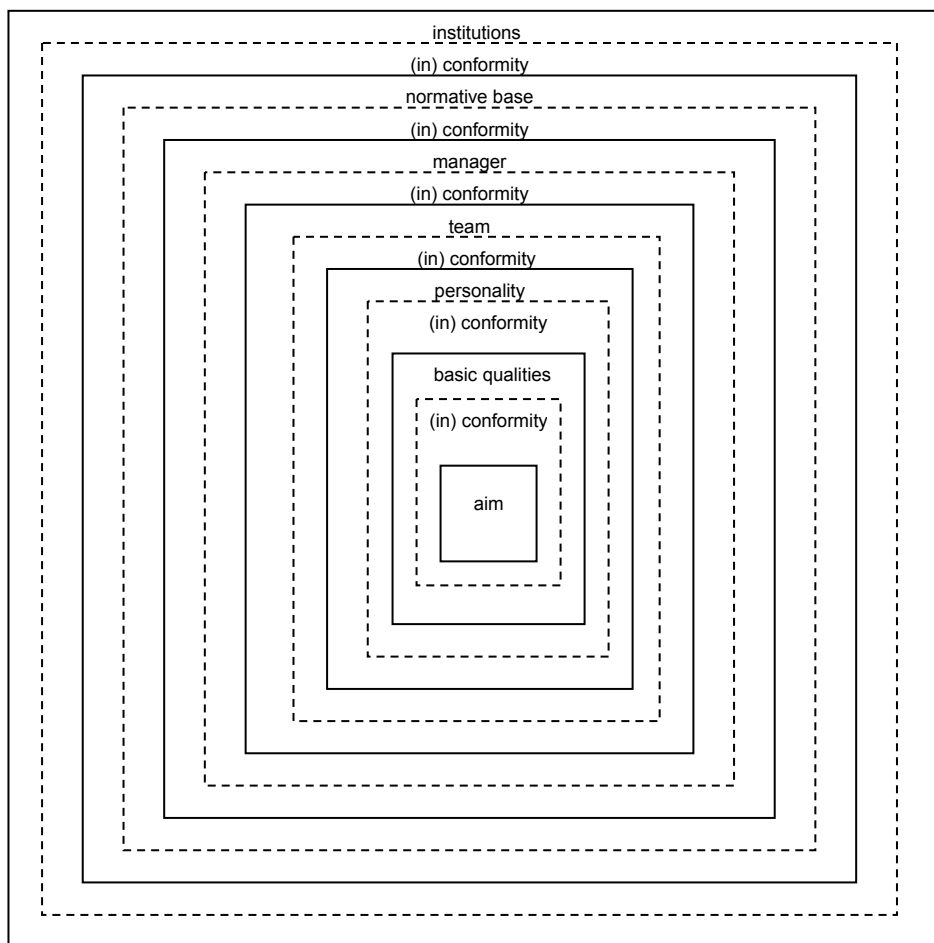
In all considered versions the case in point is the preliminary attitude of the manager for solving the problems, i.e. thoughts and reasoning that form his attitude as a mental model for influence over the problem situations. In order not to come to CMD, as it was stated in some of the versions, it is important these conditions to be diagnosed by means of managerial diagnostics methods. The collective or small group approach of preliminary discussion of the problems can be applied as possibility. When the problem situations are more complicated then expert advices can be taken. Irrespective of which version will be chosen, the purpose is one – to

avoid a possible incorrect approach for solving the possible problems which is also a preventive measure against the possible rise of CMD.

Both approaches for defining CMD – institutional and personal, are based on one common reason – the inconformity. In the first case it concerns the technology for the management process and in the second – the behavior of the human factor. The mutual connection between them are shown in Scheme 4.

Scheme 4

The inconformity as a factor for CMD

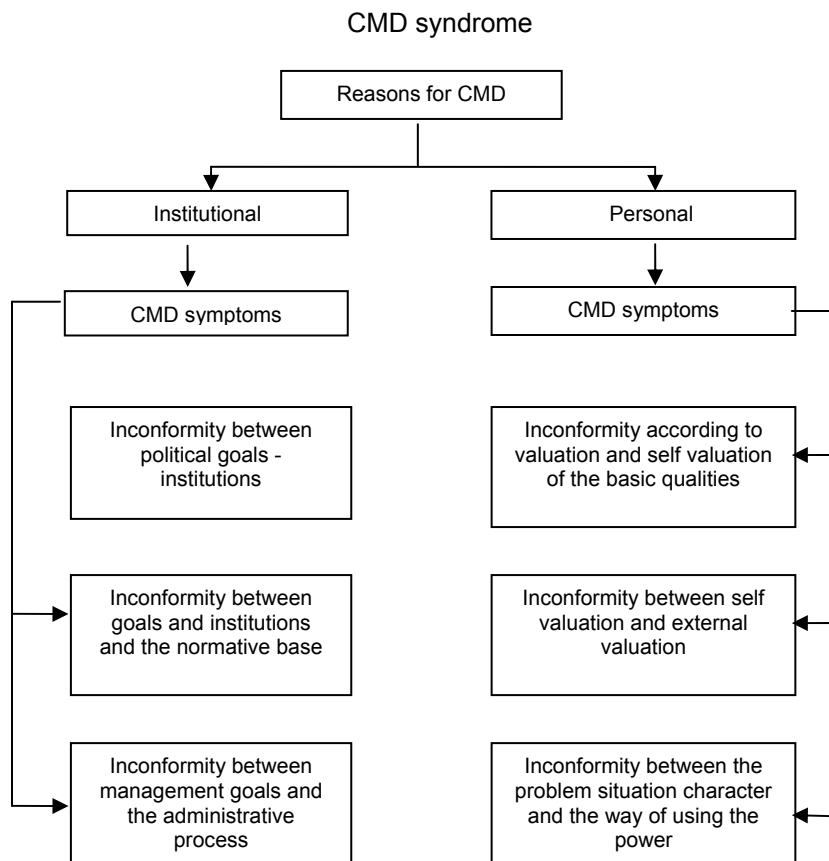


The only thing that can secure the transformation of the aim in a real result is the effective management process. The presence of CMD as a result of technological and behavior inconformity leads to breach of the management

process stability. The deviation from the set goals will be determined by the degree of this breach.

The concrete versions of inconformity with the institutional and personal approach for defining CMD are summarized on the following scheme.

Scheme 5



The institutional inconformities are connected to the management process technology, while the personal ones are addressed towards the human factor behavior. The problem is where to search the priorities for interference in order to avoid CMD. If we start from the technology, this means more efforts to be invested over the management process stability improvement by means of institutional changes, changes in the normative base and the administering. The creation of an effective management process is an advantage. If the priorities are directed to the human factor, it means to place an emphasis on the qualification, on the motivation



and on the basic qualities of the person as a whole, which were already considered. The higher effectiveness for revealing the human potential is an advantage in this case.

It is clear that in the management practice in order to avoid CMD it is better to change simultaneously the technologic process and the human factor as well. This however is not always created as a possibility for which many factors influence – environment, politics, etc. In this sense there is a possibility for certain unevenness when distributing the priorities. Directing them towards the formation of well structured and stable management process can secure the human factor potential utilization in full value. And this is so because it is exactly defined at present. And its change is too slow in the time. The formation of the basic characters in a person can not be done by a regulation or decision. The professionalism, the motivation, acquiring qualities for team work, etc. are secured for a long period of time. By reason of this, an effective management process can secure the utilization of the human factor's available potential to a great extent. In the opposite case – when the management process is structured incorrectly, even though the available human factor's potential is high, it can not be used in full value. In this regard, placing an emphasis on the formation of stable management process and leading a correct personnel policy is the best combination of priorities for avoidance of CMD.

\*

In conclusion we can summarize that CMD prerequisites are set in the technology of the management process itself. The considered versions of inconformity show that CMD symptoms can be found in different places upon the realization of the final aims. Their timely diagnostics and overcome by means of organizational and structural changes is one of the conditions for securing an effective management process. As for the human factor and use of power, we can preliminarily define here those critical points that can provoke CMD. Although this is not an easy task because not always from the personal behavior one can find clear symptoms directing to CMD, with such activity should be imposed specialists with different profile – economists, sociologists, system-organizers, psychologists, etc. They are the people who can secure the necessary prevention of the management process in order to avoid CMD.

8.1.2008