

## TIME MANAGEMENT AS THE ASSUMPTION OF MODERN BUSINESS

*UDC 005.962.11*

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**Abstract.** *The modern business environment is characterized by complex and dynamic changes that are reflected through the uncertainty and risk in business; therefore adaptation to a number and variety of changes, increased competition and continuous improvement of performance, represent the basic assumptions of survival and development of the modern enterprise. Concentration and centralization of capital, increased competition, rapidly changing phenomena and events, shortening life cycle of product and technology - have influenced the increasing role and importance of future research and economic forecasts that are now used for the entire socio-economic system. Time management and research and prediction of future events and processes in order to master them, is a prerequisite for the successful strategic management and implementation of action for the successful performance of companies in the future. Companies need to react to rapid changes in their environment in time – timely response management is able to carry out actions that will reduce uncertainty and threat, while reinforcing the impact of potential opportunities and chances for successful performance of companies in the future. When researching future one should always take into consideration the time factor as the dominant influence. Modern top managers are aware of the importance of time and while they are managing business processes, they pay more and more attention to the study of time.*

**Key Words:** *uncertainty, future, time horizon, time management, timeliness.*

### 1. INTRODUCTION

Research and prediction of future events and processes in order to master them, is a prerequisite for the successful operation and implementation of action for the successful performance of companies in the future.

The need for understanding and predicting future events and processes for the purpose of mastering it, is immanent in human nature. Since its genesis, the man was trying to master the environment, and then gradually take control of and predict its future.

The modern business environment is characterized by complex and dynamic changes in the environment that are reflected through the uncertainty and risk in business; therefore adaptation to a number and variety of changes, increased competition and continuous improvement of performance, represent the basic assumptions of survival and development of the modern enterprise. Concentration and centralization of capital, increased competition, rapidly changing phenomena and events, shortening life cycle of product and technology - have influenced the increasing role and importance of future research and economic forecasts that are now used for the entire socio-economic system. Prediction of future events and processes is a prerequisite for the successful management and implementation of strategic actions that will reduce uncertainty and threat, while concurrently amplifying the impact of potential opportunities and chances for successful performance of companies in the future. The progress of science and technology made it possible to increase the degree of freedom which society has in choosing and creating its own future. Increasing the opportunities of active operations, therefore, does not preclude the need for consideration of objective laws of development. It is the complexity and interdependence of problems that characterize today's business systems and their mutual relations, indicating the need for the adoption of appropriate strategic solutions. The choice of strategic decisions should be preceded by an organized and comprehensive research of the future in order to evaluate possible development alternatives and their likely consequences in the near and distant prospect [9, pp. 2-3].

## 2. TIME HORIZON

The study and prediction of future phenomena and processes anticipate the future environment in which a presently made business decision will grow old. Timely response management is able to carry out actions that will reduce uncertainty and threat, while reinforcing the impact of potential opportunities and chances for successful performance of companies in the future. Companies need to react to rapid changes in their environment in time, but also initiate and make certain changes through re-engineering, restructuring, initiating strategic change, integration and acquisition. Timely response is a requirement that the organization responds before the fact, that gives it the ability of the reaction before surprise, and mastering the ability to conduct controlled companies - at all organizational systems and environments [3, p. 315].

The modern business environment is characterized by complex and dynamic changes in the environment that carry risk and uncertainty in business. Existence of a company is conditioned by its ability to adapt to the environment and/or adapt the environment to itself, the necessary existence of some kind of feedback between the company and the environment. The accelerated process of globalization of production and technology directly affect business operations, increasing the speed of its response to the market requests. The period for which the business entity can get to know the influence of certain factors on its own business in the economic theory is dubbed as the time horizon. The time that the company evaluates the impact of some relevant factors is determined through the time horizon. The time horizon is the size of the time interval which can predict the movement of certain economic phenomena that significantly impact on business [11, p. 189].

Business enterprise is subject to the influence of many factors that affect its existing (current) and future economic situation and market position, which is why companies tend

to perceive and predict the effect of these factors in the future so that they could affect them in time, reducing negative and increasing their expected positive effect. Between the pace of change in economic conditions and needs of the economy there is a high correlation – the more the factors of work are volatile and dynamic predicting, forecasting is even more necessary. In order to minimize risk and reduce uncertainty to the lowest acceptable measure, it is necessary to develop a plan of strategic moves, and to have more options in the process of business planning. In contemporary practice, the biggest economic problem is the recognition of risk, its nature, time and place of origin. Managers make business decisions today, and their implementation is expected in the future. For them, the decision-making is very risky if they decide based on unknown facts and information, but the situation is less precarious if before deciding the appropriate forecasting is carried out. At present we are limited by the definite and the availability of the existing. For the future, which is absolutely uncertain, and that's the only thing we know about it, one will need the appropriate knowledge, and imagination [13, preface]. Security is a characteristic of the past and the facts and events that are known from the past. The ability to use these facts and knowledge for current business and making decisions that will be implemented in the future reduces over time. With the increasing time horizon, the prediction reliability and accuracy of predictions is reduced and, vice versa, with shortening the time period in which to anticipate and analyze the phenomena and processes, the degree of security and reliability (credibility) of the process of prediction increases. Uncertainty over the future development varies depending on the time horizon of prediction, as it goes from short to long, very long time. With the lengthening period of prediction, the number of factors that influence the observed phenomenon is growing, and determining the importance of each component and their overall effect, becomes increasingly difficult. In further perspective, managers are often not able to comprehend all the relevant factors, let alone to accurately determine their likely future effects. Certainly, this does not mean that long-term economic forecasts should be ignored, because their goal is to provide insight into global trends of development, even a rough, approximate idea of the future, which will eventually complete information that is currently unknown.

### 3. TIME AND PREDICTION OF FUTURE EVENTS AND PROCESSES

The growing interest in studying the future is the result of rapid and radical changes in the economy and society as a whole. In modern market conditions, the ability of creation and regulation changes and adjustments to changed circumstances and business conditions is significantly increased. The future is composed of the entire range of possibilities, an alternative future that man has the ability to shape [8, p. 275]. It is unpredictable, with much amplitude, change and discontinuity. When talking about the future, trying to predict future trends, events and processes, one should bear in mind that the future does not create itself - if one has no idea about or does not know how to get to one's destination – he will be part of someone else's future vision and tailored to the interests of others [2, p. 2]. When researching future one should always take into consideration the time factor as the dominant influence, that is, it is necessary to always bear in mind the perception of time when it comes to future research, because it varies in different historical moments, and even more in different cultures [13, p. 2]. Also, we should not neglect the fact that

attitudes related to the time of constant change, and most of these changes are related to the progress of technology, that affects our business, travel and communications [6, p. 1].

From a methodological point of view, the future can be seen in retrospective and prospective manner. Retrospective methodological approach views the future as a continuation of past and present, while the prospective approach consider present as building the future, instead of considering it as a result of the past. The essence of the first methodological approach is contained in the treatment of the future as a result of the past, on the basis of the legality of the previous period; a projection is made based on data and information from past and present. Retrospective procedure is, therefore, based on the postulate that between past and present, there is certain regularity-the continuity and the expectation that the continuity will continue in the future. Explanations clearly indicate the significant limitations of retrospective approach to areas of application in research and forecasting the future. Retrospective approach can be applied only to the economically stable economic conditions; to predict the occurrence of perceived longer period, and show a constant and steady growth. From the time point of view, the retrospective approach can be applied for the short-term forecasting, in situations where there is a relatively high probability of forecast forming, relatively high accuracy, low risk and low uncertainty. With the prospective procedure, basically, data and information about the future are used. For a prospective approach an assumption is valid that the near future will not logically continue in the far future. Prerequisites for the implementation of prospective approaches are research and system information. It is usually applied in cases where fundamental (strategic) decisions should be made. Prospective procedure is applied for the long-term research and predictions of future phenomena and processes characteristic of the larger business systems.

As pointed out by professor Todosijević [13, p. 4], the future is multiple, because there is no best method of prediction that is universal and suitable in all circumstances. It is therefore necessary to analyze the factor of time and realize the strategic importance of time management, respectively, which should take into account the time and qualitative factors. The future must be an expose that illuminates the present.

The course of the implementation process and success of economic predictions are affected by time in three ways:

1. as an element,
2. as the duration and
3. the delay [12, p. 93].

As an element of prediction time is of calculatory character, it is measuring the size and does not differ from other factors that make up the process of prediction. As duration, time is the measured time interval between the relevant action taken and the effects of why the action was taken, and as delay, the time factor affects performance of actions for achieving the defined goals and the expected effects.

#### 4. BASIC ASSUMPTIONS ON TIME MANAGEMENT

Time is not infinite. It is not a factor which is unlimited. On the contrary, the fact that time does not have a substitute, the importance of time as a resource to the rapidly growing dynamism of the process - accelerating changes. At present one is limited by the defi-

nite and the availability of the existing. For the future, which is absolutely uncertain, and that's the only thing known about it, one will need the appropriate knowledge, and imagination [13, p. 2]. In advanced industrial society of today the time has become one of the key resources for successful implementation of business plans. From the realization of complex projects to the organization of personal time, the battle time becomes a key managerial concern [1, p. 5]. The negative effects of activity time can be significantly reduced by increasing the level of labor productivity and efficiency, which is especially important, because increasing the overall efficiency of the system behavior, as pointed out by professor Milovanović, provides the beneficial effect on time resources and that is what the management should insist on [4, p. 120]. Nebojša Carić concludes that those who act as creators of future have ahead of them a very important, noble and responsible task that requires knowledge, understanding of the situation, trends, techniques, tools, and, of course, business and life wisdom [2, p. 3].

Modern top managers are aware of the importance of time and while they are managing business processes, they pay more and more attention to the study of time. Analyzing the use of time, it is possible to determine more efficient ways of using time in the workplace and outside it. Habits that are related to time are very complex and different. Therefore, to achieve all that is planned, one must be aware of one's habits and attitudes related to the time [6, p. 1].

Time management means control of time and work, instead that time controls us. Respectively, better usage of time requires a constant, adequate and rational time management. Successful management of working time, needs to make better business, perspectives, bigger work creativeness, less work stress, more own free time and time for family and friends, consistent and systematic achievement of defined business goals. In order to achieve that, managers need to plan their business duties and tasks. Advantages of appropriate planning in the function of time management are numerous. Some of the most important are: better preparation of working day, increasing efficiency through the coordination of work tasks, a clear image of the work tasks, saving time and money, increase of satisfaction and motivation of all employees, self-improvement and self-discipline, distinguishing important from less important duties, making important business decisions [10, pp. 339-340].

"Active time management will allow the control of work and more time for focusing on the most relevant jobs aspects. Anyone who wants to be efficient and productive, had to benefit their own time on the most prudent way. The most important is good planning of activities and duties, to separate important from less important and choose realistic activities. Also, it is very important not to forget that time "spent" on creation and planning time activities is never spent in vain. Time management will not allow us to do things faster, just more efficiently." [6, p. 7].

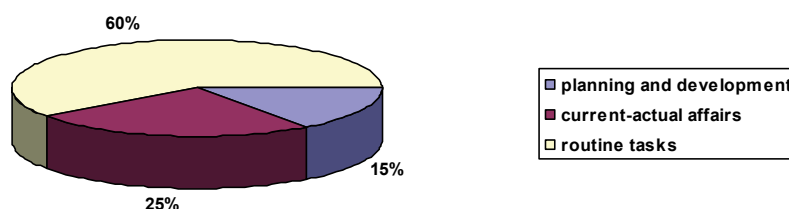
Essentially, the entire process of strategic management is the process of time management. If you manage your time effectively, you will select reasonable (valuable) goals and priorities, applying appropriate knowledge in order to achieve them, and then you will improve your work [7, preface]. In his book *The Perfect Time Management- All you need to get it right first time*, Ted Johns emphasizes the four basic assumptions about time management:

1. The first assumption: time can be managed
2. The second assumption: The work can be compacted to free the unavailable time
3. The third assumption: Your effectiveness depends on whether you are seen as effective, not if you are really effective.
4. The fourth assumption: The secret is in smarter, not harder work [7, preface].

Professors Obradović and Svrkota say that the only way to improve the use of time is to analyze how one uses it now and devise a way in which it can be allocated differently, more efficiently. The most important requirement related to a manager is the one that relates to time. All he has are 168 hours a week, no more, no less. No one can give more time, all he can do is to use time most effectively, the authors conclude. If he wants to be most effective in his job, he needs to devote 60% of his time to planning and development activities, 25% to current affairs, and the remaining 15% to routine tasks; in practice- in everyday business activities, however, this relationship is quite different [6, p. 2].



**Fig. 1** The ideal allocation of time



**Fig. 2** The usual allocation of time [6, p. 2].

About the topic of time management in the context of efficient business, Drucker [10, p. 340] concludes: successful managers do not begin the day with working assignments, but with time they have. Therefore, if a manager is not skilled at managing time he can be very inefficient in business, on the whole.

## 5. CONCLUSION

The existence of each modern enterprise is determined by its ability to adapt itself to the environment and to adapt the environment to itself, with the existence of some kind of a feedback between the enterprise and its environment. The accelerated process of globalization of production and technology directly affects business operations, increasing the speed of its response to the market requests.

Timely response management is able to carry out actions that will reduce uncertainty and threat, while reinforcing the impact of potential opportunities and chances for successful performance of companies in the future. Companies need to react to rapid changes in their environment in time, but also initiate and make certain changes through re-engineering, restructuring, initiating strategic change, integration and acquisition. Timely response is a requirement that the organization respond before the fact, that gives it the ability of the reaction before surprise, and mastering the ability to conduct controlled companies - at all organizational systems and environments [3, p. 315].

The most commonly used time management is considered to be an activity that should be implemented by top management. However, decipherment puzzles is not only a time of extraordinary privilege, philosophers or wise men. The power of these puzzles may affect everyone, and even most average, normal man [5, p. 15]. Time management skills are not only the ability of managers, but the skills needed by all members of a collective. Of course, one thing is to read about time management, something else is to practice it properly. The difference between knowing how to do something and be able to do this may be surprising [7, preface].

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## UPRAVLJANJE VREMENOM KAO PRETPOSTAVKA SAVREMENOG POSLOVANJA

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*Savremeni poslovni ambijent karakterišu složene i dinamične promene u okruženju koje se reflektuju kroz neizvesnost i rizik u poslovanju, zbog čega prilagođavanje brojnim i raznovrsnim promenama, povećanje konkurentnosti i stalno poboljšanje performansi, predstavljaju osnovne pretpostavke opstanka i razvoja savremenog preduzeća. Koncentracija i centralizacija kapitala, povećana konkurencija, brze promene pojava i događaja, skraćivanje životnog ciklusa proizvoda i tehnologije – uticale su na povećanje uloge i značaja istraživanja budućnosti i ekonomskog predviđanja koja se danas koriste za potrebe čitavog društveno-ekonomskog sistema. Upravljanje vremenom u kontekstu anticipiranja i adekvatnog predviđanja budućih događaja i procesa, predstavlja preduslov za uspešno strateško upravljanje i sprovođenje akcija za uspešan nastup preduzeća u budućnosti. Preduzeća moraju da reaguju na česte promene u svom okruženju*

*pravovremeno. Pravovremenim reagovanjem menadžment je u mogućnosti da sprovodi akcije kojima će smanjiti neizvesnost i pretnje, uz istovremeno pojačavanje uticaja potencijalnih mogućnosti i šansi za uspešno poslovanje preduzeća u budućnosti. Prilikom istraživanja budućnosti potrebno je uvek uvažavati vreme kao dominantan faktor uticaja. Savremeni top menadžeri su svesni značaja vremena i prilikom upravljanja poslovnim procesima, sve veću pažnju posvećuju proučavanju upravljanju vremenom.*

**Ključne reči:** *neizvesnost, budućnost, vremenski horizont, upravljanje vremenom, pravovremenost.*