

## Topics from Eugen Lascu's Doctoral Thesis: "SYSTEMS APPROACH IN TURNAROUND MANAGEMENT UNDER EMERGING NEW CHALLENGES"

The main objective of the thesis entitled "SYSTEM APPROACH TO TURNAROUND MANAGEMENT UNDER EMERGING NEW CHALLENGES", was to explore and define the concept, attributes, and practical implications of Active Turnaround, as an answer to the new era called "Disruptive Eve", in which humankind stepped in since the beginning of the twenty-first century.

Since the '80s, the world stepped in called "Disruptive Eve", an eve marked by disruptive technology, which spilt over the other domains: economic, social, geopolitical, etc. The process was even more deepened by the pandemic disruption "COVID-19". The "Disruptive Eve" has been triggered by the "Disruptive Innovation?" (See the Disruption Chain)



Under these conditions, where the economic, social and geopolitical systems are becoming more complex and marked by exponential evolutions, the main imperative for companies is to ensure business continuity, good resilience capacity, and economic growth.

To successfully meet these conditions, the companies must actively embrace preventive leadership (introducing the so-called "4As Leadership" model), where active turnaround plays a crucial role. Under these conditions, Turnaround Management should get new dimensions called turnaround Active Turnaround. The imperative of the Active Turnaround, as a preventive management approach, is to ensure the company's health through business continuity, growth, and a good resilience capacity. In this context, leadership's vision is critical for organizational success. Disruptive events are omnipresent, having unpredictable impacts on the organization's stability. These events can critically impact the companies' strategy, necessitating dramatic change. It may ask for radical change in the company's vision, core purpose, strategic objectives, functional structure, etc.



To give the needed significance and value of Active Turnaround, the Thesis aims to explore the differences and similitudes between Turnaround Management and Restructuring. Therefore, it is important to make a clear distinction between their scope, their role, and their points of convergence. But it is equally important to detail what differentiates them fundamentally. Based on this comparative analysis, the author sustains and demonstrates the need for the Active Turnaround, as a new concept and process.

In this context, it is important to underline the differences between Active Turnaround as a "preventive leadership" approach, and a company's restructuring, as a reactive one. Active turnaround is a proactive, continuous, and informal process, to provide companies with business continuity, growth, and resilience capacity, while restructuring is based on a reactive approach, and is governed by a formal, judicial system.

The Active Turnaround concept and process can be approached from the "System thinking" and "System engineering" perspectives. Taking into consideration a company, irrespective of its dimension, it can be easily noticed that the organization under scrutiny is an economic system, having several components.

Finally conclude: Active Turnaround is a "Modus Operandi".

