

SPACE ANALYTICAL MODEL: IMPLANTATION OF THE SIMULACRAL TECHNIQUE IN DECISION MAKING

Elvis Elezaj^{1*}

¹Business Management/Faculty of Business, University "Haxhi Zeka" Kosovo

*elvis.elezaj@unhz.eu

Abstract – The research tries to bring a contemporary approach to decision-making through the implantation of the SPACE model towards a long-term and sustainable decision-making. Through the analysis of the model, it is tried to establish new techniques in management and organizational governance by identifying the possibilities of their implementation as a type of "simulacrum" or new "models" which promote improvement of decision-making and managerial stability. The study will be based on a mixed application methodology where it is distributed in 300 organizations addressed to managers or leaders. Through various analyses, it is claimed to encourage and ensure what are the paths towards a sustainable and competitive decision throughout the industry. The research seeks to bring clarity and a practical way of how to achieve a safe and sustainable decision-making by trying through different analyzes through ISA (Internal Strategic Analysis) and ESA (External Strategic Analysis) guaranteeing a genuine basis for creating a comfortable environment when making decisions, while reducing uncertainty and other influential factors from the managerial environment. Further, this unfolds several directions or decision-making paths such as backward, forward, horizontal integrations, market penetration, development of markets and products, specifically Quad-IV or Strategic Positioning quad-IV (ST-P-IV^{quad}).

Keywords – SPACE Model, Analysis, Implantation, Simulacrality And Decision Making

I. INTRODUCTION

The application of managerial tools and techniques in the contemporary world has become a daily routine of every manager in their functional life [1], [2]. This means that these models or approaches have shown a strong favoritism in the manager's work and in his decision-making productivity. This means that this process is becoming day-by-day more inevitable and insurmountable towards the creation of organizational stability. Therefore, the research will bring a new and post-modern managerial approach so that we can make sustainable and effective decisions. Considering the decision-making process as one of the most difficult and complicated processes for managers, it remains one

of the most challenging areas for leaders and managers of organization nowadays.

Decision-making means a multi-stage or multi-level and open process towards the selection of an option or variant [3] within a group or bundle of variants or options as the most successful or the best to fulfill the organization's goals [4]–[7].

It is a very well-connected, conscious and completely well-analysed process towards achieving the fulfillment of the organization's objectives. It includes a wide spectrum of definition, analysis, generation and different evaluations for which they put in a clear and precise orientation in a positioning to define the organization's mission and vision. It is also treated as a well-framed, time-defined and structurally

designed process that must be implemented towards its realization and concretization.

Therefore, this means a segment which has given rise to the need for the creation of new and contemporary approaches on how to make certain and clear decisions. Although the managerial world knows many methods and application techniques to achieve a well performavity on the part of the organization, the research will bring a post-modern approach to the analysis and evaluation of managerial work on how to achieve successful decision-making. Strategic Position and Action Evaluation or known acronomously as the SPACE model (SPACE) is a tool of reference of the function and managerial work that creates a clean and very clearly based analysis and evaluation through the variables creating a safe route to make decisions [8], [9].

From this perspective, even though they are new application models, their results show that they have many performance benefits, positioning in the industry or even creating attractiveness in the industry [10] etc. This tool allows showing its results and effects by implanting it in new industries and in developing countries like the case of Kosovo. Characterized by these circumstances, the country is almost statistically 60% with micro and small businesses, this allows a lot of opportunity to create a capability when they most need growth and development. Resultatively, the model provides many opportunities to revitalize the current state of businesses by encouraging them to show their actual position and opportunities to improve them [11]. The SPACE model is an instrument that reveals to organizations a clear quadratic positioning of the focus and recommends the steps to be taken to reach even higher. This type of opportunity encourages organizations to see their momentum of occurrence and their positioning in the industry [12] while the variables are the key indicators that show how the organization operates and how resources can be used to position and rank better or create leadership.

The implantation of the SPACE model is a unique case to create a new approach for organizations that is different and away from the traditional methods that are always viewed from a personal perspective. Based on this view, the model creates dual sides of analyzing from inside and outside the organization through IFE and EFE,

calculating well each variable and its indicator to arrive at certain and very clear assessment that the manager needs to implement throughout the organization [13]–[16]. The calculation of resources from the inside and outside brings a precise analysis following a path of balancing the dimensions, even though research has shown that the analyzes are often divided with the aim of creating a better focus on those that have performed better or looking only at those results. The model consists of two analytical dimensions ISA (Internal Strategic Analysis) and ESA (External Strategic Analysis) creating a combination of environments [17] and analyzes to build the x and y axis in order to build a graphic representation of the model called "*simulacra*" or "*simulacrum*" of what are the paths that the manager should take to create a unique decision-making process. This possibility of implantation, called unique decision-making, will reveal in the industrial surface a differentiation and competitive advantage against rivals.

II. MATERIALS AND METHOD

The research was done in Kosovo along 300 different organizations of the micro and small category by surveying and interviewing the managers and leaders of the organizations. The applied methodology is structured interview design, through the qualitative technique, providing primary data since the model is required to function by taking unused data early and directly from the organizations in order to actually see the situation and opportunities to implant.

III. RESULTS

In the table below, all the calculations of all the variables obtained from the interview survey of the organizations are carried out.

Internal strategic analysis		External strategic analysis	
Competitive Advantages (CA)		Environmental Stability (ES)	
(-5 worst, -1 good)		(+1 worst, +5 good)	
Axis X	-3.31 Market share	+3.33 Policy issues	
	-3.10 Product quality	+2.84 Interest rate	
	-2.73 Consumer loyalty	+3.04 Technology	
	-2.84 Product classification	+2.92 Environmental issues	
	-3.03 Skills & Knowledge	+2.54 Price elasticity	
	-2.88 Supplier control	+3.58 Competitive rivalry	
	Average: -2.98	Average: +3.03	
<i>Axis result X= 0.05</i>			
Financial Strengths (FS)		Industry Stability (ES)	
(+1 worst, +5 good)		(-5 worst, -1 good)	
Axis Y	+2.79 Return of sales	-3.57 Possibility growth	
	+2.94 Return of investments	-3.57 Productivity	
	+2.96 Cashflow	-3.39 Financial stability	
	+2.84 Working capital	-3.36 Market barriers	
	+2.83 Leverage	-3.52 Consumer power	
	+2.71 Liquidity	-3.44 Substitutes	
	Average: +2.85	Average: -3.47	
<i>Axis result Y= -0.62</i>			

Table 1. Score of SPACE model variables

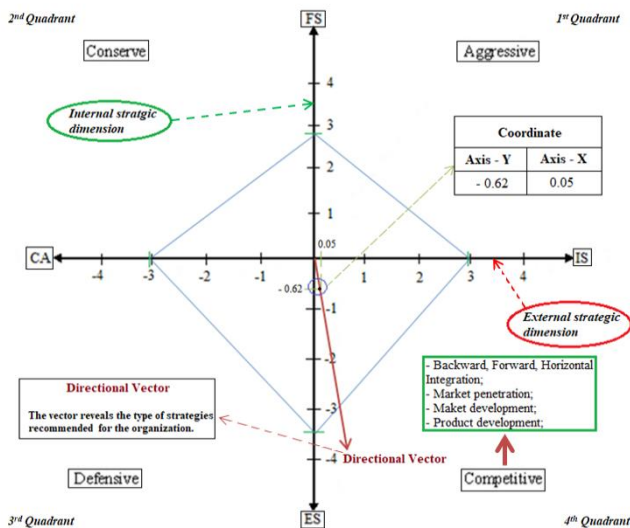


Figure 1. Graphical view of SPACE model results

From the above results, it appears that the model can be implanted to create a new approach to Kosovar organizations. This model gives them an opportunity to see what are the decision-making strategies that should be undertaken by managers and leaders of organizations. From the results, it turns out that we have a positioning in the 4th or IV quadrant (Quad-IV) or Strategic-Position-IV^{quad} (ST-P-IV^{quad}), which means that organizations try all the time to create a strong rivalry between themselves and a high intensity of the fight for better positioning in the industry. The results revealed in the axes are $x= 0.05$ and $y= -0.62$, which show that the organizations are currently in the competitiveness quadrante, thus revealing a

series of strategic orientations and alternatives to make decisions for their future, thus creating a "map" or "compass" of directions that will lead to a decision-making stability and longevity. The revelation alternatives are that organizations must definitely take care to undertake and not skip these discovery options such as forward, backward and quality (horizontal) integrations, penetration into new markets, market developments and product developments.

IV. DISCUSSION

By undertaking the implantation of such a model, we can see that we can create a new momentum for Kosovar organizations, especially for a developing country, why not for developed ones as well. According to the results, it turns out that the model can create a new situation of analysis and strategic thinking during the period when we are making decisions. This shows that many researches done even earlier have given good and powerful results of the application of this model [18]–[20].

V. CONCLUSION

The model brings a superlative analysis of the intern and extern environment of the organization, thus helping the leaders of organizations to create a chronology of derived evaluations until the decision is made. This simulacrality model brings them a practical guide on how to analyse and evaluate step-by-step in order to build an accurate and clearly schematic nomenclature and meaningful decision-making.

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