# THE IMPACT OF THE EUROPEAN UNION'S DEVELOPMENT POLICIES ON STRATEGIC MANAGEMENT

#### **Abstract**

In this study I intend / aim / plan to debate and clarify the most important issues regarding the best practices according to the development policies, both at the European Union and country level and at the same time, taking into account those elements which contribute to the evaluation of the policies, with the purpose of ensuring a competitive strategic management.

**Keywords:** policies, European Union, strategic management.

JEL CODES: C41, J08, J50

# IMPACTUL POLITICILOR DE DEZVOLTARE A UNIUNII EUROPENE ÎN CEEA CE PRIVEȘTE MANAGEMENTUL STRATEGIC

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#### Rezumat

Prin acest studiu dorim să dezbatem și să clarificăm cele mai importante probleme referitoare la bunele practici atât la nivelul Uniunii Europene, cât și la nivelul țării, luând în considerare elementele care contribuie la evaluarea politicilor, în scopul asigurării unui management strategic competitiv.

**Cuvinte cheie:** politici, Uniunea Europeană, management strategic





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#### 1. INTRODUCTION

When reviewing strategic thinking, we realize how this phenomenon has gone through different phases and semantic contexts. The concept of strategy has evolved into a field of knowledge in management, strategic management, with content, concepts and practical reasoning, ending up by carving out its own role in the academic and business fields.

Strategic management within the public sector has been approached theoretically in the late 1980s - early 1990s by North American specialists (Philip Heymann, John Bryson, Paul Nutt, Robert Backoff).

In Europe, strategic management was introduced in the public sector also in the second half of the 1990s. It was introduced in many countries, including at government level. Following the use of the specific strategic management elements, it was found that it brings numerous benefits from the perspective of strategic capabilities, especially for actions of change, modernization or efficiency. If the elements of strategic management were initially adopted at the central level of the public sector, they are now also used at sub-national level.

In the 1990s and 2000s, strategic management concepts and models have become ordinary in the public sector in many countries. For instance, Moore (1995) developed a normative structure for strategic management at the organizational level in order to create public sector significance and provided eight samples explaining strategic management in US public-sector organization.

Research on strategic management in the public sector has developed rapidly in the last ten years and there is now empirical evidence, on strategy content, strategy formation, strategic planning, application of strategic management tools and strategy implementation.

Strategic management is the conscious selection of policies, development of capacity and interpretation of the environment by managers, in order to focus organizational efforts toward the achievement of present objectives.

The European Commission is deeply involved in developing the European Union's overall strategy, being solely responsible for designing and implementing EU policies. Furthermore, it plays an active role in evaluating and reporting on its policies on a regular basis. EU policies' main goal is to bring benefits to citizens, businesses and other stakeholders in the EU. Commission initiatives for new policies are subject to internal agreement, according to a set procedure.

The importance of adopting strategic management within the public sector means much more than merely producing documents that list a number of objectives, missions or strategic goals, assuming a rational

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effort to integrate the strategic perspective at all levels of management in order for a coherent operation of the machine administrative.

Undoubtedly, strategic management in the public sector is contemporary, putting its mark in all public institutions throughout the European Union. It is known to adopt good orientation, involve specification of objectives, develop policies and plans, then allocate resources to implement established plans.

#### 2. THE SIGNIFICANCE OF THE STRATEGIC MANAGEMENT IN THE PUBLIC SECTOR

When we talk about strategic management in the public sector, we are reffering to producing strategic results: new markets, new products, new technologies (Ansoff, 1988, p.235). Within the development policies of the European Union, these new markets produced technologies exist and are constantly developing. More than that, The European Commission's main instrument in developing and implementing EU policies is to submit laws to the European Parliament and the Council of the European Union, facilitating EU members to implement EU laws, managing the EU budget and allocating funds, ensuring that EU law is equally applied across member states through the Court of Justice, which represents the EU outside Europe, together with the EU's diplomatic service, the European External Action Service.

The practice of strategic management in the public sector offers many advantages to institutions that adopt this form of management.

Profit growth is considered to be the most important asset of strategic management in the public sector, as specialized studies have shown that there is a link between strategic management and profit growth. Strategic management helps anticipate public sector issues, increase public institutions' interest in achieving long-term goals, and at the same time encourages the use of the skills that the organization holds.

Strategic management in the public sector not only offers advantages, but it also has limits, such as the lack of responsibility of those involved in formulating the strategy, and their resistance to change, which can not always be overcome.

### 3. ROMANIA'S ENTRY INTO THE EUROPEAN UNION - A NEW STAGE IN THE IMPROVEMENT OF THE STRATEGIC MANAGEMENT IN THE PUBLIC SECTOR

Strategic management in the public sector must be based both on the economic realities in our country and on the economic realities of the European Union or of the other partners. These must be based on



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coherent, scientific strategies developed by those who really know the economy Romanian, and all economic actors involved in their implementation. The strategic process should be drafted and implemented in such a way as to allow the development of Romanian institutions so that they can cope with the extreme competitive environment of the European Union.

We can assume that Romania's entry into the EU has been a strategic goal for our country, but the strategic management process does not end once Romania has joined, because integration is defined as a process that involveas the gradual increase of the compatibility of Romania's structure with those of the European Union, of an economic, political, legislative or institutional nature.

The main objective of Romania at the beginning of this millennium was the accession to the European Union. Once this goal has been reached, Romania's goal is to reach as soon as possible the level of development of other European countries. In order to achieve its objectives, Romania has to apply the basic principles and values of the European Union: solidarity, consensus and spiritual compromise.

### 4. THE IMPACT OF THE EUROPEAN UNION'S DEVELOPMENT POLICIES ON STRATEGIC MANAGEMENT

The development of European policies has a positive impact on strategic management, being closely related. When we talk about the EU, we talk about it through the development of the EU, and thus, we are developing ourselves.

The main impact factor of European policies on strategic management is given by the continuous desire for improvement. European policies tend to pursue and evaluate the entire public system so that the decisions adopted are the best and lead to the development of the European Union.

#### 5. WHAT IS THE EU'S DEVELOPMENT POLICY?

The European Union and its member states are seen as a global donor, providing more than 50% of the aid needed for development.

The EU's development policies are seen as a cornerstone of the EU's relations with the outside world, helping to meet the objectives of EU external action - alongside foreign, security and trade policy as well as international aspects of other policies, as such as the environment, agriculture and fisheries.

The EU is doing its utmost to help it as efficiently as possible, and in countries where strategic management in the public sector is well defined and implemented, the results are not delayed.

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#### 6. CONCLUSIONS

Strategic management in the public sector helps to adapt the organization to rapid changes in the environment, anticipating or even generating them, consistently correlating all activities and generating a long-term direction for the administration's work.

Public administration in contemporary societies must take into account the impact that a changing environment has on it, but also the certainty that although strategic management does not automatically ensure success, it will bring constructive rationality. For a better public administration, strategic management in the public sector must be a means of achieving managerial efficiency, assume a general effort to collect information, analyze present decisions to observe their future effects and also exploitation of alternatives.

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