

## Chapter 12

# Strategic Vision on the Chain of Decision in Modern Competitive Scenarios: A Case Study in Material Planning in a Public Company

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### ABSTRACT

*Organizations, to achieve their strategic targets, are frequently making decisions facing modern competitive scenarios. The increment of the transparency requirements in the transactions executed is one of the factors that explain the interest in the process modeling, since it can act as a control instrument because it allows one to constantly review the base of the structure and point out problems and failures which will be reflected in chain by the other instruments used by the organizations. The literature review and the experience in the industry of productive processes shows the need to apply better management models to remain in the competitive edge of business, modeling orientation focused on the activities of each area with interfaces involved in the all productive processes. The proposal of this model is to establish the interfaces and dialogues with interaction and participation of the production areas: quality control, regulatory policies, and industrial engineering advisory to contribute technically with information to subsidize the better elaboration of the master production plan.*

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## **BACKGROUND**

To achieve their strategic goals, organizations are constantly making decisions, which makes this process crucial for their growth and empowerment. Therefore, organizations need information that supports decision making at all hierarchical levels. There will be situations where there is more than one alternative for decision-making or, in other cases, only one way to solve them. In this sense, based on the information gathered, we will have to decide for one or even none (FERREIRA, 2010).

According to Freitas (2002) and Kladis (1995), the organization is perceived as a constantly changing system, where the company's activities, at all hierarchical levels, are essentially decision-making and problem-solving activities. Decision making is such an importance that it becomes quite clear and perceived, empirically, in any organizational analysis. This relationship is so close that it is impossible and unlikely to think about the organization without considering the constant occurrence of the decision-making process (FREITAS; CAROLA, 2002; KLADIS, 1995).

According to Huang (2015) and Porter (2008), to develop a clear strategy, leadership, generally, has a fundamental role that goes far beyond administering individual functions. Essence is the strategy where the leader must provide the discipline for the decisions regarding the changes while avoiding the organizational dispersion and guarantees the differentiation (HUANG et al., 2015; PORTER, 2008).

Management systems, such as Business Intelligence (BI), use data available in organizations to make information relevant to decision making available. They can combine a set of questioning and data exploration tools with instruments that allow the generation of reports, thus producing information that can later be used by the organizations' management, in support of decision making (SANTOS; RAMOS, 2006).

As an example of BI is the data warehouse which is a special data repository bank prepared to support decision-making applications, where applications which range from simple generations of reports or queries to complex optimizations; online analytical processing that allows users to analyze different data dimensions, such as a time series and trend analysis; and automated decision systems, which are rule-based systems that typically provide a solution in a functional area (such as finance or production) to a specific and repetitive management problem common to a business sector (TURBAN, SHARDA, ARONSON, KING, 2009).

The need to use more specific, up-to-date and reliable information in planning and management activities also allows the use of more structured techniques for treatment, analysis and use in the decision-making process. The technique in question is Multicriteria Decision Support (AMD), or to Multicriteria Analysis, a tool that can be very useful since the decisions need to be guided by objective and transparent technical criteria and to incorporate the judgments of a political and subjective nature of the managers (JANNUZZI, MIRANDA, SILVA, 2009; LEE, EZEKIEL, 2013).

According to Vital, Floriani and Varvakis (2010), information management requires the establishment of processes, systematized, organized and structured steps from responsible managers with, one of the essential functions of information flows, is to provide managers with essential subsidies decision-making process.

The increase of the transparency requirements in the transactions executed by the organizations is one of the factors that explains the interest in the process modeling. In this context, process modeling can act as a control tool that allows for constant revision of the structure base and points out problems and failures that will be reflected in chain by the other instruments used, modeling records tasks, information flows, controls, people allocation and costs, as well as problems (BALDAM et al., 2007).

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