

On the Development of Strategic Mission in the Governmental Structures of Georgia

Giorgi Gaganidze* and Badri Ramishvili*

*Faculty of Economics and Business, Ivane Javakhishvili Tbilisi State University, Tbilisi, Georgia

(Presented by Academy Member Avtandil Silagadze)

The most important condition for joining the European Union is the adaptation of the state governance system of Georgia to the practices established in the European structures. This is inconceivable without consistent adaptation to the legislation or normative acts, established rules, and governing norms in Europe. Transferring the western style of governance and adapting it to the Georgian reality is the most important condition for the successful functioning of the governmental structures of Georgia. Strategic management system is one of the most relevant approaches, which has been used by the commercial sector of developed countries for several decades. Although there was a long-standing discussion as to how much it would be justified in the state sector, it can already be safely said that the scientific-practical activities in this regard are expanding more and more, but the problems seem insurmountable. Leaving aside the profit orientation, which is the main difference between commercial and non-commercial organizations, strategic planning in its essence is a management system created to achieve success in the competitive struggle of companies, while state structures are monopolists in their own fields. Implementation of strategic management system in state structures requires the solution of several important problems. One of the most significant is the determination of the relevant mission. The present scientific work is dedicated to the solution of the mentioned issue. © 2023 Bull. Georg. Natl. Acad. Sci.

mission, mission characteristics, vision, strategic management, government agencies

Recently, there has been little debate on the prospects of using a strategic management system by state organizations, although the discussion continues around the ways of implementing strategic management approaches in the public sector. This is natural, because the strategic planning methodology was initially developed for large commercial companies, and after the new management system in this direction was justified, it began to generalize its

individual elements and then the whole system even to such areas as medium and small businesses, non-governmental non-profit organizations and finally, state structures. The influence of strategic management on the public sector has been increased since the mid-1990s. State organizations are currently spending significant resources on defining their own mission, vision, values, strategy and strategic goals, as well as ways to achieve them [1].

The present paper is a part of the cycle where the issues related to the implementation of strategic management approaches in the state sector will be studied. To tackle this really complex problem, we first had to identify the particularly important elements in a strategic management system.

The earliest attempts to introduce strategic planning and management approaches in the public sector were devoted to developing a decision-making algorithm, formulating a strategy, and determining its implementation methods. Decision-making algorithms are intended to help managers and policymakers working in the public sector in strategic understanding of the situation, defining goals, and evaluating different options for actions [2], which especially increase the importance of having a healthy decision-making process. That is why the authors of this study developed and delivered the report "The ways of improving strategic decision-making in the governmental sector of Georgia" [3] at the national conference held at the Faculty of Economics and Business of the Tbilisi State University.

In this paper, the initial action of strategic management, such as mission identification, is discussed in the context of governmental structures, which is natural, because it is one of the priority tasks of strategic activities. In very general terms, the strategic plan of the state agencies declares the overall mission and goals of the organization using the terms of important public value provides a report of the sources of public support and legitimacy for the organization, which explains how a government agency should be organized and how it should operate to achieve its stated goals [4]. As we can see, in this short list of the most important strategic actions, the declaration of the mission is in the first place.

Interrelation of Strategic Vision and Mission in Governmental Structures

Before starting the substantive discussion on the main issue under discussion, we should discuss the

wording of the title of the paper. Specifically, why we used the phrase "strategic mission". The concept of "mission" is widely spread, even in commercial structures, not infrequently it is used in the literal meaning of the mentioned Georgian word and it generally reflects the activities or aspirations of the organization as a whole. Thus, if they do not use the elements of strategic management, they often have no idea about the strategy. However, such words as mission, vision, and to a certain extent, even the goal, if we consider them in the context of this research, appear as terms that have settled in the cornerstone of strategic management or have acquired a new meaning. Therefore, if an organization, whether it is a commercial company or a state management structure, does not have a developed strategy, it is clear that the reference to the mission on its websites or other official information sources is confusing, to say the least.

When discussing the mission, we must consider such a concept as "vision". The latter is also related to the strategic process and, in the case of commercial organizations, indicates a relatively long-term perspective of their development. For profit-oriented organizations, the following interpretation of mission and vision is widely spread – the mission indicates what the company's business is according to the current strategy, and the vision indicates how the organization envisions its long-term development orientations.

In the case of governmental organizations, in our opinion, it is not necessary to identify the vision and its function is somewhat replaced by the title of the agency itself, which precisely defines the scope of the governmental structure's activity in the long term. In addition, it is possible to indicate an additional component in the title, which will further specify the area of future activity of the government agency. As an example, the titles of Georgian government agencies are considered.

In the title of at least four of the government agencies, in addition to the classic title, an additional phrase is presented, which, in our opinion,

strengthens the content load of "vision" in them. In this regard, the title "Ministry of Economy and Sustainable Development of Georgia" is worth noting. The preface "sustainable development" indicates the nature of the action of this agency of Georgia in the long term. We consider the name of the above-mentioned government agency to be a good example of equipping it with a vision function. This epithet of our approval does not refer to the content of "sustainable development" itself and to what extent it is necessary to implement the policy for modern Georgia, which is meant by the mentioned phrase, although this is a matter of separate discussion, which goes beyond the topic of the problem raised in this paper.

In addition to the above-mentioned, elements of the vision are represented in the titles of three government agencies, namely: "Ministry of Environmental Protection and Agriculture of Georgia", "Ministry of Regional Development and Infrastructure of Georgia" and "The Office of the State Minister of Georgia for Reconciliation and Civic Equality". The words "environmental protection" and "regional development" included in the names of the first two structures, in addition to having a significant content load, add a different connotation to the main part of the names of the mentioned ministries. As for the "Office of the State Minister of Georgia for Reconciliation and Civic Equality", this structure is a temporary creation, and its name can actually be considered as a vision, where the two main directions of the long-term activity of the mentioned agency are outlined.

Relevant Mission Characteristics for Governmental Structures

Unlike a vision, developing a mission statement and making it separate and visible is essential for government agencies that use a strategic management system. Representing the initial element of the strategy, the mission has other important functions, for example, one of them is the information purpose. It is through this that the government institu-

tion should establish the first contact with the interested society. Therefore, it is necessary to establish the set of characteristics that the mission of state agencies should have. In this regard, there is very little information in the scientific literature, so for the analysis, we have to use the accumulated information about the mission of the commercial organization.

One of the best analyzes of mission in the strategic management literature for the commercial organizations is presented in the textbooks and papers published by Fred and Forrest David. These authors analyze this element of the strategic plan in detail and offer a comprehensive description of it. In their opinion, the company's mission should be broad in scope and should not include monetary amounts, numbers, percentages, ratios or goals. The mission should consist of no more than 250 words and be exciting. It should reflect the useful properties of the company's products, as well as the company's social and environmental responsibility. In addition, the mission must be conciliatory and sustainable. Finally, it should include nine components: customers, product or service, markets, technology, concern for survival, growth and profitability, philosophy, self-esteem, concern for public image and employees [5].

It has already been mentioned that the characteristics of the mission of a commercial organization are presented above, and it is not allowed to transfer it unchanged to the state organizations. However, after some modification, which should take into account the specifications related to the activities of government agencies and how the non-profit sphere differs from the profit-oriented entrepreneurial space, it is possible to establish a general description of the mission of state organizations.

The fact that the mission of a commercial organization should be broad is due to the nature of the business itself. In this case, the scope means both the content and the volume side. Business entities, unlike state structures, are not limited by their area of activity and can continue their activity

in a completely different direction if they wish, which obviously cannot be said about government agencies, whose area of activity is clearly defined by the legislation from the beginning. In addition, we should take into account that the mission of a commercial organization can often be complex and refer to various, quite different directions of activity. All of the abovementioned, obviously, affects the scope of the companies' mission, and the fact that Fred and Forrest David set a limit for it does not necessarily mean that the mission of a commercial organization is modest in size. On the contrary, 250 words, which, if presented in a normal format and font size, make up one page. This is quite a lot for a text that needs to be concise and easy to read. Since the scope of the state agency's mission is limited in terms of content by the activity profile and legislation and cannot be as broad as it is in the case of a profit-oriented enterprise, it is clear that this will affect its scope as well. Therefore, in our opinion, one or two paragraphs with a maximum of 100 words will be sufficient to convey the mission of the state agencies.

From the rest of the characteristics of the mission of the commercial organization, some of them should be preserved for the mission of the state agencies. In particular, the existence of quantitative indicators is not allowed in the mission of any organization, and every mission should be exciting, conciliatory and sustainable. Obviously, in the mission it is necessary to indicate the services or projects performed by this or that state agency. As for social and environmental responsibility, in order to avoid duplication, it should be reflected in the mission of the state organizations that are directly responsible for the development and implementation of social and environmental policies. Accordingly, their strategies will be created taking this into account.

Of the nine components of a commercial organization's mission, the state agency's mission should include phrases reflecting the organization's philosophy and self-esteem. An indication of the

technologies used would be desirable. It should also express care for public image and employees. The beneficiary of this or that government agency is the entire population of a particular country, and obviously, it has no specific clients and no markets. As far as it concerns survival, growth, and profitability, these problems are not relevant at all for public organizations.

Analysis of Mission Development by Georgian Government Agencies

We choose the Ministry of Economy and Sustainable Development of Georgia to start the analysis of the mission established by the government agencies of Georgia. In our opinion, it is this structural unit in the government that is responsible for the development of strategic documents in the direction of the economy, and accordingly, a refined strategic process should be presented there. Unfortunately, the mission of the Ministry cannot be found on the website of the mentioned unit. As for the strategic document, the "SME Development Strategy of Georgia" for 2016-2020 and 2021-2025 is presented there (<https://www.economy.ge/>). In the present study, we will not dwell on the other shortcomings noted in the mentioned documents from the point of view of the strategic process, we will only note that "mission" is not sought in any of the documents. The 2021-2025 strategy presents a "vision" and a "goal", although the latter does not really correspond to the parameters of the strategic goal, instead, we find elements of the mission in both of them.

The word "mission" is not found on the website of the Ministry of Finance of Georgia in the sense that is interesting for our research. Only one active strategic document is presented, "General Government Debt Management Strategy 2023-2026" (<https://www.mof.ge/>), in which we also do not find the terms "vision" and "mission".

Both of the aforementioned ministries are the government's leaders for developing economic strategies, where representatives of the scientific

community should participate government officials. For example, the authors of this work created an export strategy assessment methodology which is a good example of such cooperation [6].

The official statement of the mission is not found on the website of the Ministry of Environmental Protection and Agriculture of Georgia. At the same time, there is a section of strategic documents, where we can find three strategies of interest to us from the current documents, namely "Agro-insurance strategy of the Ministry of Environmental Protection and Agriculture of Georgia 2021-2024", "Georgia's 2030 climate change strategy" and "Agriculture and rural development strategy of Georgia 2021-2027" (<https://mepa.gov.ge/>). The concept of "mission" is not presented in any of them, although in the first and third documents, we find vision and purpose. In fact, in this case, the situation is the same that we encountered in the case of the strategic document of the Ministry of Economy.

The mission is not found on the websites of the other two agencies of the economic bloc, the Ministry of Regional Development and Infrastructure of Georgia and the Ministry of Internally Displaced Persons from the Occupied Territories, Labour, Health and Social Affairs of Georgia. As for the strategy, only on the website of the latter agency, there is a reference to the case of "Nursing development strategy" (<https://moh.gov.ge/>). The importance of a strategic approach to managing the economy was highlighted by the 2020-2023 covid pandemic, which was the subject of many good scientific papers, one of which is "Covid depression and search for a new paradigm" [7].

From the non-economic block, we consider the example of the Ministry of Foreign Affairs of Georgia. This agency is one of the government agencies of Georgia, which has its mission on its website (<https://mfa.gov.ge/>). It has two parts. The body text or mission introduction is highlighted in black font, which consists of 18 words, followed by a 152-word main body in three paragraphs. The

latest strategy of the Ministry of Internal Affairs, which can be found on its website, dates back to 2014 (<https://police.ge/>), so it should be considered as a valid document. At the very beginning, the mission of the Ministry is presented, which consists of 26 words. On the website of the Ministry of Education and Science of Georgia, the ministry's mission statement consisting of 50 words is easy to find (<https://mes.gov.ge/>), which is a positive fact and distinguishes it from other government agencies. On the website of the Office of the State Minister of Georgia for Reconciliation and Civic Equality, there is a section titled "Strategic Documents", where one strategy "Engagement through cooperation" is searched (<https://smr.gov.ge/>). At the very beginning of this document, the so-called "strategic goal" does not respond to the parameters of the objective. With its content and scope, it cannot be considered as a mission. No mission statement can be found on the websites of the Ministry of Defense and Ministry of Justice of Georgia, nor is there any information indicating the strategic process. The Ministry of Culture, Sport and Youth of Georgia does not have an active website at all, and the report presented on Facebook contains very scarce information.

Conclusion

The conducted research reveals that Georgian government agencies do not have a unified approach to the development of a strategic plan. The result of this is the fact that only three ministries have displayed their mission on their website, although their analysis showed us that their characteristics differ sharply from each other. In our opinion, a unified scheme of the strategic management process should be developed for the state organizations of Georgia, including government agencies. The present work is devoted to the most important part of the mentioned problem, the issue of drafting a relevant mission, and we have developed the criteria that must be met by the mission of governmental structural units, namely:

in length, it should be a one- or two-paragraph written document containing a maximum of 100 words. There should be no quantitative indicators in the mission; the mission should tell about the service/product created by this or that state agency; it should be exciting, conciliatory, and sustainable

in nature; the mission should include care for public image and employees. The mission should include the worldview of the agency and a self-evaluation component, where, if necessary, it should indicate the implemented and tested modern technologies.

ეკონომიკა

საქართველოს სამთავრობო სტრუქტურებში სტრატეგიული მისიის შემუშავება

გ. ლაღანიძე* და ბ. რამიშვილი*

**ივანე ჯავახიშვილის სახ. თბილისის სახელმწიფო უნივერსიტეტი, ეკონომიკისა და ბიზნესის ფაკულტეტი, თბილისი, საქართველო*

(წარმოდგენილია აკადემიის წევრის ა. სილაგაძის მიერ)

ერთ-ერთი ყველაზე აქტუალური მმართველობითი მიდგომა, რაც განვითარებული ქვეყნების კომერციული სექტორის მიერ უკვე რამდენიმე ათწლეულის განმავლობაში გამოიყენება, სტრატეგიული მენეჯმენტის სისტემაა. მიუხედავად იმისა, რომ დღესაც არ წყდება დისკუსია იმის შესახებ, თუ რამდენად გამართლებული იქნება მისი გამოყენება სახელმწიფო სექტორში, უკვე თამამად შეიძლება ითქვას, აღნიშნულის გარშემო წამოწყებული სამეცნიერო-პრაქტიკული საქმიანობა სულ უფრო და უფრო ფართოვდება. სტრატეგიული მენეჯმენტის სახელმწიფო სექტორში დანერგვის გზაზე არსებული პრობლემები თითქოს გადაულახავი იყო. თუ არ ჩავთვლით მოგებაზე ორიენტირებას, რაც უმთავრესი განმასხვავებელია კომერციულ და არაკომერციულ ორგანიზაციებს შორის, სტრატეგიული დაგეგმვა თავისი არსით კომპანიების კონკურენტულ პაექრობაში წარმატების მოსაპოვებლად შექმნილი მმართველობითი სისტემაა. სახელმწიფო სტრუქტურები კი, როგორც წესი, მონოპოლისტები არიან საკუთარ სფეროებში, რაც გამორიცხავს საზოგადოებისთვის შეთავაზებული მომსახურების წინწაწევისთვის კონკურენტული ბრძოლის მეთოდების გამოყენებას. ზემოაღნიშნულიდან გამომდინარე, თავდაპირველად უნდა მოხდეს სტრატეგიული მენეჯმენტის ისეთი საკითხების იდენტიფიცირება, რაც აქტუალური იქნება სახელმწიფო სექტორისთვისაც. ასეთ პრობლემათა რიგს განეკუთვნება რელევანტური მისიის შემუშავება. სწორედ ამ საკითხის გადაწყვეტას ეძღვნება წინამდებარე სამეცნიერო ნაშრომი. სტატიაში განხილულია საქართველოს სამთავრობო უწყებების მიერ მისიის იდენტიფიცირებასთან დაკავშირებული პრობლემები და ხაზგასმულია, რომ ამ

მხრივ საქართველოს მთავრობაში არ არის უნიფიცირებული მიდგომა. ავტორების აზრით, სახელმწიფო სექტორის ორგანიზაციები აქტიურად უნდა იყენებდნენ მისიას, ხოლო მისი შემუშავებისთვის კი, უნდა არსებობდეს ერთიანი მიდგომა.

REFERENCES

1. Froholdt M. (2014) Strategic management at the national government level in Denmark, 29-49. In: strategic management in public organizations, European practices and perspectives. New York, London.
2. Joyce P. and Drumaux A.(2014) Overview of strategic planning and management in the public sector in Europe. 15-27. Strategic management in public organizations, European practices and perspectives. New York, London.
3. Gaganidze G., Ramishvili B. (2023) Ways to improve strategic decision making in the Georgian Government sector. World economy in post pandemic period: consequences and challenges. National Scientific Conference TSU <https://tsu.ge/assets/media/files/7/ekon.%20konf.%20kreb..pdf>
4. Mark H. Moore (1997) Creating public value strategic management in government. Harvard University Press. Cambridge, USA.
5. Fred R. David, Forest R. David (2015) Strategic management concepts and cases, 15th edition, Pearson, New York, London, Tokyo.
6. Gaganidze G., Ramishvili B. (2018) How to evaluate efficiency of the export strategies. *Globalization and Business*, N5: 24-31.
7. Silagadze A., Atanelishvili T., Silagadze N. (2022) Covid depression and search for a new paradigm. *Bull. Georg. Natl. Acad. Sci.*, **16**, 1: 121-126.

Received July, 2023