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## Bases for organizational competitiveness: leading change and business agility at the Hungarian enterprises<sup>1</sup>

János Varga

*Assistant Professor, Óbuda University - Keleti Károly Faculty of Economics, Hungary*

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### Abstract

*Today agility is a basic factor of competitiveness, the most important element of gaining advantage in our ages. The market economy of the 21st century persistently puts the leaders of both the national economies and the companies into newer and newer challenges. We need to establish such an approach and company strategy, which covers the whole operation of the company, and in the meantime, it also takes notice of the economic effects coming from the environment. An enterprise will only be able to do this, if it recognises the importance of agility, and shapes its economic activity accordingly. "Agility is a capability, which is both able to make new things and respond to changes." If the management can manage the advantage-making processes effectively and in the meantime, they can develop a dynamically changing company, then the advantage will definitely present itself in the future. This study is based on the assumption that an enterprise can only be successful these days, if the marks of business agility can unambiguously be found in its operation. Its two most important pillars are instanced in making values and making changes. So, agility covers a complex leadership approach, and its infiltration into the leadership philosophy revives a new company and a new leadership methodology. An agile company is such a participant, which helps the market competition and has a good influence on the economy, the environment and the society too by its operation. By an overview of the specialist literature and the review of the research results this study is trying to cast light on the fact that we cannot be successful on a long term without agility.*

Keywords: agility, business strategy, competitiveness

### 1. Overview of literature

Leading change is equal to the management of people. Change management is such an area of the entrepreneurial existence, during which we try to create abilities for the sake of the organization being able to give a more successful response to the environmental changes (Farkas, 2013). Today we can already say that there are no two enterprises that perfectly resemble each other. Every enterprise is different, and therefore every company needs to learn how to cope the best in the more and more intensely changing business environment. Every enterprise has to be

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<sup>1</sup> SUPPORTED THROUGH THE NEW NATIONAL EXCELLENCE PROGRAM OF THE MINISTRY OF HUMAN CAPACITIES

able to master the adequate handling of changes, and in order to do that it is imperative for the companies to become aware of these changes. Certain companies are unable to give competent responses, unable to prevent certain events and unable to make the right strategic decisions. As a consequence, these enterprises have to cease their operation and pass the market opportunity to companies that made the right decisions in the same situations and did so at the right time.

The competitiveness of the organizations can highly depend on how well they are able to detect the changes occurring in their environment and how fast they are able to give adequate answers to them. The competitiveness of firms (CPF) is greatly dependant on two basic factors, on namely the changing practices of the organizations and their endeavour to change on one hand, and on their business agility, which represents the flexibility and quickness of the organizations.

$$f(\text{CPF}) = X(\text{will to act, agility})$$

I make the assumption that those enterprises that are more receptive to changes, run a determined management process and make the adequate decisions faster are the ones that can show up detectably better business results. In order to prove this I turned to the results of a domestic research. The name of the research is SzeVA, or Basis for Organizational Competitiveness, which was a country-wide survey among Hungarian enterprises. The first part of the study briefly introduces the definitions of the organizational will to act and business agility, while in the second part the primary research results will be presented.

## **2. Interpretation of the organizational will to act**

Leading change includes the task of making the enterprise motivated, prepared and willing to act for the longest possible period of time. When a change occurs in the environment of a company, many organizations don't always know what the right solution and action would be. This is partially the management's fault, but the responsibility of the organizational culture mustn't be ignored either. The success of the change strongly rests on how much the stakeholders supported it and how much they were able to identify with it. The will to act might be lower at companies that failed to understand the importance of changing, or for some reason could not commit to it. However, this is not the only explanation why it can be low. Our earlier successes and results can make us prone to become comfortable, and in such a situation it must be harder to re-mobilise the organization. All in all, the will to act is an essential organizational competence for the enterprise to be able to continuously carry out more and more, smaller and larger changes. One thing is for sure though. We mustn't ever stop, because the business environment of the 21<sup>st</sup> century is not about slowing down, but on the contrary, it is about the accelerated processes and changes, thus no companies can afford to disregard the monitoring and management of the changes. The will to act might have a positive impact on several entrepreneurial processes that could later strengthen competitiveness as well.

**Figure 1: Appearances of the will to act in the behaviour of the organization’s stakeholders**

<i>Beneficial effects of the will to act:</i>	Creativity
	Innovation
	New ideas
	Initiatives
	Low level of resistance
	Motivation and hunger for success
	Constant endeavour to develop
	Sense of urgency

*Source: own compilation*

In his book ‘Our iceberg is melting’ John Kotter made an interesting observation about the importance of changes: if you handle the challenges of the changes well, you will take big steps forward. If you manage them poorly, you are going to put both yourself and others at risk (Kotter, 2007).

Behind the handling and management of changes lies the endeavour to constantly get into a more favourable situation or reach better results. In each and every case the main driver of the economic activity is quality improvement, and both the inner and outer environment is capable of influencing this activity. On this basis, we have to adopt such an approach that always makes us try to achieve the best possible results in this rapidly changing turbulent environment, since that gives meaning to every economic action or initiative.

**The will to act is an aspiration, in which there is a constant and unshakeable need for reaching better results and for avoiding bad economic outcomes. It can be considered as some kind of inner driving force, a motivational and stimulating tool that encourages the stakeholders of the organization to regularly look for the opportunities for positive changes, regardless of the area involved.** The will to act can be formed from inner and outer sources too. The former develops on its own inside the people in question, whereas in the latter case the management tries to keep the level of individual readiness high through various means.

When the will to act disappears from the stakeholders of the organization and from the organization itself as well, the people will not be motivated that much anymore and they will be less willing to make more efforts for the sake of achieving further successes. If that happens, every development program and management decision will be more difficult to execute, since the stakeholders will be less enthusiastic about the new vision for change. On the other hand, one of the biggest tasks of the management during its job is to keep the organizational will to act at a high level, because as a consequence the organization’s initiative and inclusiveness towards the future-oriented and pro-competitiveness measures will be improved.

According to several experts it is the will to act that is able to give a boost to the development of the organization. Nick Bloom and John van Reenen claimed that in the long term

this is one of the most determining organizational characteristics. If the organization gets rusty and therefore it will be less active, less initiating and it won't be excessively sensitive to its environment, then the results will be expected to fall persistently. According to another expert, John Kotter, the will to act is crucial not just in certain type of organizations. Its absence and its consequences are detectable in the life of successful and unsuccessful people, companies and governments as well, and they can equally undermine the effectiveness of factories, offices and countries. There are always emotions behind the real will to act: a certain kind of determination to take action and to win. We can be as talented and prepared as possible, but we can still get into serious trouble if we are not vigilant and if we don't treat our jobs to be vitally important. However, if we do, then we might be able to get over even the most frightening obstacles and reach such goals that we could not wish for anything better either for ourselves, for our employers or for our country (Kotter, 2009).

The will to act as an organizational cultural feature and as an inner driving force can be connected to an ability typical to the organizations, namely the business agility. When the will to act is high in the stakeholders, the organization will be able to make much more flexible and faster changes. This is essential in today's quickly changing world, and at the same time it is also a competitiveness-shaping factor.

### **3. Interpretation of business agility**

In the opinion of Conrad Lorenz development is nothing but the sum of the endeavours of all of us that aims to constantly improve our life conditions. We must want the development and the better results, and for that we must take the necessary steps, we must act and we must make changes. The adequate action can only take place in such an environment that supports changes. An enterprise needs to be so built that makes it receptive to changes, develop an adequate organizational culture, the people shall be committed to the company and to the changes, they shall not feel uncertainty and fear, and they shall support the leaders in the strategy of changes. Nevertheless, this alone still cannot be enough. The individuals' behaviour, attitude and commitment towards changes and the continuous development must come together under the auspices of the organization, so the ability typical only of the organization – that we call business agility – could evolve. Agility is a skill that is capable of both creating new things and responding to changes. Today renewal and quick reaction together provide a competitive advantage on the global markets. Business agility can most commonly be expressed as the sum of two organizational characteristics.

**Business agility = flexibility + quickness**

The agile organization is open to changes and it is looking for the opportunities for development and renewal. It has an incredibly flexible organizational culture and it is not innovation averse. Searching for opportunities is part of its organizational philosophy. Agility means both fast and accurate adaptation to needs. Companies with such an approach are constantly looking for the source of how they could establish more and more competitive advantages for themselves, because they know that their environment is riddled with continuous changes. The agile management philosophy does not focus solely on the customers, but instead it tries to take every possible factor that could affect the organization's success into consideration.

The agile enterprise detects the environmental changes and responds to them efficiently and effectively. It doesn't matter whether these changes represent a threat or an opportunity, the capacities react fast and it becomes clear if the company can cope with the change or it will sink in it (Exalead, 2010). The results of business agility turn to be truly important mainly in competitive situations. It is not enough that several changes happen in the natural and social environment of the enterprises, as within these the behaviour of the competitors needs to get more emphasis than anything else. By lifting agility and the will to act to a higher level the enterprises can faster acquire the factors that could provide them with a competitive edge or maintain the competitive edge on a long term. You have to be faster than your competitor – maybe this is one of the most basic rules on the markets generating a more and more intense competition. It is not merely a side issue when an enterprise can recognise the market opportunities, when it detects the changed environmental conditions, when it can adapt and respond to them, how it can monitor the changes of the consumer and market trends, or how it even might be able to shape them. These are only a few of the questions that can be raised during the operation of an enterprise, but not everyone is capable of giving the most effective answer at all. However, the companies with business agility are still trying to lead the way in this, and hence they seek to orientate their specific philosophy and organizational culture towards quickness, dynamism and volatility.

#### **4. Material and methods (the sample)**

The research called 'Basis for Organizational Competitiveness' set the objective of analysing the activity of the enterprises and the cornerstones of their success through a longer period of time. In this regard, it pays a special attention to fields like quality of the management or the identification of change management. The research wished to involve enterprises from the entire country in the data collection process, which has been accomplished. The questionnaires were sent out both in paper form and online. The questionnaire contained sixteen complex questions, which covered the characteristics of the companies, the trends in their business results, the quality of leadership and their habits of making changes. Among the questions there were rating scales, closed questions and ranking lists as well. In each case I asked the highest executives or their direct deputies to fill the questionnaires in order to receive broader information about their management practices. Hereinafter those results will be introduced that can be related to the organizational will to act or business agility. Three quarters of the sample consisted of LTDs, while the PLCs had the second highest share of participating in the survey. Of the business organizations without legal personality, the general partnerships (GP) and the public service corporations (PSC) only occurred in the sample occasionally. On the basis of the number of workers employed it was found that half of the enterprises filling the questionnaire had 10 or less employees. Companies with no employees whatsoever had the smallest percentage within the sample. Nearly 10% of the companies participating in the survey employ more than 250 people, so on the basis of the number of employees we can definitely find large corporations too in the sample. On top of that the annual net sales revenues need to be checked as well, which also produced an interesting outcome. Slightly less than half of the companies participating in the survey yielded a sales revenue higher than 50,000,000 HUF (160,000 Euros).

By almost 21% of them this figure goes over 500,000,000 HUF (1,600,000 Euros), which indicates that these companies must be major actors of the industry they operate in, and therefore we managed to reach out to companies that have serious business experiences. During the

characteristics analysis of the enterprises it also has to be addressed which regions the companies are conducting business activities in. Most of the enterprises in the sample mentioned three regions, among which not surprisingly we can find Budapest and Central Hungary as well. Furthermore, many companies marked the region of Northern Hungary too, while in the case of the other regions a roughly consistent responsiveness could be experienced. One of the questions of the form was looking for the answer to which sectors the enterprises are conducting business activities in. In this connection – according to the respondents’ replies – trade is distinguished from the other activities, followed by the construction sector on the second and the industry on the third place. The smallest number of answers came from the enterprises operating in the fields of human health and social work activities, as only three of them chose this option. One-third of the companies have foreign relations (e.g. export).

### 5. Research results

The data concerning with the above corporate characteristic reveals that the majority of the enterprises came from the sector of small and medium-sized enterprises (SMSs), although there are also larger corporations in the sample. The smaller enterprises are the ones considered to carry a significant growth potential, since due to their sizes they are able to implement changes easier than the large companies. One of the questions of the questionnaire form asked how typical flexibility, quickness and volatility were of the operation of the organization. These are the very characteristics of the business agility. We could only talk about truly agile organizations if all these were completely typical of the companies, but it was far from being confirmed by the enterprises involved in the survey. Only 26% of them claimed that quickness, flexibility and volatility were utterly typical of their operation.

**Table 1: Are the characteristics of the business agility typical?**

not typical at all	2,7%
rather not typical	17,6%
rather typical	50,8%
completely typical	26,0%
cannot assess	3,0%

*Source: own compilation*

The opinion and consideration regarding the crisis tells a lot about the enterprises’ relation to making changes. The company that treats the crisis as an opportunity will look for solutions with completely different means and approach (active, initiative, constructive strategy). In case the crisis does indeed present opportunities, then they can be intended to restructure certain processes, develop certain functions or to modernise previous methods, etc. As a matter of fact, these are not only able to help recovering from the crisis, but also acquiring better positions in the future. The attitude shows substantial differences among the certain enterprises, and the attitude is said to be like a price tag. It shows the true value. Just think about how we carry a task out if we consider it to be a problem, constraint or danger, and how we approach the solution if we can see an opportunity, challenge or even development in it too.

Only 19% of the companies participating in the survey fully deem the crisis situations opportunities, which is only one-fifth of the approached companies. According to 42% of them

the crisis could bring smaller or larger opportunities, but this alone is not enough to put these enterprises to the first category. These companies try to manage the crisis well too, and they claim to have become increasingly better in crisis management and risk management based on the lessons learnt during the recent years. The research pointed out that in terms of environmental analysis the companies had made a notable progress, but on the other hand still only a small percentage of them consider the crisis to be a business opportunity.

**Table 2: Is considering the crisis as an opportunity typical?**

not typical at all	6,2%
rather not typical	25,6%
rather typical	42,9%
completely typical	19,0%
cannot assess	6,4%

*Source: own compilation*

However, the above conclusion and result was not surprising to me. The economic crisis in 2008 forced the companies to pay attention to their environment more intensely. Nonetheless, this does not mean that everybody has turned to be a professional in handling the crisis. For one thing, the more intense attention has strongly been reduced to monitoring the needs of consumers, clients, customers. On the other hand the will to act has not been raised either to a certain level that would allow us to honestly talk about the masters of organizational changes in the case of the enterprises taking part in the survey.

The will to act is well demonstrated in how often the companies develop their operation. One would have thought that developments only have to be initiated when some sort of factor, like the market conditions for example, demands so. Actually, we can find areas at every enterprise that could be improved – even just a little bit. The endeavour for development is apparent in how successfully an enterprise can find the processes to improve on a daily basis. It doesn't always have to be radical changes. Many times the smaller, tiny development activities can also have a constructive impact. The key to the continuous endeavour for development lies in what the company does day by day in order to make its operation much more effective and its competitiveness much stronger.

The will to act of the companies participating in the survey and their commitment towards development is well reflected in tables 3 and 4. Only a small percentage of the contacted enterprises found the regular development of processes to be a daily pursuit. These developments do not necessarily mean a restructuring from the basics, as they often implement only tiny incremental changes. These steps can be considered as such fine tuning that envisages the given operation's improvement and the enhancement of its efficiency. Still, it can be established that these steps are at least as important as creating a completely new basis for the operational processes (in other words BPR or business process reengineering).

The fact how much opposition the enterprises have to face during the execution of an action plan to change says a lot too about the change-oriented organizational culture and organizational will to act.

**Table 3: Is the continuous organizational development typical in the life of the company?**

not typical at all	13,2%
rather not typical	33,7%
rather typical	37,0%
completely typical	13,3%
cannot assess	2,8%

Source: own compilation

**Table 4: Is the continuous, day-to-day development typical?**

not typical at all	13,1%
rather not typical	32,6%
rather typical	37,1%
completely typical	14,6%
cannot assess	2,6%

Source: own compilation

The success of a change highly depends on how much support it gets from the stakeholders of the organization. Generally, where the will to act is high in the stakeholders and thus in the organization as well, the resistance against the changes is typically lower. Table 5 shows that the low level of resistance was only typical of one-fifth of the companies participating in the survey, while 41% of them experienced smaller or higher opposition. This means that during the implementation of changes these enterprises also have to convince the stakeholders of the importance of making the changes. It requires a commitment of time, whereas at the same time the truly agile companies put certain strategic decisions into practice faster.

**Table 5: Is low resistance typical during the changes?**

not typical at all	8,6%
rather not typical	20,6%
rather typical	41,7%
completely typical	22,0%
cannot assess	7,0%

Source: own compilation

The companies also have a considerable development potential from the aspect of how quickly they can recognise the fields to be developed. Although the research inevitably revealed that the strategic management approach of the companies had improved a lot, it is still not high level yet. Table 6 illustrates this perfectly. One-fifth of the companies involved in the survey can recognise the areas in time that need development the most, while the other enterprises lag behind them to varying degrees. The Hungarian enterprises could really be praised only if the majority of the sample had highlighted the answer ‘completely typical’. This would also mean that the commitment and endeavour of the companies towards development is at the top level. However, the sample supported this assertion only to a limited extent.

**Table 6: Is it typical to identify the fields in time that need development the most?**

not typical at all	2,8%
rather not typical	12,3%
rather typical	57,6%
completely typical	24,3%
cannot assess	3,0%

*Source: own compilation*

The will to act is such an organizational feature that is prone to downturns from time to time. The enthusiasm, the endeavour for development, the motivation and the sense of initiative can often wane within the organization from various reasons. This is when the management has to step up and reach to solutions, with the help of which they will be able to maintain the organization's will to act on a long term. It has been shown in the previous chapter that the organizational will to act is heavily related to the business successes and competitiveness of the company. Maintaining this will to act is not a simple managerial task, which requires quite strong people-orientation and responsible management. The research pointed out that the management of the companies still have plenty of developments to do on this field as well. It is completely typical only 24% of the contacted firms that they pay maximum attention to and endeavour for maintaining the organizations' will to act. The enterprises that are the most agile and most susceptible to environmental changes will emerge from this group.

**Table 7: Is it typical that the management does its utmost to maintain motivation and the will to act?**

not typical at all	5,0%
rather not typical	21,1%
rather typical	45,1%
completely typical	24,2%
cannot assess	4,6%

*Source: own compilation*

The will to act as a feeling will only truly evolve in the stakeholders, if they see their role and work at the organization as urgently needed. Those colleagues will be inclined to do additional work, who can identify with the organizational objectives and with the management's visions, and who can believe in the mutual interests and goals.

The will to act is stronger within an organization if the collectivist way of thinking is typical of the stakeholders. Not just the personal interests, but the development of the community and the organization is also important to everybody, and they are fully aware that better results can be accomplished through cooperation. Where the colleagues are able to think of the organization like this and they are able to treat it as their own community, the will to act, the efficient problem solving and motivation appear much more intensely. Roughly one-fifth of the companies engaged in the survey confirmed that at their firm a conscious executive intervention is taking place for the sake of maintaining the will to act. This also tells a lot about the companies' relationship with changing and about the change-oriented organizational culture and leadership (leading change).

**Table 8: Is it typical of the company that everybody considers their own job important and urgent?**

not typical at all	4,0%
rather not typical	19,5%
rather typical	48,0%
completely typical	22,8%
cannot assess	5,8%

Source: own compilation

The following table is connected to the results of the previous table. According to Table 9 the majority of the executives are less responding to the state of the organizational culture. This could be a basic problem for the future. It is completely typical of less than 20% of the contacted companies. We had similar figures by the earlier tables as well, so the range of the companies where change management or leading change is more detectable (about 20% of the companies) is roughly taking shape. On the other hand we mustn't disregard the organizational culture. The culture of the firm is a critical point for the sake of the realisation of changes. If the organizational culture is not supporting, then it is going to be harder to implement any kind of strategic decisions. The change-oriented organizational culture must be created, and at all times it needs to be monitored, formed and developed.

**Table 9: Is it typical that the management monitors and shapes the organizational culture?**

not typical at all	6,3%
rather not typical	22,1%
rather typical	46,7%
completely typical	17,3%
cannot assess	7,7%

Source: own compilation

The most convincing characteristic of the change-oriented organizational culture, the business agility and the will to act is how the new tasks, challenges and unexpected situations are liked at the company. If the enterprise and its stakeholders are not receptive to this, the opposition against changes will most likely be stronger, the company will react slower, and the endeavour for development and the innovation performance will be less decisive. It is typical of barely one-fifth of the companies participating in the survey that they are interested in new things and tasks and they love new challenges. In order to be able to talk about high endeavour for development in terms of certain enterprises, there is a strong presumption that a company like that is keen to turn towards innovation and take the risk and uncertainty in that regard, since without that it would lose the real entrepreneurial attitude. The enterprise is such an actor of the economy that is not just occupied by the continuous adherences, but sometimes it can also influence the market. This influence means that the company is able to create the change of the market structure, appear with new products and services and satisfy the consumer needs at a much higher level than before, so in other words it is capable of altering the environmental conditionality. Sooner or later every enterprise should be able to carry out radical changes too. Of the enterprises taking part in the survey barely 20% were positive about the new tasks and challenges. Generally, the

endeavour for development is high at companies that are happy to turn towards innovation, keen to step on the path of renewal and are not change averse, even if the changes come with uncertainty and risks. The will to act has to be at such a high level within the companies that seeking new opportunities and the realization of new challenges are constantly on the agenda. From this point of view the companies involved in the survey can be characterised with a high will to act only to a lesser degree.

**Table 10: Is it typical of the company that it likes new tasks and challenges?**

not typical at all	5,7%
rather not typical	26,7%
rather typical	41,9%
completely typical	18,9%
cannot assess	6,8%

*Source: own compilation*

The innovation and developmental activities of the companies also tell a lot about their endeavour for development. 43.4% of the contacted companies spend 3% or less of their sales revenues on developments. There is an additional 17.4% that could not assess the proportion of this. The fact that the enterprises spend very little on trainings is even sadder. 64.2% of the contacted 1,050 enterprises spend only 3% of their annual turnover, less than that or none at all on financing trainings. The crucial question in this case is from which source these enterprises will be able to provide the missing competencies as time progresses, and in what form they wish to provide a competitive advantage for themselves during the upcoming periods of time. If the developmental expenditures are low, it does not necessarily mean the lack of endeavour for development. However, sooner or later the companies will have no other choice but to finance these expenditures and investments, if they wish to keep pace with the needs and changes of our altered and accelerated era.

## 6. Summary

This study has been written in connection with the research project SzeVA<sup>2</sup>, and examines a few of its research issues. It is imperative for strengthening the competitiveness of the organizations that the organization itself becomes sensitive to its environment more than ever before, but keeping an eye on the internal factors is equally important as well. In my opinion those companies will be truly successful in the future that will have a specific organizational philosophy and corporate culture. This includes the above mentioned business agility, the maintenance of the high level of the will to act, the enthusiastic and motivated employees, the adequate and common strategy, vision and mission, the innovation potential, the low level of opposition, the collectivistic way of thinking, the endeavour for creating values, taking account of the mutual interests, the commitment and identification, the team work, the cooperation, the motivation and enthusiasm, etc. These are such expressions and features that evolve on their own within an organization only in a very small percentage. The management needs to act and work for them too and therefore the people-orientation and the quality of the management will have a

<sup>2</sup> SzeVA: Basis for Organizational Competitiveness, a country-wide research project among the Hungarian enterprises

huge significance in creating the above characteristics. The organization that supports changes for real is not a dream; it can be created at any organization, we just have to appropriately pick and choose the necessary means and conditions and we need to know how to make the right decisions. Business agility is an important quality of an enterprise, namely that it is capable of fast and flexible reactions and it is able to make amendments should there be any kind of environmental change. Agility presupposes and requires the will to act, since we mustn't forget that the human behaviour, actions and attitude are the key moments in every change. Where there is no will to act, no endeavour for development, no demand for a change or where there is a resistance against these, the business model will never be agile. The organizational competitiveness is exactly about who can acquire faster or maintain on a long term a special ability, which provides a competitive edge on the business markets in comparison with the competitors. It does make a difference when we make our decisions, and the quality of these decisions is not irrelevant either.

The SzeVA research program evaluated several areas with regard to the management and operation of the enterprises. In this study I have aimed at presenting the availability of the will to act and the agility. The above research results and the data of the tables represent clearly that barely 20% of the 1,050 enterprises within the sample own such characteristics, on the basis of which they could be considered as organizations willing to act or as agile companies. To almost all the questions one-fifth of the sample chose the answer 'completely typical', whereas this answer should have been highlighted at a much higher rate so that the companies of the sample could be called agile. The outcome can also be deemed interesting for the reason that the greater part of the enterprises involved in the research came from the SME sector, and these firms could be more flexible and volatile due to their sizes, given that they are not bound and hindered by a larger organizational structure. I have made the assumption that those enterprises that are more receptive to changes, run a conscious change management process and make the adequate decisions faster are the ones that achieved detectably better business results. This has been confirmed by the research, because those companies that replied 'completely typical' to the majority of the above questions can also report that their competitiveness has been improved in a complete or rather typical scale as well.

On the other hand, it needs to be underlined that competitiveness has been unequivocally enhanced only according to 8.3% of all the enterprises in the sample, which is lagging behind the above cited 20%. Nevertheless, even the enterprises participating in the survey did not dispute that there will be an ever increasing need for change management, as it is reflected by the intensity of the competition or the state of the business environment too. The competition becoming more intense is completely typical in a business environment according to 38.5% of the contacted companies, while 16.2% of them said it is rather typical. Most of the contacted companies claimed that it is rather the outer environment that has an influence on the enterprises' results, so it would be worth placing a greater emphasis on the effective management of the changes from this perspective as well.

**Table 11: Which factors have got the bigger impact on the operation and success of the company?**

entirely the outer environmental factors	16,0%
rather the outer environmental factors	46,2%
rather the inner conditions and qualities	20,9%
entirely the inner conditions and qualities	5,6%
I cannot decide accurately	11,3%

*Source: own compilation*

The state of the business environment is described by its complexity and diversity. The surveyed enterprises considered both to be quite typical, since in the opinion of 69% of the respondents the business environment has turned to be more complex to a greater or lesser extent, while 70% of them said that even its volatility has accelerated. Considering these conditions it might be important to develop agility as a skill at every organization, for which the work has to be started at the people and the organizational culture first, and the will to act also has to be positioned to a high level. The change-oriented business culture is not created immediately and automatically. It requires a committed, change and development-oriented leadership and a people-centred management. As Kotter asserted, by lifting the will to act to a high level unprecedented results could be achieved. Every enterprise, executive officer, manager and owner decides how to take these opportunities and what they can get out of their people, colleagues and enterprises.

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