

# The Need To Reposition The Insurance Logistics Management In M.A.I. Units

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## Abstract

*Logistics, considered by some authors as "a science of the future, has the aim of study dimensioning and correlation optimal flow of information and goods, in order to continuously adapt the organization to the environment" and is an essential component of management entity, especially in the context propagation production concept JIT (just in time), extended to financial security. Providing specialized management and structural compatibility between M.A.I. units components and greater specialization of staff with similar tasks are achievable when the uniformity of the organization structure of the existing logistics structures subordinated M. A.I.*

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## 1. Introduction

Management experts, B. Reece and J. O'Grady believe that "management is the coordination of human, informational, physical and financial resources to achieve the organisation's goal" (Nicolescu *et al.*, 1997, p.37), and according to Larousse, management is "the combination of targeting techniques, organization and business management" ( Management and Leadership User's Guide, POSDRU 2007-2013, p.12). Marry, Follet, important contributor to the development of scientific management behavioral perspective, induces the idea of *art* in the definition of concept, and Russian authors, teachers C.H. Popova and J.i. Krasnopoiasa, quoted in "Modelling and Simulation in Management: Econometric Models Used in the Management of Organizations" by Ioan Constantin Dima and Mariana Man believes that "*science of management is dealing with general management laws and also the laws of its synthetic components*".

Whether its origin is Anglo-Saxon or French, that they call *management, maitrisetechniques from qualite, upravlenietechnologicheskikhprofessov*, we consider that the definitions are restrictive, and based on the principle that has often proved its veracity (*less is more*) we can define management as a concept at the intersection of science and art along with the rules, which is to **identify the recipe to bring together the idea, with man in order to achieve the objective** .

## 2. Management Systems Of M.A.I. Units

Analyzing management system units in the Ministry of Internal Affairs we observe the peculiarities of applying the principles and functions, where, although the tasks managers require qualities, skills and competences (technical, human and conceptual) similar to those in other fields, to manage, to order, to lead, to decide, to train, to direct, to explain, to influence, to integrate, to clarify, to make known, to hone, etc., specific freedoms of other types of managers are limited by the requirements of law and internal regulations.

The importance of leadership skills for work done varies by the level of seniority that lie manager: peak (top management), middle (middle management) or operational (executive management).

Iain Mangham believes that “executive level manager`s work is represented by systems functioning maintenance in a regime of cooperation.” ( Billsberry, 1996, p.53). From this statement, we can say that all MAI units managers have operational role, which is predominantly for middle management, but even for heads of units (chief inspectors, directors, etc.) because cooperation relationships are manifested both between different structures, and between individuals, as the organization is “a product of thousands of summaries of individual behavior” ( Ibidem, p.53).

Maintaining the functioning of the entity in a regime of cooperation has as a premise the operation of each subsystem part of the entity. M.A.I. units basically have the same structure components: operational structures and support structures.

Starting from the idea that the objective is to identify the optimal formulation to bring together **the idea, the man** and **the work** in order to achieve the objective, we will further analyze the components:

**The idea**, in our equation is predetermined and has a definite value: citizen safety (whether the entity/unit is active in emergency management, in ensuring a social safe environment by limiting and combating crime or protecting borders);

**The man** is the element of predominant importance; he leads, he is led, is part of the operative structure or support structure. The results are visible in team activities, because “no one is able to whistle a symphony alone” (Ibidem, p.227), and the manager must know the art of making things with the hands of those he leads...to have the role of conductor. Also, employee evaluation result, its label (competent/incompetent) represents the manager`s ability or inability to establish a system of processes, techniques or labor rewards his employees.

**Working** as a container metaphor illustrates the entire concept of providing material resources necessary to achieve the entity`s objective and belongs to the support – logistics structures.

Logistics is a concept to be widely used, working with concepts such as material and technical basis, transport, equipment, consumption of resources. The dictionary describes the term as being of French origin, although the literature also leads us to the Greek LOGISTIKOS (good at calculations).

In economics, logistics “began to be perceived increasingly as a science of the future, having as object of study the sizing and correlation of the optimal flows of information and goods, in order to continuously adapt the company to the environment”. (Crueru *et al.*, 2013). Thus, it has become an essential component of the entity`s management, especially in the context of production concept JIT (just In time) propagation, also extended to financial security.

According to the "Dictionary of management" (Deacon Coresi Publishing, Bucharest, 1992), coordinated by prof. univ. dr. Dumitru Fundătura, the definition of logistic supply was envisaged, “an interpretation that military actions have given this move, considering logistics as a division of military art” (Fundătură *et al.*, 2005, p.6). and emphasizing the importance of ensuring the food, equipment, armament and ammunition and supply lines of attack or defense points. The authors cite military literature in the first half of the nineteenth century that defines logistics as "the sum of principles, methods and techniques positive, almost mathematical, that along with the strategy and tactics, ensure the success of military actions". The purpose of logistics is defined as "providing livelihood, troops march and rest in campaign in the best conditions of order and dignity. [...] Although logistics is a science of detail, its importance is paramount because everything must be studied and calculated with precision [...] otherwise, it is understandable that disorder, fatigue troops, delaying actions surprise, incomplete execution of commands combinations can have disastrous effects on the results of battles. " (Ibidem, p.6).

### 3. Logistics - support function in achieving the organization's mission

"Logistic management" (Publisher SITECH, Craiova, 2005), a work developed by Marin Dumitru, begins with the sentence: "Logistics is the function support in achieving the organization's mission" and describes over more than 400 pages, the assertion logistics - both developments in economics and development as practical activity - up to the current position "indisputable management tool" in a separate chapter addressing "military logistics, organizational model for entities that manage large human communities".

"Logistics was appreciated by Jomini (Gen. Antoine Henri, Baron Jomini, author of *Precise de l'art de la guerre*, Paris, 1838) as the *SCIENCE to prepare or to enforce the other two*, the strategy and tactics. Therefore, after Jomini, logistics enter into higher ranks liability", the main argument being brought to its allegation is the Napoleon's example (Cruceu *et al.*, 2013) who took great care to organizational details.

Military origins of the concept are also undeniable, and this emphasizes the importance of logistics (complex non-combat activities, especially related to the supply, transport, construction and medical assistance for the wounded and sick).

The literature establishes the theoretical foundations of management: functions, principles, management system used, methods and techniques.

Analyzing these elements through the applicability into the M.A.I. system through the specific actions of the logistics activities in units, we identify the use of **management functions**, as follows:

The forecast / planning - contribute through periodic reviews to determine the best management objectives and ways to achieve them. The relevant document related to this activity for material insurance side is the *Material and Technical Procurement and Supply Program*;

Organizing - determines work processes, steps and personnel involved in the work needed to achieve the objectives. Organization is reflected in plans with main activities proposed to be met yearly / half-yearly / quarterly / monthly plans, technical and material supply, plans to carry out repair and maintenance activities, staff training plans, various formalized procedures etc .;

Coordination - is to harmonize the decisions with the actions taken, having a particularly important role in collaboration both vertically (with specialists from the upper echelon, but also with the staff of the subordinate structures) and horizontally, with their counterparts in the other MAI structures of the same weapons (at national level) or within other M.A.I. weapons (local or national);

Training - motivation - is constant throughout the course of activities by staff with leadership (based on experience and personal training) for the purpose of influencing the action of others, for achieving the set objectives. This is in order to formulate simple, clear, not exceeding their competence and ability subordinates execution. For motivation to provision it is necessary to know the complex needs and expectations of staff and establishing methods to drive towards achieving the desired performance;

Control - evaluation is performed in different forms: hierarchical control, management control, preventive financial control, internal audit, cross checking of records, reports on main conclusions from the checks, action plans or recommendations that are to be implemented to correct business or optimization etc.

**Management principles** reflected in the organization and logistics activities are:

1. The principle of participatory management - resulted in their participation in the act of leading specialists in logistics;
2. The principle of unity of management is achieved through a relationship of subordination within the institution (manager - coordinator - specialist - worker);
3. The principle of delegation of authority is delegated powers strictly applied by the occupants of specialized managerial positions subordinate organization's leader;
4. The principle of effectiveness (objectives) and the efficacy (with minimum resource consumption) is reflected in the logistics business by setting rules for judicious consumption of material resources, financial, and personnel,
5. The principle of division of labor and specialization is reflected in the organizational structures of logistics by the existence of specialized departments under the direction of a head structure.

**The management system** used in M.A.I. units is *the management by budgets* and thus ensured a clear and fair evidence, forecasting, control and assess as an overall effort.

Among the **specific management methods and techniques** are used: diagnosis using mixed teams of control or auditing, meeting and delegation.

Although at the level of M.A.I. there are not homogeneous structures and tasks vary from weapon to weapon, organization, while not identical, is similar. In parallel with the operational side

of each structure there is the non-operational side, the support, in which the predominant role belongs to logistics.

Although it has been shown that its role is essential to system functionality during the last years, organizing the logistics has undergone successive changes, almost all justified by reducing the number of personnel, aimed at identifying an optimal scheme of work. The result reached after multiple transformations is that weapons in M.A.I. structure have different forms of logistics organization, although activity is governed by common legislation and is identical. Organizational differences are of form, not substance, as follows:

*Table no. 1 The situation on the structures M.A.I.*

<b>Units / structures subordinated to MAI</b>	<b>Membership structure logistics</b>	<b>Subordination logistics</b>	<b>Observations</b>
Inspectorate For Emergencies	Logistics Service Technical Intendance Cultural Patrimony Administration Acquisitions IT & C office	Head  Head office	IT&C is assimilated in operative structure *
Romanian Police	Logistics Service Technical Intendance Cultural Patrimony Administration Acquisitions IT&C service	Head  Head office	IT&C is assimilated in operative structure *
Romanian Gendarmerie	Logistics Service Technical Intendance Cultural Patrimony Administration Acquisitions IT&C service	Deputy Superintendent Head  Specialist officer Head	
Border Police / CoastGuard	Logistics Service Technical Intendance Cultural Patrimony Administration Acquisitions IT&C service	Deputy Superintendent Head  Specialist officer Head	

\*We believe that the inclusion of the IT&C component in the entity`s operative structure is unsubstantiated because the duties, work procedures and regulations that govern them are identical to the logistic structures and the contracting and equipment is done through the department of public procurement, way applied similar also in the logistics structures. Therefore, we support the idea of including this component in the support class structures.

The importance of logistics is evident, the status of this structure is well defined within the organization and its involvement is at all levels of management on the planning – execution axis.

In literature there are schools of thought that joins known components of logistics (equipment, management heritage real estate, feeding, automotive, armament, procurement, IT & C, etc.) also the the structure of financial accounting, audit, control, and even the legal side or planning activities, selection, personnel record keeping (Cruceru, et al, 2013).

#### **4. Conclusions**

We conclude that, in full accordance with principles, a complex support structure ,under the direction of a deputy head of the organization should ensure: the participation of specialists in document management, compliance management unit through hierarchical relieving head of the institution by delegating powers to a coordinator of all activities support and direct pursuit of efficiency and effectiveness of the entire organization.

The need for standardizing the way of organizing the logistical structure in subordinated structures of M.A.I., in terms of similarity of tasks, is necessary and appropriate to ensure an efficient and specialized management and also to ensure structural compatibility between M.A.I. components and greater specialization of staff.

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