

# SYNERGY EFFECTS AS A NEW APPROACH INSIDE THE ORGANIZATION

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## Abstract

Purpose of this paper is searching the importance of synergies between everything in the organization as an impact of cooperation and motivation within the internal and external organizational environment. Active cooperation of the organization's internal environment is a crucial step for forming the synergy effects. Human potential, i.e. all employees and managers of the organization, who are intentionally, appropriately and harmonically motivated, can achieve these synergy-effects in many effective ways. Based on mentioned premise, the paper highlights the importance of selected critical success factors (CSFs) implementation in the company while expected result of this application is the creation of desired synergies. Based on previous research, there were nominated seven critical success factors that have an impact on the synergies creation: both-sided active communication and coherent relationships; correct and high-quality decision-making in motivation; involvement of employees in the management processes; mutually solving of the problems in the shortest possible time; application of motivation tools and motivation accent; sharing skills, knowledge and talent across the company; comfortable and pleasant working environment. Additionally, the motivational framework was also identified in the paper which connects individual and complex view on factors not only within the internal company environment but also its background. This means that the competitiveness of organization is not created only with suitable and effective strategic moves on the market (viewed by the eyes of customers) but especially by people who stand beyond the internal organization environment. Mentioned above critical success factors were studied through the sociological questioning using the questionnaire form in the company GoodRequest (medium-sized company with 5 years of background). Dependence of the measured synergies indicators was verified through a chi square test in this survey which allowed to confirm the fact that the result of CSF implementation really is the produce of required synergy effects that are important for entire strategic management and motivation of human potential.

**Key words:** case study, management, cooperation, motivation, employees, synergy effects, influence.

**Classification JEL:** M12 – Personnel Management.

## 1. Introduction

Critical success factors (CSF) create synergies in the organization. In our opinion, seven the most important CSF play an important role in creating valuable and desirable synergy effects within the organization: both-sided active communication and coherent relationships; correct and high-quality decision-making in motivating; involvement of employees in the managerial processes; mutual solving of problems in the shortest possible time; application of motivation tools and motivation accent; sharing skills, knowledge and talent across the organization; and comfortable and pleasant working environment (*Tršková & Holubčík, 2016*).

All of mentioned above critical factors are developed (in positive as well in negative sense) via strategic human resource management. In these intentions, strategic management of human resource can be defined as an interdependent and integrated system of attitudes, procedures, and HRM appropriations which help to realize the strategic objectives of the organization (*Teo & Rodwell, 2007; Ulrich, Younger & Brockbank, 2009; Rucci, 2009; Storey, Wright & Ulrich, 2009; etc.*). In addition to the purely rational events that people experience inside them, there are also unconscious processes that people do automatically on the basis of environment and their longtime skills (*Wheeler & DeMarree, 2009; Dijksterhuis & Aarts, 2010; Bargh, 2011; Meier et al., 2012*). When managing and developing human potential, it is necessary to capture and manage these internal processes

which also affect people behavior and thus the fulfilment of accepted objectives. According to Armstrong, human resources management is a strategic and logically coherent approach to the management of the biggest valuables that organizations have – people who work in organizations and who individually and also collectively contribute to the achievement of organizational goals (1999: 149; 2002: 211). Human resource or human potential management and development serves primarily to make the organization efficient and to improve its performance steadily (Koubek, 2007; Kachaňáková et al., 2011).

It is important to see the changes in environment as an active factor influencing the organization management, all processes, and work of all employees and managers, i.e. actions of organization human potential. Orthodox management setting may have adverse effects on the area of organization performance. Business management in the context of responding to changes in the environment has to assess what adjustments in strategic plans are necessary with respect to the organization objectives and available resources. This activity will prepare managers to quicker respond and predict future development change. As Creelman (2016) writes, the change may mean use of old strategy, change in management, restructuring of the organization and other. On the other hand it is necessary to agree with Kale (2000), that it is needed to ensure protection against transfer of basic (core) skills – unwanted and informal transmission of specific knowledge and skills that creates organization's competitiveness.

Management can state a working basis: if synergy is managed well, it can generate added value with existing resources of intra-organization environment, but if not, it can reduce trust in the organization. An important point in connecting present examination of the issue of synergy, intra-organization management and motivation is just the human potential of the organization which forms the basis of all the changes and itself is also a reaction to external changes. It is important to draw attention to the necessity of management thinking innovation for current management. In current environmental changes, the change of manager's thinking is essential for correct understanding and adjustment of internal processes.

Goold & Campbell (1998) pointed out several prejudices in the frame of synergy in management: revaluation of synergy benefits and underestimating costs; persuasion organization to cooperation (to feel compelled to engage a cooperation, if there exist opportunity or conversely to be busy and not use or underestimate the opportunity to cooperate); prediction of skills and know-how of the organization (not have particular skill level or to study missing skills); to see opportunities for synergies where they are not (adverse or beneficial synergy impacts). Desperate searching for synergies may lead to make unwise decisions and investments. The best for organization management is implementing a discipline and awareness of the situation (to clarify the situation) – which represents the concept of this paper.

Based on previous ideas, the *main purpose* of the paper is to demonstrate the function and implementation of chosen CSF in the organization which help to create desired synergies and which are common benefit across the entire organization. Therefore the paper is focused mainly on searching the importance of internal environment of the organization, establishment and identification of intra-organization environment synergies in the area of motivation, influences of internal and external organization environment, and main recommendations and conclusions. Paper consists of two main parts. The first is more comprehensive supporting of examined issue with secondary relevant data. The second is verification of the findings by the questionnaire survey which should help to validate and support the relevance of main idea of this paper. From all these are drafted main conclusions that are an important element in deliberate induction and management of mentioned in-house synergies which are concentrated on leadership, motivating, and employees' motivation.

## 2. CSF in relation to creating synergy effects inside organization

Internal policy of the organization is heading to synergies, to environment in which everything is connected with everything and mutually interact and creates the process, and in which every individual with his or her potential is able to build the success of the organization. However it is necessary to know how to appropriately strategically manage this environment in case of the changes in internal background of the organization. It is needed to identify basic key elements (critical factors) which the strategic management should focus on. Inside the organization, it is the position of person, his or her potential in work and in all organization processes and activities. Linking these processes and activities with human potential can be determined as a synergy which a synergy effect arises in different forms from. During analyzing the current environment, Kotler (2013) states nine mega-trends, which the organization should take into account in managing and strategic activities. All these trends in their essence mean: acceleration, collaboration, wider effect of mutual interactions, growth and development of elements, but also the environment in which they act. The actual progress of organizations has to be managed; it is needed to not only monitor a short-term performance but to know how to transfer them into the long-term objectives and intentions of management (strategically manage the organization in dynamic industry). On the other hand Collins (2014) expresses the opinion that actions of the organization are not a matter of circumstances (which we can or cannot affect) but the matter of choice and discipline and this strategy policy are in hands of people by a form of their activities, creations and how well they do these things.

### Both-sided active communication and coherent relationships

Internal communication is an important aspect of organizational communication and internal communication entails „all forms of communication within the organization,“ (Tkalac, Verčič *et al.*, 2012). While most empirical work in services literature has focused mainly on internal line management communication in the form of either supervisor communication practices or feedback (Johlke *et al.*, 2000; Johlke & Duhan, 2000, 2001; Yoo, Flaherty & Frankwick, 2014), it is important to study internal organizational communication (also known as internal corporate communication (Welch & Jackson, 2007) or management communication (Ng *et al.*, 2006), as literature highlights “the need for organizations to recognize employees as a distinct public worthy of individualized attention,” (Mishra *et al.*, 2014: 185).

Calhoun & Lederer (1990) found out that lack of communication objectives of management can be responsible for problems occurred in planning of strategic goals. Communication is one of the dynamic processes which the strategic management and development of human potential could not work without. It is a process that is located throughout entire organization. When the organization wants to operate and develop as a complex system, there has to be an open communication among all employees and managers, work teams, departments (divisions) and the organization itself. During motivating it is very important for person who motivates to use communication skills, tools, and techniques, and on the contrary, all the communication techniques have to be performed with the motivation accent.

Mutual and active communication serves to managers not only for strengthening relationships but it can be also effectively and strategically used to deal with challenging organizational changes (Young & Post, 1993) because of the organization nowadays in maintaining the competitiveness needs to apply active communication programs with employees, their education, motivation and tuning their activities with the strategy (Kaplan & Norton, 2006). An idea is important that the manager may achieve responsibility among employees just with an effective communication, feedback, work value, evaluation

of particular processes and assessment of the objectives of employees and organization (Seevers, 1979).

Lasker et al. (2001) saw synergy in identifying and solving the problems which the community depends on. Activities of the individuals and community and their communication lead to the problem solving. On Figure 1 we can see the illustration of the importance of synergies which arises from the partnership (cooperative approach) and has an impact on the effectiveness of partnership (cooperative relationship).

Synergy also draws attention to the relationships with functional features and fitness consequences (obtained benefits) cooperative phenomena of all kinds – data related to causal explanation of difficulty development (evolution of complexity), (Corning, 1995). Relationships between partners should be characterized by: trust (responsibility, duty, relationship success), respect, conflict, willingness to coordinate activities, discuss and encourage new ideas and approaches. Important are also limits of these relationships – who participates, who's opinions are considered as reliable and who influences deciding (Lasker et al., 2001).



Figure 1. Synergy: the unique advantage of collaboration (Lasker, R. D., Weiss, E. S. & Miller, R. 2001. Partnership Synergy: A Practical Framework for Studying and Strengthening the Collaborative Advantage. *The Milbank Quarterly*, 79(2): 184)

### Decision-making in motivating

Analysis of decision-making generally assumes that the decision-maker faces the decision problems where s/he has to choose one option from a set of alternatives. It is a principle that the decision-maker has to know certain facts about the particular phenomena in deciding, because otherwise he is not able to make reasonable and defensible decisions (Chako, 1991; Thierauf, 1993; Klein, 1994; Broggi, 1999). According to Košťan & Šuler (2002), management includes decision-making about objectives and tools which we can achieve these objectives (methods, tactics and so on) with. Finally it is also about monitoring the performance, i.e. results in fulfilling the objectives and milestones, data completion, and accepting corrective actions in case of identification deviations. It is placed at the top level of management and represents a continuous cycle. Authors emphasized the need not only to manage but also fully understand the environment, look from perspective (to see context) and understand results of management analysis (Košťan & Šuler, 2002).

Decision-making can be defined as the process of identification and selection of alternatives/variants based on the values and preferences of the decision-maker. Deciding does not have to be based only on choosing between given options (variants) as Winkler (2007: 19) presents but this process may also contain the creation of new alternatives (Musil, 2008b). Decision-maker creates certain option stock for him/herself which s/he will take into account, and which s/he will choose one variant from. This multi-phase process can be seen in managerial concepts (Fotr, Dědina & Hružová, 2003) and also in psychological concepts of deciding (Uhlář, 2006; Skořepa, 2005).

Decision-making and motivation are mutually interdependent, interact and interconnect each other. Decision-making is a process which affects outer and inner motivations of the decision-maker. Conversely, motivation also has an impact on the final version, content,

and reach of the decision. Due to the fact that deciding means choosing the best possible option from other available variants and in motivating employees is the most important to choose the most appropriate motivational approaches, tools, events, actions in order to increase motivation, we can see the close relations between these both processes. In case of deciding in motivational process, it is even more important to make the right and responsible decisions since these decisions concern the people and their motivation. Motivation of each of us is very fragile so it is necessary to handle it by a proper way. At each step (phase) of motivational process, to make the decision (sometimes several decisions) is required that can substantially influence this process and thus the motivation of each interested person in the process.

Decision making also represents the essential part of any of the functions of human potential management, i.e. strategic management and planning of human potential, acquisition, selection, profiling, motivating, educating and developing, and so on. All these activities should be carried out with the motivational accent, what means that “in every single activity in the management and development of human potential it is necessary to make managerial decisions about right motivation,” (*Blašková & Blaško, 2011*).

### **Involvement of employees in the management**

Perception of the employee's status and his or her relationship with the organization are changed there. The employee stops being considered as the property of the organization and s/he is beginning to be regarded as an equal partner in business and as someone who is his or her own man, decides freely and becomes a businessman with his or her workforce and his or her abilities (*Koubek, 2007*).

Kim & Mauborgne (2012) draw attention to the critical success factors which should be created in terms of value. Employees and managers stand in background of the customer value which is generated by these factors. They not only can affect the factors but also create and manage them. Therefore it is important for accepting the objectives and strategy to communicate and explain these ones to the employees so it can provide them an opportunity to better understand and adopt this strategy. More concretely, Thompson & Strickland (1992) described main benefits of strategic management of the organization which include as follows: providing better management of the entire organization within the critical point – what we are trying to do and what do we achieve; wariness of the managers within the changes, opportunities, threats and organization development; providing reasons to managers to assess budget requirements within the capital investments and new employees (resources management in strategically supporting and results producing areas); helping to integrate a large number strategically oriented decisions across all organization managers; creation a proactive managerial approach and concentration in the decision to be reactive or defensive.

For successful involvement of employees into decision-making, planning and evaluating processes of the organization, it is needed to encourage their initiative. This means that managers and HR experts have to strengthen their motivation for the initiative to participate in these processes voluntarily. Otherwise, their involvement would have no sense for organization. It is important for employees to form a conviction about their involvement through the open communication and sincere trust that their ideas, inspirations, and suggestions will be a help and real contribution for the organization. If employees believe that they were participating in decision-making, planning and evaluating processes, they are motivated to enhance their performance since they work on something they had opportunity to decide about. This means that it is the involvement of employees in mentioned processes what becomes a very efficient and effective motivational tool.

### **Mutually solving and anticipated of problems**

For collective problem solving, it is the most suitable to use methods such as brainstorming, brainwriting and similar methods that encourage creative and inventive thinking of employees. When solving problem collectively, remove the barriers of creativity by separating various phases of problem solving process is needed. The phase of formation new ideas, thoughts and inspirations should be separated from the phase of particular ideas evaluation. And right these methods are appropriate for this separation.

Although the collective problem solving is time-consuming, the final solution is more effective than solving the problem by an individual. Right because of these time demands it is necessary not to relegate the problems on a secondary role but it is needed to solve them when they are current, respectively only predicted. In a case of postponement, the problems there can occur not forgetting the problem but conversely enlarging the problem. Such postponing problems may have even destructive consequences for the organization and its employees.

The collective (team), the organization, internal environment of the organization are the area of individuals' synergies where achieving the common objective is the possibility for achieving the individuals' objectives (*Hewstone & Stroebe, 2006*).

Problem of the current measurement (identification and solution of measured-issues) in business is that it focuses on internal management, and loses the overview of strategic management. It also puts emphasis on the costs which are necessary to provide and obtain information. Another problem is the number and variety of reports which fades into the background, and it is the tracking and measurement of operational activities which really support the strategic direction. The measurement should become the supportive process for collecting information for the management and organizations executives. But, it should not be the process only for measure. In related viewpoint, *Drucker (2012)* saw management role in a collective efficiency through communal objectives, communal values, corresponding structure, professional training and development of all, what companies need to do in order to submit performance and respond to changes.

### **Application of motivation tools and motivational accent**

According to many authors, it is very important for managers to learn to understand and effectively guide the motivation of their employees because to have motivated employees in the organization is essential for future success (*Bowen & Radhakrishna, 1991; Amabile, 1993; Lindner, 1998; Ramlall, 2008; Stachová & Stacho, 2013*).

Each employee is an individual with very different desires, needs, and personality traits. What motivates one employee will not necessarily motivate another. For this reason, organizations that want to motivate all employees have to get to know them and vary what motivators they apply. Organizations should not assume that external motivators are enough; they should use internal motivators like appreciation and recognition in addition to traditional pay increases and similar benefits (*Thibodeaux, 2016*). Motivation programs, which are sophisticated and long-term, work great to motivate employees. However, managers also have at their fingertips motivation tools and techniques that can get people pumped up almost immediately. The key is to find a few things that work in some situation, and put them in managers' motivational toolbox (*Nierenberg, 2013*).

Motivation is the basis for the human potential management and development and touches on most of the tasks of the development staff which focus on the achievement and implementation of the business objectives by respecting the interests of the employees. And the harmonization of these interests is the role of manager and his or her motivational strategy. Many authors agree with the definition that motivation is the willingness to spend considerable effort to achieve the objectives of the organization, conditioned by that individual satisfy its needs (*Robbins & Coulter, 2004; Gelens et al., 2014; etc.*). At the level

of organizational success, it is necessary to take into account the necessity for systematic strengthen of motivation not only of some selected individuals but the employees and managers of all categories, professional segments and levels of management of the organization (*Blašková, 2007*).

According to Kim & Mauborgne (2012), the main problems in the area of governance are as follows: staff, limited resources, motivation to change, organization policy and enforcement in practice. On the other hand, the involvement of individuals in decisions, their critical observations and opinions, an explanation of the strategy, clear rules and expectations, but also the commitment, trust and voluntary cooperation, support the creation of new core values, creative ideas, and thoughts.

Cultural clashes, according to Vodáček & Vodáčková (2009), presents the cultural background as a picture of the social, economic and cultural purpose of the organization and understanding by people. Cultural background creates an atmosphere for the functioning of managerial work in an organization that has been impacted the motivation, results of the work, power and the quality of interaction ties. Vodák et al. (2012) point out that the alignment within strategic management of organizations should be applied in an intangible assets, i.e. development of intellectual and human capital, and focus on motivation. Daves (2004) considered the motivation of employees as one of the fundamental integrational elements of the tool of business performance management.

Based on complex view on all business processes in relation to motivating, there can be argued that for success of the organization is necessary that all processes in the organization are engaged with motivating accent, so the motivating process runs concurrently with all other processes and these processes continuously influence and overlap each other. On the contrary, each organizational process, performed in good quality, becomes a motivational tool in the motivation process. If employees see that the organization ensures that every process is carried out in high quality and honestly, they themselves will help with this.

### **Sharing skills, knowledge and talent across the organization**

A study by Dyer & Nobeoka (2000) indicated that knowledge sharing helps communities of people work together, facilitate the exchange of knowledge, enhance organizational learning capacity and increase the ability to achieve individual as well as organizational goal. Organization can support the development and enhancement of knowledge sharing culture not only by incorporating it within the organizational strategy but also by changing the attitude and behavior of employees so that they would be willing to share their knowledge.

Sharing the information and knowledge with the recombination of resources – management of business activities, such as: capital allocation; development and sharing of human, informational and organizational capital can create synergy effects in-house environment that be able to be mutual and transferred to beyond the business (*Goold & Campbell, 1998; Martin & Eisenhart, 2002; Knoll, 2008*).

Precisely targeted encouragement can be used for encouragement all employees so as voluntarily (own initiative) share their skills, knowledge, and talent to other colleagues and tried to teach them what they know, and what can be beneficial to society. Managers have to encourage this kind of motivation by that they themselves will go to their subordinates' collaborators by example and themselves will share their skills, knowledge, and talent. In this way they not only show instruction to employees how to complete this process but also give them a sense of equivalence and importance. This idea was confirmed in a coherent argument by Pearce & Robinson (1991), who point out that, as the specificity, conventionality of management system within each of the forces depends on the level of participants, responsibilities, authority and discretion in deciding. This specificity is positively correlated with the cost, complexity, accuracy, and success of planning.

### Effective working work environment (comfortable, pleasant, creative, inspire).

The working environment can be defined as everything what surrounds and affects the activity. For example, physical factors (light, heat, noise, color workplace adjustment, hygiene, etc.), workload, work comfort in terms of psychological side and safety at work (Chundela, 2001). An idea is important that the effectively functioning work environment should be comfortable, pleasant, creative, and inspire. Many authors agree in their surveys with the fact that behind a permanent increase of employee motivation, what is the reason of their high performance, loyalty to the organization and satisfaction from their work, stands just the 'inner motivation' (Vercueil, 1970; Becherer et al., 1982; Kemp et al., 1983; Fried & Ferris, 1987; Visser et al., 1997; Coster, 1992; Jernigan, Beggs & Kohut, 2002; Strydom & Meyer, 2002; Moynihan & Pandey, 2007). This one can be influenced by creating a friendly working environment, trust, delegation of competences in decision-making in the organization, etc.

Table 1. Motivational framework (own study)

Motivational framework		
Intra-organization influences	Organization	<ul style="list-style-type: none"> <li>• Structure and processes</li> <li>• Vision, mission, objectives</li> <li>• Communication channels</li> <li>• Work environment</li> </ul>
	Colleagues (collegiality)	<ul style="list-style-type: none"> <li>• Collective objectives</li> <li>• Teamwork</li> <li>• Sharing skills and knowledge</li> <li>• Mutual support and recognition</li> </ul>
	Supervisor employee	<ul style="list-style-type: none"> <li>• Crucial role in motivating</li> <li>• Crucial role in decision-making</li> <li>• Trust</li> <li>• Delegation of authority and responsibility</li> <li>• Active listening</li> <li>• Be a team player</li> </ul>
	Individual (individuality)	<ul style="list-style-type: none"> <li>• Self-awareness (I know what I want)</li> <li>• Job satisfaction</li> <li>• Sharing common values</li> <li>• Self-motivation</li> <li>• Self-development</li> <li>• Responsibility towards myself, team and organization</li> <li>• Competence</li> <li>• Expectations</li> <li>• Enthusiasm from value creation</li> </ul>
External influences	Customers	<ul style="list-style-type: none"> <li>• Feedback</li> <li>• Evaluation of customer service</li> </ul>
	Environment	<ul style="list-style-type: none"> <li>• Financial situation of country</li> <li>• Domestic and international trends</li> </ul>
	Family	<ul style="list-style-type: none"> <li>• Family background</li> <li>• Traditions and customs</li> </ul>

At the same time managers carry out monitoring on the performance of individual objectives and possibly their correction. Employees are involved in determining targets and



with it they are actively involved in the management of organization – create an open working environment. On the other hand, the support of the participation of top management lacks often: a reluctance on the part of managers to work with employees (Rodgers & Hunter, 1991; Vliet, 2014). Fairweather (2009) even argues that it makes no sense to motivate employees but to create creative background in which they motivate themselves. This argument can be accepted only partially, because it is needed to consider two views on employees' motivation – complex and individual. Individual view should be consider in sense of the uniqueness of each employee who has different needs and desires than other employee in the organization. These needs should be identified and incorporated into the motivational concept of the organization. Complex view says that it is necessary to incorporate and align all the motivations of individuals, groups, and the entire organization in motivational strategy of organization.

In the current changing environment, it is necessary to draw attention to the change mindset of manager (innovation of managerial thinking) important for proper understanding and control settings in-house processes which the core role is played by the potential of individual in. However, we must not forget that it is equally important in-house environment of organizations. This environment is not created only by specific departments: management, marketing, human resource management, finance, and other departments, depending on the organization, but also by employees and managers who create a culture of business, its image (awareness) and fulfilling its vision and intentions.

Strategy and/or strategic management is not only a procedure, it is primarily the complex and system of many decisions, reactions, activities carried out by employees and managers which increase the chance of success and mitigate the risk of failure of targets. Consistency between the strategy and activities of businesses *creates success and provides the value of mutual synergy*. Individual and complex view of the organizations captures motivational framework which is included in Table 1.

### 3. Case study of GoodRequest, ltd.

Managers and employees are the creators of business as an ensemble. In-house environment is built on these actors, their decisions, motives, attitudes, and activities. Competitiveness of the business is not created only by the unique and valuable strategic moves in the market and in the eyes of consumers but especially by people who are responsible for external manifestations of an in-house environment.

#### 3.1. Purpose and content of survey

In order to survey in-house environment within the emerging synergic effects was created a short questionnaire with the focus on searching the synergistic effects. The questioning took place within the Slovak market during September 2016 and was aimed at a specific organization, which is classified as a medium-sized business with more than 5 annual backgrounds in the marketplace. GoodRequest, ltd. was chosen because it met the conditions of small-medium size business which environment is built in a period of over a number of changes within an established management and access to employees. There work 30 employees in the chosen organization works and all employees participated in the survey questionnaire. This kind of businesses are characterized by creativity, pleasant environment with an atmosphere of trust and openness, collectivity, friendly relations, open communication which demonstrates a shift of managerial thinking and business management to a new level. In the previous investigation, it is precisely this organization where the occurrence of the critical success factors that have been suggested in our previous paper (Tršková & Holubčík, 2016) has been confirmed.

The following areas – synergies effect – represent drawing basic effects in-house environment that we designed based on a comprehensive theoretical research and in the context of our knowledge and experience of the examined areas of motivation and synergy. The aim of research is streamlining and improving the knowledge and effects of the in-house environment, while is determined the importance and prevalence of the effect in the in-house environment of organization.

Synergistic effects in-house environment, which the questionnaire was focused to, we have defined as follows:

- Creating a positive organization-wide atmosphere;
- Mutual sharing the knowledge, experience and findings (sharing affects the interest and the created environment business);
- Motivated employees (business influenced the expectations, attitudes and behavior of employees);
- Increasing the professional potential of employees;
- Equivalence of communication (failure to recognize who is superior and inferior in communication);
- Upgraded achievement of objectives and targets (the higher value from the fulfillment of objectives);
- Giving the power to decide;
- Cooperation in solving problems (employees engagement);
- Strengthening the internal links between employees/employees and managers (mutual interactions);
- An individual interest in self-learning;
- Increasing the competitiveness of the business as an ensemble.

Each of the examined area (synergy effect) was reviewed by respondents in terms of importance and frequency within survey question on a range of values 1 to 10. Value 1 represents no importance and frequency, and value 10 represents maximal importance and frequent occurrence.

### 3.2. The main results of survey

As mentioned above, the survey of synergy effects in GoodRequest, Ltd. was attended by all of employees. When evaluating data, it is necessary to determine the dependence of measured indicators. Among examined quality characteristics exists the dependence – as can be seen in Table 2. These data can be considered as significant in context of identifying a new approaches to management of intra-organization environment in purpose of forming synergy effects.

Respondents rated identified synergy effects of intra-organization environment in high values. This represents importance and value to management of organization. Rated areas were averaged and data set represent value of modus to 8.83 and median of data to 8.07. The average value of data is 8.16.

*Table 2. Inderdependence of data (own study)*

$\chi^2_{\text{calcul}}$	469.28
$\alpha$	0.05
$\chi^2_{\text{tab}}$	102.00
$\chi^2_{\text{calcul}} > \chi^2_{\text{tab}}$	<i>It is possible to accept Hypothesis H1: Data are interdependent.</i>

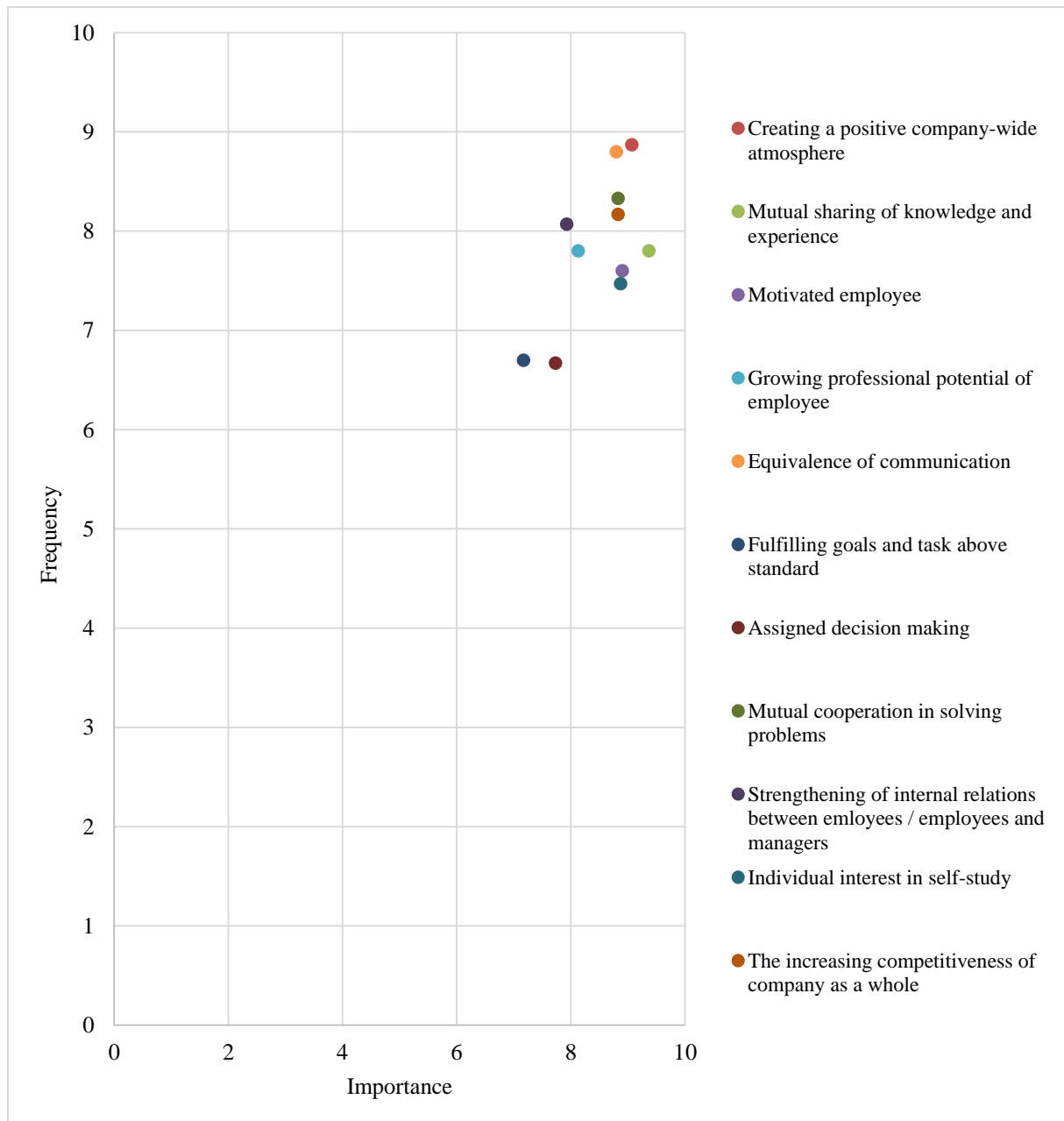


Figure 2. The synergy effects of intra-organization environment (own study)

Figure 2 represents a graphical evaluation of survey results. It points out a new trend in management which means that inter-organization environment creates significantly important area to set appropriate conditions for cooperation and management of internal organization relations. Three the most important areas are: 1) Creating a positive organization-wide atmosphere; 2) Mutual sharing of knowledge and experience; 3) Motivated employee. Three the most frequently areas are: 1) Creating a positive organization-wide atmosphere; 2) Equivalence of communication; 3) Mutual cooperation in solving problems. On Figure 2 we can also see three clusters:

1. Most evaluated cluster: Creating a positive organization-wide atmosphere; Equivalence of communication;
2. Least evaluated cluster: Fulfilling goals and task above standard; Assigned decision making;

3. Middle cluster: Mutual sharing of knowledge and experience; Motivated employee; Growing professional potential of employee; Mutual cooperation in solving problems; Strengthening internal relations between employees/employees and managers; Individual interest in self-study; The increasing competitiveness of organization as a whole. Synergy effects not only help to strengthen relations in organization but also create an environment where motivated employees and managers can better integrate their objectives and actions with the organization objectives and processes. This approach can be regarded as necessary for emerging synergy between organization's management and employees, along with the managers.

Survey results highlight importance of been focused on internal-organization environment in strategic management which shows the high potential in the area of performance influenced and caused just by the appropriate setting of management processes. The right corner of matrix on Figure 2 affirms the importance and occurrence of selected synergy effects in internal-organization environment which points to their significance.

If the organization can be managed on these findings, it could build organization with long-term competitiveness and growth.

#### 4. Conclusion

Changes in environment, development of science and technology, evolution in all directions and areas, as well as human activities create a dynamic environment in which each function, equation and variable has a random factor that we cannot control. Precisely here is formatted a spot for exploring synergy as a process that produce the synergy effects within common environment and interaction of individual components, subsystems.

The decision to act with competitors in common area is based on efficiency to intention of organization. Strategic management of organization within forming synergy effects creates a cooperation aspect – a tool for achieving the competitive advantage by creating a joint value. Generalize principle of synergy points out that it is an input and output material of many changes in the evolution. *For organization it means the development itself forward.* For international environment it means the cooperation of organizations within creation the added value in response to the globalization.

The results of internal organization interaction (mutual binding interaction between subsystems) is a synergy effect (result of interaction) which also characterizes the contrast to situation when considered subsystems operate without these interaction. Previous findings in paper point out this area of synergy effects of internal-organization environment and their potential for the strategic management of organizations and cooperative organizational forms.

The primary aim of this topic is the comprehensive theoretical and practical analysis in selected critical areas – synergy effects in the area of management that have impact on organization-wide efficiency and effectiveness. Through these secondary, eleven synergy effects data were identified, which were verified in practice with the questionnaire methods.

Searched organization (GoodRequest, ltd.) represents a) organization in an increasingly globalized environment; b) this environment is characterized by the importance of information and communication technology; c) this is the environment in which employees and managers of organization create the competitiveness and sustainability. In general, effort of the employees and managers (human potential of organization) should be aimed on solving problem areas and using the expected attractive opportunities and offers – human potential of organization represents the most important component of organization strategic management. Current leadership style results to the increased capacity of action and positive aggression for strengthen organization's competitiveness by creating alliances and networks. But it depends on internal environment conditions of organizations. Therefore, it is needed

to use the suitable leadership orientated to the concretized requirements of employees, teams, and organization. The basic survey results in searched field could be transformed into the following arguments:

- The executive of organization has to *react on changes* in the environment (internal and external) and modify organization management in accordance with the available resources, human potential, and objectives of the organization.
- *The human potential of organization forms basis of all changes* and represents also the independent response to environmental changes.
- The function and progress of organization as a complex system need to be connected via the *open and both-sided communication* with all employees and managers.
- The fulfilment of organization's objectives is supported by the decisions that are implemented under the impacts of internal environment in which the decision-makers, i.e. employees as well managers operate as the *creators of synergy effects between the decision making (or decisions) and human potential*.
- The objectives and strategies adoption should be realized among the employees and managers and provide them not only a possibility for better understanding but also *accepting these strategic phenomena*.
- The process of strengthening motivation for initiate to *participate voluntarily* in the processes is one of the key approaches/processes in managing organization.
- *The processes measurement must not be only a collection of information* for management but should represent the synergy effect between the managers and managed activities.
- The processes should be performed with the *motivational accent* which means that the motivation process should run concurrently with all other processes while these ones continuously influence and overlap each other (intra-organization correlation).
- *The changing managerial thinking (innovation of management thinking)* is important for a proper understanding and adjustment management of internal processes in which the core role is played by the potential of individuals and motivational framework of the organization harmonizes all the incentives of individuals, groups, and organization.

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