

Managing States with Limited Resources

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“How to best manage with what resources we have got?”

A good simple, practical, workable management system is worth its weight in Gold!

Managing States with Limited Resources

With the current economic hardship, States are facing constraints with the limited human, financial, and infrastructure resources.

Good management of limited resources is mandatory to deal with this problem.

STRATEGY

- « A pattern in a stream of decisions » " H. Mintzberg
- « The **long-term orientation** of an organization » G. Johnson et al.
- " The determination of the **long-run goals** and objectives of an enterprise and the adoption of courses of action and the **allocation of resources** necessary for carrying out these goals ». Alfred Chandler
- " Competitive strategy is about **being different**. It means deliberately choosing a **different set of activities** to deliver a **unique mix of value**" Michael Porter

Different levels of strategy

COMPETITIVE STRATEGY

(Individual Envelope)

- ✓ Individual's Competitive advantage
- ✓ Level of integration and loyalty
- ✓ Allocation of resources between functions

CORPORATE STRATEGY

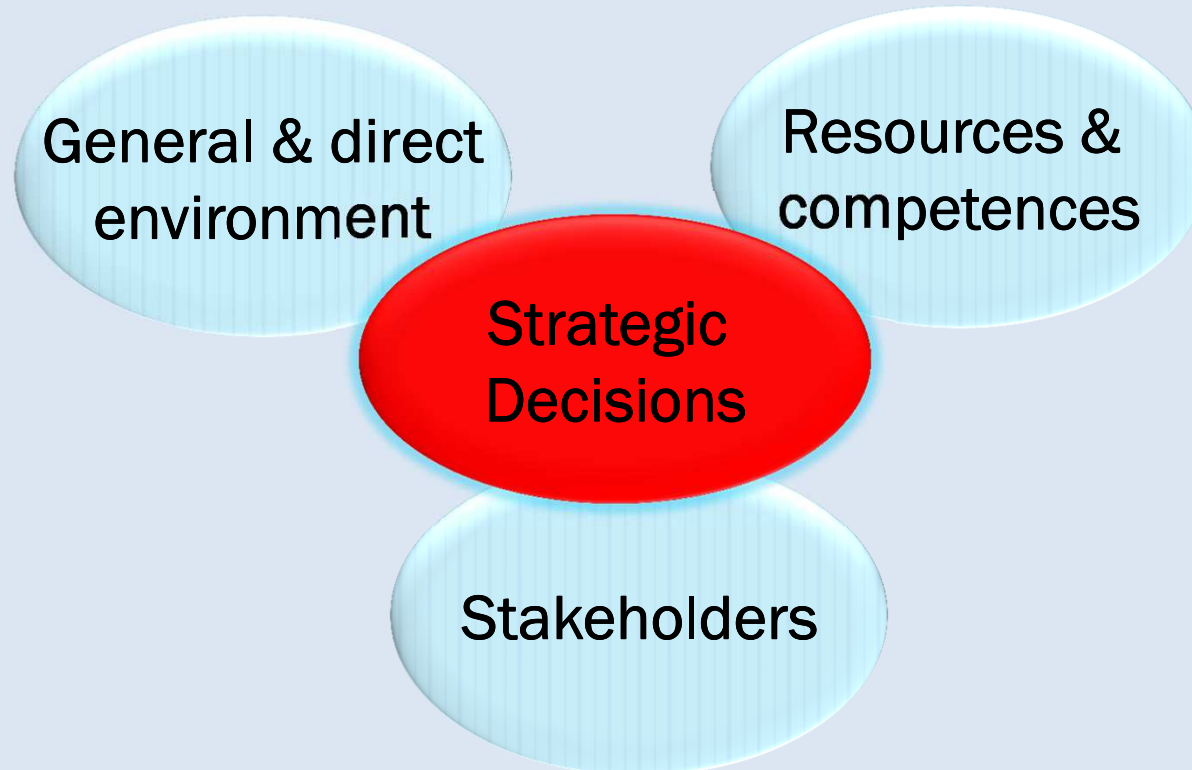
(Overall scope of the NAA)

- ✓ Diversity of activities
- ✓ Geographical scope
- ✓ Allocation of resources between activities

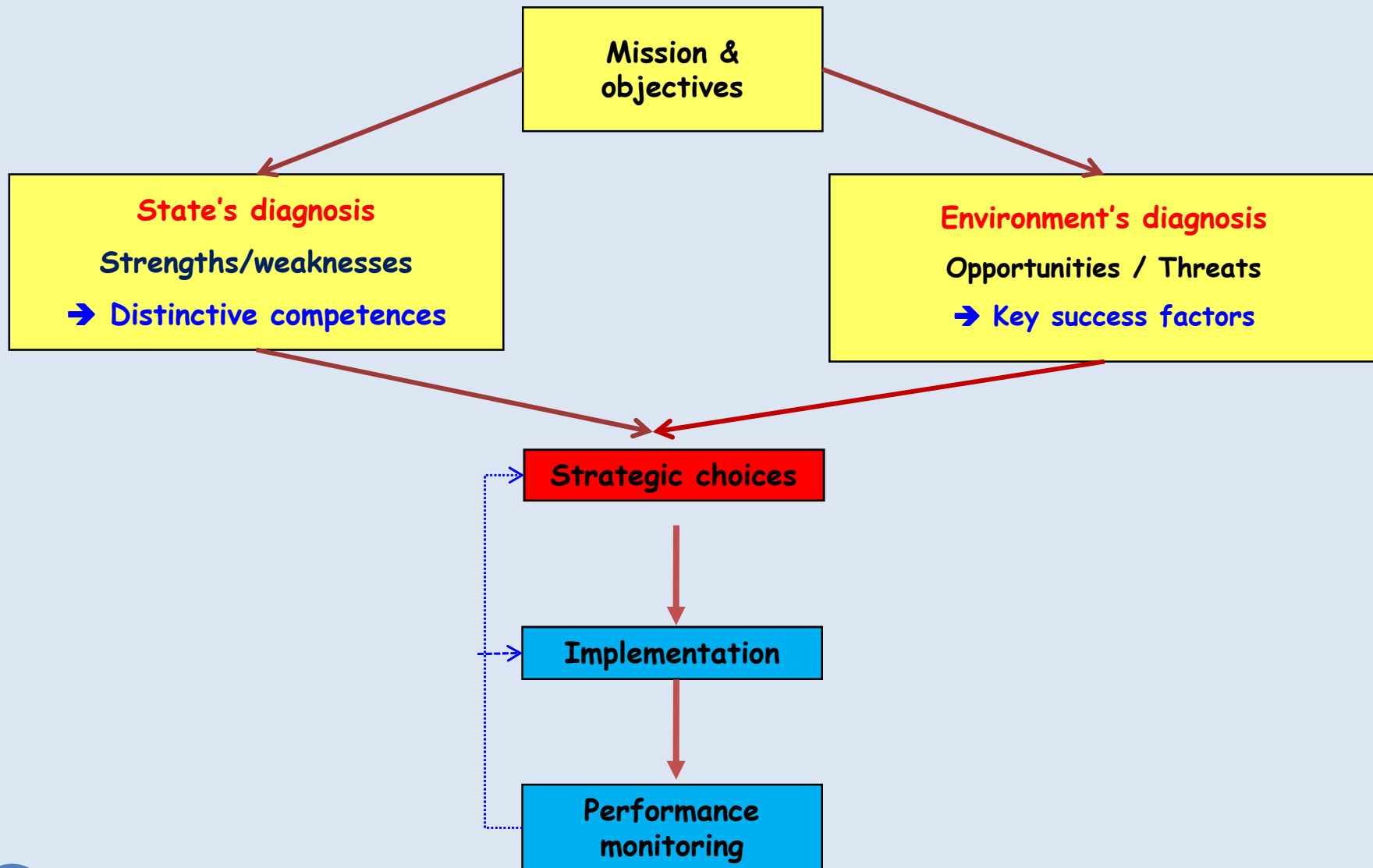
IMPLEMENTATION

- ✓ Strategy methods (eg: Organization Development, Reformation)
 - ✓ Operational plans
 - ✓ Processes of decision and control
 - ✓ Authority's structure

The determinants of strategy



The process of strategic decision making



Fundamental questions for States

Strategic position	Strategic choices	Strategy in action
What are the environmental opportunities and threats ?	How should authorities behave?	Which strategies are suitable, acceptable and feasible ?
What are the authority strengths and weaknesses ?	Which areas to focus on?	What kind of strategy-making process is needed ?
What is the basic purpose of the authority ?	Where should the authority improve?	What are the required authority structure and systems ?
How does culture shape strategy ?	Is the authority performing appropriately ?	How should the authority manage necessary changes ?
		Who should do what in the strategy process ?

Strategic position (context)

- **Topics**

- **Industry analysis:**

- Analysis frameworks (eg. strategic groups)
 - Impact of the industry on performance

- **Resource based view**

- Identification of resources
 - Evaluation of resources
 - Development of resources

- **Analysis of culture**

- Influence of corporate culture on strategic choices
 - Influence of national culture on strategic choices

- **Organizational behavior**

- Impact of the organizational behavior on strategic choices
 - Impact of the organizational behavior on the strategy-performance relationship

- **Corporate governance**

- Impact of capital ownership on strategy and performance
 - Impact of boards structure on strategy and performance
 - Impact of compensation modes on strategy and performance

Strategic choices : Strategy in action (process)

- **Topics**

- **Strategic planning**

- Impact of strategic planning on performance
 - Impact of strategic planning on production

- **Change Management**

- Impact of repeated changes on long term performance and commitment to Safety at all levels

- **Strategy in practice**

- Top Management Team
 - Implementation of strategic choices

Harmonious Relationship

- Partnership and working in harmony together with aviation industry, without this the regulators have difficult tasks in whatever they do.

Cross Cultural Management

Management should make use of the advantages of cultural diversity rather than see it as negative impediment

(Adler et al., 1986)

Training and Competence

This is the biggest issue for all NAA's and always the first thing to suffer in the event of budget cuts and staff shortage.

“we can't afford to train...” is often said, you cannot afford NOT to train, it is an investment and will solve a lot of problems as it is a root cause issue, especially when time and resource are scarce

Pooling of Resources

“Are we creating another **larger management problem** by doing this?” Similar initiatives in different parts of the world, South Asian (under SARI) and the Caribbean (under RASOS) and it does “only potentially” solve some issues but definitely creates others.

It is important to get our own house in order before attempting regional cooperation and pooling of resources.

Regional Cooperation

Eg:

- ACAC is already there, strong infrastructure is there.

Efforts and resources can be joined to establish and implement Common Civil Aviation Strategies with Europe and cover a huge Geographical area.

THANK YOU FOR
YOUR
ATTENTION !!!