

Differences between the state/public and private sectors in organizations in Serbia regarding the functionality of managers' decision making*

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The aim of this paper is to present and analyze the relevant factors affecting functional decision making, which are related to specific organizations in terms of undefined conditions, as well as manager's characteristics in the given circumstances. The decision-making process has been studied in specific socio-economic conditions at the time of radical changes. The study was carried out on the sample of 162 managers in organizations varying by sectors and ownership status. Two questionnaires were used and the obtained results were statistically processed in accordance with the most convenient statistical methods. Thus, it is necessary to measure and manage the influential factors on a daily basis in order to make functional decisions. Based on the study, the key factors that affect the functional decision-making process are identified. These are the managers' demographic characteristics (career progress, managerial level), the manager's decision-making characteristics (risky or rational), and the type of activity (manufacture or service), as well as the ownership status of the organizations (public or private). In organizations that were subjected to this study, a functional decision-making involves consideration of organizational, managerial and personal prerequisites for measuring performance in all stages of decision-making process.

Key words: functional decision-making, manager characteristics, performance, organizations (JEL: D81, J24)

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