

Strategies as an instrument of cost optimization¹

INTRODUCTION

Management staff often struggles with problems of cash flow, resulting in the company losing its ability to any further functioning and investment, and showing off to their clients its unreliability and lack of trustworthiness. It's for those in charge to be pushed all the time into finding new ways of acquiring, or simply retaining advantage in a long run. It is very important and inevitable in the course of building one's brand. In environment of developed market rivalry, and even more in conditions of economical crisis, this skill is what keeps companies 'alive'.

The article aims at to present the company strategy to make better use of its resources, plan of action and effectively dispose of its resources. The precise definition of objectives allows better coordination of activities within the company and reduce wastage. Setting targets allows all employees to understand, why do certain actions and for what they lead. This article has been used an interview with the Director of Production Dextry Shane Hansford. Dextra Group PLC is a company that started manufacturing lighting products for over thirty years ago. Since then the company has become a significant force in the lighting industry

Continuous improving of offer is inseparably tied with reducing costs of client servicing. Recent crisis, and a following collapse of demand, had emphasized the need of lowering costs in a special way. First thing going under the knife is the staff, and then – supplies. This results in a fast, observable success. However, it is a very unstable and temporary one, because it does not change companies potential and its position against competition in any pivotal way.

Fast reduction of already limited resources allows a temporary cost reduction, but often marks a beginning of:

- Reduction of effectiveness – derived from more frequent lack of supplies and staff
- Lowered quality of client servicing – from not keeping affirmed deadlines
- Dropping product quality – in conditions of unstable production process
- Higher quality costs

¹ I thank the Director of Production Shane Hansford – for the interviewed.

- Losing brand's quality and clients trust
- Rising operational costs – resulting from retaining oneself on the market at all costs. It is being frequently displayed in hasty, not well-thought-out orders or orders without enough coverage in supplies. Therefore, costs of inefficient supplies optimization (in terms of their structure, amount, replacement time and realized orders that already crossed the deadline) rise. [palpp.com, 2010]

Aforementioned effects are commonly encountered. Such effects take place because companies, instead of cutting redundant costs (when facing crisis, as well as in calmer times), frequently cut those that take real part in creating value added.

What are the causes of taking such and similar actions? Lack of essential knowledge, necessity of performing superior's tasks in a haste, sudden collapse of company's cash flow, lack of new ideas to make the situation better. Even more causes are defined by managers.

MAIN BODY

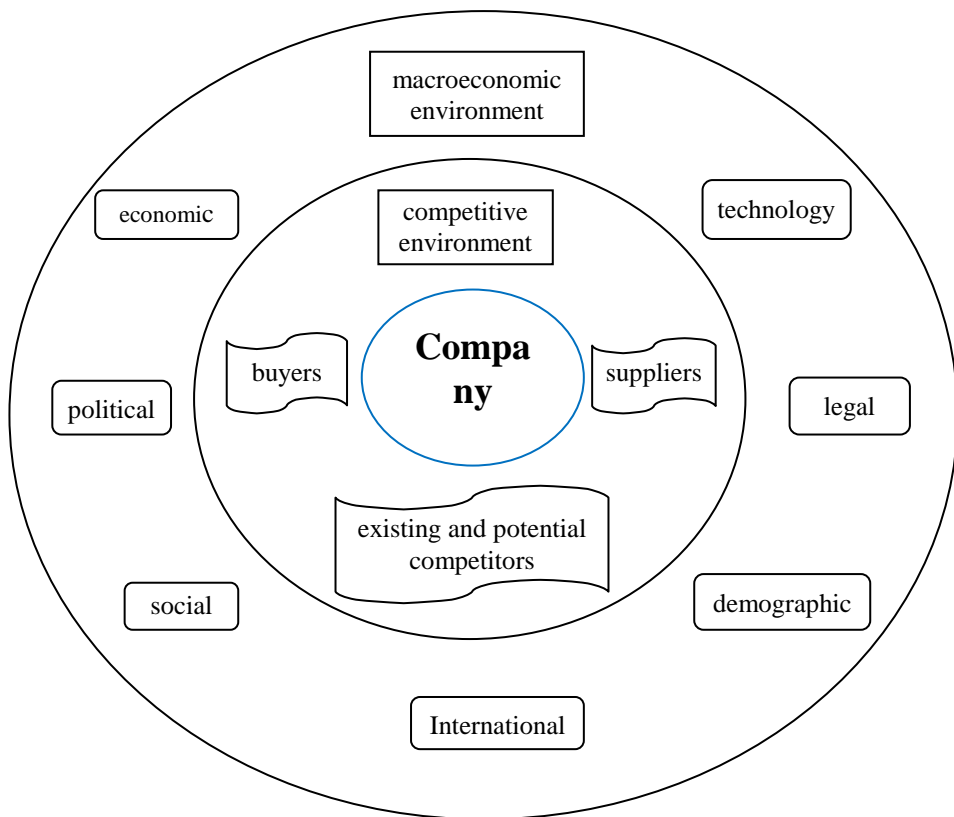
Rapid changes in company's environment bring a need of change in management system. Operational management style relying on taking decisions concerning current company's activity and focusing on short-time earnings is simply not enough. Every company active in market economy must concentrate on creating and introducing development strategies, targeted on long term objectives, as well as defining ways of reaching those objectives, ways that are adjusted to company and company's environment.

In recent times, times of crisis, many CEO's have not been making any actions directed into finding successful strategies. They use as much elements of operational management in their decision-making process as it is needed to keep companies alive and functioning, not more. However there are companies, whose managing staff wants a real success. These companies CEO's state that consequent, appropriate strategies not only make a sensible theory, but also give their company odds of fast success and economical upswing. Such definition of a strategy has to rely on both company's and company's environment deep analysis. Even though, it's often that strategy is being worked on for a long period of time on one occasion, and is the CEO's display of innovation on the other.

In literature on business strategies multiple definitions of 'company's strategy' can be found. One of them defines strategy as a commonly understood plan for organization's activity, tied to her current and future position in her setting and is a rather stable and consistent set of policies. It serves the realization of basic, long-term organization's objectives. Strategic objectives indicate frames

of strategic plans, lay down means of motivating staff and ways to control plan implementation. [co to jest info.pl, 2011]

Strategy does not come into existence and is not being realized in a vacuum. Companies are active in a widely perceived, complex and dynamic setting and are so much dependent on it, that implementing the strategy quickly becomes a test of whole company's working order. Therefore, it's no strange thing that understanding of current environment dynamics in which the company thrives, plays an such important role. [Obłój, 2007]



Picture 1. Areas of strategic analysis

Source: Own work on the example of G. Gierszewska, M. Romanowska, *Strategic analysis of the company*, PWE, Warsaw 1995, p. 32.

Traits of a good strategy (management strategy) according to Adam Stabryła: [Stabryła, 2002]

- It shows basic objectives and partial objectives of extraordinary importance
- Includes the setting and external factors

- Is expressed in a form of programs or plans
 - Is defined in a flexible planning horizon
 - Falls into evaluation through use of effectiveness criteria
- Traits of a good strategy are also named by Krzysztof Obłój
- Key choices
 - Simplicity
 - Internal and external consistence

As follows, strategy is an aggregate of activities and cancelations taken by the managing cadre of some particular company's team, pursuing to achieve it's objectives. Strategy includes all factors favoring as well as trammeling achieving certain objectives. Strategy is the way to the aim.

Therefore it results in four essential elements forming company's strategy:

1. Domain of activity

It defines to who and where to the company wants to sell it's products and services. It may be acknowledged that every client that pays, is a good one. A reasonable survival strategy, but not optimized for a long term activity. Company with no specific market and trusted clients can function properly, but it's just a matter of time until it stops to do so.

2. Strategic advantage

Strategic advantage simply means to be a more attractive partner in scope of chosen economical offshoot. It's a dominating position, deprived from a trusted, well-built product brand, unique certification, hi-tech technology or high quality of the product.

3. Strategic objectives

They are an important addition to choosing the domain of company's activity and strategic advantage over competitors. Strategic objectives indicate the direction in which the company goes, define frames of strategic plans, lay down ways of motivating staff and ways to control plan implementation. They define what the company wants to achieve in future, i.e which markets to gain control of, what assortment to offer, what position to occupy on the market.

4. Applicative operational programs

They're a 'translation' of strategy into direct actions on every single work station, into everyday assignments of every employee. Efficient operational programs include three aspects:

- They define who, what, and when will have something done and how is it connected with overall strategy; they connect current managing with strategic future
- They establish a constant need of improvements

- They systematically embrace whole company's operations (different schedules with tightly defined deadlines, evaluation criteria and budget of estimated incomes and expenses [Pfohl, 2007]).

Company has a plenty of strategic options. Many divisions of strategies exist within theory of strategic management. However, before making such divisions, three levels of strategy have to be defined:

- Company's strategy
- Business strategy
- Functional strategy

Company's or corporation's strategy pinpoints what kind or kinds of activity are or will be developed in future and through what means will be this accomplished.

Business strategy specifies how to manage particular divisions of it's activity for the company to achieve it's goals, and what part will they play in overall, global strategy.

Functional strategies (marketing, financial, production, research and development, staff, career promotion ones, and so on) define actions taken to ensure accomplishment of business strategy and company's strategy [Griffin, 2009].

Strategy on company's level is the most important one, through specifying scope of it's actions and decisions leading into achieving market success. Mentioned scope comprises of:

- Differentiation strategies – that is to offer specific products, which differentiate a lot from competitor's products, and are identified with given company
- Cost strategies – advantage over one's competitors is gained through reducing manufacturing costs, this strategy is very often identified with volume strategy, where high scale of production results in lowering unit cost.

Cost strategy and differentiation should be chosen alternatively in order to prevail. However, pursuing both of them, which is often a result of managing staff indecision, may cause in being 'stuck' and a failure of accomplishing the strategy. Cost strategy usually leads into product standardization, a completely different goal that differentiation tries to achieve – higher costs. As was mentioned before, one of these strategies should be used solely, because they are contradictory to each other. It is a very rare case that a company achieves cost leadership and differentiation at the same time (although it is possible, and high position of Japanese companies proves that),

Strategies are being chosen on the basis of:

- Company's size
- Availability of resources
- Conditions of industry
- Competition

Large companies that are active on the market obtain a sufficient availability of rare cost advantage resources, that cannot be used by their competitors. Patented technology, access to cheaper resource deposits, beneficial agreements between contractors and recipients – all can be counted into sources of advantage. Technological progress, consisting of manufacturing finer techniques and technologies allowing to manufacture new articles with lowered costs of production. New techniques and technologies allow:

- To lower costs of manufacturing, without changing current market price
- To increase profitability – it encourages traders to increase supply

Dextra keeps on searching for new technologies and cheaper contractors. We are always eager – states Shane [Interview with the Director of Production Shane Hansford, 2011] – to buy cheaper components from suppliers, through negotiating a new price and through finding new alternative products that may be already on the market. Secondly, we can use our advancement in technology to gain a chance to design a better product to be offered to our clients.

Another factor that encourages large companies to make use of cost strategy are vast financial supplies. Thanks to these financial supplies, they can afford costly R&D.

Taking advantage of differentiation strategy in order to differentiate in product's quality causes a relevant increase of costs and price in return, and in the end – decreased number of recipients.

Cost strategies in a company lead into minimizing overall costs. Their main idea is that the best position on the market is gained by those companies that generate lowest costs. Company's ability to minimize costs give a significant advantage over competitors. Looking from the economical point of view, companies with lowest manufacturing cost display highest margins. Ready cash taken out of this process empowers one's position on the market and allows for further investment.

Strategy based on minimizing costs is closely tied to the so-called 'experience effect', which tells that 'overall unit cost of the product is being lowered by a constant percent every time accumulated manufacturing value doubles'. Such 'experience effect' is a consequence of following effects:

- Economies of scale – a concept taken from micro economy – shows the behaviour, or, more precisely, reaction of unit cost production against this production size. At the same time, economies of scale indicates benefits of mass production. This concept tells us, that in accordance to enlarging company's production size (production scale), long term overall costs (marketing costs, electricity costs, et cetera) are being lowered. It results from the costs being divided into increased number of manufactured units. Through the effect of production scale company gains greater bargaining power, and is able to use strategy of low prices and keep the entering barrier on a very high level. [Gierszewska, 2009]

- Specialization effect. According to this rule, job posts should be connected on account of similarity in performed tasks. Practically, it results in a higher economical effect achieved through cooperation and specialization effect. Two primary grouping criteria are given in the literature, which are: technological specialization (according to performed tasks, i.e production, marketing) and subject specialization (according to the subject of work, i.e child shoes, woman shoes). In compliance of specialization rule, managers responsible of efficient organization functioning should decide on one, logical, intentional way of grouping organization's elements, taking into account it's size and character of activity.
- Innovation effect, so-called strategy of absolutely new product, is based on supplying the market with products satisfying new or previously unfulfilled needs, eventually satisfying these needs in another way
- From substitution of capital and work – an economical ability to substitute production factors with another ones. It mainly concerns:
 - Substituting work with capital (automation, mainly in manufacturing sector)
 - Substituting work with energy (i.e solar energy, mainly in agriculture) [twoja-firma.pl, 2011].

Following factors can be specified in composition of aforementioned effects:

- Results of knowledge gained by particular workers and groups
- Upswing of organization structure and production structure
- Introduction of an information system for administration use
- Building a more effective planning
- Performing more efficient controls
- Implementation of intentional actions governing the company
- Improvement of work methods
- Improved coordination of work progress
- Introduction of a more effective maintenance department
- Introduction of a more effective storage methods
- Improvement of products
- Higher worker's efficiency thanks to regular learning on work stations, and due to repetitiveness of activity performed
- Economical use of supplies
- Less amount of production shortages
- Better salaries management
- Less work related to covering production shortages
- Latest production processes
- Less energy consumption
- Improved production methods
- Intensified studies in industrial production
- Introduction of new technological methods into production

- Intentional development of new design solutions
- Decreasing share of expensive parts in products
- Elimination of unnecessary components in products, based on production analysis
- Product standardization
- Less changes made in product's design
- Increased repetitiveness in production and sale
- Fixed, more beneficial amount of fabrication's parties
- Improved equipment – tools and machines
- Improved machines performance
- Improved management of company's acreage [Marchesney, 2008].

Various factors affect the shape of the experience curve. All individual elements must be carefully examined and used. In practice, it is often difficult to distinguish individual causes affecting the experience curve, but it is possible to lower costs within the enterprise basing on it.

Experience curve is the graphical display of experience effect. Experience effect is the relation between production scale and size of unit cost. Experience effect comes into existence in consequence of the economics of the scale, specialization and learning effect, innovation effect and substitution of capital and work. The curve is defined from the size of accumulated production and sector's enterprises unit cost, and denotes average pace of unit costs decrease in accordance to doubling of accumulated production.

Unit cost, unit price, time needed for manufacturing or gain earned on production unit are all being placed on the axis of ordinates.

Accumulated production or time are being places on the axis of abscissa.

Experience curve is very often labeled with a percentage rate, i.e 85% – which means that any time production doubles in given sector, unit cost of manufacturing decreases 15%.

Suitability: Knowledge of experience curve and one's position on it:

- 1) Allows every company to design a rational strategy of shaping production size and unit costs. It also reports the pace in which the company should decrease costs in order to progress further down the experience curve and improve it's position against competitors.
- 2) Allows to collate cost situation of all company's sectors
- 3) Informs potential investors of the economical barrier of entering the sector. The more steep is the curve, the harder it is to break through the entering barrier, comprised of minimal cost-effective production volume.
- 4) Reports essential information for building strategy against market competitors. It clearly displays which companies cannot follow up the decrease of unit cost. [Gierszewska, 2009]

When analyzing strategy of the Dextra Group PLC company (production industry) it can be seen that two models of building a competitive position exist. First of them puts emphasis on the area of sustaining rational and differentiation production. The second one puts emphasis on quality and solid production of high quality goods with a minimum amount of waste. The downside is that our clients expectations are higher with these products so all of you, in whatever you role, have a massive contribution to make be it Sales, Technical, Design Engineering, Production, Logistic, Procurement and Administration must be right first time. Make no mistake – says Rupert Martin. [Message from Rupert Martin – Company Update, 2012]

Dextra Group PLC functions on a competitive market of modern trade, where it is often forced into price battle. That is why the company focuses on retaining it's margin policy – controlling costs and optimal use of production resources. As Production Director Shane Hansford says – the company manufactures amounts of enough size to cover current orders. We should also search for means of minimizing wastage of time and money (which result in no values) through limiting paperwork and way too big reserves. [Interview with the Director of Production Shane Hansford, 2011]

Wastage may affect several areas in the company:

Space – company uses additional space to store products. It causes increase of costs due to devices transporting these products, and increases costs of the system that controls them. Products that cause a need of storing increase possibility of destroying them in case of a calamity or simply from moving them from one place to another. Storage need further administrative tasks, unnecessarily involving warehouse workers.

Resources and devices – company consumes resources and makes use of machines earlier than the plan assumed. That is why production plan must be realized tightly.

Sometimes it happens that the technology doesn't fit well into project and machines output does not correspond with actual production. In that case, company doesn't use whole potential of machines, and in turn – wastes it's capabilities, and forces the equipment into excessive performance. This usually causes malfunctions, puts production on hold and sacrifices time for repairs to be done. Very often the final product is destroyed in the process.

Transport and administration – company bears the cost of carriage and storage of commodities. During the transport commodities may be destroyed. Therefore appears damage encapsulating time and financial cost needed for damage removal, manufacture of a new product, wearing of tools and machines needed for damage removal, time and resources necessary for re-transporting.

Employees effort – company uses employees work in an unnecessary production process instead allocating them into other tasks. Such unnecessary production process is of no value to the company. Up to such processes actions like

moving and storing commodities by the employee (in case that products on the palette were destroyed because of improper arrangement) and employee moving from room to room are counted. Another instance of wastage is a situation in which the employee must put his tasks on hold because his duties depend on other employees duties. Or what is also often, the supervisor is not eager to do his tasks, and forwards it to his already busy employee. Then the employee or the machine temporarily remains dormant, and the company loses time and capabilities associated with their potential. It is worth at this moment to quote the words of Chairrman Dextra Group Plc Rupert Martin: with the 110% support and effort from you all, the future is bright.

If employees would perform their work honestly, and not take the time to drink coffee or friendly conversations, it certainly would not have been such a huge waste

‘During the last 3 years I have reduced number of supervisory staff in every assembling department, what in turn reduced costs and encouraged remaining supervisors to better work – now they bear more responsibility. The company should employ people only if this is really necessary’ – says Shane. [Interview with the Director of Production Shane Hansford, 2011] ‘If the employee leaves the company, no one should be employed in his place. [Interview with the Director of Production Shane Hansford, 2011]

This solution displays the highest possible effect on retaining high morale and commitment of employees that stay in the company. It’s nothing new that dismissals have negative effects, though. Those effects manifest through increased stress levels, vocational burnout, dropping sense of self-security, decrease in job satisfaction and reliance crisis. Furthermore, higher rotation may be observer, decreased readiness to help co-workers and weaker individual results – as a whole it translates into poor overall performance. Employees must receive explanations that the process of reducing staff number was conducted in a just, fair way after checking all possible solutions earlier.

Situation where the best of the best – trained, educated most talented persons – leave the company must be avoided at all costs. That is why special attention must be paid on most capable employees. They ought to be guaranteed support, appropriate motivation and conviction to stay. Payment rises are a good way of accomplishing so. ‘Within recent years, Dextra saw systematical rise in salaries despite ongoing recession. Stakes of salaries should be adjusted to experience level, i.e staff of metal commodities department gained them only after accomplishing courses on practical machine controlling skills. Possibilities of the promotion and development of knowledge should be always available in the Dextra. Because many people applied on to different positions in the company, usually from the production level into offices, it’d meant a decrease in salary, therefore, lower costs for the company.’ – says Shane Hansford. [Interview with the Director of Production Shane Hansford, 2011]

Another way of money saving in the company is through keeping employment level together with lowering salaries. Although this solution allows considerable employment level control and saves money, it affects negatively levels of motivation, commitment and loyalty.

Next kind of money saving is through outsourcing – or passing employees activities of given company to an external company, not tied with the first one, but dedicated to a specifically defined field. It leads to a better realization of economical objectives: increase in revenues, decrease in costs, and therefore improvement of economical outcomes and reduction of economical risk inside the company. Outsourcing results in reduction of company's management structure, simplification of managing structures and processes – instantly giving an improvement in managing the company. With the help of outsourcing, motivational goals can also be achieved. Through outsourcing, there occurs an objectification in economical results, not to mention the dissemination of economical thinking, and the development of entrepreneurship. [Fidelis Corp, 2011]

Company makes use of work of prisoners (it sends intermediates to penal institutions) that prepare basic products, which are in turn used in the company. According to Shane Hansford – it radically lowers costs of manufacturing the final product, and therefore affects the final, market price. [Interview with the Director of Production Shane Hansford, 2011]

This kind of actions should also be taken in Poland. Nevertheless what is the opinion of Polish politics, opting after increasing the harshness of penal policy ('tightening the rope' around it's neck), convicts ought to be helped and supported. What speaks for this are not only humanitarian premises forming the very basis of our culture and practicing what Christian religion preaches, but also the economical profitability. Especially when through 'support' we mean widespread actions leading into preparing convicts to enter the job market after regaining freedom, and to increase their employment during their years behind the bars. When convicts work or educate themselves, society is guaranteed that most of them will never return to crime, but to the job market instead. [Bezrobocie.org.pl]

Energy saving should comprise of reducing energy intake with simultaneous retaining of the same outcome. Lowered energy intake has a plenty of advantages – money can be saved and environment can be also preserved. Producing energy requires a lot of precious natural resources, i.e black coal, oil, or natural gas. That is why a sensible way of energy disposition helps to preserve those deposits into future times. In order to do so, in April 2010 Dextra bought a compressor – device allowing further energy savings. Next one will be bought on nearest available opportunity, and allow further savings – states Shane Hansford. [Interview with the Director of Production Shane Hansford, 2011]

Good efficiency of machine park is also essential for every company taking part in 'price war' and paying special attention to margin. Production process, in its strong majority, in a fully automated way, using assembly lines made by leading world manufacturers – therefore, it guarantees constant technological conditions and allows a practically reliable product. Implementation of leading technologies in production and constant cooperation with best component's contractors ensures high quality of manufactured tech. Machine park's high efficiency and its versatility allow to retain price attractiveness in the full range of products. Constant investment put into new technologies ensured the Dextra Group PLC company a leading position on the market, and ability of recognizing and satisfying market needs results in a development of technical thought, and increase living standards of our product's users. In recent years, Dextra managed significant purchases of business assets. In example, Metalshop saw a start of three new machines worth circa 2 milion pounds.

Much pressures is being put in the company on solutions leading into upswing in internal communication. If taken, such actions (especially during economical downfall), allow for optimized use of employees potential, increasing their connection with the workplace – employers opinions say. These solutions allow full control of planning and its effect on production processes realization, and therefore – increase productivity and decrease costs.

SUMMARY

Every company is under the influence of its environment – because it works within the environment. It is company that prevails thanks to environment – only satisfying appropriate environment's needs makes the company's very being and allows it to survive. However, objectives that the company wants to realize are significantly different than other company's – because every company works in a hostile, competitive environment. On the other hand, plenty of institutions are in favor of the company, creating a friendly environment. Finally, there exists an environment that is uncompetitive, and works for the company's good.

CEO or company's manager try to minimize company's costs... at all costs. These costs are not only constant ones, but also every single kind of fees – let it be phone bills, electricity bills, water supply bills, as well as a rent for office space, marketing, classified ads, website maintenance, and every possible variable fee. To this kind of fees and bills, unforeseen expenses and projects (never before provisioned in company's expense plan as well as its budget), training and business trips should all be added. Very often, costs of employees company flot rents, cell phone bills, notebooks, staff cars create the largest scope of costs.

Although fees for aforementioned things are rather high, companies have no intend to quit from them. More than once, these expenses are simply essential to company's regular functioning.

Forget about doing cost cuts off-hand. Every saving should be well-balanced and should not jeopardize company into losing trusted and trained employees, as well as resources company has on it's disposal. Today, when we face heavy recession, attempting to do any changes in the budget requires a development of a detailed, complex budget plan for a far longer period. Purchasing energy-efficient equipment may seem to nothing important, but due to such easy actions we can save a lot of money.

In hard times, every company makes cost cuts, although they should never reflect on company's quality of service and products. Remember that a major part of company's capital is made by employees, therefore they should comprise the most important capital. Let's try to find solutions that will ensure our employees with optimal employment conditions, without them bearing any further, redundant costs. Memorize that an old employee identifies well with the company and it's market objectives. Such employee, in case he works in an appropriate team, perceives the company as a second house. Not everything brand-new is brilliant, as well as it's not advised to cling to what is old on every opportunity. This applies to employees working under clearly defined efficiency standards. Economy is an essential element to the company – mainly because it allows it to keep stable, and to develop further in the future.

We should also seek, if it's possible – to transfer parts of our tasks to external companies. Therefore penal institutions may be used. Instead of credits – let's consider leasing. We ought to watch over our wallet, and to keep watch over the environmental safety at the same time.

Significant ways of cost reducing exists in every company. Through conscious cost control we can make use of these ways, to lower both constant and variable costs, and in the end to increase company's competitiveness. Follow-ups of experience curve do not come along on their own. Management staff should permanently work on the concept of submitting improvements (along with production increase), together with lowering costs in every department of the company. The managing staff itself should be able to taking rational decisions through appropriate education.

Good will is not enough to manage the company, it's rather high qualifications and managing skills, based on most recent science and technology achievements, that make up for proper management. According to USA data, losses in industry during the interwar period, were much more usually caused by management staff incompetence (approximately 80% of overall losses), rather than objective issues, (approximately 10%) or inflicted by workers (approximately 10%).

Cost optimization became the very basis of success and survival for many companies active on large, mass market.

BIBLIOGRAPHY

- Interview with the Director of Production Shane Hansford*, 2011, Dextra Group PLC.
Massage from Ruper Martin – Company Update, 2012.
- Gierszewska G., 2009, „*Analiza strategiczna przedsiębiorstwa*”, Wydawnictwo PWE.
- Marchesney M., 2008, *Zarządzanie strategiczne*, Poltex, Warszawa.
- Obłój K., 2007, *Strategia organizacji W poszukiwaniu trwałej przewagi konkurencyjnej*, Polskie Wydawnictwo Ekonomiczne, Warszawa.
- Penc J., 2009, *Strategie zarządzania*, AW “Placet”, Warszawa.
- Pierścionek Z., 2008, *Strategie rozwoju firmy*, PWN, Warszawa.
- Porter M.E., 2006, *Strategia konkurencji. Metody analizy sektorów i konkurentów*, PWE, Warszawa.
- Strategor, 2009, *Zarządzanie firmą. Strategie, struktury, decyzje, tożsamość*, PWE, Warszawa.
- Vollmuth H., 2009, *Controlling. Analizy operacyjne. Analizy strategiczne*, AW “Placet”, Warszawa.
- Co to jest strategia firmy?*, 2011, <http://www.co.to.jest.info.pl>.
- Co to jest outsourcing?*, 2011, [http://www.Fidelis Corp](http://www.FidelisCorp).
- Pfohl Ch., 2007, *Trendy i strategie w logistyce europejskiej*, w: *Materiały konferencji Logistyka '99 – „Rynek – dystrybucja – zapasy”*, Ośrodek Doradztwa i Treningu Kierowniczego, Warszawa.
- Stabryła A., 2002, *Zarządzanie strategiczne w teorii i praktyce firmy*, Wydawnictwo Naukowe PWN, Warszawa.
- Griffin W.R., 2009, *Podstawy zarządzania organizacjami*, Wydawnictwo Naukowe PWN.
- Oszczędzanie w firmie*, 2010, [http:// www.palpp.com](http://www.palpp.com).
- Więźniowie na rynku pracy*, 2011, <http://www.Bezrobocie.org.pl>.
- Zasady budowy struktur organizacyjnych*, 2011, [http://, www.twoja-firma.pl](http://www.twoja-firma.pl).

Abstract

Cost optimization in the company in a way that is constantly increasing profits is one of the main objectives of management. Continuous development of technology and market changes, make the achievement of higher profits is becoming increasingly difficult. Companies must perform difficult tasks associated with the expectations of their market partners – customers and competition resulting from the action. Technological innovation has become essential elements of the business. Business people, entrepreneurs, and managers are faced with the problem of determining the tools to achieve success and avoid pitfalls to choose the wrong strategy.

Streszczenie

Optymalizacja kosztów w firmie w sposób, który służy stałemu podnoszeniu zysków jest jednym z głównych celów kadry zarządzającej. Ciągły rozwój technologii i zmiany rynkowe sprawiają, że osiągnięcie wyższych zysków staje się coraz trudniejsze. Firmy muszą wykonywać trudne zadania związane z oczekiwaniami ich partnerów rynkowych – klientów oraz wynikające z działań konkurencji. Innowacja technologiczna stała się podstawowym elementem działalności gospodarczej. Ludzi biznesu, przedsiębiorcy oraz menedżerowie borykają się z problemem określenia narzędzi umożliwiających osiągnięcie sukcesu oraz uniknięcie pułapek wyboru niewłaściwej strategii.