

MODERN TECHNOLOGY APPLICATION IN ECONOMICS AND MANAGEMENT

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Abstract: *Modern economy and society operate in terms of high turbulence. It can be seen simply by observing phenomena in the natural and social order. Time as the atmospheric phenomenon has become a variable, so that in one day can happen too large fluctuations in temperature and other weather phenomena. Oscillations manifest negative impacts on the environment, for which biology, zoology and medicine with other sciences seek to modify the living beings and make them resistant to atmospheric phenomena and differences. On the other hand, time as space has become increasingly scarce resource and as such becomes a limiting factor for certain acts, or omissions. It is now time not measured in seconds, as it was in the past, even tens and hundredths, but nano-seconds. In a word, revolutionary changes have become an integral part of life and work, as individuals, and organizations.*

New situation require to react in an appropriate manner, especially when it comes to governing elites. Today, the lines between international and domestic operations are gone. Many actors are looking for ideas, workers, materials and workers everywhere. Certainly, concepts, techniques and technology operations that were applied in the past, today are not acceptable, because it shows that every time the situation corresponding to the other and different techniques and concepts. Economic science and profession of management are areas that are not affected by a radical and fundamental change, or rather the changes that have occurred in these segments have been far more modest than in other areas of the economy and society. The statement refers to a longer period of time, including several decades, so it is still used antiquated and outdated concepts and techniques. Epilogue above is known. It's inefficient economy and society on a global and national levels, which often turns into a crisis situation. Certainly a great economic crisis 2009. is the result of application outdated concepts and technologies, primarily in corporate management. The paper aims to highlight the need for abandoning classical and obsolete concepts, techniques and technologies in economics and management.. Introducing the new approaches and techniques that fit the spirit of the current times. The paper will point to the necessity of eliminating ideologization and the politicization and the need to introduce professionalism in management of Serbia.

Keywords: *concepts, technology, crisis management, the economic crisis.*

1. CORPORATE PERFORMANCES

On the effectiveness it is written a lot, that is natural, because it is about one of the most important phenomena in the life of everyone, but also organizations, state, and when it comes to the global level. A key problem when it comes to the performance problem is how to become and remain successful in business and life in general. In above should have in mind that there are not universal ways of performance, nor are they possible. Every society and every organization finds corporate strategy which seeks to achieve adequate effectiveness. However, strategies, or concepts that are in a situation, gives satisfactory, or above-average results can be in another environment, or situation to provide a completely opposite effects. Therefore the selection of appropriate strategies, respectively the concept of a key issue in any management process.

In the context of discussions on ways to increase effectiveness it is necessary to change the definition of technology. In managerial terms, the expression technologies should include not only physical objects, tools, instruments, machinery, information technology, but the concepts that apply to the conscious action of everyone, respectively organizational systems. In management, or the management process and making management decisions used: holistic system technology, operational research, creative creativity techniques, total quality, benchmarking, techniques of teamwork, re-engineering, and others. The above techniques in modern conditions combined with informatics, which increases the control effect. In this way, the mentioned techniques makes objective and scientific point of view acceptable, because they have their own, determinants, algorithms, and the legality of operation. Management needs to think creatively and analytically about potential international opportunities, weighing internal strengths and weaknesses as well as possible competitive threats in the process.

Bearing in mind, new concepts impose need for the elimination of obsolete and unacceptable and for modern conditions of access, especially when it comes to organizational effectiveness. This is an extremely difficult job, because shows that the quitting-rooted habits and concepts, much harder work, but acceptance of new, as it is forgetting a lot more complicated work of memory. On the other hand, it should be noted that the application of new concepts and technologies in economics and management is not a goal, but it is a tool for more efficient and effective, and successful achievement of defined business objectives.

Regardless of the difference ways of achieving success, basically there are two basic concepts to increase performance (*Prof. dr Vojislav Vučenović, talks about the seven ways (concepts) of success. However, these are basic concepts that can still be decompose*) as follows: (1) the elimination or marginalization of what proved to be unsuccessful, or not sufficiently effective, and (2) and the successful introduction of new concepts and technologies. In practice, it usually happens that the two methods, or concepts are combined, that is parallel to eliminate outdated and poor quality, and introduce new concepts. To what extent is represented one, and which other way, is irrelevant question.

Bearing in mind, the following will indicate on the overcome current concepts in three areas, namely: (1) in the system of business education, (2) in the economy and (3) management. All analyzed fields are in subsequent causal connections and relationships. The analysis is based on the example of the United States. Bearing in mind that the U.S. practice under the principle of succession accepted from other countries, we can state that demonstrated weaknesses in the concepts of this country, more or less meaning in other developed market countries.

1.1. Modern concept of business and education in the World with aspect to America

The high level of correlation that exists between the level of education and company's effectiveness is evident and undeniable. As the population of a country less education, it will help the social and economic development will be slower, lower social standards, and lower levels of democracy. And vice versa. The greatest burden of crisis lies the poorest strata of the population. It can be seen relatively good comparative analysis of highly developed and poor countries. It turns out that today is the highest standard of living in highly developed countries and that in these countries the highest level of democracy, measured primarily economic freedoms. Accordingly, if you want long life and health, and higher standards and greater democracy, it is necessary to devote more attention to the system of education.

Analysis and research shows that the greatest impact on business performance management has, which is why education of future managers paid special attention. It is known that the first professionalization of management created in the U.S. by opening the first high-ranking business schools (high business Scholl). Sixties years of last century more than half of company managers in the United States had completed high school business. Motivation represent group of the precesses which incite, determine and maintain human behavior in order to achieve the certain aim [1].

After finding prof. Vespera from the University of Washington, in the late eighties of the last century, about 160 universities, organized instruction in business and entrepreneurship, as opposed to the 16 as there were 1970. According to the American press, the late eighties it was concluded that the high Harvard Business School educates a new generation of business leaders. Almost two-thirds of all students attended lectures on entrepreneurship and management. Mid-seventies, 80% of freshmen at Harvard said they would one day have his own company and manage it personally [2]. Later they adopted this practice and other higher education business school market in developed countries, including China, which opened a typical western European school, called the Chinese Harvard Business Scholl. In this school are trained professionals who promised. The lecturers were professors from the U.S., while the last semester students ended in the U.S.

From the above we can conclude that one of the reasons for the economic prosperity of the United States should be sought in the professionalization of the managerial elite and the creation of conditions for development of many institutions that could be in function of American management. Dynamics of business relations provides a measure by which top management of the company shows how business can change the present, predetermine to high gradation of quality of business future [3]. This primarily refers to the establishment of numerous agencies, the introduction of consultants, agents and other professions that generalized individual experience and as such gave competent solutions in the business.

The paradox is that after more than 100 years, conclude that the great economic crisis 2009 took place in the country with the highest traditions of management in the world and the country where there is the largest number of Nobel Prize winners in Economics, but also other sciences. The crisis occurred before the eyes of the world of the most education management in the field of economics, finance, banking, insurance and real estate, and the most renowned and most expensive universities in the world. One of possible reason is the absence of fundamental education and too much reliance on the insights of classical economics and management in which dominated technology, procedures, formulas and determinants. This problem has existed for several years. It turns out that the economy, as the study of spending limited resources and management as a science that should limited resources, maximize their effect, too complex, that could be dealt with traditional concepts that existed in the last century.

On the high school business studies or economics and management have created and still creates managers to manage in the normal course of business. The entire infrastructure has

been adapted to the conditions of small and incremental change, in which the operation of the principle of "step by step" dominated, and with it the management. In other words, the management in these circumstances meant a peaceful environment and a small uncertainty. But, today the situation is significantly different. On the business scene in recent years have taken place radical and fundamental, it can be said of the revolutionary changes. One took place in the natural order, but in the sphere of economy and society. For the turbulent business conditions need some other knowledge, skills and abilities, relative to normal conditions, are reflected in finding practical solutions that can be done quickly and with the improvisational skills of specific solutions. Practice shows that successful generals in peace, often become unsuccessful, and the tragedian war conditions, and vice versa. So, today, especially in the future, the turbulence will become an integral part of life and work, a normal situation would be an exception to the decision-making process will not be taken into account. In other words, the standard variables that move within the limits of tolerance are essential for decision-making, only those variables which "appear" beyond tolerance ". Accordingly, it can be concluded that the changes that have happened in the sphere of business, were not accompanied by changes in the field of education, or professional training of future managers to act in the crisis business conditions. It is also not shown a need for so-called education. Volatile or crisis management. In fact, future managers have to train to manage in normal operating conditions, and given that the normal conditions were less, they applied what they knew and what they learned in high school business. However, the knowledge, skills and abilities of American students who gained high business schools were outdated and inadequate, which produced poor results because they are usually given to correct answers to wrong questions. Thus, U.S. business education has not followed the dynamics of changes that have happened in the economy and society, which has led to inefficient economy, and crisis as a logical outcome. In other words, the American system of education of future managers is conceptually outdated and as such was the creator of the crisis situation.

From the above it can be concluded. As long as American business schools do not change radically, the society will be convinced that the effect of MBA (Master in business administration) serves their selfish interests, or collect high fees from students. Since the changes not happen, or is not going by satisfactory pace, despite the MBA is noticed everywhere, and the campaign against MBA lead the prestigious American newspapers. That is a famous American newspaper New York Times, 3 March 2009. published several articles on the adverse MBA. The authors of the letters stated undisputed fact that students of art, art history, literature, philosophy, develop their critical thinking and attitudes, and moral understand why they coordinate their activities with changes in the environment. Business schools do not develop these skills, but make deterministic experts, which prescribes ways to react in certain situations. Business schools are not interested in what happens in companies. They are engaged in theoretical idle gossip and elaboration of models that do not perform diagnosis and resolution of problems, but "the same pushed under the carpet. We have come to a large number of people who believe that business schools are detrimental to society, turned to their interests, unethical. Because they are part of the problem rather than solutions.

More precise analysis education curriculum business high school programs, shows that the same is dominated by classical economics and classical management, which does not match the needs of the modern American economy. A partial listing of some fact findings confirm the front [4].

- Number of teachers who deal with quantitative methods and techniques far exceeds those who emphasize the qualitative techniques and indicative approach, which reflects the determinism, as a fundamental characteristic of classical management.

Management problems are seen from quantitative side, and as such they were incomplete, so that they could not solve quality, which produced the failure, with numerous implications on the corporate, and national levels.

- Business schools ignore business ethics, because it was not topic surveys traditional academic disciplines that have studied in business schools. The epilogue of this condition is known, but it's too big degradation all areas of life and the marginalization of business ethics and corporate social responsibility. This is certainly the rest of understanding of American Nobel Prize winner M. Friedman is solely responsible corporate management stakeholders and outside of this, has no other responsibilities. It is clear that in modern conditions, corporate management must be responsible for the environment in which it operates, because in that way ensures sustainable development, that is a new value system which promotes the European Union.
- Leadership courses taught in business schools are problematic and as such is weak. Case studies are often used for the acquisition of practice, but the problem is the same design in line with what we want to confirm, rather than what is actually happening in the business sphere.
- People simply do not believe business schools, because they are more oriented to how and how much money you make for yourself, rather than what quality experts create a future MBA. In order to reduce distrust, business schools have more attention paid to principles, ethics and special attention to detail as key elements of leadership.

From the above we can conclude that the high business school 100 years ago showed a high level of science in professional training control in terms of knowledge, skills and ability to efficiently and effectively manage corporate systems. America's high business schools are little changed, and the changes are cosmetic. Instead of fundamental science and research, the primary place are given techniques, which can give results in the short term, but appear ineffective in the long period of time. Analysis of the MBA program at Harvard University in the U.S., France's INSEAD and Bled business school in Slovenia show that the focus is on scientific research and academic work. In this plans and program, and other business schools emphasis is given to the learning of practical techniques, technologies and concepts in management, finance, analytical thinking, human resources, organizations, companies, strategies, marketing and case study. The problem became complex, because students of business schools listed experts of various specialties, such as economists, engineers, doctors, lawyers, chemists, graduate managers and others who are not on the undergraduate level of knowledge obtained necessary a for the successful conduct of business [5]. Therefore, the high business school, today one of the generators of business inefficiencies, because future managers taught, but it is a tragedy and now teach, the wrong model of management. Those, therefore, produce managers for the past, not present, and especially not for the future. It is relatively well and showed great economic crisis 2009 in America, where management acted without landmarks and simply say foolish, it is natural if we bear in mind that the management had never found himself in such a chaotic situation.

The above listed negative phenomena in the educational system of America, when it comes to the education of business people, especially managers. This is the most important thing, because it shows that a bad diagnosis, leading to erroneous attribution of drugs, which improve the situation instead of "sick body", they lead to an even greater crisis. The recommendations given below are the result of numerous articles that have been presented in prestigious American journals, institutes, and reduced to the following [6]:

- Establish a greater degree of integration of several scientific disciplines, and marginal techniques, procedures and processes that are based on determinism. This did the following business schools: Rotman, Stanford, Yale. It is shown that the teaching of leadership is still at the level of general and that more should prohibit the defense of PhD, masters and other works in this field. Learning leadership should be linked with the details and functional features, not with philosophical theoretical rhetoric.
- Establish teaching teams. Human resources business school are professors before students and experienced managers. After several years of teaching in many business schools, losing the need for learning and contact with the practice and generalization problems, and those lacking a quality solution. Also, partially review and solving problems is present. Solution is teamwork, where professors from "strong" and "minor" discipline develop teaching materials and present in the same classroom. It must become the rule in business education. In these circumstances, would be eliminated the practice in which, a professor of entrepreneurship speak affirmatively in entrepreneurship, and the other as a dark stand of business. This will lead to the introduction of the so-called. holistic system of understanding business problems and their resolution, as well as qualitatively new concepts and technologies in managerial work.
- To encourage high quality research and quality access problems. Teachers from the so-called. social and humanistic fields are in the minority on most business schools, and those who teach: leadership, organizational culture and behavior, values, business ethics, social responsibility, and so on. No more teachers in these areas, business schools can not educate future managers capable of, but by studying the past that is gone with the Wind.
- Stop forcing money as the primary objective, and profit as the basis of every business, and in particular to abandon the outdated way of measuring performance of managers, who came down to measure the effects as a manager managed company. "Maybe the best score of managers work (CEO) would be one that would be performed after his term, or whether the CEO leaves behind a weak or a strong company. It gilded blaze most successful corporate managers would be those whose companies are able to achieve good results not only during their term, but after them [7]", which should showed to be measured after leaving the company. In particular it insist to stop propaganda how worth is a business school diploma and the promotion of their graduates who have achieved outstanding results. Cynics would said that this is inconsistent with freedom, but it shows that one of the characteristics of each profession to accept certain limitations.
- Introducing Hipokrit oath, and the regulation on the conduct of the school. The practice has the Thunderbird School of Global Management. Its students give Hypocrite oath in the school and they carried oath when their students graduate, that will be assessed as a step in the right direction, given that business ethics is important to implement the ethical standards of business practice.
- Teaching plans and programs in high schools, business and need a radical change instead of the traditional science and technology, introduce modern, or those that match the spirit of the time and complexity of the problems which are solving. For example, instead of rhetoric, or oration, to introduce silence and listening, as well as better skills, because when management speaks then provides information to listeners, and when he gets listening to information, which is a key factor in successful adoption of management decisions. Management of human resource potential must be based on a completely new concept, that concept takes into

account the intellectual capital, as the most important resource in organizations. Business ethics and corporate social responsibility are needed primarily in U.S. business schools, because it shows that the U.S. is far behind the concept of corporation social responsibility in relation to the European Union.

- In the high business schools should be introduced a scientific discipline from crisis operations, such as crisis, or seismic management, guerrilla marketing, crisis operations, and so on. It would be a time basis to carry out an ongoing training activities and training in emergency, crisis or business conditions.

The famous American magazine is recommended that managers learn from doctors and lawyers and the profession managers establish institutions, where their chamber monitor ethical professional performance and behavior of its members, to strengthen the ethical side of business and management. This could be done at business schools, the establishment of high professional and ethical committees that could invalidate a diploma for students who violate the regulations and ethical business standards. In these circumstances, earlier high school business could continue to issue diplomas, but could not become members of the association, attend meetings and to use the degree to promote their expertise. So, graduate managers in the above situation could have a diploma, but not the right to work, if they are not members of these associations.

How high education systems of other developed countries dependent on the concepts and practices of American business education can be seen and by that that in Europe there is very little indigenous MBA program now. Similar situation is in Serbia, because there is no, native, Master of Business Administration, which is conducted in English or in Serbian. The Serbian "Harvard Business Scholl" most lecturers are professors or businessmen habitats that have gained business experience working in leading international companies, who know the characteristics of market economy and the socio cultural, religious and customs of the Western European civilization, but no specifics of the Serbian economy and society. So the logical question, why does domestic programs, whether they are needed and would have local teachers, and experts for teaching [6]. Installation, or creating indigenous multi MBA program would benefit Serbia, it would train the future managers for corporate management organizations operating in the Serbian cultural sociological environment. Any mechanical transmission of other people's programs, with experience in general practice and other higher educational institutions, or companies, it is not acceptable, because it shows that "every seed fails on every ground."

Despite these criticisms, research shows that the executive directors (CEO) who have completed high-ranking business schools better and to achieve better performance than those who did not complete these schools. This is particularly showed during, so to say after the completion of the economic crisis. Analysis of the 1109 business performance of executive directors from Germany, Britain, France and the United States showed that 32% of executive directors who have completed high business schools were ranked better by an average of 40 seats, but the CEO who did not finish business school. Even in the troubled, the financial sector during the crisis, CEO with the completed business schools ranked better than those without the completion of school. This discovery suggests that high business schools have problems to follow contemporary developments and implement adequate solutions, but without them the situation was far worse [8].

1.2. Concept of (classical) rational economy

Second corps problem is related on reconsideration and change of classical concepts of economics and economic development. It is shown that the classical or the industrial

economy to in great extent based on the entrenched beliefs and elaborate mechanisms for measuring and evaluating the national economy or corporate effectiveness. These principles operate in the industrial economy for several decades, which is for its continuity, a special value. However, according to what provides the survival and long life century as economic and any other science, and organization, is life with a permanent change. If we look at the history of any science for the past few decades, we will see that their portfolio constantly changing and so they survived. The same situation is in corporate organizations. For example, Ford, and GE, Siemens, Mercedes, AT and T are over 100 years old. However, these companies are now something completely different, since a few decades. They have changed over time, in accordance with the changes that have occurred in the market. If they did not change, they would have experienced the fate of the dinosaurs. So, change is inevitable in order to maintain continuity. If the continuity of values, then the change in condition. In other words, if the person, organization, or science does not change, they die. Therefore, competition in the future means maintaining continuity through the constant creation of new sources of profit" [9].

In economic theory, there are classical, or outdated ideas, which eventually grew into the stereotypes and myths with large adverse consequences for business success in raising the level of individual countries. The problem of error is that they are still widely used in economic practice, and that in turn their strongholds are in economic theory. The fact is that today the business has changed significantly and that from industrial economy moved to the Internet, and the knowledge economy, where services have a dominant influence. But practice shows that changes in the economic sphere were not accompanied by adequate changes in economic science, which led to a gap of science, and theory and practice. The following will indicate a few major concepts, or a mistake that should illuminate and verify scientifically, so as not to create room for subjective interpretation and manipulation of scientific information. The mentioned concepts, and misconceptions have become actuality in Serbia, as a country in transition.

It is estimated that after the economic crisis of 2009, nothing will remain as it used to be. It is quite certain that there is a place to re-examine many long-standing beliefs and concepts. In September 2008 the economic crisis has brought the world into a very difficult situation. Economic engineering as the process of creating economic solutions to specific economic problems through the econometric models [10]. Alan Greenspan, former chairman of U.S. Federal Reserve, regarded the best banker who ever existed, has admitted to Congress that he was shocked that the market did not work in line with his life expectations [11]. The fact is that we now pay a heavy price because of the unrealistic belief in the power of the "invisible hand".

The market, as an artificial creation has no elements of self-organization, as this property belongs only to living beings who operate on the principle of self-organization, self-preservation or self-regulation. The market has neither brains nor instinct, which is characteristic of self-organized creatures, especially man and animal, as well as plants. Even the above-mentioned self-organized living beings must be guided, which means that their performance is related to management skills. Therefore, it cannot automatically be a regulator of the economic and social life, but must be driven managed.

Accordingly, it should be kept in mind that the crisis is itself an element of self-regulation. It is an imbalance and at the same time a process of transition to a new equilibrium. This means that there is no progress without crisis, no crisis without progress and that this is the eternal natural law, as there is no birth without death as the highest stage of the crisis in living organisms. Analyses show that after each crisis there was an economic transformation and, by rule, the establishment of better social and economic relations. At the same time,

each crisis carries risk, which is widely known, but also chances, which is less known and which is completely ignored.

Research carried out in the recent past by the competent American and Swiss institutions and researchers show that today's economy is so-called behavioral economy, an economy in which people become irrational and motivated by unconscious cognitive prejudice. So we come to the conclusion that we have come, or will soon reach the end of the rational or classical economics. So, it is shown that customers in most cases behave irrationally. The largest number of companies and declare that customers and employees are the most valuable part of the assets. However, when analyzing a business practice, we come to the conclusion that between declarative and true there is a huge gap, both in terms of employees, and when it comes to clients or customers. "Rare is a company that consistently strives to make customers satisfied, although many companies know the cost of customer and consumer dissatisfaction". More experiments have shown that customers are emotional, depressed, and easily confused and myopic and unable to make the right decision. (The research of this kind was carried out by Aualet Gneezy University from San Diego, a group of Swiss researchers led by Ernest Fehr, who discovered even the phenomenon of revenge [12]).

With the disappearance of the traditional economy, there will come an inevitable disappearance of corporate organizations and corporate management that is based on rational assumptions and on assumptions based on the principle of performing the tasks step by step. Irrationality now becomes an "invisible hand" that should be taken into account when management makes strategic decisions. Digital technology allows the circulation of the information which had not been known [13].

That the end of classical economics and traditional management is inevitable, it was confirmed by the great economic crisis of 2009. It has in some elements contributed to the creation and the development of crisis. For example, the introduction of speculative activities in the stock exchange business and the introduction of irregularities in the securities market. Speculative activities are punished everywhere; only through futures and other optional arrangements it is allowed to create wealth without work. According to the American press, before the crisis, for over five million people in the U.S. the first thing to do after getting up was to look at horoscopes and stock reports, to determine whether the day will be successful and how much the prices of shares were increased. Today it is fortunately a marginal number, especially when it comes to reading stock reports.

The third stereotype of classical economics refers to the place and role of foreign exchange and statutory reserves in the economy of certain countries. The stereotype is that foreign exchange reserves are used solely for monetary stability and that they are untouchable, even when it comes to survival as the primary goal of the functioning of every man. Everyday practice shows that each household has its own "gold reserves", which is stored in special cases, and to make the present serve the future. The situation is the same with every country, where people save money in order to spend it in case of unforeseen events, or when it is necessary to make some technological, or other movements. In the extreme case, material and financial reserves exist for the case of war (war reserves), special events and natural disasters, in case of floods, earthquakes, fires, etc. People, companies and countries use the above and other reserves to solve some peacetime problems. Accordingly, when it comes to foreign exchange reserves, it is necessary to change the classical understanding of this issue and use them not only for the maintenance of macroeconomic monetary stability, but also for development purposes. In this context, there are also modest attitudes and concepts that are new and the opposite, as can be seen from the attitude of Serbian club president, B.

Grujic: "I do not understand why anyone has the right to have such a high foreign exchange reserve even when the whole world is choking in problems and tries not to let the economy stop. Such a policy (the concept) is unprecedented in the world and national economy [14]". There is room for such thinking, as long as one knows where and for what projects to spend foreign exchange reserves. In any case, the expenditure of foreign exchange reserves may be only in development projects and healthy development projects in the best way influence the macroeconomic stability that reinforces national development. If you invest them in healthy projects, their use will be beneficial. The key issue here is not whether to spend foreign exchange reserves or not, but to find projects in which they can be protected, that as to be returned with increased effect. The problem may arise if the foreign exchange reserves are engaged in false or missed investments. Even then, it does not call into question the logic of common sense that it is necessary to use foreign exchange reserves in the function of national development, which is natural, because nuclear energy can also be used for the purpose of destroying people, and no one has even tried to stop the production of nuclear power plants as a significant energy source.

Breaking, or eliminating a rational economy will also destroy the industrial infrastructure of classical economics, in which the emphasis was and is still given to the material resources. The industrial economy has created its own mechanisms for its implementation in practice, but the practice supported and occasionally performed the correction of the existing mechanisms and instruments. The new concept must give emphasis to the economy of knowledge which is a more subtle form and a higher level of behavioral economy.

Accurate analysis shows that the basic source of the economic crisis in 2009 in the U.S. was excessive consumption, which was not accompanied by real economic growth, which led to excessive indebtedness of the banking system, and states themselves. This means that the collapse of the financial or banking system was not the cause of economic crisis, but the result or consequence of bad policy, i.e. a concept that has more or less existed since the collapse of the gold standard, and in 2008 and 2009 it finally "exploded" and led to global shocks in all spheres of life and work. Accordingly, the current crisis was not only economic but also social, moral and above all, crisis of ideas [15]. As for today banking system is getting the real role that can help the development in the countries through the small and medium enterprises like the backbone of the economical system in the world. For successful implementation of the financial transactions, banking system must have a modern integrated information system that organizationally and spatially connects all the parts and process in the bank, monitors the entire business of the bank and allows efficient, rational, timely, secure flow of business information [16]. So information management is the current subject of the present theories.

Previous findings are significant because they show that many have not learned from previous crises. In fact, recent measures of the Serbian government to revive the economy and increase the expansion are reduced to just forcing individual consumption as "flywheel" in the initiation of economic activities, the concept which was primarily promoted by America, and which has led the most prestigious country in the world to economic collapse. This concept has its own logic during the eighties of the last century, primarily in investment spending and has found its place in economic science of the time. However, it has never, and especially consumer credits, had a foothold in the modern economic science and management. This is because the logical and healthy economy shows that every loan, especially the one which is raised for personal consumption, is "poor" because it endangers the future that is uncertain in the modern conditions with great turbulence. On the other hand, investment loans are always more or less acceptable, and here the price of capital does not play a decisive role in their taking, but its purpose and area of placement. If the loan is

raised to improve infrastructure and strengthen the material basis of work, it is almost always acceptable, because the one who takes the credit needs to ensure the return of principal and interest through the appropriate investment. So, the way out of the crisis by increasing spending is a bad idea that cannot be repaired by any concept, because it is unsustainable in the long term.

The monetary concept, or concepts which is largely promoted by international financial institutions, primarily the International Monetary Fund, are the least problematic, as is confirmed by the recent opinion of U.S. economists and American Institute. In fact, late last year, head of the Expert Commission of the UN General Assembly for the financial and monetary reform, Nobel Prize winner Joseph Stiglitz, noted during a visit to Serbia that: "States like Serbia which entered into arrangements with the IMF had a little use of it, and it can be seen by the state of the economy in these countries, before and after the arrangement with the IMF". He further points out that: "The IMF requires that these countries and their central banks focus on the reduction and maintenance of low inflation, while financial stability, growth and development, and maintaining employment are neglected."

Due to the wrong concept, countries in transition, and developing countries including Serbia have reached the level of indebtedness. From the economical point of view Serbia will become an attractive market for foreign investors [17]. This concept stems from the previous one, or the correlative relation with the concept of taking international loans to fill the budget deficit in the broader context of the settlement of consumption of public administration, or the state. In fact, the concept of borrowing to settle budget deficit and maintain an unrealistic exchange rate is a bad and unsustainable concept. This statement is true when it comes to taking a loan from the IMF. The American economist and professor at Harvard University James Kenneth Galbraith also expresses his concern (the son of the famous John Kenneth Galbraith and Galbraith brother Peter, the first American Ambassador to Croatia), who in good faith, advised the Government of the Republic of Croatia: "Do not ask for help an institution which has very limited intellectual capacities and abilities and which has one and the same prescription for all countries and economies in the world. The IMF has never been as significant and important as it seems. It has imposed itself in certain regions as an inevitable and indispensable factor and institution, even though it does not have high reputation among economic intellectuals. Measures recommended by the IMF are represented more or less as the only ones possible in a concrete situation, which typically reduce social justice." Therefore, any reference to the recommendations of the IMF in Serbia is conceptually unacceptable and serves daily political needs, or to justify certain acts or omissions.

It is particularly unacceptable to make comparisons according the levels of debt with other countries and draw the conclusion that the country is beneath, or within the limits of indebtedness to other countries in closer and wider environment. For these claims, we do not need big economic, or management skills. In fact, the country may be indebted because of the filling of the budget deficit, which means for the settlement of expenditure, as well as for procurement of equipment investments, construction of infrastructure (roads, bridges, pipelines, etc.) which would be able to produce a new value for the return of the loan taken. Accordingly, any comparison of indebtedness, such as that of the Republic of Serbia and the Republic of Croatia, is unacceptable, because the Croatian part of the credit used for road infrastructure that has to be valorized in the future, and Serbian mainly goes to consumption, which is unproductive and, as such, non-refundable. So, two identical concepts of indebteding, from the same financial institution, in the two countries with similar social, economic, political and cultural features will give a different perspective in effectiveness, and their debt should be evaluated differently.

Wrong, intentional or unintentional, use of certain concepts, technologies and approaches in economics and management leads to a number of implications and negative outcomes. The issue of taking credit, or indebteding, exceeds the economic side of this issue. This is the issue of (im)morality at the highest level, or primarily a moral issue that can be viewed from several aspects. First, whether or not the current consumer elite has the right to spend at the expense of future generations. Second, the judgment on the degree of indebtedness should be given by the generations to come, not those who leave. Healthy logic requires that posterity will question their ancestors' over-borrowing, particularly if it is unproductive debt which goes into consumption. Each generation has a moral obligation to provide coming generations with something better. However, in modern terms, this idea is compromised to the extent that the current generation in most transition countries is dealing with the past, less with the present, and with the future at least, or not at all [18]. He points out that indebted countries are losing their sovereignty and that it is better to apply a concept imposed by the IMF, since Serbia is in a magic circle).

2. MODERN CONCEPTS OF MANAGEMENT

Each system where human being is taking place has to be followed with stimulation's means or with commitments and omissions. It is in relation with creation or implementation of the ideas. It should be noted that ideas are not the aim but the means for the achieving business aims and that is competition boosting [19].

It has already been stated that the management was made in the USA and that is so far it has been the best concept to direct joint work, which has existed for more than a century, and the science of management over five decades. As a concept, or method of governance, management has undergone its development, so that we can talk about leadership, champion, or maestro management, as well as the best modality of management. However, research has shown that in the practice of business organizations classical management is predominant, which was defined by the classical theorists of organization and is applied primarily in developed market countries. Its essence is a high level of determinism and schematics, the presence of hierarchy and centralization as the dominant form of organization, a great presence of an autocratic style of management, and so on. It is clear that the traditional organization and management cannot solve modern problems, which are increasingly accompanied by great turbulence with unpredictable chains of their development, which imposes the need for their marginalization and the introduction of new concepts and techniques, those that correspond to modern business conditions which has to take also consumer policy in the concept of the management. One of the main signs for the modern terms of business is value concept for the consumers [20].

To make the above happen, it is necessary to fix a number of misconceptions and stereotypes of rational economy upon which management is conceived as a modality of governing. Specifying only several mistakes will point out and prove the amount of the classical, traditional and inefficient brought into management and organization, making it a limiting factor of corporate success.

2.1 Misconceptions of classical management

A great mistake of classical management upon which many other misconceptions rely refers to centralization as a concept to solve business and other problems. It is shown that highly centralized systems are generally inert and sluggish, and that they cannot live with changes, which are more frequent and more and more revolutionary, but also uncertain. In such

circumstances, organizations cannot quickly and efficiently respond to new challenges, or to changes in the environment, because they are awaiting the decision of the highest hierarchical level, which is far from the place of problem solving and is unable to make any quick, yet quality decision.

The previous implies that contemporary management prefers a decentralized organization, whose parts have autonomy in making business decisions and taking responsibility for the success of decentralized parts. However, total decentralization is unacceptable, because in this concept, each part behaves as an independent entity. In this sense, we propose an integrated concept of decentralization in which there will be strong decentralized components, but also a central authority, which will be able to integrate the decentralized parts and articulate common goals that appear at the level of decentralized parts. Thus, the concept promotes that the decentralized parts get independence in making business decisions on the tactical and operational levels, and on the common level, to set management development, personnel and financial policies. This would establish an integrated concept of decentralization, whose essence is in development, finances and staff concentration and decentralization of business [21].

The concept of traditional organization starts from the autocratic style of management, which is based on material means for stimulation, or destimulation, particularly penalties for certain acts or omissions. For some time, it can give satisfactory results, but in the long term, it is unacceptable, because the sanctions solve the problems of the past, but bring the future into question, because enforcement has its limits, because every action produces a reaction of the management at lower hierarchical levels, which in the end leads to increased unproductivity and leads a system into a state of chaos.

It is not hard to see that the autocratic style of management today is unacceptable and that wise managers in contemporary terms avoid it. Accordingly, there is a need to introduce so-called soft management styles, styles to include people into implementation of management ideas. This style is much harder, but is better than autocratic. To implement the specified, it is necessary to change the criteria by which leaders are judged, i.e. performance in corporate organizations must be improved, which is derived from recently published research on Accenture's global business model in the future [22]. Research shows that by introducing the concept of integrated decentralization, we create the basis for the introduction of a democratic style of governance, which is usually successful; the style of coercion or authoritarianism has a tendency to turn into a dictatorship.

Insisting on the concept of development, financial and personnel of business concentration and decentralization, traditional supporters of the organization and management have sought to show that the hierarchy came to an end and that the current pyramid of structured organizations is transformed into a rectangle, or an organization that does not have hierarchical levels and where all is in the same plane. According to Denis Kodneru and its collaborators suggested are following models of key significance for integration improvement: financing, administrative, organizational and health services [23]. The supporters of the ideas suggest that in the above situation everyone is one big, happy family and crew, who sail together on the same boat with the same rights, duties and responsibilities. Unacceptability of this attitude is not hard question, especially if the explanation above includes the natural order in which there is a hierarchy, Darwin's laws of "the bigger eat the smaller", or in modern conditions, "the faster eat the slower". Certainly, life could not operate without hierarchy as the natural law of survival, and no organization could operate without a defined authority and responsibility. In fact, "when the ship sinks, a meeting is not organized", but a command is issued where the will of all members of the

crew is subdued to one command. Therefore, there must be someone who will make a decision. If there is no one to make a decision, a decision will not exist. By the time it is concluded that the main characteristic for good leader is efficiency in task doings which are in front of him. It can be called the principal of the utility, it means, If the members of the crew are denoting that certain person can get the utility for whole team then this person will be chosen for the leader and the others will accept to receive the instructions and commands of him [24]. Moreover, since the contemporary corporate institutions are becoming more complex in the technological, economic and social terms, it is necessary to know who is the highest authority, real, and professional authority [25].

Accordingly, there is no end to hierarchy, nor will it ever disappear. What will certainly happen is changing the basis for establishing a hierarchy. Hierarchy based on positional authority, is not unacceptable, while the hierarchy of professional authority is necessary, because it is based on objective grounds, and that means one who is more capable and knows more should be at a higher hierarchical level than the one who knows less. This hierarchy is not only desirable but also necessary to achieve greater organizational performance systems. In a word, successful management of joint work is impossible without a hierarchy established on the basis of professional authority. Successive planning is process which allows people of quality to be there to take the key leader positions when these positions are going to be empty [26].

One of the basic misconceptions of classical management and organization lasts several decades and it is the fact that the material resources are primary for the achievement of corporate performance. This view is supported by the introduction of information technology in management, which emphasizes that a key factor is in successful management decisions, and that fast and good management decisions cannot be made without information as the most important element today, which is also the most expensive resource. The introduction of a number of terms and terminologies in information technology, such as "neural networks", "intelligent machines", "thinking machines", supports the concept of marginalization of men in the organization.

The fact is that the new technologies are responsible for the extremely high pace of progress of mankind. However, they are the result of man as a rational and conscious human being. Nikola Tesla said: "Each of my inventions was the same as I first imagined in my head. When I wanted to change the way of functioning, it again had to be the result of conscious thought." Accordingly, with the introduction of new and information technologies, the role of man in the organization has not diminished but rather increased. This is because man is the only living being who has the ability to create an idea. There is no such ability in animals, which operate on the principle of genetic code, or in machines, or computers, which operate in a way that man constructed them. Therefore, with the introduction of new technology, one will reduce the physical strain, will have more free time and will be able to make better ideas. In this concept, new techniques of management need to be developed in which the basic task of governing elites would be to create an innovational atmosphere where ideas will be generated and adopted by employees who will implement them in practice [25].

The fifth misconception stems from the classic management mistake that exist in economic science, on which it has already been partly written in this paper. It is shown that the classic formula of achieving success even now dominates in most corporate organizations, and requires only that the sale price equals cost plus profit, or $(SP = PP + P)$. Therefore, the general effort of the classical management is to maximize the financial effect, and the safest way is to raise the selling price. In this situation, there was no interest to reduce costs, but

the dream of every manager was to take every market segment and to gain from it as much profit as possible. In this context, the most acceptable model for research and market segmentation was sought, in order to determine primarily the purchasing power of population and make notion of purchasing power, in order to create a product or service that will be absorbed by a specific target group of customers. Accordingly, for each target group, there was prepared a certain group of products, quality, prices and other performances. So, there are products for customers with "deep", "shallow" and "average" pockets, and often the products were made specifically for the international, and specifically for the domestic markets. Products for foreign markets, as a rule, were of better quality, while for the domestic market there were usually no common standards. It is clear that the marketing concept was based on the rational behavior of customers.

The previous concept is unsustainable in modern management, because the competition has grown to such levels that the market has become, so to say, a battlefield on which the successful swallow the unsuccessful, and where every day thousands of companies disappear at the global level. In such circumstances, the classic formula of management success must give way to a new concept and a new formula in which the profit is equal to the difference between purchase price and cost price, i.e. $P = PP - CP$.

There is no mathematical difference between these two formulas, but they are a result of different business philosophies. In the first formula, i.e. concept, it is sought to maximize the effect, i.e. profit through selling price, where one uses permitted, but in many cases unpermitted and immoral means and instruments. The second concept puts the emphasis on reducing the cost and charges, which is far better, since it enhances the competitiveness of companies, expands the market and thus achieves greater success. So, by eliminating the cost philosophy, and introducing the concept of the so-called "non-cost" philosophy, companies are sustainable in the long run, because they provide a high quality of products or services, but at the lower price. The term "non-cost philosophy" is conditional, because there is no organization that does not produce costs. As such, it is taken from a new Japanese business philosophy, that of W. Shingo, creator of the Toyota philosophy of business [26].

The statements from the above analysis are clear. Modern business demands new management concepts, techniques and technologies. No concept can receive absolute trust, because it shows that there are no universal concepts to achieve corporate success, but only the best situations in which an appropriate concept can be applied. The first step in improving management as a modality of control is to remove the existing misconceptions that often represent system errors in economics, marketing and generally in the business sphere, and then create and introduce new, and for contemporary conditions, acceptable concepts. Only optimal strategies can contribute to the achievement and sustainability of superior performances thus achieving competitive advantage [29].

3. SUMMARY

Research on management philosophies in Europe, Asia and United States supports the idea that culture impacts how the role of leadership is perceived. Most of managers thought it is important to have exact answers ready in response to questions that subordinates might have. On the other hand colossal space is opening for a broad and deep implementation of information and communication technology enabling important improvement of effectiveness, efficiency and productivity of strategic managing.

Application of new concepts and technologies in economics and management is a challenging issue, but, at the same time, a topic that exceeds the capacity of a conference, even if it is international in character. Its importance especially exceeds the capacity of a single work, regardless of what scope and quality it is. However, the analysis and proved the need to permanently review existing concepts and technologies, and eliminate those that are unacceptable, and introduce new concepts that suit the spirit of the times and current businesses on the corporate, national, or global levels.

The establishment of new concepts should be understood as a temporary solution, because no concept is perfect, but it should be modified and adapted to specific business and other situations. The main prerequisite to an introduction of new approaches and philosophies of management and economics is to admit that a problem exists. If not, the problem will never be resolved, but will increase and become more complex. Therefore, it is important to bear in mind the old folk wisdom: "Let's go, because the longest journeys start with the first step." This is especially true for Serbia, a country in transition which has lasted a long time, and in which there is no consistency of application of certain concepts, or professional management that has the capability to successfully manage business and other systems.

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