A RESEARCH THRU A LOGISTIC PERSPECTIVE REGARDING THE MANAGEMENT OF IMAGE-CRISES OF PUBLIC INSTITUTIONS FROM ROMANIA

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Abstract

Image Crises are explained by the specialists in this field of study as a process of damaging an organization's / institution's reputation through loss of public confidence in the products and / or services provided to the targeted public / consumers. The main reason why we chose this topic, for this paper, is to find out how image crisis can affect public institutions in Romania at national (central) and local (regional) level. Based on the studies we conducted in several public institutions from Romania by comparing data available to the general public, we tried to show that not only private companies / organizations can be affected by image crises (or by economic crisis) but also public institutions can be affected by the damage of their social image and also the consciences of this situation, haves a negative impact on the public's opinion regarding the aimed institution, which in consequence can affect the relationship between citizens and public authorities.

Key words: *image crisis, public institutions, image management, sustainability*

JEL Classification: *H76, H80, R10, R51, Z18*

1. Introduction and literature review

The term "institution" comes from the latin, "institution" and means settlement, establishment or foundation (Zamfir C. & Vlasceanu L., 1993). The notion of "public" refers to the public sector of local, regional and national institutions and according to the romanian explanatory dictionary means "a community of people" (Bratianu C., 2003).

The public institutions at the current time are "shifting" from an individualistic behaviour and spontaneous actions to an individual approach regarding citizens in order to build a stronger society. Colloquially, the term

"public institution" has a legal sense for organizations with rules of procedure established by normative acts and who must work for the good of the citizens, on behalf of the community (Ioan A., 2006).

The difference between a public and a private organization lies in the fact that public institutions are geared towards achieving social well-being and economic profit in the use of citizens, while private organizations / companies are aimed to gain material benefit in the use of the companies which has a smaller impact on a reduce number of citizens. Public organizations consist of a team of people working for the benefits of those outside the organization, and not just to those within it when comparing to a private organization / company (Chiciudean I. & Tones V., 2010).

The activities of a public institution consist in informing the citizens and coordinate the financial resources in order to improve the social environment. All these activities are carried out in order to achieve the objective of the institutions that they ware establish for and to facilitate the improving of the relationship of the citizens and public institutions (Coman C., 2009).

Due to the different territorial organization and management type, public institutions are divided into several forms of activities such as central and local institutions. Generally, central institutions have jurisdiction throughout the country and local institutions have a limited jurisdiction up to a regional or a locality level (Costea C. & Tampu D. L., 2013). The difference between these two types of public institutions is made by the status of the personnel that they are "made up" and especially by the power of decision that they have when they are in contact with citizens.

2. The influence of the logistic channels and stakeholders upon public institutions

In general, any types of activities are more or less relevant in a greater or a smaller manner for different types of audiences / citizens (Burghelea C., 2010). Stakeholders are persons or groups of persons directly affected by the action of a specific organization for which they have interest. Stakeholders can be inside or outside an organization (Balint A. O., 2013). The decision-making process within organizations is based on the interests of stakeholders because they are the one who can influence this process decisively. Stakeholders are also present in public institutions and the complexity is much higher because they represent the image of the public institutions from Romania.

Public institutions are in a relationship of dependency with its stakeholders, but this relationship differs according to their importance for the normal approach of things. The more critical and more valuable the

participation of stakeholders is within these actions of a public institution, the greater potential to influence decisions making process stakeholders have.

An essential condition for the success of any actions that are undertaken by the authorities must be transparent and honest by communicating at all times with all those directly affected by their actions and decisions.
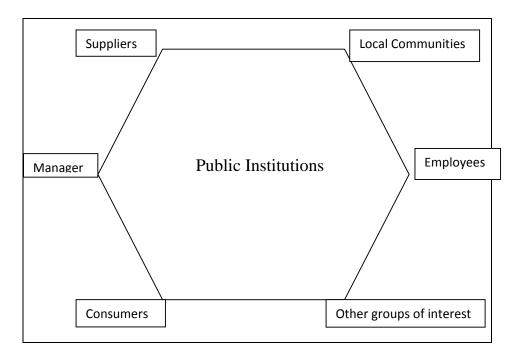

Fig. 1 The Stakeholders of public institutions
Source: Proposed model by author

Public institutions should have very clearly delineated "lanes" of communication with its stakeholders in order to facilitate ways to relate with them.

1. The *employees* are part of the institutions stakeholders. They must be constantly informed of the activities undertaken by the institution and this should be achieved through internal communication channels.
2. The *local community* is made up of citizens of the town in which the institution operates. Their information is generally through mass communication.

3. *Managers* are part of the internal organization and the public is informed through internal communication. They take part in the decision-making process and are communicating between them and the institution.
4. *Suppliers* of goods and services in the field of public institutions are part of the network of those directly interested in the changes occurring in the field of public institutions. They can provide certain products or services.
5. *Consumers* are individuals acting alone or in groups of individuals established in associations, acting for purposes outside their trade, business, industrial or artisanal production.
6. *Other groups of interests* may be central institutions such as the Government, which has an interest in law enforcement, in providing certain services and in supporting projects that local and public institutions proposed for the benefit of the citizens; or other interest groups that follow the facilities of these institutions and of equal treatment.

All the decisions that are taken in public organizations are considered to be part of their own network of stakeholders where the interests more increase for the optimization of the logistic channels. Their interests are reflected through direct or indirect confrontations depending on the scale of the decision. One of the worst scenarios is when citizen's interests prevail over the public interest and they are promoted only by certain stakeholders.

3.   The crisis within the logistics chains in public institutions

With the passing of time, the main majority of scientists from different fields of study were concerned with preventing or settling as rapidly as possible the consequences of the crisis. Experts from the field of Logistics believe that the crisis in logistics areas that are common in public institutions can be identified with deviance of the individual based on the unpleasant experiences lived until such time as the manifestation of uncontrolled behavior. This traumatic experiences correlated with the current situation in public institutions in Romania can nullify the senses and logical thinking.

Internal crises: This kind of crisis dominates both inside organizations/institutions, and the social environment of NGO's. There are considered internal crises: crises both at a departmental level, branch, and crises within the polity. Internal crises may escalate and may turn in external crises. They affect the close vicinity (institutions dependent on the rules, decisions, actions of the afflicted), then the specific distant vicinity

(organizations dependent on the activity of the public institutions) and eventually could affect other areas.

External crisis: represent a type of crises that acts outside of organizations, institutions and specific domains or outside the national territory. This type of situation affects public institutions in various ways, causing defaults to the emergence and development of an internal crisis.

Depending on the type of crisis that an institution is facing, this may evolve through the achievement of three linear distances (incident, accident, conflict) which raises the question of relief in terms of activity and managing an institution, but also opportunities through which the institution has an opportunity to shape a better image, to improve some activities, to figure out the competence of employees to solve other possible causes of the crisis and to reduce the repetition of it.

The image of an public institution is the representation of your communities identity. Image crisis can endanger the proper operation of an institution / organization by decreasing its notoriety in society. The actions, products, services, accuracy or veracity of the information provided by institutions / organizations can lose their importance and can no longer evoke interest among citizens / customers.

The image of public institutions can be very easily endangered because the fragility of the image itself and can have a slow evolution because the perception and attitude of the citizens and stakeholders. Public relations professionals from the Romanian public institutions, after taking control of the image crises can no longer hesitate and relate the state of crisis as an opportunity by knowing the organization / institution, the discovery of other failures, which could have more serious repercussions in the future.

4. Conclusions

All citizens resorting to the services of a public institution, or to the products that they have to offer can encounter many difficulties in accessing the services or good that they desire because of the bureaucracy and the poor implementation of any types of logistic processes.

The stability and success of public institutions depend on both the external and internal image that is build in time for the public so they can trust the institution and have a positive image. Positive image gives a lower vulnerability in the face of public and political attacks and crisis situations are less likely to occur. It is therefore necessary for strict surveillance of public relations specialists, to understand and react to the increasingly higher expectations of citizens.

In conclusion, the crisis in public institutions must be managed in a proper manner and need to be working in normal parameters.

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