

ROMANIAN MANAGERIAL APPROACHES

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Abstract: Globalization has deeply turned the macroeconomic environment as well as the behaviour of organizations on the global market. Increasingly fierce competition on this market has contributed to the emergence and crystallization of the euro management which was called upon to respond to this challenge. It is closely related to organizational culture and developed on the basis of the integration of markets and economies which led to the appearance, in the management area, of a methods ' concentration, management techniques and methodologies specific to the European countries. As a part of the European management, the Romanian management involves the formulation of some specific traits, defining features, detached from its approach both on processes and management functions as well as on the components of the management system. This approach results from the organization's system feature called "management system". The objectives of this work consist in the formulation of some relevant answers to questions like: "Do the Romanian Managers have a certain conception in terms of functions of the management processes?"; "Was there outlined a specific content for each of the five managerial functions?"; "Is the content of the management components /subsystems already patterned?". As a methodology, from the answer to these questions , there will be taken some conclusions on the "Romanian management" from the theoretical-methodological point of view as a first stage and, on the second stage, as a pragmatic approach on the Romanian organizations and generally within the business environment in Romania. As a result, in the end we present the defining elements of the "Romanian management pattern", to the extent that we come to the conclusion that one can speak of such a model and which are the common and distinct traits as against the European management.

Keywords: Management System, Management Functions, Romanian Management System

JEL Codes: M10, M12, M14

I. The Objectives and methodology of scientific reaserch in the field:

1. Reaserch objectives:

This paper attempts to highlight the main feature of modern management in theory and practice in Romania.as well as the advantages that modern , professional management brings to Romanian organizations today as follows:

- a. Studying literature, foreign and national , in management, essential for clarifying the status and trends in management theory in Romania, differences manifested in theory and their impact on economic and managerial performance , both on on the organization level and macromanagement in general.
- b. The Role of management in increasing the efficiency of the organization.
- c. Revealing particularities of Romanian management and determination of building and consolidating a Romanian model centered on the two management approaches that are at the organization level : functions of management processes and management system components

The paper also refers to types and styles of management that are commonly used in Romania..The paper ends with a series of conclusions and proposals for achieving

these objectives :

2. Research Methodology:

The first part of this methodology is the documentary research , namely the collection, registration and exploitation of information and expertise resulting from studying literature, Romanian and foreign((meaning books, treatises , monographs , articles in journals indexed BDI , other theme related thesis).

Research continues with formulating traits defining characteristics of Romanian management(detached from its approach to management processes and management system components (this latter approach is derived from the organization's system feature called " management system ") .

Basically , we try to conclude: that this work consist in the formulation of some relevant answers to questions like:

"Do the Romanian Managers have a certain conception in terms of functions of the management processes?"

"Was there outlined a specific content for each of the five managerial functions?"

"Is the content of the management components /subsystems already patterned?"

In the third sequence we will try to preliminary draw conclusions on the Romanian management ,insisting on its theoretical and methodological dimension.We will study the characteristic that define Romanian business environment and the main problems faced by Romanian managers.

The next step is for the pragmatic approach . Testing sequences research results will show whether the conclusions presented earlier coverage are pragmatic. For it we will appeal to cases , case studies , applications etc.to the romanian representative organizations for managerial and economic perspective , that defines romanian business environment and the changes induced in romanian organizations by using professional managers.

Finally , we will try presenting defining elements of the Romanian model of management, to the extent that we conclude that it can be invoked a Romanian managerial model .

3. Estimated results:

Romania, in its commitment to sustainable development path will not be able to evade its new type of organizational knowledge society. Even if the level of development positions us still far from economically advanced countries. Romanian organizational environment cannot be an exception to the overall orientation of contemporary society to knowledge and technologies. Research projects for this domain are already a significant presence in fundamental and applied research topics of research institutes and universities in Romania. Scientific research is the real source of revolutionary knowledge, that secures Romanian economy progress on the medium and long term. Implementation of development projects on a national scale, of a knowledge-based economy is not an easy task, asking her top specialists. It is clear that performance is impossible without obtaining new knowledge, without the intervention of permanent and substantial scientific research, which is the main support of the new type of management scaffolding. In fact, even the European Commission argues that the knowledge society "scientific research and technology will be more than ever the economic and social engine"

Unfortunately, however, most organizations in the valuation of these concepts is, at best, a distant goal, a future issue of the organization can now dispense. This concerns in particular large organizations with management less flexible and less attached innovative approaches. On small sized companies, with prominent external exposure, emerged convinced that the only way to success is to adopt a long-term contact ,different views on how to conceive and practice management. In this respect, engaging the entire organization in the creation, acquisition, assimilation, understanding and appreciation of

knowledge are actions that began to take shape. It is true, however, that the creation of knowledge-based management practices with still experimental forms is done in these organizations. Given the global trend to move towards the knowledge society, Romania is obliged to observe the same direction if it wants a worthy position in the economy of the future. The role of scientific research is essential in achieving this.

The expected results of our scientific research covers:

- a. Progress of management theory in our country
- b. Aspects of organizational management status in Romania exercised on the requirements and demands of scientific management
- c. The first conclusions on the definition and explanation of management based on two specific approaches - the functions of management processes and system components management (systemic approach to organization , the management system)
- d. The final validation of research results by formulating a relevant answer to the question "there is a Romanian model of management? "

1. Introduction

According to literature , management is considered both a science and an art:

- ✚ As a science , management considers both the tools, methods and techniques that describe which activities and actions initiated by managers to achieve objectives. Management science lies in studying these processes and their management relations within to discover regularities and principles that govern them and the design of new systems , methods, techniques, ways of management, which ensures obtaining and competitiveness.
- ✚ As art , science management uses to organize, find , controlling and motivating a group to achieve objectives. The art lies in the use of talent management in the conduct of management processes.
- ✚ Scientific management relates to the implementation legalities , methods, concepts and techniques provided by management science in practice .

Management is an organized, effectively using available resources (material, financial and human. The resources available are used properly to achieve the targets, in order to maximize profit. To reach the targets required implementation and compliance management concepts for production systems in order to maintain a dynamic balance and necessary competition. As a result , management is dynamic and not static, modified according to social changes, putting into action human factors, material, informational , in order to achieve forecasted results .

Specialists consider management as a driver of economic growth intensive type. North American Professor Peter Drucker , a renowned specialist in management, states that management is actually " an important resource for developing countries and a fundamental necessity for developing countries"* It is scientifically proven that failures in leadership are due to total or partial lack of management knowledge , this applies in all fields both at the macroeconomic level and at the level of organizations, public institutions, administrative authority. In U.S. literature most widespread definitions of management are considering Manager position and define management as " the process of coordinating human resources , information resources , physical and financial resources to achieve organizational goals or economic unit " .** The organization's management system can be defined as all the elements of binding, the organizational , informational , motivational etc. within the organization , through which the whole exercise and relationship management processes , in order to obtain a bigger effectiveness and efficiency. Another definition considers management as " that process of obtaining and combining human, financial and

material resources in order to achieve desired products and services to a particular segment of society.". French specialists define management as " a science of driving techniques and management company" . After Romanian company management addresses the specialists "management processes and relationships within the economic entity in order to discover regularities and principles that govern the design of new systems, methods and management techniques to ensure greater efficiency in all areas of economic activity ". It follows that science aims to study management and relationship management processes. In the years around 1750 , Adam Smith made a first knowledge of the economic benefits of division of labor , while Ch . Babbage develops the advantages given to the organization of production. At the beginning of the twentieth century, Henry Ford introduced the assembly line and mass production appeared . At the beginning of the twentieth century, the ideas of F. Taylor , marked the real start of organizing production, design and process control . „*Frank and Gilbert Liliane institutionalizes study movement and Walter Shewhart introduce application of probability in the quality control.*” . Sampling work was studied by L. Tippett , but the most spectacular action in the management of records after the Second World War. According to Herbert G. Hicks can define a number of steps in the development and strengthening management as a distinct discipline , namely:

- Prescientific management (before 1880) ;
- Scientific management (between 1880-1930) ;
- Human relations school (1930-1950) ;
- Expansion , refinement and management development (after 1950) .

The first major theoretical contribution it Adam Smith in his " Study of the nature and causes of the wealth of nations" (1776) discusses a matter of organization , namely the division of labor , which assigns it a number of advantages :

- Increasing dexterity performers ;
- Eliminating unnecessary time by switching from one type of work to another ;
- Better use of the machines.

The evolution of management in Romania:

In our country management , both as a theory and as a practical activity , there was still early. It should be noted a number of achievements in the management plan in Romania during the period before WWI , two of which are worth mentioning. First in Europe using a type system in the Taylorist work organization, based on rules and micromovements time to romanian weaving cotton in Pitesti, then it was picked up by other units of heavy and light industry. The introduction in the curriculum at the Academy of High Commercial and Industrial Studies in Bucharest (course of company management).

*, **Peter F. Drucker - The Practice of Management (pg3-6)

2. Romanian Managerial Approaches:

To define the particularities of Romanian management and analysis of these features it is considered the nature and structure of the Romanian economy. The structural frame of the Romanian economy is influenced by business, organizational culture and managers competency. Analysis of the factors that have an impact on the national economy can highlight the main approaches to increasing the efficiency and effectiveness of managerial approaches of Romanian organizations. Mainly this lack of historical continuity of democratic structures and functioning market economy had a significant impact on organizational culture and have printed some particularities that influenced the business environment and not least economic results.

Characteristics that define Romanian business environment are:"

- **Character of uncertainty**
- **Competitiveness deficit**
- **Problems of informational nature of economy**
- They are determined primarily by the legislative instability both in the fiscal and

economic , economic and financial indiscipline induced by control government institutions, insecurity of business as a result of failure to comply with legislation on:

- **Bankruptcy**
- **Economic contracts**
- **Financial transactions**
- **Banking discipline**
- **Administrative corruption”***

“Another peculiarity of Romanian management is the low age factors and management structures of organizations .If in Western Europe they can reach his peak at 45-50 years from us to have a function to 30 years constitute more or commonplace. This has a great influence on the lack of managerial experience and therefore represents a risk factor for organizational performance. At this effective corporate governance issues , those related to insufficient capital and organizational , legislative and institutional infrastructure fragility prevented the structuring of a domestic economic order in accordance with the performance standards. A great influence on the Romanian management as well as on other management systems, is organizational culture by the confusion between the desire for stability and change, lack of hierarchies vaolrice after 1990 , nostalgia for the past that led to a number of risks that”:**

- a. **The risk of inconsistency**
- b. **The risk of obsolescence**
- c. **Resistance to change risk**

* “The Romanian Economy on postsocialist transition (N.G.Niculescu ,I.D Adumitracesei 2004)

** “ Organizational Changing trough Reengineering”(I. Verboncu/ ONiculescu/I.Popa E.Ceptuneanu/S.Ceptuneanu 2011)

Romanian management is called upon to solve problems regarding the measures to be taken and necessary strategy in order to increase competitiveness and profitability Romanian organizations:

- Bureaucratic culture (feature large state firms , but also present in some private) where decisions have to be at the highest level without participation of employees and with great reluctance also observed in planning strategies .Also these companies have a great resistance to change and preserving the status quo.
- Entrepreneurial culture specific to family or small and medium companies , more flexible but lacks the leadership skills needed to create a strategic perspective and to adapt to the external environment with success ..The success conditions of management process in Romania must have as a point departure like:
 - a. Increased strategic capacity of managers to opt for various projects and to define priorities;
 - b. Formulation of specific and quantifiable goals;
 - c. Articulation , a vision that integrates the medium and long term transformations in the conditions imposed integration management;
 - d. The need for better representation of the interests of stakeholders in decision-making processes;
 - e. Management by objectives;
 - f. Strengthening organizational infrastructures for strategic management of economic and social processes ;

Management is the main factor for achieving economic performance and competitiveness growth factor for Romanian organizations.To achieve this goal it is imperative that management constantly adapt to new economic realities , technical, tehnological . Romanian managers behavior can be characterized in terms the motivation and behavior

in: *

- The structuring of tasks (no existence of any planning or reduced);
- Manner of decision-making (without explanation subordinates);
- Attitudes toward subordinates (they have sanctioned and controlled , rigid and uninteresting existence of a communication towards improving employees*

“Succes Management” (A.Prodan 1999)

Why it is necessary to improve management professionalization of romanian managers:

Causes:

- The lack of comprehensive national strategy to accomplish the objectives and resources.
- Insufficient sectorial strategies even if exists in some sectors
- Political instability, economic and legislative
- Lack of transparency of major strategic decisions
- Corruption and high tax evasion
- Necessary to ensure that organizations adapt to the rapid changes taking place in today's society
- Involves profound changes in all management subsystems
- Implementation of management systems different from the classical;
- Profesional management principles entered after the revolution of 1989 , particularly due to appearance on the market of foreign managers;
- Were first applied to subsidiaries of multinational companies;

Methodes:

- Promote generalized strategic management;
- Promoting managers whether they are political or technical management on professional and competence criteria;
- The introduction of private management on contract basis at state institutions;
- The introduction of performance indicators for all sectors;
- Improving communication management publicly as human premise for macroeconomic objectives;
- Harnessing economic instrument asw important management tools for economic recovery;
- Using organizational flexibility of the economy;
- Promoting motivational systems focused on performance;

Effects:

- Increased confidence in the political class;
- More efficient management of the national economy;
- Increasing the competitiveness of the national economy in all sectors;
- Increasing the international visibility of the Romanian economy and Romanian Management;

Management styles commonly used in Romania after 1990 due to introduction of market economy and democracy:

- Family style :based on personal interests,profit in the current period , the possibility of risk and development of the comp[any is the main criterion that activity is based of.(This style defines small and medium sized companies);
- German managerial style:Managers show responsibility towards employees and society , are willing to assume risk in certain situations.For these managers important is continuing the business, honor and reputation.
- French managerial style(Characterized by authoritarianism as a form of personal power, far away from everyday activities and use of delegation in its sole

discretion.

The Main problems faced by Romanian Managers are:

- a. Management Strategies;
- b. Planning difficulties;
- c. Instability;
- d. Lack of innovation;
- e. Organizational structure;
- f. Management style;
- g. Human resources management

Because in many Romanian organizations complacency signs of dullness and aging, managers would need to ask again which assumptions about the environment, mission and competencies that reflect reality. The means through which Romanian managers can analyze these elements are

- preventive measures
- early diagnosis

Putting Romanian organizations in user behavior with the new realities of the environment or the new definition of the mission and the new basic skills to be acquired developer or preventive measures. For each product, policy, distribution channel, organization management to question the policies, practices accepted in the habit and to rethink managerial instruments (about 3 years). There is a low inclination for strategic planning and short-term orientation. Managers are designed to make the employees understand the objectives set in the strategic planning and the following are the main categories of information relevant for future activities. The lack of a strategic vision to employees creates difficulties in applying management by objectives. Distance to the power and the high degree of uncertainty avoidance are two characteristics of Romanian management. Lack of awareness of Romanian managers is a phenomenon more frequently and prompted the development of a management characterized by normative and organizational instability.

These characteristics are determined by the rapid changes developed by dominance of informal relationships and confusing time. Because of this they perceived problems encountered and solved, but without this leading to their accumulation over time, deepening them and their subsequent transformation in conflicts. Decision-making is characterized by ambiguity, causality is confusing, supports scientific substantiation necessary information are almost nonexistent, and the fluctuation of employees at organizational chaos creates. The main consequences are: Procrastination habit of solving problems or deficiencies are resolved quickly just those involving the personal interests of managers, although some are equipped with modern computing means employees know not to use them. *

3. WAYS to achieve the objectives:

The organizational structure of Romanian organizations is pyramidal, that highlights the power distance. Flat organizational structures, with a reduced number of hierarchical levels, are less agreed as in Romania focus in particular on social status. Changes in frame of Romanian organizations are perceived by employees as a factor of disturbance due to anxiety that characterizes Romanian society. Romanian companies are categorized in terms of organizing a large number of bureaucratic procedures to be respected and resulting delays in achieving the objectives. A flexible organizational structure like an American organization is difficult to introduce in Romania because performance and domestic competition are not approved by the companies' employees because of collectivist mentality of Romanians and cultural values of the country. Romanian employees prefer a more relaxed pace of work. Applying a French organizational structures nearest our country could not be introduced due to the long period of communism which have common traits on the high degree of centralization and

authoritarianism rejected traits of Romanian employees. Structure in small companies rely on kinship ties existing between its members but it favors cronyism and corruption which removes able workers and performers. Matrix organizational structure is typical for companies that are organized in projects that involve the completion of activities and projects through interdepartmental collaboration and assuming multiple responsibilities and long-term orientation given that Romanian managers and employees prefer short-term orientation. Regarding the Romanian organizations to face globalization and increasing competition on the European market should use a higher percentage strategic planning to use the forecasts to analyze environmental changes and adapt it to anticipate these changes not only post factum decision to correct their appearance. One way to improve the performance could be:

1. Potentiation execution of work at each job;
2. Amplification overall functionality of the organization;
3. Integration to a higher level of the market and the national economy;

I mean briefly how management actually contributes to the generation of added value in enhancing the effectiveness and economic efficiency." (O.Nicolescu, I.Verboncu, *Organization Management fundamentals*, Ed Universitara, 2008)

A way to organizational change would be:

- Monitoring changes in the strategic dimension of management
- Audit of organizational culture;
- Transferring the know-how management;
- Implementing best practices in management
- Annual reconsidering the position of management organization addressed sizes;

4. Conclusions:

One way to improve the performance of Romanian organizations would be:

Communication between managers honest and open with subordinates to resolve crisis situations can be one of the prerequisites of success in these organizations. Potentiation execution of work at each job, amplifying the overall functionality of the organization, higher level of integration organization's activities in the market and national economy.

What is expected from Romanian management:

- Formulate specific and quantifiable goals;
- Increasing the strategic capacity of managers;
- Better representation of stakeholders in decision-making;
- Providing management by objectives;
- Strengthening the organizational structure;

Professionalizing management and implicitly people who implement it ,is necessary to ensure that organizations adapt to the rapid changes taking place in society today.

Addressing the function managerial processes allows conclusions to be drawn:

- a. The literature in Romania is, overwhelmingly , adept design management processes that have as main attributes or functions planning, organizing , coordination, training and control- assessment .
- . he center of gravity in terms of management is the management school at the Academy of Economic Studies , initiator and promoter of numerous concepts, theories , methodological elements etc. Specific management science
- Especially after 1989 , there were numerous valuable works for management who insisted on the need to address management processes through the functions set out , each of them having a well-defined place and role in the performance of individual managers and group .

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