

PAEI MANAGEMENT STYLE AS A TRANSFORMATION CHANGE OF AN ORGANIZATION FROM THE MECHANISTIC TO ORGANIC CONSCIOUSNESS

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ABSTRACT: Countries which have the most developed economy are the ones which have a high rate of changes. Societies with the high rate of changes have the largest number of homeless people. [?] Social paradox, this is not the result of the high rates of unemployment. This is because many people can't follow the changes, work effectively, make a living and live in such circumstances, so they simply give up, without any struggle. Question: Why are there so many homeless people in America, if it is the richest country in the world? America is going through tremendous changes. America is going through a transition into postindustrial society, transition from the industry of manufacture and service to the industry based upon knowledge – 'economy of knowledge'. This transition requires 'mental', and not physical energy and some people are not ready, in other words, they can't adapt to these changes. Changes are also present in the countries which are going through transition. The new changes have caused instability, unemployment – there has been a complete crisis of society and economy. The reflection of reality is that the society feels insecure and unprepared to cope with actual and current changes – new problems. The consequence of the society going through transition period is unstable economy. Changes are the reason and the result of all the problems in society and economy. Unwillingness of the society/system is to blame that it can't adapt itself to the current changes. Bad economy is a reflection, reaction of business incompetence to follow the changes. Therefore, changes are necessity in the economy of knowledge, i.e. changes as a constant – are the imperative of modern business.

Key words: PAEI management style, changes, mechanistic consciousness, organic consciousness, economy of knowledge, mental energy, changes as necessity, transformational process of management.

СТИЛ НА МЕНИДЖМЪНТ КАТО ПРЕХОД ОТ МЕХАНИЧНО КЪМ ОРГАНИЧНО СЪЗНАНИЕ

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РЕЗЮМЕ: Страните с най- развити икономики се променят най- бързо. В същото време в обществата с най- бързи промени живеят най- много бездомни хора. Социален парадокс е, че това не е резултат от голямата безработица. Тъй като много хора не могат да се адаптират към промените, да работят ефективно и да изкарват прехраната си в тези условия, те просто се отказват да се борят. Въпросът е: защо в Америка има толкова бездомни хора, след като тя е най- богатата страна в света? Америка преминава през огромни промени, трансформирайки се в постиндустриално общество и развивайки „икономика на знанието“. Този преход изисква „ментална“, а не физическа енергия, която не всички са в състояние да използват ефективно. Промените водят до нестабилност, безработица, криза в обществото и икономиката. Оттук и ефектът върху хората, които се чувстват несигурни и неподготвени да се адаптират към тези промени. Слабата икономика е резултат от липсата на готовност и компетентност да се следват адекватно промените, които са така необходими в условията на „икономика на знанието“ и императив за съвременния бизнес.

Ключови думи: стил на управление, механистично съзнание, органично съзнание, икономика на знанието, ментална енергия, необходими промени, преходен процес при мениджмънта

INTRODUCTION

The way to make changes is to accept reality. It is the only way to progress, when you accept the situation and place where you are. As long as you struggle against the present, you won't have enough energy to move on towards the future. Once you accept the reality, you'll get the whole your energy to make changes. This is how you create the change of future times! Companies / organizations are made of groups of people and each person has its own needs, interests, wishes and problems. It is necessary to gather the members; to unite them to reach the central goal of the company; to realize the purpose of its existence; the goal follows the purpose through a process (to focus on this process). It is important for the members to develop and have collective / common language

and collective efforts – culture which enables them to develop realization of the precisely and clearly defined goals. Unity for the central goal, to support and protect synergy of the common interests (common interest becomes the purpose of living and working) in the scope of the culture. The culture of mutual trust and respect is innovative culture – (I)ntegration has to be present and developed. You create the effect that there is no wasting time and money when you integrate companies / organizations.

A company creates synergy of positive working energy through developed value system, the system of principles and standards, the model of the essential value – it creates its own culture. PAEI style of leadership and the first law of the

organization transformation of the system, the (I)ntegration role enables this to happen. This style of leadership is the vitamin of the system's vitality – (I) style is responsible for this, i.e. it makes the company long-term efficient, stable and effective innovative organization. It becomes Fit organization – company.

PAEI STYLE OF LEADERSHIP AS A CHANGE OF CONSCIOUSNESS OF THE ORGANIZATION

Nobody can stop changes! They are the inevitable process of reality – the reality of living and working. Changes are eternal and inevitable. It is important and necessary to adapt to changes. One of the ways to adapt faster to the changes is to learn how to solve problems as soon as possible. Problems follow the predictable pattern – it means that the problems also have a predictable way. A change follows life cycle, and in each stage of a life cycle there are problems with some special features. Some of the problems are normal, and some are not. The leader's role is to troubleshoot characteristics for the stage, and to prepare the organization to face the problems that will appear in the next stage. This is necessary, so that the problems would not become abnormal (acute). Making decisions is important, so the problems that appear altogether with the changes could be solved.

A good solution must be given by a good decision, which will make a company effective and efficient both short-term and long-term. It will make the company develop the ability to a business survival – the ability for making profit both short-term and long-term. Adaptation of the company solely depends on itself, to develop its own system through the process of changes. The changes that become a necessary condition of the transformation process of management. It also becomes the process of evolution of the organization itself – the system, its organization and management structure. A good, top-quality decision is (PAEI) decision, which gives quality solutions to business problems. To make a (PAEI) decision, it is necessary to perform (PAEI) roles, and it means that we need a complete (PAEI) style.

What we need is a leader – a person of the complete (PAEI) style, someone who is conscientious, organized, systematic and comprehensive. We need a leader with broad horizons, a person who is creating business horizons, and what makes his personality is the outstanding creativity and willingness to take risks. Furthermore, he is aware of someone else's needs, he knows how to form a team, and he is aware that he can be replaced. *Such (PAEI) leader does not exist in reality, but only in books. [?] There is no a perfect leader, manager, chief, parent. Nothing is perfect ever.*

The existing curricula describe what managers should do, although they are not capable to do it. If you open any textbook about theory of management, the word that you'll see the most frequently is 'should'. A manager should plan, should organize, should communicate, should coordinate, should discipline and should lead. The point is that nobody can be the best in everything. Why? *Management process is too complicated to be run or performed on your own.*

(PAEI) roles are inconsistent, because nobody can be even for a while (PAEI), and not even for a longer period of time. Nobody can be a perfect leader (manager), a powerful

genius, but *there can be a perfect team – complementary team.*

We'd like to emphasize the word 'complementary' team. Example: let's look at our hand. [?] Five different fingers make an arm, and they altogether function as a hand. In this process of leadership, one complementary team is necessary which has a sense of unity in diversity. They create wealth, synergy of diversity. The diversity creates wealth, where nobody is irreplaceable. If all the components would be the same, an organization / company would be vulnerable. Even if the components were different, it would be vulnerable because it would produce opposite effects. Power comes from unified differences: *'different fingers with different abilities', but which nevertheless function together.*

Unified differences make power, spirit of wealth that is the source of success – development (evolution) of an organization or individual. Wealth is in the diversity, in the sense of unity and diversity. The same thing applies to a society. A society which consists of complementary cultures will successfully survive these changes. Culture of society is a synergy of complementary styles, and the way of reasoning.

Questions: 'how the united differences bring power?' 'Differences make conflict which is already the weakness in itself.'

Diversity is a power, only if united differences compensate the mutual weakness. People of different abilities should be united. No person or no culture is perfect. We need a complementary team / complementary society.

2.1. CONSTRUCTIVE CONFLICT OF PAEI STYLE OF LEADERSHIP

Complementary team and/or complementary culture mean differences in the style and culture. The differences themselves represent potential conflict. The conflict is inevitable and necessary when managing the changes. If we try to prevent the conflict, it means that we don't manage well. We are like a sailor-to-be who says: 'I would like to sail over the ocean, visit foreign countries, but I don't like big waves.' So, the 'adventurous sailor' stays at home, sitting in his bath and reading touristic brochures.

If political leaders or managers say: 'I like to manage and direct, but I can't stand people.' Then, they sit in their 'manager's bath', avoiding a real task of management and directing: to manage the conflict. We can call this utopia.

Conflicts, i.e. changes are necessary, so if you prevent conflicts (denying conflicts), you will suspend changes. There are no changes without conflicts, and if you prevent the first, you suspend the other. If you don't know how to manage conflicts (you are not capable of it), don't try to be a leader / manager. If you don't like people, don't like different opinions then the job of a manager – leader isn't good for you. We can conclude: 'In a great deal, managing is leading – having business with people of different styles. Different people have different opinions.'

The conflict is necessary, desirable. But it can be sometimes destructive, not only constructive. In other words, not every conflict is desirable. Let's think for a moment, when the conflict is constructive, when it is synergistic; when the whole is developed through a disagreement, because it is better than the accumulated differences. *A synergistic conflict is when we learn something from different opinions. We learn from those who we disagree, only when we respect what that person says.*

When a complex problem bothers you – you ask for someone else's opinion. But you can't ask anybody for help. If you consult someone who is similar to you, who always come to an agreement with you, then it looks as if it is a wrong person in that case. If you consult someone who is different from you, but who you respect, again you will learn nothing from that person. When you ask for some advice, you should ask for it from someone who complements you and who you respect. When there are differences in the opinion that we respect. We listen to and learn only from those people who we respect, and we respect only the people we can learn something from.

Conflicts are constructive and they form the whole – synergy, when some new information shows up, out of the united different opinions. There is a synergy (the whole) of different united opinions, new information, ideas and knowledge. We can come to the synergy only when there is a mutual respect among the colleagues. A consultation, when we need to solve a problem – should be held only with someone with different style from yours. We consult people whose opinion we respect – we respect different opinions, only when it is useful for us, only when you learn from these different opinions. If you go to somebody who has different opinion, but you learn nothing from that person, you find out nothing that would change your attitude, you'll feel like wasting your time having conversation with that person. You won't appreciate what that person says to you.

A famous saying: 'When two persons agree with every issue, one of them is unneeded.'

An oriental saying: "If everybody agrees with everything, then obviously nobody is thinking very much." We are getting our wealth due to these differences, and the wealth is in the synergy (the whole) of the differences. And we can learn from the differences as long as we respect them. Synergy of diversity makes us feel rich.

It is not easy to work together in spite of the differences, but is very useful. When people realize this, they'll continue looking for the people who are different from themselves, not in spite of the differences, but exactly because of them. A distinct cooperation is a result of the respect, and the respect comes because of different opinions. Synergy of the diversity gives us wealth, in other words, it gives the power for its future development of an organization. The diversity is wealth – the synergy.

2.2. DEVELOPMENT OF CONSCIOUSNESS THROUGH THE PROCESS OF THE CULTURE OF RESPECT AND TRUST

Question: Will the society – our global society, or one person be strengthened or weakened by changes? Absolutely everything depends on how we relate to our differences, all the cultural values and styles. Everything depends on us, our consciousness development– development of a culture of the individuals and the society that we live in. If we build the groups of colleagues who respect each other and who trust each other then there will be a desire for progress. It will make a progress based on mutual differences in democratic society. They will become stronger, because without mutual respect there is no democracy. The decisions are not as important as the method of making them. If a decision is wrong, democratic system stimulates critics and debates. And the decision can be changed. The system has to enable the changes. Democracy in one society has to experience changes. The higher level of changes is, the better it is. It is necessary to create the system which has to be more democratic at every stage of development. Everything depends on the level of the society system development, which creates favorable conditions for development of an individual.

How does it look like at the level of an individual? Individuals must have self-respect for the differences / developed consciousness. They must understand and accept the fact that no decision in life is permanent. It is essentially important to have opened mind to yourselves and the others if you want to make good decisions. And the essence of personal success is to be your own colleague. There is no 'a manager from a textbook', so a complementary team is necessary where all the members mutually respect each other when making decisions. A successful society, organization is a union of different cultures which work together in the climate of mutual respect. It is necessary to legalize differences, to create a favorable climate for the development / evolution where it will be easier to develop the whole (synergy) of diversity. And they should be united in the system of mutual respect. We'll become a richer society exactly because of the synergy of diversity. Mutual respect creates a climate for mutual intersection of ideas, information, knowledge, and learning. Mutual respect is necessary, because without it there is no learning, and without learning the conflict is dysfunctional.

EFFECTIVE DECISIONS AS A FUNCTION OF PAEI-team AND MUTUAL RESPECT

A conflict is necessary – desirable because it is usually made by a complementary team which makes (PAEI) decisions. (PAEI) decisions are necessary so the system / company would be both short-term and long-term effective and efficient. *There is no a perfect leader / manager, culture, religion, political party.*

A complementary team or a society is consisted of the individuals and cultures that think and act in different ways, that make the conflict which is desirable but only if it is functional. It is functional if it is based upon mutual respect. Constructive conflicts cause the synergy of diversity that we can learn something from, and we can learn only if we are aware of the culture of mutual respect and trust, through well-

built friendly relationships. These relationships represent the reflection of trust based upon the respect of diversity that makes the whole of different knowledge and skills, and therefore the process of organization culture is more developed. The more developed culture of organization is, the more developed the process of leadership is. *The bigger influence of leadership – ‘management’, the more developed culture of organization is.* The climate in an organization has to be based upon the diversity, because the power i.e. wealth comes from the diversity, the synergy (the whole) of diversity that creates the climate convenient for learning – ideas, knowledge and information exchange. Knowledge brings to ‘knowledge’. *Knowledge becomes greater because of these differences and it also creates greater knowledge, in other words, better learning.*

$$\text{quality of decisions} = f \left\{ \begin{array}{l} \text{1. (PAEI)} \\ \text{2. mutual respect} \end{array} \right\}$$

Making good decisions is a function of the complementary (PAEI) team and mutual respect. Quality of these decisions is a style of people who are making them and quality of mutual relationships. For making good decisions a complementary (PAEI) team is necessary, which works with mutual respect, therefore through the process of culture, and builds the climate of mutual respect and trust. *Without mutual respect, disagreement becomes pain with no gain.*

1. TRANSFORMATION – MECHANISTIC VERSUS ORGANIC CONSCIOUSNESS

Each organization has its own consciousness, its own pattern of behavior (dominating principle of behavior) and/or a style. The style is the result of the consciousness level, the pattern of behavior, acquired and developed culture of the organization. An organization is growing, i.e. is going through the development process at the same time its culture is developing – business philosophy of the company. It is building its characteristic culture, with the dominant value system. The style becomes recognizable and a mark of the company – it represents ‘absolute I’ of the organization, internal capital of the company which is identical. The culture becomes DNA of the organization. Once we get to know an organization, its behavior is predictable. [5] Example: In bureaucratic organizations we can predict the loss of files, the situation where you have to wait too long for the respond, even if it is a late and inadequate respond.

To integrate (act, change) – means to change consciousness, value system – the essence of value, the systems principles, behavior and the business principles, the culture and system of trust from mechanistic to organic. Integration is the first law of the organization transformation (the spirit of an organization), it develops organic consciousness. It is aware of the sense (identified needs) that gives it the purpose developed through the process of the dynamics of the system to implement the purpose of its existence. (I) role is to make the system be functional, to make all the subsystems of the system function as a unit and have a holistic approach. The idea / vision are common, and the starter of energy of the business system. Integration brings an

entrepreneurship of the individuals into an entrepreneurship of the groups. Integration creates the climate, the system of moral principles and behavior, which induces everyone to work together so that nobody is irreplaceable. To integrate (to act) is to change the consciousness of an organization from mechanistic into organic consciousness (when the organization becomes aware of its self-consciousness). The mechanistic consciousness means: ‘I care only about my own interests; and you care only about yours.’

When an organization is building its business philosophy, with their own, dominant principles, characteristic principles that follow the process of running a business, it represents directives in the work (a part of the characteristic styles of work). Integrated companies have consciousness and they have the business spirit and style. They have a common spirit in terms of effective ways; directives of action. They aim to realize a common purpose and goal of the organizations.

They change the dominant style and pattern of behavior, their consciousness, because they develop their awareness of self-consciousness, i.e. develop the culture. *If the development of a company is at the higher level, the results of the business are optimally higher. The business results will be reflected and recorded in the financial statements. The business of the company becomes effective and efficient.*

4.1. THE DIFFERENCE BETWEEN MECHANISTIC AND ORGANIC CONSCIOUSNESS

What is *mechanistic consciousness*? Example: Let’s have a chair with four legs. We consider it to be a chair because we can sit on it. If we couldn’t sit on it, it wouldn’t be a chair. We define the object according to its function, what it does. What will happen if a leg of a chair breaks? It will become dysfunctional – it is no longer a chair, and you can’t sit on it any more. Somebody from outside is needed to fix it, to bring its function back again. The chair depends on the intervention from outside, so that it can be functional. Why don’t you move one of the other three legs of the chair in the middle, and make a three-legged chair, a stool – and be functional again. Obviously, the respond is in the fact that there is no internal interdependence among the inanimate objects, there is no connection. There is no internal interdependence of the parts to make the total unit function. This is the essence, the core of the nature of the mechanistic consciousness. *‘There is no internal interdependence among the parts of the chair.’*

In organizations, mechanistic consciousness can be defined as a limitation, pettiness and unidirectional. Each subsystem (part) works independently, and not as a part of the whole system. If we want the system to function as a unit, then someone who is out of the system has to manage the mutual dependence of the components.

Let’s compare mechanistic and organic consciousness. Example: Compare our hand. [6] We use it to write, to point, to work. What will happen if we break a finger? Will your hand still be functional? Yes, it certainly will. The other fingers will replace the function of the broken one. Even if we lose three fingers, we’ll still have the function of the hand. What does a hand make a hand? The hand will still be functional. Why isn’t

the function blocked? A hand is made of five independent fingers, and each of them 'thinks' as a hand. What a hand makes to function as a hand is not only its five fingers, but because each finger thinks it is a hand. If you lose an arm, and replace it with the prosthesis, you will learn how to use it after the necessary therapy. How do parts of a mechanic arm work together – they act as a hand. *(I) role is performed – there is an atmosphere of the interdependence of the parts to reach the common goal and purpose – this is the organic consciousness.[7]*

Through organic consciousness the whole body recognizes its rights and duties of its interdependence. Mechanistic consciousness means that each part is aware only of itself – there is no consciousness of internal interdependence. *Organic consciousness make sense of the total unit because each part would compensate the system vulnerability and make the system function as well as possible.*

Common spirit (religion of an organization) is the purpose of the total venture. [8] If we want the integration to be completely realized, it has to be found in the man himself, between a man and other people. It is outside the immediate environment but within the wider context where we all belong. We can find a God and understand it at the moment when we realize that we are all one, although we are in different forms, compositions and shapes. Diversity is necessary to make it possible for the total unit to function. Through this diversity we serve to each other inside the unity, so that it serves to us. This unity has consciousness, total and eternal perfection.

ORGANIC CONSCIOUSNESS-SPIRITUAL CONSCIOUSNESS OF THE SUBSYSTEMS INTERDEPENDENCE OF AN ORGANIZATION

When the components (subsystems) realize mutual dependence, connection and its purpose – nobody is irreplaceable, then the organization / company is long-term efficient. Inner sense of belonging, of mutual dependence, of connection is *Integration*. Integration leads to long-term efficiency. There must be a team work in an organization where everyone helps each other, so that nobody is irreplaceable. It is necessary to act as a hand, regardless of all the attributes of the fingers, and that each finger represents the hand.

While running a business, a manager always must ask himself questions: 'What is my managerial responsibility? What is my rock? Who are my clients and what are their needs? Who are the participants, in the process of performing a business, that we need to move the 'rock' away, and how can we set the necessary interdependence among the clients and the other business participants? How can I make people understand that they need each other? Do we all have a common goal? Does our system of rewarding stimulate cooperation? If people have a common vision and a system of rewarding which stimulates all of them for reaching the common goal, then the most likely nobody will be irreplaceable. People will help each other and they won't wait for anyone from the outside to solve their problems.

CONCLUSION

A company can develop itself only when it develops expressive ability to change, a process of integrated transformation. It will become integrated and aware of its dependence of the environment – aware because it acts and takes part in the immediate environment. It is a part of the unity, although it represents the unity itself – holistic approach. The connection between an organization (system) and the environment represents the function of the unity, so it is necessary for the company itself to function as a unity. This will be achieved only if the company applies the first law of the transformation in the organization – enlightenment of the unity – enlightenment organization (that has developed its consciousness of connection and interdependence) – I role. An organization is a part of the unity / system which functions in the economic and socio-economic system. To be a unity it has to develop the consciousness of belonging to the environment, it has to develop its business spirit, business philosophy that creates a social climate, and to realize the purpose of the total venture.

The conclusion is not what a process makes valid, because over time the conclusion will be changing. The conclusion, the process makes the results legitimate. The way that we come to the conclusion is the value that we can use over and over again, but the solutions and conclusions are what we can change over the time. This way that leads to the conclusions should always be the same process. The way is the process – (I) role, i.e. the first law of the organization's system transformation, the change from a mechanistic into organic – developed self-consciousness.

The environment, culture value – the system of trust and business philosophy, i.e. *(I)ntegration* of the clients and all the other participants in business. When the clients' needs are met by the satisfied participants, we'll have the system where nobody is irreplaceable. This can't function when there is no consciousness about the needs; without spiritual awareness of the interdependence, expressive mutual connection, commitment to the harmony and unity, balance, synchronization and moderation. We have to worry about our clients as if we worry about ourselves and in this way we won't meet only pseudo needs. We may meet our client's pseudo needs and earn some money doing this, but in this way we'll carry out a sabotage of the entire system that we belong to, and eventually it will boomerang on us. If you try to do this way, it will return to you. *'We have to treat other people the way we want to be treated or the way we treat our beloved.'*

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