

THE DECISION MAKING PROCESS AND THE INFORMATION TECHNOLOGY AT STATE INSTITUTIONS

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Abstract

One of the main duties of managers in the business contemporary world is to admit both the risk and the decision making process. When dealt with challenges, the managers employ their knowledge, analytical capabilities as well as the information systems. The construction of a supportive information system and frequent improvement of their performance aim to back managers in their decision-making process.

As an active participant at international forums, the Republic of Kosovo vowed to develop the information society as an important segment of economic development. This development of society of knowledge will, through information technology, help out both businesses and state institutions in enhancing their capacities.

The main idea to initiate this paper is to benefit qualitative and quantitative information on main issues related to the influence of information technology in decision-making processes at our state institutions.

Key words: Managers, decision-making, placing, information, information technology, communication, security.

Introduction

As an active participant of European and regional development processes, the Republic of Kosovo is being advancing in development trends in the field of information technology and as a supportive in decision-making processes. In the society of information, the business and institutions should carry out qualitative decisions, which are done only when they are part of global integration processes.

This paper aims to:

- Investigate the identification of actual situation of information technology application at state public institutions;
- Identify factors within institutions that contribute or interfere the successful implementation of information technology in decision-making process.
- Understand the effects of these factors and their influence in enhancing the efficiency, improving and advancing of decision-making process.

The decision-making process is an activity found at the center of management, which differs a manager from a non-manager, from an effective to a non-effective manager. As

W. Jack Duncan¹ emphasizes that if the decision-making is not a unique function of management, then it is obviously the main function of it.

The management realizes its role through decision-making processes. The relation between the management and the placing is equal with the relation between leadership and placing.²

1. Challenges and decision-making process at public institutions

The decision-making is a constant process which requires from the decision-maker time, preparation and sufficient knowledge. The decision-making process is considered as a rational, logical and totally systemized process. Each placement in enterprises and different institutions is qualified as a business placement.³ This process is composed of components that are functions of decision-making. These components are the following:

- Placement of managerial objectives
- Identification of possible alternatives

¹Duncan, W. Jack: *Great Ideas in Management*, Josey Bass Publishers, San Francisco-London, 1989, f q. 69

² Kuka I, Shiroka-Pula J, Krasniqi B. *Menaxhmenti dhe Vendorsja*. UP. Prishtinë. 2006. f q. 25

³ Shiroka Pula J, Kuka I, Krasniqi B. *Menaxhmenti dhe Vendorsja* UP. Prishtinë. 2006. fq. 32

- Comparison and evaluation of alternatives
- Election act
- Implementation of decision
- Conduction and control

The bases of decision-making process are the objectives which give to this process the goal, direction and continuity. The placement of managerial objectives is the first step to decision-making process, whereas the achievement of these objectives introduces the top of the process.⁴ The objectives should not be abstractions, they must be achievable. The objectives serve as standards to measure, compare and evaluate the success of decisions in achievement of organizational aims. An objective should be determined as a border-point toward which the management leads the decision-making process. The number of identified alternatives is limited to a certain extent, from which the main is time and money.

The comparison and the evaluation of alternatives is the third function of the decision-making process. Each alternative could be evaluated in terms of strengths and weaknesses, benefits and costs, advantages and disadvantages.

The selection is the main point of the process, but not the whole process. The selection faces the decision maker with possible limitations.

The end of the phase of decision-making means the end of the decision-making process. The integral decision-making process includes the implementation phase, too – the implementation of the control phase, respectively.

The control of decision's implementation allows the verification of the whole decision-making process. The control responds the question on how the decision-making process was implemented, what are the results of implementation until the end of the process – if there are deviations and whether the management should undertake proper measures to improve the process.

1.1. Organization structure and communication

An important characteristic of enterprise's and institutions' life cycle is their organization structure. This structure materializes the way on which the decision is being taken. The organization structures could be classified as horizontal and vertical.

A second issue tied with the structure is whether the decision-making is better realized at a centralized or decentralized enterprise. Another issue tied with the structure is the linear organization of.

Independently what structure the enterprise or the institution has, the style of management varies from one individual to another. Some managers are autocrats and they prefer to take the decisions by themselves. Some of them are democrats who do not take decisions without being consulted by others. Nevertheless, there are also managers who trust their stakeholders in decision-making.

The communication represents the exchange of ideas, facts and meanings among two or more individuals.⁵ In order the efficiency of the group to be increased, it is necessary to be a consensus between members, which comes as a result of such collaboration, and also it is a product of an opened communication. The communication inside the institution could be qualified in accordance with two dimensions:

1. The way how the information flows that could be done in one, two or more ways.
2. The structure of the net, through which the information spreads.

1.2 Turbulent circumstances and limitations in decision-making

The circumstances could be stabile and unstable, thus it is obvious that the decision-making in unstable circumstances is and could be more difficult. Of course, not all the manager – the decision-makers, respectively, are successful in decision-making processes. In this context, a question could be raised: how the successful managers differ from those less successful in decision-making in rapid changes of circumstances? The successful managers as decision-makers in case of rapid changes could be differed by following characteristics:⁶

The successful decision-makers are qualified as such since they ask their collaborator for advices and consults in order to encourage them during decision-making process for a specific problem, although it yet doesn't easy the decision-making process.

Before taking any decisions, the decision-maker faces different known limitations in order to define the environment or the action that will be taken. These limitations in decision-making process are also limited by possible number of alternatives. Among most important limitations are the means, information and sufficient and limited time available for the needs in decision-making process.⁷

⁴ Kume Vasilika, *Marrja e vendimeve manaxheriale*, SHBLU, Tiranë, 2002, fq. 53

⁵ Kutllovci Enver. *Menaxhimi i Resurseve Humane*. UP.Prishtinë, 2004. fq.79

⁶ Richard.L.Daft. *Organization Theory and Design*, Fourth edition, West Publishing Company. Saint Paul. 1992. fq.372

⁷ Shiroka Pula J.. Kuka I, Krasniqi B. *Menaxhmenti dhe Vendosja*. UP.Prishtinë. 2006. fq.74

⁷ Kume Vasilika. *Manaxhimi Strategjik. Teori. Koncepte. Zbatime*. SHB& Shtypshkronja PEGI. Tiranë. 2010. fq.285

1.3 Conflicts and decision-making

There are many ways of explaining how a certain decision has been made. Many times decision-making is seen as logical and rational process, that doesn't take into account the interests of departments and personal problems for power. In institutions and enterprises there is an environment that opens the way to conflicts and political behavior, and decisions cannot be influenced by such factors. Conflicts occur when individuals and groups deem their objective much more important and exclusive in comparison with others.

In terms of decision-making conflict can occur in several ways and can take different shapes, such as⁸: Hierarchical conflict, Political conflict, Functional conflict, Official/non-official conflict, Institutionalized conflict, conflict of status.

We can conclude based on all this that the conflict is detrimental to the institution, but there is always the other side of the argument. Conflict can be considered not only inevitable, but also beneficial to the institution or the organization, and decision making, as a necessary factor to stimulate change and innovation. The problems and concerns of an institution can surface through conflict, while the attempts to eliminate conflicts can lead to the discovery of distinct conflicts. The rivalry and competition can lead to better decisions, because in these instances the problems are analyzed more carefully.

2. Information systems in decision-making

The management in information system should take into consideration the real need of building the information system and greater efficiency. The information system is a system which accumulates, deposits, saves, elaborates and sends important information to the enterprise in such a way that it could easily be understood for all those interested in.⁹ For construction and development of information systems at institutions and enterprises, there are some factors that determine the organization skills for building such systems. Among main factors are: exterior and interior factors. The environment as an exterior factor encourages the development of contemporary trends in applying and building contemporary technology information systems. Interior factors, in fact, are the interior needs of institutions and enterprises that represent the preparation and readiness of management and personnel within the same to building and developing a proper information system.

2.1 The process of placement and its information dimension

There are different types of placements. Nevertheless, their mutual characteristic is that all of them should pass the same process, i.e. the decision which should resolve the problems of enterprise or institution. In regard to their efficiency of taking the decisions, the information systems have two main functions:

- To acquire information in determining alternatives and support while taking decisions
- Information systems apply the decision

In every enterprise and public institution, a considerable number of activities are executed. The totality of these activities is called a governance process, whereas the time during which these activities are executed, is called governance cycle.¹⁰ The information systems are too important since the governance process cannot function without these systems that produce information which are bases in decision-making processes of managers.

This process would be efficient only if there is a serious scientific approach in resolving the governance problems, to respect the schedule of governance decisions, to respect the general principles, i.e. to approach the whole governance system. The governance system is based on particular principles such as: the governance based in recognition of concrete and real processes, discipline in realizing the duties, systematic technologic modernization of governance.

The information systems help to increase people's knowledge that are in charge for leadership and directly tied with the decision-making process. The placement cannot be imagined if there is no proper support to information. During the last three decades, the information is introduced as an organization resource of humans, machines, money, materials and management.¹¹

The information as a resource could not be spent because of being used, or it cannot be reduced if spread. The information helps users to manage better as before the challenges, when there was a lack of such information. The usage of information systems should obviously introduce the reality. The information should be available, in proper time, completed and consistent. The information technology is also known for having reduced the way of circulation, helping in recognizing the environment, reducing costs.¹²

2.2 Factors that determine the building of information systems

⁸ Kume Vasilika.Manaxhimi
Strategjik.Teori.Koncepte.Zbatime. SHB& Shtypshkronja
PEGI.Tiranë.2010.fq.285

⁹ Ceriq Vlatko, Varga Mladen,Teknologjia e informacionit në
Afarizëm,Kolegji Universitar Victory.Prishtinë,2006.fq.44

¹⁰ Zeqiri Izet.Menaxhmenti. Koncepte-Praktika-Zhvillim
aftësish.Tringa Design.Tetovë.2006.fq.480

¹¹Kuka I. Shiroka-Pula J, Krasniqi B.. Menaxhmenti dhe
Vendosja. UP.Prishtinë.2006.fq.361

¹²BerishaMihane. Informatika e Biznesit-
Ligjerata.Prograf.Prishtinë.2004.fq.80

The building process of information systems is exposed to too many factors, which are directly tied and influence their construction.

Among main factors that influence the building of information systems at institutions are the following:¹³

- **Social factors** – the institution as such introduces a great economic under system. In this context the information system of enterprise introduces social information under system, too. The Information Technology Department (ITD) at Ministry of Public Services has the main role at governance institutions to placing standards and offering electronic services. The ITD leads and coordinates the actualization process and continual elaboration of strategy which is tied with the investments in information technology, in accordance with the needs and requests of local and central institutions.

- **The technical-technological factors** – the continuous development of information imposes institutions and different enterprises to follow the trends of this field. According to "The evaluation sector of ITD in Kosovo", prepared by the USAID in November 2007, the information technology system has been increased about 20-25%.¹⁴ A great part of governance institutions are tied with the governance through optical cable and microwave network. The institutions which are tied through optical cables are the following: The Parliament of Republic of Kosovo, Presidency, Prime Minister's building, different ministries, UP, National Library, Statistics Organ of Kosovo and other state institutions. The institutions of the Republic of Kosovo are obliged to use proper standards of hardware and software in accordance with the "Policy for hardware and software" compiled by the ITD and Ministry of Public Services.

- **Economic factors** – the investments of Kosovo's budget in the field of information technology at ITD and Ministry of Public Services, from 2001 to 2009 are more than 9.000.000 euros, whereas 5.920.244 euros are planned to be invested in 2008. Similar amount in the field of TI at Kosovo Judicial Council is more than 3.000.000 euros, whereas about 10.000.000 euros have been invested at Kosovo Police.¹⁵

- **Organization factors** – within the framework of human resources, building an information system means to set conditions which ought to be fulfilled in order to manage changes toward improvement of information quality. This process requires a preparation and training of the staff that must have knowledge on new information systems.¹⁶ The current situation of TIK's human resources at governance institutions is not satisfactory.¹⁷ The Government of

Republic of Kosovo has approved an actuation plan for 2009-2015, through which about 172 steps need to be undertaken.¹⁸

3. The e-state portal

The e-state portal represents the electronic wicket where each citizen could receive necessary services from the government by eliminating distance, increasing efficiency, speed and by being available toward citizens twenty hours a day and seven days of the week. Through e-portal, many services business (G2B) and citizens' needs (G2C) could be done. Building such e-portals could be done in different platforms. Kosovo e-state portal is constructed based on Microsoft's platform. By utilizing e-portal, the citizen or the company could select a very secure electronic service. This service could be taken by the government. The management of e-portal could be done by a certain coordination inter-ministry group supervised by the main governmental institution for electronic services. In e-portal, one could find registers of public institutions, payment system, public employment system, civil documentation management system and other services, too.

3.1. Economic and social benefits of TI

The benefits of application of TIK for electronic governance will be big, whether in economic or social context. These benefits mean the modernization of administration, education, health, justice, insurance, business development, increasing the budget and others.

Some of main benefits are the following:¹⁹

- Creation of citizens' electronic identity;
- Creation of electronic wicket where the services of all levels could be taken;
- Decreasing the charges and administrative expenditures;
- Increasing institutional transparency and efficiency at public administration;
- Creation of social effective relations;
- Increasing security and credibility toward institutions;
- Fighting and decreasing the crime;
- Digitalization the data and easy the elaboration of;
- Decreasing time in taking decisions;
- Decreasing corruption at institutions;
- Creation of an environment for increasing the investments;
- The citizens and businesses execute their obligations through network;
- Implementing and monitoring properly the incomings;

¹³ Zeqiri Izet. *Menaxhmenti, Koncepte, Praktika, Zhvillim aftësish. Tringa Design. Tetovë. 2006*

¹⁴ http://pdf.usaid.gov/pdf_docs/PNADK675.pdf

¹⁵ *Qeveria e Kosovës-Strategjia e Qeverisjes Elektronike 2009-2015. Prishtinë, 2008, fq. 10*

¹⁶ *Koli Zana & Llaci Shyqri. Menaxhimi i burimeve njerëzore. alBPAPER. Tiranë. 2005. fq. 60*

¹⁷ *Strategjia e Qeverisjes Elektronike 2009-2015, Qeveria e Kosovës, Prishtinë, 2008. fq. 10*

¹⁸ [Http://www.rks-gov.net](http://www.rks-gov.net)

¹⁹ *Qeveria e Kosovës. Strategjia e qeverisjes elektronike. 2009-2015*

- Relieving the information flow to rural zones population;
- Presenting incomings without spending too much;
- Preparation of country for European integrations.

Offering electronically such services would bring savings to Kosovo's budget, and also could increase benefits of the same budget.

4. Conclusions

By creating an 'electronic' Kosovo (e-Kosovo), we could be a dignified part of an 'electronic' Europe (e-Europe). The realization and implementation of electronic governance would easy to all categories to have a fast and governmental service, every time and in every distance in order to fulfill their daily needs. The electronic governance would modernize administration and would create an efficient management as well as a responsibility at all state administration levels.

The digitalization of public administration brings huge services and it fastens many processes. Kosovo is in its first steps of these developments. In order to develop new labor forms, the state ought to determine institutional and legislative frameworks. This development leads toward the continual rationalization of processes and construction of an information society and of a society of knowledge.

The situation of human resources of TI at governmental institutions is not too satisfactory. The trend of firing experienced personnel must be avoided.

Each governmental institution must have its Tunit, which would be responsible for development and implementation of strategy, for realization of joint services, and it must act in full accordance with the legal approved norms.

Electronic governance should not be merely a condition for European integrations, but it must, particularly, be a need for creation and strengthening of a very important pillar of economic development as well as the general progress of Kosovar society.

5. Literature

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