

Experience of good practices in the cooperative sector

Evaluation and improvement of the functions of the management process in a tobacco enterprise



Evaluación y perfeccionamiento de las funciones del proceso de dirección en una empresa tabacalera

Avaliação e refinamento das funções do processo de gestão em uma empresa de tabaco

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ABSTRACT

The Administration frames most of the indispensable elements to guarantee the management and the fulfillment of the objectives in an enterprise, while the direction or management of any entity has the responsibility to watch over the use of the resources in such a way that the planned results are achieved. Based on this, a study of the different definitions of management, as well as of each of the functions that make up the management process in the Empresa de Acopio y Beneficio de Tabaco San Luis was made, with the objective of evaluating the functioning of the management cycle in this entity and proposing a series of measures focused on mitigating the weaknesses found. To this end, an interview was conducted with managers and workers, the results of which, together with the bibliographic study and other methodologies, led to a series of measures and recommendations

to the entity's direction. It is concluded by proposing generalization actions both for the subordinate Base Business Units and for other enterprises in the sector.

Keywords: administration; strategic direction; management cycle.

RESUMEN

La Administración enmarca la mayoría de los elementos indispensables para garantizar la gestión y el cumplimiento de los objetivos en una empresa, mientras que la dirección o gerencia de cualquier entidad tiene la responsabilidad de velar por el uso de los recursos de forma tal que se alcancen los resultados planificados. Basándose en esto, se realizó un estudio de las diferentes definiciones de dirección, así como de cada una de las funciones que componen el proceso de dirección en la Empresa de Acopio y Beneficio de Tabaco San Luis, con el objetivo de evaluar el funcionamiento del ciclo directivo en dicha entidad y proponer una serie de medidas enfocadas en mitigar las debilidades encontradas. Para ello se aplicó una entrevista a directivos y trabajadores cuyo resultado, sumado al estudio bibliográfico y otras metodologías, trajo como resultado una serie de medidas y recomendaciones a la dirección de la entidad. Se concluye proponiendo acciones de generalización tanto para las Unidades Empresariales de Base subordinadas como para otras empresas del sector.

Palabras clave: administración; dirección estratégica; ciclo directivo.

RESUMO

A Administração enquadra a maioria dos elementos indispensáveis para garantir a gestão e o cumprimento dos objetivos em uma empresa, enquanto a direção ou gestão de qualquer entidade tem a responsabilidade de zelar pelo uso dos recursos de tal forma que os resultados planejados sejam alcançados. Com base nisso, foi feito um estudo das diferentes definições de gestão, bem como de cada uma das funções que compõem o processo de gestão na Empresa de Acopio y Beneficio de Tabaco San Luis, com o objetivo de avaliar o funcionamento do ciclo de gestão nesta entidade e propor uma série de medidas focadas em mitigar os pontos fracos encontrados. Para este fim, foi realizada uma entrevista com gerentes e trabalhadores, cujos resultados, juntamente com o estudo bibliográfico e outras metodologias, levaram a uma série de medidas e recomendações à direção da

entidade. Conclui propondo ações de generalização tanto para as Unidades de Negócios subordinadas quanto para outras empresas do setor.

Palavras-chave: gestão; gestão estratégica; ciclo de gestão.

INTRODUCTION

It is difficult to separate the terms Administration and Enterprise Direction because there is a close relationship between them, however, they do not mean the same thing. Regarding Administration, Fernández Arena (quoted by Mero Vélez, 2018) states "it is the social science that pursues the satisfaction of institutional objectives by means of a structure and through a coordinated human effort", while if it is taken into account the definition of Business Direction, or leadership, by Galarza Torres et al. (2017), it can be defined as the process by which the resources of an enterprise are managed to achieve the objectives set by management, that is, in other words, business direction is a continuous activity where the entity raises, coordinates and develops the necessary tasks to meet the goals set and that depends largely on the theories of leadership and the leader's capabilities.

Regarding direction, it is evident that it focuses on the internal aspects of the enterprise, seeking to convert the resources available into results. For this, a series of functions of great relevance must be taken into account in order to carry out a successful administrative and direction process in general, since they must be adapted to each particular scenario of the enterprises.

Marcó, Loguzzo and Fedi (2016) refer that several authors agree on the existence of four functions that a manager must perform: Planning, Organization, Command and Control, which make up the management cycle. Each of them contains essential elements for the proper functioning of the entity.

González (2004), cited by López Calvajar et al. (2018), defines Planning as the process of preparing a decisions group regarding future activities, based mainly on research, reflection and systematic thinking.

Furthermore, Marcó et al. (2016) state that planning is decisive because it defines the objectives that the enterprise must achieve in the future, a process that is carried out continuously and systematically. The administrator or director must know precisely what, how, when and where the

action plan should be implemented; while Robbins and Coulter (2010) define planning as defining objectives, establishing strategies and developing plans to coordinate activities.

In addition to these authors, Señalín Morales et al. (2020) state that planning represents the administrative activity capable of setting down in writing, preferably, the organizational reality; the present and the path to follow for the future consist of the ability to analyze the current situation of the enterprise, based on the analysis of the results and market opportunities to design the goals and objectives that it sets for the short, medium and long term.

According to the above, Planning can be defined as the systematic process by which conditions are prepared to face certain future situations aimed at guaranteeing the fulfillment of the entity's objectives.

In the case of Organization, Mero Vélez (2018) states that this function responds to the question, how is it going to be done? The organization of the enterprise focuses on the structure and modes of action to ensure that it achieves the business objectives that are raised; enterprises are not organized by themselves, nor are structures designed randomly, therefore, the operation of the enterprise may not be ideal, if organizational structures are not available, and may lead to chaos in the organization or enterprise.

Robbins and Coulter (2010) define it as determining what needs to be done, how to do it and who is available to do it, while Larrosa Moran et al. (2020) summarize its importance as the function that allows ordering resources and functions in order to achieve the enterprise's objective, establishing an adequate structure for the systematization of resources in order to accomplish tasks efficiently.

From this, it can be affirmed that the Organization is nothing more than structuring both the processes and the organizational system of the enterprise, seeking with this the fulfillment of the objectives and plans of the entity, using efficiently the resources of the same.

As for the third function, called direction by some or command by others, Koontz and O'Donnell (cited by Mero Vélez, 2018) define it as: "the executive function of guiding and supervising subordinates".

To direct is essentially to command, but not through the use of power but through leadership focused on meeting the objectives of the enterprise by directly influencing subordinates, in addition to motivating, directing and any other actions involved in directing personnel (Robbins & Coulter, 2010).

However, according to del Castillo Sánchez (2016), there has been a contradiction between the business direction that is interested in achieving greater efficiency and efficacy in their results, which points out that the upper levels of direction are unaware of business management and its requirements, which can translate into a weakness in the business environment because it is inconceivable that top management lacks this knowledge.

A good leader can not only increase the productive potential of the personnel, but also maintain a good command system and delegate responsibilities to subordinates, seeking to encourage specialization and distribute work more efficiently.

The last function is that of Control, which consists of verifying whether the objectives set out in the planning are being met. This is achieved by contrasting the proposed goals with the results observed in the financial statements, audits or statistical data, in other words, in a more simplified way, it could be to monitor the activities to ensure that they are achieved as planned (Robbins & Coulter, 2010), and according to Koontz Weilrich (2007), quoted by Schmidt et al. (2018), control is defined as the measurement and correction of performance to ensure that the enterprise's objectives and the plans designed to achieve them are achieved.

In addition, Pérez Mayo et al. (2015) consider that control is concerned with other important tasks such as maintaining the existing organizational structure, physical attributes (properties, equipment, etc.) and human relations so that the organization is viable and thus manages to remain over time.

The previous authors agree on several elements such as controlling and measuring the correct execution of tasks in order to achieve compliance with the objectives and goals set. Whether they are internal or external controls, the feedback that the reports bring with them is crucial for the development of the entity, since the managerial functions as a whole form the managerial cycle.

Current status of the Business Administration process at the San Luis Tobacco Collection and Processing Enterprise

The entity is formally structured by a Direction department that includes, in addition to the direction position and a Deputy Director, six (6) Functional Directorates and twelve (12) Base Business Units as shown below in the entity's organization chart.

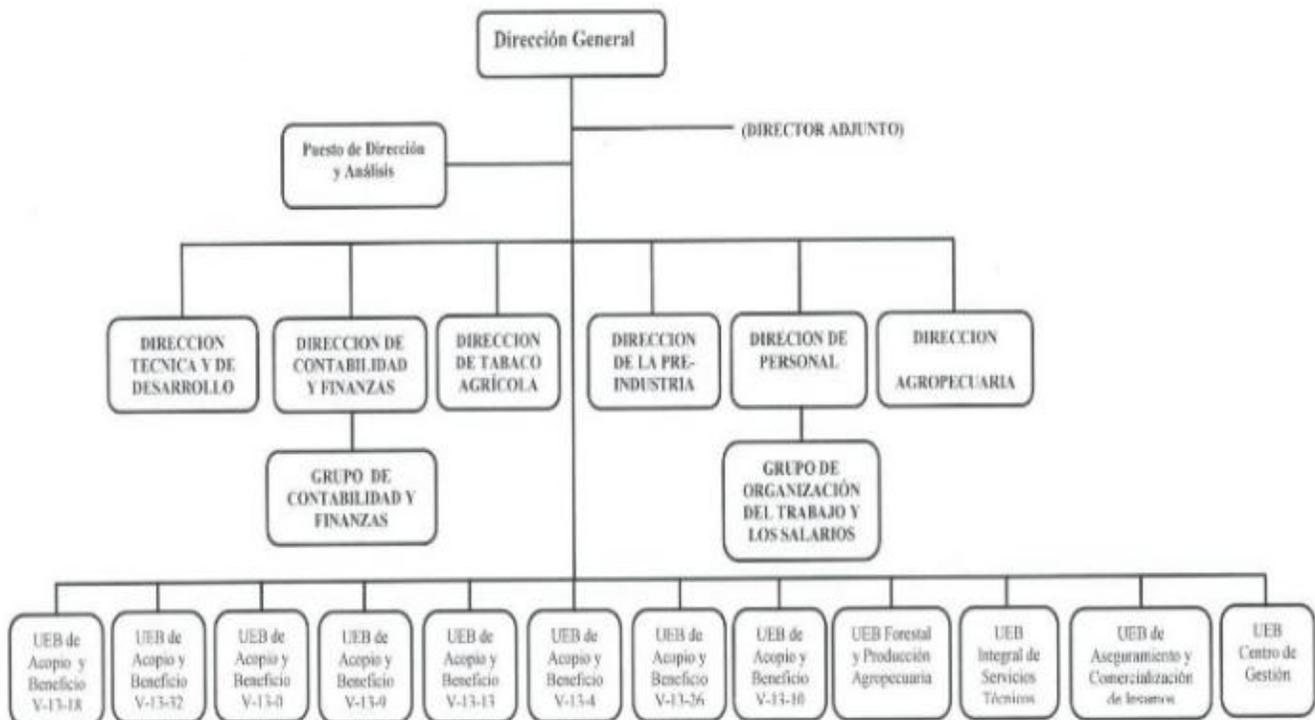


Fig. 1 - Organizational chart of the Empresa de Acopio y Beneficio de Tabaco San Luis

Source: Organic Document of the entity

The Organic Document of the Empresa de Acopio y Beneficio de Tabaco San Luis establishes the missions, functions and responsibilities of each job position, but emphasizes mainly those related to the entity's direction. It also presents the basis of the chain of command and information within the enterprise and the mechanisms for delegating administrative responsibilities to subordinate positions.

At present, it is of vital importance that the cycle and other managerial processes are developed in an ideal way in the enterprises of the country, since this will determine the efficiency in their management and the impact on the economy of the localities and the country in general. That is why in this research an analysis was made of the administrative process in the Empresa de Acopio y Beneficio de Tabaco San Luis with the objective of evaluating this process and proposing a series of measures and indications to help solve the weaknesses found in the entity.

MATERIALS AND METHODS

1. Theoretical methods

- The Dialectic method: It made it possible to analyze the causes, difficulties and contradictions that affect the structure of direction systems
- Historical-Logical Analysis: It is used to define the trajectory of the topics to be studied according to the historical evolution of Administration and strategic direction both in the world and in the national context

2. Empirical methods

Basically aimed at characterizing the state of the art of the methods of use and validation of the proposal.

- Interview with managers and workers: It allows knowing the criteria of managers and workers of the institution about the planning process, their participation in it, their knowledge about the functions of the administration and its application within the institution

RESULTS AND DISCUSSION

After an analysis of the entity's administrative processes, an interview was conducted with 8 of the entity's directors and 24 workers at different times, focused on determining the opinions of the interviewees on the functions of the administration and the current functioning of the enterprise, according to them.

Based on this, a series of elements were detected that hinder the enterprise's management and limit to a certain degree the fulfillment of the proposed objectives.

These elements are listed and characterized below:

1. Deficient analysis, disaggregation and follow-up on the Work Objectives defined for the year, considering that:
 - The action plans have been almost the same as the ones Tabacuba has sent to them, without adapting them to the enterprise's characteristics
 - Follow-up on the evaluation of the Objectives has been poor, mainly at the end of the first quarter of the current year and the end of the previous year
 - The values identified in the Objectives did not correspond to the figures included in the enterprise's Plan
 - The Base Business Units did not always receive the Objectives they were supposed to work towards
2. Problems with the preparation of Monthly Work Plans, as manifested in:
 - The enterprise's monthly plan basically reflects the effects coming from higher levels or from political organizations and may also include participation in a meeting with the productive base or assembly
 - Not all of the enterprise's sub-directorates prepare the Monthly Work Plan and in the best cases they work with the Deputy Director's Plan of Affectations, which contains the meetings he/she has to attend or other affectation oriented by higher levels
 - The technicians are not given the tasks to be performed each month according to the enterprise's needs, since they are not included in the monthly work plans of the sub directorates, in the best cases they are asked to give the tasks list that they propose to do
3. Insufficient functioning of the Boards of Directors
 - The interest and motivation of the members of the Board in the topics presented has not been fully achieved, and when one of them makes a presentation, sometimes others show little attention or indifference
 - The level of preparation of those who must present issues before the Board is not always the required, which considerably lengthens the working sessions

- A lot of time is dedicated to checking agreements, these are excessive and in some cases repetitive and reflect functions that by definition have to be performed by a certain sub-direction in the enterprise

Taking into account the aforementioned elements, a series of actions are proposed that can be carried out by the direction of the Empresa de Acopio y Beneficio de Tabaco San Luis to eliminate or mitigate the deficiencies that these elements may cause.

First: Work to define the Objectives for the year and achieve greater integration of departmental managers in those that constitute the fundamental ones.

- Not only take the values and figures requested by the superior entity, but adapt them to the reality of the enterprise
- Present specific objectives in each Base Business Unit in order to guarantee the fulfillment of the entity's goals in a more balanced way
- Constant monitoring of the fulfillment of objectives, either by creating a specific work team for each department or a general one that rotates through the prioritized areas

Second: To strengthen teamwork at the different levels of the enterprise that will strengthen the use of the Direction Tool called Master Action Plan, which will be developed centrally with the members of the Direction Board and, in addition, the Action Plans, which are the instruments that will be formed in each sub-directorate and Base Business Unit to respond to the actions of the Enterprise's Master Plan, must be made. These Action Plans will be drawn up at the beginning of each year.

Third: To improve the Monthly Work Plans by incorporating, in first order, the tasks derived from the Action Plans that will involve all the specialists and technicians of the different levels, as well as to integrate the work plans of each subordinate Base Business Unit so that the final plan will cover the whole enterprise and not only the central headquarters, which has been the case in the past.

Fourth: As a result of all this strategy, it is possible to change the conception of the functioning of the Board of Directors, which will be a more predictive and evaluative body of the work strategies to be implemented, thus fulfilling the functions established in the Organic Regulations for the Empresa de Acopio y Beneficio de Tabaco San Luis.

In addition to the proposed measures, it is valid to point out that this is not a quick process that can be solved in a few days. It is a process that may take months to perfect, but which importance and possible result for the entity and its management may lead to a high rate of management in all areas, so it is suggested to the enterprise's direction to discuss in the established spaces the real situation of this process, accounting for what has been done and what remains to be done, because the managers must be critical and self-critical as they are the face and direction of the entity.

Although this article is focused on a single enterprise, it has Base Business Units that are directly subordinated to it, therefore, if the measures proposed in the research are fulfilled and socialized to these subordinate units, the scope will be greater and will guarantee an increase in the efficiency of the enterprise's general management cycle.

Success in meeting the objectives of an enterprise is not only given by the efficient use of resources or carrying out the tasks according to the established schedule. Each entity has its own unique characteristics and this means that the application of administration theories is carried out differently in each one, however, it is essential that the four functions are applied properly, always taking into account the objectives and structure of the enterprise.

There cannot be a correct organization without an adequate planning of resources and processes, which are carried out by the entity's direction, maintaining a leadership that seeks to promote responsibility and commitment of the workers. This must be accompanied by a control system framed in the current situation of the company, which ensures compliance with indicators according to a previously established schedule.

Accordingly, the Empresa de Acopio y Beneficio de Tabaco San Luis has trained personnel for direction positions, but late payment and procrastination affect their performance, which may, to a certain extent, limit the implementation of the proposed measures; however, it is the responsibility of the Direction Board to work to eliminate these negative attitudes and foster an organizational culture in accordance with the entity's organic document.

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Conflict of interest:

Authors declare not to have any conflict of interest.

Authors' contribution:

Dainel Falcón Corrales and Anisley Herrera Pineda designed the study, analyzed the data and prepared the draft.

Aidelisa Álvarez Gutiérrez was involved in data collection, analysis and interpretation.

Luis Alberto Estrada Hernández conducted a bibliographic review of the topics and object of study analyzed.

All authors reviewed the writing of the manuscript and approve the version finally submitted.



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