

Analysis of Managerial Changes Models of Public Enterprises in Kosovo during the Period 1945 to 1990

MSc. MILAIM BERISHA

PhD. Candidate

Tax Administration of Kosovo

Part-time Lecturer

College of International Management „Globus”

Abstract:

In Kosovo, as in the entire territory of former Yugoslavia, "changes" have gone through certain periods, since the end of World War II until the present period. But why changes have occurred, if they had any model that has served as a basis for change, is an issue that has not yet been sufficiently analysed. Periods of change have started since from 1945 until 1989. In all socialist countries, enterprises were owned by state, but now they are in the process of transition. Changes are comprehensive process and are specific to each area, systemic, legal, social, political, economic, governance, management, etc.

But how to manage the managerial changes in organizations and how successful they are, it depends on what kind of change is intended, the models that apply given the nature of the organization, economic and political system, people involved etc.

In this research paper the aim is to clarify the model or the elements of which models are used for the changes occurring since 1945 to 1990.

Key words: models of change, organizations.

ANALYSIS OF MANAGERIAL CHANGE MODELS OF PUBLIC ENTERPRISES IN KOSOVO DURING 1945-1990

1.1. Theoretical models of change

In literature there are many theories and models of organizational change. Explanation how and why organizations change has been an important issue for management researchers. Van de Ven & Poole (1995) made a review of the literature on change processes in various disciplines. From their research many different theories of change processes have resulted (20 of them), which can be grouped into four categories: life-cycle theory, evolutionary, dialectical and teleological theory.

1.2. Evolutionary model

There are two main types of models of evolution: social evolutionary models and biological evolutionary models. The evolutionary term is used for the sake of simplicity, but many scholars in theory use the term environmental in order to include this concerned group. Key assumptions and the early ideas focused on the basis of investigations of biological changes, as a slow stream of mutations that are formed by gradual environmental impacts (Morgan, 1986). The main assumption underlying this theory is that the change depends on the circumstances, situational variables and the environment faced by any organization (Morgan, 1986).

Social systems as diverse systems, interdependent, complex, are developed naturally over time (Morgan, 1986). But development is a determining principle and people have only little impact on the nature and on the direction of the change process (Hrebiniak and Joyce, 1985). These models focus on the inability of organizations to plan and respond to change, with their tendency to "manage" better change until it happens. The emphasis is on a slow process, more than covert activities or events (Kieser, 1989). Change happens because the

environment requires a change for survival. Key concepts include systems, interactivity between the organization and its environment, transparency, homeostasis and development (Morgan, 1986).

Substantial criticism is that these theories do not understand that organizations are social phenomena and thus they fail to provide the necessary assumptions for human psychology, organization of work and the way how the organisation adopts in the society (Collins, 1998). The main assumption underlying all these theories is that the change is dependent on the environment and the circumstances facing each organization (Morgan, 1986).

1.3. Teleological model

This category has in common several different nominations, such as: planned change, scientific management and rational models.

Strategic planning, organizational development and goals are under the teleological umbrella. These theories appear at the same time as models of evolution. It is assumed that organizations suit to a purpose. Change happens because the leaders, change agents and others see the need for change (Carnall, 1995; Carr, Hard and Tranant, 1996).

A key aspect in the process of change is; planning, evaluation, incentives and rewards, stakeholder analysis and engagement, leadership, recording, strategy and restructuring (Brill and Worth, 1997; Carnall, 1995; Huber and Glick, 1993).

The metaphor of this model is the skill of changing the image (Rosabeth Kanter, 1983). The leader is in the focus, this is a model with the person, with the agent of change in the centre, using rational scientific management tools. The best strategy or more popular for organizational development is teleological tradition. This kind of organizational development has started since 1950 and is still ongoing (Golembiewski, 1989; Goodman, 1982). This organizational development aims at

addressing organizational change. It begins with the identification of problems within the organization (it is formative) and seeks solutions (change initiative). This theory explains the development of units, based on the idea that "the aim is the ultimate goal to lead to the movement of a considerable amount" or, said differently, "organizational unit moves toward a goal or a final state." According to this theory there isn't a necessary order on the process of change. The emphasis is on the prerequisites to achieve the ultimate goal. Environment and resources of the organization affect the fulfilment of the goal. Creating a new vision, strategy or planning a listing of some goals are examples of this theory (Burke, 2008).

1.4. Model of Life cycle

These models share many hypotheses with evolutionary models towards adopting a systems approach. They differ because they are less objective, focusing on the importance of human beings in the process of change and watch the changes in the life cycle of individuals and organizations that they create. This model emphasizes that development should be a systematic individual change. In these models, the change is typically seen as part of a phase and is progressive and reasonable (Miller and Friesen, 1980). Organizations are born, then they grow up, mature, go through stages of survival and, in the end, they collapse (Goodman, 1982). Change does not happen because people see the importance of it or even that they want the change, it is because it is a natural progression that cannot be stopped or changed (Miller and Friesen, 1980; Morgan 1986). Change happens when people in the organization adapt their life cycle. Management is more central than in evolutionary models and the organization helps members grow through training and motivational techniques (Rajagopalan and Spreitzer, 1996). The environment in this model is ambiguous and threatening. To adapt to this environment, processes include training and

development, communication and other facilities that are conducive (Bolman and Deal, 1991; Miller and Friesen, 1980). The result in this process of change is a new organizational identity. Identity in these models is overstated as a reason why people resist change (Van de Ven and Poole, 1995). The change is a result of staff development and leadership that brings people together with organizational maturity. Theories that focus more on learning and forgetting the customs will fit into the category of the life cycle.

The lifecycle model evolves from child development studies and focuses on stages of maturity, organizational growth and downfall (Levy and Merry, 1986). Some authors have seen the development of life-cycle model as a branch of evolutionary models, which focuses on theories of human development. The distinguishing feature of the life cycle model is the change described as common place in various stages - approval, selection and retention occur to all employees within the entire life-cycle, but with some differences in process (Van de Ven and Poole, 1995). This model differs from the (other) models, because it starts to emphasize people throughout the organization, as essential to the process of change. Change does not happen successfully, unless all people are prepared for it. This model shifts the emphasis from the manager or to internal features, on activities throughout the organization.

1.5. Dialectical model

Dialectical model (Van de Ven and Pool, 1995) and political metaphors or changes (Morgan, 1986) are similar in their assumptions. Dialectical name is directly identified with Hegelian-Marxist perspective, in which the value as a model, ideals or norms in an organization is always present. As an example, higher education institutions will be a model of the value of community, as opposed to individualism. This model assumes that organizational units exist in an environment where the event, the strength and opposing values compete to

dominate. These opposing forces may be internal (groups that have different interests) or external (organizations colliding with other organizations). Change occurs when opposing forces gain enough strength to face the current situation (status quo). The essence of this theory is the coexistence of two or more different units that represent opposing forces and conflict with each other, but that does not always lead to creativity (Van de Ven and Pool, 1995).

These two will always affect one another and over the time the change will occur through the interaction of opposing forces. Czarniawska and Sevo (1996) characterize the literature of change as a dialectical model in which the planned change and evolutionary model represent the opposite.

1.6. Cultural Model

Most change models describe organizations as rational places with rules and regulations. The strong contribution of cultural models in the literature of change is the emphasis on their irrationality (highlighted also in dialectic models) or carelessness and flexibility in complexity of organizations (observed in social cognition). Cultural model is a mixture of social cognition and dialectical method.

Cultures are always changing and the change occurs naturally, as a response to changes in the human environment (Morgan, 1986). Cultural and dialectical model often overlap with the image of social movements, as an analogy for cultural and political change (Morgan, 1986). The process of change tends to be slow and in long terms.

STATEMENT OF THE PROBLEM

Change is a common process that occurs in all organizations, regardless of size, activity, age or legal system.

In Kosovo, as in the entire territory of former Yugoslavia, "changes" have gone through certain periods, since

the end of World War II until the present period. But why changes have occurred, and if they had any model that has served as a basis for a change is an issue that has not yet been sufficiently analysed. To give an answer to this question we have tried to analyse periods of change and comparing patterns of change. Based on comparisons we will reach to the conclusion on which model or elements of which models were used for changes according to periods:

1. The period from 1945-1951 - state owned enterprises,
2. The period from 1951 to 1974 – socially owned enterprise with self-governing system,
3. The period from 1974 to 1989 - United Labour Organization,
4. The period from 1989 to 1990 - dualism, social enterprise, enterprises transformed with social capital and private equity (so-called mixed enterprises and private enterprises)

In this research paper we aim to clarify on which model or the elements of which model are used for the changes occurring from 1945 to 1990.

METHODOLOGY FOR PERFORMING THE RESEARCH WORK

The models that are analysed models are evolutionary model, teleological model, dialectical model, cultural model and the life cycle model. These analysis are performed through a questionnaire, which consisted in the construction of a series of questions dealing with the content of the model. Each of the questions, which in itself is an assessment of a particular activity model, is estimated by the experts during their management of the changes from that period. The questionnaire was distributed to specialists who performed functions as directors of enterprises as well as government

agencies and the Government of Kosovo in period's from 1960 until 1990. The total number of the respondents was 30. Drawing conclusions is made by the arithmetic according to questions, ranging from minimum to maximum. Grade 1 indicates that this occurrence was evaluated very low and Grade 5 indicates that this occurrence is highly evaluated. Generally, the evaluation is made starting from the resulting average, while the evaluation with above-average shows that this model has been more present than others. Meanwhile, evaluation of presence is achieved through maximum grade, which means that the model that has resulted in higher average grade, he has been present and we prepared conclusions based on this model.

EVALUATION OF CAUSES OF CHANGES DURING THE PERIOD 1945-1999

1.7. Analysis of Factors that Constitute the Evolutionary Change Model (1945-1951)

Regarding the evolutionary model, during the processing of the questionnaires we have encountered these results. Each model has some change factors and for each factor is given the answer. On the first question, for the evolutionary model whether there has been gradual or immediate changes, the answer which dominated based on the evaluation was 1.56 (min 1 and max 5). From this it appears that the changes were not gradual, but they were immediate and were influenced by political factors. In this case, all enterprises that until then were once private enterprise became state enterprises through political mechanisms. The second factor, whether the circumstances affected the status of the enterprises, the assessment was above the average, which is 3.73 (out of 5 from the maximum). This change relates to the political circumstances that were characteristic for that period of time. The third question, whether people had an impact on the nature and direction of

the change process, the value is 3.8. This is understandable, because it was the political structures that dictated changes. The fourth factor, whether the organizations had the capabilities to predict change and respond to change is estimated at 3.8 (out of 5 max.) Organizations during that time were aware of the process of change and began preparations for change, both, in organizational terms as well as the personnel. The fifth question, whether it was the necessity for survival that caused the change, the estimate is 1.8 (out of 5 max). From this evaluation it can be said that the change was not due to the need for survival of enterprises but they were purely political changes.

Analysis of the period of change from 1951 to 1974. In this period, the evolutionary model values are different from the period 1945-1951. The first factor of the model is that the changes were gradual, considering the external environment (competition, the ability of sales, cost etc.) that influenced the need for change, the assessment on the basis of answers is 1.53 (out of 5 from the maximum rating). It makes us understand that organizations changed from ideological factors and there were immediate changes for all enterprises. On the second question whether the change of status of enterprises is conditioned by circumstances and environment, based on responses the rating is 3.8. From the feedback we see that changes are conditional to the business environment but also to political factors. For the third question, on which is the impact of the people in this process, the assessment is 3.63. Enterprises in this time were managed by councils of workers and their influence is evident. The fourth question of this model refers to the possibility that organizations anticipate and respond to change. Assessment is based on responses 3.7. This indicates that organizations were consolidated and already had a solid experience in management and were prepared for change. In the fifth question, whether the changes were caused by the need for survival, response rating is 1.3. This evaluation

shows that the companies were not at risk from lack of business, but is related to ideological purposes.

Analysis of the change period 1974-1989. To the first question, whether during this period changes in the organization have been gradual in the external environment, the estimate is 4.73. At this stage it appears that changes were made under the influence, as the ability of sales, cost of raw materials, etc. (as external factors). In this period we cannot talk about impacts/political pressures. On the second question, if the change of status of enterprises is conditioned by the circumstances, the environment, the assessment is 1.73. Even in this period, from the responses, it appears that changes of the status of enterprises are made for political and ideological purposes. The third question requested the response about the human impact. The rating is 4.3, which can be said that is the main one. Political structures of the time dictated the need for change. In the fourth question whether the organizations were able to predict and respond to changes, it was estimated at 4.2. This indicates that the companies were able to anticipate and successfully respond to change. At this time we have continuous changes in the organization, both in terms of structural as well as the personnel. At this time they began the changes in ownership status of enterprises, which for the first time, by law, allowed the penetration of private capital. The fifth question is whether the cause for a change has been because of the need for survival, based on the answers it was rated at 3.46. This rating is because the enterprises, in order to survive (in business terms) need to continually change and adapt to the environment.

Analysis of the change period 1989-1990. For this period we asked (1) about the opinion whether has been a gradual change in the organization's external environment (competition, the ability of sales etc.) and political pressure. On the basis of perception, the value is 4.03 (out of 5 max.) This indicates that there have been changes in the external environment, such as

competition, the ability of sales, cost of raw materials, and etc., but also political pressure, for the purpose of transformation of Socially Owned Enterprises into those with private and mixed capital. In the second factor, whether statutory changes were determined by the circumstances / environment, the answer is estimated at 4.2. This means that the legal changes (Law on Enterprises) have been largely conditioned by circumstances (in geopolitical terms) and the business environment. At this point, it was the starting period of the companies based on private equity. The third question refers to the impact of people on this change and evaluation in this case is 3.76. This response is also above average (1 to 5), which means that the impact of the political leadership (people) has been relatively large. This influence can be seen based in the request for legal changes, in order for the survival of organizations in conditions of economy market. The fourth factor refers to the ability of organizations to anticipate and respond to changes. Perception is estimated at 4.1, because now the legal changes have already been made (Law on Enterprises) and that organizations, each one separately, have been able to predict their future according to the economy market conditions. The fifth question whether survival has been the cause of the change, the assessment is 4.16. This assessment is significantly above average rating, which is justified by the fact that those organizations that managed to change, to adapt to the market economy conditions, they will also survive.

1.8. Analysis of Factors that Constitute the Model of Life Changing Cycle

Analysis of the period of change 1945-1951- Also, through this model it was meant to find the causes that have affected the changes of enterprises. This model has been tested in different periods, in order to determine whether we have the elements of this model during the changes. The first factor that needs to be answered is whether organizations are in the final cycle of their

lives, respondents got the grade 1.8 (out of 5 as the maximum). From this it can be concluded that changes in the company didn't have to do with their development cycle. The second factor is referred to all stages of the life cycle, this point is graded with 3.5 (out of 5 as the maximum) and that the companies are in the first phase (birth/establishment). This rating is above average, and it means that organizations are in the first steps of their establishment. The third question refers to whether the changes were seen as a natural progression or that have occurred as administrative process. Evaluation is 3.03. Evaluation is above average, and this means that the changes are not as natural progression, but are made through administrative process and with political and ideological motivation (purposes).

Analysis of the change period 1951-1974 - In this period we aim to answer the question why changes occurred (or were they in the final cycle). On this question, the answer is graded with 1.7 (out of 5 as the maximum rating). In this case it can be concluded that we do not have the end the cycle of life, but it can be for ideological-political reasons. The second factor is referred to which phase are the organizations during this change. Based on the analysis it shows that enterprises are at their early stage (evaluation 1.33). The third question seeks answers on whether the change was a natural progression or it has happened through administrative process. The assessment at this point is 1.33, which means that the changes were made through legal process. Generally, at this stage we have minimum ratings, which means that changes occurred for political reasons.

Analysis of the change period 1974-1989 - This is a relatively long period and is required to be answered as to why the changes occurred. The first dilemma is whether organizations in this time were in the final cycle or not. The answer to this question is graded with 3.2 (out of 5 as the maximum). This estimate is above the average, which means

that changes are conditioned by downfalls in the organization and were not in same level with technological developments. The second question refers to the organization during this phase change. In this phase the evaluation is 3.23. At this stage it is thought that the companies are in the early stage of recession and that changes were necessary. The third factor has to do with whether the changes are naturally carried by the needs of enterprises or is simply done through administrative process. Evaluation in this question is 3.20, which shows that during this phase changes are simply as natural advancement of the stages of the life cycle.

Analysis of the change period 1989-1990 - During this period, major changes have occurred in the enterprises of former Yugoslavia. This period belongs to the time when for the first time it became possible to legally introduce the private venture capital. The first factor has to do with the changes that were necessary because companies are in the final cycle, assessment in this case is 3.20 (out of 5 as the maximum). From this assessment it shows that during this period the changes were influenced on creating opportunities for increased competitiveness. The second question is at what stage of the life cycle are organizations in this period of change. Evaluation in this case is 2.73, which means that they are still in the stage of maturity. Third factor refers to the way of change, as a natural progression or if the change was politically motivated. Evaluation in this case is 3.1, which means that organizations see the need for change, but also to adapt to political changes (political pluralism).

ANALYSIS OF FACTORS THAT CONSTITUTE THE TELEOLOGICAL CHANGING MODEL

According to this model, it is assumed that organizations adapt to a purpose. Change happens because the leaders, change agents and others see the need for change (Carnall, 1995; Carr,

Hard and Tranant, 1996). The metaphor of this model is the skill of changing the image (Rosabeth Kanter, 1983). This organisational development aims at addressing the change. It begins with the identification of problems within the organization (it is formative) and seeks solutions (change initiative). This theory explains the development of the units based on the idea that "the goal is the ultimate cause for leading the movement of a considerable amount" or, said differently, "organizational unit moves toward a goal or final state." In this period it is intended to give an answer as to why the changes occurred.

Analysis of the period 1945-1951 - On the first question, the dilemma arises on which is the cause of change and whether the leaders (agents) saw a need for change. Evaluation in this case is 4.0, which is above the average (maximum 5). According to this estimate, the change is made by the leaders (political). The second factor refers to whether the organization had problems that required solutions. Evaluation in this case is 3.83, which also shows that organizations (people inside) had numerous problems and changes were necessary.

Analysis of the period 1951-1974 - In this phase, the first factor that requires answer is whether agents and leaders see the need for the change. Evaluation in this period is 4.3, which means that the key factor in the changes during this phase is the leader. Another purpose of the change that needs to be answered is whether the problems prompted the changes in the organization and how were they identified. Rating is 4.2 (out of 5 as the maximum). It turns out that leaders of organizations identified problems, which were mainly on the criteria of providing the survival and development based on the results of market.

Analysis of the period 1974-1988 - For this period we received the evaluation 4.76 for the question whether the change agents and leaders were the ones that identified the need for a change. The assessment shows that, arguably, as a

factor for change firstly is identified by the leader (political) but also the agents of change. The second factor refers to the problems identified in the organization and that required solutions. Evaluation in this case is 4.73 (out of 5 as the maximum rating). Change agents and leaders identified as a problem the toughening of competition, as one of the most significant factors for changes in organization.

Analysis of the period 1989-1990 - This is the period when agents and leaders have been the main cause for change in organizations. This assessment is based on 4.56 (out of 5 as the maximum). This change can be justified by efforts to systemic political changes that occurred in the years 1989-1990 in South Eastern Europe. The second factor refers to the identified problems that were seeking solutions in organizations. Evaluation in this case is 4.3. As a problem at this stage is mainly statutory transformation and ownership of organizations. At this time we had the law on enterprises, which allows the introduction of private equity (private enterprises), and mixed enterprises (private and social capital).

ANALYSIS OF FACTORS THAT CONSTITUTE THE DIALECTICAL MODEL OF CHANGE

This model assumes that organizational units exist in an environment where the event, the strength of opposing values compete to dominate. These opposing forces may be internal (groups have different interests) or external (organizations collide with other organizations). Change occurs when opposing forces gain strength enough to face the current situation (status quo). The essence of this theory is the coexistence of two or more different units representing opposing forces and conflict with each other but that does not always lead to creativity (Van de Ven and Pool, 1995).

Analysis of the period 1945-1990 - The first factor of the questionnaire model that seeks the answer is whether there

were opposing forces in the organization. Estimates in this case in all periods are: 1.3 (1945-1951) 1.3 (1951-1974) 1.4 (1974-1988) and 1.13 (1988-1990), which means that within the organization there were no opposing forces. The second factor that is analysed is whether the change is caused by the encouragement of internal stakeholders. In this case the evaluation is: 1.33 (1945-1951), 1.36 (1951-1974) 1.6 (1974-1988) and 1.2 (1989 - 1990). Based on the answers, we can say that the changes were not driven by interest groups (opposing forces) in the organization. The third question refers to the existence of external interest groups, whether they are the ones that prompted changes. Evaluation is: 1.36 (1945 - 1951), 1.33 (1951-1974) 1.3 (1974-1988) and 1.33 (1989-1990). According to the evaluations of different periods it can be said that there was no external groups (outside of the organization but within the system) of interest. The fourth factor refers to the unity of opposing forces, which may have encouraged organizations to changes. Rating is 1.5 (1945 - 1951), 1.53 (1951-1974), 1.16 (1974-1988) and 1.33 (1989-1990), which in general can be acknowledged that the changes were not from groups, opposing values or unity of opposing forces which influenced the changes.

ANALYSIS OF FACTORS THAT CONSTITUTE CULTURAL AND POLITICAL CHANGE MODEL

Majority of models describe the organizations as rational places with rules and regulations. The great contribution of cultural models in the literature of change is the emphasis of their irrationality (highlighted in dialectical models). Cultural model is a mixture of social and dialectical method. Cultures are always changing and the change occurs naturally, as a response to changes in the human environment (Morgan, 1986). The process of change tends to be slow and in long terms.

Analysis of the period 1945-1951 - In this model, the first factor that requires the answer is whether changes have

occurred in response to changes in the human environment. Assessment for this is 4.43 (out of 5 as the maximum), which shows that in 1945 we have systemic changes (the establishment of the communist system) and thus means that changes should adapt to the system in question. The second factor refers to the need to adjust to the ideological theory (communism). Evaluation in this case 4.56, which is the maximum rating that almost all changes are based on ideological concepts (communist).

Analysis of the period 1951-1974 - In this period we have the change of the status of enterprises from state-owned into those with autonomous social system. Based on the analysis of the first factor, whether the change is a result of adaptation to the environment, we have a 4.63 rating, which is close to absolute value 5. This can be explained by the fact that changes are always framed in terms of geopolitical environment. The second factor has to do with the changes that are constant adjustments to political systems (communist). From the responses we have received the rating of 4.7, which means that even in this case we have almost absolute value, that all changes that occurred are ideological changes (communist).

Analysis of the period 1974-1988 - During this phase the reasons for change arise from the answer to the first factor, consisting of whether changes have occurred as a result of a response to environmental changes. This question rating is 3.8, which is above average. Changes at this stage occurred as a result of the commencement of the systemic changes (ideological) in the region (environmental adaptation). The second question on this phase is referred to the change as a need for adaptation to ideological theories. Assessment for this is 3.9, which means that the changes, first of all, were ideological in the sense of abandoning the socialist system of economy and adaptation to global trends of the market economy, where an important role will also play the private property.

Analysis of the period 1989-1990 - During this phase we also have concrete actions of adaptation of companies with economy market. The first question at this phase is whether the changes are in response to environmental changes. Evaluation is 3.26, which means that changes need to adapt to external environment (business - competition, legal, technical and technological aspects, etc.). The second factor consists of that whether the change came as a result of the need to adapt to ideological theories. Evaluation in this factor is 3.13, which is above average (5 is maximum). This assessment is explained by the fact that the ideological influence means above all a new way of organizing business, where decision-making plays a dominant role based on capital strength.

CONCLUSIONS

In this chapter of the research paper are presented the conclusions about the models that were used during changes of Kosovo enterprises in the period from 1945 to 1990.

During the analysis of the responses (questionnaires) it was concluded that changes during 1945-1990, depending on the phases/periods the changes have been made for various reasons. Each phase has its causes and instruments of change. During this time it has become a transformation, both in terms of management and decision-making, functioning of enterprises, their organization and up to the holder of the property (statutory transformation). From the analysis it was concluded that there was not a certain unique model of change, but there were some elements of different models during certain phases. Also, the instruments (methods) of change have not been the same during all phases, but they were different during the phases of changes.

Below we will present models, elements which are more common in every phase of change.

In the first phase of change (1945 -1951) we face more elements of cultural and political model and the teleological model of change.

Table 1 Evaluation of elements of the models applied (1945-1951)

Period 1945-1951	Cultural model					Teleological model				
	1	2	3	4	5	1	2	3	4	5
Grades										
Evaluation				4.49				3.91		

From all the elements of models, cultural and political model is most appreciated, with 4.49 (5 is the maximum). According to this model, organizations are described as rational places with rules and regulations. Cultures are considered always changing and the change occurs naturally, as a response to changes in the human environment (Morgan, 1986). According to this model changes occurred as an adaptation to the economic, political and ideological system. In 1945 we have the establishment of the socialist leading system on the economy.

The next model that is evaluated is the teleological model. The estimated rate is 3.91 (out of 5 as the maximum). According to this model it is assumed that organizations adapt to a purpose. Change happens because the leaders, change agents and others see the need for change (Carnall, 1995; Carr, Hard and Tranant, 1996). Even at this stage of change the (political and party) leaders saw the need for change. Change consisted in the establishment of political-ideological system as the ultimate goal and leading of the economy under socialist principles.

In the second phase of change (1951-1974) we encounter more elements of cultural and political model and the teleological model of change.

Table 1 Evaluation of elements of the models applied (1951-1974)

Period 1951-'74	Cultural model					Teleological model				
	1	2	3	4	5	1	2	3	4	5
Grades										
Evaluation				4.66				4.25		

Even in this period of change we had the accommodation of ideological concepts, where the aim was that through enterprises to lead the collective working places (autonomous system). Also in this period, the goal for a change was to accomplish as much as possible the socialist-autonomous concept of leadership in organizations (ULO).

In the third phase of change (1974-1988) we encounter the elements of cultural and political model, teleological and evolutionary model.

Table 3 Evaluation of elements of the models applied (1974-1988)

Period 1974-'88	Cultural model					Teleological model					Evolutionary model				
	1	2	3	4	5	1	2	3	4	5	1	2	3	4	5
Grades															
Evaluation			3.85						4.74				3.68		

Estimates for elements of models that are encountered in this period are presented on the basis of the arithmetic average. According to evolutionary model, the key assumption underlying this theory is that the change depends on the circumstances, situational and environmental variables faced by any organization (Morgan, 1986). Changes in this period occurred as a result of the impacts on the external environment such as competition, the ability of sales, cost of raw material etc. As a result of these influences, naturally it also came the change on the status of the enterprise, as a necessity for survival and adaptation to the economy market. This is because countries in the region were involved in a political and

economic transition (fall of the communist system) and adaptation to the economy market.

In the fourth phase of change (1974-1988) we encounter the elements of cultural and political model, teleological model, and evolutionary model and, to a certain extent, the model of lifecycle.

Table 4 Evaluation of elements of the models applied (1988-1990)

Period '88-'90	Cultural model				Teleological model					Evolutionary model					Lifecycle model					
	1	2	3	4	5	1	2	3	4	5	1	2	3	4	5	1	2	3	4	
Grade s																				
Evalu ation			3.						4.					4.					3.	
			19						74					05					01	

At this phase we have the incensement of changing elements of the life cycle model. This model (life cycle) emphasises that for development, there should be an individual systematic change. In these models, the change is typically seen as part of a phase and is progressive and reasonable (Miller and Friesen, 1980). Organizations are born, then they grow up, mature, they go through stages of survival and, in the end, they fall down (Goodman, 1982). Change does not happen because people see the importance of it or even if they want the change, it is because it is a natural progression that cannot be stopped or changed (Miller and Friesen, 1980; Morgan 1986). This is the period when we have significant changes in the external environment (competition, sales ability, technology, etc.) and the need for statutory transformations (property). This change was immediate, because companies needed the new capital as well as (that was missing) the adjustment of the economy market (economic and political pluralism). The need for change was significant also for creating opportunities for increased competitiveness, because in this period the organizations began the cycle of declining.

On the basis of the above information's we can conclude that:

1. Changes on the status of enterprises is done on the ideological basis (reasons). Since the establishment of enterprises from 1945 to 1989/90 - the ideological basis were the same, because the state has never renounced the role of state jurisdictions in the organization, its functioning and activities of enterprises.
2. Throughout this period significant transformations were made, which can be characterized as "weakening" of state jurisdictions (in the economy) and more gradual transfer of organizational and functional elements to the enterprise. Changes occur not only at the level of enterprises, but also in the organizational structure itself in the form of functioning within the enterprise, with significant progress in the decentralization of these elements. It cannot be said that during this period (1945-1989 / 90) changes in organization have also been without any concept. During the analysis and study we can conclude that the statutory changes are made continuously, which were oriented in such a way that the state has a role in the enterprise, but formally they are decentralized (self- managed enterprises). Also, the concept has been that enterprises and economic system in general have also elements of the socialist and Western system.

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