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**FINANCIAL AND MATERIALS RESOURCE PLANNING
INTENDED TO SUPPORT NATIONAL SECURITY**

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1. Introduction

Based on the provisions of the strategic documents or national regulations as well as the National Defense Strategy and law No. 500/2002 of public finance, the Romanian Ministry of Defense has created its own strategic planning mechanisms, with the aim of integrating the exclusive strategic plans with budget projections.

2. Multi-annual programs

Providing financial support for the development of material-the necessary capacities in the field of State security must be based on the efficient use of the whole range of resources: human, financial, material, technological, scientific, etc.

To do this, management goals and budgeting on the multiannual programs must become a daily working philosophy, with effects on the planning and use of high-efficient financial resources, in accordance with the objectives, priorities and assignments.

One of the tools useful in ensuring the management of material resources is the multiannual program, which derive from the concept of budget program which provides, among miscellaneous, and adequate budgetary predictability. This must be the result of a process of defining the needs and identifying the solutions to cope with.

According to the law no. 500/2002 of public finances, a program is “*an action or a coherent set of actions that refer to the same main credit officer, designed to achieve a goal or a set of defined objectives and indicators which are determined by the program to assess the results to be obtained, within the approved funding.*” The concept is interrelated with the concept of loan commitment (“the maximum amount of expenditures that may be incurred during the year, as approved”), which came to confer safety to program funding.

Similarly, the *multiannual program* summarizes the activities in a multiannual perspective to assurance products, works and services required to meet one or more specific objectives (goals resulting from the need to fulfill the basic functions and tasks of the entity). However, a specific target may be supported by several multiannual programs.

Thus, it tries to avoid the fragmentation of materials requirements and satisfy similar needs with the same material, solution with beneficial effects for the operation and maintenance of the products involved as well as the efficiency of spending public money,

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including by carrying out procurement procedures for greater quantities of goods/works/services.

3. The multi-annual programs management.

Multi-annual program is a complex management document, which includes a management component and one budget, drawn from the system's components of strategic plan on medium-term of the central public institutions.

The management component must contain information about:

- the need for the program and the specific situation in the field/area in the target program;
- purpose and objectives of the program, stating specific objectives served;
- financing the program with an indication of the total amount staggered on each year, and sources of financing;
- main actions to achieve the objectives;
- the phases of their program and phasing in over time;
- points/critical steps;
- monitoring and evaluation program;
- the Manager and team programs, functions and terms of reference;
- Beneficiaries, etc.

The budget component should provide the image of the accordance between the funds allocated to the program, its objectives and the specific purpose it serves.

It will highlight in the multi-annual projection, categories of costs, funding sources, expected results and performance index.

A real challenges for program's teams are to define program objectives and to identify performance indicators so that, on one hand, the relationship between these instruments to characterize the program, on the other hand, the issues raised by the degree of fulfillment of the objectives of the program to provide accurate picture of the level of satisfaction of the specific objective to support the program which has been developed.

Therefore, the objectives of the program should be drawn from the documents substantiating the need to be supported, in accordance with the institutional and sectorial planning documents of the operative and endowment activity, with methodological support program management structure that coordinates the Institution. The program's objective should be the manager's end state witch supposed to be achieved as a result of program development.

Performance indicators must be quantifiable factors which show how they were achieved results. In situations for which there is historical evidence, indicators can be identified based on statistical data tailored to the specific case. In the case of novelty programs, performance indicators must be defined as a research and rigorous analysis, possibly using simulations and their compatibility with the program should be assessed during the course of it, in terms of their relevance to the objectives of the program.

However, an optimal number of indicators must be found, which interpretation must be enough to evaluate the program without time consuming and energy unnecessarily.

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The concept of *multi-annual program* accommodates well with the *Framework of the Medium-Term Public Expenditure*, which is trying to be implemented in the central public administration, just from the need to coordinate the objectives with the resources and to increase the predictability of the budget.

The higher the percentage of the work which represents the activity of an entity covered by multi-annual programs, the easier is to build the entity budget, the more predictable its evolution is.

The use of such an instrument is focused on:

- the planning and the efficient allocation of the institution human, material and financial resources;
- the identification, designing and tracking of all types of costs associated to the program;
- improving the financial predictability, in multiannual projection.

In agreement with the principles of strategic planning in public administration, the principles which govern the management process based on multi-annual programs are:

- a) **priority** - funding programs according to priority specific objectives of the entity;
- b) **predictability** – the possibility of anticipating in multi-annual projection the human, material and financial resources related to the programs;
- c) **flexibility** - regular assessment, course corrections program in line with the developments of the targeted objectives;
- d) **effectiveness and economic efficiency** - choosing the most advantageous solutions in terms of economic performance with respect to design parameters.

A way to approach the multi-annual program management may include a product development throughout the entire life cycle, in a phased manner, corresponding to important moments regarding the identified material solution, the acquisition or the production of needed equipment, introduction in use, operation until retirement.

Manner stated comes to make a similarity link between the product and the material solution design to meet a specific objective, uncommon in practice, and involves providing program management by specialists in the product, not in the specific objective.

Another option could be related to the logistical support of a specific objective through a material complex solution (specific objective is usually complex), meaning goods, works, technical services different.

In this respect, the program management is the preserve of specialists in specific objective, with technical support from the specialists in associated materials solutions. It definitely can make better use of the program human resource dimension and allows a closer management approach to the spirit of project management theory.

Multiannual management can be based on principles inspired from project management theory, namely:

- *the uniqueness of the objective*: a program can have one primary goal, one for which the program was developed and whose fulfillment will solve at least one problem with a specific objective of the institution;

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- *one program manager* who has the necessary competence, the authority and full responsibility of the progress of the program; customary and feasible with the specific institutions of the national security system. If the manager is managing current affairs program, important decisions are taken either to finance the program officer or his superior institutional structures;
- *structural decomposition of the program*, depending on its complexity, for better use of team members and the resources allocated to the program;
- addressing starting from the objective to the resource, allocation of resources necessary to achieve the objectives of the program performing only after the identification of all resource consumers factors;
- *monitoring and evaluation / re-evaluation* at each implementation stage of the program and layout of corrective measures, until putting the products into operation and afterwards.

Also, it is possible to establish criteria of hierarchy for programs and prioritization methodology extremely useful in analyzes regarding budget allocation, which is always insufficient.

In developing a multi-annual program its stability is very important, being a result of its development on a rigorous substantiation and on an impact realistic analysis of program, mend to capture how the program influence other areas of the institution other than the default, as well as the events in other areas of the program.

Even if one of the requirements of strategic planning is flexibility, major changes occurred in the program; especially those regarding resource needs are not desirable.

Balance between stability and flexibility can be achieved through desk research, research, analysis and assessment to precede and support the development of the program as management document.

Also, at the institutional level should be considered both avoiding fractionation of material requirements and, consequently, the development of several acquisition programs covering the same material solution, with negative effects on resources allocated to program management; and developing huge programs, both in terms of quantity and time duration, difficult to monitor and to evaluate.

4. Conclusion

One of the reasons that nations security is in a precarious balance is quasi-permanent shortage of resources, and as a result, the struggle for resources.

Member aspirations towards development, prosperity, stability and security are inextricably linked to the provision of resources, and they are limited.

Security means democracy, economic power of the state, public welfare, sustainable strategies undertaken at national level, solid and competent institutions responsible for implementing the strategies, and last but not least, the strategic planning of resources.

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