

New management application systems using in the small and medium enterprises in light of social change

"Concepts and applications"

استخدام أنظمة تطبيقات الادارة الجديدة في الشركات المتوسطة والصغيرة على ضوء التغير الاجتماعي

" مفاهيم وتطبيقات "

Fatma Benabed¹, Boualem Messaoudi

Social Sciences faculty, University of Laghouat, Algeria, *f.benabed.vac@lagh-univ.dz*

Economics faculty, University of Laghouat, Algeria, *messaoudmessaoud928@gmail.com*

3/14/2026Received:

Accepted: 4/4/2026

Published: 4/23/2026

Abstract: For over a decade, corporate governance has held a significant position on the policy agenda of developed market economies, and it is steadily gaining prominence as a priority across the African continent. The Asian financial crisis, coupled with the relatively weak performance of the corporate sector in Sub-Saharan Africa, has turned corporate governance into a key concept in development discussions (Berglof and von Thadden, 1999). Developing nations, including Algeria, are increasingly adopting the principles of sound corporate governance due to its potential to foster sustainable growth.

Effective governance fosters investor confidence and goodwill. Companies are now enhancing their corporate governance practices, recognizing that such improvements can lead to higher valuations and stronger financial performance. Corporate governance is understood as the system and framework used to direct and oversee a company's operations, with the aim of promoting business success and ensuring corporate accountability. Its ultimate goal is to achieve long-term shareholder value while also considering the interests of other stakeholders. According to Claessens et al. (2002), stronger corporate governance systems provide firms with advantages such as improved access to financing, reduced cost of capital, enhanced performance, and more equitable treatment of all stakeholders.

Another important aspect is stakeholder theory and its relevance to corporate governance. This leads to the final question: should all stakeholders be represented on a firm's board to ensure effective governance? This study also examines whether such an approach is feasible and meaningful for small and medium-sized enterprises (SMEs). *The key words: Corporate management- New management application systems; - small and medium enterprises, AI and Management.*

¹ - *Fatma Benabed, f.benabed.vac@lagh-univ.dz*

Jel Codes Classification : M1, M2

ملخص: أخذت حوكمة المؤسسات والتي تعتبر كنظام اداري جديد في الوقت الحالي اهتماما بالغا "في العقدين الماضيين" في جميع دول العالم خصوصا تلك التي تتبع نظام اقتصاد السوق، وقد أخذت حيز كبير من الاهتمام في السياسات الاقتصادية في دول القارة الأفريقية التي تشهد دولها نموا اقتصاديا معتبرا عبر الزمن. كما كان للأزمة الاقتصادية الآسيوية وكذا ضعف الأداء النسبي لقطاع الشركات في أفريقيا وبالأخص جنوب الصحراء الكبرى، الدور البارز في جعل حوكمة المؤسسات في صلب النقاش حول التنمية الاقتصادية (Berglof and von Thadden, 1999). كما أن البلدان النامية، ومنها الجزائر ليست استثناء بحيث تهتم على نحو متزايد بمفهوم الحوكمة الجيدة للمؤسسات، وذلك لما لهذه الأخيرة من قوة التأثير إيجابيا على التنمية المستدامة. ان الحوكمة والتي تعني "الحكم الرشيد" من أهدافها أنها تعمل على تقوية النوايا الحسنة والتي تعزز من ثقة المستثمر وكذا المؤسسات التي تسعى الى تحسين ممارسات الحوكمة. تعتبر حوكمة المؤسسات بأنها عملية ذات مبادئ خاصة تستخدم لتوجيه وإدارة الشؤون التجارية للمؤسسة نحو تعزيز أداء الأعمال والمساءلة مع الهدف النهائي المتمثل في تحقيق القيمة للمساهمين على المدى الطويل، بينما يأخذ في الاعتبار مصلحة أصحاب المصلحة الآخرين. (Claessens وآخرون (2002). كما تعمل الحوكمة على الحفاظ على أن الأطر المؤسسية في أفضل حال وذلك من خلال زيادة فرص الحصول على التمويل، وانخفاض تكلفة رأس المال، وتحسين الأداء ومعاملة أفضل مع جميع أصحاب المصلحة. وفي هذه الورقة البحثية أردنا دراسة موضوع الحوكمة في المؤسسات الصغيرة والمتوسطة لما لهذه الأخيرة من أهمية كبيرة في الدفع بعجلة التنمية الاقتصادية على أساس مستدام، وكذا تعزيز قدرة هذه المؤسسات على مسايرة التغيرات الاقتصادية سواء على المستوى المحلي أو الدولي.

- **الكلمات المفتاحية:** إدارة أعمال الشركات؛ - الأنظمة الادارية الجديدة؛ - المؤسسات الصغيرة والمتوسطة؛ - الذكاء الاصطناعي والمناجمت.

التصنيف: JEL، M1، M2

Introduction:

During this period, all enterprises are seeking to implement institutional corporate governance by applying its principles, such as transparency, credibility, protection of stakeholder rights, protection of manager rights, board of directors' responsibility, and audit roles, among others to enhance performance and increase productive capacity and financial profitability. In this paper we have studied the role of corporate governance on the small and medium enterprises.

Axes of this paper are:

- 1- The framework of corporate governance (definitions and perspectives);
- 2- Small and medium enterprises (important, roles, and cases);
- 3- Role of application of corporate governance on small and medium enterprises;
- 4- Recommendations and conclusion.

1– The framework of corporate governance (definitions and perspectives) :

1-1- Corporate governance definition:

Corporate governance encompasses the structures, processes, and relationships through which corporations are directed and controlled. It establishes the framework for allocating rights and responsibilities among key participants, including the board of directors, management, shareholders, creditors, auditors, regulators, and other stakeholders, while defining the rules and procedures for corporate decision-making.

The concept also involves the methods by which corporate objectives are established and pursued within social, regulatory, and market contexts. Governance mechanisms serve to oversee corporate actions, policies, practices, and decisions, as well as those of their agents and affected stakeholders. These practices are shaped by ongoing efforts to align the diverse interests of stakeholders.

Public attention to corporate governance practices, particularly regarding accountability, intensified following major corporate collapses during 2001–2002, any involving accounting fraud, and again after the 2008 financial crisis. Various corporate scandals have sustained political and public focus on governance regulation. In the United States, high-profile cases such as Enron and MCI Inc. (formerly WorldCom) led to the Sarbanes-Oxley Act of 2002, federal legislation designed to restore confidence in corporate governance. Similarly, significant failures in Australia, including HIH Insurance and One.Tel, contributed to the eventual implementation of the CLERP 9 reforms.¹.

Similar corporate failures in other countries stimulated increased regulatory interest (e.g., Parmalat in Italy).

1–2– Principles of corporate governance:

Modern conversations about corporate governance frequently reference principles established in three key documents published after 1990: the Cadbury Report (UK, 1992), the OECD Principles of Corporate Governance (1999, 2004, and 2015), and the Sarbanes-Oxley Act of 2002 (US, 2002). The Cadbury Report and the documents from the Organisation for Economic Co-operation and Development (OECD) outline broad standards that companies should follow to ensure sound governance. In contrast, the Sarbanes-Oxley Act, often called Sarbox or Sox, represents a U.S. federal initiative to codify several recommendations found in those earlier reports.

- Rights and Equitable Treatment of Shareholders:

Companies are expected to uphold shareholder rights and support their ability to exercise those rights. This can be achieved by sharing information openly and effectively and by promoting shareholder engagement in general meetings.².

- **Interests of other stakeholders:**

It is essential for organizations to acknowledge their legal, contractual, social, and market-driven responsibilities toward stakeholders beyond shareholders, such as

¹ - Lee, Janet & Shailer, Greg. The Effect of Board-Related Reforms on Investors Confidence. Australian Accounting Review, 18(45) 2008: 123-134.

² - Cadbury, Adrian, Report of the Committee on the Financial service Aspects of Corporate Governance, Gee, London, December, 1992, Sections 3.4.

employees, investors, creditors, suppliers, local communities, customers, and policymakers¹.

- **Role and responsibilities of the board:**

The board must possess sufficient relevant skills and insight to effectively oversee and evaluate management's performance. Additionally, it should be of an appropriate size, with adequate levels of independence and dedication².

- **Integrity and ethical behavior:**

When selecting corporate officers and board members, integrity must be an essential prerequisite. It is crucial for companies to establish a code of conduct that guides their directors and executives toward ethical and responsible choices³.

- **Disclosure and transparency:**

Organizations should clearly define and publicly disclose the roles and responsibilities of the board and management to ensure accountability to stakeholders. Additionally, they should establish procedures for independently verifying and protecting the accuracy of the company's financial reporting. Disclosure of material issues must be timely and balanced, providing all investors with access to clear and factual information.⁴.

- 1- Small and medium enterprises (important, roles, and cases);
- 2- Small and medium enterprises (important, roles, and cases):

Small and medium-sized enterprises (SMEs) are defined in the EU recommendation 2003/361.

The main factors determining whether an enterprise is an SME are⁵:

1. **staff headcount** and;

¹ - "OECD Principles of Corporate Governance, 2004, Preamble and Article IV" (PDF). *OECD*. Retrieved 2011-07-24.

² - "OECD Principles of Corporate Governance, 2004, Article VI" (PDF). *OECD*. Retrieved 2011-07-24.

³ - Cadbury, Adrian, Report of the Committee on the Financial Aspects of Corporate Governance, Gee, London, December, 1992, Sections 3.2, 3.3, 4.33, 4.51 and 7.4.

⁴ - "OECD Principals of Corporate Governance, 2004, Articles I and V" (PDF). *OECD*. Retrieved 2011-07-24.

⁵ - European commission, growth, entrepreneurship and small and medium- sized enterprises (SMEs), http://ec.europa.eu/index_en.htm.

2. Either **turnover** or **balance sheet total**.

Company category	Staff headcount	Turnover	or	Balance sheet total
Medium-sized	< 250	≤ € 50 m		≤ € 43 m
Small	< 50	≤ € 10 m		≤ € 10 m
Micro	< 10	≤ € 2 m		≤ € 2 m

- The concept of SME does not have a single, universally accepted definition. According to Ward (2005), its meaning varies depending on who is providing the definition and the context in which it is applied. Businesses differ in terms of capital, sales figures, and workforce size. As a result, definitions based on size criteria, such as employee count, revenue, profitability, or net worth may categorize all businesses in one sector as small, while applying the same criteria in another sector could yield entirely different outcomes (Storey, 1994). In a study conducted by the ILO, more than 50 definitions were found across 75 countries, highlighting significant confusion in the terminology. The wide range of criteria used includes workforce size, capital investment, type of ownership or management, production methods, sales volume, number of clients, and energy usage etc. (Potobsky, 1992; Quartey & Kayanula, 2000)¹.

2- CHARACTERISTICS OF SUCCESSFUL SMALL AND MEDIUM-SIZED MANUFACTURING ENTERPRISES²:

The committee conducted interviews with executives from a range of successful small and medium-sized enterprises (SMEs) to pinpoint common traits crucial for their success. These companies, with annual revenues between \$2 million and \$50 million and workforces of 30 to 450 employees, were chosen for their operational viability, loyal customer bases, and promising forecasts for sales and profit growth. Drawing from these discussions and the committee's own expertise, it was determined that thriving SMEs share several key attributes.

¹- David Dzigba, **Corporate Governance Practice among Small and Medium Scale Enterprises (SMEs) in Ghana**; Impact on Access to Credit, Master's Thesis in Business Administration, MBA programme, School of Management, Ghana, February, 2015 p13.

² - **Strategies for small manufacturers**, the national academies press, USA, 2000, p92-98.

- **Evaluation of Customers:**

To a significant extent, successful small and medium-sized enterprises (SMEs) excel in choosing their customers. The executives interviewed had carefully selected their business partners and declined to work with those who viewed them as opponents. Although this strategy might appear drastic for SMEs that have a limited number of clients, cultivating a varied group of loyal and trusting customers can mitigate business risks during economic downturns. According to the SME executives, meticulous assessment and selection of customers ranked among the key factors for achieving success.

- **Reaction to Salient Events:**

SMEs need to pinpoint the key areas of their business to track, establish relevant indicators to gauge progress, and leverage this data to enhance performance. However, since gathering data can be costly, they should focus solely on collecting and analyzing information that directly contributes to improving business operations.

- **Documentation of Business and Manufacturing Processes:**

Documentation is a foundation for quality. The ability to repeat standard, well documented processes without deviations is crucial for long-term success.

- **Use of the Internet:**

The Internet can be an inexpensive way to meet communications requirements. It also provides opportunities for education, new sales channels, and lower cost procurement.

- **Sharing of Information:**

SMEs need to build the capacity to supply precise and reliable data to their supply chain partners. The selection of supply chain integration and management software should be made

with caution. For the most part, such software is overly complex, costly, and time-consuming for SMEs.

3- Role of application of corporate governance on small and medium enterprises:

Corporate governance structures can be understood as systems designed to support organizations in achieving sustainable success for their stakeholders.

According to the Organisation for Economic Co-operation and Development (OECD), corporate governance is defined as: ‘Corporate governance involves a set of relationships between a company’s management, its board, its shareholders and other stakeholders. Corporate governance also provides the structure through which the objectives of the company are set, and the means of attaining those objectives and monitoring performance are determined. Good corporate governance should provide proper incentives for the board and management to pursue objectives that are in the interests of the company and its shareholders and should facilitate effective monitoring’ (OECD 2004).

Given that every organization strives to meet its goals, corporate governance is applicable to businesses of all sizes. However, the objectives and characteristics of the governance framework adopted are likely to differ from one organization to the next.

In large corporations, corporate governance is closely tied to the principal-agent problem, where managers act as agents for shareholders, the principals and owners. The aim is to establish a structure, systems, and controls that incentivize management to act in the shareholders' best interests. Increasingly, governance is also expected to consider the interests of other stakeholders, including employees and suppliers, as well as broader societal concerns such as the responsible management of environmental resources.

In family-owned businesses and SMEs more broadly, the principal-agent problem is less likely to emerge, or at least less likely to be significant. When owners are also managers, the interests of management and ownership are aligned, though these interests may not always reflect those of other stakeholders. For example, in cases where family shareholders are not

involved in day-to-day operations, certain mechanisms may be necessary to safeguard their interests¹.

- General Challenges to Introducing Corporate Governance in SMEs:

Corporate governance structures can be understood as systems designed to support organizations in achieving sustainable success for their stakeholders.

According to the Organisation for Economic Co-operation and Development (OECD), corporate governance is defined as: ‘Corporate governance involves a set of relationships between a company’s management, its board, its shareholders and other stakeholders. Corporate governance also provides the structure through which the objectives of the company are set, and the means of attaining those objectives and monitoring performance are determined. Good corporate governance should provide proper incentives for the board and management to pursue objectives that are in the interests of the company and its shareholders and should facilitate effective monitoring’ (OECD 2004).

Given that every organization strives to meet its goals, corporate governance is applicable to businesses of all sizes. However, the objectives and characteristics of the governance framework adopted are likely to differ from one organization to the next.

In large corporations, corporate governance is closely tied to the principal-agent problem, where managers act as agents for shareholders, the principals and owners. The aim is to establish a structure, systems, and controls that incentivize management to act in the shareholders' best interests. Increasingly, governance is also expected to consider the interests of other stakeholders, including employees and suppliers, as well as broader societal concerns such as the responsible management of environmental resources.

In family-owned businesses and SMEs more broadly, the principal-agent problem is less likely to emerge, or at least less likely to be significant. When owners are also managers, the interests of management and ownership are aligned, though these interests may not always reflect those of other stakeholders. For example, in cases where family shareholders are not

¹ - **Governance for all: the implementation challenge for SMEs**, EA-GOVERNANCE-FOR-ALL, think ahead ACCA (the Association of Chartered Certified Accountants, The Association of Chartered Certified Accountants June 2015, p04.

involved in day-to-day operations, certain mechanisms may be necessary to safeguard their interests.

Figure 01: Top systems based on key business needs

Software Category	Top Options	Primary Use Case	Key Strengths for SMEs	Sample Starting Price (per user/month)
All-in-One Business Platforms	Rework, Zoho One, Flowlu	Centralizing operations, CRM, projects, and HR in a single system	Consolidates functions, reduces cost of multiple tools, unified data	Zoho One starts ~\$45/user
Work & Project Management	Monday.com, ClickUp, Asana	Managing projects, tasks, and team collaboration	High customization, automation, visual workflows	Monday.com from \$9/user
Financial Management	QuickBooks, FreshBooks, Xero	Accounting, invoicing, expense tracking, payroll	Industry standard, strong reporting, and tax features	QuickBooks Simple Start at \$19
CRM & Sales	HubSpot, Capsule CRM, Zoho CRM	Managing customer relationships, sales pipelines, and marketing	Powerful automation for marketing and sales alignment	HubSpot has a free plan; Capsule free for 2 users
Communication & Collaboration	Slack, Microsoft Teams	Team messaging, file sharing, and integrated	Extensive app integrations, centralizes communication	Freemium models widely available

		communication		
Industry-Specific & Specialized ERP	NetSuite, Cetec ERP (Manufacturing), Simpro (Service)	Managing complex industry-specific operations (manufacturing, services)	Deep functionality for specific verticals like production or field service	Cetec ERP: ~\$40/user

Source:

https://www.google.com/url?sa=t&source=web&rct=j&opi=89978449&url=https://www.researchgate.net/publication/392235367_Small-Medium_Business_Enterprise_Management_Application&ved=2ahUKEwjUssrhhe-RAxV18gIHHZqoIQkQFnoECBcQAQ&usg=AOvVaw0MtyO2eGLP8nVNnxwlfM6h

4- How to Choose the Right System for Your SME:

Selecting the right software is crucial. Consider these criteria used by successful SMEs:

a- Identify Core Pain Points: Start with what slows you down most—be it project tracking, customer follow-ups, or financial reporting.

b- Prioritize Usability and Speed: Choose intuitive tools that require minimal training. Implementation speed is critical for SMEs who need to see value quickly.

c- Demand Integration Capabilities: Ensure new software connects with your existing tools (like Google Workspace or payment processors) to avoid data silos.

d- Plan for Growth (Scalability): Opt for platforms with tiered pricing that can grow with your business, preventing a costly and disruptive switch later.

e- Leverage Automation and AI: Modern tools use AI to automate repetitive tasks (like data entry or lead scoring) and provide insights, offering capabilities once reserved for large enterprises.

5- Implementation Tips:

A smooth rollout is a key to adoption:

5-1- Start with a Clear Pilot: Choose one team or a single process (like client onboarding) to test the new system.

2- Utilize Free Trials: Most vendors offer free trials or freemium plans. Use them to test if the software fits your workflow before committing.

3- Train and Support Your Team: Dedicate time for basic training. Many platforms offer extensive templates and resources to help you get started quickly.

4- Review and Iterate: Gather feedback after the pilot, adjust workflows, and then plan a broader rollout.

6- When to Consider More Advanced Systems:

As your business grows, you may outgrow basic tools. Consider moving to an integrated "Enterprise Resource Planning (ERP) system" if you face:

6-1- Inability to get a unified view of finances, inventory, and sales.

6-2- Rapid growth into new markets or adding complex product lines.

6-3- Increasing inefficiencies due to data being scattered across many disconnected apps.

Modern cloud ERPs like "NetSuite" or "Cetec ERP" are designed for SMEs, offering scalable solutions without the traditional enterprise complexity and cost.

I hope this overview helps you navigate the landscape of management systems. If you can share more about your industry or the specific business processes you're looking to improve (e.g., project delivery, customer management, financial control), I can offer more tailored suggestions.

7- New management in the light of social change:

7-1- Driving Social Changes:

1. The Rise of the Knowledge & Purpose Economy: Work is less about manual routine and more about creativity, problem-solving, and innovation. Employees seek meaning and impact, not just a paycheck.

2. Digital Transparency & Connectivity: Social media and digital platforms make organizational actions (good and bad) instantly public. There is no hiding. Stakeholders (employees, customers, communities) demand "authenticity, ethics, and social responsibility".

3. Diversity, Equity, and Inclusion (DEI): A fundamental shift from seeing diversity as a compliance issue to recognizing it as a "strategic imperative" for innovation, resilience, and representing a global customer base.

4. Changing Employee Expectations (Gen Z/Millennials): Values have shifted toward "flexibility, well-being, continuous learning, and autonomy". The "9-to-5 at the office" is being challenged by hybrid/remote models.

5. Stakeholder Capitalism: The idea that companies must serve not just shareholders, but "all stakeholders" employees, customers, suppliers, communities, and the planet. This is formalized in frameworks like ESG (Environmental, Social, Governance).

6. Accelerating Pace of Change (VUCA World): Volatility, Uncertainty, Complexity, and Ambiguity require organizations to be **agile, resilient, and constantly adaptive.

7-2- Principles of the "New Management":

In response to these changes, modern management is characterized by:

Old Management Paradigm	New Management Paradigm
Command & Control	Coach & Empower
Leaders as sole decision-makers	Leaders as facilitators who remove obstacles, develop talent, and empower teams to make decisions
Profit as Primary Goal	Purpose & Profit (Double Bottom Line)
Shareholder value above all	Integrating social/environmental impact into the core business model
Fixed Hierarchies	Agile, Networked Teams
Rigid top-down structure	Flexible, cross-functional teams that form and disband around projects. Flatter structures
Competitive & Secretive	Collaborative & Transparent
Information is power, hoarded. Open communication, knowledge sharing, and radical transparency where possible	Open communication, knowledge sharing, and radical transparency where possible
Standardization & Efficiency	Innovation & Adaptability
Optimizing existing processes	Creating psychological safety for experimentation, learning from failure, and pivoting quickly
Employee as Resource	Employee as Whole Person

Focus on output and attendance	Holistic support for mental/physical health, lifelong learning, and integration of personal values
Diversity as a Metric	Inclusion & Equity as Systems
Hiring for diversity quotas	Building inclusive cultures where everyone can thrive, and equitable processes in promotion and pay

Source:

<https://www.google.com/url?sa=t&source=web&rct=j&opi=89978449&url=https://dspace.lib.cranfield.ac.uk/bitstream/1826/1681/1/2.MD%2520soc%2520Che.pdf&ved=2ahUKewjLnaH4sbGSAXVMTKQEHc5pLTYQFnoECBwQAQ&usg=AOvVaw3n1ekHQ8jh5o-2w6xdGagw>

7-3- Practical Manifestations in the Workplace:

7-3-1- Leadership Style: "Servant Leadership" and "Transformational Leadership" gain prominence over autocratic styles.

7-3-2- Feedback & Reviews: Continuous, real-time feedback replaces annual performance reviews.

7-3-3- Work Models: "Hybrid & Remote Work" are managed by outcomes (OKRs - Objectives and Key Results), not hours logged.

7-3-4- Decision-Making: "Participative and decentralized" decision-making. Tools like consent-based decision-making (e.g., Sociocracy) are used.

7-3-5- Communication: Heavy use of collaborative platforms (Slack, Teams), all-hands meetings with open Q&A, and leaders actively engaging on social media.

7-3-6- Talent Development: Focus on "**upskilling and reskilling**", internal mobility, and personalized career paths.

7-3-7- Corporate Advocacy: Companies take public stances on social and environmental issues aligned with their values and their workforce's expectations.

8- Challenges for New Management

8-1- Balancing Flexibility with Coordination: Remote/hybrid work requires new skills to maintain culture and cohesion.

8-2- Avoiding "Purpose-Washing": Authenticity is key. Stakeholders quickly see through empty ESG or DEI statements.

8-3- Managing Polarization: Navigating diverse viewpoints within a workforce on social and political issues.

8-4- Measuring What Matters: Developing metrics for soft outcomes like culture, innovation, and social impact.

The "new management" is not a single tactic but a "paradigm shift". It recognizes that to attract top talent, foster innovation, and maintain a social license to operate in a transparent world, organizations must be "human-centric, purpose-driven, and agile".

The manager of the future is less a "boss" and more a "systems thinker, coach, and culture curator" who enables their team to navigate complexity and create value for a broad set of stakeholders. This shift is no longer optional; it's a strategic necessity for relevance and resilience in the 21st century.

Conclusion:

It has long been considered corporate governance mechanism just especially for the large institutional, but in recent years have been adopted as well as in small and medium-sized enterprises, and it had many benefits in strengthening the capacity of small and medium-sized enterprises and to make it competitive and to achieve a higher growth rates, as well as the achievement of financial profitability and economic efficiency to help these institutions to remain and continue;

Algeria is also seeking in order to increase the number of small and medium-sized enterprises than half a million enterprises activate it now to a million and a half enterprises prospects in years 2025 and 2030, and through this has to be to strength en the capacity of these institutions to benefit from the principles of corporate governance, Which is a need that should be met at the present time.

SMEs are massively adopting SaaS (Cloud) and mobile management tools to adapt to social changes, particularly hybrid work and the demand for responsiveness. Lightweight ERPs, CRMs (HubSpot, Salesforce), and collaborative tools (Google Workspace, Teams) automate tasks, boosting productivity and remote collaboration.

SaaS and Cloud: Solutions like Canva, Shopify, and collaborative suites (G Suite) provide secure, paperless access, essential for flexible work.

Cloud ERP and CRM: Software like SAP or Sage integrated with CRMs helps centralize customer and operational data, facilitating remote management.

Automation and AI: SMEs use automation for accounting, invoicing, and marketing, reducing human error and processing time.

Mobility: Managing tasks via smartphone/tablet has become crucial for field employees, maximizing productivity.

Social Adaptation: These tools address the need for flexibility (remote work) and the necessity for more targeted and faster communication.

These technologies enable SMEs to modernize their processes, reduce costs, and improve their competitiveness in the face of rapid market changes.

The phrase "New corporate management" can mean many things, from a wave of anxiety to a breath of fresh air. Depending on your perspective—whether you are an employee, a middle manager, or the new leader yourself—the implications vary greatly.

Here is a breakdown of what typically happens during a management transition, the common pitfalls, and how to navigate the change from different perspectives.

1- The Typical Lifecycle of a Management Change

New leadership usually follows a predictable pattern:

- The Arrival: A "listening tour" or town hall. They ask questions to understand the business.
- The Diagnosis: Reviewing financials, talent, and processes. This is often called the "honeymoon period."
- The First Move: Usually a quick win to prove competence, or a difficult decision (like a re-organization) to show they are serious.
- The Imprint: Implementing new strategies, metrics, or cultural values that distinguish the new regime from the old.

2- If you are an "Employee": How to Adapt

When new management arrives, uncertainty is the biggest stressor. Here's how to handle it:

- Stay Neutral: Avoid trash-talking the old bosses or passionately defending the old ways. The past is the past.
- Be a Solution, Not a Problem: The new leaders are looking for reliable people they can trust. Be proactive in helping them understand the business, but avoid gossip.
- Watch for Signals: Pay close attention to what they measure and what they praise. That is the true indicator of what will be valued going forward.
- Update Your Resume (Quietly): Not because you will be fired, but because a change in management often leads to a shift in strategy. Make sure your skills are current in case the company pivots away from your role.

3- If you are the "New Manager": How to Succeed

Taking over a team is high-risk. You have to balance asserting authority with building trust.

- The 90-Day Plan: Don't change everything in the first week. Spend the first 30 days listening, the next 30 days diagnosing, and the next 30 days executing.
- Respect the History: Even if the previous management was a disaster, the people still there built something. Acknowledge their hard work before you criticize the structure.
- Build Quick Trust: You need "quick wins"—small, achievable goals that show the team your ideas work and that you will support them.
- Cultural Fit: Ensure your management style aligns with the corporate culture, or be prepared to slowly evolve the culture. Forcing a square peg into a round hole causes attrition.

4- Common Red Flags (When New Management Goes Bad)

- The "Clone" Strategy: When the new leader only hires people from their previous company, creating a "them vs. us" dynamic.
- Seagull Management: They fly in, make a lot of noise, dump new requirements on everyone, and then fly away, leaving the team to clean up the mess.
- Death by Metrics: Replacing productivity with bureaucracy. Suddenly, employees spend more time reporting work than doing it.

Moving beyond the general overview, let's look at the "strategic playbooks, the psychological undercurrents, and the specific archetypes" of new management. Understanding these layers will help you predict behavior and outcomes, whether you're in the boardroom or in the cubicle.

1- The Strategic Playbook: The First 90 Days (Deep Dive)

While the previous advice mentioned a 90-day plan, the reality is that a new leader is playing a high-stakes chess game. Their strategy usually falls into one of two buckets, depending on the situation they inherited:

- The "STARS" Model: A new leader's approach should differ based on whether the business unit is a:

- Start-up: (High energy, chaotic) -> They need to bring process.
- Turnaround: (Troubled, bleeding cash) -> They must make tough, surgical cuts immediately. There is no time for a listening tour.
- Accelerated Growth: (Scaling fast) -> They need to build infrastructure without killing the momentum.
- Realignment: (Good company, but drifting) -> They need to reinvigorate and tweak strategy, not blow it up.
- Sustaining Success: (The "Apple after Jobs" scenario) -> The most dangerous. The new leader must preserve the core while innovating, which is incredibly difficult.

- The "Early Win" Formula: Smart new managers don't just pick any win. They look for a win that is:

- 1- Important to the business.
- 2- Visible to the people who matter.
- 3- Achievable within 60-90 days.
- 4- Focused on their area of expertise. (e.g., A new CMO might fix a broken lead-generation channel to prove marketing ROI immediately).

2- The Employee's Dilemma: Reading the Subtext

For employees, new management isn't just a new boss; it's a new political landscape. You need to decode what isn't being said.

-The "Culture Fit" Test: During the first few weeks, the new manager is subconsciously testing everyone. They are asking themselves: *"Does this person think like me? Do they push back respectfully? Do they represent the 'old way' I'm trying to erase?"*

- Signals of Impending Change:

- Vocabulary Shifts: If the new manager starts using words like "synergy," "pivot," "deep-dive," or "circle back" excessively, they are likely importing jargon from a previous corporate culture. You need to learn this new language to be seen as "in the club."

- The Calendar Test: Watch *who* they schedule coffee chats with first. If they immediately gravitate toward the marketing team and ignore operations, you know where the power (and budget) will shift.

- The "Stay or Go" Decision: You have 3-6 months to decide if you fit the new regime. If your work style (e.g., "I like deep focus") clashes with theirs (e.g., "I want constant Slack updates"), the friction will become exhausting. You have to decide if you can adapt or if it's time to leave.

3- Archetypes of New Management (The Dark & Light Side)

Not all new managers are created equal. They usually fall into one of these categories. Identifying the type early is key to your survival strategy.

- The Missionary: They arrive with a grand vision. They are inspirational but may lack operational detail.

- How to handle them: Help them build the bridge to their vision. Be the executor who can turn their lofty ideas into reality.

- The Mercenary: They were hired for a specific turnaround or sale. They are transactional, results-driven, and often have a short tenure.

- How to handle them: Get out of their way or help them hit the numbers. They will reward loyalty with promotions, but they will also sacrifice you if the numbers demand it.
- The Builder: They want to create something lasting. They invest in people and processes.
 - How to handle them: This is the best-case scenario. Show initiative and a desire to grow.
- The Cargo Cultist: They mimic what they saw at a successful company (e.g., "At Google, we did this...") without understanding "why" it worked.
 - How to handle them: Gently push back with data. "That worked at Google because they had X resource; we have Y. How do we bridge the gap?"
- The Cleaner: Their job is to cut costs and lay people off.
 - How to handle them: Make yourself indispensable to the new core strategy. If you're in a support role, you are vulnerable. If you're in a revenue-generating role, you are safer.

4- The Psychological Toll: Change Saturation

Corporate memory is short. If your company has had "new management" three times in five years, the problem isn't the new people- it's the "systemic instability".

- Resilience Fatigue: Employees become numb. They stop getting excited about new initiatives because they know (or suspect) this regime will also fail.
- The "Iceberg" Effect: When new management arrives, only the top 10% of problems are visible. The new leader might solve a surface issue, only to have the ship sink because they didn't understand the deep-seated cultural rot (the iceberg below the waterline).

Where do you want to zoom in next?

- The Politics: How to map out the new power structure and influence the new boss.
- The Exit: How to tell if you should jump ship, and how to leave gracefully.
- The Strategy: How to interpret their first big memo or re-org announcement to see where the company is really going.

Recommendations:

For the way to develop the small and medium enterprises whether in Algeria or in other countries (Developed countries or developing), there are many and kind of procedures to do and many mechanism to apply, and from this procedures we have the corporate governance principles, and for good applying this principles on the small and medium enterprises we have recognize this principle points:

- The directors of this small and medium enterprises should de had the capacity (by learning and training) to apply the corporate governance in their enterprises, also they should be Convinced in the benefits of corporate governance;
- The need for openness of small and medium enterprises on the successful experiences and try to take advantage from their experiences;
- The need to make a special guide about the governance of small and medium enterprises, which being a point of reference to these enterprises;
- The need for a Council brings together small and medium enterprises, so as to exchange ideas and experiences;
- Use the new technologies for applying the corporate governance in SMEs;
- The need for greater state support (Financial, Material, human) to SMEs;
- The diversification of activities(Agriculture, Services, industry...ext) of SMEs.

References:

- 1 - Cadbury, Adrian, **Report of the Committee on the Financial service Aspects of Corporate Governance**, Gee, London, December, 1992, Sections 3.4.
- 2 - David Dzigba, **Corporate Governance Practice among Small and Medium Scale Enterprises (SMEs) in Ghana**; Impact on Access to Credit, Master's Thesis in Business Administration, MBA programme, School of Management, Ghana, February, 2015.
- 3 - Shailer, Greg. **An Introduction to Corporate Governance in Australia**, Pearson Education Australia, Sydney, 2004.
- 4 - Lee, Janet & Shailer, Greg. **The Effect of Board-Related Reforms on Investors Confidence**. Australian Accounting Review, 18(45) 2008: 123-134.

5 - **The Corporate Governance of Iconic Executives**, 87 Notre Dame Law Review 351 (2011), available at: <http://ssrn.com/abstract=2040922>.

6 - **"OECD Principles of Corporate Governance, 2004"**. OECD. Retrieved 2013-05-18.

7 - "Two top economists agree 2009 worst financial crisis since great depression; risks increase if right steps are not taken". Reuters. 27 February 2009. Retrieved 10 November 2015.

8 - European commission, growth, **entrepreneurship and small and medium- sized enterprises (SMEs)**, http://ec.europa.eu/index_en.htm.

9 - **Strategies for small manufacturers**, the national academies press, USA, 2000.

10-

https://www.google.com/url?sa=t&source=web&rct=j&opi=89978449&url=https://www.researchgate.net/publication/392235367_Small-Medium_Business_Enterprise_Management_Application&ved=2ahUKEwjUssrhhe-RAxV18gIHHZqoIQkQFnoECBcQAQ&usg=AOvVaw0MtyO2eGLP8nVNnxwlfM6h.

11- Manish Andure, **Small-Medium Business Enterprise Management Application**, International Journal of Management and Humanities (IJMH) ISSN: 2394-0913 (Online), Volume-11 Issue-9, May 2025.

12-

<https://www.google.com/url?sa=t&source=web&rct=j&opi=89978449&url=https://dspace.lib.cranfield.ac.uk/bitstream/1826/1681/1/2.MD%2520soc%2520Che.pdf&ved=2ahUKEwjLnaH4sbGSAXVMtKQEHe5pLTYQFnoECBwQAQ&usg=AOvVaw3n1ekHQ8jh5o-2w6xdGagw>