

# Management of Public and Private Organizations, Comparative Approach

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## **Abstract**

*Management is known as one of the most important factors for economic growth and development, amplifying the efficiency and effectiveness of the economy and the existing organizations within it. Successful fulfillment of the mentioned role implies the exercise of a professional, modern management, adapted to the constructive and functional particularities specific to each type of organization. For these reasons, it is necessary to know the typology of Romanian organizations and their specificity, along with the particularities of the management of various categories of organizations, as important premises of the transfer of public-private managerial know-how, as well as its efficiency. None of the public or private organizations operates autarkically, but, on the contrary, in frequent situations it is necessary to transfer good practices in both directions, public-private and private-public.*

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## **1. Introduction**

### **Public and private organizations - brief considerations**

One of the criteria for delimiting organizations is the form of ownership and management of assets, depending on which organizations are:

- public enterprises (autonomous administrations established by the state or by an administrative-territorial unit, companies and national companies, companies in which one or more of the listed public enterprises hold a majority stake or a shareholding that ensures their control) / See GEO 109 / 2011 on the corporate governance of public enterprises and law 111/2016 on the application of GEO 109/2011;
- public organizations (central public institutions and public institutions subordinated to central institutions);
- private organizations (companies) / See law 31/1990 on companies, completed, amended and republished;

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The concept of “public” has an appreciable scope, in the sense that in addition to public enterprises, until recently called state enterprises, it also includes a wide variety of public institutions, central or subordinated to them. Finding the two categories of organizations - public enterprises and public institutions - allows the identification of distinct managerial features, highlighted below.

Private organizations are found in the form of private enterprises, in which the form of ownership is a private one, in the sense that the patrimony belongs to a person / persons or another private enterprise. They are divided into very small enterprises (micro-enterprises), small, medium and large. The delimitation of private enterprises in these categories is based on the criterion of dimensional characteristics, respectively (Law 346/2004):

- Very large organizations (enterprises), with 1000 or more employees;
- Large organizations (enterprises): with a number of employees between 250 and 999;
- Medium-sized organizations (enterprises): with 50-249 employees and a net annual turnover of up to 50 million euros, equivalent in lei or holding total assets that do not exceed the equivalent in lei of up to 43 million euros;
- Small organizations (enterprises): with 10-49 employees and net annual turnover or total assets of up to 10 million euros, equivalent in lei;
- Micro-enterprises: with up to 9 employees and annual net turnover or total assets of up to 2 million euros, equivalent in lei.

These types of public and private organizations (enterprises) have various constructive and functional characteristics, imposed by both the form of ownership and their size.

As I mentioned, public enterprises and public institutions are part of public organizations. The legal regulation of 2011 (GEO 109/2011 and Law 111/2016) highlights the fact that the category of public enterprises includes “autonomous companies established by the state or by an administrative-territorial unit; companies and national companies, companies in which the state or an administrative-territorial unit is the sole, majority shareholder or in which it holds control; companies in which one or more public enterprises provided above hold a majority stake or a shareholding that ensures their control ”(art. 2, para. 2). Unfortunately, the terminology used in the public sector for its specific organizations and their management is quite confusing, despite the fact that, at least in the university environment, there are specialized faculties or departments. We meet expressions such as public organization, public institution, public administration, public sector, public management, etc. without a clear delimitation and adequate characterization of public domain specific entities. A similar situation is manifested in the perimeter of the management of these organizations, an area in which the terms inserted above also create confusion. To these are added the least debatable approaches to the content of management processes exercised in public organizations, in the sense that sometimes questions such as manager or management decision are questioned, incompatible with the status of executor in which those in positions are leadership, called to enforce the law, not to decide! It

is unfortunate that valuable works written by Romanian specialists are not taken into account (see Verboncu, 2019, p.64).

In turn, private organizations (enterprises) are established and operate under Law 31/1990 on companies. Their dimensional and functional characteristics highlight both the differences from public organizations and some similarities (few in number) which, in the current conditions, require increased attention to private-public transfer, especially from the perspective of "good practices" encountered in private enterprises. In terms of printing an economic dimension to public institutions, as well as public-private transfer in terms of digitization of activities. Against the background of the development of the private sector and the stimulation of the entrepreneurial spirit, in the sense of amplifying the role and contribution of small and medium enterprises to the GDP creation, it is obvious that the interest for the detailed knowledge of the managerial particularities of these enterprises. Ultimately, management differentiates between public and private organizations in terms of their operation and efficiency.

In summary, the constructive and functional peculiarities of private enterprises and public institutions are highlighted below:

#### **Common elements**

- Both are groups of people who carry out work processes, as a result of which economic goods are obtained (products, services, works, etc.).
- Both categories are established and operate on the basis of economic, social, managerial, technical and technological criteria, etc.
- Both seek to meet social needs.
- Both have fundamental vision, mission and objectives, the latter as a quantified and / or qualitative expression of the purpose for which they were established and operates.

#### **Particularities**

- The enterprise (firm), considered by the European Court of Justice "any entity engaged in an economic activity, regardless of its legal form", can be both state property and private or mixed property.
- May have its headquarters only in Romania or its headquarters in Romania and of its subsidiaries (branches) in other countries.
- Has as object of activity the production and commercialization of products and services.
- The vision of an enterprise means the ultimate goal towards which any entrepreneur aims. The way to achieve and fulfill the vision of an enterprise is its strategy.
- The company's mission aims to ensure consensus on the objectives set, in the context of designing and promoting appropriate resource use policies. The role of formulating its mission is:
  - to ensure consensus within the enterprise on the aims pursued,
  - to provide a basis for motivating the use of resources, in a certain way,

- to develop a concept for resource allocation,
- to establish a climate, a general harmony within the enterprise,
- to serve as a focal point that can be identified with the goals and directions of action of the enterprise and to prevent those who are not capable of doing so,
- to facilitate the reflection of the objectives in the organizational mechanism of the company,
- to formulate the general goals of the organization and to facilitate their translation into objectives related to costs, periods and results, which can be evaluated and controlled.
- The objectives of an enterprise are predominantly economic (related to profit, productivity, liquidity and solvency, etc.), commercial (maximizing turnover, consolidating the position on a certain market, expanding on other markets, etc.) and managerial.
- For the most part, the objectives are expressed quantified.
- The public institution, "the organization that conducts work processes aimed at meeting the needs of citizens and the community, according to existing political guidelines at a given time", is only state property, regardless of the managerial formula in which it is established and operates: decentralized or centralized.
- Is established by the decision of the Government which appoints, suspends or dismisses its leadership.
- The political dimension of its functioning is decisive.
- The public institution is based and operates only in Romania.
- The public institution has as object of activity the provision of services for the benefit of the community or the citizen.
- The vision of the public institution is in fact the final objective towards which each institution goes in order to offer quality services and products in order to satisfy the needs of all citizens.
- The mission of a public institution is a set of fundamental guidelines on:
  - public goods and services provided to meet general and specific needs,
  - the public sector market segment to which it is addressed,
  - administrative level,
  - the administrative-territorial unit and the local community where the services are provided,
  - the technical means used to produce and supply them,
  - the general vision of the management representatives of the public institution vis-à-vis the civil servants, the public sector and the particularities of the administrative-territorial unit in which they carry out their activity.
- The objectives of the public institution are predominantly social (meeting the requirements of the citizen and human communities), economic (effective management of public money) and managerial.
- The objectives are expressed especially qualitatively, not quantified.

## **2. Similarities and managerial differences private enterprise – public organization**

Managerial particularities are identified depending on the content and manner of exercising the management processes, as well as in relation to the configuration and operation of the management system of the two categories of organizations.

### ***2.1 Exercising management processes***

The notion of processes and implicitly the process approach were introduced with the promotion of quality management systems. The processes, regardless of the category in which they are included, represent the determining element of achieving the objectives. When a new business is set up, managerial design “starts” from the objectives that the entrepreneur proposes, “reaches” the processes (mainly activities) to be delimited and dimensioned to support their realization, and then to structures, ie the positions, functions and compartments at which the processes are exercised, "arranged" in a predetermined configuration, with the help of hierarchical levels and weights and made viable through organizational relationships. The “populating” of the structures with adequate managerial and execution personnel and the establishment of the decisional, informational and methodological mechanisms necessary for the functioning of the business from the perspective of fulfilling the objectives follows. Such a logic is also specific to managerial redesign actions.

It is important to develop the managerial competencies, to educate appropriately to actively interact with the people around them, to encourage those who want to take higher responsibilities, but also to make them aware of the cultural characteristics of the organization, of the environment where they could act (Raducan, et. alt. 2020).

The processes are delimited, according to the finality, in:

- main processes;
- support or support processes;
- management processes.

The main processes are those that give consistency to the object of activity of the organization. There are processes that generate economic substance. In any type of organization the main or basic processes are decisive in the economics of work processes. There are execution processes, in which a part of the human factor - the executors - acts with the help of means of work, on the object of work (raw materials, information, knowledge, etc.) to obtain economic goods (products, services, works), which meet certain social needs.

Auxiliary processes or support (support) processes are specialized service providers for the main processes. The category of auxiliary or support processes includes financial / accounting, marketing, logistics, human resources, secretarial, IT, etc. activities / attributions. which specialized personnel from specialized departments exercise in order to ensure the necessary conditions for the

achievement of some objectives and, implicitly, the corresponding development of the main processes.

Management processes are that category of the organization's processes in which one part of the human factor (managers) acts on the other party (executors) in terms of forecasting, organizing, coordinating, training, controlling and evaluating their performance. Exercising the management processes and each of their sequences (from forecasting to evaluation-control) involves substantiating and adopting decisions, which influence the decision-making and action behavior of other people. Management processes are just a category of work processes specific to an organization, along with the main and auxiliary processes (or support processes, support). The role of management processes is a decisive one in delimiting organizations into efficient and inefficient. That is why highlighting the managerial peculiarities of public and private organizations "starts" from the manner of exercising management processes, found in the five specific areas, called managerial functions or attributes: forecasting, organizing, coordinating, training and control-evaluation ( Verboncu, 2019, pp.67-68).

The main features are highlighted in the following table:

**Table 1. Parcularities of the exercise of management processes**

<b>Managerial function</b>	<b>Public organizations</b>	<b>Private organizations (enterprises)</b>
<i>0</i>	<i>1</i>	<i>2</i>
Foresight	<p>Public enterprises behave similarly to private enterprises in terms of forecasting, in the sense that they develop global and partial strategies and policies; their approval belongs to the Supervisory Boards and the general meetings of shareholders.</p> <p>The breakdown of objectives is similar to large and medium-sized public enterprises.</p> <p>Public institutions are subordinated to ministries or national agencies / authorities. The strategy is developed by the management of the respective institutions, and the approval belongs to the supersystems of which they are part. Hence, the predominantly political dimension of strategic management.</p> <p>Strategic forecasting decisions belong to the bodies to which they are subject. The tactical and current ones belong to the management of public institutions.</p>	<p>Each company bases and develops its own strategy, and from this, the policies by areas (for small and micro enterprises the strategy is restricted to a list of objectives and ways to achieve).</p> <p>Objectives are rigorously set, from core objectives, by derivation or cascade, to derived objectives I and II, specific objectives and individual objectives.</p> <p>The first two categories are found in strategy, the next in policies, and the individual ones in job descriptions.</p> <p>The strategy and related policies are developed by managers and approved by the Board of Directors / Supervisory Board and the General Meeting of Shareholders.</p> <p>The forecast decisions are adopted exclusively by the managers from the organizational echelons (upper, middle and lower), specifying that the strategic decisions belong to the top managers, the tactical ones to the middle managers, and the current ones to the line or supervision managers.</p>
Organization	Public organizations have an authoritarian organization, in which the	The organization is exercised exclusively by the management of the

<b>Managerial function</b>	<b>Public organizations</b>	<b>Private organizations (enterprises)</b>
<i>0</i>	<i>1</i>	<i>2</i>
	characteristics of the procedural and structural organization are established by the supersystems of which they are part. Managerial autonomy is limited to public institutions and relatively limited to public enterprises.	private enterprise. They have a democratic organization, according to the law. The organizational, informational, methodological and decision-making conditions necessary to achieve the objectives are established by the management of each enterprise.
Coordination	We can talk about both an internal and an external coordination between the public organization and the bodies to which they are subordinated. Limited decision-making and action autonomy leaves its mark on the way in which coordination is exercised. It also aims to harmonize the decisions and actions of public organizations to achieve the objectives of the supersystems in which they are integrated.	The coordination exercised by the management of these private enterprises aims exclusively at harmonizing the decisions and actions that ensure the achievement of objectives. Bi and multilateral communication are common.
Training	The training-motivation decisions are adopted both by the management of the public organization and by the organization of which it is part. The motivation takes place in compliance with the legislation in force regarding the remuneration of budgetary staff. Ensuring the necessary staff is done through competition; the managers of public enterprises are nominated through a selection contest, and those of public institutions are appointed, usually politically.	The training-motivation decisions belong exclusively to the management of the private enterprise. Obviously, the human dimensioning of management and execution positions and their motivation take into account the degree of achievement of objectives and the degree of participation in obtaining results. The appointment of managers is ensured by the Board of Directors, and the provision of the necessary executive staff by decisions of the general manager / manager.
Control evaluation	It is a well-founded management function in its exercise, especially due to the existence and obligation to apply internal management and control standards.	It is exercised both at the end of a managerial cycle and periodically. It has a corrective character, but also prospective, by highlighting the causes that generated the fulfillment or non-achievement of the assumed objectives.

## ***2.2 The management system and its particularities in the two categories of organizations***

Much more obvious are the differences between the management systems of public and private organizations, approached at the level of the five subsystems or managerial components: methodological, decisional, organizational, informational and human resources management.

**Tabel 2. Managerial particularities**

<b>Managerial component</b>	<b>Public organizations</b>	<b>Private organizations (enterprises)</b>
<i>0</i>	<i>1</i>	<i>2</i>
Methodological	<p>The range of management tools recommended to public institutions is much narrower and includes: management by objectives, management by projects, diagnosis, SWOT analysis, meeting, delegation, methods to stimulate creativity. Interesting is the experience of ANAF and subordinate institutions in promoting and using management through objectives, the methodology used being close to that recommended by specialists.</p> <p>Exclusive use by public institutions of benchmarking and CAF methods (common framework for self-assessment of the functioning of the public institution).</p> <p>Managerial methodologies are also less common, being reduced to methodologies for promoting and operationalizing complex methods, management methods and techniques or methodologies for redesigning managerial components, such as organizational and information subsystems.</p> <p>Implementation of the quality management system, in which the system and operational procedures also bring the amplification of the degree of bureaucratization of the management.</p>	<p>The managerial tools used are very extensive, practically most of the complex management methods and techniques can be used successfully in private and public enterprises.</p> <p>The most representative complex management methods found in the practice of enterprises are management by profit centers, management by objectives, management by projects, management by exceptions, management by budgets or combinations thereof.</p> <p>The management methods and techniques encountered are diagnosis, meeting, delegation, dashboard, SWOT analysis, decision-making methods, methods of stimulating creativity (brainstorming, Philips 66 meeting, discovery matrix), cost management methods, classic and evolved on orders, direct costing, SCOP etc.).</p> <p>Implementation of the quality management system, with advantages and limitations, the latter referring to the possibility of increasing the degree of bureaucratization of management.</p>
Decision-taking	<p>The decisions taken are predominantly tactical and current. The strategic ones belong to the supersystem they are part of (Government, ministry, central authority, etc.). Decision-making autonomy is limited, the interference of politics being obvious.</p> <p>Decision-making mechanisms are reduced to the level of decision-making acts, focused on the experience, flair, intuition of decision makers.</p> <p>The degree of risk-taking of any kind is low.</p> <p>Low degree of scientific substantiation of decisions on the one</p>	<p>The decisions adopted are of a wide variety, from the strategic ones to the current ones, from the group ones to the individual ones, from the certain ones to the uncertain and risky ones, from the periodic ones to the random or unique ones and so on. Decision-making autonomy is real, all-encompassing.</p> <p>Decision-making mechanisms can be decision-making processes - in the case of strategic decisions and decision-making acts, for other types of decisions - tactical and current.</p> <p>The degree of risk-taking is high.</p> <p>The scientific substantiation of the decisions is much more consistent, the</p>

Managerial component	Public organizations	Private organizations (enterprises)
0	1	2
	<p>hand, due to the existing bureaucracy and, on the other hand, due to the insufficiency or lack of decision-making methods and techniques.</p> <p>Insufficient delimitation of competencies, of authority on hierarchical levels, a situation that calls into question the “empowerment” of the adopted decisions.</p>	<p>existence of all the categories of objectives facilitating their correct formulation, and the managerial tools used ensure quality decisions.</p> <p>The other qualitative parameters of managerial decisions are largely ensured.</p>
Informational	<p>Excessive bureaucratization of public institutions, despite the efforts made during the digitalization pandemic of some activities.</p> <p>Frequent changes of directors (managers) and / or management teams, both in public enterprises and in public institutions, generated by the political orientation of government. Digitization is a difficult goal to achieve in such conditions of managerial instability.</p> <p>The oversizing of the managerial and civil service apparatus, due to the insufficient breakdown of objectives and policy implications is an important source of excessive bureaucratization of public institutions.</p> <p>The quality of the information circulated within the public institutions is poor in terms of their timeliness, accuracy and security, a situation generated by the predominantly manual processing of information and the professional incompetence of the executors.</p> <p>The financial, material and human resources allocated to digitization are insufficient.</p>	<p>Lower degree of bureaucratization, generated by the use of complex computer applications, able to provide managers with relevant information in real time.</p> <p>Much more pronounced managerial stability, which facilitates the completion of important steps to computerize / digitize the company.</p> <p>The sizing of the execution staff in relation to objectives and competence diminishes the possibilities of bureaucratization.</p> <p>The quality of the information circulated within the company is largely favorable to the substantiation, adoption and application of appropriate management decisions and, implicitly, to the achievement of objectives.</p> <p>The computerization of managerial processes and the digitization of some activities is not a priority for the management of the enterprise.</p>
Organizational	<p>The organization systems of public enterprises are based on corporate governance, while the organization of public institutions is a classic, unitary type.</p> <p>The Board of Supervisors and the Board of Directors are nominated by the state or public authority holding the majority of shares, and the manager / director is the result of a selection competition. In public</p>	<p>The organization of most private enterprises is unitary, with a higher level management composed of participatory management bodies (general meeting of shareholders, board of directors) and individual managers (general manager and executive directors).</p> <p>The nomination of managers is made on the basis of competence, in accordance with the provisions of the</p>

<b>Managerial component</b>	<b>Public organizations</b>	<b>Private organizations (enterprises)</b>
<i>0</i>	<i>1</i>	<i>2</i>
	<p>institutions, the nomination of management is eminently political.</p> <p>The organizational structure of enterprises and public institutions is hierarchical-functional, multi-storey.</p> <p>The approval of the organizational structure belongs to the government or the local public authority.</p> <p>Organizational structures, for both types of public organizations, bushy, cumbersome, with unnecessary positions "populated" with incompetent staff.</p> <p>The delimitation and dimensioning of the procedural components (activities, attributions and tasks) do not take into account objectives. In this way, unnecessary, oversized posts and compartments appear.</p> <p>The correlation of objectives-processes-structures is almost non-existent, with a negative impact on the functionality and efficiency of management.</p> <p>Procedural organization and structural organization without flexibility.</p> <p>Organizational documents "coming" from the center, with important content deficiencies (see especially the job description).</p>	<p>updated law 31/1990.</p> <p>The organizational structure of private enterprises, especially for medium, large and very large ones, is of a hierarchical-functional, multi-storey type, with the three well-defined and structured organizational echelons.</p> <p>The approval of the organizational structure is made by the General Meeting of Shareholders.</p> <p>More flexible organizational structures. The only deficiency is given by the number, sometimes exaggerated, of hierarchical levels, which leads to the existence of "high" structures.</p> <p>The procedural components are delimited and dimensioned in most cases according to the objectives broken down "from top to bottom", from the fundamental objectives to the individual ones.</p> <p>The processes are dimensioned according to objectives, and the structures in relation to processes, a situation that ensures efficiency and effectiveness of the company's management.</p> <p>The flexibility of organizational systems is very high, in response to changes in environmental factors and internal variables.</p> <p>Flexible organizational documents, with the role of managerial tools.</p>
Human resources management	<p>Vulnerable managerial component, due to the interference of politics in the management of enterprises and public institutions.</p> <p>The main activities specific to the staff function are carried out, in many respects, by the clientele, which leads to the existence of overloaded organizational structures, with positions occupied by incompetents.</p> <p>Organizational culture, with values, behaviors, etc. less rigorously defined and totally neglected as a factor of progress.</p> <p>Motivation based on the</p>	<p>Managerial component with an extremely important role in the management system, able to ensure, quantitatively and qualitatively, the necessary managerial and execution personnel of the private enterprise.</p> <p>Organizational culture, with values, behaviors, etc. rigorously defined but, unfortunately, with poor attention from top management.</p> <p>Intense managerial and professional training, by participating in continuous training programs, doctorate, etc.</p> <p>Motivation based on the degree of</p>

Managerial component	Public organizations	Private organizations (enterprises)
0	1	2
	<p>legislation on the remuneration of budgetary staff, with rewards (salaries) that do not take into account the degree of achievement of objectives (they are not broken down to job level), but only the level of employment, seniority, experience.</p> <p>The requirements of motivation related to differentiability and specificity are not found in the managerial practice of public organizations, especially of public institutions.</p> <p>The nomination of the managers is made on political criteria, and of the executors, with the consent of the public authority or of the ministry, according to the number of positions approved by the organizational chart.</p>	<p>achievement of the objectives and the degree of participation in their achievement, a situation facilitated by the existence of the objectives broken down to the level of the positions and job descriptions that highlight them.</p> <p>All the requirements (requirements) of motivation can be found in the management of the private enterprise.</p> <p>The nomination of managers and executive staff is made on the basis of competence criteria.</p>
Management as a whole	<p>Existence of general management principles, according to which the public institution operates: the principle of legality, the principle of permanence and continuity, the principle of equality and neutrality, the principle of separation of public and political functions, the principle of transparency, the principle of deconcentration, the principle of administrative decentralization based on local autonomy .</p> <p>At the same time, there are and should be observed some specific principles of analysis and design of the organizational system and principles of analysis and design of the information system.</p> <p>The professionalization of managers and management is just a desideratum.</p> <p>The performances of public institutions are delimited in economic performances, financial performances, budgetary performances and political performances.</p>	<p>The general management principles, valid for private enterprises, are: the principle of efficiency and effectiveness, the principle of concordance between the dimensional and functional characteristics of the management system and the particularities of the organization and its environment, the principle of participatory management, the principle of motivating factors involved in the organization's activities. its stakeholders.</p> <p>At the level of the private enterprise - especially very large, large and medium - specific principles of design / redesign of the organizational system and the information system are used. In most cases, they are respected.</p> <p>Managerial professionalization is much more pronounced, due to the decisional and operational autonomy of the private enterprise.</p> <p>The performances of a private enterprise are found in the hypostasis of economic-financial performances. and managerial performance</p>

### 3. Managerial know-how transfer

The managerial characteristics highlighted by the exercise of the management and operation processes of the management system specific to each type of organization – public enterprise, public institution or private enterprise – allow the punctuation of the most important areas where public-private or private-public transfer is necessary. the perspective of streamlining their management. We note some of the key aspects of such a way:

#### a. Public-private transfer

- how to substantiate, develop and implement multi-annual modernization policies (MIPs) as an experience in breaking down the company's strategy into policies;
- using benchmarking as a management method, focused on highlighting and transferring good management practices;
- enriching the diagnosis by taking over specific elements CAF (common framework for self-assessment of the functioning of the public institution) and / or taken from the public audit;
- experience in the field of document management and digitization;
- experience in decentralization (see decentralized or relocated public institutions), valid for large and very large enterprises (in their case we also refer to internal decentralization, by increasing the decision-making and operational autonomy of organizational subdivisions such as profit centers or business formats).

#### b. Private-public transfer

- substantiation of quantified, measurable objectives and the manner of “cascading” the fundamental objectives into derived, specific and individual objectives; although difficult, such a way would ensure performance measurement and the promotion of motivational mechanisms based on individual, group and organizational performance;
- the accuracy of the delimitation of the procedural components, as elements to support the achievement of the objectives;
- the manner of designing and functioning of the organizational systems, by taking into account the design / redesign principles specific to this managerial component;
- the content and the methodological mechanism of elaboration and updating of the organizational documents (the organization and functioning regulation and the job descriptions);
- the economic dimension of management, specific to private enterprises, can be transferred to public institutions in the sense of focusing on judicious spending of public money;
- the manner of designing and functioning of information systems, by capitalizing on specific principles;

- the practices of managerial consultancy and continuous managerial training, as ways to professionalize public managers;
  - more rigorous methodological promotion of the use of managerial tools: management by objectives, diagnosis, delegation (other than the one provided in the legislation dedicated to the civil servant), the dashboard, the process map (Verboncu, Vezeteu, 2020, p.20-31);
  - the decision-making mechanisms underlying the substantiation, adoption and application of managerial decisions, taking into account the requirements imposed on them (scientific substantiation, "empowerment", integration in the organization's decisions, opportunity and appropriate wording).
- Ensuring the successful transfer of managerial know-how in both directions is possible through public-private partnerships (PPPs).

#### 4. Conclusions

The comparative approach of the management of public and private organizations aims to highlight the decisive role of management in ensuring the efficient and effective functioning of those organizations, but especially of public enterprises and institutions, deeply marked by the increasingly aggressive influence of politics in their activities. . The political instability of the last decades has generated managerial instability at the level of public organizations, organizations that have represented and represent real stakes of political disputes. Currently, in Romania there are 250 public enterprises of national interest (national state-owned companies) and over 1100 companies of local interest, subordinated to local public authorities. All these are, according to Law 111/2016, public enterprises, and the organization system is a dual one, called corporate governance. The introduction since 2011, by GEO 109/2011, of this principle aimed at mitigating the political interference in the management of public enterprises. But there is a long way to go from desire to reality. The last two governments have tried (and succeeded) in exempting a significant number of public enterprises from the application of corporate governance or delaying its implementation, obviously seeking to strengthen political control and nominate at least dubious figures in their leadership (especially in the structure Board of Directors).

The most delicate issues, which deserve special attention, are manifested at the level of public organizations, where the influence of politics is, in many respects, exaggerated. These are limited to: the establishment of public enterprises of local interest without an adequate substantiation; inconsistent application or exemption from the implementation of corporate governance to a large number of public enterprises of national interest; the delay in the application of corporate governance is also associated with the delay in the application of structural reforms, both of which generate economic performance; the intention of the legislature (Parliament) to amend the provisions of Law 111/2016) regarding the obligation to apply corporate governance, without this aspect being sanctioned by the Ministry of Finance. In terms of legislation, the EU insists on the full

implementation of the principle of corporate governance and the completion of the normative act in the field with the definition of SGEI (service of general economic interest), which would explain the state intervention, as sole or majority shareholder, in public enterprises. If in the case of public enterprises (national companies) with functional corporate governance, politicization is limited to the content of the global strategy, which must reflect objectives that will contribute, by fulfilling them, to increase the contribution of that enterprise to the national budget, to those operating without governance. corporate, the state intervention is much more consistent: the nomination on political criteria of the manager and the configuration of the Board of Directors, thus resolving the political clientele. In turn, local companies, often set up without a real economic or social reason, have poor management in terms of principles, rules, managerial and professional competence of those who lead them and so on.

Regarding public institutions (national authorities or agencies and decentralized institutions) we note their operation according to the principle "our mission is to apply the law", sometimes without paying attention to management, without which the requirements of the citizen and the local community are met. doubtful. The most eloquent example is the public health departments, "caught" totally unprepared for the coronavirus pandemic, both from a managerial point of view and from the point of view of ensuring the necessary resources to carry out large-scale epidemiological investigations. The interference of the policy was "seen" by the nomination of directors with poor managerial and professional competence, unable to lead a small number of executors and to manage patrimonially such public institutions. Examples of ineffective and inefficient practices may continue with other relocated public institutions, such as county school inspectorates, environmental agencies, county financial administrations, etc.

For these reasons, the transfer of managerial know-how, especially from the "private" to the "public" direction, is necessary from the perspective of improving the efficiency of the management of public enterprises and institutions. To the aspects highlighted above, we add other ways to follow, such as (Vezeteu, 2019):

- Redesigning the management of these public organizations according to a rigorous methodology, already used by medium, large and very large private enterprises. For many specialists and especially for governors or public administrations, the notion of managerial reengineering is incompatible with the status of these organizations, whose management is "designed" from the center. In our opinion, the operationalization of such a way of managerial modernization is opportune and necessary.

- Reducing bureaucracy through digitization. The beginnings are commendable, but insufficient. Too many unnecessary papers are walked inside the public organization or between it and other organizations. However, digitization means a redesign of posts and, possibly, a reduction of them. If there were concrete objectives in this field then managerial and economic performance would increase considerably. The diminution of the administrative apparatus, a well-known

electoral slogan, must not be the consequence of a dismissal decision, but the natural result of the application of managerial redesign methods.

- Stability and coherence in law enforcement. For this, it is necessary to eliminate the legislative chaos that regulates the functioning of the institution and the relations with the citizens, efforts to clean the legislation and to unite the normative provisions.

- Any managerial or operational approach, as well as any decision taken within the public organization must pursue an objective.

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