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INNOVATING ROI METHODOLOGIES AND GOAL SETTING-SYSTEMS FOR ORGANIZATIONAL SYSTEMS

Mustafa Yumuşakkaya, Hamdi Eren Kuşcalı

Latvia, ISMA (ERASMUS)

e-pass: mustafa.yumusakkaya@hotmail.com, h.e.kuscali@gmail.com

Abstract

The work is devoted to the revision of the system of setting and monitoring the standards of the key indicator, on the basis of which conclusions are made about the state of the organization. In the course of changing such a system, its users have the opportunity to diagnose states of varying duration. This is achieved by detailing the process of setting goals, using a full set of mechanisms for setting goals: from current to long-term elements. In this way, a reaction of advanced impact on the weak link of the organization is triggered, which ultimately leads to a reduction in the costs of getting out of an unstable state and improves the quality of the diagnoses issued.

Keywords: mechanisms, connection, discrepancy, position, monitoring, link, improvement

1 Introduction

In this study, a combination of two modified mechanisms is performed. On the one hand, the technology of reverse targeting is used, and on the other hand, an extended system of measuring efficiency. The essence of the technology is revealed in the direction: vision, mission, strategy, and goal [1, 2]. At the same time, the extended system includes indicators included in the ROI indicator [3]. Table 1 shows the results of combining two mechanisms.

Table 1

Methodology for diagnosing the state of an organization

Goal-Setting technology			Interval	Efficiency Measurement System		
Element	Function	Designation		Indicator	Function	Key parameter
Wisdom	Identifying the weak link	V	Current time	Return on Investment	Assessment of the state	ROI
Knowledge	Resolving conflicts	M	Calendar year	Capital Turnover Rate	Analysis of the capital	CTR

					turnover cycle	
Information	Misalignment of investment structure	S	Medium term (up to three years)	Financial Leverage	Control of the optimal capital structure	ROE
Data	Withdrawal of capital	G	Long term (over three years))	Capitalized Profit	Investment in the development of the organization	SGR

It follows from the contents of the table that conflicts in the organization arise due to the ineffectiveness of the performance measurement tools. First of all, this concerns the tools that are focused on assessing the state for the calendar year. The reason for the ineffectiveness may be attempts to implement advanced proposals that cause inaccurate monitoring due to incompatibility with the tools used in the organization. The paper raises the question: "How to improve the tools of full-scale assessment by identifying and eliminating systemic inconsistencies and organizational conflicts?" The answer to this question is associated with a change in approach and the transition from the system to the methodology. Therefore, first of all, methodological provisions were formulated that allowed us to proceed to the development of a diagnostic device. The discrepancy concerning the purpose of diagnostics acts as a contradiction. The standard purpose of ROI should be revised. In the long term it is necessary to establish a standard for capitalized profit. At the same time, it is necessary to answer the question of how much of the profit will be used to pay dividends, to motivate key participants in the organization. And most importantly, it is necessary to know what amount will be invested in working capital. It follows that it is necessary to adjust the system of norms for measuring the system of all indicators included in the key indicator. Thus, the problem of the present study is revealed: "It is impossible to conduct an effective assessment of the state of the organization in the absence of an agreed system of norms for all key parameters". Knowledge of the standards and development of the monitoring regulations will allow finding the contribution of each element of the organization to its value. Thus, realizing the main goal of the business associated with increasing the cost while maintaining the enterprise's activities in the long term. The object of the study is the efforts of developers aimed at improving the means of comprehensive monitoring. They are expressed in improving the quality of software in the context of satisfying the established and consumed needs. In other words, software developers are aware of what the user needs and try to

find a place in the organization that interferes with such satisfaction. And only after that the task is given to change the software [4]. As a result, the combination of two mechanisms in the diagnostic device allows for comprehensive monitoring of the organization's state throughout its life cycle. At the same time, the comprehensiveness was ensured by methodological provisions that made it possible to conduct an expert opinion on the state of the organization, taking into account the contribution of each element of the organization to the overall efficiency.

2 Diagnostic device

The considered goal-setting technology, reduced to identifying the weak link of the organization, timely resolution of conflicts, identifying cases of non-optimal investment structure and recording events of ineffective investment in development, made it possible to configure the ROI measurement system to control violations of sustainable functioning. At the same time, the efficiency indicator used to assess the return on investment for a calendar year is used as a system of indicators with the help of which the development of the organization is controlled. The purpose of the study is to Develop a procedure that ensures setting a system of effective standards for parameters involved in calculating ROI. In accordance with the specified goal, four tasks were set:

1. Overlaying the VMSG model with ROI calculation technology to assess the current state of the organization.
2. Using the commoditization effect to detect conflict between key ROI parameters [5].
3. Developing a medium-term scenario to build confidence in using ROI as a lever for organizational growth.
4. Formation of a methodology for measuring the ROI based on high-level specifications.

In the course of solving the set tasks, two results were obtained.

Firstly, the traditional goal-setting model was changed:

- The VMSG (Vision, Mission, Strategy, Goal) model is updated to match current market needs and help the organization work better.

Secondly, the commoditization effect is allowed:

- The approach looks at how commoditization affects the market to find weak points in the system. Allowing us to see resemblance between our methods and models, spotting the weak links.

As a result, the following circumstances were revealed on the basis of the developed device:

1. Analyzing data inputs and connections between system components.
2. Adjusting indicators to resolve contradictions in ROI and system outputs.

3. Applying the VMSG (Vision, Mission, Strategy, Goal) model for system improvement.

4. Developing medium and long-term scenarios for enhanced ROI methodologies.

5. Preserving emergent properties while improving system reliability.

The approach integrates metasystem designs and modular development principles, improving the reliability of assessments and ensuring organizational growth. ROI models demonstrated their effectiveness in resolving contradictions and enhancing system outcomes.

The revealed contradictions allow to increase the level of trust in the measuring instruments

The management of the enterprise now has the opportunity to see the long-term goal at the current moment in time.

3 Conclusions

Expressing the value of the indicator through the Future Resale Value allows us to establish a new system of indicators, the use of which increases the degree of reliability of the issued conclusions

As a novelty, it should be noted that the approach used, combining technological aspects and system tools, allows us to identify weak links in the system and, through their replacement, ensure the potential growth of the organization.

The developed mechanism for measuring efficiency based on ROI has demonstrated its effectiveness in resolving contradictions and improving the results of the system.

The use of updated goal-setting mechanisms such as VMSG presents new solutions for analyzing the goal of the system for compliance with the emergent property.

In total, the developed device is focused on implementing the principle of physical and logical independence and resolving the effect of commoditization.

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