

## ROMANIAN DEFENSE RESOURCES MANAGEMENT UNDER CRISIS CONDITIONS

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***Abstract:** Defense resources management is a harder field to deal with in economic and social crisis conditions. It is not under war but peace conditions and one has to understand it as if it were under war conditions. The paper introduces the reader to the possible type of approach and factors to be considered when developing strategies and implementing directives in time of peace with a consideration of resources as if it war in time of war. Risk analysis is of outmost importance in dealing with resource allocation in time of crisis, and directions to it are proposed here. Also, a different view of the chain of command in the hierarchy and its role in crisis time, responsibilities and attributes one should fulfill in the decision-making process for the reason of efficiency and effectiveness in the military field. Finally, a round-up conclusion brings us to the question if anything can be done without the political factor involved and which type of involvement it should be.*

***Keywords:** defense resources management, risk analysis, decision making process*

Improving performance of Romanian DRM facing crisis conditions could be achieved by means of promoting and implementing a range of managerial modernization methods. Among them one can mention several factors pertaining to strategic management: redesigning the managerial system, implementing methodological management - with an emphasis on managerial tools which

ensure process and organizational flexibility - and professionalizing the management and managers.

Although there is a clear distinction between applying management modernization methods to an entire national defense system versus a single organization, enterprise, or unit, one can definitely see there are many similarities, and specific differences in trying this approach. One can apply these, taking into

account methods and practices from a specific entity, to the wider social level of the military organization in its entirety by keeping an eye on differences that might appear when generalizing concepts the entity works well with.

Efficiency and effectiveness should not be abandoned. The levels of efficiency and effectiveness represent a sign of economic recovery, or the reinstatement of the normal status existing before the crisis.

Unfortunately, despite the more and more evident impact of the economic and financial crisis, few Romanian organizations are aware of the fact that their management (with its viability potential) represents the make or break factor in diminishing or even eliminating the unfavorable effects of the crisis.

It is extremely simple to adopt solutions which only apparently solve the problem. Among such solutions we mention personnel cuts or sending the majority of the employees in technical unemployment. In any case, these should not be elements applicable to any military organization.

After several months of crisis in Romania, neither the government nor the firms' management has tackled the issue of the role of the management and its modernization in fighting crisis. Above this, the military continues to apply methods considered modern although with many drawbacks, as in setting the budget limits or cutting many requests from the higher level, instead of using

a different approach, which should get information on the respective demand from the source, based on the general concept of development for that organization. Actually, each time when one discusses the national defense system as a whole, one can rarely mistake in approaching any single element fitting in the defense management system. This is right because that person sees and understands both the general view and that particular element role in the system. For this to be realized at the bigger scale for the national defense system, one should take into account the following steps:

- education and information of all the participants to the process (defense resources management);

- communication at all levels realized easily and rapidly;

- control (checking and double-checking) of all requests for budgeting at all levels, continuously comparing the request against the final goal to achieve (here one can discuss a modern concept of proximity manager and "borrow" it to the military field, in order to get a better image of the local level unit interests and real needs);

- risk management at all levels of interest (analysis, evaluation, risk management plan implementation and feedback management);

- making effective and efficient use of the resources at hand, be it as low as they are, not wasting a bit

- applying the saying "I am too poor to buy cheap things" to any acquisition envisioned for the

military;

As long as one can apply these lines of operation in one's daily routine of managing the defense resources, one can speak about starting to understand the modern way of management.

The management is unanimously recognized as the most important factor in the achievement of organizational performance.

Almost two decades of capitalism have passed; however, we still pay tribute to certain change methods, such as restructuring or reform, none of which is finalized and evaluated from the point of view of its effects.

This is why today, more than ever, clear directions of managerial modernization are necessary.

One could apply the strategic management methods to the military organization (ironically, it was generated by the military end developed better by the civilian organizations that can borrow back concepts to be implemented in the military). The difficulty here is that one can find it difficult to implement strategies and methods to a military organization which, by definition, has to work perfectly during military (violent, powerful development of force, etc) action which is not equivalent to any civilian interpretation of the strategic management. This brings us to implementing the civilian strategic management rules in the military based on a comparative approach, and exclusively in time of peace. In times of war, no civilian organization

finds better methods to achieve its goals than the military ones.

In order to achieve a better defense resources management in the Romanian military, one should start from the very beginning. This is the National Security Strategy (NSS). This envisages the possible developments in the country, and closer or farther areas, possible scenarios, political, economical, social, and human conditions in our country and the countries of interest for the NSS conclusions. Also, it brings directions and general solutions to the envisaged issues by recommending different approaches to the respective problems.

Here one can insert the best risk analyses of the factors influencing the outcomes set as goals for the NSS. The current Romanian NSS has its part of risk analysis. Still, it does not get a thoroughly approached one. Maybe this is right because at the strategic level one does need a detailed analysis (which is to be developed when getting at lower levels in the hierarchy). One thing is clear: when NSS goes down in the hierarchy, each level manager should be able to understand and apply, then analyze and improve the document with additional information. This has to come and fill the gaps in information and understanding of how to make the Romanian military organization work better toward achieving the proposed goals, provided in the NSS. In other words, there has to be a permanent two-way connection and communication between the NSS

and documents issued at lower levels, in order to make sure the former is achieved by continuously adjusting the latter.

The civilian realm considers that the *implementation* of a company's strategy implies ensuring the necessary conditions for the actual achievement of objectives, namely:

- managerial conditions;
- human conditions;
- material conditions;
- financial conditions;
- cultural conditions.

As one can see, the factors one should take are similar to those in the military for the perfect conditions to be met in implementing the directives of the NSS.

Because of the existence of a disciplined and well-organized and structured environment, one could say that all these elements might be easier to implement. This is correct to the point of using the organization having clear structure, manning, equipment and resources of all kinds at disposition. Not the same can be said when the organization itself finds in a continuous changing process, restructuring (with or without effective purposes). Even the civilian organizations admit lowering their expectations and standards when applying restructuring processes or redesigning the entire organization.

And that is based on a best efficient and effective approach for the respective company. What can be said for the military that has, besides the goals set by the NSS, to manage oneself at an always lower level

of budget allocations, continuous cuts for economic crisis reasons, postponement of higher security project investments, diminishing the qualified personnel level by losing them through earlier retirement or just leaving of the military body due to much lower incomes offered to the military professionals than they would make in the civilian sector.

In time of crisis, the decision making process at high level in the defense field has its own drawbacks.

In crisis decision making the role of small groups increases, as central government intervention in crisis situations is stronger, and crisis government doctrines prove to have been well understood. That is, there is no time anymore to have a complete cycle of the decision making process, going through the classical stages of detecting the issue, gathering information, looking for alternative solution and, after simulating them implementing the one with the best outcome for the time being. The entire process involves an entire chain of people in the hierarchy contributing to the best option of the company's manager. This is doable when time does not represent an important, or the most important variable to be taken into account. When time becomes the main element of priority in the decision making process, some other methods should be used.

As stated above, small group decision-making is the one solution to be applied here. The group membership is of climax importance because that dictates the efficiency and

effectiveness of the entire decision-making process. One can see and every manager would prefer to have in this small group the fittest people to do the job of decision making. These people can see the evolvement of their decision implementation and, accordingly, adapt to what should be the best course of action for next step. Of course, again, the manager is the one to make the final decision. As long as his decision is based on a group thinking process as the above mentioned the manager cannot be wrong essentially.

Problems appear when politics interfere with the management process itself. When political representatives are experienced in the military field, their involvement is of good influence. They understand and know how to read the directions for the future military development and, also, how much investment that means. If one has to come to terms with decision responsible people but without any military education, training or involvement, it surely is going to be more difficult to let them understand what the real challenges are to the military and, accordingly, the necessary resources.

Again, in each of the two alternatives, the time becomes the variable of essence because one can get easier to the fulfillment of the time constraint goals when one has to deal with political decision-making people aware of what this means compared to the other option. Let's say that one should chose the smaller risk (in this case defined by the

professional knowledge of the field of the high level decision-making personnel) in order to get access to resources concurrent to the level of mission assigned to the military organization.

The political factor involvement is still to be analyzed further. When one can see the importance of the professionalism of the decision-makers plus the need for complete transparency of the resource allocation, there is no limit of the political factor implication. It is obvious to anyone that one is better developing the right course of action when the political will sits on the same course as the military leadership, all together on the national interests as they are stated in the National Security Strategy.

The chain of command achieves nothing if there are no political national interests in keeping and maintaining forces capable of developing actions to the performance level as it is requested in the NATO regulations for the troops assigned to different missions abroad. It is logic to understand that the other remaining elements of the Romanian Armed Forces not involved in missions under NATO should be trained and maintained at no lower level than that of those assigned abroad. It follows that one can always replace, in extenso, the currently operating forces and no one could make any critics.

Oppositely, when the political factor involvement does not imply the national interests but some personal

reasons only, nothing good for the country can come out of this. Relying on NATO support only without even taking into account the possibility of some situation occurring when one should take its faith in its own hands, can be considered lack of responsibility, at least. Still, it seems, our political factor involvement is based on personal interests only, as long as one can afford to lose well trained and ready to fight military on the basis of bringing to the same level of importance of several social group work importance.

Again, it seems part of the Romanian leadership does not consider the real importance of the military in the current international and national context and continues with so called reforms of the state in order to get more resources for other sector of the society, easier to work with in peace time.

The risk analysis developed here is not even half complete. To make it complete one should bring into discussion the external political factors, which represent, one can say, the bigger half of the whole. This remains to be dealt with in a future issue.

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