
RATIONAL DECISION MAKING BASED ON ANALYZING ORGANIZATIONAL SURROUND FACTORS: A VIEW OF CRAFTING DIFFERENTIALITY AND EFFECTIVENESS IN KOSOVO ENTERPRISES

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Abstract: The purpose of the paper is, through the use of analysis of many factors, respectively factors of the managerial environment, to use them, and to make decisions as precisely and logically. The utilization of organizational surround factors analysis (OSF) brings to the surface a more rational way of thinking by identifying a few influencing factors such as: risk, uncertainty, dynamics, turbulence, intra-organizational conflicts and internationalization. All findings are obtained in direct linkage to the dependent variable decision making (DM). Solicitation of diverse models has reflected the important results such as the General Linear Model (GLM), Analytical Hierarchy Process (AHP) and Correlational Field Study (CFS). The findings have shown, that there is a clearest conjuncture between the external analysis (EA) that has been done and the effectiveness of decisions made in organizations. The influence of organizational surround factors (OSF) during the functioning of the organization has shown that managerial work and decision making is always affected by changes that occurs in the environment. Therefore, the main focus of the functioning of decision makers (DMs) is the identification of future (foresees) movements in time, building the adaptive mechanism and crafting ownself-differentiability in the industry. This study brings an analogous way of analyzing the weightiest factors of the organization's environment by applying mathematical-computing and empirical methods.

Keywords: Decision-making, organizational surround factors (OSF), differentiability and effectiveness.

1. INTRODUCTION

Decision-making in conditions of freedom is characterized by the fact that the possible variants or options (Elezaj et al. 2021) of solving the problem are known to the manager. Indeed, the decision maker based on the available information can assess the likelihood or probability of each of the possible variants. So, a decision making under risk condition is the results are not certain, but the probabilities or different results are known. The probability of an event occurring is "0 to 1", so the probability sum for all possibilities is "1". In risky decision-making, it is desirable that the decision-maker determines the likelihood of each possibility. Decision making in terms of risk is a common circumstance of decision making. The probability that a certain opportunity will be realized, that the risk will be less depends on the experience, but also on the information available to the decision maker. Many organizations and manufacturing management decisions are increasingly based on these quantitative analyzes (Kuljis et al. 2007). In the healthcare sector, decisions including risk analysis have included patient care strategies and physician decision-making (Matheny et al. 2005). The risk was also assessed in the context of uncertainty (Kuqi et al. 2021) about the new legislation and regulation (Amtayakul et al. 2003; Kubisty, 2004; Berghel, 2005). According to Hardman and Ayton (1997) suggest that the focus is on risk as the full spectrum of their potential consequences and their uncertainties. In this regard, decision makers should use qualitative and quantitative strategies approach when making decisions (Aven and Kristensen, 2005). Also, decision-making process will be more difficult in complex circumstances than in simple ones. The organization, i.e. their management, should be acquainted with the characteristics and circumstances in which their organization works in order for the entire organization and in particular the decision-making body is to adapt to the characteristics of the organization's circumstances (Elezaj, Morina and Kuqi, 2020; Elezaj, Morina and Draga, 2019). The most sensitive to changes in circumstances are the origins of high technology which are particularly sensitive to technological changes and the risk of falling and technological discontinuity or transformation into static organizations (Elezaj and Elezaj, 2018; Elezaj, 2018), which are oriented only to the perfection of its own technology and not in the replacement of the old technology with the fallen due to any decision taken without time. Successful decision makers "*capture*" the information at the right time, so that they can develop an intuitive review of the problem.

2. MATERIALS AND METHODS

The materials and methods used in this research are based on primary data sources of 100 organizations in Kosovo, which were taken as a representative pattern. These patterns were taken throughout Kosovo business's which were given to the leaders of organizations such as: CEOs, managers, owners and various functional leaders who held

senior management positions. The sample was taken as a survey type and in some cases a mixed combination through interviewing with qualitative methods of open answers in relation to issues of interest to the researcher. Further, the analysis of the results is based on the application of data processing tools such as SPSS 25v., and also, the Analytical Hierarchy Process (AHP) method which is practiced to see the consistency index (CI) and consistency random (CR) through the calibration scale of the Satty model.

3. RESULTS

Table 1. Model of correlation for group of factors (Organizational surround factors “OSF”)

General Linear Model - GLM (Multivariate) test in groups (Organizational surround factors)

		Correlations						
		Decision_Making	Risk	Uncertainty	Dynamics	Turbulence	Intra-org._confl.	Inter-nationaliz.
Decision_Making	Pearson Correlation	1	.159	.115	.065	.155	.319**	.198*
	Sig. (2-tailed)		.115	.256	.518	.123	.001	.048
	N	100	100	100	100	100	100	100
Risk	Pearson Correlation	.159	1	.920**	.624**	.471**	.164	-.014
	Sig. (2-tailed)	.115		.000	.000	.000	.103	.894
	N	100	100	100	100	100	100	100
Uncertainty	Pearson Correlation	.115	.920**	1	.776**	.603**	.242*	-.070
	Sig. (2-tailed)	.256	.000		.000	.000	.015	.489
	N	100	100	100	100	100	100	100
Dynamics	Pearson Correlation	.065	.624**	.776**	1	.851**	.242*	-.082
	Sig. (2-tailed)	.518	.000	.000		.000	.015	.417
	N	100	100	100	100	100	100	100
Turbulence	Pearson Correlation	.155	.471**	.603**	.851**	1	.148	-.056
	Sig. (2-tailed)	.123	.000	.000	.000		.142	.580
	N	100	100	100	100	100	100	100
Intra-organizational_conflicts	Pearson Correlation	.319**	.164	.242*	.242*	.148	1	.218*
	Sig. (2-tailed)	.001	.103	.015	.015	.142		.030
	N	100	100	100	100	100	100	100
Inter-nationalization	Pearson Correlation	.198*	-.014	-.070	-.082	-.056	.218*	1
	Sig. (2-tailed)	.048	.894	.489	.417	.580	.030	
	N	100	100	100	100	100	100	100

As can be seen it is a good and strong correlative expression which is shown based on the Pearson correlation statistical report which on average if we can take it as a value is greater than 5 (> 5) and which affects the correlation and the value that may have the ratio of the variables of the environment group of the validity test organization. Furthermore in this table are presented the level of consistency of meaning, which is also a strong indicator of correlation in the sense that we have a relationship between variables and then we can continue with the correlation coefficients to see what relationship exists between you as seen in our case throughout the table we have a correlational relationship and as mentioned above, which in certain cases goes above 9 (> 9) that we actually have an extremely positive level of interaction between them and this is a good state of stability, model founds the application of these variables as a result of one that the model can provide a proper analysis of the assessment of the organization's environment. Then another indicator which demonstrates this connection and the stability of strategic decision making is the Partial Eta Squared which states that the level of errors cannot be greater than 1 (<1), which in our case is less than 1 (> 1) and which is also a rule which argues that we are at the limits of normal in terms of multivariate tests which in our case are: (.249), (.279), (.311), (.521).

Table 2. Multivariate test between (OSF) groups and dependent variable

Multivariate Tests ^a							
Effect		Value	F	Hypothesis df	Error df	Sig.	Partial Eta Squared
Intercept	Pillai's Trace	.914	160.752 ^b	6.000	91.000	.000	.914
	Wilks' Lambda	.086	160.752 ^b	6.000	91.000	.000	.914
	Hotelling's Trace	10.599	160.752 ^b	6.000	91.000	.000	.914
	Roy's Largest Root	10.599	160.752 ^b	6.000	91.000	.000	.914
Strategic_Decision_Making	Pillai's Trace	.748	5.146	18.000	279.000	.000	.249
	Wilks' Lambda	.375	5.938	18.000	257.872	.000	.279
	Hotelling's Trace	1.352	6.737	18.000	269.000	.000	.311
	Roy's Largest Root	1.086	16.836 ^c	6.000	93.000	.000	.521

In this table are placed the variables which are also an integral part of the component Organizational surrounds factors (OSF) ranked according to the Satty scale which show their weight based on the ranking of their importance, respectively the organization.

Table 3. Pairwise comparisons of organizational surround factors (OSF)

Pairwise comparisons							
Item Number		1	2	3	4	5	6
	Item Description	Risk	Uncertainty	Dynamics	Turbulence	Intra-organizational conflicts	Internationalization
1	Risk	1.00	7.00	5.00	4.00	3.00	2.00
2	Uncertainty	0.14	1.00	3.00	5.00	4.00	3.00
3	Dynamics	0.20	0.33	1.00	5.00	3.00	3.00
4	Turbulence	0.25	0.20	0.20	1.00	4.00	4.00
5	Intra-organizational conflicts	0.33	0.25	0.33	0.25	1.00	3.00
6	Internationalization	0.50	0.33	0.33	0.25	0.33	1.00
	Sum	2.42	9.11	9.88	15.50	15.33	16.00

In the following table we have the identification of priorities by the variables which after calculation in the AHP-matrix standardization method are identified that two of the most important factors are policy risk (36.7%) and uncertainty (26.0%).

Table 4. Standardized matrix of organizational surrounds factors (OSF)

Standardized Matrix								
	Item Description	Risk	Uncertainty	Dynamics	Turbulence	Intra-organizational conflicts	Internationalization	Weight
1	Risk	0.41	0.49	0.38	0.32	0.27	0.33	36.7%
2	Uncertainty	0.21	0.24	0.38	0.32	0.27	0.14	26.0%
3	Dynamics	0.14	0.08	0.13	0.24	0.16	0.14	14.8%
4	Turbulence	0.10	0.06	0.04	0.08	0.22	0.19	11.6%
5	Intra-organizational conflicts	0.08	0.05	0.04	0.02	0.05	0.14	6.5%
6	Internationalization	0.06	0.08	0.04	0.02	0.02	0.05	4.5%

As we can see from the table below of the calculations of the general factors within the organizational surround we have come to the conclusion that we have the stability of these variables as a result of the weight and importance of these variables. Based on this step explained according to the formula for AHP scale and the equation we create, we can say that where quadratic can be an important basis with analysis and decision making based on the value of randomness or randomness index which is $R_{value} = 0.062$ or (.062), which means that it should not be greater than 0.1 or expressed in equation $R_{value} < 0.1$, then we have consistency of variables.

Organizational surround factors coefficients calculation:

$$CI=0.077 \quad CR = \frac{CI}{const.} = \frac{0.077}{1.24} = 0.062$$

$$Const. = 1.24 \quad \mathbf{R_{value} = 0.062}$$

$$CR=0.06$$

Table 5. CI and CR of organizational surrounds factors (OSF)

CI and CR worksheet									
	Item Description	Risk	Uncertainty	Dynamics	Turbulence	Intra-organizational conflicts	Inter-nationalization	SUM	SUM/Weight
1	Risk	0.37	2.34	1.19	0.92	0.44	0.23	5.48	14.95
2	Uncertainty	0.04	0.00	1.04	0.69	0.25	0.14	2.16	8.30
3	Dynamics	0.05	0.04	0.15	0.35	0.13	0.09	0.79	8.19
4	Turbulence	0.05	0.04	0.05	0.12	0.19	0.09	0.53	6.05
5	Intra-organizational conflicts	0.05	0.07	0.07	0.04	0.06	0.09	0.38	5.35
6	Internationalization	0.07	0.09	0.07	0.06	0.03	0.05	0.37	4.64

4. DISCUSSIONS

The group of factors which are outside the organization or the environment of the organization with the most distinguished are: decision making and intra-organizational conflicts, uncertainty and intra-organizational conflicts, dynamics and intra-organizational conflicts. The conclusions continue as a result of numerous analyzes made by finding the averages from the 6 factors to see how effective decision-making is within the organizations tested in the GLM test. To continue the analysis of the AHP method which gives us its conclusions as the basis of the result which according to the analysis made all turn out to be acceptable regarding the consistency index and the random index which can no longer be greater than 0.1. Further these analyzes have been done that the researcher has tested all the factors under the influence of each other to see the impact they have created on each other and the specific importance of alternatives (Kuqi, Elezaj and Hasanaj, 2020) for a more accurate and precise decision making. While in the group of environmental factors of the organization we can say that the most important factors which have the highest weight are: risk and uncertainty, these two factors that accompany managerial decision making. Risk refers to government policies and government stability in general where through various changes in laws and administrative instructions is creating a stalemate which is turning Kosovo businesses into a circle of risk and small opportunities for operation, especially small businesses and start-up businesses which are not being created a genuine policy of support and enlargement. And the part of uncertainty which is an element of market change due to supply and demand which is changing the competitiveness but, also increasing the rivalry between firms, which at the same time is reducing the rationality of making a clear decision, safe, based on the conditions when we have higher intensity and rivalry in the industry with new entrants and increasing the concentration of substitutes. Results obtained by organizations and that the greatest fight they turn it into a competition between them based on the results of the comprehensive competitive context to which strategic alternatives such as horizontal integration, before and after responding by focusing on product quality, concentration in durable furniture, sustainable distributor, increasing the mobility of creative power and innovation, creating product diversity, expanding in current markets and creating posture in new markets and developing new products in new markets.

5. CONCLUSIONS

These factors are listed as the most important: uncertainty, dynamics and turbulence. We can conclude that uncertainty as mentioned above is one of the smartest determinants that have affected the decision-making process, where managers, owners or executives of organizations are those who always have a dose of doubt in determining which alternatives to make decisions, although they are always based in terms of internal and external analysis to act with an option as a decision. To further accompany, that this factor is related to the dynamics where the exponential power of new entrants can create an inconvenient situation to analyze the environment as before. This can give managers, owners and executives a special momentum on how to react to these changes. Moreover, when they are accompanied by turbulent effects which follow various effects in the production of movements and challenges which may appear as ambiguity to the organization. Movements that aim especially at changes in the production process of products, production technology, new skills for creating innovations, creativity and new practices that lead to competitive advantage (Elezaj and Morina, 2017; Kuqi, 2018).

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