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MANAGEMENT

INNOVATIVE ELEMENTS IN ORGANIZATIONAL COMMUNICATION

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Summary: The development of digital language has caused a profound transformation of human society. Even though we can now perceive only the first stages of this transformation, we can already observe the extent in which computer networks have substantially encouraged (and helped) human interaction all over the world. Nowadays, millions of people spend a significant part of their free time surfing “cyber space.”

Internet has become a true “informational highway”, assuring a big capacity of data transmission, flexibility, decentralizing and interactivity. Sites and weblogs are now a part of everyday life, offering a large range of information, everything from public information up to personal thoughts; there’s more than enough room for everyone.

Key-words: blog, communicator, economy, innovation, internet, marketing,

1. The Blog, an innovation that offers a means of expression for everyone

A weblog is an internet site, respecting a structure of content defined by the counter chronological order of the time and date in which information is posted on the front page. The progress of this particular domain has made it accessible to the large public and the use of such a software based on the web-navigator is now a common aspect of blogging. The purpose of blogs varies, from personal diaries to weapons of political campaigning, media programs and a large number of companies and civil organizations.

Furthermore, they also vary depending on the author- they can reflect the work of only one person or that of a whole community. Many blogs allow visitors to post their own comments and thus create a whole community of readers build around the blog.

In 1995, when internet became accessible to the public, enthusiastic predictions were being made on the first publisher, envisaging written and video daily exchange of information, thoughts and ideas related to everyday subjects. Even though some early users of the internet have explored this possibility, their vision has never been fully fulfilled until now. Building a site and updating it daily implies a big amount of work and professionalism. Lately, this vision has been developed thanks to blogs and wikis, that have started competing the traditional approach.

There are blogs who register up to 75.000 visitors monthly, several times more than a local newspaper or weeklies. In the summer of 2006, the number of Romanian blogs was an estimated 12.000-14.000, now it reaches 30.000. New ones are born by the hour: their creators are normal people, courageous enough to share their thoughts and feelings on the internet and thus gain popularity.

2. Blogging- a statistical analysis

Even from the beginning, blogs have fulfilled a double function: on the one hand they are on-line diaries, on the other hand they represent an efficient means of communication. Up to 2004, blogging was an activity created for a particular segment of internet users. There existed approximately 5 million users divided into specific fields of discussion: animals, business, technology etc.

During the 2004 presidential elections in the USA, blogs started to attract more and more the attention of citizens. The more information related to candidates and the public’s personal opinion was being posted in blogs, the more journalists took interest in them. The first stage of the Euroblog study was finalized on the 30th November 2006, an ample and complex research analyzing blogs. Between the 5th and 30th November, information envisaging to the impact of blogs on communication and public relations in Europe was

collected, so that results could be published at the beginning of 2007, in the form of a study useful not only to academic but also to professional communities.

This represents the first major official research, the first truly exhaustive study, based on specific instruments not only on empirical methods. It clearly indicates that the biggest problem of PR (public relations) specialists from 33 European countries is the incapacity of exercising a total control over the communication process between the public and organizations. 40%(percent) of them have declared that they do not know how to include blogs in their company's business strategies and only 10% have complained of the amount of time required to regularly update blogs.

There have also existed surprises when considering benefices and the motivation for existing blogs and near-future projects. The first and most important reason is the occasion of being considered acquainted to the latest technologies and also fashionable. Anyone who thought that snobbism is only an individual movement was obviously wrong. It appears to be flourishing among many European PR specialists. Surprisingly, only 7% have declared that blogs are useful in order to receive feed-back.

Euroblog 2006 has provided a real image of the European PR industry. It indicated the existence of a Europe divided between two movements: that of a minority of enthusiastic specialists disposed to (prone to) new medias and the full use of the blogs potential, and that (by no means negligible) of specialists skeptic regarding the potential of new medias and too caught up in their daily routine to look forward to all that future brings.

The boom of all kinds of blogs and the permanently increasing number of users that chose to be more than consumers and become information generators, demonstrates that our society is changing. Via blogs, consumers share their opinion on brands, companies and social problems- some of these comments are positive but many more are those that offer negative feedback from the citizen on purchased products and civic problems.

The advantage of blogs opposed to usual web pages is that they are updated daily, thus reaching the top of search engines results. A study of the market shows that, as far as credibility is concerned, blog chronics are rated third after those of found in sites and newspapers. Furthermore, market studies, the monitoring of civil messages and of brands will become less expensive and it will become easier to spot new trends.

Due to the fact that the „blogosphere ” is characterized by communities of persons sharing the same interests, the target becomes easily identifiable and rapidly reached. Casing aside the “hooking speech” and the obsolete character of web pages, adopting a certain dynamics of discourse, novelties and sincerity, public institutions, companies and their transparency will arouse the public's interest through blog interaction.

3. Message- citizen interaction

In some aspects, brands resemble humans: they have personality, a particular way of expression and a set of values. The interaction between brands and people can be generally compared to human interaction in what concerns loyalty, trust, long or short term involvement and opinion expression. Thus, the traditional approach (through the unilateral perspective it offered) did not leave any room to consumer feedback.

Interactive advertising can take many shapes: small or ample events, conferences, special offers, interactive games etc. Interaction represents the safest approach to helping consumers overpass cynicism and become tolerant towards the message of a brand or of a handout.

Citizens can reject a certain brand for a period of time, especially in public places where others share their views and critical opinions, or be convinced to buy and use a line of products, despite remorse, all due to convincing (intelligent) advertising or to family influence. The civic or political perspective contributes in the same way to shaping individual opinions and convictions.

Blogging determines advertising agencies to overpass their unilateral marketing strategy. New generations of branding will include in their marketing strategies elements as audience rating and the effective communication. Thus are born innovative elements, new departments and blog administrators specialized in communicating with the new market segment of “bloggers”.

A blog administrator does not sell, but builds his own reputation, that of the company which turns him into the leader of his category (geographical or according to the field of activity). When professing PR blogging, the specialist must take part in conversations, read the comments of influent or key-people for all

products, he must be prepared to contribute with relevant information and intelligent comments, in the same manner used by journalists: by rapid and efficient response.

His civism can be contagious and thus a new opinion is born, developed and spread. The blog can be an useful instrument in crisis situations and plays an important part, offering accessible and valuable information that may have a strong impact on users. During crisis periods, blogs are essential for information spreading at a high speed. They allow companies or public institutions to control attacks targeting their image and rapidly counterattack. Some companies have prepared in advance blogs that they can post on the internet when they are most needed. This communication tool is part of the crisis-kit offered along with PR services. Blogs are also created for the purpose of initiating debate inside a company, reflecting internal PR. This brings immense advantages in the human resource sector. Quality blogs can even increase the morale of employees, citizens of a neighborhood or town.

As a blog administrator one must profess blogging with great care. In order to avoid mistakes it is vital to thoroughly know the company's politics, what is accepted and what is not. One must follow the image strategy, evade leaking financial or confidential information, elude posting crucial information before their official acknowledgment, prevent crisis situations for the PR team, avoid generating intrigue at work or damage relationships with other companies or entities. A blog administrator must be first of all a loyal employee in order to be invested in this function.

Conversation is by all means the most important characteristic of a blog. Even though human contact is unbeatable, the realities of the business field and civic space regarded globally make it impossible to meet each client or potential investor, whether using the telephone, fax, e-mail, forum comments and chat programs. None of these permit a simultaneous conversation with more people spread all over the globe (where one can find a computer and access to internet). None but the blog.

In order to be successful, a blog must be transparent and authentic. Companies and institutions should present themselves as they really are, communicate as a normal citizen would, allow people to know them through their blog and take feedback into consideration. People view blogs in order to learn what others think and know. In time, they will learn to trust companies, institutions, public messages. If you can communicate with them, they will find out who/what you represent; if you only want to sell something, they will leave and the blogosphere will be flooded by accuses of abusing of this new means of communication.

The blog has closed an era and gave birth to a new one, that of communication. In this new era, companies do not profit only by talking to people but by listening to them. Thus, blogs are more a means of direct and innovative communication rather than a mere replacement of the already existent medias. The advantage brought by blogs to companies is that of the interaction with the reader.

Blogs have not stolen people's hearts nor have they twisted citizens minds. They have free-willingly sought deeper relationships. In its complexity, business communication is impersonal. Consumers, the ones who should be serviced, do not feel appreciated by organizations, on the contrary, they hit themselves against the walls built by companies. Clients never reach a human voice on the telephone or a service that could solve their problem and they are never called back. Through internet, they now have access to such information. The only possibility that big companies are offered to survive this new consumers' trend is by learning all that which makes a blog successful. The key to success for a corporatist blog is open conversation, not monologue, nor exceeding commerciality. In exchange, the blog will offer the company countless opportunities to test new ideas, to discuss new lines of products, to introduce new brands on the market or to conduct social research as well as to create a change in public opinion and react against governmental decisions.

Blogging requires time, dedication and honesty. At the same time it provides new personal and strong connections. The blog is not an obsession. It is no longer a choice. Those companies and institutions that chose to stay out of the virtual world will at one point cease to exist. Consumers will surf the wildest online worlds in search of new products and services capable of satisfying their needs. Any respectable business must be represented on the virtual market.

4. Conclusions

From our point of view, the future of advertising is defined by the interactions between transmitted messages and citizens, brands and consumers. There exist participant(active) consumers but also creative

consumers. Let's not forget that these consumers buy a story, the story behind the brand. A good story is that which requires an opinion and thus an already debated story will be easily noticed. What is most important is telling the story to those willing to hear it and they will share it with others; establishing communication, being at the right time, in the right place, with the appropriate story.

The research conducted purposely for this article has revealed that consumers do not wish to evade from the market economy, on the contrary, that they try to impose their values and aspirations for a new, morally superior economical system, inside the same market economy, ingeniously punishing the ethical abuse of corporations and institutions, by promoting compatible economy agents and thorough civic values, viable to society.

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COMPETITIVE PUBLIC SERVICES – NEW CHALLENGES FOR ROMANIAN ECONOMY

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Abstract: Over the last nineteen years public utility services have been transformed by the introduction of competition. Greater reliance on competition has been a key factor in improving the way these sectors are regulated, leading to improved efficiency, innovation and more attention to the needs of consumers. Introducing competition in different parts of public utility services is not simply a matter of removing legal barriers to entry. It is usually also necessary to introduce new regulation to ensure that new firms have access to any key inputs or services that can only be obtained from the incumbent monopoly firm. The incumbent firm may not willingly provide these inputs, especially where doing so means the potential loss of a profitable line of business to a rival. Incumbent firms can resist the growth of competition by refusing to supply essential inputs, supplying them at a lower quality, or at a higher price.

Key words: public services, competition, monopoly, restructuring public services

Regulators can and do try to prevent this behaviour, but the incentives on the incumbent firm to evade the regulation are strong, and developing a regulatory response takes time. Rather than trying to directly control the behaviour of the regulated firm, it often makes sense to instead change the incentives on the regulated firm to restrict competition. Often this can be achieved through various forms of restructuring of the regulated firm. For example, by carefully separating the regulated firm into its monopoly and competitive parts. Restructuring the regulated firm will not always be the right policy option. But certain forms of restructuring have proved effective in many industries and, as weaknesses in earlier reforms have become apparent, is being increasingly mandated in Romania now, particularly as a tool for facilitating the growth of competition.

1. Is competition possible in public utility services?

In the past it was common to treat “public utility” services (such as telecommunications, electricity, railroads, water supply and so on) as though they were monolithic natural monopolies. But the scope of the natural monopoly in these sectors is not fixed for all time – as technology develops the scope for competition changes. One of the biggest developments in regulatory thinking in the past nineteen years has been the recognition that these services are not monolithic but are made up of many separate parts. Many of these parts can, in fact, sustain competition. The following table lists, for a number of services, the parts that might be able to sustain competition (i.e., are “competitive”) and the parts that are still a monopoly (i.e., are “non-competitive”). For example, in the electricity sector, the transportation of electricity over transmission lines is usually not competitive, while the generation of electricity is usually competitive. The introduction of competition into the competitive parts of these services has transformed the way they are regulated. Experience has shown that reliance on competition, where it is feasible, usually delivers better outcomes for end-users than reliance on regulation. Although regulation of the true monopoly parts of these services is essential, regulation seldom facilitates efficient production and has a tendency to hinder the development of new services and new ways of marketing those services to consumers. Greater reliance on competition has allowed the regulators to withdraw from regulating certain areas, facilitating innovation and efficiency in those sectors, while allowing the regulator to concentrate on the natural monopoly sectors that remain.

2. Restructuring public services

In most cases, introducing competition into the competitive parts of a regulated public utility industry is not simply a matter of removing legal or regulatory barriers to entry. It is usually also necessary to take steps to ensure that the new firms entering the market have non-discriminatory access to any essential inputs provided by the remaining monopoly parts of the industry. Access regulation of some kind is therefore one essential element in the process of introducing competition into a regulated industry. We focus here on the second possible element of this process – the possible restructuring of the regulated company.

There are many different ways in which restructuring could be used as a tool for promoting competition. Breaking a firm horizontally into competing pieces, for example, might be desirable to facilitate competition between the different pieces. In some countries, for example, a monolithic electricity generator has been separated into separate competing companies, to facilitate competition in electricity generation. It might also be useful to break up a regulated firm if doing so allowed the regulator to more precisely identify the costs of providing the regulated service, or to prevent the firm shifting its costs from unregulated to regulated activities. For example, in a case concerns were raised that Deutsche Post AG was able to cross-subsidise its competitive parcels service with revenue from its monopoly “reserved” services. To prevent this Deutsche Post was required to set up a separate legal entity for the provision of its non-universal and competitive parcel services. Separation of this kind facilitates the monitoring and control of anti-competitive cross-subsidisation.

These forms of restructuring are important but were not the direct focus of this study. Instead, it focused on restructuring to promote competition in those competitive markets which depend on access to the remaining monopoly for an essential input. To understand why restructuring is important in this context it is first important to understand the problems that can arise when a monopolist supplying essential inputs is itself allowed to operate in the competitive activities.

3. What is the basic problem in vertically-integrated industries?

When the owner of essential inputs also competes in a downstream competitive activity it typically has both the ability and the economic incentive to restrict competition in that downstream activity. It has the ability to restrict competition by restricting access to the essential input – by raising the price, lowering the quality or reducing the timeliness of the essential services it provides, relative to the services the regulated firm provides to its own downstream affiliate. For example, an integrated electricity generation and transmission company could limit competition from rival generators by raising the price that they must pay for access to the transmission network. An incumbent telecommunications operator can limit competition from rival long-distance operators by raising the price at which those rivals have access to the local loop, and so on. When the owner of the essential input also competes in the competitive activity it may also have the incentive to restrict competition. This would occur, for example, when the monopoly input was tightly regulated compared to the regulation on the retail services – e.g., if regulation of the transportation prices of a natural gas transmission pipeline was more tightly regulated than the price of delivered natural gas. In this circumstance the owner of the essential input has a strong incentive to itself provide the downstream services and, by restricting competition downstream, re-capture some of the monopoly rents that it would otherwise lose to regulation. For example, if the price of delivered gas was unregulated while the price of gas transportation services was tightly regulated, a gas pipeline could enter the market for delivered gas, exclude competing gas producers and sell delivered gas at the monopoly price – recapturing the monopoly profits on its pipeline transportation business that would otherwise be lost to regulation.

The regulated firm can use all the tools at its disposal, whether legal, technical or economic to delay, to lower the quality or raise the price of access. A well-resourced regulator, through persistence and vigilance, could hope to limit the anti-competitive activity of the incumbent, but the outcome is unlikely to be as much competition as would arise in the absence of the incentive to restrict competition. Potential entrants, fearing the effects of discrimination, despite the best efforts of the regulator, may hesitate to invest in new capacity

3. What are the alternative ways of addressing this problem?

There are at least four different ways of restructuring the regulated utility to address this incentive to resist the growth of competition:

The first possible approach is separation of the ownership of the competitive and non-competitive segments of the regulated utility, supplemented by a line of- business restraint which prevents the monopolist from re-entering the competitive activity. When the owner of the essential service is prevented from competing in the competitive sector, the incentive to restrict competition is eliminated. The owner of the essential input has no incentive to discriminate between any of the firms competing in the upstream or downstream competitive sector. The owner of the essential input no longer has any incentive to restrict competition. This simultaneously reduces the need for close regulatory oversight and enhances the scope for competition. *This is the primary benefit of vertical structural separation.*

A second possible approach is joint or club ownership of the natural monopoly facility by firms which compete in the competitive activity. Since all the competing firms are part owners of the natural monopoly facility they can ensure that they obtain access on non-discriminatory terms and conditions.

A third and related approach is allocating a share of the total capacity of the natural monopoly facility to each of the downstream competing firms.

A fourth approach is to separate the ownership and control of the natural monopoly facility – allowing the ownership to remain in the hands of a firm which may also compete in the competitive activity, but placing its control in the hands of a neutral body – such as a committee made up of representatives of the industry.

4. The costs of vertical separation

The previous section highlighted the primary benefit of vertical separation – by eliminating the incentive to restrict competition downstream, vertical separation makes the job of the regulator easier and facilitates the development of competition. What might be the costs of vertical separation? It is possible to identify many different costs that could be raised by separation:

1. Separation may increase transactions costs. After separation, operations that were previously carried out within a single firm must now be carried out at arms-length through contracting and market arrangements. In many instances, the full exploitation of the essential input by a downstream firm will require a specialised investment and therefore close co-ordination with the monopoly – this co-ordination is usually easier when carried out within a single firm;
2. Separation may force the monopolist to forego efficient ways of selling the monopoly services. For example, it is well-known that it is efficient for a monopolist to sell its goods at marginal cost whenever that is feasible. While it may be feasible for the monopolist to, in effect, sell to its own affiliate at marginal cost, if the monopolist sold to other firms at marginal cost it might not be able to recover its fixed costs;
3. Separation may also force the monopolist to forego efficient forms of price-discrimination. It is usually efficient for a regulated monopolist to sell at different prices to different consumers. By bringing the monopoly firm closer to the final consumer, integration can allow the monopolist to more finely differentiate its regulated prices, enhancing overall efficiency.

Some countries also consider that allowing a regulated utility to remain integrated may also facilitate the maintenance of a given level of universal service or service reliability.

5. Alternatives to full vertical ownership separation

Recognizing both the costs and benefits of vertical ownership separation, some countries have tried other controls which seek to achieve some of the effects of separation without actually requiring divestiture. These alternatives include: 1) Accounting separation, i.e., a requirement on the regulated firm to prepare separate accounts for its competitive and non-competitive businesses; 2) Management or functional separation – i.e., a requirement that separate activities be carried out within separate, distinct divisions of the regulated firm; Corporate separation – the requirement that separate activities be carried out by a separate corporate entity (wholly or partially owned by the regulated firm). These alternative forms of separation affect neither the incentives nor the ability of the regulated firm to act in an anti-competitive manner. They are often, however, an important supplement to other forms of separation, particularly as a supplement to access regulation. The information made available through accounting separation, for example, is typically used as a basis for determining access prices, for detecting cross-subsidies and for preventing discrimination.

6. Where has restructuring been tried and what was the outcome?

Public utility services differ widely, both in the degree to which competition has been introduced and the degree to which restructuring and vertical separation is required.

For example, in the air transport industry, it is now common to have many competing airlines. At the same time, vertical integration between airlines and airports is uncommon and is often strictly prevented.

The telecommunications industry was one of the first sectors to be liberalised and one of the first to be structurally separated

Conclusions

In the end I think that the separation has both potential benefits and potential costs. The text of the recommendation proposes that when member countries are considering policy towards a vertically-integrated natural monopoly, they should carefully balance the benefits and costs of structural measures (such as vertical ownership separation) against the benefits and costs of behavioural measures (such as the regulation of access to an integrated firm).

The recommendation explicitly mentions that this balancing should take into account a number of factors such as:

- the effect on competition;
- the impact on the quality and cost of regulation;
- the transition costs (*i.e.*, the one-off costs associated with a structural change); and
- the economic and public benefits of vertical integration.

The balancing should also take into account the economic characteristics of the industry in the country under review. The recommendation also explicitly notes that the benefits and costs to be balanced should be those recognised by the relevant agencies including the competition authority. This balancing should especially take place in the context of privatisation, liberalisation or regulatory reform.

The key points of this work on structural separation can be summarised as follows:

- Regulated utility services are not monolithic natural monopolies but consist of many parts, some of which can sustain competition and some of which remain monopolies. It is widely accepted that it is preferable to rely on competition in those components in which competition is possible, to facilitate innovation and efficiency in those sectors and to narrow the focus and scope of regulation.
- When a regulated firm also provides essential inputs to its competitors in a related competitive sector, the regulated firm may have both the ability and a strong incentive to restrict competition. Attempts to control the behaviour of the regulated firm to offset this incentive are difficult and regulators may face an uphill battle.
- There are a variety of ways that the regulated utility can be restructured to overcome this incentive to restrict competition. Perhaps the simplest way is to prevent the regulated firm from competing in the related competitive sector. Other approaches include club or joint ownership of the natural monopoly facility, sharing of the capacity of the essential facility or separation of the ownership and control of the essential facility.
- Separating the regulated utility into the competitive and non-competitive parts will likely involve certain costs. In particular, separation may raise transactions costs and may prevent more efficient forms of price discrimination. There will also be the one-off costs of the restructuring itself. These costs need to be balanced against the potential benefits to competition.
- Rather than full ownership separation, certain alternative forms of separation are often used which seek to enhance the level of competition without incurring the cost of ownership separation. These alternatives include accounting separation, management separation and corporate separation. These forms of separation have their uses but also their limits. Although these approaches reveal more information to the regulator and make anticompetitive practices easier to detect, the underlying incentive to restrict competition remains. Experience as to the weaknesses of these approaches has led to calls for stronger forms of separation.

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INNOVATION – A KEY-ELEMENT IN PRODUCT AND SERVICES COMPETITIVENESS

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Summary: Innovation is usually associated with novelty, creativity, performance. In essence, there are four key-elements: the commercialization of technology, informational transfer, receptiveness towards new ideas and innovative spirit. Considering the general vision of the European Union regarding the need of dynamics in research, development and innovation as well as in what concerns the investments of private companies in novelty, necessary in order to resist in a growing competition. Innovation is based on the principles of perpetual improvement, on the efforts of achieving perfection and those of diminishing losses. Thus, through the innovations introduced in any kind of activity, we bring an improvement to products and services, therefore offering necessities to the consumer.

Key-words: creativity, research, innovation, market competition, economical growth, innovative spirit.

1. Introduction

Innovation, a complex notion related to cognition, must be defined in the context of knowledge, technology and informational transfer.

Basically, innovation is formed of four key-elements, applied in distinct activities:

- The commercialization of technology- applying scientific excellence in commercially successful products and services
- Knowledge/informational transfer- promoting collaborating and exchanging through ideas and information
- Receptiveness towards new ideas- the ability of being receptive towards new ideas and to their applications
- Innovative spirit: the dimensioning of new ideas and their successful implementation in a business environment

In the eve of the third millennium, the European Council, reunited at Lisbon during the 23rd-24th march 2000 has launched a now famous strategic objective implying that Europe should become a global leader of modern society, aiming an improvement in the degree of employment efficiency, economical reform and social cohesion as part of informational economy. The Final report included two distinct chapters:

- “The foundation of an European field of research and innovation”
- “The creation of a favorable environment to the establishing and development of innovative companies, especially small and medium businesses”.

2. Aspects of innovation

Innovation represents a product/ a new or significantly improved technological process, launched on the market. Innovation is based on the results of a new technology, technical development, on the merge existing technologies or on the use of information obtained by the innovative company.

Product innovation includes a product, a completely new or significantly improved service, regarding its own fundamental characteristics, technical specifications, software or other immaterial incorporated components, the predicted way of use or the degree of use difficulty. We must also indicate that innovation should imply a novelty for a specific company, not also for the market.

Process innovation includes new or significantly improved production technologies, new or significantly improved methods of service providing and product delivering. The result should be meaningful, regarding

the level of production, the quality of the products(goods or services) or the production and distribution costs. Innovation should be a novelty for the company but could be an already used technological process

Successful innovators are active companies, involved in innovative activities, business introducing new or significantly improved products, services, new procedures. Innovations are based on the results of technological development, merges of existing technologies or on the correct use of other information asked by the company. This term covers all types of innovators: product/ process innovators as well as companies involved in unfinished innovative activities.

3. Considerations regarding innovation and durable development

Research activities should be better incorporated and coordinated on an European level in order to render them highly innovative so that one can assure attractive perspectives for the most qualified brainpower.

Regarding businesses, their competitiveness and dynamics are directly dependant of the regulation framework leading to investments, innovation and entrepreneurship, thus encouraging innovative networks (the interface between companies and financial markets, between research&development and education institutions, between services offering consultancy and technological markets).

A newly introduced element is the approach of durable development in the context of innovation, thus making innovative activities and technological developments the key to attaining durable research . In the same context, innovative politics should be integrated in developing competitiveness policies. Insuring the sources of innovation financing thus leads directly to the increase of competitiveness.

Novelty is the essential element of innovation and is shaped in produced ways.

- Invention. Applying inventions created in research laboratories represents a way to innovation, research being biggest contributor to innovation
- Acquiring ideas inspired from other business sectors and adapting them to an own process of fabrication
- Searching new market segments, unchallenged, modifying existing products and services in order to induce a perceivable favorable transformation for the eye of the consumer
- Introducing a new way of approaching the business, in order to create a new business space or the increase of profit for an existing market
- Organizational innovation, including an innovative business representation, covering marketing and advertising fields

4. Innovation and perpetual improvement

Innovation is based on the principles of perpetual improvement, the efforts to achieving perfection and loss elimination, principles that should be taken into consideration in any activity. The concept of perpetual improvement defines loss as any activity not adding value to the consumers perspective, and added value as any correct activity concretely modifying a product/service in a way that a customer would find worthy to pay for.

The methods of perpetual improvement thus share characteristics:

1. they concentrate on the improvement of performance in a given process
2. imply a minimum of employees in the fabrication process;
3. tend to encourage incremental improvement
4. must assure time continuation

Innovation is defined as the exploitation or the successful use of new materialized ideas . In this way, through perpetual improvement as well as innovations applied in any given field of activity, one can sell relevant goods to consumers.

The basic components of the innovative activity are:

- Research & development accomplished inside the company, including creative activities systematically performed in order to increase the volume of information and use them to create new applications such as products(goods/services) and new, improved processes

- Research& development activities inspired from other companies, including those mentioned above yet accomplished by other businesses or research institutes
- The acquisition of equipment and apparatus, including high-tech equipment: computers especially bought to implement products(goods or services) and /or new(or significantly improved) technological processes
- Other acquirement of information obtained outside the company, including the acquisition of copyright , inventions , licenses, know-how, trademarks , software and other such, used in innovative activities
- Personnel training- training courses (locally or abroad) offered to the employees directly involved in the process of developing and implementing innovation
- Introducing products(goods or services)of innovative activities on the market – internal or external marketing aiming at offering on the market new or significantly improved products(goods or services);it may include preliminary research conducted on the market, advertising trials, but excludes the creation of market networks
- Design and other preparatory activities for the process of production/delivery –procedures and technicalities needed for the implementation of product(goods/services) innovations as well as technical processes not included elsewhere;

5. The promotion of innovation and technological transfer

The use of specific financial resources is opportune to the assurance of the technological transfer. Nevertheless, there exist problems related to the eligibility of companies soliciting financing and thus an important objective becomes that of fulfilling the necessary criteria of eligibility.

Extending this pattern to all types of financed projects, one can consider that such a plan of financial assistance supporting the industry in its effort to adapt to regulations is a preventive measure to the future testing activities verifying the correct application of regulations.

The feasible projects of the program aiming an increase in competitiveness pursue quality and innovative aspects in their manufacturing processes as well as elements leading to the accomplishment of the objectives of durable development : environmentally, economically and socially. Through its components, the program approaches most of the elements of innovation. Applying one of the types of projects in a company, according to the principles previously defined correspond to innovative actions.

Concretely, the innovative component is the type of execution for experimental models, prototypes, assimilations of new technologies applied by economical agents based on the results of the Romanian research units. For this types of projects, one can cover expenses related to the following activities:

1. the execution of experimental models and prototypes:
 - the acquisition of equipment, components/ subassemblies and/ or materials as well as the costs for the manufacturing of equipment;
 - testing experimental models and prototypes;
 - technical assistance for the execution of experimental models and prototypes;
2. the assimilation of new technologies, acquiring new equipment, components/ subassemblies and/or materials as well as the costs for manufacturing equipment and installations;
 - manufacturing –assembling expenses for equipment and installations necessary to the assimilation of new technologies;
 - technical assistance for the assimilation of new technologies.

6. Considerations regarding the evaluation of the capacity of innovation

The speed of the propagation of innovation in the economy is crucial to productivity and economical growth. The evaluation of the capacity of innovation is an instrument that should be developed in order to support companies aiming changes. Innovation is indisputably a factor of competitiveness, the element differentiating competitors. The markers of the degree of innovation of a certain company, along with other

economical indicators represent the key-element in comparative analysis, such as benchmarking market exercises.

Among competitiveness indicators, and important art is played by markers referring to innovation. By studying a series of past company evaluations based on the indicators of competitiveness, a series of weak performances influenced by the degree of innovation emerged.

These indicators are composed of several elements and as for “Products and/or Innovative services” ,they are the following:

- A. The business capital of products and new services, referring only to products and services launched in the current business year (without taking into consideration the existent or slightly modified ones)
- B. The business capital of new market segments, appeared in the current business year (such as investments on a new business field or new appliances for a certain product/service). They must be new business fields, formally developed by an organization through good strategic decisions
- C. The business capital of new geographical markets, national or international, developed as a result of strategic decisions.
- D. The number of new clients attracted during the previous year

Any independent evaluation or auto evaluation of one’s own performances, through the perspective of innovation, substantially contributes to changes in a companies attitude. Moreover, comparative analysis to competitors , especially procedural ones clearly indicate each company’s the areas it must change in order to become more competitive.

In order to attain the objective of the industrial policy of competitiveness growth through innovation each company should take into consideration all the factors (personnel, training, management, marketing) and activities that can influence a perpetual improvement, the growth of productivity and value increase.

The major strategic and organizational changes of a company refer to all the creative improvements, regardless of the existence of innovative activities.

One can identify the following types of modifications:

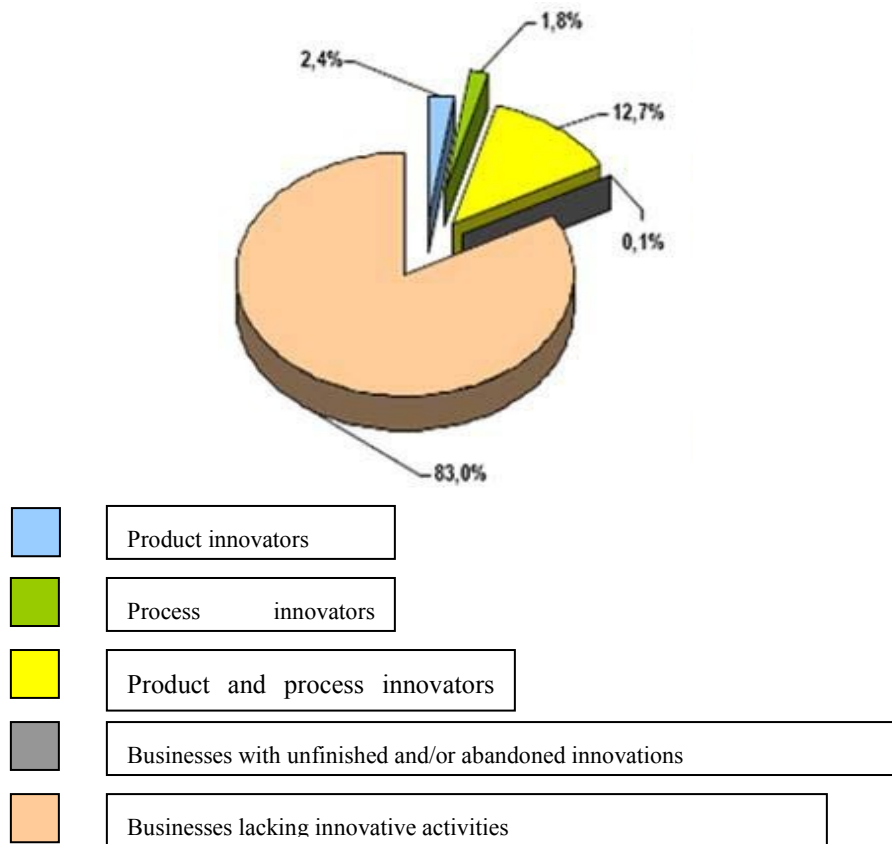
- strategic : the implementation of new or substantially modified strategies in a company
- in management : the implementation of advanced techniques in a company’s management
- organizational: the implementing of new or substantially modified new organizational structures
- in marketing: significant changes in the concept/ strategy of marketing of a certain company
- esthetical: significant modifications in the esthetics of the presentation or design and other subjective changes for at least one of the products manufactured by the company

The cooperation in the domain of innovation is represented by an active participation in research-development projects and in projects shared with other businesses or institutions. Receiving contracts, without an active collaboration is not an act of cooperation.

7. The percentage of active businesses involved in innovative activities and of those lacking innovative activity, compared to the total of roumanien companies during 2004-2006

The percentages for innovatively active businesses are divided according to each type of partner, activity, size category , type of modification.

The percentages for companies lacking innovative activity are divided according to each size class and type of modification.



7.1. Data source: the National Institute of Statistics

- the statistic analysis regarding the innovative activity (INOV) of the industry and services, based on the third statistical Communitarian Innovation Study (CIS 3) of the European Union
- the statistical Register of businesses (REGIS), administrated by the National Institute of Statistics

7.2. Methodological specifications

The statistical study regarding the innovative activity has been conducted on a representative of businesses specialized in industry and services, selected according to the size of the company (the number of employees).

The conducted research studied businesses specialized in the following fields of activity:

- industry: extractive industry, recasting industry, electric and thermal, electricity, gas and water;
- services: transportation and storage, mail and telecommunications, financial activities, banking and insurance, computing science and related activities; research-development; design, urbanism, engineering and other technical services; testing activities and technical analysis.

The size of the business/company was evaluated according to the number of employees, during the reference period; according to the criteria announced by Eurostat, the specific categorization (for innovative activities) frame companies in the following:

- small businesses: 10-49 employees
- medium businesses: 50-249 employees
- large businesses: over 250 employees

8. Conclusions

Innovation lies at the core of economical growth, being its key-initiator. Successful companies and those registering the quickest growth are the businesses regularly introducing innovation and thus a big proportion of their profit is obtained from new or significantly improved products and services. The blossoming manufacturing sectors tend to register the highest levels of innovative activity. Each organization registers a certain degree of innovation. Through specific techniques one can identify the opportunities of innovation and can specify the methods to increase the innovative coefficient of a company.

The integration of innovation in economical politics has three dimensions:

1. the creation of an innovative strategy, influencing locally, nationally and at European level the behavior of companies;
2. the integration of innovation in regional strategies ;
3. the interaction of innovative politics with other strategies and the introducing of innovation through competitiveness, internal marketing, workforce distribution and environmental protection, in order to systematically check the innovative degree of legislative and politic initiatives. Thus, introducing innovation in regulations is another leading factor to the competitiveness of products.

One must insure the circumstances of the transfer of results to companies that will effectively exploit them and allow the founding of new companies focused on research activities. Informational transfer activities can substitute the lack of informational connections between the company and the scientific substrate.

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THE EU OCCUPATION POLICIES AND THE MAIN TRANSFORMATIONS IN THE ACADEMIC ENVIRONMENT NEEDED TO DEVELOPE THE PROFESSIONAL EURO-CAREERS

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Abstract: The paper contains a research study developed by the authors concerning the content and the evolution of the European and Romanian labor market from the perspective of the European policies. The paper also presents main changes in the European labor market. Other direction of approach is based on the opportunities of the European market for the Romanian qualified people. The last part of the paper contains the main changes in the European System for Higher Education and the main actions already established at the European level for the period 2007 – 2010.

Key words: labor market, occupation policy, developpe, euro careers

1.Introduction

The labor market occupation policy has always been at the edge of the European policies and was barely mentioned in the initial treaties. Its secondary role was associated to a general failure in the attempt of creating a “social dimension” of “positive” integration, which accompanies the “negative integration”. The labor market occupation policy – and its multiple forms- contributed to reordering the power and influence relations between the national and super-national levels. The national occupation policy means understanding the laws and conventions which establish the rights of the workers and the structure of the work relations, and also the measures for protecting and promoting the occupation in general. A complete understanding of this evolution is basically impossible without taking into consideration the European dimension.

However, the occupation has been and also is one of the most difficult domains of policy elaboration in the European Union, containing many obstacles. After a few decades of political initiatives, institutional and treaty innovations, experiments of a “new” way of governing, and also after creating new forums of political interaction, the labor market occupation policy became of an intense preoccupation at the EU level. Lacking solid fundamentals in the treaty, the occupation policy evolution is based essentially on the entrepreneurial capacity of the Commission of establishing the agenda and creating new coalitions around its legislative agenda, by soliciting the support of the European Justice Court (which was frequently obtained) and creating coalitions with 1) the member states, by using the social action programs and the programs which support the treaty innovations and 2) with the national and European patronages and trade unions, supporting new methods of policy elaboration. The labor market occupation policy is based on a series of policy elaboration methods, such as using the communitarian legislation method (although, with some hesitation, due to the fragile fundament in the treaty), a specific hybrid between the communitarian method and the legislation approach in post-Maastricht method of “collective agreement legislation”, and between the more moderate ways of intervention, characteristic to policy coordination and benchmarking in the EOS (European Occupation Strategy).

2. The three pillars of the labor market occupation policy at the European level

Beginning in the early 60’s, they identified three institutional pillars of the labor market occupation policy. **The first** is represented by “legal” rights pillar, which is based on the standard communitarian method, used intermittently in the occupation field during the 60’s. The policies of this pillar have been elaborated using unanimous decisional regulations and (after Unique European Act, UEA) based on a qualified

majority in the Council, they were applied using directives, in which the possibility of varying the applications has been substantially reduced. **The second** pillar is the “collective agreement legislation” pillar, which is based on the social dialogue forms, promoted in the 80’s by a Commission, at the European level of Confederations of patronages and trade unions. This was sustained by the Article 118b CEE (currently named Article 138 TCE) and officially institutionalized in the social policy agreement (Article 4, currently named Article 139 TCE) in the Treaty of Maastricht concerning the European Union (EUT). This gave the right to the social partners to demand a Council decision concerning an agreement on the occupation policy or, alternatively, to demand the application of the directives by collective negotiations and “national practice”. **The third** pillar is represented by the “European Occupation Strategy” (EOS), more recent, more experimental and more ambitious, a radical and “new” way of governance (or an “open coordination method”) and its application depends on persuasion and “soft” conformity, using the benchmarking and collective evaluation. The construction of each of the pillars has been limited by the necessity of taking into account the diversity of the member states, mentioned above, taking into account the rapid evolution of the labor markets and their challenges, the business organizations in the last decades and also the bidirectional conflict of the necessary forms and levels of legislation and of the super-national jurisdiction area. Each of the three pillars is connected to a certain policy elaboration form, in a specific governance method. In order to clarify these connections and their implications over the resulted policies, they used the typology elaborated by Treib, Buhn and Falkner (2004).

The EU enlargement opened internal market for other 10 different countries and also for Romania, starting with 1st January 2007. The extended market provided for the companies a higher level of scale economies, along with reduced costs. The stronger competition in diverse sectors lead to restructuring commercial enterprises and also lead to lower prices for the consumers. The potential of economic growth and creation of jobs evolved even if on a short term, it reduces the number of working places in certain sectors. Secondly, many economic exchanges took place but also a great degree of specialization. The commerce between Eastern and Western Europe tripled or even quadrupled, since the beginning of the 1990’s. Thirdly, there are more investment opportunities and also foreign direct investments. Calculating the percentages, the foreign direct investments represent more than 5% from the GDP of the new Member States.

Accordingly, an extended Union is more competitive. The number of workplaces created was much bigger than the ones lost after the delocalization. Moreover, the extended economic space allows the EU to face the global competition, while European companies become stronger on an extended internal market and more competitive on the international markets. That is the reason for which Romania must continue eliminating the existent barriers and must persevere in extending the internal market, including the public services. Romania has a competitive advantage in Europe, if we take into consideration the lower level of costs. Nevertheless, Romania can no longer compete by using this advantage: there is always going to be a cheaper country than Romania.

Romania is a country with a very dynamic workforce. The young represent a vivid example for the rest of the continent: they have a strong academic education, with technical competences and strong entrepreneurial and linguistic abilities. In order to fully exploit its potential, Romania must ensure it encourages a flexible economy, which can adapt to the opportunities and the threats of the global market. A series of labor market reforms must be applied and the social policies must be reviewed, in parallel with the reforms of the capital and product markets.

3. Developing a career in the European Union institutional structures – euro careers

More than 12 000 Romanians applied for a job in such a competition. Getting ready for such a career development opportunity competition can be quite an interesting and extraordinary experience from many points of view. There is no official structure program, no bibliography, the tests from the past years are rather difficult to obtain, the necessary manuals are relatively expensive for the Romanian public, with prices varying from 15 and 40 Euros and they can only be bought by using an electronic credit card. There is no such thing as an official bibliography. The Romanian educational system accustomed us with a bibliography published before the exams, which does not change as the years pass, with correctional charts which are clearly announced before or even after the exams take place. However, this system does not apply for the jobs offered in the European Union institutions. In general, no bibliography is need but in case it exists, there are certain standards applied (like in the case of jobs for correctors, where they required the STAS, or for the translator jobs, where certain grammar norms are applied, including the new Academy

regulations and the use of prestigious dictionaries). They use the reference books from every domain and the learning process is mostly individualized. The forums and the discussion groups contribute to the information exchange between participants. The percent of those who succeed in passing the pre-tests from the first try is rather low but the exam experience is the most important. You can check www.euroconkurs.ro in order to download a few tests to become more familiar with the questions referring to numeric and verbal abilities, but also to check your knowledge about the European Union. In Romania, www.euroconkurs.ro offers information about the possibility of beginning a career in the EU institutions and since May 2006, it also organizes preparation seminars for the EU competitions, with the help of a specialized trainer from Brussels. Through these preparation programs they offer the opportunity of studying the ways of resolving the verbal and numeric exercises, the ways of clarifying certain aspects and of checking the most frequently asked questions about the history and the EU policies. One must begin studying 6 months before entering the competition. The information referring to the European Union must be taken seriously because the test about the EU knowledge is frequently charged with questions about recent events. On the Europa server, the official EU source of information, they recommend in the EU section the main principles of the member states, the communitarian legislation, the history, the euro-language and the symbol of the European Union. Most of the successful candidates apply complete study strategies, combining individual study with other methods which have proven their efficiency, such as trainings, discussion groups and psychological training for the exam. EPSO is the unique contact point for those who wish to work in the European public institutions: the European Parliament, the EU Council, the European Commission, the EU Justice Court, the Social and Economic Committee, the Regional Committee, the European Ombudsman. EPSO offers information to the potential applicants and to those who participate to a selection competition; it processes the requests and organizes the selection process. The EPSO site is the most important source of information regarding the career perspectives in the EU institutions, the competitions which take place, the application procedures to follow, FAQ (Frequently Asked Questions), on-line tests to verify the knowledge and abilities, European CV model and the examination centres. The jobs offered by the EU institutions are very popular with people in Romania, as in the EU member states. The competition is higher than the one for the most wanted colleges, and the exam difficulty increases exponentially. At the EPSO/AD/47/06 Romanian Administrators in European Public Administration, Law, Economics, Audit (AD5), for which the application deadline was 20 July, the competition was hard: 42 people for one available job: 9213 Romanian citizens for 215 places. The pre-selection tests (V&N, EU knowledge) were on-line, additional information over these had been sent to the applicants of EPSO profile in the first half of August. At the similar competition for the Bulgarian citizens, EPSO/AD/46/06, even if the number of applicants was smaller, 5397 people, only 110 were available, the competition was even stronger: 49 people for one job available. This has been, for the Romanians, the toughest competition until now. However, it is still far from the usual level of competitions for EU-25, where, for example, in the EPSO/AD/25/05 European Public Administration/Human Resources, for which the pre-selection tests and the written test were held in spring, there were 19014 candidates for 210 places, which means a competition of 90 people for one job. Even if the selection procedure is pretty rigorous, the exams are difficult and the applicants need too much time to study, but the rewards of a career in the EU structures have become more and more attractive for the Romanian citizens, as the access to information for the applicants increased.

4. Characteristics of the EU labor market, from the point of view of the human resources potential in Romania

Like in Romania, as certain economic sectors began to grow, the labor market in the European Union member states is lacking qualified workforce. There is also the situation in which the companies tend to reduce the employment costs, beneficiating in exchange, from the services of highly skilled employees. The solution in such cases is to hire people from certain states in which the workforce level is much lower, as in Romania's case. Year to year, the number of those who find a job outside the border is increasing. From the Department of Working Abroad (DWA), from the total of 69774 people registered in the Workforce Migration Office, 1543 have academic background, from which 509 people obtained a work contract abroad. We mention that these figures are only the ones from the Workforce Migration Office database, in which the solicitors are registered.

The IT specialists, the engineers and the medical staff are the most wanted to work abroad, according to the recruitment agents. "The most frequently requested jobs are in the IT industry. This mainly is about the

jobs which presume developing IT applications, web programs and IT administration. Secondly, there are the engineers. Mechanical engineers are the most wanted. It is about the graduates from Electro-technical colleges. Construction engineers are also highly wanted, like the ones who have knowledge in the medical field and who can work in the medical system: doctors, nurses or technicians”, said Rudolf Fedorovici, consultant for Advice Human Resources. In Germany, for example, they must fulfill the communitarian aquis regarding the number of doctors/number of residents. That is why they want as many pediatricians, neurologists, surgeons as they can get. Moreover, there are very many requests from the automobile production area. The research shows that most of the doctors who work abroad are residents. “Most of the offers for the Romanians come from Italy, Belgium, France, Cyprus. Outside of the European Union, the top countries which appreciate Romanian workforce are the Arab Emirates, Yemen and Canada.” Most of the Labor Inspection jobs refer to: doctors (one person in 2005 and 5 people in 2006), economists (79 in 2005, 3 in 2006), engineers (125 in 2005, 74 in 2006) and one psychologist (in 2006). In general, every country has its own lack of workforce on certain sectors of activity. As the countries which undertake a reform process need engineers, the rapidly growing areas need many IT specialists. Romanian IT specialists are highly wanted in the highly industrialized countries, in which certain development programs are undertaken, such as the United States of America, Canada, Germany, France or even Israel. Then, there are also the British companies which hire people to work in the former Yugoslavian republics. In these cases, they mostly want mechanical engineers and the jobs are mostly for Project Management. The doctors can also find jobs in the Arab countries, France or Italy.

Regarding the fact that in Romania the minimum wage is much under the one in the average European states, the Romanians are seen as low cost. Moreover, in most of the cases, the Romanian employees of a foreign company are paid less than the locals who have the same position. In exchange, for a Romanian citizen, a salary of a few thousands or even tens of thousands of Euros a month represents a huge sum of money, that is one of the reasons for more and more Romanians choose to work abroad, especially because they get other benefits like health or life insurance, a place to stay or even free trips for their families to come and visit them, besides the usual payment. “Very rarely, foreign companies hire a Romanian just because he is professional and pay him the same wage as a local citizen. Only those who have lived a while in that country have a chance of getting the same salary as the locals”, as the recruitment companies researches show. According to this one, a Romanian manager earns in England between 25 000 and 40 000 pounds a year. ”The best paid Romanians are the construction engineers but this is a consequence of the hard working conditions in countries like Kazakhstan. In the IT field, the minimum wages start from 5 000 Euro, to which they add the benefits: the place to stay, sometimes a pack of benefits for the wife and the kids. However, there are smaller benefits than the ones for the foreigners who come to work in Romania”. The increasing investment in the local economy generated in the last few years a huge lack of workforce in Romania. Because 2007 is a crucial year for Romania, the workforce mobility will be free in the European Union, the acceptance of Romania as an EU member state shall increase this phenomenon. The human resources specialists estimate that most of the Romanian professionals will go and work abroad. The vacant positions shall be occupied by the citizens of the Republic of Moldova or Turkey. Of course, they are paid less than the average Romanian worker. ”For certain jobs, the European Community had placed restrictions for the Romanians until 1st January 2007. After 2007, there will no longer be this problem. This means a greater lack of specialists. More and more Moldavians, Ukrainians, Chinese, Vietnamese or Thai shall arrive in Romania, because the unemployment rate in their home countries is very high.” After 2007, the Romanian workforce will have the right of free circulation. This not necessarily means that Romania has immediate free circulation rights regarding the workforce because as the Treaty between Romania and the EU specifies, the member states can solicit the need of a certain transition period in our country. Otherwise, every EU country has the right to impose restrictions concerning the access to the labor market for the Romanian citizens, on a period of 2 to 10 years. The decision is made separately by every state, before the end of 2006.

The employment of the academic graduates in the EU countries means recognizing the diplomas and the certificates obtained in Romania. However, countries like Italy and Germany offer certain facilities in employment for certain professional categories and crafts. For example, in Italy, the university lecturers, the university teachers and the researchers who work in an Italian university can be hired outside the annual contingent. Moreover, Germany can facilitate the obtaining of a staying permit to work, without requesting the permission of the Federal Work Agency for the highly skilled personnel, the employees in leading positions and the scientific personnel. Germany, Spain, Luxemburg, Hungary, France are among the states

which have workforce exchange agreements. For example, from the Workforce Migration Department, France demands a maximum of 300 stagier Romanians per year.

As the lack of workforce in the EU countries is increasing, the number of work positions for Romanians also increases. If we take into account the jobs available in the Workforce Migration Office, in the first 6 months of this year, as many Romanians as in the whole year 2006 went to work abroad. It is about a total of approximately 42 400 people, compared to 42 700 (in 2006). Most of the Romanians, helped by the Office, more precisely, 4 out of 5, had obtained work contracts in the agricultural field. 14% of them went to work as waiters or chefs, 8% in the industrial field. Most of them went to work in Germany, Spain, France, Switzerland and Qatar.

5. Priorities for the year 2008 for the European System for Higher Education, in the perspective of EURO-CAREERS development

At the Conference of the European Ministers Responsible with the Higher Education which took place in Bergen, 19-20 May 2005, they confirmed the commitment at a European level of coordinating the educational policies of the higher education, according to the Process of Bologna, in order to establish the European Space for Higher Education (ESHE).

Organizing the studies in two cycles was implemented on a large scale, more than half of the students having applied to such programs in most of the countries. However, there are a few obstacles from a cycle to another. Moreover, an intense dialogue is needed, in order to attract Government implication, the institutions and social partners, in order to increase the chances for the first cycle graduates (licensed) to find a job, including in adequate positions in the public administration field. There are preoccupations at the European level to ensure the general framework of ESHE qualifying, the three cycles (license, MBA, PHD) including the possibility of intermediate qualifications on a national agreement basis, generic descriptors for every cycle based on study results and competences and credits distributions for the first and second cycle. Promises have been made concerning the elaboration until 2010 of the national qualification frameworks compatible with the ones for the ESHE and the beginning of their elaboration until 2007.

In most of the European responsables' interventions, they emphasized the importance of ensuring the complementarities between the general qualifications framework foreseen by the ESHE and the framework proposal for lifetime studying, concerning education and professional formation, like they are actually developed by the EU and the Bologna partner countries. The mobility of students and teachers in the ESHE remains one of the key objectives of the Process of Bologna. At a European level, they reaffirmed the commitment to facilitate the transfer of scholarships and study credits through conjoined actions, when needed, in order to transform into reality the ESHE mobility concept.

It is widely accepted that we must intensify the efforts to eliminate the mobility obstacles, by facilitating the visa liberation and giving work permits and encouraging the participation at mobility programs. Another important aspect was soliciting to all institutions and to all the students to use at a maximum capacity the mobility programs and they also pleaded to fully recognizing the study periods, concerning the fact that the European System for Higher Education should be open and attractive to other parts of the world. The contribution in ensuring the education for all people must be based on the durable development principle and to be accordingly to the measures taken worldwide in order to ensure the quality of the higher education outside the borders. They repeatedly reaffirmed the content of the principles according to which the academic values must prevail in the actions of international university cooperation. ESHE is seen as a partner of the other higher education systems across the world, which stimulates the balanced mobility and the cooperation between higher education institutions.

The priorities for 2007 in the ESHE, in the Bergen Conference are the following:

- Introducing the models of system analysis for the quality assurance agencies, as they were mentioned in the ENQA Report;
- Implementing the national qualifications framework;
- Offering and recognizing the common diplomas, including the PHD ones;
- Creating opportunities for flexible educational paths in the system of higher education, including by recognition procedures of earlier studying.

This research paper presented only a few relevant aspects for the dynamics and the complexity of the workforce occupation process at the European level. Both the opportunities and the risks were highlighted, as well as the specific conditions to keep in mind in fundament and implementation of public policies in Romania, in the work and social assistance fields but also in the role of the Romanian system of higher education, from the perspective of the opening of the European space for the workforce in our country.

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CAREER MANAGEMENT WITHIN THE EUROPEAN UNION ORGANIZATIONS

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Abstract: The analysis of the career management practices within the European Union organization allows the procurance of a general vision over the necessity of their existence, applying and development within the Romanian business environment. The present economical-social context requires a reconsideration of the importance granted to the activities specific to the human resources career management at an organizational level.

Key words: career, human resources management, planning

The career management is considered to be the process¹ of design and implementation of purposes, strategies and plans which allows the organization to satisfy its needs of human resources, and the individuals to achieve their career purposes. It also includes the planning and career development integration as well as the functional interdependencies of planning of the individual career, organizational career and career development.

The career management, as component part of the human resources management, can be characterized by the diversity of conceptions and practices, diversity resulting from the geographical, economic, linguistic, legislative and cultural differences between the European Union countries. At the level of organizations, the career management introduction and implementation is influenced by an ensemble of factors belonging to their general external environment, to their specific external environment and to their internal environment (see fig.1).

<u>I ECONOMIC FACTORS</u>	<u>II POLITICAL FACTORS</u>
<ul style="list-style-type: none"> - the access to the capital market and the obligations towards the stakeholders; - the competition accentuation on the internal and international plan; - the crediting policy, the inflation and the rates of exchange; - the stage of economy and its development perspective; - the availability and the workforce cost. 	<ul style="list-style-type: none"> - Work legislation and the European norms regarding the working schedule, the income levels and work practices; - the attitude regarding social corporative responsibility; - the government policy regarding the continuous training; - the legislation regarding the environment and work health and safety.
<u>III SOCIO – CULTURAL FACTORS</u>	<u>IV TECHNOLOGICAL AND ORGANIZATIONAL FACTORS</u>
<ul style="list-style-type: none"> - the demographic factors (number of population and households); - the lifestyle (the attitude towards work, rest and family structure); - changes regarding the cultural values and the consumption habits; - regional factors (levels of education, skills availability, locations attractiveness, time allotted to business trips). 	<ul style="list-style-type: none"> - changes regarding the communication and production technologies; - the extension of process and product innovation within the industry; - the need of research and development investments, - the technological transfer rate, - the need of drawing knowledge from external sources; - work organization.

¹ Aurel Manolescu: Human Resources Management, 4th Edition, the Economical Publishing House, Bucharest, 2003, page 324;

Fig. 1: The factors influencing the career management²

The economical and social environment analyst, who monitor the changes, suggested that individuals no longer take into consideration the development of a “lifetime career” in only one job or organization, but they assume the responsibility of managing their own career routes. The arguments aim at the changes within the European economy as well as at the changes within the organizations’ management, elements which lead to the reduction of the confidence in the possibility of a linear, progressive career. Nevertheless, the studies performed³ show that most of the employees are attached to the organization in which they activate, hope to work at least 5 years within it and expect to be promoted during this interval. There are a few organizations which renounced to the employment contracts for an undetermined period of time or to the traditional elements of career management such as the succession plans or the inside promotion.

Nevertheless, the ones who accepted the traditional career’s decline are the young people and the highly qualified professionals, who lay the stress on a professional development able to assure their competitiveness on the labor market. Also, more and more individuals approach the success in a career from a wider perspective which takes into account the personal life objectives, the spare time allotted to vacations and to the community in which they activate. To the support of this affirmation comes a recent study⁴ regarding work in Europe, study which shows that the employees within the Union consider health, family, friend and spare time to be more important than work, which occupies only the 5th rank in their priorities.

The tendency according to which the employees assume the responsibility of their own career development becomes more and more obvious, but these employees need the support of the organizations in which they activate.

Thus, through the career management practices, the organizations can approach in a coherent, consistent and proactive manner their employees professional support and development. Due to the fact that they cannot promise a lifetime workplace, the organizations must take into account their employees personal aspirations, they must contribute to the development of their professional skills in order to increase their competitiveness on the work market and to assure a better financial safety. Also, the correlation of the organizations strategic objectives with the employees’ objectives became an element necessary to the procurance of the competitive advantage; a motivated and co-operative personnel is an essential element in the assurance of the company’s competitiveness on a continuously changing market.

In the present conditions of the labor market, where the employers from the European Union are confronted with difficulties of recruiting the necessary personnel, the employees development is highly important for guaranteeing the future of the organization and for sustaining the competitive advantage.

The strategies of the European companies regarding the administration of human resources aimed at the increase of employees’ performance during the last few years, and the main *action directions*⁵ were:

- encouraging the *continuous training* by means of the individual skills upgrade courses, online courses and mentoring; **Obs.:** In the latest European⁶ investigation regarding the work and life conditions it has been noted that the access to the professional training has not been improved during the latest 5 years, noticing as well a training deficit during the entire life for older or less skilled workers, in spite of the work legislation modifications within the union and of the financial support by the European Social Funds; also, the part time and temporary employees benefited quite rarely of training courses as compared to the full time employees.
- *Keeping the persons valuable* for the organization by elaborating strategies regarding the old personnel, the knowledge management, the completion of the databases with practical information;
- Promoting a *policy of equal chances* by equitable trainings, diversity encouraging policies etc.

² Chartered Institute of Personnel and Development (CIPD) – Career management (a guide);

³ CIPD Research report, Pressure at work and psychological contract, Guest and Conaway, 2002;

⁴ Capital no.11/March 15, 2007, Euro barometer 2007, page. 36-37;

⁵ www.fedee.com: „Human resource management in an expanded European Union”;

⁶ www.eurofound.europa.eu; The European Foundation for Improving the Life and Work Conditions,2007.

- Encouraging the reach of the *balance between the professional and the personal life* by rendering the work schedule, the benefits and compensations, etc. more flexible; **Obs.:** In EU 27, the work schedule includes, in average, 40 hours/week (the central and northern countries have shorter schedules - France 35 hours, Holland 33 hours – and the eastern and southern countries have longer work schedules, over 40 hours) , allowing thus the performance of a balanced life for 80% of the European people.
- The improvement of the *professional performances* by:
 - using the performance management methods: benchmarking, reengineering, objectives management, employees evaluation through the 360° feedback method, quality circles introduction etc.
 - improving the recruiting process by sponsoring students, the online recruiting which allows the automatic CV-s selection, the head-hunting;
 - creating evaluation and development centers;
 - conceiving and applying the succession plans;
 - reducing the rate of absenteeism through the motivation programs, through the monitoring of the long-term absences and so on ;
 - assuring a pleasant work environment, bearing the transfer costs, various types of help in critical situations and so on.

The career management is approached differently within the organizations, according to the size of the company, to its economical and financial power, to the geographical area where it performs its activities as well as to the importance that it grants to human resources management in general.

Most of the companies conceive and develop activities of *careers administration*⁷ for the employees with development potential, especially for the superior and average level managers. There are yet few organizations that have created strategies which take into account all the employees.

The most used career management practices aiming at the entire personnel are the following:

- the existence of a *job posting system*, namely of an internal site presenting the vacant jobs within the company to which all the employees can apply;
- the formal evaluation / the evaluation of the career development plan with the manager ;
- informal support from the direct superior/ human resources managers / functions managers, regarding the career;
- career movements administrated by the organization;
- succession plans;
- formal mentoring activities;

The activities addressing to all the employees are especially informal and not always effective; they imply especially performances evaluation within certain employee/manager discussions, moment in which the career development level is also assessed.

The employees consider that the most effective activities regarding career management are:

- the internal jobs market;
- the evaluation and development centers;
- the development programs aiming at work/career experience;
- the career counseling by individual trainers;
- the coaching regarding the career;
- the formal performances and career development evaluation;
- the career plans for the employees with high development potential;
- informal support from the human resources and/or department manager;

⁷ CIPD: Managing employee career: issues, trends and prospects, 2003;

A very important role in applying the career management is held by the *company superior management*, by: changing the line managers' attitude in the sense of rendering them more responsible, assuring the necessary resources and correlating the human resources activities with the business necessities.

At present, the employees consider the acquiring of experience and the development of new professional skills and competences, elements allowing them to change the organization, to work in other countries and even to change their activity field, to be more and more important. This situation will lead to the career management transformation in a strategic instrument of the human resources management from any organization.

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THE PLACE OF MEDICAL EVALUATION IN THE SELECTION SEQUENCE

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The paper explores in a phenomenological manner the importance of medical evaluation in selection process sequence. The topic of research is narrow and follows apparently microscopic aspects of human resource management. This level of reduction for the research theme is supported by the disproportionate effects a small choice can have over various actors involved directly or indirectly in the process. The paper is mainly theoretical and tries to provide new lenses in understanding the construction of a specific reality.

Key terms (human resources, selection, medical evaluation)

Medical evaluation is a step of the selection process often seen as a legal requirement and not as a functional tool in a complex, interconnected, sequence of steps carefully choreographed for the perfect sorting of human resources. If is a legal requirement (the employment contract is invalid without it) then it must be placed at the front of the selection process. This is not always the case but happens frequently enough and when these choices are made, a chain of events are generated.

The nature of the problem scrutinized in this paper is the fact that the order of selection steps influence in a powerful manner the selection process. The placement of medical evaluation as one of the first steps in selections is an unfortunate choice from various reasons. Using as starting points two case studies, we will try to outline the shock waves an apparently small choice generates on the labor market for certain actors involved with or without their consent.

The paper is a fundamental research and details in an exploratory manner the legal guidelines and the placing of the medical evaluation in the selection process as in the literature; presents two case studies relevant for the research; introduces the concept of “butterfly effect”; underlines what employers stand to lose if they don’t understand the causal connections and draws few conclusions in the end on the basis of data accumulated.

Legal guidelines for medical evaluation

Almost all discussions about medical evaluation in the employment process are based on the legal foundations. The meaning of this step of the selection process seems legally and not functionally constructed. So to outline the concept we started with a sort presentation of the legal background and try to structure a meaningful web of relations between various provisions.

Medical evaluation for employment reasons are a legal requirement for every job on the market. This kind of test has to prove that the candidate is able physically and biologically to perform the specific tasks of the job (International Labor Office Staff, 1999). The rigorousness of the criteria varies accordingly with the activity domain, with the physical and mental effort and with responsibility required. For the public alimentation, medicine, education, defense, or other alike, the standards are higher, then for other domains with little or no social impact. The legal background for medical testing for employment reasons is given by the Labor Code (24/01/2003, Art 27 and Art 28). A relevant excerpt is presented in the following line:

Art. 27. Mandatory medical certificate upon employment

- (1) A person may only be employed on the basis of a medical certificate, attesting that the concerned person is able to perform the respective activity.
- (2) The breach of the provisions in paragraph (1) shall void the individual employment contract.
- (3) When the employee submits the medical certificate after the conclusion of the individual employment contract, and the content of the certificate indicates that the person concerned is able to work, the contract thus concluded shall remain valid.

(4) The competence and procedure for issuing the medical certificate, and the penalties applicable to the employer when employing or changing the place or type of work without a medical certificate shall be laid down in special laws.

(5) The request, before employment, of pregnancy tests, shall be prohibited.

(6) When employing in the health, food and beverage, education and other fields laid down in regulatory documents, specific medical tests may be required too.

Art. 28. Mandatory medical certificate – special cases

A medical certificate shall also be mandatory in the following cases:

- a) when resuming the activity after a pause in excess of six months, in the case of workplaces exposed to professional nuisances, and one year, in all other cases;
- b) in case of posting or transfer to another workplace or another activity, should the working conditions change;
- c) at the beginning of a mission, for the employees employed under a temporary employment contract;
- d) in the case of apprentices, interns, pupils and students, when they are to be trained in trades or professions, and also when changing the trade during the training;
- e) regularly, for those exposed to professional nuisances, according to the regulations of the Ministry of Health and Family;
- f) regularly, for those performing activities entailing the risk of disease transmission and those working in the food and zootechnics sector, in drinking water supply plants, children communities, health units, according to the regulations of the Ministry of Health and Family;
- g) regularly, for those working in organizations with no risk factors, by medical examinations differentiated by age, sex and health status, according to the regulations in the collective labour agreements.

Few things from the legislation clearly come forward: the cost of the medical evaluation is not placed on the shoulders of employer – in fact there is no mention of this responsibility; the medical certificate can be submitted after the conclusion of the individual employment contract so employers are not legally bounded to place the medical evaluation at the beginning of the selection and the legislation tries to limit the unethical use of medical testing for discriminatory purposes – pregnancy tests. The general impression is that legal background seem to be under evolved, with a lot of gaps and misinterpretations, and that the general problem of the legal system, a lot of general legislation but few implementation and reinforcement institutions, is present here also.

The placing of medical evaluation in the selection process

The placing of the medical testing in the hierarchy of selection methods is of vital importance. The lack of attention, or the inertia of habit, can create unwanted effects for the employer, for the candidates and for the various institutions involved in the process. It is interesting how a single choice of order can create so many unforeseen problems. If the medical evaluation is one of the first in the selection process then, from various points of view: financial, time, public relation etc, the employer undermines its own success. If the employer have enough patience and knowledge to leave medical evaluation at the end of the selection process, then success is one step closer. Unfortunately this is not always the case.

First we discuss the logical order of the selection process and its steps. This logic is created on the ground of financial efficiency; short timetable; good image projected on the labor market and the order of the selection steps influence for good or for bad this logic. We can imagine the selection process as a system of successive sieves sorting the candidates in according to the jobs requirements and personnel specifications, in the end remaining only the “golden candidates”. The steps of the selection process under discussions are compiled from various sources (Armstrong, M., 2006; Werther, W. B. and Davis, K. 1993; Klinvex, K. 1998) in the figure 1.

Selection steps	Initial candidate number:	150
Preliminary reception of applications (application form, CV, intention letter)		75
Employment tests (performance, knowledge, psychological and attitude tests)		10
Selection interview with a HR specialist (structured, behavioral, in stress etc.)		5
Reference and background check (checking factual information)		4
Medical evaluation (physical and biological adequacy)		3
Supervisory interview (team adequacy and specific technical interview)		2
Realistic job previews (an insight in to the job)		2
Hiring decision (job offer, individual contract and job description)		1

Figure 1 Steps in the selection process of human resources – the successive sieves effect

Two case studies

The first case study regards Cluj-Napoca County Office for Work and Equal Opportunity. It was the year 2000 and in the recruiting process for the position of human resources inspector, interested candidates were asked to apply for the job with a dossier containing four pieces: curriculum vitae, a cover letter, a criminal record and a medical evaluation for the job. The arguments for this rare application procedure regarded the need to find qualified, healthy and honest candidates for the job in this public institution. People responsible were mighty proud of the system created for the applicants. As background information we mention that: because of the privatization and economical transition the unemployment rates were high in Cluj-Napoca; there were few people trained in human resource management - this was a relatively new area in Romanian organizational management; the lack o knowledge and human resources was a big problem for public institutions also and the number of respondents for the recruiting advert was around 200.

The second case study regards a local branch of C.E.C Bank, in the year 2007. In the recruiting message the candidates for the job of account administrator were asked a dossier with: cover letter, curriculum vitae; copies of studies documents; copies of work paper; copy for identity card; copy for military discharge paper; criminal record and medical certificate. The labor market was in its best moment (1% unemployment rates), the number of people on the market with economic education high (Cluj-Napoca is an important academic center). The selection process was an ongoing one (“the selection process will repeat itself until the appropriate person is found”).

The butterfly effect

We can see in both cases that the recruiting process creates a lot of administrative effort for the candidates to apply (at least for major steps are required), but what is invisible at a first glance for employer is the amount of social distress he creates for the candidate as well as for himself. A small judgment mistake can produce, like in the chaos theory or the butterfly effect, huge secondary unanticipated effects for both actors involved and unfortunately for third parties also (Figure 2 – Negative effects of the medical evaluation in the early stages of election process). And usually what people or employers don’t see or know, don’t hurt them.

Negative effects for candidates	Negative effects for employers	Negative effects for third parties
Time consumed: almost ½ days, per person, spent to plan, pay, travel, be examined, take results and obtain certification.	More documents to be processed - the selection process in this first stage grows in complexity	Crowded medical centers: few medical centers are accredited and dozens of employers take this approach
Money spend unnecessary: (almost 500.000 ROL in 2000 and almost 150 RON in 2007 per	More time invested in the selection process	Unsatisfied clients for medical centers – waiting time increase and the quality of the medical
	More money allocated to the	

person) Possible traumas suffered by candidates: radiation exposure, invasive procedures, people pass out during blood sampling.	process The differentiation of the candidates resulted in this initial stage on the basis of medical evaluation is poor, because the majority of the candidates are healthy.	act decrease. Overworked medical staff: the numbers of patients increase dramatically, pushing their limits and increasing the number of errors.
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Figure 2 Negative effects of the medical evaluation in the early stages of the selection process

Let us take the worst case scenario – case study number one (a very plausible one) and see some real effects. First 200 people spend half a day, that’s 100 working days. Second, 200 people spend 500.000 ROL, that’s 100.000.000 ROL. Third, supposing one in twenty people are very nervous about blood analysis process, that’s 10 people in great discomfort. Fourth, the employer has maybe 195 more certificates to evaluate than is efficiently needed. Fifth, 195 medical certificate take almost one day to be evaluated and this costs extra. Sixth, the differentiation obtained between candidates is minimal, often all the candidates are medically fitted for the job. Seventh, in a small town like Cluj-Napoca, if five employers think alike, then the medical centers have in a short period 1000 more clients than usual... and the chain of events can go on.

The solution to the problem is not so hard to spot, but in a region with a legalistic approach to organizational culture, with a great degree of bureaucracy, and little training on human resources the beaten track is always the safest one. “This is how things are done around here” is an argument for the lack of causal thinking, for an over-hierarchical system of management, for the lack of creativity and causal thinking, or even for the lack of time.

In an efficient approach, the place of the medical evaluation is at the end of the selection process, or at least in a position where the number of people affected by this step is short. We can wait for the preliminary reception of the applications, selection tests and interview to narrow down the candidates (3-5) and then ask them to do the medical evaluation. The impact over candidates, third parties and employers is drastically reduced. A simple change of perspective, change for the better the efficiency of the selection process, removes the “bugs” in the system and project a responsible approach of the employer.

What employers really have to lose beyond time and money?

If we go beyond internal cuisine (time and money) and try to understand the impact of a mediocre selection process over the clients or the potential clients we can see that *from the public relations point of view things can go really bad*. All the steps of the selection process are moments of public relations. Majority of the candidates will not be employed and the quality and the professionalism of their treatment will create the external image of the organization. The social networks of disgruntled candidates can spread a negative image with multiplying effects on the labor market and between clients.

Another lose for an employer is that viable candidates get tired to complete the complex initial process of recruiting and selection: write curriculum vitae, write a cover letter, get the criminal record and then obtain the medical certification. This kind of recruiting/selection packages *reduces the pool of candidates on other criteria than competence*. Especially medical evaluation is a time and money consuming process. If this complex recruiting scheme is intentionally used to sort the only determined candidates when the labor market abounds with labor force, the arguments in its favor can be understood; but when the labor market lacks the resources to provide a decent pool of candidates, then the complexity of this approach have no argument.

Externalities represent a concept from micro economy relevant for this paper purpose. Externalities “arise when one party’s actions have consequences (positive or negative) for others that are not accounted for in market transactions” (Marshall, G. 2005, p.20). In our case, the choices made by employers (medical evaluation as a first step in the selection process) have negative consequences over other parties that are not accounted in the market transactions (clients of the medical centers) and maybe positive effects over other third party (medical centers), increasing the number of clients and their revenues – so *we are clearly dealing with a case of externality in the selection process* and more specific in the medical evaluation.

Conclusions

The “butterfly effect” is a problematic phenomenon in the field of human resources. Some employers are not able to see or anticipate in a causal manner the impact of their actions on other people. Other employers are able to see and anticipate the effect of their actions on other people, but from various reasons choose to ignore them. The ethical implication of this behavior is important either way because of the *social distress* a simple decision in the selection process produces. Financial losses; time or the lives of main actors and third parties are consumed in a futile manner; people are traumatized and crowded, other businesses are affected... these are few of the main effects. The “externalization” of the transaction costs by the employer summarizes this in an effective manner.

If we change perspective and put ourselves in the shoes of the employer we believe that understanding, even in an egotistic manner, the effects of their actions over their own business, the butterfly effect will be drastically reduced. All the complexity of the process doesn't create a solid, thorough selection process, but deepens the ineffectiveness, and digs *employers own grave* by giving him more documents to be processed, consuming more valuable time and money and all with a poor differentiation effect between candidates.

A phenomenological approach is needed to see the causal context of this kind of decisions in a different light. Extensive training on selection process; rethinking of every step of the selection in a neutral light of people involved, time and money and a fresh new start, different from the “ways things are done” are vital elements for future success. An educated employer means fewer anomalies and fewer resources wasted on labor market.

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THE IMPACT OF MANAGER-EMPLOYEE RELATIONSHIP ON IMPROVING PERFORMANCES IN TOURIST INDUSTRY

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The specific tourism activity, its complexity given by the variety of its components, is important for recruiting and selecting the necessary personnel, its structure, and training in order to maximize the efficiency of work force. Employees' motivation refers to a right correlation between their personal needs and the objectives of the organization. The role of the manager is to identify and decide to what extent the organizational objectives are similar to employee's personal needs. The motivating-coaching function covers up the set of work processes that determine the staff of a company to set up and achieve the planned organizational objectives. There is no standard pattern of motivating the staff; employees' motivation is based both on personal and external factors.

Key words: human resource management, motivation, reward, satisfaction, manager-employee relationship

1. Human Resource Management

1.1 Tourism Human Resource Management

Human resource management is the entire set of activities focused on providing, developing, motivating and retaining the human resources within the organization so that the main objectives should be reached efficiently and the employees' needs satisfied.

The extent and quality of tourism activity is mainly determined by the number of employees and the level of their qualification, the correlation between their professional training and the position hold, their professionalism and promptness in reaching the objectives. Thus, tourism evolution is directly related to the human resources structure and dynamic, underlining the great importance of human capital.

The specific tourism activity, its complexity given by the variety of its components, is important for recruiting and selecting the necessary personnel, its structure, and training in order to maximize the efficiency of work force.

1.2 The specific features of tourism labour

The relationship between tourism and human capital is a complex one, of inter-conditioning, each of the two elements having the cause-effect role. Tourism is covered up by numerous and various activities and the work in this domain is characterized by a series of features mainly reflected by the need of work force and the results of utilizing it. Among the most important features we can mention a great consumption of workforce, superior moral and material liability, direct customer-employee relationship, seasonal period, using the work pattern partially. The specific features of working in tourism influence the number and the qualification of employees, the structure of human resource, work productivity level, mutual motivation, recruitment and selection policies, as well as professional training.

2. Labour satisfaction, motivation and reward

2.1. Satisfaction

According to its definition, satisfaction is a subjective state as a result of needs fulfillment, lack of tension and anxiety. Depending on the purpose, an action should be finalized with a moral or material satisfaction. If the efficiency of individual involvement in team activity is low, with no satisfaction, then, one can speak about a state of dissatisfaction, a state of mind that can cover the whole group, the organization, leading to frustration.

The main factors influencing work satisfaction are: pride, career advancement, professional challenge, organization prestige, work benefits, job security, etc.

2.2 Motivation

Motivation is defined as a sum of internal and external energies that initiate, conduct and maintain an effort targeted to organization objectives, fulfilling also the personal needs. (Robbins, 1998).

The effort made by the employee will contribute to a greater extent to the outcome expected by the organization, as long as the personal goals are similar to those of the organizational ones. For an individual to be motivated at the workplace, he must be sure that performing a certain job will help him fulfill his own needs.

Employees' motivation refers to a right correlation between their personal needs and the objectives of the organization. The role of the manager is to identify and decide to what extent the organizational objectives are similar to employees' personal needs.

Motivation is one of the managers' most important responsibilities; they must find the best way of motivating their employees to get the best performances at their workplace.

Reward

Staff motivation is the basic method to involve the employees in achieving organizational objectives and it refers to the correlation between fulfilling employees' needs and interests and the tasks they perform.

Rewards consist of those formal and informal, economic or moral-spiritual elements that are granted to employees fulfilling certain individual or collective needs in order to motivate them to bring their entire contribution and achieve the company's objectives.

There is no standard pattern of motivating the staff, employees' motivation is based both on personal and external factors.

The motivating-coaching function covers up the set of work processes that determine the staff of a company to set up and achieve the planned organizational objectives.

3. A comparative survey concerning staff motivation

This survey was carried out in two three-star hotels in Timisoara: Hotel no. 1 and no.2 Hotel. A questionnaire has been distributed to the employees in order to collect the necessary data. An important segment of employees of both hotels was subject to this research.

3.1 The importance of this case study

This case study is useful to all managers working in hotel industry. It is very important for them to be aware of the impact manager-employee relationship is having on customer satisfaction. The case study comprises not only the findings obtained by data analysis, but also recommendations that may help the hotel managers to design new strategies in order to improve their business performances.

3.2 A presentation of two analyzed hotels.

No.1 Hotel: It is situated in a peaceful, less centered area of the town, it has a restaurant, a bar, 10 single rooms, double rooms, and apartments equipped with TV sets, air-conditioning, mini-bar and telephone. The customers can enjoy the following services: parking, card payment, gym, sauna, barbershop, and internet access.

There are ten employees working in the hotel, a segment of 100% of the employees has been questioned.

Hotel no. 2: It is situated in the very cultural and historical centre of Timisoara; the atmosphere is very elegant and comfortable. The hotel has 150 single, double rooms and apartments, differently decorated with an excellent view over the town during the day and night.

To meet the demands of its customers the hotel has a restaurant, a bar and a conference room where conferences, cocktails, banquettes, parties or festive dinners may be organized. This hotel has an excellent reputation for the services provided such as: parking, washing-cleaning services, gym, sauna, massage, hairdressing saloon, internet access, secretarial services. They also provide additional services such as: transport from the airport to the hotel and sight seeing.

This hotel has 160 employees; an important segment of 60% has been questioned.

3.3 The analysis of the questionnaires distributed to the employees of No.1 Hotel and No.2 Hotel

a) A description of the targeted segment

By analyzing the employees' distribution according to their age one can notice the following: Hotel no. 1 has employees of 31-40years old (70%), whereas the age of the employees working for No.2 Hotel is between 20-30 years old (52%). Hotel no. 2 has also employed people between 41-50years old (11%) and people over 50 years old (4%).

By analyzing the employees' distribution according to their gender one can notice that both hotels have a predominant number of women, but in a different percentage: 86% No.1 Hotel, 52% No.2 Hotel.

By analyzing the employees' distribution according to their education one can notice the following: a 57% of the employees working for Hotel no. 1 have been employed for a period of time between 3-5 years, 29% have 1-2 years of work experience. This might be explained by the fact that it is a new hotel in contrast with Hotel no. 2 where the most employees have between 5-10 years of service(30%), followed closely by those with 3-5 years of work experience (29%). One can also notice the presence of employees a work experience of over 11years (11%).

b) The inner motivation

Most of the employees of hotel no 1 consider their work activity as being interesting 43%, a percentage of 29% enjoy their work, 14% consider it over demanding and 14% say that their tasks are constantly changing. The employees of No 2 Hotel consider their work activity as being interesting and they enjoy it (48%), but being a large hotel, fully occupied, a 4% claim their work is over demanding sometimes.

Regarding the employees' skills one can notice that the staff of both hotels state they have the necessary skills suitable for the position held, some are positive about it and others tend to believe that. Still there is a percentage of 29% at the Hotel no. 1 and 11% at the Hotel no. 2 who are not sure about this question. A 4% of the employees of No.2 Hotel claiming their skills are not suitable for the positions they hold.

With reference to reaching the personal and professional goals the employees of both hotels are not satisfied: No.1 Hotel 86% and No.2 Hotel 81%.

With regard to their professional development the employees of both places are not satisfied, most of them stagnating. They are not very optimistic about their professional advancement within the company, because the company ladder has only few levels and career advancement is a slow process.

c) Employer- employee relationship

One can notice that at both hotels the employees have a positive reaction towards management: No.1 Hotel (57%) and No.2 Hotel (52%), with a small exception of 4% of the second hotel's employees, who have a different opinion.

With reference to managers' flexibility and new ideas one can notice that most of the employees agree with this statement; No.1 Hotel (42%) and No.2 Hotel (59%).

The performance appraisal questions has underlined the following: the employees of the no.1 Hotel stated the staff appraisal in their hotel is a honest and objective process(57%), but there is a percentage of 29% employees who are not quite sure about this and 14% who have doubts concerning the manager's

objectivity. The employees of no.2 Hotel appreciated the manager's objectivity and honesty (42%), 50% are not sure and 4% think the manager is not objective.

One can easily notice that the management the first hotel is much more flexible in the process of decision making 57% of the employees can make their own decisions compared to a 26% of the second hotel.

d) Remuneration and reward

In both cases employees think that they should get more money for their work: 57% no. 1 Hotel and 93% no.2 Hotel. Only 7% from the second hotel think they are paid according to their work, and 42% from the first hotel think they are paid according to their work. None of the employees think they are well-paid.

e) Work conditions

Regarding the salary one can notice that at the first hotel 43% of the employees have answered that the salary was not the reason that made them get that job, 43% stated that the salary was the main the reason for their employment, and 14% said the salary motivated them to get the job to a less extent. At the second hotel we have the following situation: 52% of the employees have answered that the salary was not the reason that made them accept that job, 4% said that the salary was important, but not to a great extent, and 44% answered the salary was an insignificant reason.

With reference to work experience issue, one can notice that it is the main motivation for employment at both hotels. At no.1 Hotel 43% of the employees have answered that they have got the job for the career opportunity offered, also 43% think their career is not so important, 14% did not take this issue into consideration. At no.2 Hotel most of the employees got the job for career advancement, 19% think their career is not so important and only 7% did not take this issue into consideration.

Regarding the issue of working conditions and environment we have the following data: at no.1 Hotel most of the employees are satisfied with their working conditions (57%), 29%of them are not so satisfied with it and 14% of them are not satisfied at all. At no.2 Hotel most of the employees are not satisfied with their working conditions and environment (56%), but there are a percentage of 26% employees who are very satisfied with their working conditions.

There is an obvious difference between the two hotels: no. 1 hotel has managed to attract a large staff to work for them 72%, even if they used to work for other organizations, whereas most of the people of the second hotel were unemployed when they applied for this job (74%).

f) The analysis of open questions

By analyzing the answers of the open questions, one can notice the main reasons of employees' dissatisfaction and the suggestions they make.

The answers provided for this open question: *What would you do if you were the manager of your hotel?* (Chart no.1)

1. I would promote employees according to their performance
2. I would offer financial rewards to hard working employees
3. I would provide trainings
4. I would encourage competition among employees
5. I would implement a modern management, a more effective one
6. I would grant employees moral and material incentives

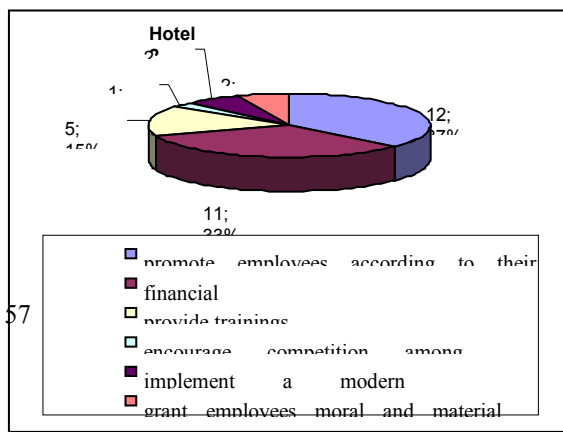
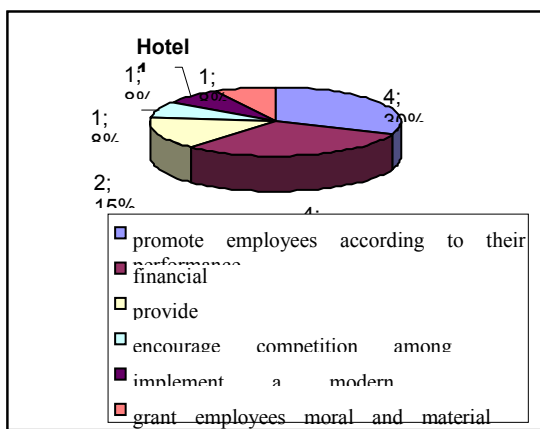


Chart 1. Staff motivation within the hotels

What do you need to become a motivate worker? What makes you an unmotivated worker? (Chart no.2)

Answers:

1. Low salary
2. Reduced opportunities for career advancement
3. No professional training
4. Company's lack of development/opportunities

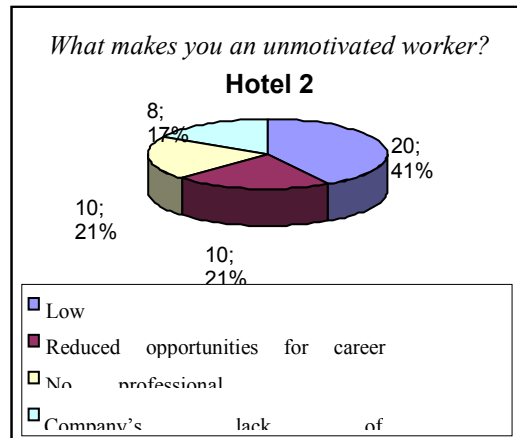
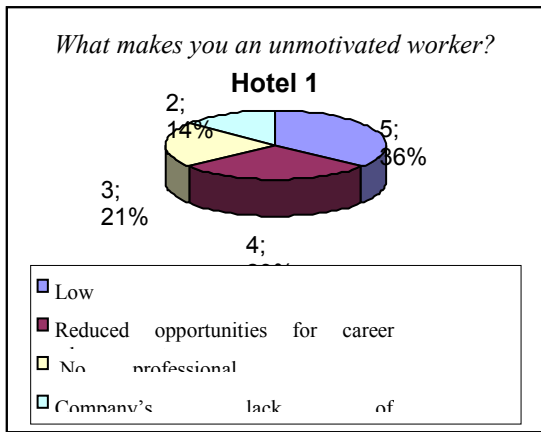


Chart 2. Analysis of employees' dissatisfaction

4. Conclusions and Suggestions

Conclusions: the findings of research have underlined the fact that most employees are not satisfied with their salaries and their professional training. Their personal initiatives are not taken into consideration because there is no efficient system of collecting and using data.

Mainly, the managers used to focus on getting a rapid profit, but currently more and more managers have realized the importance of having well- prepared, well-trained employees within the company. Thus, they must focus on motivating their staff to increase their productivity level and job satisfaction.

To improve the system of management and the services provided to prospective clients, we underline the following suggestions:

Professional development

To increase employees' satisfaction towards their professional development, the organizations should focus on the following areas:

- To elaborate and implement a system of drawing up and revise the job description
- To outline the role of each employee within the company
- To design training programs according to each professional group
- To set objectives within a certain period of time (3 months-1 year) and to monitor the progress constantly(involving the employees in this process)
- To delegate responsibilities
- To increase the number of jobs
- To involve the employees in the decision-making process

Performance appraisal

Performance appraisal system may take various forms within organizations:

- To develop a system of competition among all levels
- To appraise employees' good results in public providing concrete examples
- To be granted individual rewards (financial rewards) periodically

Liability

Regarding employees' work liability, one can state that only few organizations grant their employees freedom to express their own ideas and opinions. Thus, few organizations take fully advantage of their employees' potential. Thus, it is recommended for them to:

- Delegate responsibility
- Develop training for managers concerning the process of delegating responsibilities
- Design and implement systems of collecting employees' suggestions and recommendations so that all of them should be involved in the process of improving their work.

Advancement

Among all analyzed parameters, this one has registered the lowest figures compared to the ideal level. Thus, it is recommended for them to:

- Draw up job description, to have a clear job specification so that each employee should know exactly their responsibilities
- Design and implement a career planning policy
- To increase the employees' liability progressively so that they should be prepared to climb the company ladder

Working environment

This is an area where the most spectacular progresses are made within Romanian companies. It seems like Romanian managers are willing to create a pleasant and efficient work environment in spite of low budgets.

More and more companies implement quality systems to be successful and when they are seconded by a performing human resource management, one can speak about successful companies.

Payment

By analyzing the questionnaire one can easily notice that more than half of interviewed people were not satisfied with their payment, and their suggestions and recommendations were focused on this topic. The employees are also dissatisfied with the level of their salaries in comparison with the other peers' salaries or the salaries on labour market. This internal or external inequality may appear because most of the employees are not aware of the payment system criteria.

To improve the level of salaries, managers should take into consideration the following:

- Developing and implementing evaluation policies and strategies
- Investigating the level of salaries on the market

It not only the salary that is taken into consideration, but also the fringe benefits such as: medical insurance, life insurance, company car, discounts or free products, subscriptions to gyms, a day off, nursery school for employees' children, rewards granted for good suggestions, or meeting the deadlines, surprises, gifts on somebody's birthday, trainings, and seminars etc. thus, it is important for managers to:

- Develop payment policies and strategies
- Develop and implement appraisal performance policies
- Develop payment systems base on achieved performances

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USING STRATEGIC MANAGEMENT STUDY CASES IN ROMANIA

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Abstract: The paper discuss the use of study case in the teaching of strategic management and the translation of the method from United States to Romania. Some technical aspects of American experience in strategic management case researching are underlined, with a focalised approach on financial analysis and their informational context. The basic weaknesses of the method are also analysed in order to understand the practical problems in Romanian educational environment. The general value as a tool in achieving participation and in developing communication is magnified with a specific Romanian one: gathering direct information.

Key-words: case study, strategic management, qualitative data, financial analysis, firm classification

Introduction

The use of case studies has been the most popular method of teaching strategic management and business policy for about one hundred years. The method was used on large scale in business school, especially at Harvard Business School in USA, and after 2nd WW the “American standard” has spread in Europe and Asia, becoming a worldwide instrument that provides the opportunity to move in the real business environment.

After 1990 the case studies begins to be used also in East Europe, accompanying the introduction of some new courses in business and economic faculties, as the strategic management course. In Romania the strategic management course replaced the planning course, designed in the ‘80’s old “Soviet style” and after 1995 became a permanent discipline in so-called management specialization of faculties of economic sciences.

Generally, in strategic management the case method is a tool that offers students the possibility to translate from a very specialized and technical view to a broader, less precise analysis of the overall organization. The situations presented are actual and real business situation and enable to examine the application of theoretical concepts. They are intended to serve as a basis for class discussion and are not intended to be a comprehensive collection of teaching material. This approach gives students the feel for what it is like to face analyzing, making and implementing strategic decisions and strategic management.

Some Characteristics of a Case Study in “American Standard”

There are different approaches to the process of analyzing qualitative data. The case study commence from a deductive position, meaning that the researcher will seek to use existing theory to shape the approach in research and data analysis (Saunders *et al.*, 2003). Yin (2003) suggests that, where you have made use of existing theory to formulate the research question and objectives, it may also use the theoretical propositions that helped you do this as a means to devise a framework to help you to organize and direct your data analysis. The preference for devising theoretical propositions prior to data collection as a means to analyse data leads to two analytical procedure: the procedure termed *pattern matching*, that involves predicting a pattern of outcomes based on theoretical propositions to explain what the researcher expect to find, and the procedure, labelled by Yin (2003) *explanation building*, that involves an attempt to build an explanation while collecting data and analyzing them, rather than testing a predicting explanation.

An overview of case studies written for American textbooks reveals a very technical approach, based on financial analysis. All the well-known textbooks (i.e. Wheelen and Hunger, 2008) have extensive recommendations concerning this segment of strategic analysis, underlined its decisive importance for the success of the entire work. For marketing, human resource or production it doesn’t exist a similar standardized approach, but some strategic tools as SWOT analysis or portfolio matrix offers a rationale and comprehensive perspective.

A typical financial analysis of a firm begins with official financial statements. The first recommended step is the use of ratio analysis from data in these statements. It is done to identify possible financial strengths or weaknesses as a part of SWOT analysis. Ratios are useful and they enable the researcher to compare a firm's ratios with industries averages. A number of steps, including the correction for inflation, ought to be done in a basic analysis in order to reveal, according to American standards, the "real" situation and the developing trends. Looking for inconsistencies and aggressive accounting methods, some financial experts proposed special checklist of items to examine for so-called red flags that suggests an underlying problem.

Many resources for financial information are available for American academics or students. The companies' annual reports, Standard and Exchange Commission Report Forms (www.sec.gov), regional and national statistics, economic indicators and other online information could be used for a study case. But if the study case is focalised on a multinational corporation, the financial statements can get very complicated and difficult to understand. On the other hand, if the study is focalised on a small or medium new firm operating in an emerging industry the information could be inconsistent or difficult to collect.

For other activities of the firm the technical advices are not as clear as in the case of financial analysis (Ambrosini *et al.*, 1998). The direct observation is very costly and unusual for the American educational environment. The available information is from indirect sources, like newspapers or magazines articles. But even in the case of an expert or academic opinion there are considerable pressures to cite the approaches that the author of the study believes their audience views as legitimate and credible (Locke, 1997).

„There is no one best way to analyze or present a case report” is the sentence that the textbooks use as a conclusion for the chapter labelled „suggestions for case analysis” (Wheelen and Hunger, 2008). In fact, each instructor has personal preferences for format and approach. An overview of best American and English textbooks (i.e. Johnson *et al.*, 2008) show a preference for a „functional” approach of the firm, meaning a distinct discussion of marketing, operations, research or financial activities. A modern approach includes the discussion of new issues like organizational culture, information systems or corporate social responsibility.

A different vision regarding the case study is provided by Mintzberg (2004). Henry Mintzberg underlines the problem of this instruction instrument's utility in management, considering the Harvard Business School approaches have become stereotype and enough focused on figures to lose sight of the product, the client and the organization. Consequently, even the utility of the research approach appears to be doubtful at last, because both the specific and the social content of the management act are eluded (Mintzberg, 1975).

One may conclude that the intrinsic drawback of the case study research, in the way Americans utilize it, consists in the detachment from practice and, finally, from reality. An American student is asked to prepare a case study research on an important American company, sometimes quasi-unfamiliar to him from the products' and technologies point of view. He goes to the library, that implies to use the computer and the Internet, gathers some financial, bookkeeping or eventually economical pieces of information, and introduces the into a Harvard type diagram. If the company wasn't listed on the stock market (usually on NYSE) and wasn't mentioned in various newspapers and magazines, the work would be impossible to prepare using this approach.

What is astonishing about most of the case study researches of this kind is that they are grounded upon an impressing set of references, but anyway they leave the impression of “second hand” information. Sometimes is obvious that the product is only superficially known and the associated process is unfamiliar (Pascale, 1984). On the other hand, the focus on figures, especially on those economically significant, generates some of the most peculiar effects. This way, the fact that human beings and concrete objects are at stake is omitted, and their place is taken by abstractions. Direct observation is replaced by a computer game and the sensation that a person having manual dexterity is more “competent” than the one who thinks is apt to generate dark thoughts about this manner of learning.

The criticisms of Mintzberg, who quotes more caustic than himself researchers, are devastating for the American way of case study research fashion and for “the Harvard style”. A more serious fact is that these criticisms are supported by case study researches about “the making of”, statistics and dissimilar examples, from the industrial management of the Vietnam War to the Enron case. Some of these phenomena seem to have “duplicates” in the post '89 Romanian actuality.

Romanian Style in Researching the Case Situation

In Romania, the practice of utilizing this research and study instrument is limited, even if there are many interesting to analyze elements: affairs, organizations, persons. At present, is being more widespread the utilizing of case study research about organizations abroad, with which Romanians are more familiar due to media articles than due to concrete manifestations of a concrete activity in the national area.

The maturation of research field, formed by the strategic management, means for the business environment and for Romanian universities the appearance of case study researches, which are focused on domestic or operating in Romania organizations. Even if interesting researches appeared during the last decade, they were rare and much too insufficient anyway for a transitional economy.

The theoretic utility of the case study researches is provided by the fact that learning from others' success or failure would be more economical than learning from your own mistakes. People should also learn that a more transparent behaviour of the organizations, including private companies, is apt to encourage the improvement of the business climate.

Because in this field only few steps forward were made, the database concerning the Romanian economy realities is rather precarious. The official statistics are too general and the mass-media information is mostly superficial and summary, even at the level of specialized publications. The Bucharest Stock Market is concerned with only about fifty important companies. If the information concerning the public sector generates certain credibility doubts, it is no wonder that in the private company area the available information is either vague or totally absent. Even the specialized information regarding certain categories of market research, information, provided for a price, is available in a quantity which is far from the steady economy standards in the Europe and in the world.

In this context, to realize a case study research concerning a company which operates in Romania requires without fail its voluntary collaboration. The internal sources are necessary to provide consistency and credibility for such a research. Only for relatively few companies and industries there is a public database available, sufficiently developed to support an analysis which leaves aside the internal sources.

The first barrier in using internal information sources is to get the approval of the chosen organization's management to realize the research, excluding an approach using "grey information" or illegal practices. The mentioned barrier immediately reveals a series of problems that multiply rapidly, combining with technical and organizational problems, with those associated with a certain mentality type or a certain management style. In an important organization, even for acquiring common information, the highest executive or even the owner approval may be necessary. The education of many top managers is poor, as Livingston (1970) observed, and that explain the difficult dialog with a researcher.

This situation usually reveals an organization deficiency or a deformed perception of the problem. At this stage the first difficulty shows up, because it is hard to approach these people, due to certain hierarchic filters and to their lack of availability for being involved in such an insignificant considered matter. A situation of interest for management emerges when the necessity of conveying such a message constituted as a case study research is not understood, the business environment and the studious youth being ignored.

Certain organizations have an opposite attitude perceiving the necessity of conveying a message by means of a case study research. They react promptly to this kind of challenge and totally support this research, considering it an opportunity to prove good corporative citizen manners.

For the 2007 Romanian student, the danger to be "drowned" by figures is limited, which appears to be a positive aspect connected with case study researches. This makes him do "field research", to have a knowledge of the product, to know the people, to ask the customers and eventually, to put himself in their place, to realize different experiments and other public activities. It is true that from "white information" one may imperceptibly pass to "grey information" and, using various experiments, one may easily slide to immoral zones, but usually good intentions prevail. It should be practically and clearly recognized that this passage is encouraged and morally justified by the ambiguous and deceitful behaviour of the organizations whose co-operation is asked. According to this pattern, one may formally approve, when in fact he consciously provides distorted information for obtaining free advertising or other commercial effects. A summary check on the received information may move the researcher to the "grey zone".

Interesting things may be realized about the statistic data available in Romania but, essentially, one can remark they cover the nowadays reality only superficially. For instance, it is difficult to estimate the size of a specific market and of the market shares belonging to the various competitors, in the way this can be

done in the Western Europe. The eventual market information comes from private sources, but even here there is a significant distortion, due to the way general data are produced.

Due to these general reasons, the case study researches in Romania make a direct field research necessary. This approach implies visits to the respective organization, the familiarization with its products, discussions with numerous persons who represent a larger stakeholders range. The dialogs with managers, consumers and providers are essential. Only in the field one can estimate if the carefully selected images, used in the advertising campaigns, correspond to the reality. Only in the field one can observe the organization personnel's behaviour.

From the content's point of view, the emphasis should shift from the financial part of the organization to the technical and human matters to escape the simplifying trap of financially significant figures. The Enron scandal and failure, or the disaster of the Romanian tourism suggests one cannot reduce business to financial relations and money, but assuming major strategic risks.

The product and context oriented approach is justified by the fact that the case study research mainly addresses to the economy students. They have limited knowledge associated with the product realization process; therefore, a familiarization with the technical aspects is needed. We must underline that understanding the way one organization works cannot result from reading the bookkeeping reports only. This is more valid in Romania, where the double or triple accountancy habit and the existence of the "taxes department", specialized in "correctly" avoiding the law, are a rule. This reality is reflected in the underground economy proportion, which represents one third from the official one (Schneider, 2005). Too many financial reports leave the impression that management is turning into a computer game that requires a certain fingering (even if the "dexterity" concept may be creatively used).

The company to contact being chosen, we searched for a communication channel. HERE the interesting part of the research began, "about the making of" and the first differences to be analyzed and commented upon appeared between companies.

The multitude of companies which can constitute case study research subjects may be divided into three groups, according to the external signal reception and to the opening of the external communication channel (Bacanu, 2007):

- "the hedgehog companies" represent hard to identify and to utilize companies, having narrow communication channels;
- "the black hole companies" represent the companies which have communication channels, but the signal reception is not to be seen;
- "the window companies" represent the companies which have open communication channels to the top of the pyramid and point out the signal reception.

From the answer's promptitude point of view, one may also discern three categories of companies (Bacanu, 2007):

- "the coral companies" represent the companies which certainly received the stimulus, but showed no answer reaction;
- "the dinosaur companies" represent the companies which received the external stimulus and convey an answer after a several weeks period, unreasonably long from the functional point of view;
- "the samurai companies" which represent the companies which answer rapidly, as a samurai sword blow, be their answer yes or no.

One cannot understand the management of an organization, according to the given research philosophy, without thoroughly studying the essential person of the business: the owner or the highest rank executive. The analysis means to know the person, his place of work, his assistants and close collaborators. It is also important to listen to all these people. If the dialog takes place in "their natural environment", the value of "collateral information" improves. Any apparently insignificant detail is important in a puzzle type inlaid work, which represents a vivid image of the organization, more suggestive than a position occupied sometimes only for one year at the middle of Romanian Capital Magazine Top 300.

On the other hand, the signals concerning the Romanian organizations which can be received from the Romanian media must be treated with more reticence. For instance, discussing the media articles, specialized media included, one may observe that many of them are written by people with limited

competence and experience, sometimes even by students. Other authors, even renowned in the nowadays press, cannot refrain from expressing “opinions” about unfamiliar fields. The same doubts increase when the analyses slide to the quantitative side, being ignored the essential aspects associated with economical, social or technical basic mechanisms.

Conclusions

Strategic management is beginning to mature in both theory and method for teaching. The educational methods used are becoming more sophisticated and valuable in building a knowledge base of how to strategically manage business organizations. Even under academic criticism and under the pressure of alternative modern methods, the study case remains the main instrument for strategic management in American business schools.

In Romania the use of study case for teaching strategic management is at the beginning. The main problem in a case study construction is to obtain reliable data. For a Romanian student or case studies’ writer in 2008 this problem could be avoided by an intelligent choice of an “open” organisation. The direct observation and the work on the field become the advantages of Romanian style in the construction of strategic management study cases.

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STRATEGIC OBJECTIVES IN HUMAN RESOURCES MANAGEMENT AT OLTCHIM S.A RM.VALCEA

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This comunicacion concentrates on personnel strategies at Oltchim SA Ramnicu Valcea. There is a problem at human resources department in recruiting qualified employees, therefore they have to focus on implementing HR strategies in such way they could reach their objectives in thea area of attracting valuable personnel as well as respecting their general management policy.

Here are some ideas in doing all of these by developing training and mentoring services either from inside or outside the company.

Is this for sure that implementing such services inside Oltchim SA is about organizational culture, managerial skills and effectiveness, and the role of emotions in organizational life.

Key words: Human Resources(HR), HR Management, motivation, mentoring, emotional intelligence, personnel strategies, training.

Speaking in terms of HR politics, there are some problems in recruiting qualified personnel as engineers and physicians at Oltchim SA Rm.Valcea but not only.

The audit of the qualifications realized by “Romanian National Observatory”(hosted within the Institute of Education Sciences(IES) showed that business environment changes quickly and because of that, there appears new needs of personnel qualifications and new ways of increasing the productivity. The same audit remarks that at the level of production and maintenance, there is a tremendous deficit of specialists corresponding to a high level of technology development.

Oltchim Rm Valcea could keep a competitive advantage for medium and long term, by focusing on human resources strategies that can reach the following specific actions:

- The human resources orientation over client (marketing orientation), by fulfilling the project orientation objectives.
- Maintaining the transparency of information needed all over the HR department, opening and keeping new communication channels, improving communicational climate, both formal and informal.
- Developing professional abilities and interpersonal communication skills(cooperation, improving motivation and dealing with emotions in organizational behavior, team work, etc) of the human resource;

The personnel strategy proposed by Oltchim SA Rm.Valcea consists in:

- A large perspective and a dynamic vision over human resources;
- The definition of the general objectives for medium and long term concerning human resources strategies.

For establishing its own personnel strategy, Oltchim SA works on these following elements:

- Increasing, integration, diversification and developing of the production market;
- Increasing the efficiency of the products on the national and international markets in a way that Oltchim SA can get a higher profit level in the company.

- Developing the scientific and technical capacities of the most valuable employees in the domains considered strategic for the company.
- Cooperation with companies specialized in providing professional training services.

In the context of what we presented before, the future priorities in the area of human resources are:

- **Elaboration and improving the personnel strategy by:** The continue analyze of the entire activity for Oltchim SA Rm Valcea which includes:

h) general evaluation of the company focusing on a good business plan.

Business planning might appear very complex but in essence it's common sense, and begins with some very simple business start-up principles.

- i) The analyze of the human resources that the institute has and the chances and risks specific, by:
- ◆ Establishing the portfolio of human resources;
 - ◆ The analyze of the existing situation, of the distributed tasks and of the motivational system.
- j) Creation of a favorable external medium for the Oltchim SA, by:
- ◆ A good advertising for Oltchim SA.
 - ◆ Creation of interesting jobs;
 - ◆ Developing strategies for attracting valuable personnel.
 - ◆ The increase of the rate of occupation in the areas with high potential of added evaluation.
- k) To be in consonance with European politics in human resources the company will adopt its own strategy.
- l) Establishing derived strategies, in specific areas of the personnel activities, in consonance with the concrete conditions of the moment
- **Professional training of the personnel by:**
- a) actions which consist in :
- ◆ internal courses;
 - ◆ developing partnerships for elaboration and implementation the strategies in continuous professional training;
- b) Assuring the adequate resources for the continuous professional training:
- ◆ Financing by OLTCHIM of some activities for professional training ;
 - ◆ Attraction of external financing by common programs of professional training;
 - ◆ Extension of the collaboration with the net of suppliers by professional training.
- c) Easier access to continuous professional training :
- ◆ Identification of the tasks of training, focusing on the basic components;
 - ◆ Approaching the professional training initial and continuous by the perspective of activity areas;
 - ◆ Access to the market offer for continuous professional training;
 - ◆ Utilization of the obtained knowledge ;
 - ◆ Financial support of the institute for the employees which participate to the professional training forms;
 - ◆ Noticing the evolution of the access to the continuous professional training.
- d) Promoting professional training:
- ◆ Increase the access to a job which is superior to the wage –class;
 - ◆ Remuneration according with studies.
- e) Increasing the number of employees with superior qualification :

- ◆ Reducing the personnel with medium studies;
 - ◆ Increasing the number of personnel with scientific titles;
- f) Promoting the work teams from different areas , internal and external.

• **Promoting the adaptability of the personnel and increasing the work productivity by:**

- a) Noticing the aspects which influenced the personnel, presentation to the decision factors of the complicated situations and the proposal for solving them:
- ◆ Establishing the causes which increase the emigration of personnel;
 - ◆ Material motivation for the specialists;
 - ◆ Politics for keeping the personnel with high qualification;
 - ◆ Implementing periodical brainstorming meetings for collecting good ideas in the complex area of motivating the personnel.
- b) Implementation of the legislation concerning the security and the health of the personnel, including the work time, for:
- ◆ Encouraging the progress in career ;
 - ◆ Assuring a good equilibrium between professional life and family;
- c) Professional training for adaptation to the job:
- ◆ Access to information;
 - ◆ Teams from different areas;
 - ◆ Giving support and trust; involving in the specific decisions of the job by creating a mentoring program.
- **Prolonging the active life by:**
- ◆ Flexible work schedule;
 - ◆ Attracting in consultancy activities;
 - ◆ Promoting the adaptability;
 - ◆ Work teams with personnel with different ages.
- **Increasing income policy for motivating personnel:**
- ◆ Assuring attractive salaries ;
 - ◆ Improving the conditions and the remuneration system.

Implementation and reporting personnel strategy:

- a) noticing the efficiency of the programs and measures adopted by:
- ◆ creation of an informational net between sectors;
 - ◆ noticing and informing about occupancy of personnel;
 - ◆ periodical evaluations of the taken decisions about personnel;
- b) Mobilization to all implicated factors in implementation of the personnel policy by:
- ◆ Improving the importance of HR department;
 - ◆ Improvement of informatics system;
 - ◆ Dissemination of the specific information;
 - ◆ Working with specific procedures;
 - ◆ Maintaining the dialogue between administration and the representative of the employees, in purpose of solving immediately the problems which may appear in implementation of the work rapport in the different areas of activity.

Taking in consideration the structural modifications from romanian economy, the present strategy sets the general frame for establishing derivate projects and programs.

Implementation of the strategy of personnel at Oltchim SA Rm Valcea, goes to:

- Increasing the efficiency of all activities;
- Consolidation of the personnel stability;
- Promoting the adaptability of the personnel;
- Assuring equal chances on the work market;
- Regaining the central position of the scientific research, technological development and rising the performances in this area to the global standards.

The priorities and the objectives of the General Strategy for Oltchim SA Ramnicu Valcea for the period 2006-2013 take in consideration the area of scientific research, technological development and innovation, respecting the European Policy in the system of research in Chemistry.

For assuring the contribution of Oltchim SA Rm Valcea to the romanian integration in european environment, the company researchers will follow as a priority the participation of Oltchim SA in both national and european programmes.

For this, Oltchim SA Rm Valcea developed an infrastructure which sustains the creation and the development of its own specific areas of research.

The investments program of Oltchim SA Rm Valcea is taking in consideration the realization of the National Excellence Center for Research in Chemistry.

Development of a Conferences Center at the national and international standards where the company could promote its specific products as a result of activity of research- development departments would be other two goals of Oltchim SA in the next future.

The directions of development from the General Strategy of Oltchim SA Rm Valcea open opportunities for partnership and collaboration to the national, european and international level.

In the meantime, creating new management strategies has an important place in identification and finding the foudns for programs/projects with major impact for the environment and life quality.

For promoting the results of research, the investments, OLTCHIM SA Rm Valcea will participate consequently to the market and exhibitions, national and international, workshops, conferences.

Oltchim SA Rm Valcea will organize an anual conference with international participation, in chemistry.

Oltchim SA will publish promotional materials with the results of the research –development activity which can be applied in socio – economic environment.

In the context of development of high technology areas, which will be promoted by General Strategy and follow adaptation of the european standards, Oltchim SA intends to improve constantly the extension of services for tests, standardization, certification, examination, control and inspection.

A special place will be taken by promotion of the Oltchim SA Rm Valcea strategy in the human resources area, developing the professionalism in research-development departments and exchanging specialists at the national, european and international level.

From the above point of view, we strongly believe that Oltchim SA Rm Valcea needs specific strategies in motivating people as far as it is very well known that workers need support at different levels of their careers and this support could be offered by attracting specialists in mentoring.

Despite the fact this bunch of staff is rather less known in Romania, it would be very wise from HR management department of Oltchim to take in consideration implementing mentoring pairs at different levels of personnel.

Mentoring is very complex. It varies from one situation to another. It is interpreted in different ways by different people. It is important that the purpose and intentions of mentoring in a particular context are explicit. Stakeholders, particularly mentor and mentee, should debate what mentoring is to be in their particular context in order that a mutual understanding and vision of mentoring can be shared as they embark on their relationship.

The mentoring programs usually work on emotions and it is a very good idea that a company could “speculate” the feelings and the emotional intelligence of its employees. “Speculate” might be a strong word but is important to create the relevance of the personnel feelings in the fight for profit as the most important goal of each company.

Exactly what is Emotional Intelligence?

Daniel Goleman, author of "Emotional Intelligence" says that the term encompasses the following five characteristics and abilities:

1. **Self awareness** – knowing your emotions, recognizing feelings as they occur, and discriminating between them.
2. **Mood management** – handling feelings so they're relevant to the current situation and you react appropriately.
3. **Self motivation** – "gathering up" your feelings and directing yourself towards a goal, despite self-doubt, inertia and impulsiveness.
4. **Empathy** – recognizing feelings in others and tuning into their verbal and nonverbal cues.
5. **Managing relationships** – handling interpersonal interaction, conflict resolution and negotiations.

The same author believes that in corporations, the inclusion of Emotional Intelligence in training programs has helped employees cooperate better and motivate more, thereby increasing productivity and profits.

"Emotional Intelligence is a master aptitude, a capacity that profoundly affects all other abilities, either facilitating or interfering with them" – Daniel Goleman, **Emotional Intelligence**, p.80.

Peter Solovey and Jack Mayer describe the emotional intelligence as being the ability to recognize your own emotions, to access and generate emotions as much as they support your own style of thinking and the meaning of it.

Anyway, implementing such revolutionary programmes as mentoring, means that the corporation understand that all this staff is about competency based education.(CBE).

CBE incorporates and recognizes prior learning as an essential element.

Fundamental principles of CBE are:

- Learning is a personal and voluntary process.
- People learn at different rates and in different ways.
- Learners are responsible for planning and managing their learning.
- Prior learning is recognized and credited where competence is maintained.
- Learning is evaluated through performance using performance criteria based on industry standards that may be qualitative and quantitative.

The demonstration of performance includes the attributes of skills, ability, related knowledge, associated attitudes and values that collectively demonstrate competence. However, Oltchim SA Rm.Valcea is determined to take care of these from above, in order to implement new strategies in the superior HR management as well as in its general development policy.

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THE MEDICAL-ECONOMICAL EVALUATION OF THE HEALTH PROGRAMS ACCESSIBILITY OR HOPE IN THE PERFORMANCE OF THE MANAGEMENT IN THE SANITARY INSTITUTIONS?

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Appreciated as a brave and complex practice, having as object the finding of the efficiency, through the prism of the report cost-performance marginally maximally acceptable, the evaluation medical-economical is regarded with quite reserve, even reticent by the sanitary environment, the elements which explain this concern being of ethical nature. In exchange, for an economist, taking into consideration the economical aspects represents an ethical necessity which leads to the permission to the maxim level of health with a given budget and distributed in a good manner, taking into consideration the existent compulsions. Questions like: “From what perspective are we treating the evaluation? What are its instruments? What is the typology of the costs and how do we quantify them? Are we taking into consideration the time and space effect? It constitutes problems specific to the analyzed models, opened to debates and controversies capable to combat the famous line “The cost is an illusion”.

Key-words: the lottery method, the time trade off method, quality adjusted life years, decisional shaft, willingness-to-pay, cost-utility, cost-efficiency, cost-utility.

1. Marriage – medical evaluation-economical evaluation- disputed necessity of the health programs

The appearance of the evaluation and of the medical-economical analysis as a new discipline, which adds to the medical criteria those economical ones, is regarded with quite reservation, even reticent we could say, by the people in health care. Thus, questions like: “*How can financial natured criteria be introduced in a domain as essential as that of health?*” “*Wouldn't it be shocking that from economical considerations we refuse certain medical cares?*” “*Is the suzerainty of the doctor, which has the liberty of prescribing to take into consideration only the good of the patient, according to him the best treatment?*” determine that the medical institution should not take into consideration the economical consequences of the decisions.

In exchange, the economist in the health domain will complete this simple instrument which offers the necessary information in terms of expected effects and consumed resources for a program given with: *a theoretical efficiency evaluation of the health programs* which quantify the therapeutical benefits for a patient in a situation defined as being an ideal one; *a practical evaluation of the health programs* which has as main purpose the integration of the patients' adhesion too the therapeutic benefit; *an evaluation of the health programs availability* which aims at the selection of the studied population. **General principles** generators of controversies have into consideration:

I. Where do we place and from what perspective are we regarding the evaluation? The evaluations can be realized from the point of view of several actors. This way, we can focus only *on the patient and its family* (example for the *cost of the dialysis we can analyze the expected repercussions on the patient's company*); further on we can extend the perspective on the *health institution* (example *what services in the ambulatory can be effectuated in order to improve the budget of some structures*) or on the *collectivity viewed as a whole – the state*. No matter in what hypothesis we recognize our situation, the adopted point of view must be specified, because on that depends the nature of the elements taken into consideration and the calculation of the costs:

The perspective	The cost of the health program
The system of social protection	It is equal with the sum of the reimbursement of expenses which it creates, being evaluated starting from the nomenclature of the papers published by the disease insurances.
Patient	Corresponds to the fees and eventual expenses on the disease and treatment not reimbursed by social insurances.
Hospital	It is evaluated from the prism of the financial results, materials and human necessary for starting of the program.
Employer	Corresponds to the production losses which include the stopping of the patients' work.
Society's global	Correspond to the value that society accepts to pay for health, to the prejudice of some other budgetary chapters, being evaluated by assuming the costs induced by the programs previously mentioned.

Table 1. The definition of the cost of some health program depending on the chosen perspective

II. The typology of costs. In general we distinguish the following types of costs:

(a) The direct costs – represent the ensemble value of the resources directly consumed for the treatment of some disease, being divided in: **Direct medical costs** – are those induced by the direct expenses on the patient – example, the cost of the intervention, tests, medicines, and the treatment of the side effects. ; **Direct non-medical costs** – transportation costs, domicile help. Another classification of the direct costs has in mind: **Variable costs** – which are in function of the activity level – example the number of the rectal cannula used during a surgical intervention and **Fix costs** – are independent of the number of effectuated actions – example the depreciation of the constructions.

(b) Indirect costs – reflect the value of the disease consequences which were not taken into consideration in the direct costs, in their turn, these ones are divided in two categories: **Tangible costs** – example the losses of production which concern the professional activity of the patient and which present, from the point of view of the society, in lost physical unities without value; and **Intangible costs** – refer to the loss of the quality of the patients' life (human cost) – example the psychological consequences appeared due to a handicap.

The table below regroupes the costs taken into consideration:

Study	Direct costs	Indirect costs
Cost-benefit	YES	YES
Cost-efficiency	YES	RARELY
Cost-utility	YES	NO

Table 2. The costs are taken into consideration depending on the nature of the medical-economical study, in the global perspective of the society.

III. The evaluation instruments. The experts in the health domain are becoming more and more preoccupied by problems such as: Is it necessary to launch a program of detecting the breast cancer?; Does a laparoscopic surgical intervention need to be privileged when comparing with the classical one?; What certain type of antiasthmatic treatment needs to be foreseen and for what type of disease?; For what type of surgical intervention need we to foresee a smaller number of days of hospitalization?. The answer to all these questions can be given after the evaluation of the reports cost-results of the different health programs, which presupposes three types of interventions: the costs measurement, the costs measurement and the combination of the two elements. The economical evaluation presupposes the marriage cost-results viewed from an integrated perspective. The evaluation of the costs can be realized through the models **cost-efficiency, cost-utility, cost-benefit**. In all the cases we must estimate the long term consequences of the program, the instruments used being the **modeling** and the **sensibility analysis**.

The modeling represents a simplified representation of a real analyzed phenomenon, the most frequently used method being the decisional shaft. This one decomposes the health program tested in a succession of events whose modalities vary depending on the patient's answer. To each modality it correspond a probability. The cost, respectively the efficiency of the program will be the sum of the costs, respectively of the efficiency of all the well-balanced possibilities with their probability of realization. Another variant is constituted by the modeling of the disease history through its presentation as a succession of stages followed by the patient until death.

Example: each decisional shaft is built in the manner of dichotomy: any medical decision (exam or treatment) leads to two opposite eventualities: success-failure, survival-demise, and favorable evolution-complications, each of them having a probability of specific appearance notified by the domain experts or extracted from the specialty literature.

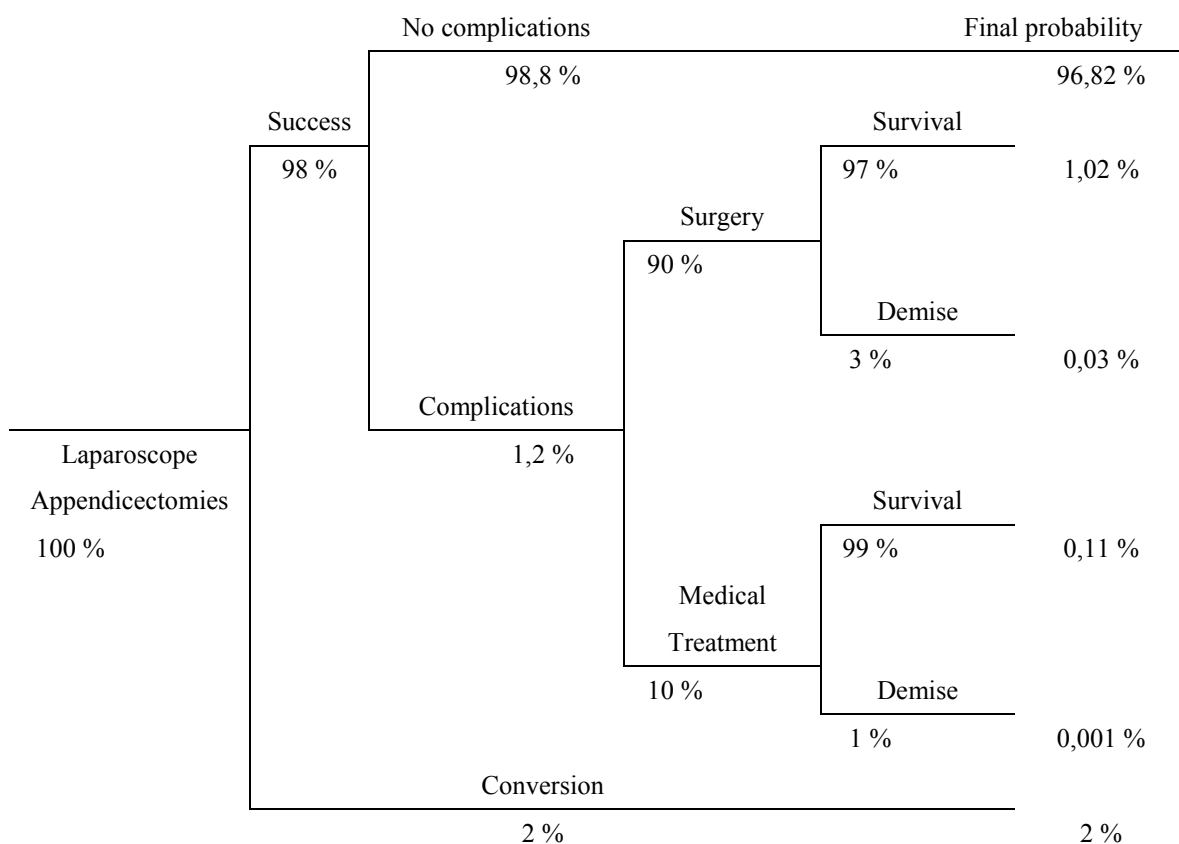


Table 3. Example regarding the decisional shaft

The sensibility analysis. In all the cases, the results of a medical-economical study need to be subdued to a sensibility analysis, whose objective is to analyze the variations of the study's conclusions depending on the hypothesis established for certain parameters. *For example, in the measure in which the cost of a*

treatment is approximately 500 u.m. but varies at other patients between 200 u.m. and 700 u.m. the analysis will be effectuated taking into consideration the two extremes.

IV. Particularities –Taking into consideration the time – the actualization. The medical-economical studies analyze in general health programs whose costs or consequences extend in years. The time intervenes both at the level of realizations (for example long term treatments which need devices with a long period of availability) but also at the level of consequences (the avoidance of a long term disease). Due to this fact if we desire to compare different periods of time it is important to account them with the same unit of measure, technique called *actualization*, which takes into consideration the population's preference and which benefits of health programs in the present time but which will be paid in time in the future. Health regarded as a non-transferable good in time and which does not belong to the market, raises in the domain of actualization the following problems: *what rate of actualization must we use? Are we actualizing only the costs or the results too? In the case of an affirmative response, is the actualization rate the same?* By convention, the used actualization rate is of 5%, although some authors recommend a rate of 3%, rate which results from the *option of fictive price of the capital*, in which the costs are transformed in consume losses, and the advantages in consume earnings.

An example regarding the actualization: we consider two health programs: A which saves a life only if it is applied continuously for 6 years and whose actual cost is of 100 m.u. and B which saves the life in the present moment with an actual cost of 500 m.u. the question is what program will be preferred?

In the case of program A, it is necessary only the actualization of the effects, the costs being propagated right from the first year.

Using a rate of actualization of 5%, the value actualized of a saved life = $1 / (1 + 5\%)^6 = 0,74$, value translated like this: a life saved in 6 years means in equivalence 0,74 saved lives actualized at the present time. The cost per saved life for program A = $100 \text{ m.u.} / 0,74 = 135 \text{ m.u.}$, while program B has a cost of 500 m.u. the choice being in A's favor.

2. The medical-economical studies: objectives, methodology and limits

I. The studies cost-efficiency are searching the health programs with the maximal efficiency for a given cost or with a minimal cost for a given efficiency. In this type of evaluation it is compared and analyzed: for many strategies, the obtained costs and results, the latter ones being measured with physical units (for example the diminution of the sanguine pressure expressed in mm/Hg); different types of strategies on domains (example the interest of a campaign of tracing out the colon cancer; the treatment of the corneal renal insufficiencies by dialysis or grafting; the treatment of the myocardium infarcts through three different medicinal strategies); the financial sum necessary for the gaining of a year of life in the case of serious diseases. **The analysis cost-efficiency** utilizes more measurable criteria in monetary units and one criterion of medical efficiency. The comparison of the possible options is done upon some cost-efficiency indicators in the case in which the cost varies linearly with its efficiency or, contrarily, upon some marginal cost-efficiency indicators. These analyses reflect the realizations in the state of the patients' health, in the reduction of the disease impact, obtained through a specific intervention in report with the cost of this intervention. At the same time, this kind of analysis leads to the comparison of the cost and of the alternative methods efficiency having as purpose the optimal selection. On this occasion it is established the most efficient method which allows the reach of the objective by using a minimum of resources.

II. The studies cost-utility. Constitute in fact a development of the studies cost-efficiency, in the way that, within these ones, the efficiency is pondered by the quality of life before evaluating the utility of the measured action. In these methods the cost of the strategy is faced with the result of an action appreciated in the future, starting with a smaller measure which at the same time incorporates the quantity and the quality of the gained life. Methods of measuring the utility:

(a)The lottery method consists in the search of an indifference grade of a patient (marked with g), grade situated between two options: the first one is uncertain and aims at applying the health program, and the second one is certain – “nothing to do”. If the patient chooses not to do a thing, he is assured that he will live a certain number of years in a state of health equivalent with a handicap. If the decision of the patient is to intervene, he will have to establish a demise risk which he will have to take as a consequence of the surgical intervention in order to survive the same number of years, but recovering from the handicap (risk

of demise with a probability of g%). The value of the utility for an individual is determined as the difference 1-g.

(b)The time trade off method – consists in the variation of the number of years marked with “n”, this being the starting point in which the patient is indifferent to survival in a certain state of handicap for a period of “t” years until his death time or to live in a healthy state until demise time for “n” years. The utility for the patient, associated with this health estate, is obtained calculating the report $1/n/t$.

(c)The evaluation the quality adjusted life years (QALY). The utility which were associated with each health estate allow the calculation for each program of its equivalent in terms of QALY.

Example. Be it a treatment A which: If it is efficient (demonstrated 7 of 10 cases) allows the survival for 6 years in a perfect health estate – utility associated 1; if it is inefficient (demonstrated 3 of 10 cases) allows the survival for 6 years but in a health estate associated with a handicap whose utility is of 0,4% and which, at 3 cases of 10 causes the demise of the patient – utility associated 0.

The QALY calculation for this treatment: $(0, 7\% \times 6 \text{ years} \times 1 \text{ utility}) + (0, 3\% \times 6 \text{ years} \times 0, 4 \text{ survival utility}) + (0, 3\% \times 0 \text{ utility for the demise}) = 4, 92 \text{ QALY}$. If we have in view the actualization with a rate of 5%, the calculation QALY becomes: $(0,7 \% \times 6 \text{ years} \times 1 \text{ utility}) / (1 + 5 \%)^{6 \text{ years}} + (0,3 \% \times 6 \text{ years} \times 0,4 \text{ survival utility}) / (1 + 5 \%)^{6 \text{ years}} + (0,3 \% \times 0 \text{ utility for the demise}) / (1 + 5 \%)^{6 \text{ years}} = 4,66 \text{ QALY}$.

Example regarding the studies cost-utility. We consider 4 health programs P1, P2, P3, and P4 whose utilities were evaluated through the method time trade off, the study being realized from the society perspective. The cost of the effects was actualized using a rate of actualization of 3 %. The costs in millions m.u., the utility in thousands QALY, as well as the calculation of the rate cost-utility incremental and the comparison of the health programs are presented in the table below:

Program	Total cost(A)	Total Utility (B)	RATE (A/B)	Incremental cost of $C=A_{1+1}-A_1$	Incremental utility $D=B_{1+1}-B_1$	Incremental rate (C/D)
P1	7.010.200.000	1.610.700	4352,2691	-	-	-
P2	7.020.200.000	1.610.704	4358,4668	10000	4,0	2500
P3	7.070.200.000	1.610.705	4389,5064	50000	1,0	50000
P4	7.080.200.000	1.610.706	4395,7121	10000	1,0	10000

Table 4. The calculation of the rate cost-utility incremental and the comparison of the health programs

Interpretation: the incremental cost of the program P2 versus the program P1 is 10.000 m.u. and the earning in QALY is 4. So, we deduct a rate of 2.500 m.u. on QALY for the program 2 comparing with program 1. The interpretation of this rate is: a quality adjusted life year gained within the program P2 (more expensive) comparing to the one obtained with program 1 is associated to an over cost of 2500m.u.

III. The studies cost-benefit. The studies cost-benefit and cost-utility are in particular interesting within the decisions due to a small number of strategies. Although, they have two types of limits: on one hand, they do not take into consideration the non-tangible consequences of the health actions, and on the other hand although the costs of the strategies can be compared between them, the results will never be the same (how do we compare for example a diminution o the crisis number of an asthmatic patient with the increase of the perimeter of movement for an arthritis patient?). The studies cost-benefit remedy these inconveniences by evaluating the costs and the benefits of the health programs in currency terms, the comparison being possible because they are expressed with the same unit. For the appreciation of the results in currency units there are used two methods. The first one, already obsolete, presupposes the measurement of the human life price starting from the human capital theory. It consists in the evaluation of the lifetime days or health days lost because of a disease as a sum of the productive value of the patient. The second method, *willingness-to-pay*, also named by *the contingent evaluation*, measures the sum which the patient accept to pay for the improvement of their health.

Example of the willing-to-pay method application: we consider a program of prevention whose unitary value is of 20 m.u. per case. The total cost of the program for 100 patients will be of 20 m.u. .x 100 patients=2000 m.u. For the calculation of the benefits brought by the willingness-to-pay method it will be realized a test among those 100 patients, the demanded question being: “How much are you willing to pay in the benefit of the program?” The results are presented in the table below:

Number of cases	Willing to pay	Total
3 cases	30 m.u.	3 x30=90 m.u.
12 cases	25 m.u.	12 x25=300 m.u.
55 cases	20 m.u.	55 x20=1.100 m.u.
10 cases	15 m.u.	10 x15=150 m.u.
16 cases	5 m.u.	16 x5=80 m.u.
4 cases	0 m.u.	0
Total 100	The cost of the programs' benefit	1.720 m.u.
The difference cost benefit		2000 m.u. -1.720 m.u. = 280 m.u.

Table 5. The application of the method willing-to-pay

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SOCIAL ENTREPRENEURSHIP IN THE CONTEXT OF ROMANIA'S EUROPEAN INTEGRATION

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The social sector or social economy is still in the developing stage and the concept of social entrepreneurship is just in the emergence phase in Romania. There is still a lot to do in this field, in order to create sustainability among the actors of the social economy or social sector.

The paper will attempt to emphasize the differences between entrepreneurship in NGO's and social entrepreneurship and clarify the two terms in relationship with the Romanian social sector. It will discuss what needs to be taken into consideration for the future development of this sector in Romania, in the context of EU membership.

Key Words: social entrepreneurship, non-profit organization, social enterprise, sustainability.

Introduction

The importance to the European economy and society of co-operatives, mutual societies, associations, foundations and social enterprises (which together are sometimes referred to as the Social Economy) is now receiving greater recognition at Member State and European levels. Not only are they significant economic actors, they also play a key role in involving their members and European citizens more fully in Society. Social Economy enterprises are helping to meet the demands of a changing Europe. They are important sources of entrepreneurship and jobs in areas where traditional "investor driven" enterprise structures may not always be viable.⁸

In the context of EU integration, it is very important to look at the state of social economy in Romania. It is essential to distinguish between terms in order to look at the situation in our country.

Entrepreneurship in non-governmental organizations is the process of engaging in economical activities as well as having an entrepreneurial attitude towards the activity they develop as a non-profit.

Social entrepreneurship is the process of setting up a social enterprise, a distinct for-profit organization that would sustain financially a non-profit organization. Social enterprise is the result of social entrepreneurship. Social enterprises become the result of achieving sustainability as a non-profit organization in order to survive and solve social problems. Social entrepreneurial activities in the form of creating a social enterprise can be considered itself a measurement of performance, since it is the next step in the development stage of a non-profit / non-governmental organization.

Entrepreneurship in non-governmental organizations vs. social entrepreneurship

Entrepreneurship is the process of starting a enterprise as a result of identifying an opportunity or a need. Entrepreneurship is characterized by the process of creating new markets, creative use of resources and opportunities, innovation, the introduction of new technologies, new industries and new products and creation of employment. A real engine of economical development, a strong entrepreneurial culture is at the basis of progress.

⁸ <http://ec.europa.eu/enterprise/entrepreneurship/coop/index.htm>

We can encounter entrepreneurial activities in more than the traditional for profit sector and the creation of small and medium size companies.

The idea of entrepreneurship in non-governmental organizations can be easily identified in the activities that NGO develop as a need to fulfill their social mission.

There are several aspects that characterize as **entrepreneurial a non-profit organization**, that deliver certain forms of entrepreneurship in NGO's. First of all, they exist as a private individual or collective initiative, with a mission, vision and aim that address a certain need, opportunity, for the good of the society. This means that either at the starting point of the organization or further on, we will identify a strategy and most of the time a business plan, aiming to fulfill that mission. In order to perform effectively and efficiently their activities they need coordination, human resource management, good leadership, financial management and development of economical activities.

Non-profit organizations run projects and programs that need management. These projects create **temporary organizations** within the NGO, who are partly independent, run by project managers. A NGO devotes resources separately from the every day activities and create temporary structures within the mother organization. The planning, implementation and evaluation of a project implies entrepreneurial skills of the project management team, mainly because of the need to address in a creative manner the social need identified by the organizations, along with tools that help classic entrepreneurs run their businesses.

Federations are structures created as an association of two or more non-profit organization. Federations are created by non-profit organizations that have resembling or identical missions, in order to achieve a greater impact. This association of non-profits creates a new structure and new initiatives that need to be managed in an entrepreneurial manner.

The following examples in Table 1 are proving of the existence of an entrepreneurial attitude in non-profit organizations.

Organization	Business	NGO	Public
Social Enterprise	X	X	-
Project based work	X	X	X
Federations	X	X	X
Cooperation / Protected units	X	X	X
Community Development Corporations	X	X	X

Table 1. Entrepreneurial, non-profit and public forms

At the borderline of business and non-profit there is another type of organization that combines best the characteristics of both sectors, **social enterprises**. If the discussion about entrepreneurship in non-profit organizations brings to light the existence of entrepreneurial attitude in the activity of an NGO, *social enterprises are a hybrid, of business and non-profit, created as a vehicle to create sustainability for and NGO.*

The European Union definition for **social enterprises** is the following: "Social enterprises are part of the social economy sector. They constitute a collection of organizations that exist between the traditional private and public sectors. Although there is no universally accepted definition of a social enterprise, its key distinguishing characteristics are social and societal purpose combined with an entrepreneurial spirit of the private sector".⁹ It is quite interesting to confuse the public sector with the social sector, since there are so many NGO active in providing social services without any support from the public sector. Our

definition of the social enterprise definitely excludes the participation of the public administration as a shareholder in these types of activity.

What is new about the concept is *the overlapping of the lines that define the business and the social sector*. Compared to traditional non-profit organizations, **social entrepreneurship** includes activities that generate profit, like a bank for community development organizations that combine the elements specific to the business and non-profit sector (e.g. shelters that run professional conversion courses and offer jobs in that field). **Social entrepreneurs** create social value throughout a continuous process of innovation and bring to light new opportunities, but always putting the social benefit before the personal one¹⁰, or at least at the same level.

A comparison between the traditional concept of entrepreneurship and social entrepreneurship is synthesized in Table 2.

ENTREPRENEURSHIP	SOCIAL ENTREPRENEURSHIP
Creates new markets	Creates new markets for social needs
Creates new jobs	Creates new jobs and social equity
Mobilizing resources	Mobilizing resources to address social issues
The introduction of new technologies, industries and products	Creates social capital
Addresses clients	Addresses beneficiaries and clients

Table 2. Comparison between entrepreneurship and social entrepreneurship

Social Enterprises – Types And Characteristics

A basic definition of the social enterprise places it at the borderline of the business sector and non-profit, and it presents social enterprise as a hybrid. The change in the expectations of the non-profit organizations to achieve social impact at a large scale and at the same time to diversify the financing resources is considered to be at the roots of the appearance of such a hybrid, partly profit and partly non-profit. Social enterprises are situated at this point of overlapping between non-profit and for profit business sector. All social enterprises are for profit, or profit oriented enterprises, being a business, not a charity.

Social enterprise classification

There are several ways to classify social enterprises. One of them takes into consideration the mission and the level of embodying the social program into the business activity. As far as the mission is concerned, there are three types of social enterprises:¹¹

Mission – centered

The social enterprise is created with the main purpose to promote the social mission, using a self-financing scheme. Examples of an organization of this kind are the ones that employ people with disabilities or micro financing institutions that focus on disadvantaged areas.

¹⁰http://ec.europa.eu/enterprise/entrepreneurship/coop/social-cmaf_agenda/social-enterprises.htm

¹¹ Nicolae Bibu, Loredana Orhei, Entrepreneurship in nongovernmental organizations in Romania – achieving performance through social enterprise, Entrepreneurship and economic growth: international conference : 28 – 29.03. 2008, Cluj-Napoca, Editura Abel, 2008, 978-973-114-061-2

Mission – related

The social enterprise is associated to the NGO mission or to the social service. This type of organization is based on synergy, creating social value for programs and generating economical value in order to sustain financially the social programs and/or overhead expenses.

Mission - unrelated

The mission of the social enterprise is not linked to the mission of the NGO, or it is meant to encourage a mission other than the one to generate income for the NGO's social programs and overhead costs. A social enterprise can function in an industry which is not linked to the sector in which the NGO operates; the potential profit is the only reason for setting up a for-profit organization, in order to cover the expenses of the nonprofit one, through donations, or sponsorship of their entire profit.

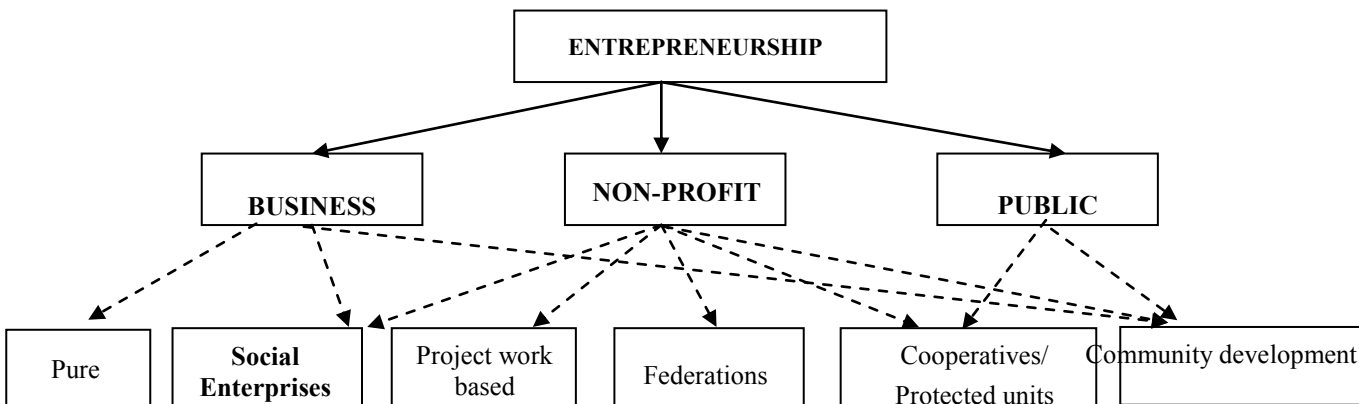
We have identified two types of mission unrelated social enterprises

- First, the NGO owns over 50 % of the shares of the enterprise
- Second, the NGO owns less than 50% (In the case of less than 50 % up to 30 % in the share of the enterprise, as a significant minor share holder. Eventually it should be mandatory for the shareholder to give out the dividends to the NGO according to the percentage of their share ownership)

Entrepreneurship is present also in another sector of society, the public sector. There are a few examples of joint structures that are present under the category of non-profit: the **co-operative unites for people with disabilities and protected units**. These organizations are a type of joint-venture between NGO's and local administration, and sometimes businesses, NGO's and local administration. Their main characteristic is that the mission they address is strongly social and because many of the times it is an important social issue for the local community, the public sector needs to become involved, at least in the early stage of work. Another form of entrepreneurship in public sector is Community Development Corporations, very active in USA as an organizational entity aimed towards local development of a specific community, in which are partners businesses, NGO's and local authorities.

In a research paper dedicated to a Romanian NGO that deals with the integration of people with mental disabilities, Ersing brings to light a new concept related to the activity of entities that contribute in one way or the other to the well being and development of the community. He talks about **interdisciplinary community development**, which he says: "often lies in creating working partnerships that incorporate diverse members, both internal and external to the community itself. Each different partner brings power, insight, and resources to the development process". We can consider this term as a summarization of the role of the agents presented above, but with the comment that the focus is on the community, and not society as a whole.¹²

In the figure below we present the various types of enterprises we have discussed in this paper.



¹² Social enterprise and the rights of persons with intellectual disabilities: A case study of Romania's Pentru Voi Fundatia, Robin L. Ersing, PhD, Diane N. Loeffler, PhD, Martin B. Tracy, PhD, Laila Onu, MSW, Haworth Press, Binghamton, NY, Journal of Community Practice

Social economy in Romania

At the time of the EU accession as a member with full membership, the civil society sector was considered a consolidated one and therefore there had been strong withdrawal of international financing from Romania. In the same time, this leaves the civil sector with the mission of developing self-sustainability schemes in order to pursue their social mission.

The social sector in Romania is composed of associations, foundations, federations. There is no legal definition of a social enterprise.

We consider that the non-profit NGO's definition is the closest to the one of the social enterprise. Even if there is a strong social aim to their activity, the reason why they do not fit the full description is the accessory character of economical activities that NGO's do. They are allowed to set up commercial companies, with the aim of supporting their activity, but there is not a legally clear framework for this.

There are several **forms of enterprises** which comply, more or less, with the three necessary characteristics for considering them social enterprises (social aim purpose, entrepreneurial spirit and non-profit distribution).

In our opinion, social oriented non-profit associations, foundations and federations are the organizations that best fit the definition of a social enterprise. There are also two other types of enterprises: first, co-operative units for people with disabilities and, second, protected units. The first category does not respect the non-profit principle because it is for profit oriented and has no social mission. The characteristic is that minimum 30% of employees have to be people with disabilities. The second type, protected units, can be either for profit or non-profit oriented, and are under the protection (funding by) of the local authorities or state agencies in some cases.

The **income** of the associations, foundations and federations is coming from dividends of the commercial companies they establish, from direct economical activities, donations and, excepting the foundations, from members contributions. The financing from public national funds increased too. In the context of a not so healthy civil society, the financial independence of the NGO's is becoming a problem.

Social entrepreneurship and the social economy sector are just beginning to take shape in Romania. Because NGO's have the most important role in providing social services (72 % of the providers of social services registered in Romania are NGO's), the representatives of these organizations are lobbying for financial independence. This is why; most of the non-profit organizations could also generate profit to finance their activities, mostly because the need for such services on the market is really high. According to the executive director of FDSC Romania, Ionuț Sibian, in Romania there are approximately 45.000 non-profit organizations out of which less than half are active¹³.

The main areas of activity of the non-profit organizations are social services, health, culture, sports, environmental protection, business, human rights, education, philanthropy, international cooperation and religion (The catalogue of associations and foundations, edited by FDSC Romania). Most of the non-profit organizations in Romania have benefited from financial support of foreign organizations.

At the moment, **in Romania we are discussing only about entrepreneurship in non-profit organizations and not about social entrepreneurship**. In Romania, the concept is not well known and there is no legislation for this activity, in order to allow social enterprises to work, yet. In the present conditions, where NGO's depend strongly on sources from outside the organization, it is essential to focus on creating a scheme that would create financial sustainability. This can be achieved by the set up of social enterprises, in the conditions of a legal framework that encourages this.

Changes after EU accession are taking place: aid agencies are retiring; sources of financing are diminishing, high expectation for huge financing from EU funds, improving legislation for sponsorship. Because the status of EU membership implies a high enough level of development, of both the economy

¹³ Gabriel Botezatu, ONG-uriile vor sa devina intreprinderi sociale, www.curierulnational.ro

and civil society, starting 2007 foreign aid agencies withdrew their financing from Romania and has left room for individual efforts of the actors of the civil society as well as of the European Commission. The financial support for non-profit will take the shape of finance from the structural funds and other programs that pursue the development of the social sector. Until the accession of those funds as many non-profit are left without financing sources. This created a gap that encourages NGO's to find alternatives and the creation of a social enterprise is a viable one. Also, the EU policy regarding governmental local administration aid is very restrictive, so there is need for self-sustenance and strategic management from the non-profit part in order to pursue social missions.

In order to be able to benefit from the structural funds provided by the EU, there are also a number of criteria that non-profits have to fulfill in order to be eligible. This is due to the bigger impact that the projects run by NGO's have to achieve and the need to address social problems in a more organized and structured manner. It is the drive to become sustainable and less and less dependent on state aid or individual donors. In this regard, the EU supports the concept of social enterprises as a way to achieve self-sustainability, having as examples different member states which have successfully implemented this concept in order to create sustainable social change. Such countries are U.K., Italy, Cyprus or Lithuania.

Proposals for Romania

One of the purposes of this paper was to look at where Romania is as far as the social sector and identify how it can improve the situation. In our opinion, the not so widely spread concept of **social enterprise** is a tool that could help non-profit organizations reach a higher level of independence and achieve better social impact. In this regard, we are proposing a definition that will suit the Romanian society and might encourage the creation of social enterprises. Our proposal is the following: *A social enterprise is a for-profit organization, created by one or several non-profit organizations in order to financially sustain the parent organization in achieving its social goal. The non-profit organization should own at least 50 % of the shares and should have private individuals as shareholders, as well as other for profit entities like businesses, with the exemption of the public sector. The social mission of the NGO can be included in the mission of the social enterprise; however it should not be mandatory. The dividends from a financial year should be received by the parent NGO in order to sustain its own activity or, if the parent NGO decides, the profits could be invested in the social enterprise for growth purposes that will generate future income for the main shareholder, the non-profit organization.*

This definition could be considered a first step towards encouraging the creation of social enterprises. There should also be *support from the central and local administration as far as fiscal facilities and easy access to consultancy services.*

The first legal proposal concerns the tax on dividends that exists in Romania. If social enterprise could be exempted from the 16 % tax on dividends when it concerns the dividends that belong to the non-profit, it could benefit the parent organization and encourage future activity of the social enterprise. All the other taxes paid by any business do not need to become fiscal advantages for social enterprises, since we consider that being a hybrid of business and non-profit, the social enterprise should bring its contribution to the economical development and national income.

CONSIDERATIONS ABOUT THE INFLUENCE FACTORS ON THE COMPETITIVENESS OF SME'S FROM WESTERN REGION OF ROMANIA

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Abstract: There are many ways in which the firm competitiveness can be understood in the related literature. The purpose of this research is to undertake a better understanding of expectations and concerns of small and medium sized enterprises from Romanian Western region, in term of competitiveness. This study presents preliminary results of a finished grant focused on SME's competitiveness. There are some positive and negative factors in our research which are influencing firms' competitiveness. This study has confirmed our hypothesis. The external environment influence on the competitiveness of SME's is strong and contributes decisively to their performance.

KEY WORDS: SME's, competitiveness, growth, external factors, Romania

Literature review

In the related literature there are many ways in which the firm competitiveness can be understood. There is not a universally accepted definition of competitiveness and there is a lack of precise definition of this concept. The terminology comes from business literature. We discuss here about firm competitiveness.

Firm competitiveness is the basic capability of perceiving changes in both external and internal environment and the capability of adapting to these changes in a way that the profit flow generated guarantees the long term operation of the firm. There is an ongoing struggle for survival. (Chikan, 2001).

Tyson (1993) argued that competitiveness is the ability to produce goods and services that meet the test of international competition, while the citizens enjoy a standard of living that is both rising and sustainable.

Competitiveness should be understood as the ability of companies, industries, regions, nations to generate, while being and remaining exposed to international competition, relatively high factor income and employment on a sustainable basis. (OECD 1998)

The opinion of Krugman (1994) is that competitiveness is nothing but a different way of saying productivity, taking into account the rate of growth of one firm relative to others.

The concept of competitiveness reminds of competitive advantage, an important subject in strategic management studies. A firm's performance is affected by its competitive advantage.

Firm level competitiveness indicates its ability to design, produce and market products superior to those offered by competitors. Competitiveness is considered synonymous with success (achievement of company objectives).

The enterprise's level of competitiveness, according to S.A Khader, would mean that the enterprise should be able to achieve the following: ability to retain the customer base as well add on to it and to enhance its market share; acknowledged demonstration of growth; ensuring continuous improvement in productivity, quality service, product development.

G. Johnson și K. Scholes (1993) shows the importance of external environment in formulating competitive strategy in an uncertain environment. The competitive position of an enterprise in the industry in which competes depends on many factors: market share, the quality of used resources, answers flexibility to market pressure, financial performance. On the other hand, A. Thompson și A. J. Strickland (1998) argue that firms have great chances to become profitable and gain success in their industry if they obtain and keep durable competitive advantage.

Competitiveness is determined by productivity, and depends on firms strategies, it is partially, the results of relationship between firms and local business environment, depends on social and economic objectives synergy and is influenced by factors from external environment. (M. Porter).

The firm level of competitiveness can be measured by the capacity to invest, ability to generate and introduce new products in current markets and the ability to compete in foreign markets (ANIMMC, 2006)

A competitive firm knows how to use its strengths to exploit environmental opportunities and to reduce the negative influences of some external environment factors. (Dănaiață, Bibu, Predișcan, 2006)

In related literature we have identified find some indicators of competitiveness performance, such as the following:

- market share
- growth in sales (our firms succeed in this)
- growth in exports (not for our firms)
- new product introduction
- good image and reputation

As we know, firm competitiveness is basically a function of two factors:

1. the extent a company can identify those value dimensions that are important for their customers, and
2. the sum of resources and capability that makes a firm able to create and deliver the identified important value dimensions for the customer (Gelei, 2004).

Starting a new business requires more than just an idea. It requires a person, an entrepreneur who has used his judgment and professional and managerial skills with his risk taking to ensure the success of his own business. Before presenting our findings, we must ask a simple question: who are entrepreneurs? Are they special people? We fully agree with the following definition „Entrepreneurs are those individuals who discover markets needs and launch new firms to meet those needs” (Longenecker, Moore, Petty, Palich, 2006)

Research Methodology

This study presents the final results of a CNCSIS grant, for the period of 2006-2007, focused on SME's competitiveness. The research method included mail survey, telephone, personal interviews of small business owners. Contact lists was received from official firms database, based on previous research of our research team colleagues. The sample included only firms with income statement, balance sheet (1000 firms from Timis county).

We have received and processed through SPSS program, 134 questionnaires with 125 valid responses. We did an explorative research.

The research team has identified 7 topics:

- firms and the their evolution during the last 5 years;
- the entrepreneur profile;

- the firms profile (resources);
- the characteristics of the change management process;
- the external environment analysis;
- the EU integration effects on competitiveness;
- the entrepreneur and ethic.

The firms questioned are from *different fields*: production (30,1%), trade (39,3%), financial and other services (8,3%), construction (8,35%), communications and transports (3%), others (19.5%). The majority of questioned enterprises are in front of *first 50% of competitors*.

We have designed a *questionnaire*, with 4 pages, 6 sections and 26 questions. The first section contains information about founder, firm and field. The following *sections* contain information about:

1. turnover evolution in the last 5 year;
2. strengths and obstacles;
3. the changing management process characteristics;
4. the analysis and prognoses of external environment;
5. the effect of EU integration on SME's competitiveness.

Our research was based on the following *assumptions*: the SME's evolution, and SME's growth is both a development and a change process, influenced by external environment and by the entrepreneur profile and competency. The SME's competitiveness in the researched firms is dependent on external and internal environment of that company.

The firms were divided into 4 categories, for statistical reasons: 1. very low dynamic firms, 2. low dynamic firms, 3. high dynamic and 4. very high dynamic firms. We are presenting here only the results concerning the influences of entrepreneurs and external environment on SME's, and some strengths and obstacles for their business.

Discussion Of Results

a) about entrepreneurs

Data processing began with company, entrepreneur and its activity. About the entrepreneur *position in company*, 7,5% are owners, 53% are also managers and 39,6% have an other position than manager. It is important that 92,5% entrepreneurs are also managers in their company, in most than 50% cases they are top managers.

Only 28,4% of respondents are women and 71,6% are men. This is an interesting situation in Romanian business environment, and, of course, in our region, in the last years, more women became entrepreneurs. We do not have relevant research study about this phenomenon in our region but we believe that there are some environmental factors including socio-cultural and economics factors (Timis county is a well developed county, also local culture more open to western influence, urban location of companies) which are influencing women decisions to become entrepreneur.

We are sure that there are some similarities and differences between the types of entrepreneurial features associated with different types of organizations. One conclusion is that new firms were founded by entrepreneurs who are young and middle-aged.

In our study, entrepreneurs according to *age*, we found the following:

- the average age for entrepreneur is 42,4 years.
- the younger age was 21 year and the oldest was 66 years.
- from 21 years to 55: 29,6% , 35 to 55 years: 62,8%; more than 55 years: 7,6%

We don't have information concerning identification of entrepreneurial typologies.

Questions were asked about the education, training and business experience. The owners/managers have higher education (58,8%) and 33,6% have followed managerial training programs. Some entrepreneurs (30%) have some experience in the field, before starting a business. They worked in different state or private enterprises, prior to starting their first business.

The managers in our research have identified some success factors for their business. One of them is related with managerial competence. They believe that the management team has good managerial competency (64,1%); while only 9,6% entrepreneurs have acceptable managerial competences.

b) business evolution

Also, we have found the following results:

- turnover was growing slowly during the last 5 years (2002/2006);
- the profitability rate was 18% (average for the whole sample) with some differences: IT, (40%), industry-service (18-20%), constructions (12,5%), trade (16%);
- the products are sold especially in the domestic market, Romanian one;
- the majority of the questioned enterprises are in front of first 50% of their competitors;
- the owners/managers have higher education (58,8%) and 33,6% have followed managerial training programs;
- the managerial teams are perceived with having adequate competence (64%).

The net profit growth was continuous, and the average rate of growth was 9.55% / year. Only one enterprise have reported a very high level of growth in IT. The main factors identified for sustaining continuous growth were:

- improvement of managerial skills
- distribution channels
- cost reducing
- modernization in technology,
- growth in production capacity
- improvement in people motivation.

Work productivity, which reflects the efficiency in human resources used has increased in the last 5 year through modernization in technology, improvement in people motivation and improvement of managerial skills.

c) business obstacles and strengths

Our research reveals some success factors for small and medium enterprises. Some researchers argued that the overall competitiveness of an enterprise comes about by the performance in the following areas: economic productivity, quality, customer focus and social productivity

Firms economic strengths and successes are primarily determined by their internal management, the characteristics of the national and local business environment.

The managers of our research have identified some success factors for their business:

1. the quality of their products/services
2. the relationship with customers
3. the professional experience
4. managerial competencies
5. marketing politics
6. business financing.

One of the important strengths identified is the owners/managers having higher education.

Of course, there are some obstacles for their business, as we found:

1. the payment for delivering products is difficult
2. the workers qualification is not always at he required level
3. the weak financial power
4. the hard access to financing.

The fact that 2/3 from their entrepreneurs do not have a special degree in management field is a weakness for firms. A significant number of entrepreneurs may have had previous entrepreneurial experience.

d) external environment influences

The external environment, which is complex, unstable, is influencing the small and medium sized competitiveness, and of course, management decisions.

Entrepreneurs-managers have identified some external factors with positive influences: growth of demand for their products in local markets; growth of demand for their products in foreign markets; infrastructure modernization; opportunities for financing their investments; simplified access to loans; attractive interest rates for borrowing; better quality of raw materials; modern production methods and technologies; growth in the buying power of the population; positive modifications in rules, and governmental policies.

45, 5% from questioned firms recognized that growth demand for their products in local markets is a very strong positive factor for their business, especially for firms with low performance. For most performing firms, this factor is not so important. For 84% of SME's the opportunity for financing their investments is also very important for business development and for profit growth average rate. For 78% of SME's simplified access to loans is not so important for their profit growth average rate. Infrastructure modernization is not important for 72,7% of respondents on profit growth average rate.

The governmental and states institutions have an important role in firms activities. Managers considered that government and non government organizations can be more involved in consulting activities, training, creating a favorable environment for small and medium business. The most important communication channel between firms and government are county organizations for SME's, chambers for industry and trade.

Respondents considered that government can influence the market mechanisms and make them to function efficiently, and can create a favorable environment, that enables entrepreneurs to seek profits.

Conclusions

The external environment influence on SME's competitiveness is very strong. The world is changing, the environment is more uncertain, the competition is strong, the environment protection regulations are more restrictive. All these require rapid, efficient and effective answers.

Firm competitiveness must be shown like a part of territorial, local competitiveness. Economic development is a cooperation process between government, local administration, firms, research institutes and education.

The findings of this paper contribute to the study of local private small and medium size enterprise development and competitiveness.

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MANAGEMENT IMPROVING METHODS FOR PRE-UNIVERSITY EDUCATION IN FRANCE

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Summary. Educational Management is a new discipline necessary for efficiency and productiveness in educational relations and for the stimulation of personal development both for learners and teachers. The management of the learning and teaching system has a real and primordial importance due to the fact that the manager has an active role in the work of children or young learners who represent the future of society. The evolution or involution of any nation depends completely on them. This is the reason why we should pay a special attention to this section of management. There are material competences which were given to collectivities and teaching competences strictly belonging to the detriment of the state. This gives a general endowment of decentralization in local collectivities for the latter to be able of competences regarding the functioning of teaching institutions, other times belonging to The Ministry of National Education.

Key-words: educational management, educational system, educational institution, decentralization, administrative responsibilities.

1. The L'EPLE Management- pedagogical institution

In France, education is national. The curriculum and trend is decided by the ministry. The services of the ministry correspond with the central administration of the educational system, which mainly shares out credits to support the teaching in educational institutions.

The institution's staff comprises firstly, those who are directly implied in the learning process. Except for the principal and the deputy manager, the main educational counselors are dealing with the book-keeping of the institution.

The supervising part, since year 2003, is completed by educational assistants who gradually replaced boarding school teachers and supervisors (MI-SE). All in all, the number of high school and college teachers is 420000.

But other people are essential for the well functioning of the school. They are called educational administrative staff (CASU) in bigger institutions, main attachés and attachés of university and school administration (APASU and AASU), university and school administration secretaries, agents and administrative adjuncts deal with administrative issues, book-keeping, judicial and financial analysis. The servicing and cleaning staff is charged with the fixing and up keeping of the building.

In conclusion, the staff directly involved with the leading of an educational institution is:

- The Manager (Principal at college and Proviseur in high school);
- The Deputy Manager;
- The Intendant responsible with book keeping and administration;
- The Main Counselor of Education responsible with school issues;
- Boarding school teachers and supervisors, educational assistants and auxiliaries, practical work leader who coordinates the technology teacher's work;
- The Deputy Manager of the Special Education Department (SES) also named (SEGPA)¹⁴.

¹⁴ SEGPA= section d'enseignement générale et professionnel adapté

1.1. The Public Teaching Institution (L'EPLE) (high school-college)

If the educational system is characterized by an organization which can seem complex and hierarchical, the local public educational institutions have the duty to be the final stage of putting in practice of educational policies.

1.2. L'EPLE: an administrative institution

The order issued at 30th August 1985 gives college and high-schools (regarded as local public educational institutions) individual competence and a relative autonomy. The complete responsibility of educational institutions belongs to the administrative, financial and pedagogic field.

Responsible from the judicial point of view in the security, hygienic and health issues as well as financially, the school principal has a great autonomy in organizing education. The county and academic authorities' attributes a global endowment per hour¹⁵ and pedagogical credits that are shared out according to regulations and priorities presented in school projects. The functional credits and the construction and renovation of buildings belong to the local collectivities which take the responsibility of the construction and renovation of buildings.

The characteristic of educational institutions is that the principal assumes a double role. He is both the executive of the administration council empowered to take decisions and the representative of the State who is expected to assure the national coherence of the educational system in school.

Beginning with the 1st of September 1985, a college or a local public high-school is an educational institution (EPLE) run by a principal called "proviseur" in high-schools and "principle" in colleges. The responsibilities of a principal are of paramount importance. He is followed by a deputy manager who under his authority has the same administrative, pedagogical and educational competences and an administrator named intendant, which takes care of the material and financial administration.

The principal of the school has the following prerogatives:

- Presides the administrative council of the school, permanent commission, delegation committee- pupils, various instances;
- He is in charge with financial income and outcome of the school;
- After the CA permission, concludes over every school convention;
- He has authority over every employee of the school;
- He establishes the duties of each teacher in the school respecting their status;
- He supervises the process of teaching and the continuous control of skills and knowledge;
- He is responsible for order in school and makes sure that the internal rules are respected;
- He declares the penalties, warnings or temporary expelling (of maximum 8 days for pupils);
- In case of serious difficulties he can prohibit the access in the school and the suspending of courses.

The administration of the school (EPLE)

The administrative council of the institution of school EPLE is made of 24-30 members, depending on the number of the pupils in the school. Its composition is based on principles with representatives from the staff of the school, with pupils and parents and also representatives of the administration and local collectivities. The administrative council according to the decree 85-924 from the 30th of August 1985, establishes the principles of putting into practice the pedagogical and educational autonomy and especially the rules of organization, votes the financial budget. The permanent committee of the administrative council is made of the members who are in the administrative Council (CA). This is the function of preparing the decisions of the administrative council.

¹⁵ DHG-each school receives global endowment established by the rector for high-schools, by the academic inspection for colleges taking into account the sum received from the Ministry of National Education

The principal of the school is in the same time the president of the CA council and the executor of decisions. He is also the representative of the state in the educational institution and this way he supervises how laws are respected and courses are kept.

The order of orientation towards education (89-486 from the 10th of July 1989) created a Superior Council of Education (CSE) which is a consulting institution presided by the Ministry of National Education and made of teaching staff representatives, parents of pupils, pupils and students, local collectivities and economic, educational and cultural interests. This gives notice concerning the objectives and functioning of the educational system, the regulation of the curriculum, the examinations and the delivery of diplomas, the relative aspects of private institutions, and the issues regarding the teaching staff.

National education represents the most important administration in France. Beginning with the 1980's the state started a huge operation of decentralization of the responsibilities and decisions which increased the power of local administration (in every county).

The local administration of National Education is organized around the inspector of academy- principle of Judicial Services in national education (IA- DSDEN). The representative of L'IA – DSDEN is in charge to put off and to put in practice the educational policy of the ministry responsible for the local education. He has main competences in the education of grade 1 but also in that of grade 2.

2. The Administration of the First Grade Teachers

a) L'IA-DSDEN¹⁶ must program the needs of the means of education and to share them out among the schools of the county. These attributions empower it to decide the beginning and ending of classes at kinder gardens and elementary schools, to facilitate and repeal work places as teachers and the administration of the means of replacement.

In this frame, it issues in the county, the promotions and shifts among teachers holding the first grade.

L'IA-DSDE has access to the Services of the County Academic Inspection, to assure optimal results. He is followed by an Administrative and Universal counselor (CASU) who is a General County Secretary responsible with the administration of services in the big counties, an Inspector of The National Education (IEN) who must coordinate the inspectors of first grade teachers. Some counties have a Deputy Academic Inspector.

IA-DSDEN decisions are subject to various parity comities such as: the County Council of National Education including representatives of local collectivities, auxiliary teaching staff, and the County Parity of the Technical Council (CTPD), Administrative Parity County Committee (CAPD) for administering the first grade teaching staff.

b) Pedagogical coordination

The situation of the first grade teachers depends on the IA-DSDEN as responsible for the National Education Inspectors (IEN). The IEN inspectors of the first grade teachers each have a circumscription of schools and they are responsible for the administration of schools, thus they are the superiors of school teachers. Except for the administrative responsibility, the IEN inspectors must evaluate the first grade teachers and they respond for the pedagogical postponements in the area.

Certain IEN inspectors are endowed with the school adaptation and integration (IEN-AIS) and in this case, they are responsible for the re-evaluation of the teaching staff.

3. Local competencies of grade 2.

Administrative competences

- The competences of the IA-DSDEN inspectorate in the education of grade 2 are extending. It takes responsibility in the educational organization of colleges (division of educational skills) and gives advice (notes) the rector regarding the organization of high-schools. IA-DSDEN is in charge with giving opinion (list, map) about professional formation and about the investment and educational development;

¹⁶ L'IA-DSDEN=the Academy Inspector- Manager of County Services and National Education

- The decisions of the academic inspector – principal of local services of National Education are put under the control of local technical council (CTPD) mostly preparing for the new school year and organizing the administrative services of the institutions of grade 1 and 2.

The academic inspectors- principals of local services in National Education are empowered with essential competences at the level of the county. The administrative decentralization movement tends to sustain these competences for a long time¹⁷.

Ameliorating measures

On the 18th of November 2004, François Fillon, the minister of National Education presented various measures regarding the improvement of school, which as a rule of orientation and programming, would be appreciated at the beginning of school. These measures echo in different challenges. They follow the creation of a more efficient, correct and open school¹⁸.

A more efficient school

- Creating a High Council of the school, a superior independent authority, rearranging The Superior Council of evaluation and The national Council of the curriculum, with the aim to provide basic knowledge that every French young person should possess at the end of the year;
- The compulsory learning of a foreign language from the elementary school CE1 and learning of one or two foreign languages from the 5th grade;
- The evaluation of the gained knowledge at the beginning of CE2, at the beginning of the 6th grade and at the end of the 3rd grade;
- Putting in practice of a new diploma in colleges with written papers and a continuous control and the possibility of obtaining supplementary points with a B2 diploma in informatics and a grade for school life by the class council for diligence, discipline and taking part in the school program.
- Reducing graduation to 6 exams;
- Creating in every college and high-school of a pedagogical council ran by a principal and having as members a teacher from each department and the class principals to define the pedagogical projects of the school;
- The complete rights of the class council to decide repetition of class at every level

A more correct school (righteous)

- Increasing of the numbers of hours for continuous training;
- Issuing an individual contract between the school and the pupil's family and for primary school containing 3 hours of French and mathematics;
- Giving scholarships on social criteria starting from 1000 euros per year for the pupils who received a B or an A.

A more open school

- Generalizing of the option "Discovering your profession" that should contain 100 000 pupils in the year 2010;
- Developing a 3 year professional baccalaureate so that in 2010 500 000 pupils should be able to finish school;
- Language classes in the last year of study.

¹⁷ Auduc, Jean Louis, *École, collège, lycée*, Hachette Education, Paris, 2005;

¹⁸ Huart, J., M., *100 fiches pour comprendre le système éducatif*, Bréal, Cedex, 2007

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THE IMPACT OF ORGANIZATIONAL CULTURE OVER THE COMPETITIVENESS OF CONTEMPORANEOUS COMPANIES

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Abstract

The study of organizational culture represents nowadays a constant preoccupation of researchers, managers, companies, due to its part within any organization. Just as, by studying national culture certain similarities or differences between cultures can be established, both weak or strong points being identified for an entity, the study of organizational culture allows differentiation and in accordance to this criteria, of the contemporaneous enterprises.

Within this present article, we tried to identify the impact that organizational culture, over the enterprises' competitiveness, observing the fact that knowing this concept, being aware of organizational culture existence, as well as preoccupation towards its improving become very important, in the view of achieving better results.

Key words

Competitiveness, organization, organizational culture, performance, quality, price, human resources.

The concept of organizational culture

Each organization, no matter the size or of its activity field, it has an own organizational culture, which depends upon own history, by the manner of approaching the problems and of practices or managing activities. Its organizational culture reflects the feature of personalities and or leadership styles, marking the manner of how things will be accomplished, how changes will be made, thus manifesting the organizational personality and psycho-social climate. Using a simple analogy, the organizational culture represents for an organization what the personality represents for an individual, having its origin on interaction of inter-personal relationship, on organizational level.

The organizational culture can be defined as being the specific manner of thinking, feeling and acting, which people of an organization understood as result of procedures assembly conceived of managers, but of social environment influence too, where they lived and formed. The organizational culture is represented by the values system, by the common convictions of the organization's members, as concerns its existence and functioning, of rituals, myths and happening, which determine the manner how employees think and action.

Orientation of organizational culture within high performance spirit

In the view of creating performance, all the elements of the organization have to be taken into consideration, which give value to achieved results, meaning:

- the economic elements – profitableness, competitiveness;

- the juridical elements – the legal conformity and solvency;
- organizational elements – competency, coherency, efficiency;
- social elements – synergy, involvement, satisfying the staff, professional development, quality of work, inter-human relationship.

The concurrency, as active form of free initiative, represents the opened confrontation, the rivalry between economic agents, in the view of attracting on their part the clientage. It owns a main part in business, leading to continuous improving and making efficient the production, thus determining the elimination of wastage and reducing the costs, so that the selling price to become smaller than of others.

A country's competitiveness, in its restrained way, can be analyzed by its commercial balance point of view, and on large way, by the economy point of view. *"The Americans, as Europeans also, understand that without production and manufacturing (which includes the productive services), the competitiveness and economic power cannot be conceived"*, affirmed into a published article of central quotidian, a Romanian economist of the present.

It becomes very important on analyzing the concurrency position of the company, which differentiates it of the companies that acts on that market, by the view of key factors of success. Supplementary, the organizational culture, which differentiates an enterprise of other, should be considered a factor of success.

The strategic position of the company becomes important because the companies that dispose of a strong strategic position are more dynamic and more rentable than other concurrent companies.

Also, if the economic environment is characterized by a high inflation rate, the turnover of companies that carry on that market will be decreased, an especial impact over the turnover it has had by the policy of market prices, as well as each company. In conclusion, those three elements (the strategic position, rate of inflation and prices policy) are on strong interdependency relationship, thus influencing the company's performances.

Any economic agent, being importer or exporter, producer, distributor, wishes to sell more products and services so that it has to earn more. Unfortunately, the products and services accomplished in Romania are generally not competitive, and mostly by quality, price and accomplishing term. The consequences are dramatic, especially for the Romanian exporters, which cannot succeed on selling products or services. On the macroeconomic level, the lack of competitiveness represents the fundamental cause of Romanian economy decline. A solution that has to be taken into consideration to each company's level is represented by the analysis of organizational culture and changing of it on direction of improving the quality of products and services, meaning of company's competitiveness.

For many Romanian companies, it has to be act over the determinant factors of products and services competitiveness:

- technical factors (technical characteristics of products, which have to correspond better to consumers' exigencies, the quality, innovation and research);
- financial factors (price/tariff, payment conditions, payment facilities over loyal customers);
- supporting factors (auxiliary services associated to a product or service in the view of growing its added value);
- factors of sale and retail (the term of delivering, delivering conditions, modalities of distribution and selling).

The organizational culture, by its elements, contributes also beside the above mentioned factors, on growth of company's competitiveness. In measure on which organizational culture means respecting of normative and ethics on business, maintaining and improving the inter-personal relationships, the team activity, maintaining and perpetuating the tradition in that field, creating and transmitting the most powerful values and convictions, the company's competitiveness being supported.

The managers, by their activity, have to have continuous in view the impact of organizational culture over policies and company's objectives. Not taking into consideration the part of organizational culture means losing, day after day, a part of its identity. A company that doesn't analyze and doesn't improve the organizational culture is a company without personality, which cannot function on a contemporaneous market so much on competition.

W. Eduard Deming, recognized as pioneer within statistic control of quality, has elaborated a comprising strategy of management, upon basis of the next philosophy:

“A company doesn't have never to stop on improving the products or services and have to have a unique objective on satisfying the customers”.

This philosophy represents “the shared vision” or common objective that connect the employees and managers. For having success, an organization has to embrace and implement this philosophy, transforming the entire culture of the company.

W. Eduard Deming considered that “the management should not concentrate over the dividends and growth of market stock holdings, but on serving better the stock holders, knowing the permanent improvements of products quality, fact that would determine the reducing of costs, enlarging the market, creating new work positions and better profits”.

The content and the importance of competitiveness

The actual context, marked by the globalization of phenomenon and recognizing more and more the interdependencies, imposed new play rules, meaning: prosperity of nations, supposing competitiveness on international markets and prosperity of enterprises, supposing integration within chains of world wide values.

As result, the problem of competitiveness has become an essential theme at each economy's actor level, from that of economic regions, up to that of each organization. Simultaneously, an evolution of competitiveness in the direction of passing from static competitiveness, where the competitive advantage was given by endowment with technical factors, to dynamic competitiveness, whose motor factors is the technical progress, increasing the employees and modern methods of management can be observed, this fact directing on exceeding the economic dimension by the competitive advantage: the growth of financial and productive power of the country, the education, the security, the quality of life, all being component of the concept.

Defined as the degree on which a nation, in conditions of free and honest market, can produce goods and services that have to pass the sample of international markets, simultaneously succeeding on maintaining the real income of its citizens, the competitiveness represents therefore a challenge that has to be applied not only in situation of nations, by also of all regions and cities/stations of the world.

A nation's competitiveness is influenced by the level of competitiveness accomplished at the level of each national economy's actors. In other words, for the accomplishment of a nation's competitiveness, the contribution is brought by all national economy's sectors, and implicitly all national economy's branches, to all organization of each branch.

Therefore, the productive sectors of the national economy, contribute, by the growth of their competitiveness, on GDP growth, on added value, while other branched bring their support, by its developed activity, on growing the quality of life (health, culture, social assistance), on forming a qualified labor force (education), on assuring the efficient functioning of justice, protection of private ownership and of citizen's security, on decreasing the criminality rate (policy), on reducing he risk of political instability, the growth of social cohesion, reducing the social disparities (the extreme wealth and poorness), and of discrimination against women and minority's groups.

On its turn, the level of a nation's competitiveness influences, on certain measure, by means/instruments that has at disposal, the plans and national politics, especially by the percent given from GDP in the view of developing the different branches as: education, preservation of health, scientific research, justice, policy and army, culture, environment, and other.

A complete analysis of indicators that influence, and finally express the level of competitiveness of a nation, was accomplished by one of the most important business schools of the world, IMD Lausanne, which having an experience of over 50 years on developing the leadership competencies of the international companies managers, established 323 criteria grouped in accordance to competitive factors, that established the elaboration of „The World Competitiveness Yearbook” (the most recognized yearly report over nations competitiveness), which analyze the conditions offered by the economic and business environment of each country, in the view of supporting the companies' competitiveness.

This report analyze 60 competitive countries and economic regions, upon basis of four competitive factors and of specific criteria f their appreciation. The four competitive factors emphasized are: the economic

performance, the governmental efficiency, the business efficiency and the infrastructure. As concerns a company's competitiveness, this can be defined as being: "a company's feature on meet competition to other companies, similar on a certain market".

An enterprise is competitive on a certain market, when it succeeds on achieving certain economic indicators: turnover, profit, profitableness, segment on the market comparable or superior to those of other concurrent enterprises, which act on the same market. The competitiveness represents a complex notion, being greatly influenced by the ability of understanding and correctly adapting to the world that surrounds it. It can be regarded both globally and to each company's level. In this way, the specialists emphasized the fact that, global competitiveness of a company is determined by the competitiveness of each following components/category of competitiveness: financial, commercial, human, managerial, technical, and organizational.

The actuality of competitiveness problem is accentuated also by the fact that European Union proposed, at the Lisbon's Council, which took place in year 2000, to become until 2010, the most competitive and the most dynamic economy of the world, able to assure a yearly economic growth of 3% of work positions, better and increased of social cohesion. The decreased competitiveness of the new countries that adhered to EU made that at first analysis of accomplishing the objectives and concrete targets established to observe that this objective will be impossible on carrying out. As result, EU 27 has to re-update and fortify the competitiveness strategy, fact that supposes that each entity, from the continental economy of European Union with those 27 member countries up to the work position of any organization, having to solve prior on XXI century the problem of increasing the competitiveness and of value.

Adhesion to European Union supposes that, on mean and long term, the Lisbon Agenda is also a priority of Romania, the development logic of Europe becoming the development logic of Romania. As result, elaboration of recovering strategy of Europe of competitive discrepancies towards the Central Europe mean was begun. On applying this strategy, comparison is made towards the development stage reached by Poland. Romania made progress on informational field, in the last years the number of Internet users and of mobile communication users being increased. In change, the technological progress remained low, the expenses for research – development, the state helping being at fifth times less than the mean of EU, the research and development weren't being supported, all these showing the structural weakness of Romania's economy. The Romania's competitiveness, at its existence, is basing upon cheap work force and upon money sent in country by Romanians that work abroad. The risk of loosing the Romania's credibility on the market in favor of other competitors, which become more and more numerous, will situate our country in conditions of not meeting the concurrencies pressure, of the European market.

As concerns the global efficiency of a business, this can be increased by optimizing each component element, among which the most important is that concerning *the human resources*.

"The humans have the tendency of isolating themselves of the external environment", said Peter Drucker, "but the efficient organizations are not created for themselves, but for satisfying the consumers' needs".

Many specialists agree that a business success and accomplishing the economic and social objectives established depend greatly upon the management of that organization, assured by an organizational and managerial culture of performance.

Improving the human resources performances – a condition of growing the company's competitiveness

Among the resources that are situated on basis of achieving the stipulated results, a very important part is owned by **human resources**, *goods that present a powerful determination and cultural significance*.

Human resources represent, in fact, those that put into motion the other resources categories. In this way, a manager orientated towards material and moral motivation of employees, taking into account their values and convictions, will achieve the maximum of productivity, from his subordinates. The companies that offer increased attention to employees' values and convictions (IBM, General Electric, General Motors Corporation, Cincinnati, and Procter & Gamble) had also a high level of performance.

A company's interest on reaching the established objectives without taking into consideration the staff that has at disposal, can determine a decrease of production, of profit/profitableness and not accomplishing the objectives, within a study performed over 34 corporations, the author Denison made conclusions that organizations that own participant organizational cultures, with employees strongly involved on

establishing decisions, not only that register superior performances towards those that do not own such cultures, but these performances grow in time.

In the view of emphasizing the relationship between the organizational culture and efficiency in business, the role of human factor has to be taken into consideration, on achieving the stipulated results, meaning:

- the organizational culture, by specific values, influences directly the work environment and implicitly the level of satisfying on work the employees;
- the organizational culture performs a pressure over each employee's behavior, which is directed towards all tasks and responsibilities accomplishing;
- the individual performances unite synergic and compete on growing the company's efficiency.

Therefore, on direct manner, the involvements of organizational culture over company's efficiency are major and very important. Upon quantity and quality of human resources the efficient capitalization of material and financial resources depends, on which a company dispose, fact that means reaching the level stipulated of turnover, the market quota or added value.

On maximal use of knowledge, of the experience and capacities of employees, contribute, among others, also the values, the beliefs, the quality of life, work environment within company, economic and social conditions of the employees. All these factors, which influence the way people work, are manifested by the behaviors and attitudes of employees towards work, company, towards managers and colleagues and even towards life, generally.

The organizational culture, by its forms of manifesting (symbols, behavioral normative, rituals, ceremonies, histories, prestige and authority of managers and employees), influence and determines a series of behaviors and attitudes, so that employees can capitalize the entire potential of disposing, in the view of accomplishing the proposed goals.

The managers have to have in view creation of a courage culture, such as Nokia represents in present, because in 1995, the company had serious problems on managing the logistics, fact that brought to a decrease with 50% of stock holdings. Eliminating the fear from an organization is an essential evolution because it encourages the people on assuming more risks, responsibilities and initiates. Remarkable results can be achieved, if the performance will be adequately measured and if it will choose on direct reward. The modern systems of management try to line better the employees' interests with those of the company, trying to reward the team work, making work more interesting and promoting the values and rules.

The teams made of happy employees determine the growth of productivity for an enterprise. Establishing such team and creating certain strong social relationship within company can represent real challenges for the managers. "Vivification of a team is an art", as Herve Bourdais said, consultant in management and expert on social relationship, within Copernic Program of training on management, developed in Romania at the end of 2005.

When within a company, the decisions and actions converge towards the same aim, the result signifies competitiveness on all levels, thus assuring the development of organization on short, mean and long term.

Conclusions

The decreased performances or failures of many Romanian enterprises are due mostly to their inability of adapting to market's requirements and to its rules of functioning. Within this context, the organizational culture plays an important part. Practically, not knowing by many Romanian managers of the organizational culture importance, made possible supporting the high performances.

On such a dynamic market, as that external, the Romanian enterprises can reach and can exist only if they own products and/or innovating services, with different features towards those of concurrency, correlated to attractive prices. All these become possible in measure as Romanian enterprises can evaluate the organizational culture and try to improve it. A company reaches to become competitive on the market, if it owns a strong, positive organizational culture, able to mobilize people, energies, in the view of reaching the wished aim.

Perfecting the organizational culture is imposed in situation of registering certain decreased performances, of the existence of products area and/or services not adapted to the market, in situation of taking over, of fusions, so that the known "cultural shock" to be easily to exceed. Meeting of two different organizational

cultures with values, rules, beliefs and different rituals, supposes a cultural adapting, both for those expatriate managers, and of autochthonous workers. Complex and lasting process, the cultural adaptation has to be supported by applying certain concrete and fast measures. Many of the privatizations accomplished in Romania and resulted with failure, were due to both cultural incompatibility, and to undervaluation of organizational cultural importance, on functioning and developing the new enterprise.

Implementing the cultural perfecting process is possible only after an adequate evaluation of the existing culture, determining the weak and strong points of that culture. Upon basis of this analysis, the eventual measures that managers can apply in the view of perfecting the organizational culture can be established. Evaluation and then perfecting the organizational cultures have not to represent isolated actions, but have to be performed any time are necessary, in the view of improving the company's performances and on increasing the market competitiveness.

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CUSTOMER RELATIONSHIP MANAGEMENT – SOURCE OF EFFICIENCY IN BUSINESS

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Abstract

The customer relationship management is one of the most dynamic fields within organizations' management. The simplest possible truth, as specialists say, is the fact that all profits are provided by customers: if there is no profit, there will be no business; and if customers aren't, there will be no profit; therefore, if there aren't customers, there will be no business. The opened and sincere orientation towards solving the customer problems is the key with which the marketing opens the gate to success. For business, there are only two ways of creating and supporting the superior performance on long term: an exceptional care towards the customer and a constant innovation.

The reality of these affirmations is supported by the fact that a transition from one management model focused on product towards a model focused on customer can be observed.

Key words

Management, customer, efficiency, business, competitiveness, performance.

CRM (Customer Relationship Management) – represents a fashioned term or part of something hiding after an actual abbreviation

On nowadays complex business, the advantage over the concurrency is much more difficult on achieving – and more difficult on keeping – than it was in the past. Within the global communications and omnipresent information era, within an economy led by information, the ability of really understanding the market and customers becomes essential. The business success in these conditions suppose the ability of transforming this information in obvious knowledge, which are allowed to be practiced and at last depends of how well the organization will respond (in speed, level of knowledge and decision) to the needs/preferences continuously increasing of the customers and to continuously changing strategies of the concurrency.

Each company has its own procedures, own culture and own mean of approaching the customer relationship, which determines that into the beginning of 21st century, **the scheduled and aware management of customer relationship** becomes more and more often a strategic problem. The companies and institutions, which in the view of reaching the strategic objectives, especially stand on exploiting the customer relationship, finalize the relevant plans and objectives, therefore developing a strategy and an action CRM, taking into consideration the present and future customers' characteristics.

Comparing to previous decades, the nowadays customers represent to organizations “targets on moving”. The markets do not have a relatively stable structure, being extremely dynamic, with segments and parts, which profile progresses. Within this context, CRM has as view the attraction and reservation of profitable customers, by means of developing long term relationship and by stimulating the customers' loyalty. The progresses of information technology field contribute on founding the most adequate developing strategies of relationships, with each customer of organization portfolio frame.

Certain definitions

Over the time, a series of definitions were elaborated, as concerns the CRM concept. Therefore, in accordance to Gartner Group, CRM is a business strategy intended to optimize the profitability of enterprise upon basis of increasing the customer satisfaction. For applying this strategy, an organization has to adjust its behaviour and has to implement processes and technologies able to support the controlled interaction with customers, by all channels of communication.

In accordance to CRMguru.com, **CRM represents** a business strategy, by which customers are selected and managed in the view of optimizing their value on long term. CRM needs a managerial central culture on customer, which has to support efficient processes of marketing, sales and service. CRM applications can contribute on making efficient the customer relationship, in conditions when organization has at disposal the managing, strategy and adequate culture.

Defined of some specialists as an application of information technology, by others as a valuable development of relational marketing principles, the Customer Relationship Management represents actually a strategy of business, aiming towards increasing the enterprise performances upon basis of increasing customers' satisfaction, by creating a profitable relationship and of long term with these, thus gaining a substantial competitive advantage.

As result, CRM does not identify with specialized informatics solutions, for the management of information as concerns the customers, but basing upon IT solutions, for a better understanding of expectations and needs of customers, of their behaviour on buying, in the view of designing able strategies on generating the value for customers.

Arguments or the need of CRM

As result of powerful competition environment that exists, more and more enterprises recognize the essential need of adapting their internal processes in the view of increasing the level of customers' satisfaction, the alternative being represented by the risk of losing in favor of concurrency. In accordance to studies, the mean companies lose between 20% and 50% of customers in each year and find difficult of reaching the loyalty on their best customers. The free market, diversifying and globalization stimulated a dramatic growth of competition. These realities of market forced the companies on changing the approach focused on product within an approach based in customers.

Therefore, more and more managers reach to conclusion that identification of specific groups of potential customers, as well as their serving in more efficient manner, thus representing a sure way to success. This probably explains the interest more and more on growing of companies on applying CRM (customer relationship manager).

Many people considers CRM as a business software, but the fact that technology is only the mechanism for making efficient the company's activities, while the self process represents CRM has to be well understood. A CRM process defines the methodology of all actions necessary on transforming a potential sale into an effective one, of having satisfied customers and, why not, of determining them on buying more.

There are a number of reasons well grounded for which the companies' direction toward a CRM solution:

- the companies loose customers outside the competition – or do not win enough – and thus recognize that they do not respect all needs of own customers;
- the concurrent companies already adopted a CRM solution and the first results began to appear;
- the failures on making profit on present market opportunities determined that companies to realize that something goes wrong.

For many companies, the most obvious and simple reason is represented by the wish of reducing the costs and of improving the services offered to own customers. Finally, everything is reduced to efficiency, productivity and has a great basis of satisfied customers. All companies aim towards their growth, and their identification with successful implementing of CRM solution is a strong reason on achieving such application.

It was proved that maintaining the old customers significantly costs less than purchasing the new customers. That is why, while companies extend their customers basis, they do not have to loose of view

the maintaining and increasing the better of them. Increasing the “customer’s activity” – in other words, the business quantity that each customer offers – becomes as much important as the growth of market activity. Through a good managing of the good customer relationships, the profitableness can be increased. And this is in fact, the **Customer Relationship Management**.

The most usual arguments are:

- the acquisition cost of a new customer is fifth time greater unless that of maintaining certain existing customer;
- the probability that a customer to remain loyal to his provider varies between 70 and 45%, depending on his satisfaction degree;
- an unsatisfied customer will share his bad experience to other 10 persons, different for a customer that will appreciate then supplier on other 3 persons;
- the displeasing is the reason for which 80% of the displeased customers migrate towards the concurrency;
- only 4% of the displeased customers make complaints, the rest of 96% of displeased customers leave a company, without making any complaint as concerns the quality of services or supplied products.

The advantages of assimilating this concept of strategic and operational level are:

- the growth of customers number and, by assuring a superior satisfaction level, of their profitableness;
- the growth of companies efficiency on marketing (by a more precise target, automation of companies, complex segmentation of customers etc.);
- automation of complex processes (Sales Force Automation, Marketing Automation etc.), which simplifies the organization and internal processes, by earnings in time and efficiency;
- improving customer relationship and their loyalty by applying a leasing manner directed towards the customer and his needs satisfying;
- economic advantages generated by the decrease of fault products weight, by decreasing of customers number which leave towards other companies and the decrease of their non-satisfaction.

To all these seducing offers, lately was added that of possibility of generating by means of CRM (more precisely by that-called Analytical CRM) of reports and complex analysis in real time, which represents an essential instrument for a company’s management. Within this kind of certain argumentation, it results that implementing a CRM solution is a major imperative for each company that wishes to survive on market. Even for the small and middle companies, as NextApplication study says (December 2005), which shows that for 53,7% of small companies, CRM represents an instrument that can significantly contribute on ameliorating their productivity and which is not anymore reserved to companies.

Companies’ attention towards customers – major tendency in new economy

Within the world mature economies, the quality of product/service – mostly being on the highest possible level – is regarded as a mean for assuring a company’s domination on the specific market of performing. By this, the occidental point view radically differs in other countries, in which the product’s quality is regarded firstly as aim of reaching. In these economies, it starts from the compulsory condition of regarding the problem of product/service quality from the customer’s point of view.

The variant 2000 of ISO 9001 explicitly defines the aim, underlying those management system requirements of quality are firstly directed towards achieving the customer’s satisfaction over his needs, by applying the system, improving it and preventing the non-conformities. In accordance to the above mentioned standard, no matter the organization acting, it becomes compulsory that it has to respect the customer’s requirements, in situation these were defined and accepted by the both parts, previously. It is important for an organization to know which its image is towards the customer, how satisfied a customer is, considering as reference what was initially established. Thus studies can help managers on improving the organization – customer relationship, in two directions: reducing of operating costs and increasing the customer’s satisfaction.

Attention towards the customer means that everything that a manager does has to be done upon basis of care for respecting all exigencies, no matter if there is a very profitable or less profitable customer. This thing should signify all what is accomplished in strategic level – establishing the priorities, elaborating decisions, planning certain different types of managerial projects – on focusing over the needs in continuous changing on customers.

The main characteristics of this approach imposed within present economy are the following:

- attention towards repeating the customers' acquisitions;
- frequent and customized contacts of all employees in customer relationship;
- focusing over the value offered to customers;
- the high level of services quality offered to customers;
- the aim to be achieved is "delighting" the customers.

The opened and sincere attention towards solving the customer's problems is the key with which the management opens the gate to success. In business only two ways of creating and supporting the superior performance on long term exist: an exceptional care towards the customer and a constant innovation.

A company has to see on its customers the main force that leads on its activity's back, considering that business can resist only if it succeeds to satisfy its needs. On market economy, the buyers can choose what, when and from where they have to buy or they have to buy or not a product,

Therefore, in the view of having success on attracting the consumers, the logical point of view for a company consists on identifying what customers want and then to try on accomplishing these requirements into a more efficient manner than the competition. On long term, a company doesn't have to satisfy the requirements of consumers, and to take money of it. As the offer of company synchronizes better with requirements and wishes of consumers, more they will be disposed on paying more, thus generating profit for the enterprise.

The best way on achieving an attention towards the customer is that of cultivating advantageous relationships and on long term. Within this type of enterprises, the customer is no longer considered as generator of costs for the enterprise, but that of bringing the profit. The attention of managing is directed towards satisfying all the customers' requirements, with the hope of their loyalty achievement. *Maintaining a relationship with the customer is wished also after evaluation of transaction among the two parts, not only before.*

Most of companies adopt an approached oriented towards loyalty of customers, but observe that also the competitors proceed the same way, and the result consists on a totally lack of differentiation, instead of expected competitiveness. Before establishing the satisfaction and loyalty of customers as basic objectives of companies, these have to know that preferences and perceptions of customers are the result of a learning process. The objective of management strategy on customers' relationship is that of adapting the company to customers' exigencies, so that this learning process has to be performed in companies' advantage.

It is obviously the moment that satisfying the consumers wishes to become the main objective of existence to a company. Understanding the concept of customer can have a decisional role for the success of an organization in conditions of world wide economy.

For being able of managing among competitiveness, a company has to create and maintain the profitable customers.

Creating of customers – means for a company monitoring the business environment for reacting to changes that intervene within the needs of potential consumers, so that these have to become loyal customers.

Maintaining the customers – refers to the ability with which the company reduces to minimal or avoids the threatening on base of customers, wither because of changes appeared in their needs, or because of changes appeared within concurrency. The profitable customers of the company are those that bring incomes that exceed the costs of its production. The economical agent has to focus and center his attention on profitable business activity, and not on attracting the customers at any price.

Orientation towards the customer is met when the company is preoccupied of reaching the needs of its customers. In many cases, the company is preoccupied by production and afferent technological processes, not succeeding on observe that customer needs were modified and that his products do not correspond to these needs.

In these situations, the opportunity for concurrency is created for entering on the market and if offering products and services that have to satisfy better these needs, the company in discussion meeting hardness more and more bigger simultaneous with the products.

Satisfying the customers – element of competitiveness and performance

The satisfaction is the result felt by a buyer after his relationship with a company, whose performances reached to his expectations level. The satisfied customers remain loyal for long time, buy in great quantities, are less influenced of price and present to other persons the company within a favorable light.

It is considered, as was previously mentioned, that it is more exhausting to attract new buyers than maintaining those existing. Satisfying the consumers has benefic effects both for these and for the supplier.

A satisfied *consumer*:

- will repeat the buying activity, thus transforming into customer;
- will transmit the after-buying feeling of satisfaction to others (friends, relatives, and colleagues), thus favorable lightening the offering company;
- the self trust will increase, as concerns the good choice;
- gives a less attention to concurrent products and of their advertising.

For the *supplier*, satisfying the consumer will have as effects:

- owing and transforming this into customer;
- creating a favorable image and of notoriety, of market prestige;
- increasing the sales volume (and implicitly of profit) by enlarging the market (buyers), as result of promotional activities accomplished by the satisfied consumer;
- efficient using of human, material and financial resources.

Many products appeared in the market as simple effect of company's attention towards satisfying the customers' needs; that is why, adapting the offer to customers' particularities (and even to their simple manipulation). Certain producers make mistakes on giving more attention to material goods instead of services offered by these. That is why, they consider selling a simple product and not of offering solution for a certain need.

Understanding and satisfying the customer, together with the continuous improvement of internal processes offer the key of success for reaching the financial result: increase of income and reducing the internal costs.

If finally, the satisfaction of those involved is accomplished, from among if course, the customer, as well as company's wellness, the organization will have a great chance of long time success.

A quality management system that is introduced for the first guarantee of the conformity should lead on continuous improving and finally, to a system able to allow the existence of a product and/or service in progress, thus anticipating the future directions.

This will lead on small and stable results (conformity), by progressive and continuous results (development) to significant and long term results (anticipation and excellence in business).

Conclusions

The costumer relationship management (concept consecrated in specialty literature and practice of business under name of CRM - Customer Relationship Management) is a philosophy of business which describes a strategy that places the customer in centre of process, activities and cultures of an organization, basing upon creating and developing certain personalized relationships with these, in the view of growing the profitableness.

Once the market is consolidated, and the suppliers become more efficient on offering the service or products, the rival offers become more and more difficult on differentiating. In the same time, once the quality of services and of products is improved, the expectations and pretences of customers grow. For as long as the customer has the possibility of changing his suppliers, it becomes more and more difficult for a company to keep his loyalty. As result, it is very important for a modern company to have a system by which the time of reaction has to be shortening as regards the customers' requirements, thus offering

support and quality to the offered services, and especially to identify needs of these, about whom not even they have knowledge about.

It was proved that maintaining the old customer costs about 5 up to 10 times less than achieving a new one. Here can be mentioned the old rule of Pareto 80/20, in accordance to which 20% of customers bring 80% of the sales. That is why, while companies extend their customers data basis, they do not have to loose attention over the maintenance and adding of best of them. The growth of "customer's action" – in other words, the business quantity that each customer offers = becomes as much important as growing the market action. By means of well relationship management with a good customer can increase the profitability, and this is essentially the *Customer Relationship Management*

As conclusion, it can be said that not only life duration of a customer is important, but also the profit generated by the customers is that bringing value on long term to the company.

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STRATEGY IMPLEMENTATION - CASE OF THE EUROPEAN TELECOMMUNICATION PROVIDERS

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Most strategies stumble in the implementation phase. This paper outlines the ways for optimizing implementation. This implementation process focuses on the critical timeframe immediately following formal strategy selection, when broad objectives need to be translated into specific actions, schedules, budgets, and metrics. Often strategy development receives significant attention and resources, but its implementation is often neglected, with disastrous consequences. Using a straightforward approach, format and process, managers can bridge the gap between rhetoric and reality; they can succeed in accomplishing what they set out to do, thinking and acting strategically. Implementation lies at the core of strategy, and deserves as much attention as the formulation of the strategy.

Key words: strategy, telecommunication, providers

1. Introduction

For all the energy and resources invested in the pursuit of the perfect strategy, it's surprising to consider how little effort is directed towards implementation. Most strategies stumble in the implementation phase, regardless of their merit. Managing the process of implementation is often more difficult than coming up with the strategy in the first place – but ideas that cannot be translated into action serve little purpose (Michael Allio, 2005). Much literature is devoted to the study of the content and/or ex ante process of strategy formulation; much less literature focuses on the ins and outs of the ex post implementation of the selected strategies (Boone and van Olffen, 2001). The relative absence of implementation issues in the literature is not in balance with its importance for organizational performance in practice. It is widely accepted that several strategies may be viable in the same environment as long as managers are able to shape coherent configurations in which strategic choices, structures, systems and processes are carefully aligned (Miles and Snow, 1984; Snow and Hrebiniak, 1980). Strategy implementation skills are not easily mastered. In fact, virtually all managers find implementation the most difficult aspect of their jobs – more difficult than strategic analysis or strategy formulation. Managers themselves report that less than half the plans resulting from these efforts are ever implemented. Strategies that are not implemented constitute little more than academic exercises. The ability to implement strategies is one of the most valuable of all managerial skills. Managers intent on implementing strategy must (Miller, 1998):

1. master systems thinking to be able to coordinate a broad range of interconnected efforts aimed at transforming intentions into action, and
2. take care of the factors impeding strategy implementation.

Never is strategy implementation more important than when innovation is at the heart of a strategy. When it comes to innovation, execution is not about fulfilling the script. It is about constantly rewriting it. Innovation always involves treading into uncertain waters. And as uncertainty rises, the value of a well-thought-out, but static, enterprise strategy drops. In fact, when pursuing entirely new business models, no amount of research can resolve the critical unknowns. All that strategy can do is give you a good starting point. From there, you must experiment, learn, and adapt. (Govindarajan and Trimble, 2004). However, for a proven business, strategy implementation is about performing at or above known standards. For an

experimental business, strategy implementation is about zeroing in on the best possible strategy and in the process, discovering what standards are possible.

2. Guidelines and steps in strategy implementation

Can be identified five steps in strategy implementation programs. Figure 1 presents an overview of this steps (Michael Allio, 2005).

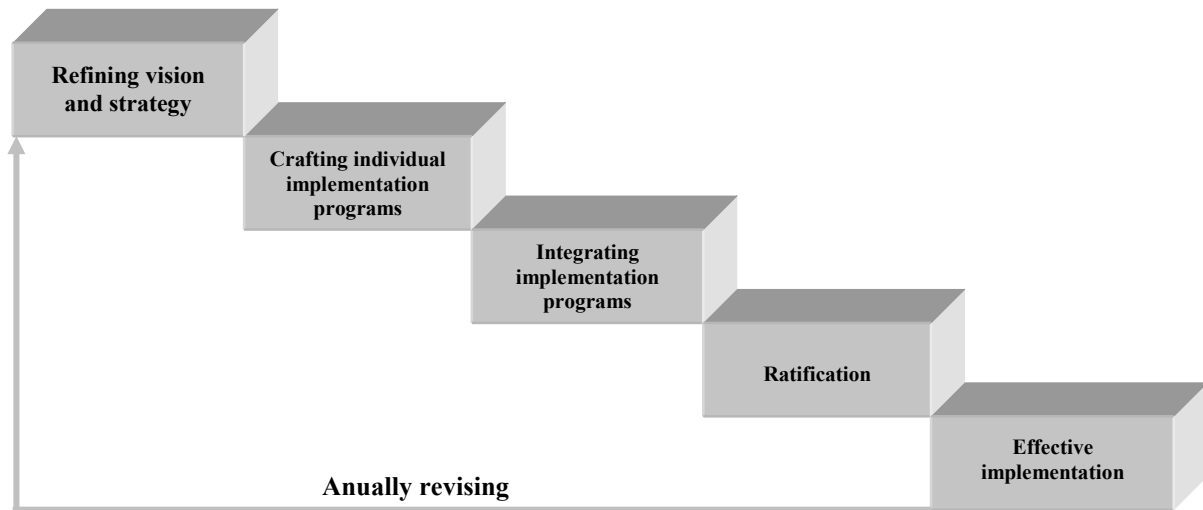


Figure 1 Implementation process

Source: Michael K. Allio, A short, practical guide to implementing strategy, Journal of Business Strategy, Volume 26 Number 4 2005 pp. 12-21.

Step 1: Refining vision and strategy

Good implementation starts with good strategic input. If we assume the management team has done a reasonable and thorough job formulating strategy, the critical output from the annual strategy session is a transcript capturing:

- a draft vision statement;
- a set of broad strategies;
- preliminary performance measures;
- preliminary resources required and expected results;
- critical issues; and
- the underlying (strategic) rationale for these decisions.

Step 2: Crafting individual implementation programs

Implementation only works when there's a clear and shared understanding of who does what, when, at what cost. Collaboration among strategy managers is critical, as they'll often be competing for the same resources (people, money, equipment); programs are often interdependent, and tradeoffs are to be expected.

Step 3: Integrating implementation programs

Once each strategy manager has fleshed out his or her respective programs, the strategy managers convene to compare notes. This critical juncture involves rolling up the programs, resources required, performance metrics, and issues, and assessing the overall shape of the sum: Is it all feasible? Can we afford it? Are we keeping our eyes on the original, strategic goals? Can the firm manage the timing or sequence of activities described? Typically, something has to give, and the strategy managers negotiate the tradeoffs. The fruits

of their efforts will be captured in a presentation by the entire strategy team to the board (or management decision-makers), described below.

Step 4: Ratifying the strategies and implementation programs

Management and board debate and ratify implementation programs. When ratified, the managers are ready to roll.

Step 5: Effective implementation

Immediately following the formal ratification of the firm's vision and set of strategies, effective implementation can begin in earnest. Perhaps the greatest challenge managers face when translating “strategy” into actions is communicating and monitoring implementation in terms that everyone can understand.

Follow-up were outlined eight practical guidelines for implementing strategy.

1. Simplicity

Implementation of even the most straightforward strategy tends to be a complex affair, requiring the intricate and dynamic interplay of people, resources, and market forces. Paradoxically, one of the most effective management tools is “simplicity” – the distillation of disparate elements into a single, coherent document and game plan.

2. Establishment of a common language

Different interpretations of the language used to describe strategy hopelessly confound implementation efforts. Before implementation starts, strategy managers should carefully define and review the key terms used to drive implementation to help ensure that everyone's singing from the same choir book:

- Strategy;
- Programs;
- Metrics;
- Milestones;
- Resources required;
- Critical issues.

3. Assessment the roles, the responsibilities and the timeframes

Implementation often calls for cross-functional support and collaboration. It's not unusual, therefore, to find the same program appear within several strategies, or to assign program managers from other functions or departments. Teamwork is the secret of successful implementation.

4. Balancing short term with longer term

Most managers associate their implementation aims with short-term targets; a natural tendency, as the future is fraught with uncertainty. Healthy implementation plans balance the short with the longer term, and strive to portray the full arc of the implementation process.

5. Accuracy

Imprecise language come over to implementation, confuses the rest of the team, and unnecessarily prolongs work sessions and documentation. It may also rob the management team of opportunities to springboard off each other's efforts.

6. Usage of a common format to enhance clarity and communication

Many managers opt to create their own summaries of programs, in formats they invent or import (often reflecting their comfort level with a particular software program, or preexisting data).

7. Regularly, structured and time-limited reunions

Implementation plans are destined to change: customer and competitor responses, technological advances, and resource allocation shifts will all impact the timing, and in some cases, the scope of implementation programs. Firms that establish a concrete framework for implementation, and empower managers to modulate in order to keep their teams on track, generate the best results. Good teams meet regularly, in well-structured, punctuated sessions, to share information and reconfirm priorities. A well-defined time limit encourages managers to prepare their presentations in advance.

8. Link up implementation activities with the firm's financial infrastructure: budget, metrics, rewards

It seems axiomatic that the actions and resources required to implement a strategy must be reflected in the firm's budget. Once strategy has been developed, high performing firms recalibrate their managerial systems to support, and encourage implementation. When the metrics used to judge a department or a manager are fine-tuned to track and reward strategic behavior, for example, implementation accelerates. Primary factors which impeding strategy implementations are (Miller, 1998):

- The organizational immune system. Strategy implementation is inextricably connected with organizational change. All organizations resist change and try to maintain the status quo, sometimes even if it yields unsatisfactory results.
- Numerous complex variables. To translate planned intervention activities into actions that bring desired organizational outcomes requires incorporating numerous variables: individual behavior, social factors, organizational arrangements, physical settings, and technology.
- The interconnectedness of elements affecting change. Changing one organizational element has a ripple effect that impacts other parts of your organization, which in turn have their own ripple effects, and so on.
- The need to change "Everything at once". Changing only one or two things seldom brings any significant overall organizational change. There are no "magic bullets" that would change entire organizations. To redirect your organization, you must address many overlapping and related issues, and the resulting impression of needing to change "everything at once" can be overwhelming.

3. Strategy implementation phases

Strategy implementation can be segment into three phases, as shown in Figure 5:

1. Ratification phase.
2. Middle phase of implementation.
3. Finale phase.

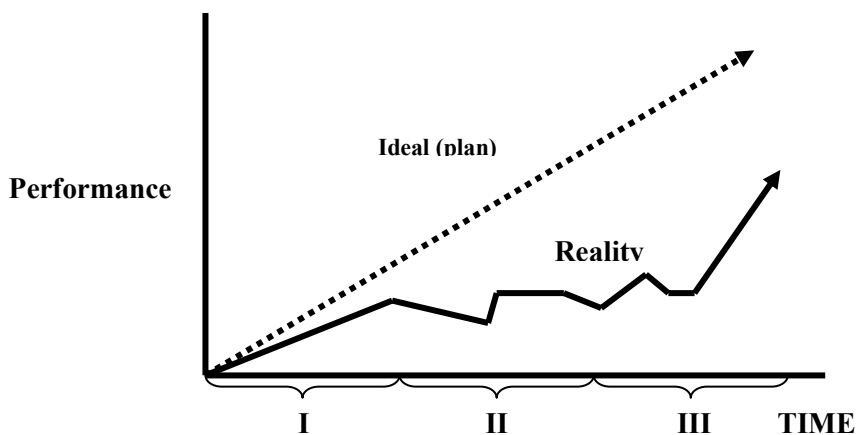


Figure 5 Implementation progress

In this trend senior management hopes for a smooth implementation trajectory (the “ideal” line), but progress usually tracks closer to the “reality” line. In the long slog of phase 2, surprises, setbacks, resource constraints, and an uneven tempo buffet implementation teams. With the right systems and scrutiny applied, phase 3 can represent a surge in performance and accomplishment.

Senior managers achieve better results when they manage their teams’ expectations and activities through each of these distinct phases.

Phase 1

The management team's (CEO's and middle management) present their consensus results (accomplished in two to six weeks) to the board or management decision-makers in meeting which it call the „ratification reunion”. The agenda for the meeting typically includes:

- revisiting the firm's vision, values, and conclusions regarding strategic context (as captured at the workshop, and probably revised during the intervening weeks);
- scrutinizing and constructively challenging strategy managers’ individual implementation plans;
- addressing individual and collective critical issues;
- highlighting overlaps or interdependencies among programs;
- rolling up the combined resources required, apportioning funds;
- approving/endorsing the plans; and
- outlining a communications program.

Once the firm's leaders have formally approved the implementation plans, they will:

- integrate the strategic plans into the budget;
- align managerial systems (including information systems, metrics, and rewards) to facilitate implementation; and
- communicate the completed strategic plan to stakeholders.

A concise and succinct presentation of the firm's new vision and strategies – and the process the firm will use to monitor implementation – are key signals to the rest of the stakeholders: handled improperly, they undermine both the process and the team's credibility; handled correctly, they clarify the firm's priorities, galvanize the team and help guide behavior throughout the organization.

Phase 2

Efforts to implement two- to three-year strategic plans typically flag after six months. Several original assumptions may have proven off-base, or competitive realities may have shifted since the beginning of the cycle; despite best efforts, programs, dates, and milestones will no longer be well-calibrated. It is essential at this point to revisit the original strategies and the programs developed and re-tune them. The term “living document” may have become clichéd, but the useful implementation plan is one that is updated easily and frequently to remain relevant. Formal quarterly meetings help the team compare notes, adjust priorities, and capitalize on from their experiences. An annual recap of status, progress, successes, obstacles, and responses to the challenges faced helps reinvigorate the team, and re-establishes the integrity of the programs and the process.

Phase 3

By the end of the implementation cycle, most teams have encountered significant unforeseen obstacles, and have prevailed against many. A rewards and compensation system that ties individual and group rewards specifically to success in implementation are, again, one excellent method for underscoring how valuable these contributions have been. Managers who have succeeded in implementing strategy need to be publicly recognized and rewarded. A formal review and presentation of overall implementation results, in advance of new assignments or initiatives, is also helpful, and can do wonders to encourage and reinforce staff morale, paving the way for future commitment.

4. The Key Strategies of the European Telecommunication Providers

The most important telecommunication European companies are: British Telecom, Deutsche Telekom, France Telecom, Telia Swedish, Ptt Holland, Teledanmark, Telecom Italy, Telefonica Spain, Magyar Telekom and Ote Greece. The liberalization and mobile development represented massive changes with a profound impact on the competitive environment reconfiguration on the Eastern - European markets together with the opening of the fixed phone markets competition and the development of the mobile services. On every market there are companies that try to gain on their side the clients of the fixed phone companies using a diversity of strategies. However, the users adopted with enthusiasm the mobile revolution in the region: the mobile phone possession reached the saturation point in countries such as Czech Republic, Hungary and Slovenia, the rest of the markets going fast towards this direction. Thus, the key strategies of the providers are: costs reduction, efficiency growths, traditional services protection and development of new sources of income. In the countries with worldwide developed economies, the telecommunication industry grew in 2003 with 10% compared to 2002. At the end of 2004, the industry knew a weak grow, the most of the most important players on the telecommunication market hardly regaining their financial stability.

4.1 Cost reduction

The providers take drastic measures, but adequate regarding the costs. Taken into consideration the diminishing incomes of the fixed lines, the only way to maintain the profitability is to reduce the costs, proportional to the incomes' reduction. The 2 key fields that they were focusing on were the reduction of the employees' number and capital expenses, these being the most controllable expenses.

The employees' salaries are, usually, some of the highest operational costs for the telecommunication providers, so it is not surprising that most of them continue to take radical measures linked to these costs. RomTelecom reduced with 12% the number of its employees, followed by Cesky Telecom with 10% reduction in 2003. But, not all the providers attended the same level in their efforts to reduce the employees. A way to evaluate their position is to report their employees' costs to incomes. Eesti Telecom didn't take the measure to reduce its employees because its employees' costs structure was already very good: its employees' costs represent only 11% from its incomes. Matav follows with 14% and Cesky Telecom with 15%.

The capital costs forms another relatively easy measure to reduce costs. For instance, Matav moves on the Internet the customer relationship service from the en detail stores, assuring the routine on line services such as order taking and defection reports. At its turn, TPSA (Polland) transforms the services operations for customers in a unified call center. This strategy was recently adopted by RomTelecom as the providers' representatives informed on the Communication Day (Romexpo, 21 April 2004).

4.2 Efficiency growth

The efficiency growth goes hand in hand with cost reduction for providers, whose main objective is to give up to the inefficient image of slow providers. They made progresses in this regard, even though in a slow rhythm. The national Eastern-European providers made progresses. The employees' reduction lead to a growth of the report of incomes per employee. Matav is the leader to this index with annual incomes per employee of 183 000 USD, followed by Cesky Telecom with 145-147 000 USD. However, RomTelecom has much work to do for the efficiency improvement: its incomes per employee were only of 30 000 USD in the first 9 months of 2003.

4.3 Traditional services protection

The majority of the national providers entirely changed their way to commercialize their voice services. A key change was the process to rebalance the access tariffs also to the local calls, which were traditionally priced under costs. However, the reduction of calls at distance (interurban and international calls) was due to the imminent competition. Moreover, some providers introduced a diversity of prices in view of protecting and developing fixed mobile incomes. Cesky Telecom introduced free minutes as part of the subscription, whereas TPSA offered a package with unlimited minutes (for a higher subscription fee). Matav introduced prepaid fixed charges to counteract the attraction of the prepaid mobile cards, with no success in preventing the fixed lines decline.

4.4 The development of new income sources

The national providers that have a contribution to the mobile development throughout their own mobile businesses compensate somehow the decline of the telephonic services. Cesky Telekom that operates on a Czech market, in which 89% of the population has a mobile phone, registered a decline. In exchange, TPSA managed to have a powerful growth of the mobile incomes on the Polish market, where the penetration reached only 42% in September 2003.

The Internet in large band is in its first phases of development in the Eastern Europe. The demand is still weak, despite a rapid growth in 2003 from a restraint group of users. The high prices of DSL (Digital Subscriber Line) combined with the low income of the population remain the main barriers in adopting DSL and other broadband services. As a consequence, DSL will be a solution for small and medium enterprises and affluent individual customers, on a medium term. Alike to the DSL services, the data mobile services have a cold welcome in Eastern Europe. Throughout the GPRS networks (General Packet Radio Services), almost all the providers offer a large range of advanced data services, such as MMS, mobile email and location based services. The main reason is that these services need expensive terminals, besides the fact that they are relatively expensive and this is not in accordance with the low income of the population.

4.5 Incomes

Besides the growth of the mobile services incomes, there are less ways to compensate the incomes in decline of the fixed telephony. The result is that only the providers that own growing mobile operations manage to obtain a growth of their total incomes. The others registered static or declining incomes due to the fact that the markets they operate on are filled (Cesky Telekom) or they have no direct interest in a mobile operation, besides the administration of a static or negative growth of the fixed lines. When the mobile markets will arrive to saturation and the fixed mobile competition will intensify, all the providers will face the same difficulties in the growth of incomes.

The first effects of the liberalization were felt by the companies in the field that confronted themselves with the provocation and opportunity to develop their businesses in totally new conditions. That's why, the main objective of the National Authority for the Regulation in Telecommunication (NART) was the creation of direct communication channels with the industry. The principles of this relationship were the transparency, the continuous informing and public consultancy. The liberalization led to benefits for all the users of the communication services, making possible the prices reduction, the offer diversification and the risen of services quality. The RomTelecom prices diminished with 63% in medium for the international calls in fixed networks and with 20% for the interdepartmental national calls in the network. However, the alternative suppliers and, especially, the ones that use the TV cable support, propose significant prices under those of Rom Telecom.

A diversification of the used technologies was registered. So, if the main network access mean was the traditional telephonic cable, after the 1 January 2003, new technologies were introduced within the entrance on the market of new suppliers: coaxial cable, radio support and optical fiber. The telecommunication industry came back to profitability, but the VoIP technology development will mix up the role and the business model of the traditional telecommunication companies, creating pressures for a new approaching modality for the industry regulation. Thus, in the Central and Eastern Europe, the importance and the market share owned by the VoIP services, compared to the fixed telephony, still remain modest. However, the disadvantages associated with the VoIP services' use, play an important role in the postponement of their mass adoption in this region. In the first 30 worldwide developed countries from the economical point of view, the telecommunication industry grew in 2003 with 10% compared to 2002. At the end of 2004, the industry knew a weak grow, the majority of the most important players on the telecommunication market hardly regaining their financial stability.

One of the main conclusions is that the higher popularity of the telephony throughout Internet and the VoIP services threaten the traditional fixed mobile providers' incomes, especially for the international calls. The fixed mobile providers have a more powerful competition from the part of some companies on one hand, but also from the adoption of the VoIP services by the alternative providers of other platforms, such as the TV cable networks and fixed wireless networks, on the other hand. Moreover, the VoIP services can present a competition even for the mobile telephony that currently owns much more subscribers than the fixed telephony in many countries.

5. Conclusion

A survey highlighted that less than 10% of strategies that are effectively formulated are effectively executed (Miller, 1998). Whilst formulating competitive strategy is very important and is the right thing to do, it does not guarantee success and results. Further, according to analysts, most companies spend close to 40% of their capital budgets on investments that are not aligned with corporate strategies, primarily due to a lack of clarity and visibility of strategic and investment goals.

Implementation lies at the core of strategy, and deserves as much attention as the formulation of strategy. If the process is healthy, after the first cycle, the methodology will be refined or customized to the firm's particular information systems and culture, and the improved tools (templates, language, meeting schedule, etc.) can be deployed throughout the organization. Strategy managers and the program managers they've tapped to help guide implementation, become versed in the language and process of strategy: they become ambassadors to the rest of the firm for thinking and acting strategically.

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LE MULTISYSTEME DES COMPAGNIES DE THEATRE EN EUROPE

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Résumé : Le milieu externe international de la compagnie de théâtre, le cadre économique du secteur théâtral de l'Europe des 27 pays et le comportement du consommateur de culture sont les principales préoccupations de notre recherche. Les multiples différences entre les systèmes de théâtre de chaque région européenne sont un sujet de grand intérêt dans la réalisation des stratégies et du futur « projet » de la compagnie théâtrale. La caractéristique commune, si on peut la nommer ainsi, c'est l'unité dans la diversité, chaque compagnie ayant un système unique d'activité concernant la création artistique. L'attraction du public vers le théâtre offre à celui-ci la purification et l'enthousiasme dont il a besoin dans la société contemporaine, dominée par la violence, les drogues, la vulgarité, les nouvelles incendiaires etc., en la conduisant sur le chemin de la normalité existentielle de l'être humain vers les valeurs morales et spirituelles naturelles.

Mots-clé: le management théâtral, compagnie de théâtre, culture.

Regard général sur la situation du théâtre européen

Le secteur culturel européen, si on peut le nommer ainsi, représente un mélange curieux entre les ressources économiques, qui répondent aux signes normales de la marche en extension, et celles de la créativité et de l'inspiration. ***Pas occasionnellement, le secteur au plus grand nombre de chômeurs est le théâtre, parce que les gens ne deviennent pas des acteurs pour gagner, mais pour la nécessité de s'exprimer. La culture suppose une aventure dangereuse. En Roumanie, la culture a réussi à résister à bureaucratie du régime communiste. Le secteur culturel n'est pas réglé par une législation européenne, ce qui affecte fortement son moyen d'affirmation. Chaque état membre ou candidat doit avoir la possibilité de s'exprimer en fonction de sa propre spécificité. Cela signifie en fait la richesse et la diversité culturelle que représente l'Europe. On ne peut pas parler d'une culture européenne, mais d'une culture française, espagnole, hongroise, roumaine, polonaise, plus exactement de cultures, car il faut penser aux particularités régionales. Dans l'Europe unie, la culture doit vivre et se développer [1].***

Les préoccupations des professionnels dans le domaine artistique, aussi des managers que des artistes, essaient à répondre à la diversité et à la multiplicité des relations créées dans l'espace européen. On se réfère souvent à l'unité dans la diversité comme une caractéristique de base de l'Europe élargie. Il n'est pas convenable d'aborder une analyse des programmes culturels européens, car ceux-ci sont beaucoup médiatisés et facile à consulter sur les multiples sites Internet qui les promeut. Il est clair que ceux-ci ont les grands mérites dans la promotion de la culture, car les cultures doivent devenir plus accessibles.

Le statut et la mobilité de l'artiste créateur dans une Europe unie doivent devenir une préoccupation de tous les militants de ce secteur économique. En même temps, celle-ci est le plus actuel thème de débat. Cette vaste union, où la flexibilité et la liberté du mouvement deviennent prioritaires, conduit vers la nécessité de la connaissance des systèmes de culture qu'ont les états membres. *Il est très important que cette liberté ne se limite pas seulement aux activités purement économiques. La dernière idée où je veux m'arrêter se réfère au fait que, souvent, la culture est entourée par un mûr protecteur, pour que d'autres cultures ne puissent pas y pénétrer. Dans la culture, comme dans la guerre, une politique défensive conduit à l'échec.*

[2] La culture est le titulaire de valeurs représentatives et identitaires. Je citerai dans ce sens Andrei Marga, qui, il y a 10 ans, à l'inauguration de la Faculté d'Etudes Européennes, a affirmé : « Bien sûr que nous sommes européens, mais pas seulement parce que nous habitons entre l'Atlantique et les Urales, mais en premier lieu parce que nous partageons des valeurs européennes, non parce que, évidemment, nous

consommons des valeurs européennes, mais parce que nous sommes capables de les utiliser et les intégrer, non parce que nous en tenons compte, mais parce que nous participons à leur multiplication”.

De moyen nécessaire, dans notre étude nous nous sommes posé le problème de la situation du théâtre en Europe afin de pouvoir identifier comment regardent les autres européens le théâtre et les activités des compagnies de théâtre indépendant. Ainsi, du point de vue des modèles d’organisation et des politiques de soutènement, on peut identifier une seule Europe avec 27 systèmes différents de théâtre. Si on commence seulement avec l’analyse des écoles d’enseignement artistique, on constatera les différences de structure organisatrice et de fonctionnement, mais aussi des différences significatives entre les méthodes et les concepts de pratique artistique.

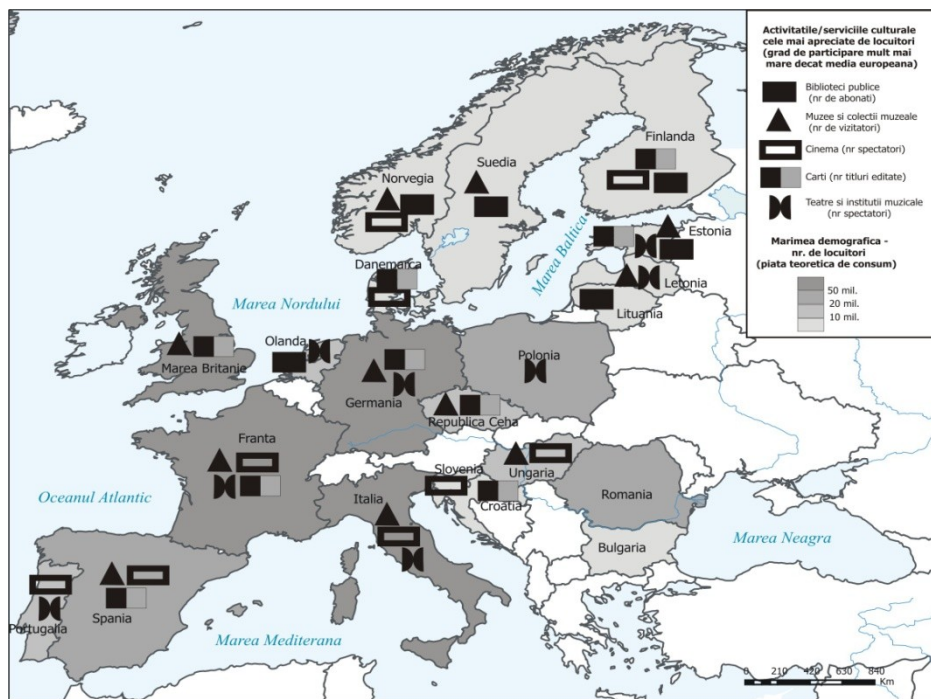
La vie artistique européenne, où on inclue implicitement son public aussi, est directement déterminée par l’existence des festivals, cela pouvant être considéré un indicateur concret des résultats des créations européennes. Ces manifestations jouent un rôle d’une grande importance pour le rapprochement, l’identification et le perfectionnement des professionnels de la vie artistique européenne (professionnels, amateurs et leur public spécifique). Les gens qui ont dédié leur vie à la scène, plus que jamais (acteurs, metteurs en scène, scénographes, décorateurs, costumiers, maîtres de lumières et du son, techniciens de scène etc.), sont de plus en plus tentés à exercer leur profession à l’étranger. La mobilité des artistes est dépassée par les directeurs de festivals et les critiques de spécialité, qui utilisent l’avantage de l’Europe unie pour circuler afin de « chasser » les œuvres les plus valeureuses et les faire connues au public européen.

Dans la même idée, *l’eupéanisation des professions de théâtre* commence du sommet de la pyramide des compétitions artistiques : si celle-ci s’ajoute à la valeur de la représentation, alors le champ de recrutement du personnel s’ouvre à l’international. Ce schéma souffre trop de cas particuliers et trop d’anomalies pour recevoir la forme d’une loi de mobilisation ou un cadre général d’ouverture. De nombreuses voies et réseaux culturels, ouverts aux artistes et au personnel du théâtre, la logique et les politiques nationales diverses conduisent à l’impossibilité de définir un système européen du théâtre et surtout lorsqu’il s’agit du management théâtral. Dans cette profession il y a moins d’exemples de mobilité volontaire et des cas rares d’implémentation réussite, d’un système de management théâtral, ayant en vue spécialement les facteurs externes du milieu de l’organisation, mais aussi les facteurs internes (qui tiennent plutôt de la culture de la compagnie, qui fonctionne comme *culture de clan*).

La prédisposition des habitants de certains pays européens pour certains segments de l’offre culturelle, telle qu’elle est suggérée par notre analyse, elle est rendue synthétiquement plus basse dans la page. Celle-ci est suivie d’une carte qui montre les goûts culturels dominants dans la plupart des pays européens, après quoi on a exposé plusieurs appréciations, observations et commentaires pour les principales activités/services culturels et leur moyen de réception/fréquentation dans les pays européens.

Il est suffisant de nous rappeler seulement des coutumes et des traditions populaires qui sont différents dans la même région, seulement à quelques kilomètres distance, sans rajouter encore la politique du financement de la culture si différente en fonction de la ville. La culture européenne est assez puissante pour pouvoir mener plus loin la tradition et pour s’ouvrir à l’innovation. Plus bas en page, il est réalisé un tableau avec les préférences culturelles dominantes dans certains pays européens. Pour les compagnies de théâtres roumains le milieu externe européen est généralement en ce qui regarde leurs activités, ainsi :

- a) La participation aux festivals internationales de théâtre dans : la Hollande, l’Angleterre, le Danemark, la France, l’Italie, la Portugal.
- b) Pour opéra et les autre institutions musicales, la participation aux manifestations internationales, plutôt avec du public très intéressé, dans : l’Estonie, la Lettonie, l’Italie, la Portugal, la Pologne.



Les préférences culturelles dominantes dans certains pays européens

Source: Centre des Etudes et Recherche dans le Domaine de la Culture

En ce qui concerne la collaboration internationale entre les artistes, il n'est pas suffisant d'utiliser seulement l'anglais, choisie d'entre 3 ou 4 langues, pour que les artistes et les techniciens s'entendent... ils sont nécessaire en plus la connaissance et la maîtrise des éléments de droit, de comptabilité du pays respectif, connaissance de ses institutions, respectivement des procédures. Les fonctions relatives à la production et à la diffusion des spectacles sont moins soumis aux contraintes imposées à un marché mondial, comme la quasi-totalité des branches économiques aussi, comme celles d'un milieu influencé par l'exercice du pouvoir public. Ainsi dit, les considérants et les instruments des politiques culturelles (nationales, régionales et locales) appuient sur les mécanismes de la demande et de l'offre (à l'échelle planétaire ou continentale), et déterminent le type d'œuvre artistique, la carrière des artistes, comme la vie des compagnies de théâtre aussi.

Alors, la dominante du contexte social avec « la nation artistique » se manifeste même par la mesure des dépenses des fonds privés (sponsorisations et mécène), des compagnies indépendantes, dont les sommes et la réputation diffèrent visiblement d'un pays à un autre, grâce à la législation diverse qu'à la tradition contrastante aussi, ou à la politique de la région de laquelle appartient la compagnie.

Le comportement des citoyens des 27 pays varie visiblement en ce qui concerne *les activités de loisir*. En admettant qu'elles peuvent être mesurées à l'aide des indices comparables – la fréquence aux théâtres, aux salles de spectacle et concerts, aux spectacles boulevardiers etc. – elles évoluent encore plus en fonction des revenus de la population, comme en fonction des « désires » aussi, plus ou moins des « vices » de l'état et du lieu de la résidence et bien sûr en fonction de la profession et du niveau d'instruction de chacun.

L'introduction dans les traités de l'Europe, par la décision de la majorité qualifiée (refusée par la France et par ses partenaires), d'un principe commun, premièrement de la notion d'*exception* et puis de *diversité culturelle*, il sera donc insuffisant de préparer l'unification de l'*Europe du spectacle*. Ce fait demande un espace divisé en tant de compartiments que des professions impliquées par l'activité du théâtre. A l'intérieur de ces cadres, la singularité/l'unicité de chaque profession et l'originalité de chaque localité ou territoire, compose un paysage fulminant de détails. Pour les identifier il est nécessaire un travail de grande précision et extrêmement ponctuel en tenant compte que, parmi d'autres aspects, à chaque profession de théâtre on défend les droits par des associations ou syndicats spécifiques.

Pour réaliser ses projets communs, dans les pays européens sont apparus les premiers réseaux dans les deux dernières décennies. Les forums de discussions entre les programmeurs de spectacles, des clubs de

producteurs, des ligues des écoles de théâtre, des confédérations syndicales, des alliances entre des centres de ressources, des groupes de pression sur les instances communautaires, ces organisations ayant toutes les formes juridiques possibles.

De nombreuses organisations restent assez souples en dépit du succès de leur congrès annuel, initié par *Informal European Theatre Meeting*. D'autres adoptent des structures rigides comme *la Fondation Marcel Hicter* [4], qui a commencé des cours de formation de managers en art. Toutes ces organisations militent pour l'augmentation des budgets culturels européens, mais seulement une petite partie réussit à augmenter leurs ressources de fonctionnement durables. Mais la majorité vit des cotisations des membres ou des petites subventions nationales.

Exemple de deux structures théâtrales importantes qui réunissent de différentes compagnies aussi de l'espace communautaire que du dehors de celui-ci : *l'Union Théâtrale Européenne* (UTE) et *la Convention Théâtrale Européenne* (ETC). Celles-ci réunissent des théâtres importants des différents pays et représentent les principaux acteurs culturels qui militent pour les droits des gens de théâtre.

Les compagnies indépendantes en Europe – la situation actuelle

Dans l'ensemble du paysage théâtral européen, *Le théâtre de répertoire* représente un modèle dominant. Lancé dès le début du XIX^{ème} siècle à Moscou, par Stanislavski et Nemrovici Dancenko, en même temps que l'apparition du théâtre d'Art, « l'ensemble » ou la troupe permanente est aujourd'hui une forme d'organisation prédominante en Europe.

Ainsi, on peut encore identifier une série de points forts de ce système :

- La tradition de la troupe
- Prestige gagné en temps
- L'existence des subventions importantes
- Symbole d'une nation ou communauté
- Présentation d'un vaste répertoire
- Possède une forte identité esthétique
- Permet une pérennité relative des productions
- Facilite les relations de fidélité avec le public
- Offre la stabilité du travail aux employés sur des périodes moyennes et longues de temps

La transition politique dans l'Europe Centrale et de l'Est fournit une « occasion unique d'analyse des éléments de continuité et de discontinuité entre le monde fragile confidentiel de *l'art dissident* et le marché qui naît dans les sociétés postcommunistes ». [5]

En faite, si le spectacle est devenu selon la transition démocratique un véritable lieu de débat, il se confronte maintenant avec une augmentation des productions commerciales, mais aussi un évident désintérêt de la part du public. Cela ne signifie pas qu'il est devenu une culture d'opposition, mais il a seulement perdu son auréole de pertinence sociale. Sous le socialisme de l'état, l'existence ou non des compagnies indépendantes résistent en grande partie seulement grâce au degré de tolérance du régime : si les formes d'organisation théâtrale (qui ne se trouvaient sous la direction de l'état) étaient totalement réprimées en Roumanie ou en Tchéquie, les scènes alternatives étaient très développées en Pologne (Kantor, Grotowski) ou semi tolérées en Hongrie (Le Théâtre Kaposvár). Comme le critique polonais Piotr Gruszczynski soulignait « les années 1990 ont conquis effectivement avec l'effondrement du mouvement alternatif initial de Grotowski: ses résultats théâtrales en matière de jeu et dialogue avec le public dans les années '70 – '80 ne fonctionnent plus dans le nouveau contexte. » [6]

Parmi d'autres, les compagnies indépendantes en Europe Centrale et de l'Est on les retrouve fréquemment résultées des « Studios », annexes des théâtres ou des lieux moins « notables », préfigurant sans doute par cela une recrudescence d'intérêt pour les endroits intermédiaires, ces endroits de répétitions plus ou moins tolérés qui logent des collectifs artistiques. Depuis la transition démocratique, les plus importantes réformes dans le secteur du théâtre ont été, sans contester leur création, de véritables « open stages » dans quelques capitales centrales européennes : c'est le cas du Théâtre d'Archa, Prague, The Red House à Sofia, Trafô de Budapest ou MAD Center en Bucarest. Fonctionnant déjà comme un petit réseau, elles logent

des productions de l'Europe Occidentale, mais aussi des échanges est-est, mais qui souffrent à cause des rationnements financiers

Ces endroits restent les exceptions d'un large paysage culturel dominé par les théâtres de répertoire et les troupes permanentes, mais ils ont gagné en même temps une importante notoriété par leur rôle de « plateformes de productions », même s'ils étaient modestes pour les compagnies débutantes et indépendantes. Des réseaux européens et internationaux de diffusion, spécialement les festivals (Avignon, LIFT de Londres, Sophiensaele de Berlin, RomaEuropa, Passages de Nancy), dès leur création en 1998 de THEOREM, accorde une attention remarquable à ces nouveaux modèles de production, encourageant les possibilités de création, de production et de circulation des œuvres des artistes en Europe. La reconnaissance internationale des artistes (Hudi, Schilling, Warlikowski, Jarzyna, Ivan Staned, etc.) ne fait pas moins perméable la frontière entre le monde des « indépendants » et celle des structures institutionnelles, même si une petite passerelle entre les deux commence à être visibles. Par exemple, en Allemagne, des personnalités comme Sasha Walz ou Franck Castorf, sortis de la scène indépendante, ont pu accéder aux directions des théâtres institutionnels, même importants, mais ce phénomène ne s'est pas encore manifesté dans l'Europe Centrale. La compagnie Krétakör du metteur en scène hongrois Arpád Schilling attend depuis plus d'une dizaine d'années la possibilité de répéter dans un endroit fixe, et la compagnie fonctionne grâce aux tournois réalisés dans l'Europe Occidentale. Par exemple, ses coûts de fonctionnement ont été dans la saison théâtrale 2002-2003 supportés intégralement par la compagnie française MC93 Bobigny, un total de 4.000 € destiné au Fond Culturel Hongrois, ce qui a permis de couvrir à la limite les dépenses de location des salles de répétition.

Dans une étude réalisée par la Fondation Soros, la directrice artistique de la compagnie The Red House de Sofia, Dessy Gavrilova, insiste sur le fait que, si dans son pays un procès de réformes des structures a commencé effectivement en 1997, au sens de l'apparition de quelques endroits de diffusion et de production des spectacles, ceux-ci sont très peu pour les 50 compagnies qui étaient apparues dans les derniers 10 ans. [7] Conforme à la commission de statistique de l'Union Européenne - EUROSTAT, en 2007 dans les 27 pays européens un pourcentage de 28,8 % des employés du secteur culturel déroulaient leur activité comme indépendants. [8]

La fragilité des compagnies de danse contemporaine (dominée dans l'histoire des dernières années par une forte théâtralité) marquée par de nombreux problèmes socio-économiques a déterminé un véritable exil de certains chorégraphes, comme c'est le cas de Mihai Mihalcea, à Berlin ou celui de László Hundi à Paris. Evoquant une soirée de danse contemporain à l'Opéra Nationale de Talin, le critique estonien Tiit Tuumalu écrivait : « Cette soirée mémorable démontre [...] au spectateur moyen – et avec encore plus de conviction – qu'il y a très proche de lui un autre monde où on ne parle pas la langue des arabesques et ni la langue du « *pas de deux* », qu'on peut penser et comprendre la danse de plusieurs moyens [...]. La danse estonienne ne vit pas seulement parce que ses adeptes sont des fanatiques. Seulement deux opéras-ballets – l'Estonie et Vanemuine – reçoivent des subventions fixes. Par rapport à nos voisins finlandais ou suédois, notre gouvernement ne finance pas les compagnies de danse contemporaine, et les danseurs se trouvent dans une situation très précaire. »

Les festivals, fréquemment soutenus financièrement par les municipalités, ont un rôle majeure et déterminant dans la consolidation de ces réseaux d'artistes indépendants, et surtout dans leur ouverture vers l'international : Tanec Praha, Le Festival d'Automne de Budapest, Bratislava en Mouvement, le Festival de Théâtre de Nitra (Slovaquie), Baltoscadal de Rakvere (Estonie) ou le festival La Nouvelle Action Dramatique de Vilnius sont des événements indispensables à la circulation des compagnies théâtrales dans l'Europe élargie. Ces derniers exemples sont les seuls à la disposition d'un réseau et ils représentent des expériences propres qui garantissent le succès de leurs projets. Grâce à ceux-ci, les échanges internationaux gagnent en dynamisme.

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LA LUTTE CONTRE LA DISCRIMINATION EN ROUMANIE DANS LE CONTEXTE EUROPÉEN (RESSOURCES HUMAINES)

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Abstract: In the Romanian society, the fight against discrimination is both a necessity and a challenge. A necessity, because Romania committed itself on a way without compromises, that of building a real democratic society, a society in which the respect for the human rights and fundamental liberties is a reality and the european models and values are transposed on a social, legislative and administrative level. A challenge because this fight does not only mean the building of an integrated institutional legislative system, but also, in many cases, the chancing of the deep rooted mentalities.

Les mots-clé : les droits, la discrimination, l'égalité des chances, le cadre législatif.

La discrimination, concepts

La Convention internationale au sujet de l'élimination de toutes les formes de discrimination raciale, adoptée par l'ONU, en 1965, donne la définition la plus complète et la plus reconnue de la discrimination. Elle vise toute distinction, exclusion, restriction ou préférence, fondée sur la race, la couleur, l'ascendance ou l'origine nationale ou ethnique, qui a comme but ou effet de détruire, ou de compromettre la reconnaissance, le bénéfice ou l'exercice, dans des conditions d'égalité, des droits et des libertés fondamentales de l'homme, dans les domaines politique, économique, social, culturel ou dans tout autre domaine de la vie publique.

La doctrine spécialisée, mais aussi la législation en domaine, nous montre que la discrimination directe se produit au moment où une personne est traitée moins favorablement qu'une autre. Même si on pouvait la traiter d'une manière similaire. La discrimination indirecte se produit au moment où une prévision, un critère ou une pratique, en apparence neutres, désavantage certaines personnes appartenant à une minorité, excepté le cas où ces prévisions, critères ou pratiques sont justifiés objectivement par un but légitime, et les méthodes utilisés en vue d'atteindre ce but sont adéquates et nécessaires.

La notion de discrimination est ainsi liée au traitement accordé à une personne, par rapport à celui dont une autre ou d'autres personnes jouissent, elle étant le résultat d'une action ou non-action qui porte à une inégalité de traitement. Certainement, elle doit être une inégalité injustifiable, conformément à la loi, parce que, dans la vie quotidienne, il y a des choix, des sélections qui ne sont pas interdites, mais qui s'appuient sur des critères de compétence et de professionnalisme. Les actes de différenciation, actions ou non-actions, même s'ils peuvent être jugés injustes ou arbitraires, ne deviennent pas illégaux, sauf s'ils violent le droit d'une personne ou l'égalité en droits, par rapport à des autres personnes.

Les théories économiques de la discrimination

La théorie économique trouve son point de départ dans la vision de Becker, mais elle a été développée par Arrow. Ceux-ci considèrent que les gens manifestent certaines attitudes envers leurs collaborateurs, envers ceux qu'ils surveillent et envers ceux d'où ils achètent des biens et, de plus, ils demandent une compensation pour travailler avec les membres du groupe discriminé. Si tous les engagés et les employeurs manifestent la même attitude en ce qui concerne la discrimination, le groupe discriminé va recevoir des salaires moins consistants, pour compenser les discriminateurs. Conformément à l'opinion de Becker, il existe deux types de discrimination :

- la discrimination par „goût” ;

- la discrimination par intérêt.

La discrimination par „goût” a été mise en discussion d’abord par Becker, puis elle a été développée par Arrow, qui a analysé les effets économiques des attitudes discriminatoires.

La discrimination par „goût”, en cas des engagés, apparaît au moment où ceux-ci manifestent une certaine aversion vis-à-vis d’un groupe minoritaire, leur salaire étant moins consistant que la productivité du travail. Du point de vue du travailleur, ce type de discrimination apparaît lorsqu’un groupe majoritaire a une certaine aversion vis-à-vis d’un groupe minoritaire et, par conséquent, il sollicite des rétributions plus importantes pour pouvoir travailler ensemble.

La discrimination par intérêt peut être déterminée par les consommateurs, s’ils préfèrent un certain bien de certaines firmes. Si c’est le cas, ils paieront davantage pour qu’ils soient servis par le groupe en question. Ce type de discrimination se produit lorsqu’une firme ou un groupe de salariés manifeste une position dominante, qui empêche les autres à dérouler leur activité.

Si le coût pour certains groupes de travailleurs est surévalué ou si la productivité de leur travail est sous-évaluée dans le but de s’intégrer sur le marché du travail, ceux-ci devront offrir leurs services pour des rétributions moins considérables que les autres travailleurs, pour pouvoir compenser l’aversion des employés envers certains salariés.

Si c’est le cas d’une discrimination, le producteur peut réaliser un profit inférieur qu’en cas contraire, à force des coûts supplémentaires déterminés par la l’existence de la discrimination. Si la firme embauche des employés appartenant à ces deux groupes, dans le but de fidéliser les membres du groupe majoritaire, elle devra leur offrir des salaires plus consistants, en vue de les motiver. Cette „prime” est financée justement de la diminution des salaires des travailleurs appartenant au groupe minoritaire.

Au moment où les travailleurs sont embauchés, une firme n’aura jamais la possibilité de connaître le taux exact de productivité de ses futurs salariés. Pour pouvoir procéder à un choix, l’employeur est obligé à réaliser une appréciation de leur efficacité (individuelle), ayant comme point de départ un nombre réduit d’informations, comme par exemple : l’âge, l’éducation, la nationalité, le sexe, la race, l’expérience professionnelle, tous ces éléments étant corrélés d’une manière imparfaite au niveau de la productivité du travail.

La discrimination statistique est déterminée par cette imperfection de l’information et elle a été étudiée, pour la première fois, par Arrow et Phelps. Cela veut dire que, lorsque deux personnes ont un niveau de la productivité identique, mais elles appartiennent à des groupes divers, elles auront des trajectoires différentes.

Parmi les effets de la discrimination, on peut énumérer : l’existence de l’incertitude sur le marché du travail ; l’augmentation du coût, mais aussi de la durée de recherche, pour le groupe discriminé ; le coût d’opportunité est moins significatif pour le groupe minoritaire que pour le groupe majoritaire, car les bénéfices potentiels de ceux-ci sont inférieurs ; l’existence du chômage et des employés découragés (qui fait sentie sa présence à cause de l’augmentation des frais en vue de la recherche d’en emploi) ; l’échec du marché, parce qu’il génère des coûts moyens d’investissements supérieurs aux cas comportant une attitude égale.

Dans le modèle proposé par Arrow, les préférences discriminatoires des employés sont remplacées par les perceptions „de ceux-ci sur la réalité”. Le modèle proposé par cet auteur a à la base deux hypothèses : l’employeur ne dispose *a priori*, d’une information parfaite concernant la productivité des employés. L’employeur se confronte à deux types de travailleurs, dont une partie sont des personnes hautement qualifiées, pendant que les autres ne disposent de la même qualification. Arrow analyse le niveau de qualification d’un travailleur à base du résultat d’un test de vérification et il introduit la notion de conviction subjective en ce qui concerne la probabilité qu’un travailleur appartienne à un certain groupe.

Dans le modèle de Phelps, la différenciation salariale entre les deux groupes n’est pas en relation avec les goûts discriminatoires ou avec certains préjugés erronés des engagés, mais elle est en rapport avec la qualité de l’information (c’est-à-dire la fiabilité du test).

A cause du fait que des salaires différents sont accordés à divers groupes qui présentent des niveau de qualification (les connaissances acquises avant l’insertion sur le marché du travail) identiques, l’équilibre sur le marché du travail est considéré un équilibre discriminatoire, mais, sur un marché compétitif les discriminatoires seront éliminés par les non-discriminatoires.

La lutte contre la discrimination

Le cadre législatif

Le droit de tous les individus à l'égalité devant la loi et à la protection contre la discrimination est un droit fondamental et essentiel, pour le fonctionnement normal de la société démocratique. Cela contribue à l'accomplissement des objectifs de promotion du progrès économique et social, par le développement de la cohésion économique et sociale. L'Union Européenne soutient les droits fondamentaux, la non-discrimination et l'égalité des chances pour tous. Le Parlement Européen et le Conseil de l'Union Européenne ont déclaré l'année 2007 – l'Année Européenne de l'Egalité des Chances pour Tous, en vue de la participation en plénitude de chaque personne à la vie économique et sociale, sans exception.

Conformément à l'Eurobaromètre spécial du mois de janvier 2007, 64% des citoyens européens estiment que la discrimination fondée sur l'origine est la forme de discrimination la plus répandue en Europe. La plupart des Européens perçoit également les discriminations dues à l'handicap (53%) et à l'orientation sexuelle (50%) comme étant répandues. Les Européens sont partagés à propos de la discrimination du point de vue de la religion et des convictions. 44% la jugent répandue, et 47% la qualifient de rare.

Parmi les critères susceptibles de désavantager à l'emploi les personnes ayant les mêmes compétences professionnelles, les Européens citent d'abord "le look, la façon de s'habiller et se présenter" (51%), le handicap (49%) et l'âge du candidat (49%). L'origine constitue le quatrième critère le plus fréquemment évoqué (45%). 87% des Européens soutiennent l'adoption de mesures en faveur des handicapés afin d'assurer l'égalité des chances dans le domaine de l'emploi. 51% des citoyens européens estiment que "l'on ne fait pas suffisamment d'efforts" dans leur pays pour lutter contre les discriminations.

En 1997, réunis à Amsterdam, les chefs des Etats et des gouvernements, de tous les pays membres de l'Union Européenne, sont tombés d'accord à renforcer sa capacité d'action dans le domaine de la lutte contre la discrimination, par la présence de l'article 13 du Traité de constitution de la Communauté Européenne, qui accorde à celle-ci des attributions spécifiques d'action afin de combattre la discrimination sur des critères de sexe, origine, raciale ou ethnique, religion ou conviction, dis habilités, âge ou orientation sexuelle.

En juin et respectivement novembre 2000, à base des propositions de la Commission, le Conseil de l'Union Européenne a adopté trois instruments clef, voués à prévenir et à combattre la discrimination du point de vue de l'origine raciale ou ethnique, religion ou convictions, âge, dis habilités, sexe ou orientation sexuelle.

- La Directive du Conseil 2000/43/CE, concernant l'implémentation du principe du traitement égal entre les personnes, indépendamment de l'origine raciale ou ethnique (ou la Directive de l'Egalité Raciale) – celle-ci interdit la discrimination du point de vue de l'origine raciale ou ethnique, dans une multitude de domaines tels l'éducation, l'emploi, l'accès aux biens et aux services ou à la protection sociale.
- La Directive du Conseil 2000/78/CE, concernant la création d'un cadre général en faveur du traitement égal à l'égard de l'occupation de la force de travail et des conditions d'emploi (ou la Directive de l'Egalité dans l'Emploi) – celle-ci interdit la discrimination dans emploi et exclut toute discrimination sur des critères de religion ou convictions, âge, dis habilités, sexe ou orientation sexuelle.
- Le Programme Communautaire d'Action pour Combattre la Discrimination (La Décision du Conseil Européen no.750/2000) – ce programme est destiné à appuyer et à suppléer les efforts au niveau communautaire pour la promotion des mesures initiées par les Etats membres, mais aussi par les Etats candidats.

La Roumanie a été parmi les premiers Etats candidats ou en cours d'adhésion qui ont soutenu une législation spéciale anti-discriminatoire. D'ailleurs, en 2000, a été adoptée l'Ordonnance du Gouvernement no. 137, concernant la prévention et la sanction de toutes les formes de discrimination. Cet acte normatif a été modifié et complété à plusieurs reprises, jusqu'à un niveau de réglementation qui remplit, en grandes lignes, les demandes de la Commission Européenne, concernant l'alignement de la législation interne aux prévisions de l'acquis communautaire.

La loi touche quelques domaines généraux de mise en pratique :

- l'égalité dans l'activité économique, dans l'emploi et du point de vue professionnel ;

- l'accès aux services publics administratifs et juridiques, de santé, à d'autres services, biens et facilités ;
- l'accès à l'éducation ;
- la liberté de circulation, le droit au libre choix du domicile et l'accès aux endroits publics ;
- le droit à la dignité personnelle.

L'institution habilitée à assurer le respect du principe de l'égalité de traitement et de la non-discrimination est le Conseil National pour Combattre la Discrimination, qui fonctionne en tant qu'organisme de spécialité de l'administration publique centrale, ayant personnalité juridique, étant sous-ordonné au Gouvernement. Il a été créé en 2002, à base de l'Ordonnance du Gouvernement no. 137/2000, concernant la prévention et la sanction de toutes les formes de discrimination et il déroule son activité conformément à l'arrêté gouvernemental no. 1194/2001, qui concerne l'organisation et le fonctionnement du Conseil National pour Combattre la Discrimination, avec les modifications et les annexes ultérieures.

Les principales attributions du Conseil sont :

- l'investigation des faits de discrimination, à base des saisies et des auto-saisies ;
- la sanction des faits de discrimination ;
- la proposition et l'institution de mesures affirmatives pour la prévention des faits de discrimination ;
- la proposition de projets d'actes normatifs dans le domaine de la non-discrimination ;
- la notification des projets d'actes normatifs au sujet de l'exercice des droits et des libertés, dans des conditions d'égalité et de non-discrimination ;
- la collaboration avec des organisations non-gouvernementales, qui ont comme but la protection des droits de l'homme ;
- la collaboration avec des organisations similaires et avec des organisations non-gouvernementales du domaine des droits de l'homme, dans d'autres pays, mais aussi avec d'autres organisations internationales en matière.

Le Conseil fonctionne à la suite de l'accomplissement des engagements assumés par la Roumanie, pour transposer l'acquis communautaire dans le domaine de la non-discrimination et, conformément aux appréciations de la Commission Européenne, la Roumanie a été le premier des Etats candidats ou en cours d'adhésion qui gère un organisme pour la promotion de l'égalité, fonctionnel, tel que l'acquis prévoit.

L'amélioration du mécanisme national anti-discrimination

Pour remplir les engagements assumés dans le procès d'intégration européenne, en ce qui concerne l'existence d'un mécanisme efficace anti-discrimination et pour l'alignement complet aux préventions de l'acquis communautaire en matière, le Conseil a initié un projet de loi dans le but de prévenir et de combattre la discrimination.

Par la promotion de ce projet on a eu en vue, principalement :

- La garantie de l'indépendance du CNCD et la clarification de ses attributions, par :
 - la réorganisation du CNCD et sa définition, en tant qu'institution autonome sous contrôle parlementaire, le garant de l'intérêt public et des personnes, dans le domaine du respect du principe de la non-discrimination ;
 - la modification de la composition du Collège directoire du CNCD, par l'augmentation du numéro des membres de 7 à 9 et l'introduction d'une nouvelle procédure de nomination – deux membres par le président de la Roumanie, le Sénat, la Chambre des Députés, le Gouvernement, respectivement un membre par les représentants de la société civile ;
 - la nette spécification du statut et des compétences des membres du Collège directoire ;
 - la création des bureaux régionaux du Conseil (au niveau de chaque département) ;
 - l'ajustement de la procédure légale appliquée par le Conseil avec les prévisions du Code de procédure civile ;
- Le recouvrement des défauts de réglementation existants dans la législation en vigueur

Le projet de loi introduisait des notions importantes, telles la discrimination multiple, l'instigation à la discrimination, les standards usuels dans l'emploi, l'inversement de la charge de la preuve. La Commission Européenne a attiré l'attention à plusieurs reprises, principalement sur la nécessité de sa réglementation. D'ailleurs, on a étendu l'aire des critères de discrimination, afin d'éloigner l'existence des cas en pratique non-recouverts, du point de vue de la réglementation.

- La nette spécification de certains termes ou notions

La signification des plus importantes notions est expressément définie au corps de la loi, afin d'éviter l'existence des confusions ou interprétations différentes.

Un mécanisme efficace contre la discrimination ne peut fonctionner sans avoir des structures implémentaires correspondantes. Dans cette direction, le Conseil a eu comme but la consolidation de sa capacité administrative par l'implémentation d'un projet de type twinning.

Le Projet intitulé „Construction institutionnelle dans le domaine de l'anti-discrimination” (RO/03/IB/SO/05), a été financé au cadre du programme Phare 2003 par la Commission Européenne. L'objectif général était le renforcement de la capacité opérationnelle du Conseil National pour Combattre la Discrimination (CNCD), ainsi que l'augmentation de l'impact de cette institution sur la société roumaine. Au cadre du projet, la Hollande a assisté au CNCD et à d'autres institutions et organisations de Roumanie dans le domaine de l'anti-discrimination.

Le projet, coordonné par le Ministère de la Justice hollandais, a impliqué des experts appartenant à plusieurs institutions et organisation de Hollande.

Le but du projet a été l'amélioration des ressources humaines, matérielles et juridiques du CNCD, ainsi que l'amélioration des politiques publiques, par l'implémentation des mesures suivantes :

- le renforcement des structures institutionnelles du CNCD et du réseau externe de partenaires, par l'amélioration du profil institutionnel du CNCD et la préparation du personnel de l'institution dans les domaines de la communication interne, de la culture organisationnelle et de la communication avec le public ;
- l'amélioration de la législation roumaine dans le domaine de anti-discrimination par l'évaluation de la législation en vigueur et l'élaboration de quelques propositions d'amélioration de la législation;
- l'amélioration des connaissances du personnel du CNCD et des représentants des autres institutions et organisations remarquables en matière et l'amélioration de leur coopération par la qualification du personnel dans le domaine de la législation nationale et internationale, des procédures légales, le développement des politiques publiques dans domaine de l'anti-discrimination ;
- l'information du public en ce qui concerne la problématique de l'anti-discrimination par le commandement et l'évaluation d'un sondage d'opinion à l'égard du degré de connaissance du phénomène de la discrimination et du CNCD rangé le public, par l'assistance accordée, afin d'aider au développement d'un plan de communication et par la préparation accordée en vue d'une meilleure communication avec les moyens d'information en masse. On a développé, implémenté et évalué une compagnie-pilot pour la conscientisation concernant la discrimination.

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RATIONALIZING THE STRUCTURAL ORGANIZATION OF THE SALES ACTIVITY

Brutu Mădălina

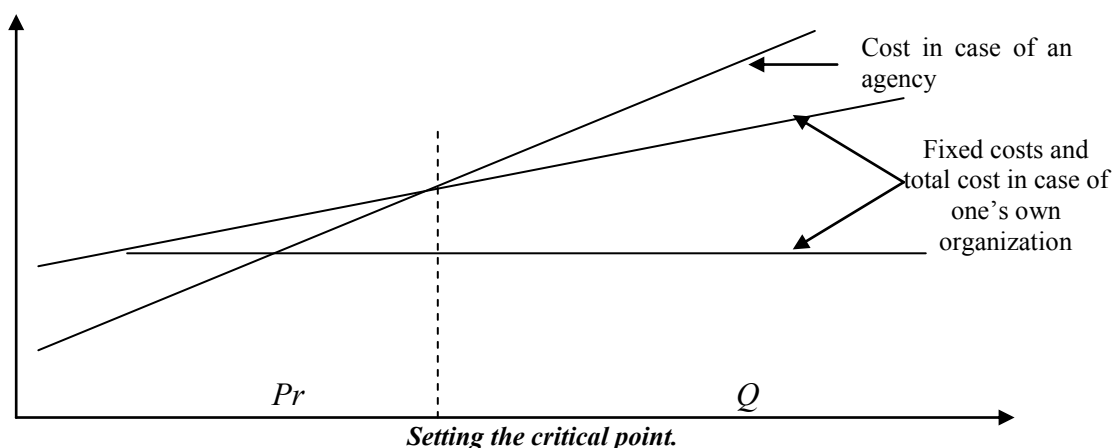
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Summary: When we intend to improve the performances of the sales activity, rationalizing its structural organization can prove to be a successful solution. The work presents the possibilities for improving the structural organization, by analyzing two methods for dimensioning the sales personnel (The method of the sales potential and the Incremental Method) and by proposing a range of complex organization structures.

Key words: sale, structural organization, rationalization, the method of the sales potential, the incremental method.

The great dilemma of the sales activity consists in **choosing the services of certain sales agents exterior to the company or organizing one's own service**. Sometimes we can even reach a compromise between these two variants, by using a combination of them. Optimization between the two variants can be made by evaluating each form of action. Evaluation can rely upon economic factors as well as upon factors which are determined by the company strategy and by its control possibilities.

a) **Economic factors.** These factors can be found in the costs of sales involved by the two variants. Based on these costs we can apply the critical point method and according to it we can determine the activity volumes that are in favour of one variant or another:



The graph and the economic reality point out that in case of a small sales volume, one should appeal to sales agencies. The small sales volume and the low profit obtained from its valorisation would render inefficient the creation of one's own sales structure. As the sales volume increases, the efficiency of the organization of one's own sales structure also increases.

b) **Factors depending on strategies and control activity.** Agencies are not always able or do not wish to apply the company strategy in the sales field. These agencies are basically some companies that develop them too their own strategies. Although in practice the productive company strategy intersects with the sales agency strategy which obviously represents a significant disadvantage.

Concerning the control, the influence can be found especially in the possibility of a corrective action which can and must appear. As we know, the efficiency and effectiveness of the corrective actions is as high as the control is anticipative and reactive. In the case of sales agencies the reaction time is extended so the control is mainly based on effects and not on their anticipation.

Another improving possibility aims at the **correct dimensioning of the sales force**, as we know it is quite expensive. The specialty literature provides methods for dimensioning the personnel, methods which can prove their efficiency:

The method of the sales potential

Through this method we can carry out a sales forecast based on the management objectives and on the market share. Starting from the premise that all the sales agents accomplish the tasks mentioned in the job description, we can calculate the average level of individual productivity (by also taking into account the losses caused by holidays, approximately 10% each year). The formula for calculating the sales personnel dimensions is the following:

$$N = S/P + T(S/P) \text{ or: } N = S/P + (S)(T)/P$$

Which is equivalent to: $N = S/P (1+T)$, where: N – the number of sales agents; S – the sales forecast; P – the level of the individual productivity; T – the fluctuation of the sales personnel, in percentages. Supposing that $S = 20$ millions £, T is 10 %, and P is 500.000 £, dimensioning the sales personnel: $20/0,5 \times (1 + 0,10) = 40 \times 1,1 = 44$ people.

A minus of this method has in view the accuracy with which we can estimate each variable and especially P and T , under the conditions in which the necessary time for recruitment, the lost sales effect and the level of the estimated individual productivity are also variable. The method also supposes the presence on a relatively static market, the reality being often different.

The Incremental Method

In order to go beyond the deficiencies of the other methods we proposed this new method. The presented formula is an extreme simplification of the economic factors related to the sale. We start from the hypotheses that the product mix is uniform, and the external factors in each covered area can be correctly estimated before. The costs related to the selection, recruitment or dismissal of the sales agents can be seldom estimated in an exact manner, and the forms of promotion (such as advertisements) can have effects that vary from one potential client to another. The simple formula, based on the direct relation between the sales volume and the commercial activity of each sales agent, under the conditions in which the other factors are constant is not valid. The market dynamics (correlated with the economic increase and decrease patterns) distort the calculations concerning the efficiency of the sales agents from the point of view of the sales function reaction speed. The season, cyclic and competition fluctuations create a market uncertainty which leads to the risk of having an excessive sales personnel, a thing that may cause a deficiency from the point of view of costs. These problems can be worsened by hiring additional salesmen during the periods when the profit is positive. These aspects are formalized in the following manner:

$$S(P) - C > 0, \text{ where: } S - \text{sales volume; } P - \text{margin of profit resulting from sales; } C - \text{costs with the sales agencies.}$$

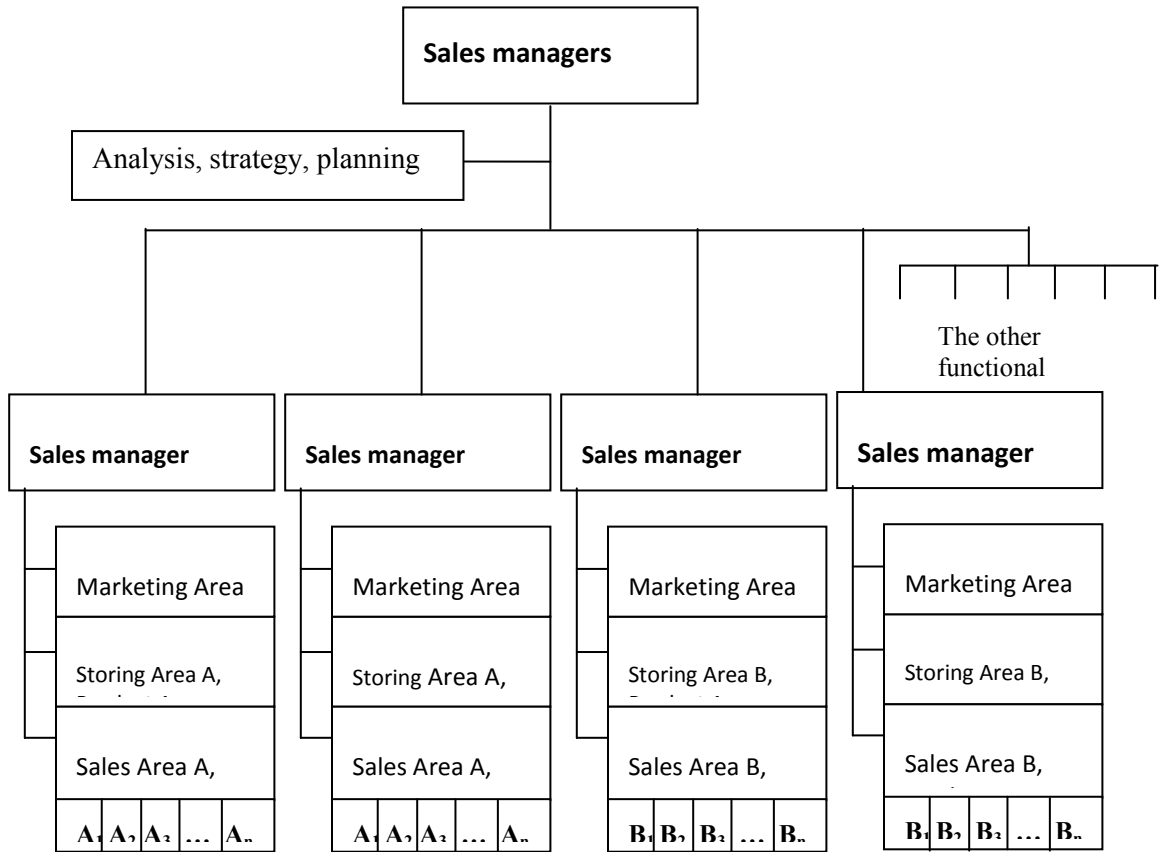
The major deficiency of this method consists in the fact that sales agents become sales dependant rather than sales creators. The formula also does not take into account the effects of the differences in point of capacity, knowledge, skills and aptitudes of the sales agents.

These two forms do not represent perfect methods for determining the size of the sales personnel and the dynamics of the marketing environment increase the complexity of this issue. The two methods, even if they are not perfect, can be adapted and improved in practice, according to the specific nature of each company and of the sales. **The specialty theory shall never provide miraculous solutions that can be used in all the cases, but solutions that must be adapted to each single case. The mastership of the Sales System consists in adapting the theoretical concepts to the own sales system (which is always an unique system) in a rational and competitive manner.**

Implementation must be accomplished after we decided which would be the role of personal sale within the marketing mix. The sales manager, if he wishes that the activity he coordinates is a successful one must take into account the necessity of choosing an efficient form of structural organization.

If the classical forms of the structural organization are not efficient for the activity that is performed, the sales manager can appeal to a combination of them which leads to the accomplishment of certain complex structures. Such a complex structure can be accomplished through the combination of the territorial one

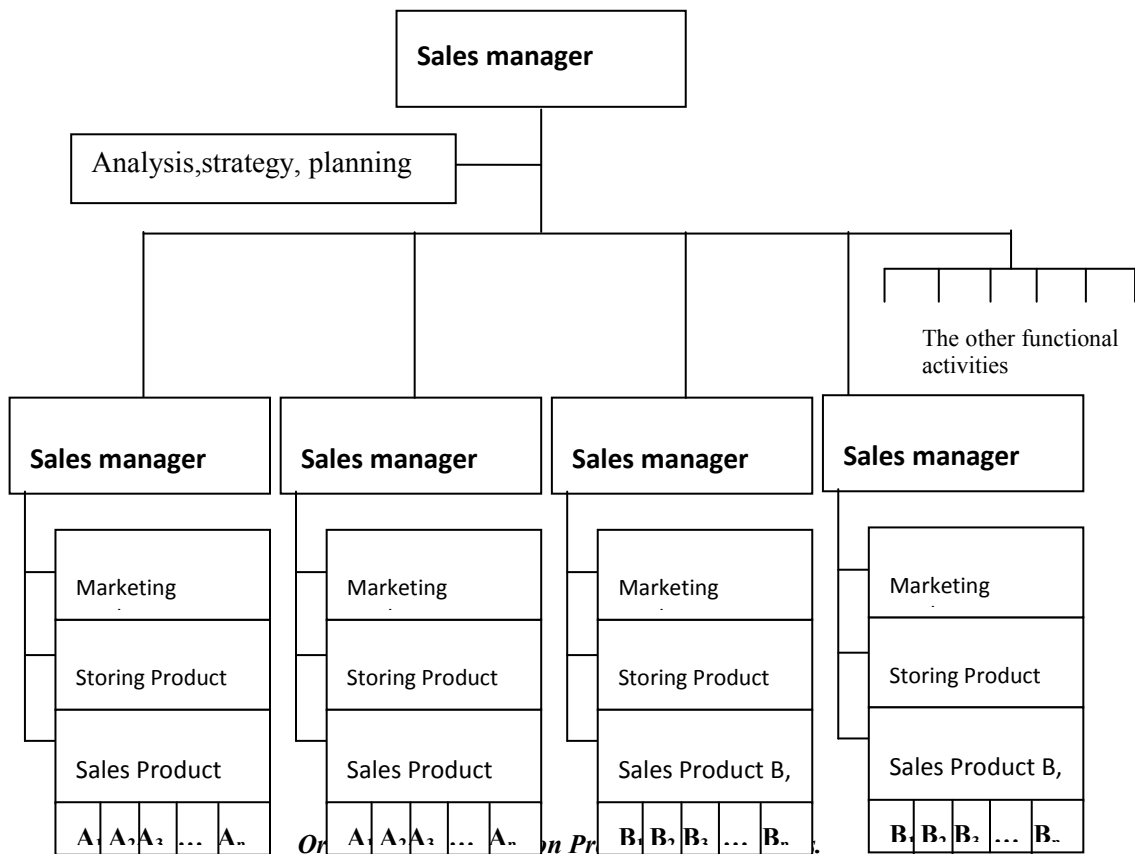
and on products. This form of organization is efficient when the company sells products of completely different categories in different areas.



Organization on areas and on products.

Obviously, this is an extreme example since certain activities such as marketing and storing can remain centralized or can be common within the area of all the products. Especially, it is rational that the storing activity remains common within an area.

The combination can also be performed inversely: on product and on areas; under these conditions the organizational chart would look like this:



Other combination possibilities aims at areas and clients, clients and areas or areas, Products and clients, according to the needs, opportunities and type of the sales activities.

As a conclusion, rationalizing the structural organization of the sales activity represents a n actual solution for improving the performances of the sales activity and of its management.

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THE APPLICATION OF THE TOTAL PERFORMANCE SCORECARD (TPS) PROCESS IN THE SALES MANAGEMENT

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Summary: Total Performance Scorecard represents a combination and also an extension of the concepts Balance Scorecard, Total Quality Management and Competences Management, being defined as a systematic process of continuous, gradual and routine improvement, development and learning, the process being focused on the solid increase of the personal and organizational performances. When we intend to improve the sales management, TPS can represent a feasible solution. This concept can be more successful than traditional ones (where improvement is often cosmetized), since real change and organizational improvement can be obtained if people change and improve themselves from the inside, this interior involvement being an integrant part of TPS whose purpose aims at maximum involvement and loyalty of all the involved persons, as well as encouraging individual learning, learning within a team and creativity.

Key words: Total Performance Scorecard, Personal Balanced Scorecard, Organizational Balanced Scorecard, Total Quality Management, Competences Management, Kolb learning cycle, Sales Management

Total Performance Scorecard (TPS) is a holistic management process of improvement and change; within this concept, improvement, development and learning are treated as cyclic and ethical processes through which the development of personal competence, of the organization as well as the internal implication are reciprocally consolidated.¹⁹ This concept represents a combination and also an extension of the concepts Balance Scorecard, Total Quality Management and Competences Management, being defined as a systematic process of continuous, gradual and routine improvement, development and learning, the process being focused on the solid increase of the personal and organizational performances.

The process consists of the following elements²⁰:

- **Personal Balanced Scorecard – PBSC** that involves mission and vision, objectives, performance indicators, targets and actions for personal improvement, including the continuous improvement of abilities and personal behaviour, concentrating on personal wealth and success in society. At a personal level, mission, vision and essential roles are named personal goal, and self-guidance, self-development and self-management are in the centre of PBSC, being addressed to all the employees of an organization (either if they are management staff or simple accomplishees).
- **Organizational Balanced Scorecard – OBSC.** This involves mission and vision, basic values, success critical factors, objectives, performance indicators, targets and actions for organizational improvement. Mission, vision and basic values are named here the common goal of the organization. The concept includes continuous improvement and the control of the functional processes within the organization, as well as the development of the strategies that focus on obtaining competitive objectives for the company. OBSC is communicated and transformed into scorecards within the departments/activity units, scorecards within the team and performance plans for the employee. In OBSC the stress is laid upon the strategy development and implementation.

¹⁹Rampersad H.K., Total Performance Scorecard: bases, Didactic and Pedagogic Publishing House, Bucharest, 2005, p. 17.

²⁰ Idem, p. 27 – 29.

- **Total Quality Management – TQM** is a disciplined way of functioning within an organization whose central pillar is continuous improvement. TQM lays the stress upon mobilizing the entire organization with the purpose of complying with the clients' needs. Here the accent is laid upon learning.
- **Competences Management** involves the continuous development process of the human potential within an organization, having as a purpose the continuous supply of top performances with motivated and developed personnel and focusing upon the employees' maximum development and on the optimum use of their potential with the purpose of fulfilling the goals of the organization. The process involves the development of the competences related to the job requirements. Information, abilities, experience, skills, standards, values and principles are focused on skilfully complying with the job requirements. The main part is here the development cycle which is made up of the following stages: *Results planning; Guidance (coaching); Evaluation and development of the competences related to the job requirements.*
- **Kolb learning cycle.** The process of instinctive learning or learning through experience is noticed in all the four management concepts mentioned hereinabove. These learning forms have as a result individual and collective behaviour changes. Kolb learning cycle has four stages and it is used for creating the necessary conditions for efficient organization change: *Gaining practical experience; Noticing this experience, analyzing it and afterwards evaluating the experience; Drawing conclusions from this experience and transforming the perceptions into rules, concepts, hypotheses, models and theories with the purpose of learning to draw conclusions from similar experiences and Testing these ideas through experiments, out of which new behaviours and experiences will come out.*

After the planning of the above steps, the cycle is resumed.

Elaborated at the beginning of the 90's²¹ by Robert Kaplan and David Norton, TPS provides a method for maintaining equilibrium between the financial and non financial indicators and for making the connection between the strategic and operational management.

When we intend to improve the sales management, TPS can represent a feasible solution. In this case the **Organizational Scorecard Balance** transforms itself into the **Sales System Scorecard Balance**, and this includes: mission, vision, critical success factors, objectives, performance indicators, the improvement targets and actions within the sales system. In this sense, the concept would include continuous improvement and functional processes control within the *Sales System* as well as the development of certain strategies that focus on obtaining the competitive advantages of the sales activity.

For example, for the „clients" section, the **Balanced Scorecard** of a company in the wood processing industry will look like the one below:

Critical success factors	Strategic objectives	Performance indicators	Targets	Improvement actions
- The dominant share on the global market	- Bigger market share	- Market share	- 10% increase during 10 years	- Extending the company activity in other areas
				- Developing objectives-oriented marketing programs
				- Developing a direct marketing plan
				- Communication with the clients using E – business tools

²¹Rampersad H.K., quoted work, p. 30.

	- A more profound knowledge of the global market concerning the wood products demand	- Potential incomes	- 20% increase during 5 years	- Elaborating a market survey for the markets aimed at - Creating a data base that includes the characteristics of the potential clients
- The clients' first choice for furniture	- Improving the clients' satisfaction level concerning wood products, services and employees	- The number of surveys concerning the clients' satisfaction	- At least 10 per year	- Periodically carrying out surveys among the clients - Remarks concerning the clients' purchasing habits
		- The clients' satisfaction level	- At least 75% in 3 years	- Creating assistance centres for the clients - Developing guides for the clients' optimal satisfaction
- High quality wood products and additional services	- Clients' high level of satisfaction and trust for the provided wood products and additional services	- Number of complaints from the clients	- Decreases with at least 30% per year	- Providing additional bonuses to client-oriented employees
		- Clients' loyalty level	- Increase of 30% in 4 years	- Elaborating a procedure for solving the clients' complaints and permanently executing it - Measuring the clients' loyalty level
- Image	- Improving the level of the company knowledge by the	- The knowledge level – as a company that provides high quality products and services	- Increases with at least 70% in 4 years	- Benchmarking concerning the clients loyalty - Carrying out image surveys

***The Balanced Scorecard of a wood processing industry company,
for the section „CLIENTS”***

(Source: Rampersad H.K., **quoted work**, p. 105 – 106 + the **author's opinion**.)

- **Personal Balanced Scorecard (Personal Balanced Scorecard – PBSC)** shall include the same elements for the sales personnel, either they are chiefs or simple executives. An example of Personal Balanced Scorecard, for a sales manager ad interim is the following:

Critical success factors	Personal objectives	Personal performance indicators	Personal targets
<i>FINANCIAL</i>			
- Financial health	- More incomes	- Salary increase	- At least 5% per year

	- Safer incomes	- Labour agreement	- From a temporary labour agreement (as manager ad interim) to a permanent labour agreement (on an undetermined period) during 2 years
		- Pension	- 13% of the gross salary
		- Insurance	- 5% of the gross salary
	- Expenses control	- Percentage of the income destined to expenses	- To increase with at least 5% in two years

EXTERNAL

- To be appreciated by family, friends, colleagues and employer	- To be appreciated by the life partner	- The number of times you went out together in a nice place	- At least once a week
	- To be appreciated by one's own children	- To be sympathized by one's own children	- Every time there is an opportunity for this
	- To be appreciated by friends	- The number of true friends	- Increases according to the circumstances
- To provide high quality work	- To be appreciated by the employer	- Level of the received reward	- Increases with at least 5% per year
	- The employees' improved satisfaction level	- The employees' satisfaction level	- At least 80% in 1,5 years
	- Higher amount of trust from the employer in carrying out my work	- The employer's satisfaction level	- At least 80% in 1,5 years

Critical success factors	Personal objectives	Personal performance indicators	Personal targets
INTERNAL			
- To fight for physical and psychial health	- To be physically and psychically in good health	- The percentage of sick leave	- Less than 2% in 1 year
		- The pressure level	- Decreases with at least 50% in 2 years
		- The immunity level under stress conditions	- Decreases with at least 50% in 2 years
	- More spare time	- The number of paid holiday days per year	- At least 17

	- To enjoy good thinks in life	- Pleasure	- Must be determined
KNOWLEDGE AND LEARNING			
- To have initiative, to learn from one's own mistakes, to improve myself and to develop myself continuously	- Increased work productivity	- Work productivity	- Increases with at least 25% in 2 years
	- Improved management competences	- Number of efficient initiatives	- Increases with at least 30% per year
- To learn every day	- Self-improvement opportunity in the management field	- Number of success strategic success improvements proposals	- Increases with at least 30% per year
		- The percentage of available management competences	- 85% in 2 years
	- Leadership abilities improvement	- The number of attended management courses	- 3 courses per year
		- The number of read new management books	- At least 10 courses per year
		- The percentage of employees that feel they work under an efficient leadership	- 85% in 2 years

***Personal Balanced Scorecard of a sales manager ad interim in the wood processing industry
(Source: Rampersad H.K., quoted work, p. 70 – 72 + the author's opinion.)***

- **Total Quality Management – TQM** shall aim at the disciplinary functioning within the *Sales Management* having as a main pillar continuous improvement.
- **Competences Management** shall aim at the continuous human potential development process within the *Sales System*, with the purpose of providing top performances with motivated and developed personnel. The process shall involve the development of the competences related to the job requirements within the *Sales System*, and the information, abilities, experience, skills, standards, values and principles shall be concentrated upon skilfully complying with the job requirements.
- **The Kolb learning cycle** shall include four stages and shall be used for creating the necessary conditions for the efficient change in the *Sales System* in the wood processing companies.

Obviously the **Total Performance of the Sales System Scorecard** depends on the organization TPS, mutually influencing each other.

The process starts from the entire organization and develops itself towards each department, team or employee so that the sales management improvement and change occur in the context of the general management change and improvement in wood processing companies.

Here is how TPS can represent another real possibility for improving the sales management in wood processing companies, this being a systemic process of continuous, gradual and routine improvement, development and learning. This concept can be more successful than traditional ones

(where improvement is often cosmetized), since real change and organizational improvement can be obtained if people change and improve themselves from the inside, this interior involvement being an integrant part of TPS whose purpose aims at maximum involvement and loyalty of all the involved persons, as well as encouraging individual learning, learning within a team and creativity. The main argument brought to this theory is that, if an employee's personal goal corresponds to the organization purpose, then he will think and work in the direction of reaching the company's shared purpose.

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INNOVATION - THE CHARACTERISTIC TOOL OF ENTREPRENEURS

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Abstract: The entrepreneur's actual innovation and innovative spirit are of great importance. Many entrepreneurs are very capable and obtain expected results in production or product opening, but very few know how to sustain a creative innovative activity or to stimulate the creativity and innovative spirit of the staff he is working with in research. The implications are the more obvious if we consider the fact that the force of modern development consists in the capacity of inventing and then in the capacity of creating new products based on innovations. To be able to adapt to these imperatives, the entrepreneur needs to embrace the new and challenge it.

Key words: innovation, creativity, entrepreneur, challenge

The entrepreneur is defined as being the one who “creates something new, something different”, the one who “changes or transforms values”. Specialists in economy also use the term entrepreneur with the meaning of enterprising person. An entrepreneur's work is based on a complex of theoretical knowledge and practical skills. Through all these, the entrepreneur has the possibility to understand the theoretical bases of the entrepreneurial activity, to collect a fund of expertise documentation, to outline standards regarding performances, conduit and ethic criteria. Intelligence, energy, far-sightedness, decision-making, capability and initiative emotional balance, intellectual flexibility, intuition, passion for working with employees, receptivity towards technical and social progress, honesty, good intentions, integrity and justice are among the most important features of entrepreneurs. An enterprising person is somebody who starts his own business, who organizes, leads and assumes responsibility for any possible risks encountered along the way. Some specialists in economy also sustain that an enterprising person can create an economical activity “out of nothing”.

The experts divide an entrepreneur's assets into several categories. One of the categories is created on the basis of individual talents, entrepreneurial knowledge and entrepreneurial expertise, and characteristic features, while the other is created on the basis of the actual content of the activities, expertise and experience and talent in working with human beings. In certain situations when an entrepreneur has to possess other features too:

- tolerance,
- the will to listen to others,
- quick evaluation,
- recognition of the good side of things and employees.

The following features are also vital:

- intellectual capacity,
- intellectual efficiency,
- enthusiasm,
- power to express your thoughts and opinions.

Psycho-socio-professional requirements of the entrepreneurial activities necessitate for the entrepreneur to have additional characteristics besides the ones presented above. These characteristics are in close correlation with:

- creativity,
- imagination,
- temper,

- character.

The entrepreneur has to respect a sum of basic principles, besides those mentioned above:

1. The limitation of founder members or partners strictly to those who are really interested in investing and are aware of the risks involved.
2. The clear delimitation and specification of the business background, of its activity and of the company's goals, in precise terms which have to also refer to the type and size of necessary acquisitions, to the way of their concretization, to the reasons of a certain acquisition.
3. The concentration of all available resources of the company towards realizing two or at most three highly important specific operational objectives, specifying at the same time the necessary period of time in which they will be achieved.
4. The existence of a written plan of action which must define the tasks, responsibilities and authority of every person in the company.
5. The strategic employment in key positions of successful people in their field of activity to carry on the company's essential achievements according to its value scale.
6. The rewarding of individual performances which exceed the standard requirements in order to assure the necessary motivation and professional competition, succeeding in increasing the activities efficiency.
7. The realization of methodical expenses, taking into consideration the ratatability and the favorable balance.
8. The planning, controlling and maintaining, of the business's cash flow, in order to ensure- in a sufficient amount the necessary liquidities that will create the company's credibility in front of the creditors and business partners.
9. Permanently keeping an enlarged image, as objective as possible, over the parameters and terms of the activity's development and at the same time over the business's perspectives.
10. Having a permanent preoccupation regarding the anticipation of possible changes so that the business plan can adjust to their content and to the market's realities.
11. Focusing the management activity on objectives, on innovation and on materializing opportunities.

Creativity is one of man's superior aptitudes, one of the psyche's processes that helps identify new, original possibilities of combining heterogeneous, more or less related elements, consisting in knowledge accumulated through study or experience, combining which represents a scientific, technical or artistic creation that forms a material or spiritual asset that turns out useful for society for a certain period.

Most economists claim that the creational process has four stages:

1. Preparation -the stage in which the creator receives and memorizes diverse information, after which he distances himself from the problem that is preoccupying him-
2. Incubation -prepared by the distancing from the problem, it consists in its projection from the conscious to the preconscious where the combining activity, which unleashes the attention, permitting it to gather new information which becomes supplementary reference elements for new associations with the projected problem in the preconscious-
3. Illumination -the stage that can occur anywhere and anytime, in which the combining of distanced elements, which is mostly instantaneous, in a new way, is accomplished as well as the projection of the combination in the conscious field-
4. Realization -the stage in which the creator returns to reality, resorts to logic and concrete means of communicating the result of his creation and verifying its validity-

The creativity requires native abilities:

- superior intelligence,
- intuition,
- a rich imagination

which appropriately cultivated and developed amplify one's creative capacity.

Innovation is the characteristic tool of entrepreneurs; it is the means through which they exploit change as a possibility to accomplish different businesses or services. It is necessary for entrepreneurs to consistently search for innovation sources, their changes and symptoms, which indicate the possibilities of realization of successful innovations. Nowadays, because of acerb competition, entrepreneurs have to practice systematic innovation. Change is the one who is always offering opportunities to create something new, something different. Systematic innovation therefore consists in the organized, purposed search for change and in the systematic analysis of the opportunities that these changes provide for economical or social innovation. Systematic innovation represents the identification of the seven sources or factors that favor innovation:

- The first four sources are located in the interior of the enterprise .They are mainly symptoms, but they are also very secure change indicators of the changes that have already taken place or that can be easily accomplished:
 - The unpredictable: unexpected success, unexpected failure, the unexpected exterior event;
 - The discrepancy between the actual reality and the way it is thought to be or the way it 'should be';
 - Innovation based on operational necessities;
 - Changes in the structure of the industry or market that surprise everyone;
- The second group of innovation sources implicate changes outside the enterprise or branch of activity:
 - The demographic phenomenon (changes in the structure of the population);
 - Changes of perception, disposition and signification;
 - New knowledge, both scientific and unscientific;

The seven sources claim a separate analysis because each of them has its own characteristics. But neither of them is more important or productive than the other. However, the order in which they will be analyzed differs, as they are presented in the descendant order of credibility and possibility of being anticipated.

Some specialists consider innovation a process that attempts 'to couple' imaginative people's ideas with current realities in science, technology and market –it represents a continuous creative flow, which begins from the initial idea and moves through the stages of the research-development activity, as it is oriented towards finding the best solutions of harmonizing the different factors' requests and incidents, appropriate solutions during a certain period and, therefore, changing.

The indispensable conditions for accomplishing a successful innovation are:

- the existence of a clear strategy, of perspective, regarding the orientation of the creative potential, the innovating efforts and their stimulation;
- the setting for limited periods of precise objectives to which all innovating efforts should be devoted;
- the availability of all necessary resources for the innovation effort;
- the thorough knowledge of market request, the anticipation of future requests;
- the harmonization of technical solutions with commercial ones, the adopting of selection and evaluation of innovation projects criteria so that the necessary harmonization is assured;
- the maintenance of a close contact with beneficiaries, the thorough acknowledgement of their needs;
- the realistic evaluation of one's own innovation potential;
- the profound integration in the scientific and technical activity, both nationally and internationally;
- the existence of a scientific and technical personality leading the innovating organization, capable to polarize, to guide and use to the full all creative energies through formal and professional authority, through experience and energy.

Innovation at enterprise level is conditioned by a series of specific factors, both to the enterprise as an institution, as well as to the people, as they are: the coherency of strategy, the clarity of the objectives, a sufficiently high enough financing degree and a proper management of the innovating activity, the existence of complete teams, capable of solving complex problems which may appear during the development of the project, the existence of clear results' and people's work evaluation, the existence of a competitive climate, both inside and outside the enterprise.

In order to stimulate creativity and innovation, the entrepreneur can appeal to four modalities:

1. the organizing of the creative and innovating week, that reunites the ones who take on the problem to reflect on present and future aspects and outline the concrete measures that will be presented to the manager;
2. the construction of a special team, reunited only when needed to use their ideas and intelligence in order to stimulate creativity in the unit;
3. the constitution of a permanent creativity department, whose leader receives, regroups, sorts out and processes new ideas;
4. the selection of a permanent creation group that reunites once a week and to who all problems are revealed;

The innovation is a necessary ingredient for stimulating growth. To achieve successful economic development, a country must experience both economic growth and "fundamental changes in the structure of its economy" (Gillis, 1996). Despite their typically unappreciated role, entrepreneurs orchestrate these transformations and create new channels for economic activity and employment. Thus, all countries that wish to pursue continued development must encourage entrepreneurship.

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THE MAIN PERFORMANCE CRITERIONS FOR BUSINESSMEN

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Abstract: The purpose of this paper is to describe the main performance criterions for businessmen. This criterions are appreciated differently from one region to another or from one social class to another. Businessmen's morality is more important than profit, than the power of their businesses, their organizational structure or their creativity. The company of the future is a moral company, a company where the changes will appear; all the companies will have to keep up with these changes if they wish to stay competitive. But what remains unknown is the nature of these changes, their magnitude and the fields in which they will be most obvious.

Key words: criterion, morality, innovative, change

An businessman's work is based on a complex of theoretical knowledge and practical skills. Through all these, the businessman has the possibility to understand the theoretical bases of the entrepreneurial activity, to collect a fund of expertise documentation, to outline standards regarding performances, conduit and ethic criteria.

In the future the changes will appear. A source of these changes would be the innovative spirit that springs from each and every young enterpriser, their freshness and anticipative spirit in business field. All these qualities always maintain a business at the top. After previously choosing a business idea, which would not be by all means new-after achieving a competent marketing study-which must include information regarding the customers, the company's field and its competitors-after the elaboration of a business plan, the entrepreneur has to further develop the business.

The business system is affected by many forces, both external and internal. The system approach-the viewing of any organization or entity as an arrangement of intereereelated parts that interact in ways that can be specified and to some extent predicted-provides a rational means for examining these interactions. Use of the systems approach inevitably leads one to conclude that every organization,indeed every system, is an open system. An open system is an organization or assemblage of things that affects and is affected by outside events.

Top management has perhaps the greatest concern for the external forces, while management at all levels must be concernedwith the forces of the internal environment. Managers at lower levels of the organization, however, confront an internal environment that is markedly different from that encountered by management at more senior levels. Within these complex external and internal environments, the business system operates; inputs are converted to outputs through a transformation process directed and controlled by managers.

Factors that management must consider in the external environment include the labor force, legal consideration, society, unions, stockholders, competition, customersand technology. Managers approach changes in the external environment proactively or reactively.

- A proactively response is takig action in anticipation of environmental changes.
- A reactive response is simply reacting to environmental changes after they occur.

Organization exhibit varying degrees of proactive and reactive behavior. A firm may be either reactive or proactive in any matter, legal or otherwise.

Factors to be considered I the internal environment include the firm's mission, its corporate culture, the management style of upper managers, policies, employees, the informal organization, other units of the organization and unions.

Management's job is to direct the transformation of resources-inputs in an effefficient manner to produce desirable goods or services-outputs. In the course of this process, managers plan, organize, influence and

control. They monitor the input and the transformation process and upon analyzing feedback from the output, make the adjustments necessary in the production process to obtain the desired results.

In order to be able to aim high and have high expectations, a young person has to know the features and main characteristics of a successful entrepreneur, to be well acquainted with the environment in which he will carry out his economical activity and perhaps be familiar with other successful entrepreneurs' activity which could be a source of inspiration. In order to refer to the economical environment in which young Romanian entrepreneurs carry out their activities, I will further present a statistic which provides information regarding the most important qualities an entrepreneur should have, from the Romanian's point of view.

The project "Zece pentru Romania" defines the main attributes of a native Romanian entrepreneur. The first three most relevant performance criteria Romanians guide after when judging businessmen's value are of moral nature, according to the survey on which the project "Zece pentru Romania" is based on.

Businessmen's morality is more important than profit, than the power of their businesses, their organizational structure or their creativity- this is the most important conclusion of the study. The survey, which was made at a national level by four important survey institutes (INSOMAR, IMAS, TNS-CSOP and CURS, on a sample of 4.304 subjects), reveals the fact that Romanians evaluate businessmen on similar criteria with those applied to politicians, congressmen or ministers.

Honesty is the most important criterion on which Romanians appreciate businessmen (42%), followed by the care shown regarding the employees (36%) and regarding the community through the payment of taxes (32%). Profit is only occupying the 8th place, with 14%, even if, probably, through businessmen's perspective, profit is the most important measurement of success. The honesty criterion is appreciated differently from one region to another or from one social class to another. In conclusion, honesty and fairness of businessmen are most appreciated in Bucharest (49%) the other southerners do not consider it that important (39%).

Romanians with high social status (classes A, B ESOMAR) appreciate fairness of businessmen more than those with lower social status (classes D,E ESOMAR) – 45% superior social classes, 40% inferior social classes.

The second most important performance criterion – "makes sure that his employees earn well"- is the least appreciated in Bucharest (26%) and the most appreciated in Oltenia (43%). These results confirm, practically, "the map of financial earnings", Bucharest being the financial leader and having at the same time the lowest unemployment rate. Because financial earnings are not a major problem for people living in Bucharest, it is less appreciated here than in other areas of the country.

Finally, the third criterion guiding the Romanians in appreciating the value of businessmen is the payment of taxes. This criterion is perceived differently according to the social status: to educated Romanians with a superior social status, taxes paid by a businessman are more important than to those who belong to inferior social classes-34% to 30%.

This study reveals a very important aspect: for those with superior studies, it is more important that the businessman pays his taxes (34%) than to make sure that his employees earn well (30%). An explanation of the result could be that Romanians with superior studies seem more responsible and more conscious of the fact that taxes paid in community backup projects for more people and scientifically prove that these people have a more developed civic sense than other social classes and, as a consequence demand the same thing from businessmen.

Another interesting conclusion revealed by the study is the fact that donations are a relevant criterion in appreciating a businessman only for 19% of the people interviewed.

Surprisingly, Romanians still believe that the state can administrate the funds that come from the taxes paid by businessmen better than the businessmen themselves could, through administrating the directions taken by the funds for community. An explanation can be the fact that a businessman who is making a donation can be perceived by many Romanians as somebody who is trying to create an undeserved image for himself.

Performance criteria for businessmen are:

1. Plays fair, uses concrete means of obtaining contracts/works 42%
2. Makes sure that his employees earn well 36%

3. Pays his taxes 32%
4. Provides decent work conditions for his employees 29%
5. He creates new workplaces in Romania 29%
6. He is able to solve every problem 27%
7. He helps people in need/makes donations 19%
8. Makes a large profit 14%
9. Works hard for his business 14%
10. He extended his business by his own means 13%
11. He built one or more than one powerful companies 11%
12. He is an organized person 11%
13. He is creative 8%
14. He received national or international awards 1%
15. No answer 3%

To be effective, a businessmen must possess and continually develop several essential skills. Conceptual skill is the ability to comprehend abstract or general ideas and apply them to specific situations. Technical skill is the ability to use specific knowledge, methods or techniques in performing work. The ability to understand, motivate and get along with other people is human skill.

There are both pros and cons in becoming a businessmen.

The pros include:

- An obvious reason to be a businessmen is the increased income;
- Many desire the respect and influence that normally go with a managerial job;
- The manager's job offers special opportunities for accomplishment;
- Businessmen have greater freedom than employees;
- Businessmen have special opportunities to help people.

The cons include:

- Some businessmen think their pay is not too high;
- In addition with their own concern, businessmen must struggle with the problems of others;
- Businessmen are held answerable not just for their own actions but for the actions of others;
- Some managers do not enjoy making the tough decisions that go with the job.

It is not at all easy to become a consummate businessmen, you have to be vigilant at all times, to respond for the consequences of your own actions, to be creative and innovative, to be inspired and informed about financing. However, with the help of scholarships and programs created especially for entrepreneurial development, the sinuous road of becoming "professionally mature" in the business field may be successfully finalized.

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MANAGERIAL DECISION. STUDY REGARDING THE INVESTMENT DECISION FOR REALIZATION OF “SLANIC MOLDOVA SKI PARK”

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The decision represents the center of management activity, because it insures the fulfillment of the organization functions. This paper aims to analyze the decisional system of a public organization: Bacau County Council in association with Slanic Moldova Local Council. The study attempts to mark out, in the limit of possibilities, the modality in which the decision of investment in Slanic Moldova Ski Park was made. The opportunity of studying the necessity of this investment consists in the appearance of the Phare Program 2004 – 2006 Large Projects for Regional Infrastructure which is financing, up to 90%, the investments in tourism infrastructure, like ski tracks with necessary equipment or balneary centers. The structure of case study develops three important directions of analysis: identifying and definition of the problem, formulation of alternative decisions and decision making.

Key words: managerial decision, economic development, project

Slanic-Moldova: present status

The study aims to mark out the modality in which the decision of investment in Slanic Moldova Ski Park was made. This section desires to analyze the decision making frame for developing Slanic Moldova resort through Ski Park project, initiated by Bacau county Council and Slanic Moldova Local Council. The investment decision aims the building of a ski track in Slanic Moldova, endowed with snow equipment, chair lift and nocturnal illumination. We must take into consideration the fact that the decisions regarding this policy are being taken since year 2004, so the data and information are related to that moment.

Also known as “*Pearl of Moldova*”, the resort is located in south-west part of Bacau County. It is one of the 12 balneary resorts of national importance. Its mineral springs were honored with different medals on international competitions. From the point of view of distances from main cities, Slanic is located at 86 km from Bacau City, 210 km from Iasi City, 160 km from Brasov City, 350 km from Cluj City, and 330 km from Bucharest. The airport from Bacau City can sustain the local tourism by insuring the travel of persons within national aerial network and through Otopeni Airport, within international network. Also, the airport from Bacau City has a direct connection with cities from north of Italy, with a stop over in Timisoara City.

SWOT analysis regarding Slanic Moldova resort

Strong points:

- Natural balneary and landscape potential, demonstrated by the declaration of Slanic Moldova as touristic resort of national importance through the Government Decision HGR 1122/2003;
- Qualified personnel in the field of touristic services;
- Existence of modern treatment centers.

Weaknesses:

- Insufficient development of leisure facilities of the resort;
- Unilateral development of touristic offer (balneary component).

Opportunities:

- Existence of European road E85;
- Existence of George Enescu International Airport in Bacau City;
- Modernization of Perla Hotel (4 stars);
- Reopening of Casino, renovated in year 2005.

Threats:

- Migration of qualified work force;
- Lack of investments in modernizing the touristic lodging;
- Lack of investments in road infrastructure.

Identification of main problems

As we shown in the paragraph regarding the reality perception, the main problems of Slanic Moldova resort consists of insufficient development of leisure facilities, in unilateral development of touristic offer on balneary component, in lack of a stable development of an economic alternative to tourism.

The aim of the project regarding the arranging of a ski domain in Slanic Moldova resort is the diversification of touristic offer, in view of increasing the attractiveness of balneary resort and stimulation of entrepreneurial spirit. At the same time, the project Slanic Moldova Ski Park tries to respond to a large demand for leisure services, if we take into the consideration that in all the aria of center and south of Moldova there is no other skiing domain properly arranged. The inhabitants from different counties: Bacau, Iasi, Braila, Vaslui, Vrancea, Galati and Moldova Republic have to turn to other destination like Vatra Dornei, Borsa, Poiana Brasov or Predeal for spending relaxing hours on the ski tracks. And that, in the condition in which, at an accessible distance, there are the ramps and the descents of Slanic Moldova resort, on which it can be set up a very attractive ski domain.

Entering of the problem in formal agenda and identification of evaluation criteria

The economic development of Bacau County and Slanic Moldova resort were in the center of the authorities concerns since the beginning of 1990. The lack of concrete solutions for improving the situation kept the problem into public agenda and in the formal agenda in a general manner. The opportunity of real integration into formal agenda was offered by the launching of Phare Financing Program 2004 – 2006 Large Projects for Regional Infrastructure, which are financing up to 90% of the total amount, investments in tourism infrastructure, like ski tracks endowed with necessary equipment or balneary centers.

In the case of initiation of this policy, the decision makers are Bacau County Council and Slanic Moldova Local Council.

The evaluation criteria of resolving the problem of economic underdevelopment of Slanic Moldova resort aims the necessity of identification of a efficient and popular solution that can lead to the solving of this problem. In this matter, the efficiency appeals to accessing European funds which can be used with maximum benefice form the community. The efficiency refers to identifying a feasible solution for solving the problem. At last, the popularity refers to necessity of community support for the policies that will be adopted in this matter.

Decision making

The decision represents the central point of public management activity, because it insures the fulfillment of function for which the public administration was created. At the same time, the integration of local community in the economic environment depends on the quality of the decision, because it influences the decrease of costs, efficiency of funds utilization increase of profit, coordination of main activity field, obtaining the desire efficiency, solving and mediation of conflicts and all other problems that an organization can encounter in its activity.

At the end of year 2004, the decision making related to the initiation of development policy for Slanic Moldova was in the center of public attention. The realization of *Environmental Impact Assessment* which is necessary in this kind of situations, led to the opportunity of consulting the inhabitants regarding the

impact on the community by building a ski track. The entire community, from civic servants to business men, from specialists to citizens from Slanic Moldova resort agreed on the necessity of realization of the ski track and other equipment and annexes. From this moment, there was left only the decision of the authorities: Bacau County Council and Slanic Moldova Local Council.

Resuming the analysis until this point, the solving of the problem of economic underdevelopment of Slanic Moldova resort has gain a large weight together with the opportunity offer by the appearance of Phare Program 2004 – 2006 Large Projects for Regional Infrastructure, which are financing up to 90% of the total amount, investments in tourism infrastructure, like ski tracks endowed with necessary equipment or balneary centers.

In the case of *Slanic Moldova Ski Park*, the decision makers are Bacau County Council and Slanic Moldova Local Council.

Local public authorities have analyzed several solutions which can resolve the problems in the region. From these decisions, taking into consideration the specifics of Phare Program criteria, there were left to discuss the following *two alternatives*:

1. arranging of a balneary park;
2. development of a ski domain.

There was made a SWOT analysis and a cost-profit analysis for each alternative, after which was left only the solution regarding the ski domain. The main argument for the ski track was that through its development there will be an increase of touristic offer of the resort and will be attracted new segments of tourists especially in cold season, generally with low occupancy degree. Also, it is important to mention the fact that the ski track will increase the occupancy degree of lodging amenities, it will bring the development of other services and trade (specific sport articles, handicraft items, alimentary products, etc) and it will lead to the development of the entire area.

After the generic establishment of the project theme, followed the analysis of different locations for the project, as well as the establishment of endowment and all the technical elements. Regarding the location of the ski track, it was established a list of possible locations for the project. In the next faze, there were consulted specialists in the field for establishing the optimal location.

The main constraint was related to the location of the ski track on the north descent of the mountain, for having a longer period with snow. Also, an important element was to facilitate the easy access to the ski track and especially the arrangement of a suitable parking space closer to inferior station of the chair lift.

In this context, the optimal location, chosen after analysis of all possible locations, was established to be on the north-eastern descent (ramp) of Cerbu peak of Nemira Mountains, at an altitude between 470 and 720 meters, with the point of arrival located between the Cerdac touristic complex.

Another important decision which was supposed to be made was referring to *endowment of the ski track*. The considered alternatives were:

1. realization of a classic ski track;
2. realization of a modern ski track, at European standards, endowed with nocturnal illumination and snow cannons and snow compacting machines..

Analyzing both alternatives, under all aspects, it was decided in favor of the second alternative, respectively the modern ski track with all the endowment. The choice was simple, being the only alternative considered on medium and long term, in the conditions in which is lacking the competition in the area at this moment, but in the future years there are premises for appearance of new ski tracks. We mention that there were considered probabilities of realization of this ski tack in other counties Neamt and Suceava.

The following decisional stream appeared when it was needed the decision for *optimal alternative for chair lift*. In this case, there were considered the following alternatives:

1. fixed chair lift with vehicles with 4 seats, always connected to a tractor cable;
2. declutching chair lift with vehicles of 4 seats and an automated coupling system to the tractor cable.

It was made the decision of choosing the fixed chair lift, which had lower initial costs, and also a cheaper maintenance. For reducing the speed in embarking and increasing the safety of users, it was chosen the endowment with a rolling lane in the embarking station.

Finely, regarding the traction system, there were considered the following alternatives:

1. classical (with tickets, respectively with season tickets);
2. magnetic access cards.

The chosen solution was the classic one, because the implementation costs for this system are more reduced. Plus, in distinction with Bucegi Mountains, where there are many ski tracks that can be accessed with only one magnetic card, in Slanic area there are no other similar facilities, so there is no justification in utilizing the card system, which implementation is more expensive.

The study regarding the decision making for Slanic Moldova Ski Park aims to analyze also if there is a justification for decision making in creating a ski track in Slanic Moldova on two major directions, technical and economical.

In which regards the technical opportunity, the opportunity study demonstrated the feasibility, from a technical point of view, of the construction of a ski track at Slanic Moldova. This conclusion can be sustained on the following arguments:

- from a technical point of view, considering the geo-technical characteristics of the land, difference of level, north orientation of the ski track and the fact that both its left and right parts are covered by woods, in the chosen perimeter it can be made a ski track;
- The endowment of the ski track with chair lift, nocturnal illumination and artificial snow determines the ski track to correspond to the highest national and European standards;
- Road, train and aerial access is facile;
- Average leaning of the ski track is 18,9 %, which determines an easy access to the ski track for all the tourists;
- The land on which the ski track will be made is property of Slanic Moldova Local Council, so the pre-condition of accessing the financing from Phare Program is fulfilled.;
- Taking into consideration all these aspects, we can sustain that the project is feasible from a technical point of view for the construction of a ski track in Slanic Moldova.

Regarding the economic opportunity, we considered it necessary and feasible the construction of the ski track in Slanic Moldova, because of the following arguments:

- The local economic characteristic is given by the large percentage of the touristic activity in the general economy of Slanic Moldova resort; still, the lack of investments in tourism and the lack of development of new attraction led to a decline of tourism; given the success of Azuga resort, where the appearance of ski track conferred an economic growth of the area, the realization of the ski domain in Slanic Moldova is a chance of economic development, in the conditions in which in the area there is no other modern ski track;
- Through the creation of the ski track it will be diversified the services in the area, in a direct manner (there will appear services like ski and winter sports, track climbing with chair lift, in different seasons) and indirect through the appearance of related services (like school for skiing, renting and selling centers for sport equipment, places with commercialization of food and beverages for skiers, development of handicraft products and souvenirs, new hotels and agro-touristic hostels, renovation and increase of the degree of comfort of accommodation and meal facilities);
- Regarding the competition, through the construction of the ski track in Slanic Moldova, endowed with chair lift, snow machines and nocturnal illumination, this resort will reach the level of other famous resorts in Romania, like Poiana Brasov, Sinaia, Busteni, Azuga; compared to the ski tracks from Azuga and Busteni, which, on similar endowment, they have an average level of difficulty, translated in the leaning of the track, the ski track from Slanic Moldova has a level of descent which categorized it on easy level, being able in this matter to attract all categories of tourists, including the beginners; the characteristics of the ski track from Slanic Moldova are similar to those of from Sinaia and Poiana Brasov; but considering

the price levels from these resorts (Poiana Brasov, Sinaia, Busteni, Azuga), and also the considerable distance between target counties from North-East Region and partially from South-East Region (Iasi, Braila, Bacau, Vaslui, Vrancea, Galati), we can state that for the areas mentioned above, the resort from Slanic Moldova has a great potential, being able to attract many tourists in averse of the resorts endowed with ski tracks from Valea Prahovei and Poiana Braşov; another comparable advantage of Slanic Moldova resort towards the resorts from Valea Prahovei and Poiana Brasov consists in the fact that Slanic Moldova resort is a balneary resort, the tourist being able to combine the health tourism with the sport tourism, in report of Durau ski track, which is no equipped with nocturnal illumination and artificial snow machines, the one in Slanic Moldova will have all the modern endowment; in this way, being projected with an artificial snow installation, the ski tack from Slanic Moldova will have a larger period of utilization in one season, without the dependency on the snow; plus, in the busy days, the period of skiing during a day can be extended on the night time, because of the nocturnal illumination. in conclusion, regarding the competition, the resort from Slanic Moldova (given the circumstances – advantages and disadvantages mentioned above) can have deal with success with the competition on the winter sports market from Romania.

- After all the above, we can conclude that the ski track which will be made in Slanic Moldova will constitute into an opportune and feasible investment from the economic point of view.

So, taking into consideration all the arguments mentioned above, we can affirm that the realization of the project *Slanic Moldova Ski Park* is opportune and feasible, from the economic, technical and political point of view, all the institutions with attributions in the field and all the parties manifesting support for the realization of this investment. At the moment, the project Slanic Moldova Ski Park is in the implementation period.

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STRATEGIC ANALYSIS OF CARGO TRAFFIC THROUGH CONSTANTA PORT

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Constanta Port is both a maritime and a river port. Daily, more than 200 river ships are charged or discharged or waits to be operated in the Port. Constanta Port facilities allow the entrance any tip of ship. The link between Constanta Port and Danube is realized through the Danube – Black Sea Canal and represents one of the major advantages of Constanta Port. Due to low costs and high volume of cargo transported, Danube represents one of the most advantageous transport routes, representing an efficient alternative road and railway transport of Europe. Large cargo quantities are transported between Constanta Port and Central and East European countries: Moldova, Bulgaria, Serbia, Austria, Slovakia and Germany. For Constanta Port, river traffic has an increased importance, representing about 23,3% of total traffic in 2005, when about 8.800 river ships had arrived in the Port.

Traffic analysis, harbor, berth, seaport, strategic analysis, cargo

Constanta Port

Constanta Port is situated to the south-east extremity of Constanta city and along the Black Sea shore, between Peninsula, in north, and Eforie Nord, in south, on length of 13 km.

Constanta Port has an annual operating capacity of over 100 million tones, using 156 berths, from which 140 are operational. Total length of quays is of 29,83 km, while the depth vary between 7 and 19 m.

These characteristics are comparables with those offers by the major important European and international ports, allowing the access of tanks of about 165.000 dwt and dry cargo ships with a capacity of 220.000 dwt. Nowadays, a series of investment projects regarding construction of new facilities for cargo operation and improving the transportation routs between the Port and hinterland are under run. These projects are mainly located in the south of Port.

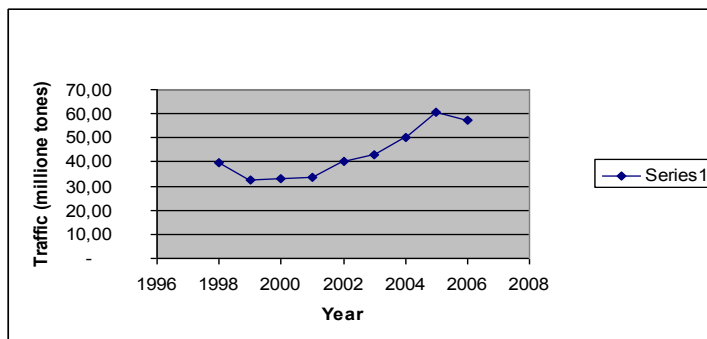
Cargo traffic through Constanta Port

Constanta Port position of “Eastern Europe Gateway”, due its strategic and economic position of Port, has a new understanding, under the new circumstances: Romania being a member of European Union starting with 1 January 2007; this lead to its transformation in “Easter European Union Gateway”. Today, we can say that, truly, Constanta Port is the largest and deepest Port from the Black Sea, and why not the biggest container terminal in the Black Sea.

Following, we analyze the cargo and ships traffic through the Port between 1998-2006:

Year	1998	1999	2000	2001	2002	2003	2004	2005	2006
Traffic (millions tones)	39,90	32,50	33,10	33,80	40,50	43,20	50,40	60,60	57,10

Global Traffic between 1998-2006

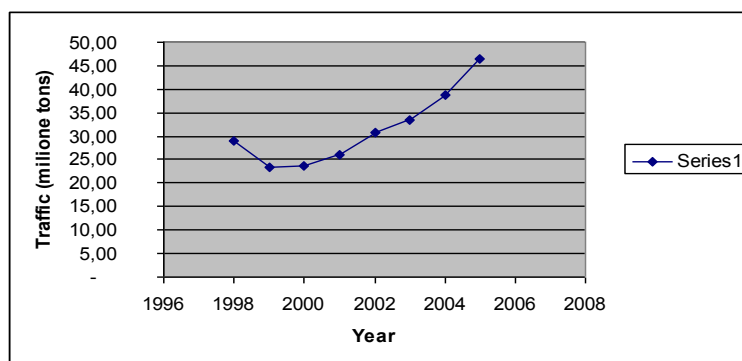


Global Traffic Dynamic between 1998-2006

Between 1998-2005, total cargo traffic registered an ascending trend, but in 2006, it decreases suddenly by 6%.

Year	1998	1999	2000	2001	2002	2003	2004	2005
Traffic (millions tones)	28,90	23,30	23,60	26,00	30,80	33,40	38,90	46,50

Maritime Traffic Evolution between 1998-2005

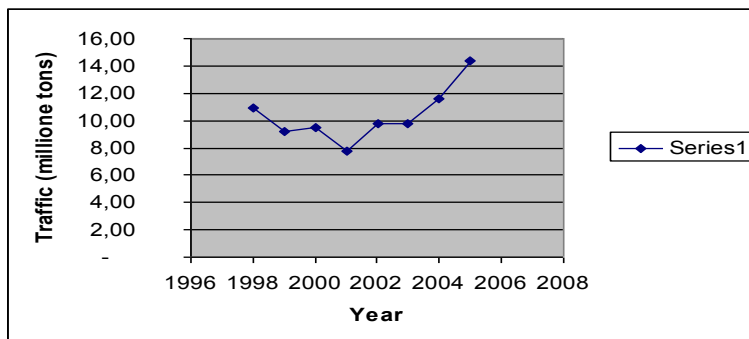


Maritime Traffic Dynamic between 1998-2005

During the period under analyze, the cargo volume in maritime ports registers a positive evolution, having a rate growth of 20%.

Year	1998	1999	2000	2001	2002	2003	2004	2005
Traffic (millions tones)	10,90	9,20	9,50	7,80	9,80	9,80	11,60	14,40

River Traffic Dynamic between 1998-2005

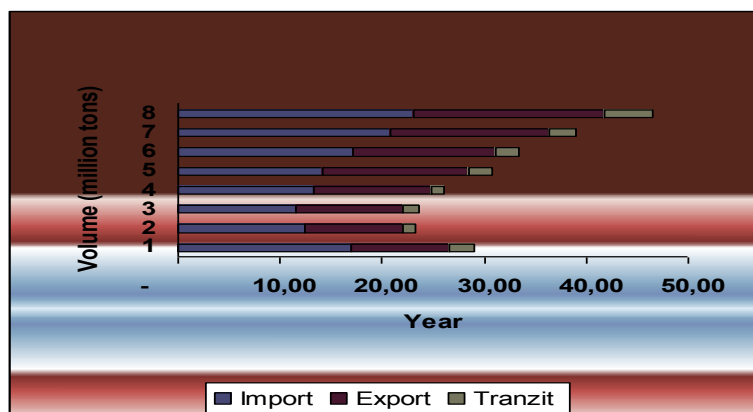


River Traffic Dynamic between 1998-2005

River traffic, as well as maritime traffic, has a cyclic evolution, more precisely, between 1997-2000; they decreased, followed by an increased ascension until 2005. Then up to 2006, a new descending curve was observed²².

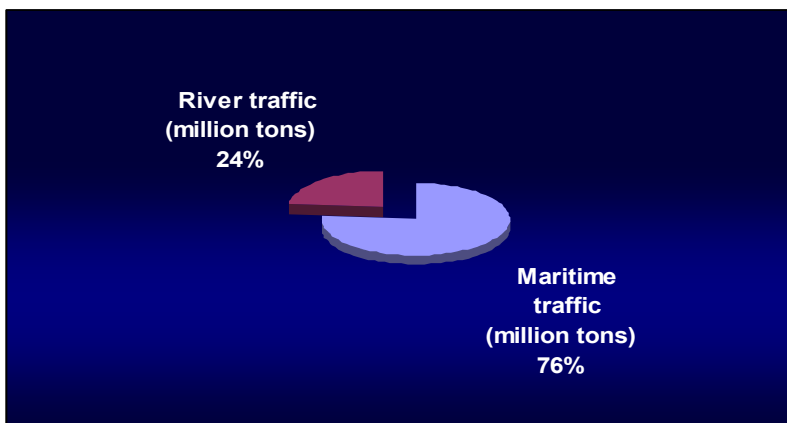
Year	1998	1999	2000	2001	2002	2003	2004	2005
Global traffic (million tons)	39,90	32,50	33,10	33,80	40,50	43,20	50,40	60,60
Maritime traffic (million tons)	28,90	23,30	23,60	26,00	30,80	33,40	38,90	46,50
River traffic (million tons)	10,90	9,20	9,50	7,80	9,80	9,80	11,60	14,40

Cargo Traffic Structure between 1998-2005

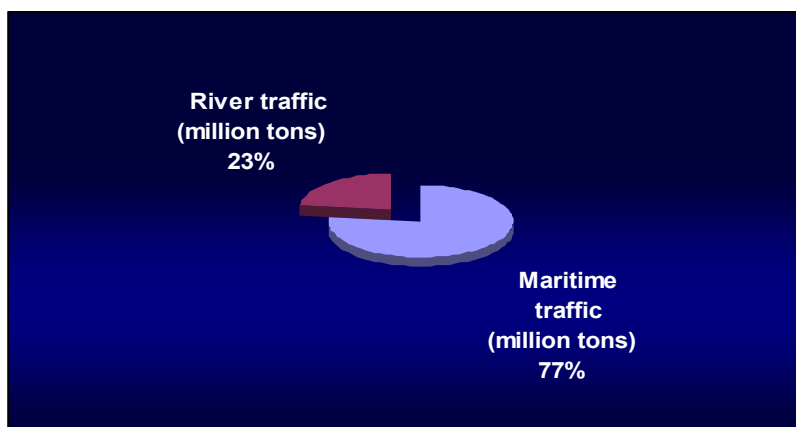


Cargo Traffic Evolution on Components between 1998-2005

²² From the information available, it results that until 15.11.2006, maritime traffic reached 31,992 million tons and river traffic 0,11 million tons



River and Maritime Traffic Weight in Total Traffic in 2005

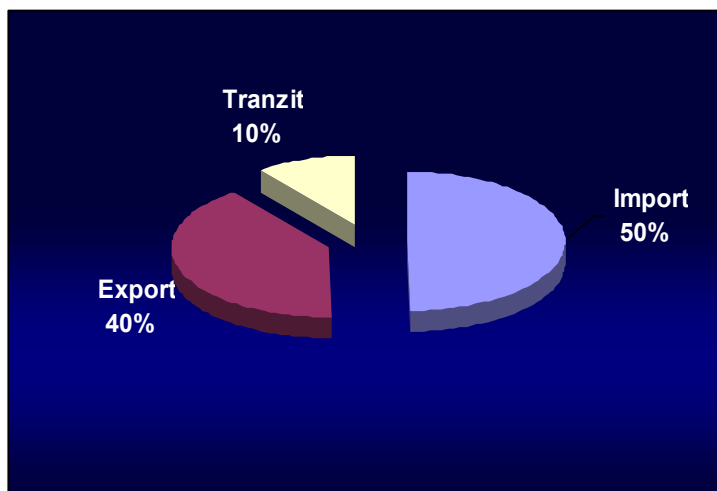


River and Maritime Traffic Weight in Total Traffic in 2004

As it can be seen from the statistical data presented in the previous tables and figures, maritime traffic represents over 2/3 of total traffic, and the river one about 1/3.

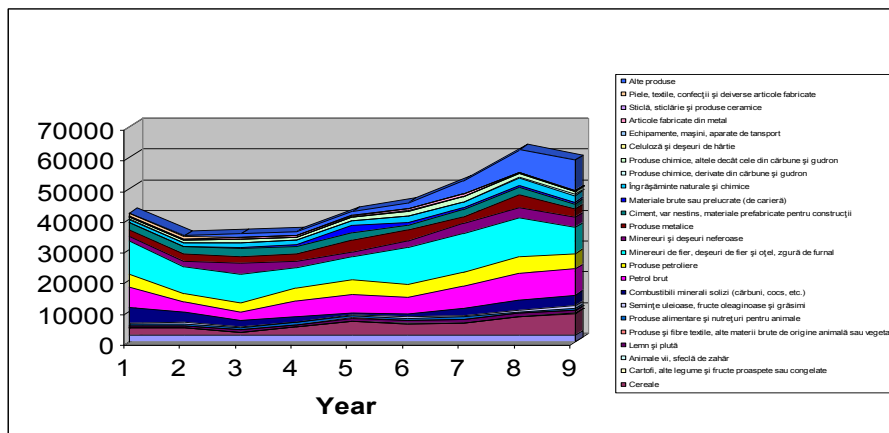
Year	1998	1999	2000	2001	2002	2003	2004	2005
Maritime traffic (million tons)	28,90	23,30	23,60	26,00	30,80	33,40	38,90	46,50
Import (million tons)	17,00	12,40	11,50	13,30	14,20	17,20	20,80	23,10
Export (million tons)	9,60	9,70	10,50	11,50	14,30	14,00	15,60	18,60
Transit (million tons)	2,40	1,20	1,60	1,20	2,20	2,20	2,50	4,80

Maritime Traffic Structure between 1998-2005



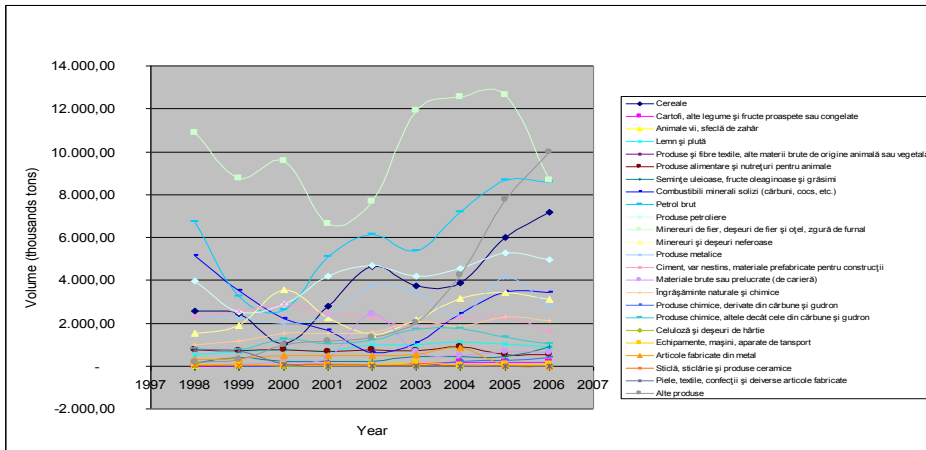
Cargo in-flows and out-flows, including transit in 2005

Maritime traffic structure remains about the same for the period under analyze, thus: import represents about 50-60%, export 40-50% and transit vary around 10% of total maritime traffic.



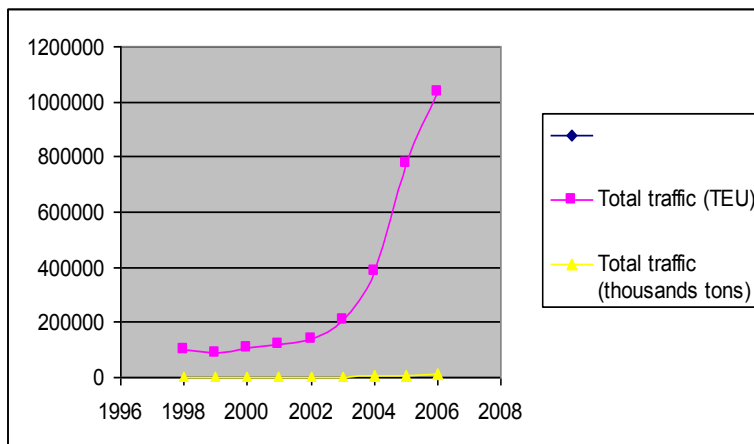
Cargo traffic by Main Groups between 1998-2006

As presented in the above figure, the main cargos operated in Constanta Port are iron ore, crude oil and derivatives, followed by cereals and construction materials.

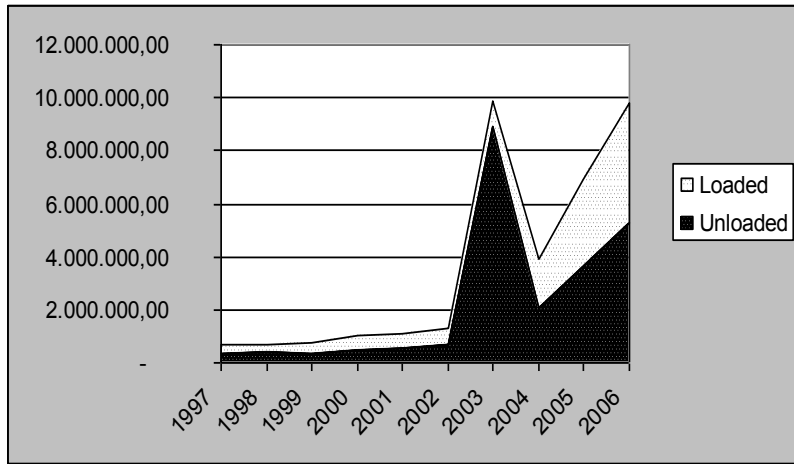


Traffic Cargo Evolution by Main Groups between 1998-2005

Except for cereals, which had an ascending evolution starting with 1998, all other cargo categories registered unusual evolutions, finishing in 2006, with decreased of operated quantities. The most dynamic group of cargo is iron ore, which until 2004, had an ascending trend, followed by a decreased between 2005-2006. Together with the national economic factors that directly influenced these evolutions, international market play an important role, the basic tendency being in favor of containerizable goods. Thus, between 1998-2006, container traffic through Constanta Port increase constant, reaching in 2006, a level of 9.815.800 tons, 1.037.068 TEU, respectively.

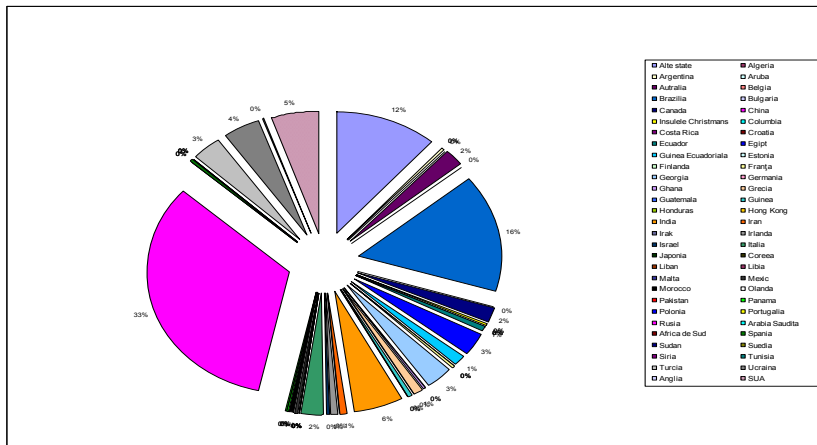


Container Traffic Evolution between 1998-2006

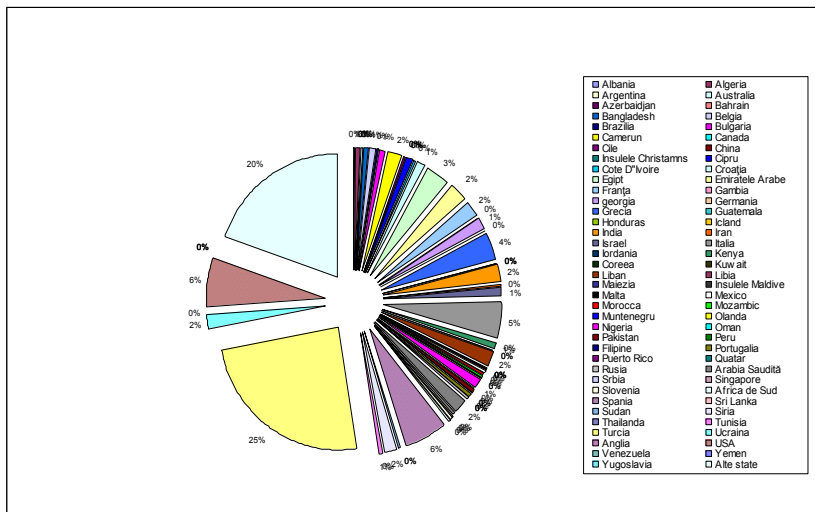


Container Traffic Structure between 1998-2006

After analyzing the cargo traffic through Constanta Port, we legitimately ask ourselves: where do the goods go and from where do they come? Or how are the goods transported (by river or sea). Starting from these questions, we prepared a traffic analysis by provenience and destination, on the main group of cargo.



Traffic Structure by Provenience of goods in 2006



Traffic Structure by Destination of Goods in 2006

By provenience of cargo, the main “suppliers” for Constanta Port are: Russia - 33%; Brasilia - 6% and USA - 5%. By destination of cargo, the main “clients” of Constanta Port are: Turkey - 25%; Spain - 6% and Italy - 5%.

Conclusion

Following the analysis of Constanta Port traffic, we can conclude that the traffic registered a dynamic growth in terms of quantities operated in the Port and it is requested an emergent review of Constanta Port strategy on medium and long term so that it could reach its main objective to be the Eastern Gate of Europe and attract the transit cargo from the neighborhood economies.

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TO THE EDGE OF MARKETING WARFARE. APPLYING MILITARY STRATEGIES IN A COMPANY FROM THE MOBILE TELECOMMUNICATION SECTOR IN ROMANIA

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As military strategy preceded firm strategy, it is natural to state that firm strategy took the majority of its main concepts from the military. Nowadays, the business environment plays an important role in adopting strategic decisions. This implies that in the center of a company's view, competition stands for one of the important factors. The interactions between economic agents become more and more intense, leading to firm cooperation, strategic partnerships, firm cluster and firm networks. However, there are also many ways for companies to engage in conflict. For smaller companies the most suitable approach on conflict is guerrilla warfare. We considered a company from the mobile telecommunication sector in Romania and showed how the several identified military techniques improved the company's performance. In addition, we made a number of recommendations based on the principles of running a guerrilla war.

Key words: guerrilla warfare, marketing strategy, military strategy, corporate strategy

Rationale

The marketing strategy adopted by a company for a certain period is the result of combining the experience, the intuition and the expectations of the marketing managers, of the knowledge and art these one possess; is the result of confrontations, compromises and negotiations. Habitually, the companies elaborate their strategies on short, medium and long term with clear, solid and precise objectives that are detailed through the corresponding tactics. Along these lines, the companies act in response both to the instant requests of the business environmental changes and to ascertain of a long terms demeanour, fact that consents a unitary and coherent vision.

However, the most relevant issue regarding the present marketing strategies is represented by the customer-oriented policy, which can be encountered at the basis of the majority of marketing approaches. The famous slogan "Our Customer is our Master" can be considered inconsequential nowadays. "The Master Customer" has vanished. The justification is quite straightforward: the customer oriented approach and the establishment as main objective the fulfilment of the consumer needs in optimal conditions applies for the growing markets. Customers revealing not as much as a natural need to fulfil but as an urge consume characterize the most part of the contemporary markets. Therefore, such a customer will not be convinced to consume by a lower price or a better offer as he consumes due to the compulsion to act in such a manner.

Therefore, we state that a company that operates on such a market should not count on the new customers in order to raise its revenues but should focus on its competitors' clients. Consequently, this company should conceive an aggressive strategy aimed towards its competing companies, towards their destabilization and even exclusion from the market. This is the bridge between military strategy and firms' strategy based on competition – *the conflict management*. At first glance, it may seem overstated to employ

in business strategies designed to exclude the competitors. We consider that it is not longer the case for a manager to believe that if maintaining a passive position on the market his competitors will do the same. The main purpose of a manager should be the identification of the main revenue source on the market. Taking into account the issues stated above, the intuitive answer would no longer be “our customers’ funds” but “our competitors’ clients’ funds”. We can notice a double advantage: every new client taken from the competition means both a growth in the company’s revenues and a diminishing of the competitor’s revenues.

As military strategy preceded firm strategy, it is natural to state that firm strategy took the majority of its main concepts from military strategy. Because the two had an independent evolution, an orientation demarcation took place regarding the concrete applicability. Albeit in passing years the problem of adapting a series of mainly military techniques for business use was raised, the time’s economists quickly undermined those ideas. They stated that war and conflict, in general, lead to a decrease in economic value of activities and that the only way to obtain prosperity is to develop a company and direct its financial and human resources towards production and internal development.

Nowadays, we consider things in a different manner. Even though the main objective of every company remained the same – to obtain profit, it is well recognized the importance of the business environment. This implied that in the center of a company’s view, competition became one of the most important factors. Today, the interactions between economic agents became more and more intense, leading to firm cooperation, strategic partnerships, firm clusters and firm networks. These partnerships share much with military alliances, both from operational and functional points of view (alliances confer psychological safety, ensure easy access to resources and information shared between group members, and provide an overall economic strength).

However, these alliances created a new favorable context for the development and application of aggressive military strategies. The fact that peaceful strategies had worked, implied that there is a possibility that offensive strategies could be used successfully. Thus, military strategies were successfully applied in marketing situations, the managers that adopted this aggressive way to run their business had results that exceeded expectations regarding market share. If we take into consideration the simple aggressive human nature, we can explain the aggressive behavior of companies. An alliance is able to provide a whole lot of opportunities, but it cannot provide the power possessed by a market leader. Using aggressive military strategies aimed towards the competition, some formidable competitive advantages could be obtained by firms that decide it is best to defend their market share, and by companies that consider the attack the only solution. Considering the free market, using military strategies does not represent a time consuming process because the concepts taken into consideration are clear-cut. The manner of employment these concepts stand for the *innovative* matter.

In the late 80’s, experts from the firm strategy field, realized that there was a vast knowledge “database” dating some thousand years that they barely analyzed. They turned their attention towards military in order to find a series of principles that could be used in order to elaborate firm strategies. A series of well-known works like “The art of war” by Sun Tzu and “On war” by Carl von Clausewitz became instant classic business books. From Sun Tzu we can learn the tactical part of military strategy. On the classical principle of strategy “the advantage of the first move”, Sun Tzu said “In general, the one that occupies the field of battle first and awaits the enemy is tranquil, and the last to arrive, rushes to the fight and is both mentally and physically tired”. From von Clausewitz we can learn the unpredictable dynamic nature of military situations. Von Clausewitz considered that in chaos and confusion situations, the strategy should be based on flexible principles. The strategy does not derive from a formula or rule of thumb, but from adapting current actions. He called this concept “friction” (events that unfolded minute by minute).

In a company, one could apply three types of military strategies: offensive, defensive and guerrilla strategies. Offensive strategies represent a type of business applicable strategies designed to ensure the achievement of an objective; usually the rise of market share in spite of a competitor. Defensive strategies represent those kinds of strategies designed to protect one’s market share and maintain profitability and market positioning.

Guerilla warfare represents a distinct way on war approach. This type of war means weakening the enemy through a series of minor attacks. The guerrilla forces, instead of organizing themselves in compact groups, which are divided into small taskforces that attack in a selective manner enemy weak spots. The general frame in which the strategy progresses is represented by a succession of attacks and withdrawals. It is a

well-known fact that guerillas do not win wars; instead, it determines the adversary to loose it. The efficiency of guerrilla warfare resides in the series of strong points, as follows: a) due to the fact that a full confrontation with the enemy will never take place, the guerrilla will conserve its resources; b) a guerrilla force is very flexible and can be adapted both for offensive and defensive operations; c) a guerrilla is hard to counter using classical means.

In marketing, guerrilla warfare could be used in various ways: a) advertising that compare own products with those of the competitors, b) short term alliances c) selective reductions in price d) negative publicity.

Guerilla tactics are very easy to use by small firms that naturally have high flexibility and have limited resources. A small firm can easily abandon market sectors, can easily change their product range, and from a managerial point of view, can easily change its objectives. If we consider a large company that runs mainly on efficiency principles, it will be unproductive for that company to make efforts to remove a small company that tries to expand, because the expenses involved in the process will surmount by far the short and medium term potential revenues. Small firms also have a major advantage over large companies regarding client proximity. A small firm is far closer to its clients and can interact with them on a human level. This in turn creates opportunities to make low cost advertising and even zero cost advertising.

Case Study. Overview and Recommendations

A very important economic sector stands for the mobile telecommunication market. After 1997, this sector developed into a significant part of the Romanian economy by the entering on the market of the mobile telecommunication companies. Our study will consider a Company that crossed the threshold of the medium-large companies within the telecommunication market in 2006 by employing the military strategies – mainly the guerrilla ones.

In 2005, the Company launched itself under a new brand. For 2005, the revenues from services were about 8 million euros, while the number of customers at the end of the year counted for about 50.000. Furthermore, the financial reports for the first nine months of 2006 disclosed revenues of about 27 million euros. To this result contributed both the significant growth regarding the number of clients to over one million and the revenues per capita.

The strategy of the Company for the first year of activity on the Romanian market distinguished itself by large investments (over 220 million euros), aimed to transform the organization into a reliable participant on the telecommunication market and to accomplish the pledge of making the mobile-phone accessible to as many consumers as possible. Therefore, the Company expanded the telecommunication network coverage to 95% of the residents and 82% of the area and strengthened its distribution network. The Company continued within the following years the investment decisions regarding the brand consolidation as well as the development of the products that aimed to be accessible and relevant for the growing number of clients.

We can notice that the investment plan for the first three years of activity on our market sums up to 500 million euros. In addition, in accordance with the Company's strategy with reference to the providing of the most advanced technologies, there were performed investments regarding the i-mode technology that provides the customers express access to a large array of theme content and e-mail applications through the mobile phone. Therefore, the Company continued in 2007 the aggressive investment policy as well as the launching of products designed for the Romanian customer.

As far as the market positioning is concerned, the Company continues to place itself on the third position in Romania. Nonetheless, we consider that the studied Company was a very successful one, managing to expand the number of customers significantly. However, the *market share* of the Company is still small in comparison with the other two large participants of the market.

The military techniques that should be applied by the mobile telecommunication Company are the *guerrilla* ones and, when necessary, the *flanking attacks*. Within 2006, we can identify a range of successfully used military techniques aimed to penetrate the market. Therefore, the flanking attack was performed by circumventing the market segment intensely disputed by the other two participants within the market – the post-pay services segment – and “attacked” the prepay market for the young people with low budgets. Not only did they follow the number one rule regarding the efforts concentration but they also pursued the principle stating that a *flanking attack evades the disputed point and invades into a vulnerable area*.

The guerrilla warfare is that type of war that should be practiced by those companies with a small market share, being the means of combating of the small companies against the large ones. In addition, the guerrilla warfare is represented by a flexible and scattered operational approach. In addition, this approach not only that has the due time, but it also allows the reallocation of this one – as an important economic resource, among the most important operations regarding one company’s activity.

The guerrilla stands more for a positioning conduct than for an organizational one: the army – company situate itself and its resources in such a manner that the competitors cannot detect or use the latter ones. Following this principle, its aim regards detection and employment of the competitors’ resources. Consequently, a small company is not necessary indigent, but it cannot afford to lose resources because their achievement stands for a large financial and strategic effort. Therefore, the essence of applying the guerrilla techniques by companies resides in dominating a market segment discriminated by the characteristic of being as contracted and easy to preserve as possible. In addition, this technique allows an effortless manner of leaving, without losing the economic, financial and strategic resources.

The company, adept in guerrilla warfare must follow a series of general principles in order to ensure its market success. Among these, we can mention principles of paramount importance for the Company. First, “a guerrilla must enforce its successes and abandon its failures”. This principle explains the fact that the a company cannot permit itself to waste financial resources trying to mend an unfavorable situation, in turn abandoning a cause is much more advised because the company must maximize every source of revenue. While the company’s competitors can afford to be present all across the country, their services must be easy to acquire in every town, our guerrilla company should focus to operate only in selected territorial sectors, thus it can have a stronger presence in several major towns, making the local residents their loyal customers. Of course that in the case of the selected areas the company can make efforts to keep customers happy and loyal, developing new ways to keep them interested in their products. In essence, the company must develop a strong sense of property and “fight” only on “friendly ground”.

Alongside the before mentioned conduct principle, there are two managerial mentalities that could “destroy” a guerilla. The first one is more dangerous as on the market are few players. “We did it! Now we are playing along the high rollers!” is the thing that should never be thought by the Company’s managers. They must understand that only because they acted as they did – as small firm, using guerrilla techniques – they managed to be successful on the market. If they change their behavior, if they believe that after a series of successes they became a “big fish”, and can act accordingly, the result will be disastrous, implying the cancellation of all the efforts made until now and the loss of the competitive advantages and the invested capital due to the fact that a large company has a different approach on running it’s business. The Company cannot yet mimic the behavior of its competitors because it does not yet have the same amount of available capital.

“I didn’t succeed, no matter I run a small firm anyway”, is another wrong mentality that a manager can have. A winner alongside the necessary resources used to win must also have the correct attitude and mental state. If we start by assuming that the success rate of a small firm is reduced or inexistent, then the positive results will fail to appear. It is highly possible for the Company to continue be successful on the Romanian mobile telecommunications market provided it uses the right tools and has the right mentality.

The Company is the first on the market where the usage of military techniques can be observed. There are distinct military strategy elements that one can identify, which follow closely a series of principles. Among these, the first principle states: “one must find a weakness in the enemy’s defense and attack that point”. The Company thoroughly assessed the market niches where the presence of the competition was the least strong and found that the “prepay card” sector was perfect to make their entrance. Another principle states: “the assault should be carried out on a narrow front as possible”. Indeed the Company only took into consideration for the moment independent consumers, considering only later firm and company users. Finally yet importantly, one should mention the principle that “an attack must be carried out swiftly; the surprise attack is worth more than brute force”. The fact that the Company decided to buy an existing but unsuccessful company and to develop the available network represented that the managers achieved the most important step in entering the Romanian market: they took the existing competitors by surprise.

It is said that reaching the top is not the hardest thing to achieve but maintaining the position, is. The application of military strategies in the Company proved the potential of using classical combat techniques in the economic field. The Company achieved positive results in a short time interval. There is a reason why we should study the use of military strategies from a practical perspective, mainly because it is the

only way to properly determine the advantages and of course the disadvantages of certain actions. It is very important for the considered company to continue to enforce its aggressive behavior, and continue to use the same winning strategies. Also just as important is to keep in mind at least two severe mistakes that can be made. First, it would be a severe mistake to emulate the behavior of the two large competitors and participate in a long-term show of force, trying to offer lower and lower prices. Second, the Company should not consider the present results to be spectacular, become complacent or adopt a defensive position, knowing that its competitors will retaliate.

The Company's success proves from two points of view the usefulness of applying military strategies. First, it proves the vulnerability of larger companies because they failed to properly assessing smaller companies and insuring the fact that newcomers could not penetrate the market and discouraging and undermining the smaller firms already on the market. The two large market leaders were too busy attracting new customers and under-valuated the threat of a new small company that could easily seize a market niche.

Conclusions

Generally, on a market disputed by two giants there should not be any opportunity for a newcomer except with immense financial efforts. The fact that a small operator became a medium-large operator in such a small period proves the low reaction power of the leaders. The Company could have used these facts alone to raise its notoriety among the customers, seeding a feeling of doubt regarding its competitors. Second, there are facts that indicate that the usage of military strategies and principles aided in the process of entering on the market. The decisive way all the actions were performed, the concentration of all the available resources in order to achieve the goal, the way the least disputed market sectors were identified and used and the fact that priorities were established based on the actions of the competitors, were undeniably effective to fulfill the main objectives of the Company.

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ORGANIZATIONAL LEARNING AND KNOWLEDGE MANAGEMENT

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Although at first the terms organizational learning and the learning organization were interchangeable, slowly the two concepts separated into two streams at the beginning of the 90s. The learning organization is at this point the prescriptive stream, oriented towards practice. This perspective centers on the characteristics of an organization that promote learning and facilitates the creation of a certain type of organization.

On the other hand, organizational learning is the descriptive model, centering on the process of learning in the organization. The roots of this concept are in social and cognitive psychology, and it has a strong academic orientation. The main question being how do organizations learn, this type of research often quotes the work of Argyris and Schon (1978, 1996), although an analysis these authors make of the two streams (1999) positions them as integrators.

knowledge management, learning organization, organizational learning

The last decade has witnessed an exponential growth of interest in organizational learning and knowledge-based management. This comes as a natural consequence of the ever more widespread understanding of the knowledge-based economy as a revolutionary change in the global economy. A series of publications have received widespread acclaim, reflecting the penetration of the concepts into the collective conscience: *Infinite wealth: A new world of collaboration and abundance in the Knowledge Era* by Barry Carter, *The Wealth of Knowledge: Intellectual Capital and the Twenty-First Century* by Thomas A. Stewart, and most of all the most recent publication of the famous futurologists Alvin and Heidi Toffler: *Revolutionary Wealth*. These books confirm the results of academic research and indicate a major change in production factors, namely that capital, as the traditional production factor, is losing out to knowledge and intellectual labor. Moreover, at the global level, knowledge is ever more accepted as the main source of competitive advantage (Harvey and Denton, 1999). Simultaneously, trends in IT and communication technologies have radically transformed the capacity of organizations of any dimension to *access, keep, manipulate, share and disseminate knowledge* (Pemberton and Stonehouse, 2000). This technological and informational infrastructure creates the necessary conditions for organizations worldwide to compete or collaborate to create new economic results (Friedman, 2006). The importance of these concepts for the Romanian economy is reflected in the INFOSOC research initiative – Strategies and Solutions for the Knowledge Society in Romania, coordinated by the Artificial Intelligence Research Institute.

Research demonstrates that individual learning does not easily transfer to organizational learning. On the other hand, new technologies now allow organizations to collaborate, think and act globally, as well as innovate at a scale and rhythm that was impossible up to now. Great managers, like the former HP executive Carly Fiorina, recognize that collaborating and leading horizontally requires a totally different set of skills and management from traditional hierarchical systems.

In order to prepare instruments, techniques and systems that will allow firms to go beyond these barriers and make use of efficient knowledge based management, research adapted to local cultural and economical factors is needed, but also research based on a strong integrated theoretical base. Proposed research will integrate theoretical economical, cognitive and socio-cultural contributions in order to obtain a model of organizational learning that is applicable to Romanian reality, which will be a base for future applied research.

The fundamental research role will involve the investigation of the current state of related research, as well as provide personal contributions through the development of a new theoretical approach, as well as identifying new research problems.

The importance of organizational learning for achieving successful management in the new economy is reflected both in theoretical literature (Pemberton, 2000) and in practical research on integrating the two concepts in industries such as healthcare networks (Addicott, McGivern and Ferlie, 2006), construction (Lemons, 2005), logistics and supply chain management as well as large-scale manufacturing (Coe, 2005). Pemberton concludes: *Successful learning organizations create an organizational environment that combines organizational learning with knowledge management.*

Similarly to the knowledge-based economy and management, organizational learning is also a concept that has been around for quite some time, but has only recently become widespread. Beginning in the 60s and 80s, organizational learning has surfaced as **an answer to the challenges of organizational change**. Change was seen as a mechanical “repair and upgrade process necessitating external, authoritative experts. In the late 60s, a paradigm centered on the concept of organizational health surfaced (Bennis (1996) in Yeo, 2005), leading to an organizational, wholistic theory of the organization based on biological metaphors. This was the background that allowed the evolution of the concept of organizational learning, promoted by Argyris and Schon since 1978. However, it was Peter Senge’s popular *The Fifth Discipline: The Art and Practice of the Learning Organization*, published in 1990, that pushed the concept into the mainstream of management frameworks and systems. Senge’s model of the five disciplines was enhanced by further research proposing new organizational learning enablers (Buckler (1996), Reynolds Şi Ablett (1998), Steiner (1998), Teare and Dealtry (1998) in Yeo, 2005).

Although at first the terms **organizational learning** and **the learning organization** were interchangeable, slowly the two concepts separated into two streams at the beginning of the 90s. The *learning organization* is at this point the prescriptive stream, oriented towards practice. This perspective centers on the characteristics of an organization that promote learning and facilitates the creation of a certain type of organization. Research is done mainly by practitioners: Drew and Smith (1995), Benoit and Mackenzie (1994), Moilanen (2001) (quoted in Sun and Scott, 2003), and Senge’s work is the foundation of these types of research. On the other hand, *organizational learning* is the descriptive model, centering on the process of learning in the organization. The roots of this concept are in social and cognitive psychology, and it has a strong academic orientation. The main question being **how do organizations learn**, this type of research often quotes the work of Argyris and Schon (1978, 1996), although an analysis these authors make of the two streams (1999) positions them as integrators.

An analysis of the definitions given to organizational learning reveals a wide variety of themes, such as: **theory in action** (*In a learning organization, individuals are the key where they are acting in order to learn, or where they are acting to produce a result. All the knowledge has to be generalized and crafted in ways in which the mind and brain can use it in order to make it actionable.*, Argyris, 1993); **renewal** (*Organizational learning is learning about learning. The outcome will be a renewed connection between employees and their work, which will spur the organization to create a future for itself.*, Braham, 1996); **organizational change** (*Organizational learning is the ability to adapt and utilize knowledge as a source of competitive advantage. Learning must result in a change in the organization’s behaviour and action patterns.*, Denton, 1998); **systems** (*Organizational learning involves developing people who learn to see as systems thinkers see, who develop their own personal mastery, and who learn how to surface and restructure mental models collaboratively.*, Senge, 1990); or **even team-building** (*A learning organization is one that learns continuously and transforms itself where the organizational capacity for innovation and growth is constantly enhanced.* Publishing House, Watkins and Marsick, 1993).

At the center of learning organization theory is the distinction between **single and double loop learning**. The distinction goes back to Piaget’s cognitive adaptation and development theory (Wadsworth, 1989), which postulates mental schemata (similar to the mental models central to Argyris’s work). From the perspective of the new cognitive theories of the firm (Grant, 1996 and Kogut, 2000), piagetian and neo-piagetian cognitive theories have renewed relevance in the organizational framework through the concepts of single and double loop learning. The literature also mentions triple-loop learning, dealing with the organization’s values, mission and vision.

The area of individual learning is well represented, and practical results are satisfactory. However, organizational learning has a profounder sense than this, and this is reflected in the research of Steiner

(1998) on the barriers to organizational learning. Steiner sees learning at three levels: individual, team and organizational. Each level is more complex than the one before, and double or triple loop learning happens at the team and organizational levels. However, knowledge transfer does not happen properly between these levels. Empirical research (Elkjaer, 2001) confirms that in the absence of factors that can catalyze knowledge transfer beyond the barriers, individual learning will not impact organizational learning.

Efforts to evaluate and measure organizational learning have two main areas of focus: the quantitative approach proposed by Moilanen (2005), which offers a complete instrument based on an eclectic model of organizational learning, and the qualitative model, proposed by Smith and Tosey (1999), who prefer an heuristical approach and offers instruments that can be used by organizational members to evaluate the learning environment in their own organization, starting with the idea that the decision to implement an organizational learning system is not based on results reflected in accounting.

As a forward-looking area, efforts to create learning organizations have often been sustained by scientific research. Research by Massey and Walker shows the role of consultants in organizational learning, showing special importance of negotiated and real roles for both the consultant and the client.

Obviously, a good part of research in organizational learning centers on the role of human resources. **In the new economy, knowledge is the main strategic resource, while the main strategic tool is organizational learning.** Success depends on the culture that exists in a knowledge-based organization (Thite, 2004). For an efficient human resources management in the context of organizational learning, a philosophy based on trust, recognizing the need to learn, and on well defined policies for recruitment, selection, evaluation and motivation of intellectual capital in multinational context is needed. Publishing House New information and communication technologies give access to intellectual capital, regardless of location, creating the premises for strategic alliances.

The literature of organizational learning deals with learning and knowledge transfer in strategic alliances through empirical research (Simonin, 1997) and through theoretical exploration based on cognitive theories (Ghosh, 2004). The incipient Romanian literature on organizational learning (Albu, 2005) is fundamental in nature but views the area from an accounting perspective, centering on individual learning. To conclude, the literature of both organizational learning and the learning organization is in full development, offering new techniques, methods and models that can be used by practitioners.

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KNOWLEDGE MANAGEMENT IN THE PUBLIC SECTOR

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Knowledge management represents one of the greatest challenges in the life of any organization. Implementing the information and knowledge management is essential especially in the case of organizations using an important amount of information during their activities, as well as of organizations where the access to information is restricted or simply of organizations where structuring the available knowledge and disseminating it to all the employees are set objectives.

At present, document management and preparation have become an increasingly difficult task for companies, as they are time and space-consuming activities; as a consequence, finding documents is an extremely exhausting activity, involves an enormous amount of human effort, while stocking them supposes major costs. All these problems have modern IT solutions. In this respect, a large range of services has been developed, such as: evaluating the situation concerning the information and knowledge management; elaborating the strategy associated to the information and knowledge management; assistance in the creation of a company portal, including selecting and implementing the most appropriate IT tool; designing assessment and motivation systems, defining document management and information flows; assistance in extending the concept of information within a company.

Key-words: knowledge management, information, public sector, transparency, innovation

Knowledge management has recently developed as a result of the organizational need to gain a competitive advantage and a strategic differentiation in the context of globalization and informational boom, thus becoming a valuable tool in ensuring success. The industrialized countries consider that, in the last years, we entered a third stage of development, which is not based on agriculture or industry, but on **information and knowledge**.

The concept of knowledge management is not new. Ever since 1950, Peter Drucker has introduced the notion of “knowledge workers” to define people able to use the organization’s knowledge to create intangible products. Many organizations would informally, though not deliberately use knowledge management techniques in their decision-making process or in producing goods and services.

What is new in knowledge management is **the act of being aware of the existence of a knowledge management process**. Knowledge management can be perceived as an aggregate of instruments and skills which every organization must develop in order to manage the knowledge as resource and asset.

The notion of “knowledge” is one of the most confusing aspects in the theory of knowledge management, because of the misinterpretation of concepts like knowledge, information and data. While data reflect the numeric or alphabetical description of an action, process, fact or phenomenon, information brings a plus of knowledge by presenting an aggregate of data structured in various models and forms and knowledge reunites a mixture of information with a strong human and contextual determination. In this respect, knowledge describes information acquired or applied to certain contexts by means of human thinking. A significant difference between information and knowledge can be found in the way they are transferred. While information can be easily passed on from one person to another, knowledge is much more difficult to transmit, as it also involves a psychological, social and contextual message, which reflects the intuition, the creativity and the experience of the person who has it.

We must understand the way in which an organization can exploit its knowledge to its advantage, in order to maintain its position on the market. Not long ago, we used to perceive economic growth as a result of

the capital offer, of the amount of work and of the quantity of natural resources involved. The successful Japanese companies have embraced four fundamental principles²³:

- A preconception on progressive development;
- A systematic interest for their competitors' activities;
- Creation and ruthless capitalization of a competitive advantage;
- A financial strategy and a human resource policy consistent with the previous principles.

In conclusion, the Japanese managers put the equality sign between:

<i>SURVIVAL = PROGRESSIVE DEVELOPMENT</i>
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If Western managers find dramatic to see their profits sink, for the Japanese ones there is an even greater risk: being outdistanced by the competition.

The absence of progressive development can mean two things: either the activities developed by the company belong to fields at the peak of their evolution, which is no good news for the future, either the company regresses in comparison with its competitors in developing fields.

The key-factor of prosperity and emergence of new jobs is the degree in which the innovation and new technologies are implemented in the economy. Growth is based not only on the increase of the capital offer, but mainly of the enrichment of knowledge and on the high number of innovations, on their fast adoption and dissemination on a large scale. The economy of knowledge represents not only an economy base on knowledge, but also on:

- The management of knowing all the human processes.
- The unprecedented dissemination of knowledge to all the citizens

The new style of management – knowledge management – uses the concept of intellectual capital, by means of which we identify and define the goods and the intangible assets – the knowledge which can be converted to profit – on which the economic organization is so dependent nowadays.

An innovation process – conceiving an idea and putting it to work, which involves financing and a certain technological procedure, a new presentation, a new organization, new methods of work management and organization etc, a successful impact on the market and a strong protection – can only be completed if the new knowledge is assimilated and is producing a certain value, such as:

- Generating flexibility and operational efficiency;
- Attracting new categories of customers or penetrating a new extended global market;
- Improving the degree of customer satisfaction;
- Offering new products and services;
- Redefining the fabrication process or the business model.

In the public administration, huge amount of data are transmitted, most of the associated activities concentrating on generating information and knowledge for the citizens, the business environment, and the society. Most of the final products of the governmental activities are delivered as information and knowledge. As information and knowledge stand for the “heart” of public administration, the capacity to collect and generate useful information is a defining aspect for any modern state. Information is used to produce more information.

It is extremely rare that this information is combined so as to obtain systematic knowledge. In this respect, the article presents the opportunities arising from the implementation of the knowledge management's techniques in the public sector, as an important method to use in the development of a modern administrative structure.

The evolution of the transition to the informational society, based on knowledge, is necessary first to ensure the durable development in the context of the “new economy”, relying mainly on intensively-intellectual products and activities, and second to create an advanced social and human civilization. The organizations have concluded that **their main values are what they know and the ability to use that**

²³ Theory sustained by the consultants of BCG from Tokyo, James Abegglen and Georges Stalk in their work „The Strategy of Japanese Companies”.

knowledge on technologies and organizational processes, as to obtain a competitive advantage. If in the industrial society there were different types of organizations, coordination, technological and financial product and resource planning, in the informational society, based on knowledge, the aim is to find principles, methods and techniques of investigation, planning, organization of the critical resource – knowledge.

Knowledge differs from information in the sense that:

- knowledge is a human act
- knowledge is the result of thinking
- knowledge belongs to the communities
- Knowledge is transmitted in different ways within the community.

Knowledge can be classified within an organization as it follows:

- Explicit, easy-to-transmit knowledge, distributed as data, scientific formulas expressed by means of words and numbers. In their turn, this knowledge falls into structured and unstructured knowledge. Structured knowledge is made of specifically-organized information and data, so as to be found later (documents, databases, calculation sheets, etc). Unstructured knowledge (e-mails, images, audio and video selections) cannot be used in regular finding operations.
- Implicit, personal, difficult-to-transmit knowledge, deriving from the experience and characteristics of individuals. It is less concrete than the explicit knowledge, more difficult to gain access to and often not shared with another person (many people are unaware of the knowledge they possess or of their value to others²⁴)

Knowledge management is the process through which the knowledge organization and coordination take place. It involves:

- grouping different types of knowledge into categories, starting from the main organizational sources, and up to the emergence of the internal memory.
- stocking knowledge, which means keeping it in safe conditions in the knowledge infrastructure of the organization.
- classifying knowledge, in order to assess it and prioritize the specific bits that reflect the quality of knowledge, respectively the degree of adaptation to the requirements of processes.
- selecting knowledge, which allows the user to apply specific criteria to identify the most appropriate knowledge.
- disseminating knowledge, through which knowledge stocked under various forms (tacit or explicit) are accessed by all the members of the organization and even by its stakeholders – clients, suppliers, etc.

The identification and codification of assets represented by knowledge are often achieved by concentrating on using the information systems during these processes, so that they can be exploited as a source of competitive advantage. However, most of the times, this obsession for instruments and techniques make the implemented systems fail, as they do not take into consideration some basic factors. On the one hand, whenever the human factor manifests resistance, even the most effective systems can fail (they overestimate the effects of using the IT technologies on organizational performance), on the other hand, we suppose that knowledge can be codified, which is not always true.

For a system to work properly, people should be willing to contribute to the development of the knowledge database and to use the knowledge stocked in this system, a highly optimistic supposition if we consider the problems that might arise from understanding other people's mental models. This situation is not unusual, especially in the interdisciplinary fields.

²⁴ Michael Polanyi used to say „ We know more than we can tell”. Polanyi is considered the founder of the modern theories of understanding the tacit knowledge. He understands knowledge as a process in which individual aspects and culture interact. In this context, Polanyi's research focuses on the idea that it is impossible to express the entire amount of knowledge in current communication, because at the foundation of every person's acts lies his/her individual experience.

For the private sector, the specialized literature describing the aspects, the challenges, the opportunities and the solutions of using knowledge management is plentiful; on the contrary, for the public sector, very few analyses have been made so far.

In the public administration, huge amount of data are transmitted, most of the associated activities concentrating on generating information and knowledge for the citizens, the business environment, and the society. Most of the final products of the governmental activities are delivered as information and knowledge. As information and knowledge stand for the “heart” of public administration, the capacity to collect and generate useful information is a defining aspect for any modern state. Information generates information, but the pieces of information are rarely combined to obtain systematic knowledge.

The dimension and geographical dispersion of the public sector make some pieces of knowledge available in a certain place and unavailable in other. In this respect, measures have been taken to eliminate these differences by **introducing new governance techniques** known as electronic governance (e-Governance), which allow the electronic collection and distribution of knowledge situated at the core of the relationship between the citizen and the state, such as the detailed presentation of political and administrative activities, which determine the decision factors to become more responsible, the governmental auctions, the population statistics and the cadastral survey techniques, etc.

Although it was suggested that successful techniques be applied both in the private and the public sector, the significant differences between the human resource management policies and practices, the ethical aspects management and the decision-making process imposed special knowledge management strategies for the public sector. The main differences are featured as it follows:

- the pressure of competitiveness and the efforts to diminish the costs are less important than in private companies, although their impact has recently started to grow, thus knowledge have become a critical determinant factor of the competitiveness in the public sector. In an economy of knowledge, *governments are more and more confronted with competition on a national and international level in the field of service delivery and policy implementation*. On the international level, the non-governmental organizations and the governmental institutions enter in competition with similar structures from abroad, which provide similar services. On the national level, the competition between the public organizations is encouraged by the process of decentralization.
- the private companies produce goods and services which are more and more intensive in intangible capital, thus directly competing with public sector organizations providing services such as education, security, science, knowledge. For example, by means of distance learning and on-line courses and information, the private companies have an increasing influence upon public education, traditionally provided by the public sector.
- in the public organizations, there is a vertical hierarchy from the point of view of the management and fewer stimulants for innovation and team work, and the results are less clear and measurable.
- The activities of public organizations involve much more knowledge and information, and the personnel should be highly qualified. These organizations cannot function properly if specific mechanisms for knowledge management are not implemented. **Knowledge is** an important element in a competition and **a strategic resource in the process of governing**. And efficient governance is based on the proper acquisition and dissemination of knowledge.
- The public sector operates in an environment which favors transparency and access to a large amount of information.
- The frequent transfer of staff from one department to another creates the opportunities to preserve knowledge and institutional memory.
- The analyses made in several countries show that many senior public clerks are due to retire in the next 5 to 10 years (in the United States, 71% of them retired in 2007, in Finland, 85% will retire by 2012) (OECD [12]). This is why the public organizations must take immediate measures, so that their knowledge is preserved in the organizational memory.

Declared a priority research field, knowledge management knew its first analysis on specific practices in the public organizations in the OECD member states in 2004. Unfortunately, on Romanian institution took part in the elaboration of the above-mentioned study. The general conclusions of this study were:

- Knowledge management is on the agenda of most of the inquired organizations, ranking among the first five management priorities.
- Despite the fact that the increase of transparency of applied policies and of the level of investment in IT technologies has led to the improvement of efficiency in the public sector, some of the expected structural reforms, resulted after applying knowledge management practices, have not been materialized. Among these, we can count: the increase of competitiveness of public clerks, the promotion of further education, etc.
- Perfecting the knowledge management practices, apart from using new instruments, processes and strategies, involves a long-term effort, if a change at the level of the organizational culture is intended.

While analyzing the basic elements which must be taken into account in the knowledge management applied in the public sector, we have noticed that they concentrate on:

- the human factor and the organizational culture, in order to stimulate and develop the knowledge transfer and exploitation skills;
- the processes and methods of localization, creation and transfer of knowledge;
- the technology, so as to stock and make knowledge acceptable, as well as to allow team work without the effective presence of people at the same place;

Out of the above elements, the human factor is the most important, as knowledge management depends on people's willingness to disseminate and re-use knowledge.

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THE PREPARATION OF REGIONAL EU-FINANCED DEVELOPMENT PROJECTS: A STAKEHOLDER-BASED APPROACH FOR THE ROMANIAN WATER SUPPLY PUBLIC SERVICE

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Primăria Sectorului 1

The performances of water supply public service are influenced by a large number of organisations from public or private sector, of different importances and sizes. The actions of those “actors”, defined in the context of this paper as “stakeholders”, have a great impact on the key performance indicators related to the water supply market. By identifying the connections between the importance and influence of the key stakeholders, on the one part, and the management performance and service quality, on the other part, we can evaluate the efficiency and the potential risks of the current organisational and functional framework of the supply system. This analysis can be used to identify way of action in order to implement european directives regarding the operators regionalisation and the promotion of local council associations in order to access the financial resources needed to sustain regional development projects.

Water supply system; stakeholder analysis; regional development projects

The performances of water supply public service are influenced by a large number of organisations from public or private sector, of different importances and sizes. The actions of those “actors”, defined in the context of this paper as “stakeholders”, have a great impact on the key performance indicators related to the water supply market. This impact can be splitted in three categories:

1. Technical impact:
 - the quality of the service;
 - the rehabilitasation of the supply network;
 - restructuring and reorganisation process;
 - the usage of modern technologies for water treatment, its distribution monitoring, and for the losses reduction;
 - the setting-up of purifying stations.
2. Economical impact:
 - the correct determination of the investments efficiency within external financing programs;
 - the promovation the economical analysis, according to the European standards;
 - a scientific base for the determination of the two-part tariff structure for water supply public services;
 - establishing the organisational and functional structure necessary for the external payment of public services taxes and the introduction of the unique bill;
 - setting-up possibilities for the implementation of specific management methods and techniques regarding the competition conditions or the natural monopoly;
 - introduction of unique indicators of benchmarking in order to monitor the operators activity efficiency.

3. Social impact:

- the correlation of the population affordability level for these public services with their economic costs;
- the reorientation of the operators activities in order to satisfy the needs of the consumers/beneficiaries;
- conditions for economical water consumes, environment and limited natural resources protection.

Considering the fact that the public water system is used by most of the inhabitants and private companies, the water supply service must fulfill certain standards and quality criteria. For this reason, when we refer to the stakeholder problem, we must consider that in this category can be included many other organisations, not just water supply operators, which play different roles in planning, controlling, informing the consumers, and taking decisions in the areas covered by operators. Generally, we can identify *seven stakeholder categories*: operators, consumers, public administration authorities, governmental agencies and authorities, professional associations, research and development organizations and financing institutions.

We consider that the principal management technique that can be used in the analyse of the stakeholder sector for water supply services is the **stakeholder matrix**. In order to define the importance and influence of each stakeholder, we can consider the following **criteria**s:

- The *capacity* of the stakeholder to influence positively or negatively the performances of the service, that can be quantified by using an international benchmarking system such like the benchmarks developed by IWA (International Water Association) and IBNET (International Benchmarking Network for Water and Sanitation Utilities) or the ones promoted by World Bank. The capacity of the stakeholder is determined by the power to promote and sustain his interests on the market, by controlling important resources or key informations.
- The *influence area* of the stakeholder, which is determined by the number of inhabitants that are affected by his decisions, and by the covered geographical area of the service.
- The *economic power* of the stakeholder, described by the principal techniques and financial indicators of his activity, by the quantity and quality of the controlled resources, and by his capacity to attract financing institutions.
- The *interest* manifested by the stakeholder regarding the achievement of a high efficiency and efficacy level for the management and quality of the service.
- The *social position* of the stakeholder, which is given by his visibility and credibility at local, regional, national or international level.

Considering this criterias, we can promote a classifying system for the stakeholders of water supply public service that groups them in 4 categories (A,B,C,D) and 16 subgroups (Figure no. 1).

		Stakeholder Importance			
		Unknown	Little/ No Importance	Some importance	Significant Importance
Stakeholder Influence	Significant Influence	C		A	
	Some Influence	C		A	
	Little/ No Influence	D		B	
	Unknown	D		B	

Figure no. 1 Water supply service stakeholder matrix

The first area (A) includes the most powerful stakeholders from the water supply market, who have the greatest influence on the service performances. This means that any strategic action (legislative modifications, operators regionalisation, implementation of the binom tariff etc.) must satisfy their interests. In the A category we can identify the following „actors“:

- a) *The most important water supply operators* in the region, that covers a large geographical area and many beneficiaries. Generally, those stakeholders operates in big cities and has operating licences (from class I to III) from the National Regulatory Authority for Municipal Services). Also, they have a much greater financial capability then the other operators in the region.
- b) *Regional Council*, that administrate the public and private domain and is responsible to develop strategies, forecasts and economical development programs. This stakeholder can influence decisively the management of the service at tactical and strategical level, by increasing the cooperation between the local councils of the region, especially the small ones.
- c) *A serie of operatos with moderate influence and importance*, that operates in medium towns with more than 30.000 inhabitants. Their influence is limited to the covered area. Ussually about 15-20% of the region’s population is supplied by operators from this category.
- d) *Local Councils*, whith moderate influence which is gived by their lack of capability to attract external financial resources. This is why European Union recomends their association in order to obtain finances to sustain regional development projects. Presently, in most of Romania’s small towns, local councils are also water supply service providers.
- e) The *Ministry of Administration and Interior*, with moderate influence because of his responsibility to analyse the legal situations of the water supply public services.
- f) *Other ministeries, authorities and governamntal agencies* (ANRSC- National Regulatory Authority for Municipal Services, Ministry of Environment and Water). ANRSC has a direct influence on the service performace by licensing the operators from the market, and the Ministry of Environment and Water is one of the principal organizations that can accelerate the process of infrastructure and service quality development by promoting european financing programs like FEDR (European Fond for Regional Development).
- g) *Representative international financial institutions* (European Bank of Reconstruction and Development, European Investment Bank, World Bank, Council of Europe Development Bank etc.), with medium influence on the market considering the fact they control a large ammount of financial resources, but their influence does not affect directly the quality of the service. In this context, a priority that operators must consider in order to increase the interest of these stakeholders is the use of some specific techniques such as: masterplans, cost reduction programs, post-fesability studies, mathematical models for forecasting evolution of the tariff etc.

The second area (B) includes the stakeholders that are very important for the continuity of the service, but with small influence on the service performance. Although, considering their significative importance, there is a strong need to protect their interests. In this category we can identify the following stakeholders:

- a) *Consumers* (population and companies), which represents the beneficiaries of the service. These stakeholders are affected first of all because of the monopolistic character of the service. Also, their actions are limited because of the lack of visibility and preoccupation of the organisations responsible for promoting the interests of the consumers, such as the Office for Consumer Protection, the Regional Directions of Public Health, some research&development organisations and the representants of civil society.
- b) *National Administration of Romanian Water*, represented by regional departments, who has the quality of unique operator for the surface and subsurface water resources. This stakeholder has a direct influence because of his responsibility to approve the regional water management strategic plan.
- c) *Federations and professional associations* (Romanian Water Association and Romanian Local Authorities Federation). The influence of this stakeholders is insignificant and hard to be cuantified, but their importance is high because they can accelerate the transfer of knowhow, disseminate best practices and increase the operators visibility. Those are premises for an intensification of investments in research and development and training of operators personell.

The third area (C) includes stakeholders with moderate influence on the market. Also, these stakeholders doesn't have a direct interest to increase the managerial performance and the quality of the service. For this reason, they can be considered a significant source of risk. Zone C includes:

- a) *A group of medium sized operators* with small importance and influence because they cover a small part of the market (cities between 10.000 and 30.000 inhabitants).
- b) *The Prefecture* of the region, that cannot be considered a stakeholder with significant importance, but that strongly influence the performance of the service. This stakeholder monitorise the implementation of projects which are financed by international institutions and verify the legality of the local public authorities decisions in the field of water supply service.
- c) *National Authority for Consumer Protection*, represented by her regional offices, who monitorise the way operators respects the rights of the water supply service consumers.

Finally, **the fourth area (D)** includes the stakeholders with limited or unknown influence and importance. Even so, their interests must be considered in the regional development strategy. The stakeholders includes *the rest of the water supply operators*, who operates in small sized villages, with less than 10.000 inhabitants. Even their influence and importance is very limited, if they are grouped in associations, they can become a powerful decision unit. Generally, about 30-40% of the region's population are supplied by this type of stakeholders.

By identifying the connections between the importance and influence of the key stakeholders, on the one part, and the management performance and service quality, on the other part, we can evaluate the efficiency and the potential risks of the current organisational and functional framework of the supply system. This analysis can be used to identify way of action in order to implement european directives regarding the operators regionalisation and the promotion of local council associations in order to access the financial resources needed to sustain regional development projects.

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RISKS MANAGEMENT. A PROPENSITY SCORE APPLICATION

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Abstract Risk management is relatively unexplored in Romania. Although Romanian specialists dwell on theoretical aspects such as the risks classification and the important distinction between risks and uncertainty the practical relevance of the matter is outside existing studies. Present paper uses a dataset of consumer data to build a propensity scorecard based on relevant quantitative modeling.

Key Terms: Risks Management, propensity scorecard, business application

Introduction

Suppose that you work for a mail order enterprise that sends out a catalog of furnishings and housewares each month. As part of an upcoming sales campaign, you want to distribute a special catalog that is devoted to fine dining and contains kitchenware, dishes, and flatware. It's too expensive to send this catalog to all of your customers, so you need to target those most likely to buy. You do this by developing a propensity model and then using it to produce a new mailing list. Fortunately, you have an extensive record of customer purchases. The data includes variables that indicate whether customers bought kitchenware, dishes, or flatware in the past two years. This purchase history has been used to create a data set, which contains 65 variables and 1765 observations. A variable that is labeled TOTAL DINING (kitch+dish+flat) has been created. It contains the sum of the variables that are labeled Kitchen Product, Dishes Purchase, and Flatware Purchase. This variable will be the basis of the model you build, as its values indicate an interest in dining wares. Based on this variable the DINEBIN target variable has been constructed. A profit matrix is computed based on costs and incomes associated with each action. Present analysis takes into consideration the prediction accuracy of different models and the probability threshold is assigned based on maximizing the profits. Oversampling has been used to obtain the training dataset in order to boost the occurrence of subjects interested in buying dining wares.

The Model

A summary of the statistical methods for assessing credit risk is offered by Hand and Henley (1997). Statistical scoring uses predictor variables to yields probabilities of default or to predict the repayment behavior of borrowers. Schreiner (2003) argues that Regression estimations, Discriminant analysis and Decisional trees are the most prevalent statistical methods that are used in assessing credit risk. However more sophisticated methods such as nonparametric smoothening, mathematical programming, Markov chains, recursive partitioning, genetic algorithms or neural networks are also available. Present analysis begins with considering Tree Analysis, Regressions and Neural Networks. Preliminary results allow us to drop Tree Analysis as comparatively inefficient.

A comparison between prediction accuracy of Regressions and Neural Networks is presented in Figure 1.

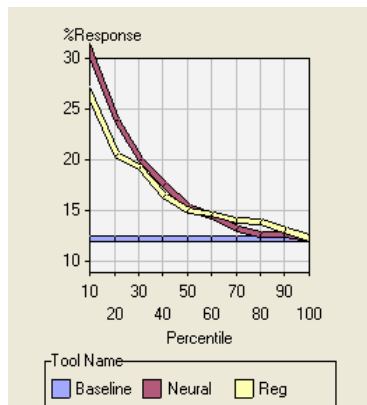


Figure 1 Prediction accuracy of Regression and Neural Networks

As one can see Neural Networks analysis leads to superior prediction accuracy. After training and validation of the model, you can see that it accurately predicts a purchase approximately 35 percent of the time for the top 10 percent of scores. This in turn has same implication about profits, as presented in Figure 2.

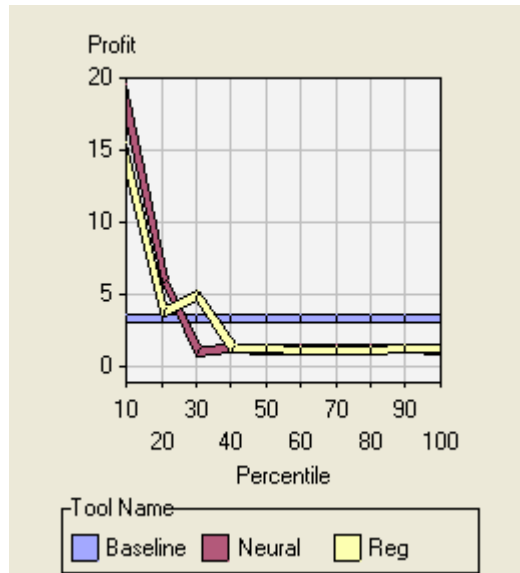


Figure 2. Non - Cumulative Estimated profits

The **Profit** chart calculates anticipated profits by combining response rates with the information that provided in the target profile. You can see that the neural networks model, if it's applied to the top ten percent of scores, should yield an average profit of about \$20 per target. The decision tree model should bring in an average of \$ 15, thus, combining the two strata yields a rough average of \$ 17 per target. Profit chart confirms the superiority of Neural Network model.

Table 1. Models main results

	Neural Networks			Regression		
Average Profit	4.18	2.99	2.90	3.71	2.75	2.81
Misclassification Rate	0.48	0.49	0.53	0.48	0.50	0.52
Average Error	0.61	0.66	0.66	0.62	0.66	0.66

Taking into consideration average profit, misclassification rate and average error Table 1 confirms the superiority of Neural networks model. Propensity scores based on this model are presented in Table 2.

Table 2. Propensity score abstract

Obs	DINEBIN	P_DINEBIN1
1	1	0.52
2	1	0.52
3	1	0.52
4	1	0.52
5	1	0.52

6	1	0.52
7	1	0.52
8	1	0.52
9	1	0.51
10	1	0.49

We see that our model is accurate in predicting propensity scores. The propensity scorecard employs the top 30% of scores which maximizes profits.

Conclusion

Neural Networks analysis has proved superior to regression in modeling the propensity scores in present risk management application. The prediction accuracy of the model is very good for top scores. Analysis predicts an average profit of \$ 4.18 with a maximum of \$ 20 for the top 30 % scores.

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RISKS MANAGEMENT. DATA ISSUES WITH RISKS ESTIMATIONS IN CONSUMER CREDIT

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Abstract Risk management is relatively unexplored in Romania. Although Romanian specialists dwell on theoretical issues such as risks classification – existing today as many classifications as papers on risks – practical issues of modeling risks were neglected. This paper focuses on important data considerations that affect directly the estimations' results.

Key Terms Risks management, business application, data issues

Introduction

Following the significant development of consumer credit market after the 1980's, the risk management of consumer lending has become critical to protect the interests of both lenders and consumers. Modeling default probabilities has received considerable attention, both in theory and in practice.

I have used an anonymous Hungarian dataset of 5060 observations of existing accounts of loans for personal needs. There are three groups of variables. A first group consists of demographic characteristics. A second group of variable refers to the financial situation of the borrower and the third refers to the loan and re-payment history. The old scoring date variable has been used to determine the tenure of the accounts. In the analysis I have constructed several banded variables.

Results

I ahve employed regression analysis of the default cases. Main results are presented in what follows.

Tabel 1. Regressions' main results

Label	Estimates	T-scores
Intercept	-3.60	-0.27
Current account NO	0.27	2.54
Employer CO W UNLIMITED	2.51	0.19
Employer LTD	1.73	0.13
Employer OTHER	-0.16	-0.01
Employer PENSIONER	0.31	0.02
Employer STUDENT	-6.03	-0.07
Employer PRIVATE ENTREPRENEUR	0.94	0.07
Marital status DIVORCED	0.61	1.80
Marital status MARRIED AND COMMON-LAW	-0.54	-1.85
Marital status SINGLE	0.00	0.02
Residence ownership FAMILY	-0.80	-2.83
Residence ownership OTHER	0.12	0.19
Residence ownership OWN	-0.70	-2.64
Residence ownership RENT	0.75	1.33

Table 1 presents the main estimates and their statistical significance. A stepwise procedure was employed so the coefficients are statistically significant by definition. We see that estimates have the appropriate sign.

Figure 1 and 2 presents how well our models do in terms of predicting default cases.

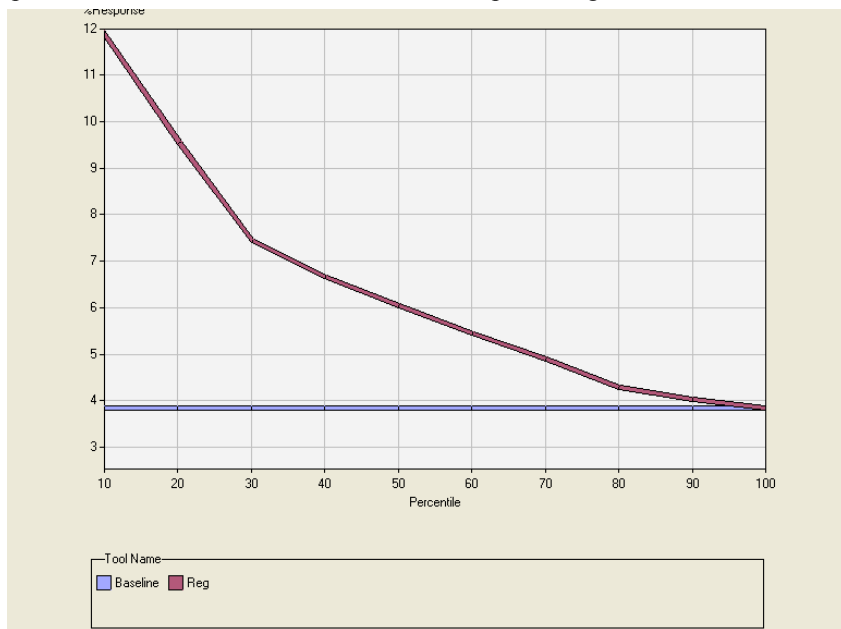


Figure 1. Cumulative estimated default

Figure 1 shows that our models does well comaped with baseline model . However the question regarding its accuracy is still on.

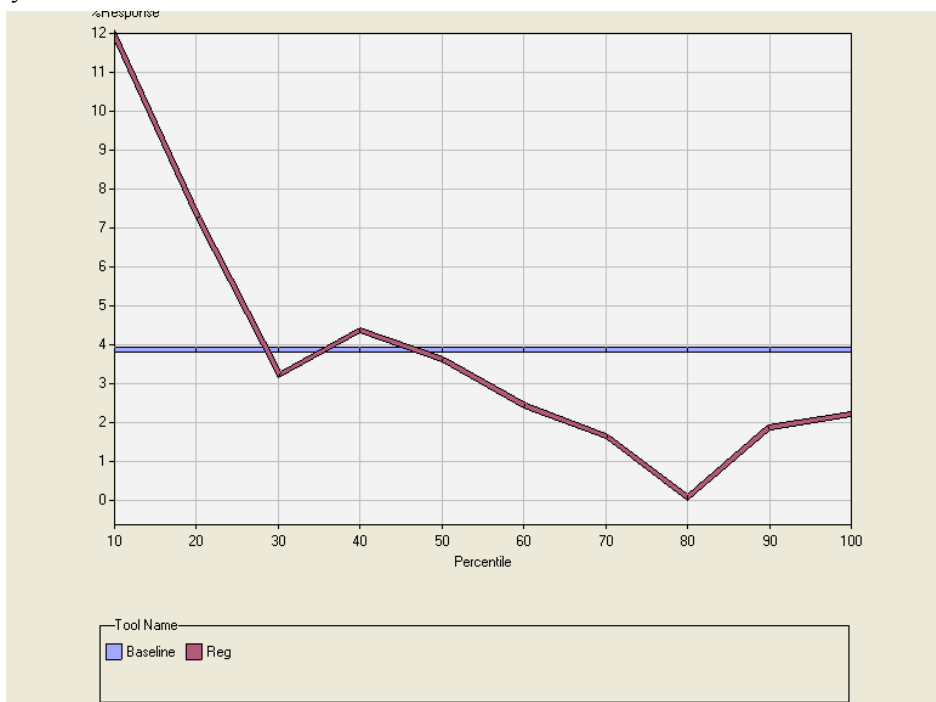


Figure 2. Non - cumulative estimated default

Figure 2 shows that for top 30 predicted default model does better than the baseline underlying model. However the Table 2 shows a different perspective underlying the existence od several data issues.

Tabel 2. Predicted default

Obs	Default	P
1	NO	0.22
2	No	0.20
3	NO	0.19
4	NO	0.17
5	NO	0.17
6	NO	0.17
7	NO	0.17
8	NO	0.17
9	NO	0.16
10	NO	0.16

Concluding remarks

There are several issues that might bias the analysis of credit risk. A first issue is that the monitoring period of arrears is short, which raises the question regarding the maturity of the accounts. Immature accounts are considered those which do not have time to “go bad”. In practice behavioral scorecards need to rely on at least a two years observation period.. On the other hand, using data on existing accounts to predict default probabilities is problematic because of selection bias issue. Furthermore empirical papers underlines that the developing sample must include an equal number of defaults, non-default and rejected cases. Another issue that might compromise the results is the population drift. This refers to changes in time in the distribution of population. This issue is particularly relevant for transition economies, as Natasa Sarlija et al (2007) have found in a study using Croatian data.

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A STUDY OF HUMAN RESOURCE MANAGEMENT PRACTICES IN ROMANIAN PRIVATE COMPANIES

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In a society based on knowledge, the human force becomes the best card to get a competitive advantage. The HRM practices can make the difference in an environment in which competitiveness becomes the main element and the economic growth is influenced by diverse factors.

In the past, researchers focused almost exclusively on how changes in HRM practices affect employee performance or satisfaction, but now researchers are beginning to ask how organizational conditions shape HRM practices.

In our paper we aim to diagnose two private organizations from human resource management practices perspective, the hypothesis being that HRM practices differ based on the company's size and activity length.

Key words: human force, human resource management practices, private companies

Human Resource Management Practices – Literature review

Human resource management (HRM) practices are being increasingly treated as dependent rather than independent variables. Whereas in the past researchers focused almost exclusively on how changes in HRM practices affect employee performance or satisfaction, researchers now are beginning to ask how organizational conditions shape HRM practices. Examples of organizational conditions hypothesized to impact HRM practices include strategy (Hambrick and Snow 1987; Snow and Hrebiniak 1980; Olian and Rynes 1984; Lawler 1984; Hambrick and Mason 1984; Gupta and Govindarajan 1984a, b; and Miller, Kets de Vries and Toulouse 1982), organizational life cycle stage (Kochan and Chalykoff 1987; Kerr 1982, 1985), technological change, union presence, internal labor markets and even whether or not an organization has a personnel department (Osterman 1984; Pfeffer and Cohen 1984; Cohen and Pfeffer 1986).

Until recently almost all HRM research was dominated by the *technical* perspective. The technical perspective presumes that organizations wish to plan, staff, appraise, compensate, train and develop their employees in order to ensure that the right people (skill-wise) are in the right place (job) at the right time (Collins 1979). The technical perspective leads to research designed to develop techniques for maximizing the match between employees' knowledge, skills and abilities on the one hand and the demands of the jobs on the other (Schneider 1985). The presumed result of good matching is organizational effectiveness, from which individual employees and the organization as a whole both benefit.

The *control* perspective views HRM practices as a means for organizations to ensure the predictability and reliability of social interactions. The goal is to ensure that employees behave as solid citizens, living according to organizationally approved norms and values (Noland and Bakke 1949; Hollingshead 1949; Bowles and Gintish 1976; Edwards 1976; Collins 1979). This perspective recognizes that organizations attempt to govern social performances in addition to job performance. Desirable social behaviors presumably include getting along well with others and acting as a good citizen who shows concern for the organization's functioning.

The *institutional* perspective posits two major explanations as to why organizations use particular HRM practices: organizations copy the practices they see being used by others, and/or they adopt practices to gain legitimacy and acceptance (Meyer and Rowan 1977; Zucker 1977; Meyer 1980). The institutional perspective assumes that legitimacy and acceptance are important objectives for most organizations because constituencies have the power to offer and withhold resources which, in the long run, may determine the firm's economic performance.

The *political* perspective holds that HRM practices reflect the distribution of power in an organization. For example, having an extensive set of HRM practices implies a powerful personnel department upon which others must depend when making personnel-related decisions (Osterman 1984; Pfeffer and Cohen 1984). But existence of other powerful groups-such as unions or competitors who minimize their labor costs-may act to countervail or suppress the expression of the personnel department's wishes (Doeringer and Piore 1971).

As suggested by Kochan and Chalykoff (1987) the *economic* perspective can also explain variations in HRM practices. Relatively affluent conditions in an organization permit it to pay higher wages. This in turn enables an organization to attract more job applicants and be more selective. Higher selectivity (lower selection ratios) diminishes the need to train employees. Furthermore, the attraction of more highly qualified individuals may lead to conditions that give more power and discretion to the employees, thus reducing the attractiveness to them of collective bargaining. The reverse scenario holds under less affluent economic conditions (Osterman 1984).

Based on the five perspectives previously presented which help explain some of the variation and similarity in HRM practices across organizations, we aim to diagnose two private organizations from human resource management practices perspective.

Our **hypothesis** is: HRM practices differ based on the company's size and activity length.

Method

Sample

One of the private organizations (organization 1) is a society of financial investments services, with 120 employees and 20 certified offices at national level. It was set up in 2005 and its portfolio range between mining industry, pharmaceuticals, chemical industry, construction materials industry and car spare parts.

Organization 2 is member of a Romanian holding having entirely private capital. It was set-up 14 years ago and its main activity is civil and industrial constructions. Its current portfolio of clients contains individuals, companies and public institutions at local and national level. The company has 900 employees specialized in different fields.

Questionnaire

In our study we used a quantitative method – a questionnaire with 56 questions addressed to the human resources manager. It contains mainly closed questions, the respondents have either to rank a set of values or to choose one value at the expense of another in a forced choice format, but there are also some open questions specific to the human resources management practices.

Procedure

The questionnaire was developed in Romanian and self-administered and it took approximately 20 minutes on average to complete.

Results

The first set of questions refers to HR recruitment, selection and integration.

Organization 1 has an *open* policy, the recruitments being done according to the current and prospective needs; organization 2 has a *prospective* policy, the employments being done in order to raise the organization's potential on a medium and long term. The privileged population for both companies, when it comes to employment, is composed of *young people without much experience*.

In the candidates' prospecting, organization 1 uses ads in the written media, radio and on specialized sites, and organization 2, besides the previously mentioned method, uses prospecting in schools and universities which justifies its prospective policy in recruiting future employees.

The two analyzed organizations systematically redefine the positions and the profile of the appropriate candidate, using diverse selection procedures. Organization 1 prefers interviews and practical tests; and organization 2 uses, besides the previously mentioned techniques, questionnaires or tests.

In the candidates' final selection there are no other elements that interfere in the case of organization 1, but organization 2 uses, besides the initial criteria, recommendations. The rejected candidates are informed on the rejection motives, in both organizations.

The integration of the new candidates is realized through a tour of the organization. In the case of organization 1, the new employee gets a copy of the Organization and Operation Regulation. In both cases, the information of the new candidate regarding his/her responsibilities and management's expectations is carried out by his/her direct boss.

For the new employees, regardless the hierarchical level, there is always a probation period (organization 2) and only sometimes in organization 1. In the case of a probation period, both organizations define appropriately and communicate the employee the duration of this period and the evaluation criteria. If, after this probation period, the management of the two organizations come to the conclusion that the new employee can not be retained within the company, he/she is told in detail the reasons of such a decision and he/she would be helped to find another job (usually on another position within the company – organization 1).

The second set of questions regards the ***HR prevision management***.

Both organizations calculate the HR necessary according to their forecasting regarding the activity evolution. It is taken into account the fluctuation and absenteeism, the forecasting being adjusted based on the new businesses contracted. The management of organization 1 makes alternative scenarios for situations in which the activity volume increases, but the management is not concerned with the decrease of the activity volume, maybe because the organization's activity is developing. The management of organization 2 makes alternative scenarios both for the increase and decrease of the activity volume; as such an analysis is useful in the case of a demand fluctuation.

The third set of questions regards the ***HR training and career development***.

Both organizations consider the development of employees' competency as a major objective, HR training and career development being seen as a strategic investment. Annually, both the management of organization 1 and organization 2 evaluate the training needs, the starting point being different. Organization 2's evaluation is based on the *needs and objectives defined by the organization's management*; and organization 1's evaluation is based, besides the previously mentioned elements, *on the needs or objectives expressed by the employees*. Both organizations design a plan for HR training and career development, and annually they evaluate the training activities, as well as the results obtained regarding the employees' performance improvement. Regarding the notable performances in the HR training recorded in the last 12 months, only organization 2 has specified the *promotion of the trained personnel*.

The fourth set of questions regards ***the reward management***.

The level of the average salary in organization 2 is identical with the brunch salary, and the payment systems used are: global salary agreement, hourly fees payment, payment for performance. The management of organization 2 uses non-financial rewards as: free access or with a lower price to the company's wellness spa. The management of organizations 1 uses pay for performance and there are no non-financial rewards.

The fifth set of questions refers to the ***HR evaluation and promotion***.

Both organizations practice annual systematic HR evaluations, the results being communicated to those concerned. When these evaluations are positive (together with the training attended by the respective person), they are used as the basis of internal promotions in both organizations.

The sixth set of questions regards the ***working conditions***.

Regarding the level of endowments at the working place, respectively offices and execution area, it is a *good* one for organization 1 and a *very good* one for organization 2. This means that there is room for improvements in the working conditions within organization 1, even though *good* is a positive aspect.

As regards the level of endowments with protective and working equipments, as well as with sanitary materials, the same level is recorded in both organizations.

The seventh set of questions refers to the ***social relationships***, including *working conflicts* and *social protection*.

There are recorded no working conflicts, either officially declared or spontaneous, and there are no vindications formulated by the labor unions or the employees representatives in the last year. Also, there are no vindications considered right by the management of the analyzed organizations but for which they could not find solutions or financial resources.

Regarding the social protection there have been taken into consideration a few aspects that can improve the relationship and the employees' performance. The companies provide no lodging for their employees. In the case of organization 2, the employees have the transportation assured by the company, there are two buses used for this service.

In the case of organization 1, the top management and the execution personnel (approximately 10% from the total number of employees) use company cars. In organization 2, the company cars are used by 70 employees and the administrative personnel.

All the employees of organization 2 benefit from lunch tickets and the company provides meals for 200 persons in the company's canteen. Organization 2 has a doctor and a contract with a dentist. Through this contract a part of the fees are supported by the company. There are 34 employees in organization 2 who have private health insurances paid by the company.

The eighth set of questions regards the *communication with employees*.

Both companies have a systematic policy to inform their employees, the results obtained and main orientations, as well as the objectives of the company are being periodically communicated to the employees. None of the organizations have an internal publication for employee. In the case of organization 2 the management uses forms of upward communication (suggestion boxes, quality circles, internal memos). Both organizations use employee counseling methods.

Conclusions

Based on the analysis, we can conclude that both companies are efficient from HRM point of view. Both organizations are continually developing, having a market in expansion, the difference between them, which may influence the HRM practices, are the size and the activity length: organization 2 is large and relatively old compared to organization 1. The differences recorded are related to prospecting, selection methods, training needs evaluation, working conditions, and social protection area where organization 2 is more developed.

From the five perspectives presented, only three are representative for the analyzed organizations. The technical perspective presumes that organizations wish to plan, staff, appraise, compensate, train and develop their employees in order to ensure that the right people (skill-wise) are in the right place (job) at the right time. That is why both organizations are carrying out trainings for their employees and the trained people usually got promoted.

The political perspective holds that HRM practices reflect the distribution of power in an organization, having an extensive set of HRM practices implies a powerful personnel department upon which others must depend when making personnel-related decisions. The results of the analysis point out that human resource department of the two companies are relatively strong and well organized. There are no conflicts, which can mean that either the employee are satisfied with their work and rewards or the labor unions are not very strong compared to the management and HR departments of the companies.

The economic perspective can also explain variations in HRM practices. It is well illustrated by the analyzed organizations as they have a continually growing activity volume which means that they can give higher salaries. In the case of organization 2, which is larger and relatively old compared to organization 1, the management offers, besides rather good salaries, non-financial benefits. Also, the social protection is more developed in the case of organization 2.

Based on all these results, we can conclude that our hypothesis is confirmed, HRM practices differ based on the companies' size and activity length.

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THE COMPETITIVE ADVANTAGE AND THE BUSINESS STRATEGIES USED BY ROMANIAN COMPANIES

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Business, as an object of the strategy, has been an attraction point for many established strategic management writers - I.H. Ansoff (1965), M.E.Porter (1980), H.Mintzberg (1988), M.Gervais (1995), J.Chevalier (2002), etc. In what follows, I will try to foreground a few of the most complex and pertinent typological approaches.

Strategy, strategic management ,generic strategies

1. Igor Ansoff’s approach

In 1965, **Igor Ansoff** suggested a matrix with four strategies which rapidly became very well known – **penetrating the market, product development, market development** and **diversifying**. 15 years later, Michael Porter introduced what will later become the most known typology for generic strategies: **based on costs, on differentiation** and **focused**. But both approaches are incomplete: while Ansoff’s is concentrated on the *extension* of the strategy, Porter’s focuses on *identifying* the strategy and bringing it to the foreground.

Ansoff’s approach is based on a 2x2 matrix, resulted from combining four elements: product, market, existent, new, as shown in figure no. 1:

EXISTENT PRODUCT	NEW PRODUCT	
PENETRATING THE MARKET	PRODUCT DEVELOPMENT	EXISTENT MARKET
MARKET DEVELOPMENT	DIVERSIFYING	NEW MARKET

Figure 1. Igor Ansoff’s Generic Strategies
(by I. Ansoff, Corporate strategy, McGraw Hill, New York, 1965)

Penetrating the market strategy wants to increase the sales volume for a product that is already on the market. The strategic objectives consist of obtaining an important market share or the position of market leader.

The product development strategy wants to increase sales by improving an existent product or by creating a new product which fits the demands of the market. This strategy is accessible to companies with a big innovating potential, with a new organizational structure or which use human resources through project teams or interdisciplinary teams. The management of these firms is orientated towards valuing distinctive competencies, towards indentifying and exploring the opportunities offered by the competitive environment.

The market development strategy wants to increase the sales volume for an existent product by penetrating new markets. This strategy aims at the geographical expansion of the company, but also at conquering new

market segments by creating new uses or adding new characteristics to the products, according to the consumer's needs.

The diversifying strategy aims to extend the existent business portfolio by adding new products, by using new technologies, new distribution ways to the ones the company already has. This strategy can offer the firm the advantage to use emergent or distinctive competencies.

2. Michael Porter's approach

Michael Porter (1980) thinks there are two types of competitive advantages a company can own: low cost and differentiation²⁵. These two combined with the essence of the company's operations – the aimed market segments – generate *three generic strategies* – *low costs*, *differentiation* and *focalization (based on costs and based on differentiation)*, as shown in figure no. 2.

COMPETITIVE ADVANTAGE		
Low costs	Differentiation	
1. LOW COSTS	2. DIFFERENTIATION	THE STRATEGY'S ESSENCE The entire aimed market
3a. FOCUSED ON COST	3b. FOCUSED ON DIFFERENTIATION	

Figure 2. The generic strategies' matrix (source: M.Porter, Competitive Advantage of Nations, Mac Millan Press Ltd., Londra, 1980, p.3)

The four quadrants of the matrix are then reduces to three basic types of strategies:

- *The domination through costs strategy*, specific to companies which produce and sell standardized products. The aimed market is vast, with numerous segments. Adopting this strategy implies intensifying the investments, which afterwards implies a productivity growth, a better organization of the production processes, rationalizing the products gamut, etc. This strategy is generally used by firms with a big financial power;
- *The domination through differentiation strategy* is adopted by companies which offer strongly individualized products. This strategy gives the firm a domination power exactly because of the uniqueness of the product's characteristics or services. It also implies a growing attention to maintain this advantage in front of the competitors;
- *The focusing strategy* implies the firm to concentrate over a narrow market segment on which they will try to obtain superior advantages from the ones obtained by the industry in its ensemble, by optimizing the differentiating cost. This strategy is generally adopted by small and medium companies, in order to avoid direct confrontation with stronger competitors.

According to Porter's generic strategies, we could consider the following:

²⁵ M.Porter, Competitive Advantage of Nations, Mac Millan Press Ltd., Londra, 1980, p.11

- the pragmatic value of a strategy is the realistic projecting of getting comparative advantages, which aim either the materializing of a low cost for the products or services, or their differentiation, according to one or more criteria, in comparison to the competitors' products.
- ensuring a low cost, under the costs' average from the respective field, is the first type of competitive advantage. Obtaining this advantage is the result of the actions taken over all the price's components (tied to aspects of the firm's internal environment, such as: infrastructure, human resources, technologies, the distribution logistics, the primary products and materials' production's logistics, marketing and sales, post-selling services, etc). In order to reduce as much as possible the cost of the finish product, the company must maximize production by counting on the savings obtained from large-scale or mass production. The firm can also practice other methods to reduce costs: the preferential access to raw materials, applying major innovations, etc.
- in order to obtain a different product in comparison to the competitors, a product preferred by consumers, the company's management must choose, by strategy, one or more attributes for the product, which are known as being critical for the people who will purchase the product (intrinsic quality, functions, the product's reliability, the delivery method, the promotion, the facilities offered at purchasing, etc);
- in reality, the two types of competitive advantages are combined in different proportions. At the same time, the intent to combine in equal measures the two strategies is impossible. The desire to obtain a perfect product, from the points of view of the price and quality, is meant to fail in the context of the existent highly competitive markets. This is why the managers must choose the strategies which prioritize one of the strategic advantages, while leaving the other advantage to a minimum level.

3. Henry Mintzberg's approach

Henry Mintzberg, an author with numerous contributions to the development of the strategic management and to the strategies' substantiating, classifies the strategies in accordance with two criteria²⁶:

- depending on their character and evolution: *static strategies* and *dynamic strategies*;
- depending on the development vector: *penetrating strategies*, *market development strategies*, *product development strategies* and *diversifying strategies*.

At their turn, the differentiating strategies can take many forms:

- **Price differentiating strategies** represent the easiest way to differentiate a product or a service. This strategy can be used by the companies which can't differentiate themselves otherwise. Thus, the producer can get a competitive advantage on the basis of smaller marginal costs or by accomplishing a big sales volume.
- **Image differentiating strategies** are based on creating a special image for the product. It can also include a simple "make-over" of the product, by using new wrapper, more attractive for the consumers, which doesn't lead to major changes in the structure or performance of the product.
- **Support activities (auxiliary) differentiating strategies**. This strategy is tied to the differentiating methods of the product connected to the support activities – delivering conditions, service, guarantee and post-guarantee services or for complementary products or services. This idea is sustained by Theodore Levitt also, who claims "no matter how difficult it is to obtain differentiation by projection, there is always a way to get a different type of differentiation, especially with the help of support activities"²⁷.
- **Qualitative differentiating strategies** target those characteristics of the product which make it *better* than the competition's product (and the product is not necessarily fundamentally

²⁶ H. Mintzberg, J. Lampel, J.B. Quinn, S. Goshal, The strategy process, Fourth Edition, Pearson Education International, 2003, p.120-125

²⁷ H.Levitt, Marketing Success Through Differentiation – of Anything, Journal of Marketing, nr.6, 1980, p.8.

different). This strategy refers to: the trust in the product, its durability and superior performances.

- **Design differentiating strategies** confer to the product something really different, which breaks all the conventional design patterns and give the product unique characteristics.
- **Non-differentiating strategies**: in the context of a vast market, of a poorly performing management, the only way to get an advantage is to copy existent products from the market.

Mintzberg also delimits the strategies, in accordance to the *position of the main business in one of the technological process' phases*, as follows²⁸:

- **Strategies of the primary development phases**, namely the phases in which one or more raw materials are combined in order to result different basic products with multiple uses. These phases tend to be intensive in technology and capital, more so than intensive in human resources and are rather looking to obtain a strategic advantage by keeping costs low.
- **Strategies of the secondary development phases**, namely the phases in which the use of a raw material allows obtaining semi-manufactured goods, which combined lead to finished products;
- **Strategies of the tertiary transformation phases**, namely the phases which include the product's assembling, transportation and distribution to consumers.

Another classification of Mintzberg, which has as criteria *the distinctive characteristics which allow an organization to get the competitive advantage*, gives him the possibility to delimit the following strategy types²⁹:

- **Projection strategies** which target fields like research and product development;
- **Processing strategies** which target: process and operations (fabrication, assembling, etc) developing;
- **Resources ensuring strategies** (materials, human, financial);
- **Delivering strategies** which are concentrated on the marketing domains (market channels, promotion), sales, distribution and service;
- **Support strategies** which target fields like: the legal domain, inspection, training, etc.

According to *the market opportunity's proportion*, Mintzberg offers another classification of the strategies, as follows³⁰:

- **Non-segmentation strategies** – the firm wants to take over an important part of the market with a product which has a basic configuration;
- **Segmentation strategies** – the company can choose to cover all market segments, or can be selective by positioning itself only on certain market segments;
- **Niche strategies** – allow the company to focus its attention to one market segment;
- **Individualization strategies** – represent the segmentation of the market to the point in which each consumer represents a unique segment. *Individualization in its purer form* represents the process in which the product is thought in its smallest details in order to satisfy the consumer's needs. In this case the entire value chain is influenced: the product is delivered in specific conditions, not only fabricated and assembled in this manner, but also specially created for a certain type of consumers. *Partial individualization* aims at basic design of the product, which is subsequently modified according to the consumer's needs and wishes. *Standardized individualization* – the finished product is assembled from standard components to which particularization elements from the consumer are added (the color of the car, the optional package, etc).

²⁸ H. Mintzberg, J. Lampel, J.B. Quinn, S. Goshal, The strategy process, Fourth Edition, Pearson Education International, 2003, p.116-118

²⁹ Ibidem, p. 118

³⁰ Ibidem, p. 123

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STRATEGIC CONTROL AND THE PERFORMANCE MEASUREMENT SYSTEMS

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Abstract: Performance measurement techniques historically developed as a means of monitoring and maintaining organisational control, which is the process of ensuring that an organization pursues strategies that lead to the achievement of overall goals and objectives. This paper compares two of the most widely adopted performance management frameworks – EQFM and Balanced Scorecard. These methods are used to explain how strategic control and performance measurement can aid in the implementation of strategy and the improvement of organizational performance.

Key words: Performance measurement, Strategic control, EQFM, Balanced Scorecard

Introduction

Competitive pressures from within the industry, as well as external political, economic and other considerations are forcing the industry to re-examine and improve its *modus operandi*. The Royal Society of Arts, Manufactures and Commerce (RSA) said about the role of tomorrow's company:

„To achieve sustainable business success in the demanding world marketplace, a company must use relevant performance measures .”

The weaknesses in the current practice and highlighted areas of further work necessary to ensure the use of performance measurement is sustained and adds value to the industry. Andy Neely gives seven reasons why performance measurement is now on the management agenda. All of the points are relevant to any industry: the changing nature of work; increasing competition; specific improvement initiatives; national and international quality awards; changing organisational roles; changing external demands; and the power of information technology.

Performance Measurement Systems(PMS) and Strategic Control

Traditionally businesses have measured their performance in financial terms, profit, turnover, etc. These financial measures of performance have been the sole measures of a company's success. Performance measurement that has been based around financial measures has been deemed to be out of step with recent changes in industry, particularly relating to new technologies and increased competition.

Performance measurement is furthermore criticized because it often focuses narrowly on easily quantifiable criteria such as cost and productivity, while neglecting other criteria important to competitive success. The traditional performance measures, developed from costing and accounting systems, have been criticized for encouraging short-termism; lacking strategic focus; encouraging local optimization; encouraging minimisation of variance rather than continuous improvement; not being externally focused.

The subject of performance measurement is vast and numerous authors continuously add to the body of literature on the subject. The amount of literature on the subject demonstrates the problems that exist with performance measurement and its importance within the business community. Most authors agree that managers measure for two main reasons. Either they want to know where there are and what they have to improve; or they want to influence their subordinate's behaviour. Strategic control includes both of these

reasons. Initially strategic control was seen as enabling managers to see if their chosen strategies were being successfully implemented. This view has since been extended. Humans can be seen as "calculative receptors", their behaviour can be influenced by a strategic control system. They receive a stimulus, interpret this, assessing the perceived costs and benefits of various responses and are likely to chose whichever course of action will maximise their gain. Control through measurement and feedback follows action. Rewards or sanctions are then used to reinforce or modify behaviour depending on the employee's performance and on the appropriateness of the action pursued. A broader view is that strategic control systems will: co-ordinate the efforts of employees; motivate individual managers; and alter direction dependent on circumstances. Another view is that strategic controls can be used as a means of:

- clarifying what good performance is;
- making explicit the trade-offs between profit and investment;
- introducing individual stretch targets; and
- ensuring that corporate management knows when to intervene because business performance is deteriorating.

Andy Neely and Mike Bourne summarise that strategic control systems have multiple roles to play and, given that many authors argue that performance measurement is part of the strategic control process, then it follows that performance measures also have different roles to play. The multiple reasons why organisations measure performance can fall into one of four distinct categories:

1. Checking position. Establishment of current status and monitoring of progress over time and against benchmarks.
2. Communicating position. This can be a requirement, quoted firms must release annual reports, safety statistics must be submitted in construction, they may be expected by customers or employees, and also as a means of marketing themselves.
3. Confirm priorities. Performance data provide insights into what is important to a business, exposing shortfalls allowing organisations to rationalise and focus on what the priorities should be.
4. Compel progress. The measures can help the organisation focus on specific issues and encourage people to search for ways to change and improve performance. The measures communicate the priorities and can form the basis for reward.

J. Smullen identified five attributes for any PMS: acceptable - they can be understood; suitable - they measure important things; feasible - they are easy to collect; effective – they concentrate on encouraging the right behaviour; and aligned -non financial measures must link to financial goals. Other key attributes include: it must be the subject of a learning process; must be balanced; cascading scorecards; embody strength; not over financial; and it must be able to be implemented.

Performance measurement models

There are many types of performance model, for the purposes of this paper we will briefly consider two of the better known: the EFQM Excellence Model and the Balanced Scorecard,

The EFQM Excellence Model

The EFQM Excellence Model is a non-prescriptive framework, designed to allow companies to assess where they are on "the path to excellence", understanding the gaps and stimulating solutions. It is a tool to help define and assess continuous improvement of an organisation, and is based on their eight fundamental concepts of excellence: results orientation; people development and involvement; customer focus; continuous learning, innovation and improvement; leadership and constancy of purpose; partnership development; management by process and facts; and public responsibility.

The Excellence Model has been developed to enable the assessment of excellence against the above fundamental concepts (see Figure 1).

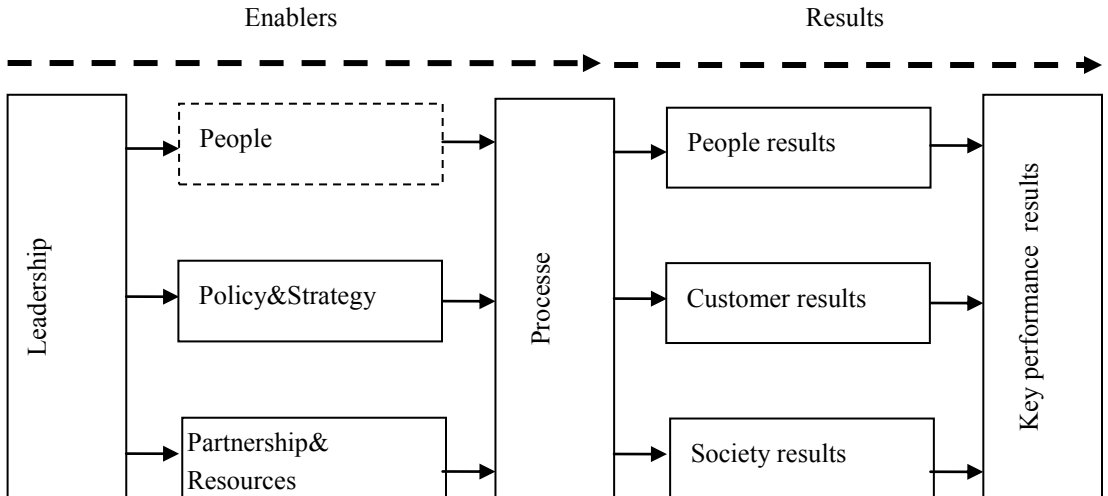


Figure 1. The structure of EQFM Excellence Model

The model has nine criteria and starts on the left-hand side with Leadership, This is one of the five enabling activities which drive the four sets of results. The model flows naturally from the left to the right. The analogy of an arrow going through the centre of the model starting on the left, can be used to explain how the model works and how the different criteria are intrinsically linked. Any decision or action of an organisation requires leadership. This leadership decides the company's policy and strategies, drawing on the capabilities of its people and its partnerships and resources. Having decided on its policy and strategy and ensured that its people, resources and partnerships are capable of supporting them, it then defines its processes which will deliver its customer results and its own key performance results. In delivering these results it also affects the employees (people results) and also the society in which it sits (society results). The model also requires continuous improvement through innovation and learning, so having achieved the results, the leadership must review them, alter the policy and strategy accordingly, develop the people and resources to implement the changes required and ensure that the processes are adapted to deliver the desired results. The cycle is continuously repeated,

The model is devised to be used as a self-assessment tool, which enables a comprehensive, systematic and regular review of an organisation's activities and results referenced against criteria within the model. There are five different approaches to self-assessment recommended by the EFQM. Dependent on the level of maturity with the excellence model, then the EFQM recommend the appropriate method of assessment. All the approaches deliver a score although only the more robust methods produce a score, which is comparable with those of the Quality Award Schemes.

The primary objective of the EFQM and their promotion of the use of the Excellence Model is to improve performance. The numeric score that is achieved is only used as a benchmark against which future performance is assessed. The primary objective of self-assessment is therefore the identification of strengths and of areas for improvement. The hope of the EFQM is that this process that will create the energy to improve the organisations performance. The EFQM have developed the RADAR Scoring matrix. The RADAR logic is cyclical and continuous, forms the areas of assessment on the matrix and is at the core of the EFQM Excellence Model. It can be applied to most business situations that involve a process (see Figure 2).

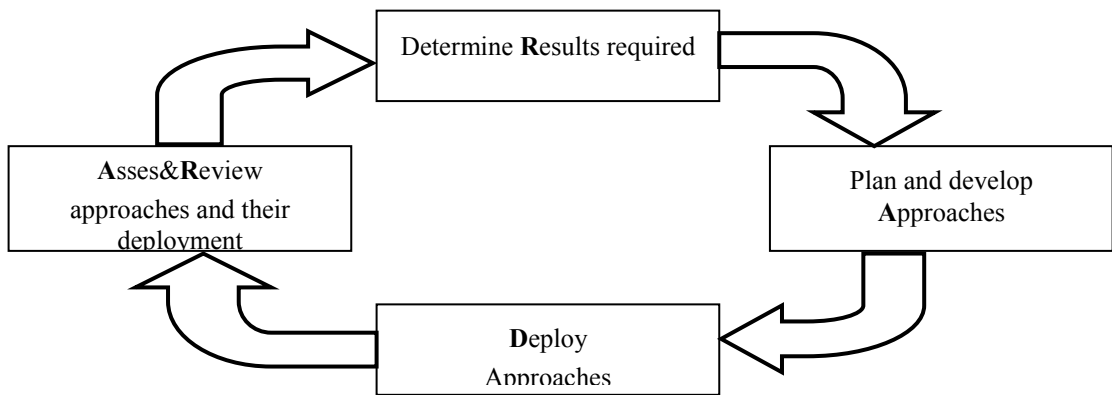


Figure 2. The RADAR logic

The Balanced Scorecard

The Balanced Scorecard is a framework in which to understand the relationship between objectives, activities and results and integrate the management process. It can aid precise articulation of the organisation's objectives, the formulation of strategy, the generation of plans and budgets, and the setting up of an information system for performance monitoring and management. It also leads to a cascading set of indicators which will enable the units within the organisation to co-ordinate their targets and behaviour with the overall strategy of the organisation. The Balanced Scorecard uses specific KPIs to assess the companies' performance. They must measure key strategic mechanisms for implementing and judging strategy for business. There are four areas where indicators are developed. These are:

- a) The financial perspective. How do we look to our shareholders?
- b) The customer perspective. How do our customers see us?
- c) The internal perspective. What must we excel at?
- d) The innovation and learning perspective. Can we continue to improve and create value?

There are key practical issues that are necessary for effective change within an organisation. These include top management support, and J. Smullen also recommends that a pilot project is used to develop the scorecard, suggesting that one is produced for a particular business unit and one for a critical business process. The other key issue is the development of and understanding of the strategy. The senior management must clearly identify the goals and how they are attempting to achieve these goals and also what are the constraints of the business in achieving these goals.

Types of performance measures

As mentioned previously, for KPIs to be used successfully, they need to be part of a PMS. When developing the measures for a PMS a clear understanding of the different types and applications of measures is required. The most significant problem with the KPIs ,in their current format, was that they do not offer the opportunity to change. They are designed to be used as post result "lagging" KPIs. Lagging measures are used to assess completed performance results. They do offer the opportunity to change performance or alter the result of associated performance. They are used only as a historic review. Leading measures do offer the opportunity to change. They are measures of performance whose results are used either to predict future performance of the activity being measured and present the opportunity to change practice accordingly, or to enable future decisions to be made on future associated activities based on the outcome of previous activities.

The EFQM Excellence Model identifies three specific types of measures. They distinguish between KPIs, KPOs and perception measures.

KPIs. KPIs are measures that are indicative of performance of associated processes. An industrial measure of absenteeism within companies is also a KPI. A high level of absenteeism could be indicative of problems with morale, which may have been caused by a number of different reasons, poor leadership, lack of work, poor working conditions, etc. If this measure is used as a leading indicator, then it can be used to

give an early warning, identify a potential problem and highlight the need for further investigation. This provides an opportunity to change and to take appropriate corrective action. The "cause and effect" relationship between the result being measured and the associated cause may be difficult to establish in a business environment. This is why a KPI can only be indicative of future performance.

The KPI s can be divided on three levels (see Figure 3).

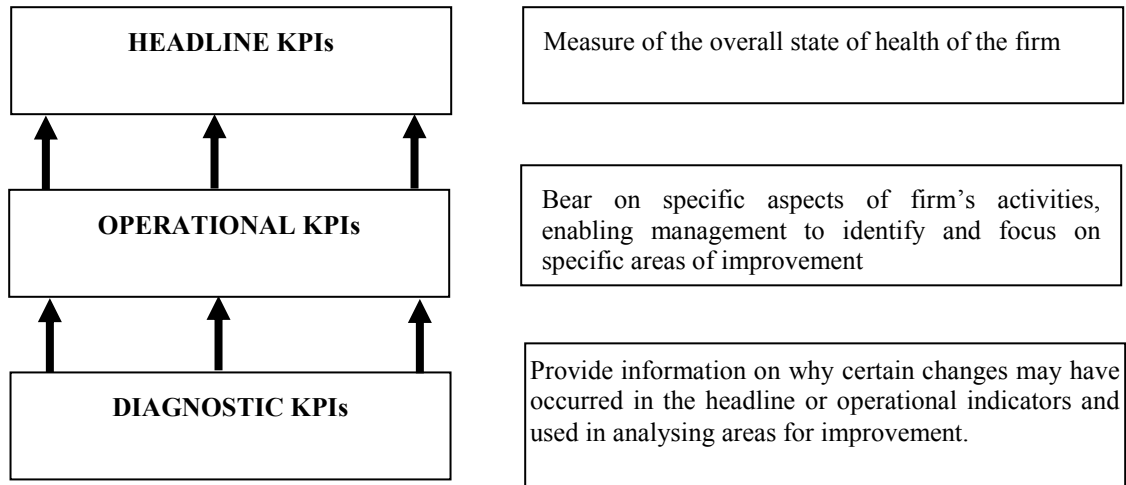


Figure 3. The levels of KPIs

For all types of measures benchmarking is very important. It is particularly important for KPIs because they are only indicative of associated performance. It is therefore the understanding that the KPI is indicative of predictable performance. For the performance to be predictable then benchmarked data through experience are required. If benchmarked data are not available then the decisions based KPI data, are based only on intuition. This level has been set based on benchmarked data either through experience of use or through testing. The user therefore knows that action needs to be taken to prevent the problem occurring.

A key part of a PMS is the use of results to aid the decision-making process. A strategic benchmarking initiative has most to contribute towards their change culture, process, improvement of performance and productivity. Benchmarking enables an organisation to identify its performance gaps and opportunities, and develop continuous improvement programs for all stages of their process.

KPOs are results of a completed action or process. They therefore do not offer the opportunity to change. Business KPOs include measures of profit, share price, market share etc They can also be used to measure the results of processes and sub processes, whose results in themselves cannot be altered. However the results could be used to make decisions to change how the next processes are carried out. For example, if one of the sub processes finished late by two days. The sub process KPO would indicate a two-day overrun. This sub process is complete and the result cannot be changed. However in order to achieve the overall result, additional resources could be utilised on the next processes to address this overrun. In this way the sub process KPO can be seen as a leading measure in the context of the overall result. The measure is of an enabling activity, a leading activity that will deliver a business result.

Perception measures can be used at any stage. They require direct feedback on past performance. They can be leading or lagging measures. For example, client satisfaction is measured after the completion of the project. This is therefore a lagging measure, which cannot be changed. However, if client satisfaction is measured at various stages during the project then these can be described as being leading indicators, ones which provide the opportunity to change future actions to affect the overall desired end result. Perception measures are usually carried out by direct question or survey. There is a danger that because employees and especially clients will become increasingly asked for feedback, the results could become negatively influenced. Some companies are starting to use employees to anticipate the perceptions of their clients.

Conclusion

It is clear from the research that performance measurement is only part of the business improvement process. Unless action is taken based on the results attained then the measures are meaningless, costing money to obtain and not adding value to business . Performance measurement must therefore be part of a system, which reviews performance, decides on actions and changes the way in which the business operates. It is the translation of the results into action that is crucial to achieving to improved performance.

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MANAGERIAL COMMUNICATION IN THE ROMANIAN PRE-UNIVERSITARY EDUCATION SYSTEM

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Abstract: Human relations are very complex and important; they represent, in fact, the texture on which life itself stands, the structure of successes, the miracles or human disasters. Characters and attributes, human facts (good or bad), looks and gestures – all can create a code, a model or a style of inter-human communication. Communication, in its full meaning, as a transactional act, unavoidable in interaction situations, becomes essential, fundamental, for personal life as well as for individual social life. Therefore, concepts like “communication”, “idiom”, and “language” have many meanings. This fact arises not only from the intrinsic complexity of each concept, but also from the fact that they represent the researching object of many scientific fields of study, such as linguistics, psychology, sociology, cybernetics etc.

Key words: concept, study, communication, knowledge, education, information

The Psychological and Etymological Meaning of Communication

Clarifying the psychological and etymological meaning of this concept manifests like a necessity, especially if we consider its anchorage in an inter-disciplinary system. Therefore, in Latin, the verb “communication” comes from the adjective “munise” whose meaning was “doing its duty, helpful, polite”. The word created, by derivation, a very big lexical family from which we mention “immunize”= exempt of tasks, exempt from a duty (e.g.: “imun” means exempted from contracting some disease, not having the disease). According to some researchers, “communise” means to “share tasks with somebody else”. In classical Latin, as the meaning of its current follower it meant “which belongs to many or all”. Afterwards, “Comunicus” initiated the verb “communico”, reaching in Romanian through French, together with a range of neologisms from the last century and a half. Communication as an act, system, code or way, stands to the basis of social organization and development, influencing horizontal and vertical report between humans – interfering even in their intimate goals, but also in knowing reality.

Various specialists accept the idea that the capacity to formulate and send thoughts in verbal terms is representative for humans. More than this, any skill or ability and the possibility to communicate through a fluent language represent universal and specific characteristics for humans. Concepts that are related together in order to discover communication functions and explanation are: idiom, language, message, brain activity etc. Some aspects have to be mentioned in order to analyze the unity between idiom and thinking. On the one hand, idiom has a main function in expressing thinking, and on the other hand, thinking can be made only in linguistic forms. It is recommended to approach the concept of communication from a wider psychological perspective, with strong social nuances. Thinking started from a primal level, developing by itself when it was confusing and difficult supported by a more abstract, and, at the same time, more systematic language.

Since in this work we do not have the intention to expand the connection sine qua non which exists in relation with language, thinking and the language system, we only suggest some patterns in their approach. Nevertheless, all concepts will be related to the most common binding matter, which is communication. The possibility of a total conversion of our thinking and experience in language is questionable, because of the contradiction between their infinite variety and its limited number of code elements, which are used to send messages to speaker (some dozens of words, from which only 2000 are currently used). M. Zlate (1994) demonstrated that ever since 1969 “communication exists for us, whenever there is an exchange of

meanings”. We record the concept of exchange, but its content can be mentioned and the meanings can be sent by either verbal or non-verbal means.

Norbert Sillamy (1965) insisted on the feed-back character of communication. When information is sent, it produces an action upon the receiver and a retroactive effect upon the sender.

Anzieu and Martin (1969) highlight the component elements of communication as well as its orientation. Therefore, communication in education represents the set of psychical and physical processes by which the operation of connecting the teaching staff with the students takes place, in order to achieve the objectives of transmitting information to students about the field of study and required explanations in order for students to understand and learn.

Due to the communication-understanding process, many entities which communicate can reach conclusions, goals, norms, values and common principles, being able to create intra-group structures.

By the process of communication, communities are not only created but they also develop and, unfortunately, destroy. Communication is a process in which information is given and received. It is an implicative process in which members’ participation of a certain group is necessary. This participation should not be understood to exist only at the communication process level because the existence of groups and their common actions involve participation. Co-participation represents a partial involvement. There is a constant core in any group, and it effectively participates in achieving the goal and it manages the entire difficulties of actions. Therewith, there are some elements which are neither hostile, nor passive, but which participate, sometimes, only in certain actions in order to achieve common goal.

Consequently, we can consider communication-participation and co-participation extremely important in creating, maintaining and developing of the cohesion phenomenon regarding the inner group as well as about individual-group relation or the relation between two or more groups. Group existence and especially formal social structures within their frame involve automatically organization, alongside with norms, laws, regulations and hierarchy. We can state that one of the main advantages of actions’ organization is represented by the shortening of time period needed to reach the target goal. Another great advantage of the organization is to increase the safety level to group members as well as confidence in reaching target goal. The ultimate important advantage which we mention about organization is represented by the possibility of controlling actions.

In the Romanian education, at the macro system level, communication-organization divides in two, resulting the intra-systemic communication-education, case in which, focusing is inside of the system and inter-systemic communication-education, in which actions are based on the connection system-educational system.

Society continues to exist through transmitting, communication, but it is correct to say that it exists in transmitting and communication. It is more than a verbal relationship between words like common, community, communication. People live in community due to their common things, and communication is the modality by which they reach to collectively possess these things. To form a community or a society, they should have common goals, beliefs, dreams, knowledge – a common understanding – “same spirit” according to sociologists. Communication is the one which assures similar emotional and intellectual moods, similar ways of responding to expectations and requirements.

In order to know and manage an education unit, it is needed to identify facts and events which generate data, by precisely delimitating knowledge and management objectives, by establishing information carriers, as well as modalities to collect and register data, methods and tools to operate this data and information destination, their transfer to public receiver. The communication-information process, which is realized between school and local community, is important especially through transmitting messages capable to make citizens and their children interested in school.

Communication in the Educational Process

The didactical process which satisfies student’s needs according to its social, scientific and educational description is made through communication. The communication process has many agreements which we will present bellow. An agreement is based on informational transfer and counter-transfer. In other words, the agreement is based on information transmission, perception and giving a direction to this kind of information. The agreement between two entities (teaching staff and student) is realized according to the following principle: any sender entity (teaching staff) should have the capacity to transform itself in a

receiving entity and any receiving entity (student) should have the capacity to transform into a sender entity. Communication process, as agreement, is a circular one, in which the two participant entities constantly change their roles. Circular communication in didactical process is the most indicated in promoting active-participative methods. Otherwise, the didactic process could have only one direction, from sender (professor) to receiver (student), an old process which is not used nowadays.

A modern didactical process is the one in which the student participates to its entire development communicating with teaching staff on the debate topic, in this way succeeding in understanding the essence of the received information before leaving the classroom. This kind of communication process is presented in the bellow chart:



Based on the communication-understanding process, students communicate with the teaching staff and between them, reaching to common conclusions, goals, norms, values and principles, therefore, being capable to easily integrate in the social and economic structures, intra-group. Understanding is the positive valence under which we generally recognize communication, and misunderstanding is the negative one which can often have a positive effect.

Misunderstanding can appear between sender and receiver when the information flow is jammed or when the noise source is too high. Communication-misunderstanding can be also caused by non-crossing or crossing on very small portions of participant entities repertoires to the informational transfer or counter-transfer. Another cause of misunderstanding between two or more entities is represented by difference of opinions, of beliefs, but especially because of their different interests. Misunderstanding benefits to a group if this phenomenon does not pass some limits, if this leads to a constructive confrontation of ideas. It can also be a source of non-monotony but also a reason to divide the group in subgroups based on contrary interests. Thus, we can state that misunderstanding between two or more entities can create conflicts with enormous consequences.

Communication is done on three levels:

- Logical
- Para verbal
- Non-verbal

Experimental psychology studies on communication allowed the elaboration of a complex and systematic overview chart, for phenomena which are a part of this set of human activity – this does not mean that methods, purpose or effects are definitively explained. Methodologically, the communication study supposes two main aspects:

- the global approach of group communication;
- the details' neglect in the communication processes and mechanisms with warnings about the possible segmentation of global process.

There is clearly an interaction between various factors which influence didactical processes and the educational context which influences communication. Even if the obtained results in experimental psychology have a partial value, communication can be studied. In this kind of research papers, the factors which influence communication have only a relative importance. The set of factorial structures represents instead the level at which the interaction of the factors determining communication networks should be approached.

Some researchers of the fifth and sixth decades of our century suggested the approach of the communication structure from the perspective of a working group and also from discussion groups. The methods used as well as the communicated problems in the communication study show that this is one of the social life constituent; it is necessarily present in this group. Communication appears almost at the same time with the exchange of information. By its social nature, communication has an intermediary situation

in the sequences: purpose, means, and effects. Communication, as a circular phenomenon, modifies initial status due to its effect, modification which determines the inter-relationship process. Methodological consequences of the communication theory, from the perspective of “communication networks”, refer to:

- limitation or restraint of the communication phenomenon according to vocal emission;
- limitation or determination of temporal off cut of communication processes;
- limitation or determination of communication effects.

As we can easily see, according to Scheriff and Fraise, communication between two subjects is made based on the number of units transmitted phoniatrically, adding the temporal segment. The communication process involves decomposition of the set in communicational units and sequence of units approached by each group member or by the group, as a whole. The unit of communication is the message or the speech transmitted by a person through a sender.

In experimental psychology research papers, the isomorphism between the communication structure and mechanisms is also mentioned, which is present in communication networks. Implicitly, communication processes are understood as intermediate phenomena which diversify according to certain situations, that are defining various purposes or that require communication with various “intensity”. Studies about leadership often considered the problem of researching the communication phenomenon. Communication theory can be nothing more than a connection of non-varied relations among social situations and meanings on the one hand, and a part of a relation between means capable to assure achieving goals in various situations, on the other hand.

Fauchex and Moscovici noticed that groups tend to have a centralized communication, and centralized structure is the most powerful limit situation. There is a generic orientation in experimental psychology to determine reports, categories and situations as communication type. Communicational categories are defined based on the relations established between the persons that are in inter-communication. According to Bales, the classification of communication (including the pantomime which transmits communicational aspects) is based on a logical and psychological construction of the group. Communication categories and communication styles are related to the sender which manifests or enters a communication process.

By using symbols associated with reality, the information transmitted through the process of communication is used to describe the specific order and organization in studying the meditation process, getting proper meanings for each field of knowledge. Generally, the information resulted from the communicational process is treated like knowledge, a reflection of objective reality into human knowledge.

The information is described mostly by its degree of subjectivity-objectivity, referring to its dependence on the user, the time cell to which it refers, but also to quantitative and qualitative aspects. The information should have a utility value and a savings hope, calculated as the difference appeared between the effects of a promoted decision, with or without the “knowledge” element of the related information. The utility value of information is strictly dependent on its physical aspect, but also on its moral aspect, a priority aspect caused by an environment described by a maximization of its dynamism.

The information in the educational process is under a high risk of damage, inducted by production and diffusion actions, actions which result from the multiple and complex interaction with the sum of environmental information. The risk of damaging information is influenced by execution of the conditioning process in a certain space and time, by the sum of users, students, as well as by their attitude against a certain process.

In order to efficiently solve their school tasks, students should learn to directionally address and to shortly and conspicuously communicate with teaching staff and between them, according to needs. As receiver of information, they must be able to discern exactly what their professors and discussion partners transmit. The student and its teaching staff should have a motivation, about the subject and the reason of communication, before sending a message. This is why the speaker will cover a process of searching, which helps to activate all relevant data for the debated topic.

School Secretary and Communication Categories

A school secretary is gradually transforming into a central of information commutation, where it converges from all parts of the school and from the outside. Modern secretariat work is characterized by processing, registering and transmitting information in vary ways: data, texts, graphics, images and speaking, the

output being usually, the documents. Besides the one that contain only text or numbers configuration, mix documents appear more and more often. Since the issuing of documents does not represent a purpose in itself, it is important to distribute it to receivers.

The secretariat represents an important communicational channel, an intermediary in transmitting information or a sender of information. The secretariat transmits information upward, to managers, in order to support them in making decisions and in establishing school objectives. The secretariat selects information by direct methods or authority delegation obtained from managerial departments.

Types of ascending information:

- - law articles
- - statistical information about the activity developed in school
- - abstract from certain documents
- - mail information which has been sorted and archived.

The secretariat receives information from managers about decisions already made which should be applied and done by subordinates. Transmitting this information can be done verbally or in writing by elaborating orders, decisions, dispositions or collective reports. Control information is transmitted ascending and in this way managers are informed about the way in which their decisions were done. This information is used by managers to complete some reports which describe school activity. A school manager work and the work done by a secretary are difficult to separate; manager actions and secretary actions are complementary, having a mutual goal. In modern organization of school units, it is very important that, in the selection of personnel for the secretary, employers should take into consideration not only professional education, literacy knowledge, but also about certain qualities and skills of communication.

During communication process the following categories of communication can appear:

- the sender manifests solidarity, offers rewards and raises morale (status) of others;
- the sender manifests decrease of tension, he talks, laughs, jokes, expresses satisfaction;
- the sender expresses his agreement, accepts passively, obeys;
- the sender gives a suggestion, a direction, involving somebody's autonomy;
- the sender gives an orientation, a piece of information, repeats, clarifies and confirms;
- the sender demands an orientation, a piece of information, a confirmation;
- the sender demands an opinion, an evaluation, an analysis, expression of a feeling;
- the sender demands a suggestion, a direction, a possible action way;
- the sender manifest his disagreement, refuses passively, retains help;
- the sender negatively influences somebody else's status, but self-asserts.

Verbal behaviours represent one of the most important segments of human social activities. Human evolution, from the cultural point of view, was possible because people succeeded in speaking, listening, writing and reading. The main function of verbal communication is presented and made clear through its effects on other people, on other subjects. When we tell something to a subject, when we speak to somebody, we almost always expect that this conversation to lead or to convince the person to commit with us in this kind of conversation. In other words, we expect to perceive a reaction. It can often be considered that we are clearly advantaged by this kind of behaviour which becomes a way of communication, especially when we demand an object, information, or we request help in some action, or we participate in solving some problems. In other occasions, the subject transmits, asks, and requests something for a "social exchange": a little more attention or participation of some person during conversation. Even an uninteresting or expiring conversation is not meant to be without an answer because it becomes a way of communicating which determines the other person to look at us or eventually to answer us something.

Historically, it is known that, when seeing an animal, a person from a tribe could transmit the news to other tribe members, initially, by imitating the animal sounds; so, gradually, people obtained a vocal ability capable to describe animals, their number, their position in neighbourhood, as well as other details. Therefore, this infantile way of transmitting becomes an advantage form of communication. This type of communication supposed a growth of verbal transmission capacity and an increase of speaking complexity. Language, as a means of inter-human communication, should be learned. If a newborn who "aspires for

humanity” is transported somewhere, far away from the civilized world, and after a while returns to society, he will not be able to learn to speak, and he will try to communicate by non-articulated acoustical signals, or by uncontrolled gestures, that are not learnt, not received from the adult by action and imitation.

In this case, speaking mechanism from that brain cannot be used. In this material, we are not trying to clarify the problem of mutations during the long series of brain and speaking development, but we will mention that famous authors approached this subject in their action about human communication. Research papers written by Ekman (1980), Ekman & Friesen (1971, 1985) showed that, in fact, not all human communication is effectively transmitted through speaking or written words. Humans communicate their emotions and feelings by nuances in voice tonality, in facial expression, gesture and position.

Some research papers tend to confirm Darwin’s hypothesis according to which facial expressions of emotions are natively used. It is considered that a typical repertory exists for human species based on facial expressions with micro or macro movements. Members of some isolated tribes in New Guinea studied by Ekman and Friesen demonstrated that they have the capacity to recognize emotional expressions facially showed by westerners. These habitants do not have any problem in recognizing and production facial expressions such as sadness, disgust, joy and fear. Because they were using identical or similar expressions for situations in front of which they were not effectively exposed, Ekman and Friesen conclude that facial expressions are a part of behaviour types which are previously not learnt. People from other cultures are using different and various words to express particular concepts; elaboration of these words are not developing or increasing the amount of native answers, but they can be learned. Current detailed studies have not succeeded in determining whether other means of emotional communication (like tone of voice, hands movements etc) are learned, attained or partially native.

Inter-human communication is not simple since one cannot always know who receiver of the message is or to who gets to hear it. Taking into consideration that, in this way, confusion can easily appear, everyone, during lifetime, should tend towards a positive communication. This looks tiresome, but it is worthy. The better the internal communication is, the more successful its influence on the companion may be. As a final effect, it is really similar to operating on the computer. It gives me feedback and performs what I make it to, only if I strictly obey its rules.

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BENCHMARKING, A NEW FASHION IN THE STRATEGIC MANAGEMENT?

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Abstract

In the actual conditions of the globalization and extension of the markets throughout the world wide, the realization of the comparison between products and services, between economic entities, has become an indispensable instrument in the establishment of the real situation of the own firm comparing with that of the other firms and for the identification of the most appropriate practices of improvement of the existent situation. By using some modern management instruments, the firms try to increase their competitiveness in the actual business environment. Benchmarking comes to help the firms surpass the problems, to gain durable competitive advantages through the development of the strengths and by reducing the weaknesses. The paper proposes to emphasize the necessity of using benchmarking, the application methodology, the advantages and the disadvantages of the new process, as well as the concerned critics.

Keywords: Benchmarking, benchmark, the benchmarking application methodology, performance, the best practices, the advantages and the disadvantages of the benchmarking.

What does benchmarking mean? Why do we need it?

Benchmarking comes from geology, it has the meaning of reference point, which, situated upon a building is used as a reference point in order to determine the height and the position in the topographic prospecting. Nowadays, in business, it is used with the same purpose: *the choice of a reference point in order to assess.*

Benchmarking is a technique specific to the management and it is used by the commercial societies, the public institutions as an instrument of improving the quality and the performance. The process consists *in the detailed evaluation and analysis of the procedures and of the results of some economic entity considered as a pattern (a referential one) having as purpose the adoption of its good practices and the receiving of some results similar with those of the entities which already apply the benchmarking.* It is based on the research of the quantity indicators and qualitative analysis of the leader products. It has become a standard of evaluation for all the domains of activity, but especially for businesses.

This technique brings a progress to the classic and obtuse attitude of extrapolation of the future objectives comparing with the previous realizations marked with x%, according to our external information. The innovation consists in discovering the concurrence's performances and also of other societies and of their way of resulting, having as purpose taking the decisions necessary for reaching these results or even to exceed them. The continuous scan of the external environment helps the entity to a better anchorage in the competitive reality; an external view reduces significantly the risk of being taken by surprise.

In David T. Keans' vision, who is an employee of the Rank Xerox Company, benchmarking represents "a continuous process of measuring the products, the services and the practices of some company with the most powerful competitors or with those companies considered as being the leaders in a certain domain."

According to the definition of Robert Camp, also an employee of that firm, “benchmarking is the research of the industrial practices which lead towards superior performances.”

The American society Ameritech defines benchmarking as being: “the identification and the implementation of the best practices in order to obtain superior results regarding the satisfaction of the clients and the performances in businesses.”³¹

The evaluation within this process has as a starting point, defined “**benchmark**” the point of reference used as a comparison pattern for the present performance. An example of benchmark can be the competition, the clients’ expectations, the profit level, the sale figure, and other key indicators. Taking the way which leads towards the best practices is a good way to reduce the disordered actions which do not have a precise purpose.

Benchmarking is effective from the point of view of the cost and of the time, because the process involves more imitation and adaptation than pure invention, and the time and the money are saved. The partners of a benchmarking promote an efficient pattern, which reduces some efforts concerning the planning, the testing and the creation of prototypes.

The central idea of benchmarking can be easily summarized. You choose a society which executes the process better than you do, and then you copy what this one did. This is also the main source of critique brought to benchmarking, *meaning the copying from other sources. How can an organization be truly superior if it doesn’t invent in order to outrun the concurrence? It is a good question, but without wrangling, we can also say: how can an organization survive if it loses the contact with the external environment? In my opinion, it has to be found equilibrium between the adoption of “the best practices” and the knowledge of the external environment as to neither of these two to have to suffer. Anyway, the copying of other companies’ politics cannot be realized identically, they adapt to the reality within the company which applies the benchmarking.*

Of course, there have been critics brought to the new process, Philip Kotler mentioned in his book of reference, “The Principles of marketing”, citing the opinions of some specialists, that through benchmarking, the firms wouldn’t be so creative, being tempted only to imitate the best of them and this way it is created only an equality of these ones. Also, it would be given a too large importance to the competitors’ analysis, in the detriment of the clients’ analysis, which constitutes “the base engine of the business”. *In my opinion, these affirmations are not funded, because even if we try to copy the practices of other societies, these ones do not stop so that we could reach them, they progress searching day by day other development solutions, the concurrence examination being made in a tight connection with the clients’ needs.*

What does benchmarking presuppose? The application methodology.

For an organization, benchmarking consists in the following steps:

- To analyze in detail the own processes and approaches.
- To compare the processes, the practices and the results with different locations, with the best from, inside and outside the activity domain, being placed in the country or outside.
- To action in order to equalize or even to outrun the best.

Such a learning process involves the identification and the selection of the excellence points and criteria, upon which the entity aims to an improvement, a constructive exchange with the exterior, a good understanding of the best practices and the adaptation of these practices to the specific of the aimed organization (applying the standards and the objectives).

The benchmarking application methodology

A benchmarking process presupposes to go through the following stages which are distributed in five phases:

1. The identification of the subjects and of the benchmarking object
2. The selection of the benchmarking reference partners

³¹ Scurtu, V., Russu, C., Petrescu, I. (2006) Benchmarking. Teorie și aplicații, București, Editura Economică

3. The research process on the Internet
4. The analysis of the performances and the identification of the variance causes
5. The fixing of the performance levels
6. The communication of the analysis results
7. The establishment of the functional objectives (aims)
8. The development of an action plan
9. The identification of the benchmarking object
10. The readjustment of benchmarking

These steps reunite in the following phases:

- a) **The planning phase** consists in the preparation of the researches which must define what, who, and how:
 - What precisely must we research?
 - With whom must we realize the comparison?
 - How can we obtain the information?
- b) **The analysis phase** presupposes knowledge of the used methods and a rigorous evaluation of the advantages and weaknesses. The problems to which we must find an answer would be:
 - *Is the benchmarking partner the best in the domain?*
 - *If yes, why is that?*
 - *Which are the methods which he utilizes or which he intends to utilize?*
 - *How could these methods be adapted within the own organization?*

The answers to these questions will constitute the base for the establishment of the performance interval and of the direction of the future action: the maintenance of the achieved advantage.

- c) **The integration phase** is constituted in the process which allows the utilization of the analysis results for *the establishment of the operations objectives*. It is necessary to make an attentive planning, well-considered in order to incorporate the new methods achieved within the entity.
- d) **The development phase.** The results of the benchmarking must be emphasized within some applications which allow recurrently evaluations in order to establish the evolutions, the obtained progresses. Also, there will be taken into consideration measures of updating the process, because *the only constancy of the modern world seems to be the change*. This way, the entity must dispose of a very rigorous surveillance system of the concurrence in order to apply successfully the “best practices” in which there are elaborated the action plans, being measured the obtained process and it is in search of extension ways towards other domains.
- e) **The maturity phase** is reached when all the methods have been applied and when a progress has been obtained. Also, benchmarking must become an essential element of the management process within the economic entity.

The advantages and the disadvantages of the benchmarking

Benchmarking has multiple advantages, the experience Rank Xerox formulating the following benefits:

- Benchmarking brings the latest innovations and the inventions to manage the processes
- It constitutes an efficient instrument for team work
- It improves the knowledge of costs and performance of the products and services comparing to those of the concurrent companies
- It brings together all the divisions and helps creating a common front to keep up with the competition
- It emphasizes the importance of the personnel’s implication and in consequence it encourages the recognition of the individual and of the team merits.

The advantages mentioned above can be synthesized this way: team work, comprehensibility, flexibility, creativity, progress.

Team work: benchmarking cannot have success without the total implication of the project members. They create a common front, within the organization, offering a common aim to reach. Also, it includes the ideas and the concerns of those involved in the process. Along with good work on such a project comes recognition, meaning the reward offered for the effort made, both to individual and team level. This is achieved by setting goals, then meeting, or exceeding them.

Comprehensibility: Unlike some methods, benchmarking is easy to understand. This is due to the fact that benchmarking produces a direct comparison to another organization. After determining whom to follow, you study what they do, and emulate it. There is no misunderstanding of the overall goal of being the best.

Flexibility: Benchmarking is flexible and interdisciplinary, being used in almost any organization, public, private, or, non-profit. It is appropriate for a large multinational corporation or a local shop, from a federal agency to the government of a small village.

Identifying the best practice does not necessarily mean that the competitor has the best solution. This sort of out-of-the-box thinking can create new standards rather than emulating someone else's practices.

Creativity: Sometimes organizations must know where their goals are, but the path to meet them is not clear. Furthermore, even if another organization is perceived to be doing something the best, it does not mean it couldn't be done better. After clearly defining goals, however, it is easier to come up with innovative ways of getting there. It could also be created new ways of obtaining information or making partnerships, such as Remington, a shotgun shell manufacturer, getting information on how to make shinier shells from Maybelline's lip stick containers.

Evolution: Benchmarking develops with the consumer and doesn't require major costs. As things change in the world, so does who is the best. Because benchmarking involves constant reiteration, evaluating and changing, it changes as the market or consumer does. Although benchmarking is constantly in change, it isn't a big price tag up-front. All one needs are office supplies and a list of the best performers to get started.

To these benefits mentioned previously, unfortunately there is a series of disadvantages which cannot be neglected: it can require a large investment in time, labor, and capital. Costs for a large project can easily reach into the hundreds of thousands of euro. These can be minimized through careful, thoughtful, and deliberate planning.

The size of the benchmarking project: The size and scope of a benchmarking project is related directly to the cost. An easy way to minimize costs is to take on a stepwise approach which leads to a minimization of the amount of investment and risk taken concurrently.

Dividing Costs: Organizations can pool resources by taking joint benchmarking projects and dividing costs accordingly. This is more easily done in organizations that are not directly competing, such as government agencies. Various organizations have pooled their resources and knowledge into benchmarking groups with excellent results.

Consultants: Many consultant firms will also aid the organizations involved in a benchmarking project. These organizations have the technical knowledge and experience to more efficiently gather and interpret data. Careful background research of a consultant must be made to make this process more effective and it comes at a price.

The cost of the education and of travel: Benchmarking does require education and travel costs. Once a team is chosen, they often need to be educated on the methods of benchmarking. This is accomplished through workshops, seminars, meetings, and courses. Then, this information must be disseminated to others. When researching organizations, sometimes it is best to see the organization in action and meet with the team that performed and implemented the changes to gain first-hand knowledge of the processes involved.

Communication: One of the most important methods of keeping benchmarking costs low is effective communication. This involves knowing what you need and where your own deficiencies are and sharing information about yourself. Also, informing others inside of your organization of what has been learned through reports, analyses, etc. and its method of implementation involving flowcharts, matrices, schematics, etc. is critical. Clear communication also lets management know how the project is going and

its status, this reducing confusion and conflicts among management and the team and among team members themselves.

One of the biggest mistakes made by the organizations when they apply for the first time benchmarking is that they limit their activity of benchmarking only to their industry in which they develop their activity. Benchmarking within your industry is essential. However, you already have a pretty good idea how your industry performs so it's necessary that you reach outside and above your own industry into other industries that perform a similar process but may have to perform this process extremely well in order to succeed. The economic entities must learn how to defeat the concurrence by adapting some similar processes from a different industry. Customer surveys indicate long wait times for hotel rooms, especially for repeat Customers. Taking as an example the minimization of the hospital emergency room departments resulting in dramatically reduced check-in times, the hotel adopted measures meant to automatize the reservation of the rooms for the repeat customers, in order to efficientise their time. Also, netted less employees needed, automation for frequent hotel guests, and many more process improvements have been made.

Conclusions

As it can be extracted from the content of the paper, benchmarking obliges the entity to establish its purposes and objectives based on an external reality. *The clients* are not interested if the productivity of the product or the service has increased from one year to another. *They are affected by the quality, the cost and the delivery terms*, these features being primordial when choosing the products.

Benchmarking is an instrument of accomplishing the objectives of the competitive business. It is extremely powerful and efficient when it is used for accomplishing the adequate objectives, aligned to the firm's strategy. But it mustn't be regarded as a method that can replace the rest of the efforts for the realization of the quality or the rest of the management processes.

For a durable functioning, the firms must come with innovations and also to imitate. Benchmarking *increases the innovation* by demanding those who practice this method to constantly maintain under observation the external environment and to use the obtained information in the improvement of the process. The possible losses can be localized and adapted in time.

Benchmarking does not represent a substitute of the innovation; it is a source of ideas coming from the exterior of the entity. The success in business depends on the establishment and the accomplishment of the purposes and objectives.

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LES APPROCHES PSYCHOSOCIOLOGIQUES DES ORGANISATIONS

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Les préoccupations pour bien comprendre la complexité des organisations sont bien connues dans la théorie et la pratique du management. La motivation la plus fréquente pour toutes les recherches et les investigations faites a été fondée sur le besoin de savoir gérer les situations diverses en vue de maximiser la performance organisationnelle.

En ce qui nous concerne, pour enrichir les informations disponibles, nous voulons élargir, dans notre communication, les approches traditionnelles, focaliser l'attention sur la dimension psychologiques des organisations et présenter les mécanismes qui favorisent l'implication des salariés.

Mots clé: organisation, approche psycho-sociologique, management de l'implication, engagement des salariés, changement organisationnel.

1. L'organisation en tant que système culturel, symbolique et imaginaire.

Management et organisations sont des notions indissociables, puisque la première a pour rôle d'organiser et de contrôler de manière ordonnée le fonctionnement des secondes. Il est donc impossible de comprendre et de mettre en place un management efficace en ignorant les approches psychosociologiques des organisations. Pour cette raison, nous sommes partis de la vision proposée par Engène Enriquez qui, sur la base de plusieurs recherches – interventions, est arrivé à la conclusion que les organisations peuvent être envisagées comme des systèmes culturels, imaginaires et symboliques où se confrontent projets conscients et inconscients, désirs et phantasmes. Il est donc utile de retenir, les aspects suivants:

- *L'organisation, une culture.* En ce sens et en première analyse, l'organisation est d'abord une culture constituée par une structure de normes, de valeurs, de pratiques sociales dominantes, c'est-à-dire, au fond, *un mode d'appréhension du monde qui oriente la conduite de ses divers auteurs.* Les représentations sociales historiquement contextualisées sont à la fois intériorisées, largement admises bien que parfois floues.
- *L'organisation, une armature structurelle.* En seconde analyse, l'organisation est appréhendée comme une "armature structurelle" qui prend la forme d'une culture globalisante qui influence et qui stabilise les attitudes et les comportements humains en son sein. L'organisation est ainsi pensée comme un modèle de socialisation dont l'un des rôles majeurs est d'opérer une sélection parmi ses membres, d'exclure les moins conformes à l'idéal proposé et de valoriser les plus méritants. Ce système culturel est relativement cohérent, et assure la stabilité et la permanence de l'organisation. Il contribue à garantir une identité source de cohérence et de clarté tant sur le plan interne que sur un plan externe, notamment du point de vue des clients ou des usagers.
- *Un système symbolique.* En troisième analyse, une organisation est un système symbolique instituant des rites initiatiques, secrétant des mythes unificateurs, cristallisant des héros. Le symbolique façonne une mémoire collective dont l'objectif principal est de *sédimer l'action des membres de l'organisation, de leur servir de système de légitimation* en vue de donner du sens à leurs actions quotidiennes. Finalement, un tel système symbolique exerce sur les acteurs d'une organisation un véritable contrôle social tant sur le plan affectif que sur un plan plus intellectuel puisqu'un certain nombre de concepts sont largement intériorisés.
- *L'organisation, un système imaginaire.* L'organisation est aussi un système imaginaire. La production de l'imaginaire est indispensable au développement des systèmes culturels et

symboliques. On distingue deux formes d'imaginaire: l'imaginaire leurrant et l'imaginaire moteur :

- l'imaginaire leurrant vise à répondre aux besoins de sécurité mais aussi d'affirmation des acteurs.
- l'objet de l'organisation est de produire des statuts et des rôles sociaux structurant l'action des individus, permettant aussi de satisfaire leur volonté de puissance ou leurs demandes plus affectives. L'imaginaire moteur est également indispensable à toute vie organisationnelle dans le sens où il contribue à libérer l'imagination créatrice des sujets.

Il permet aux membres d'une organisation de s'évader de la quotidienneté et d'instaurer une nouvelle approche des rapports sociaux et de travail. D'une certaine manière, il garantit une forme de rêve permettant de s'affranchir de l'inertie organisationnelle et du conservatisme. Finalement, il existe une tension permanente entre l'imaginaire leurrant et l'imaginaire moteur. Le premier reste, cependant, dominant de façon générale et assure une conformité sociale et une stabilité organisationnelle. Le second, l'imaginaire moteur, est une source de désordre potentiel puisqu'il implique l'existence d'un espace de transactions fondée sur la liberté de la parole et les capacités réflexives des acteurs. Il se pose presque dans une certaine forme de défiance vis-à-vis du mode de management institué et des règles de fonctionnement structurant l'organisation.

La vision que nous avons présentée nous permet de percevoir l'organisation comme un organe vivant constamment en dynamique et dont le changement implique la mise en oeuvre des méthodes d'intervention, de conseil, et une action, structurante sur le mode de pensée et l'appareil psychique de ses membres. L'action organisée vise implicitement à provoquer chez les acteurs l'intériorisation du système de valeurs, la création d'un sentiment d'appartenance mais aussi la possibilité de susciter des émotions parfois excessives pouvant aller jusqu'à une admiration mêlée à la crainte, pour les supérieurs hiérarchiques.

Cette observation se trouve à la base d'une grille d'analyse organisationnelle proposée par E. Enriques et dans la quelle l'auteur nous invite à examiner les instances mythiques, sociale-historique, institutionnelle, structurelle, groupale, individuelle et plusionnelle:

L'instance mythique

Cela constitue le premier niveau d'analyse organisationnelle. La notion de mythe peut être définie comme une histoire idéalisée par les membres d'une organisation. Un mythe est un élément de socialisation de membres d'une communauté et fonctionne sur un double mode, affectif et conceptuel ou intellectuel. Sur le plan affectif, les mythes provoquent chez les membres d'une organisation de la fascination socialisatrice dans le sens où il constitue une source de cohésion sociale. Sur le plan conceptuel, le mythe est porteur d'idées mobilisatrices, de croyances qui donnent du sens à l'action quotidienne. Élément constitutif d'un groupe, les mythes rassemblent les acteurs et favorisent l'intériorisation du système de valeurs qu'ils véhiculent par les membres d'une organisation.

L'instance sociale – historique

Elle forme le deuxième niveau d'analyse proposé. Ce niveau d'analyse invite à prendre à considération, dans l'examen d'une structure organisationnelle, le contexte historique et l'état des rapports sociaux propres à la société toute entière. Le contexte historique est souvent le produit d'une idéologie dominante qu'il convient de décortiquer pour appréhender l'intelligibilité des processus sociaux expliquant certains comportements. En somme, les pratiques sociales dominantes résultent aussi des grandes tendances que l'on peut observer dans une société comme par exemple la tendance à l'individualisme et à la mise en compétition des individus.

L'instance institutionnelle

Elle constitue le troisième niveau de cette analyse. C'est à ce stade que se jouent les phénomènes de pouvoir qui viennent se cristalliser dans les institutions. Celles-ci sont envisagées en tant que modes de régulation et de contrôle des rapports sociaux. Elles expriment des *vérités* largement admises dans la société considérées comme indiscutables. Suivant cette logique, la loi, s'intériorise dans la vie quotidienne des individus et provoque des comportements de soumission à l'autorité légitimement admise. Les

institutions sont envisagées comme des formes politiques et psychiques provoquant des interdits mais aussi des possibilités d'ouverture et d'évolution. En ce sens, une institution est vivante, constituée souvent par des contradictions pouvant être interrogées même si elle cherche souvent à se défendre contre toute remise en cause. Au total, les institutions sont bien les produits d'une histoire garantissant ainsi une forme de stabilité et de permanence mais offrant toujours des possibilités de remise en cause par l'expression de conflits d'intérêts.

L'instance structurelle

Elle correspond au quatrième niveau d'analyse et fait référence, au sens strict, à la notion d'organisation. Tout en étant en compétition les unes par rapport aux autres, les organisations expriment les institutions qui les fondent. Le niveau organisationnel concrétise et incarnent l'esprit des institutions. Par exemple, si l'institution remet en cause le travail aliénant, les organisations vont s'efforcer de mettre en place un mode de gestion des ressources humaines fondé sur l'acquisition de connaissances et de compétences. Les organisations en tant que structures permettent de relever au moins six défis qui constituent des peurs plus ou moins admises dans une société moderne:

- premièrement, *l'angoisse de l'informe*, c'est-à-dire la peur des effets liés à la désorganisation: l'imprévu, le spontané, le poids de l'informel, etc. Une structure organisationnelle vise à réduire les incertitudes et leurs turbulences.
- en second lieu, *les pulsions de destruction* sont relativement maîtrisées par les organisations. Celles-ci visent à réguler ces pulsions de façon à éviter des comportements excessifs, voire déviants, des personnes en leur sein.
- troisièmement, *l'angoisse de l'inconnu* constitue aussi un défi à relever par les structure organisationnelles. Généralement, les dirigeants d'entreprise cherchent à contenir les incertitudes, à réduire les risques qui y sont associés et tentent d'élaborer des scénarii variés de façon à accroître la prévisibilité de l'avenir.
- le quatrième défi organisationnel à relever est *la peur des autres*. En effet, tout un chacun peut faire peser un danger potentiel sur la vie et la cohésion organisationnelle. Les phénomènes de rivalités, de conflits plus ou moins latents ou manifestes polluent toute structure organisationnelle. La clarification des fonctions et des responsabilités des uns et des autres s'inscrit pleinement dans cette volonté qu'ont les organisations modernes de prévenir les conflits entre des acteurs aux intérêts souvent divergents.
- le cinquième défi qui doit être maîtrisé par les organisation est *la liberté de parole*. L'expression de l'imaginaire des acteurs est souvent l'objet de suspicion dans la mesure où celui-ci introduit une part de rêve, de démesure et de déviance pouvant risquer de détourner certains individus de la raison d'être de la structure.
- enfin, *la peur de la pensée* et plus précisément de la créativité constitue une sixième angoisse à contenir dans la vie organisationnelle. Fondées sur la ritualisation et la normalisation des comportements souvent sous la forme de routines, les organisations s'efforcent d'encourager et de valoriser la conformité sociale et cherchent, tout au plus, à canaliser l'énergie créatrice des personnes.

L'instance groupale

Elle désigne la cinquième niveau de cette analyse de l'organisation. L'importance de la dimension groupale au travail à particulièrement été mise en évidence par les recherches de Elton Mayo. À partir de ses contributions, d'autres points de vue ont été affirmés. Enriquez signalait que, investi d'une mission, chaque membre d'un groupe va idéaliser la production collective tout en se trouvant confronté à un conflit entre la *reconnaissance du désir et le désir de la reconnaissance*.

La reconnaissance du désir caractérise la volonté de chaque membre d'un groupe de réaliser ses désirs personnels, de se distinguer, d'acquérir de prestige ou, tout au moins, de faire prendre en compte par les autres ses propres désirs. En même temps, il cherche à être reconnu et valoriser par les autres, il exprime ainsi un désir de reconnaissance. Un tel conflit conduit, suivant l'auteur, les groupes à évoluer dans deux directions différentes: la masse ou bien la différenciation. Dans *le cas de la masse*, le désir de reconnaissance s'impose puisque le groupe n'accepte pas une trop grande diversité de comportements, va

gommer les éléments distinctifs et va tendre vers homogénéisation des conduites ainsi que vers sa propre autonomisation dépassant la rationalité de chacun des membres.

Dans *le cas de la différenciation*, c'est la reconnaissance du désir qui prédomine. La variété des désirs est largement admise et même encouragée par les membres du groupe. Ce dernier accepte les conflits en son sein puisqu'ils sont envisagés comme un des modes de régulation possible. Le risque est que le groupe se recentre sur les conflits à surmonter tout en oubliant le projet commun qu'il poursuivait initialement. En définitive, le rôle des groupes est appréhendé dans cette grille d'analyse comme fondamental.

En se référant à K. Lewin et sa théorie du champ, on peut considérer que le groupe est un lieu privilégié du changement. Il en est potentiellement porteur. Toute organisation est inévitablement structurée autour de groupes de travail. Généralement, les notions de coopération, d'entraide et d'équipe sont mises en avant comme des sources de performances. En même temps, la théorie analytique de E. Enriqué nous invite à considérer le groupe comme *le lieu de tous les dangers* dans la mesure où il constitue un refuge socialisant pour chacun de ses membres. Finalement, le groupe est une instance permettant de conquérir une identité, une autonomie au sein d'une organisation tout en pouvant aussi, potentiellement, permettre à ses membres de développer des conduites de changements radicaux pouvant aller jusqu'à la remise en cause manifeste du système organisationnel à part entière.

L'instance individuelle

Elle désigne le sixième niveau de la grille d'analyse proposée et tient à réintroduire le sujet (qui est différent de l'individu) souvent oublié par les théories sociologiques dans l'analyse organisationnelle.

L'analyse des organisations montre qu'elles ont toujours, plus ou moins, montré une certaine méfiance à l'égard de sujets trop autonomes. La tendance managériale actuelle vise davantage à intégrer des individus hétéronomes que des sujets autonomes. Les premiers adoptent une identité collective dont les fondements se trouvent dans le narcissisme individuel et organisationnel.

L'instance pulsionnelle

Il s'agit du septième et dernier niveau de l'analyse. À la différence des précédentes, celle-ci a un statut particulier puisqu'elle est transversale aux autres niveaux d'analyse. Le concept de pulsion en psychanalyse fait référence à un processus dynamique source de motricité. Suivant la théorie de Freud, l'existence de pulsions est liée à la nature de l'espèce humaine et l'on peut même l'élargir à l'espèce animale. Enriqué reprend la typologie de Freud en distinguant dans l'analyse des organisations *la pulsion de vie* de *la pulsion de mort*.

La pulsion de vie désigne favorise la création d'unités entre les individus, elle est source de cohésion et de lien social. Elle peut pousser une personne à développer des relations partenariales de coopération dans le travail ou encore à nouer des amitiés.

La pulsion de mort envisagée dans une logique de destruction, tend à conduire à la réduction des tensions au niveau zéro. Pour autant, Enriqué montre que les pulsions de mort n'ont pas que des effets négatifs. En effet, la mort peut favoriser la régénérescence d'une organisation si celle-ci est capable de provoquer chez ses membres des comportements réflexifs susceptibles de favoriser l'émergence de nouvelles représentations dont la dynamique peut favoriser le changement organisationnel.

Cette vision sur l'organisation suggère une examination plus complexe, compte tenu des niveaux que nous avons présentés et permet, en final, l'enrichissement des conclusions qui peuvent servir comme base de la décision managériale.

Le management de l'implication

Les approches psychosociologiques des organisations ont permis la réflexion au sujet de *l'implication* des salariés. De manière générale, les chercheurs définissent l'implication (traduction française du concept anglo-saxon *commitment*) comme la relation entre une personne et son organisation. Les travaux issus de la recherche en sciences sociales indiquent qu'il existe de très nombreuses acceptions données au concept d'implication. En France, Maurice Thévenet est probablement aujourd'hui l'un des chercheurs les plus productifs sur le domaine. Thévenet analyse l'implication sous l'angle du management des organisations et prend en compte dans ses travaux la personne *dans son individualité et sa liberté* ainsi que l'entreprise avec sa culture. L'auteur insiste sur l'idée que l'implication peut donner aux personnes le sentiment de réaliser

quelque chose tout en se réalisant individuellement. L'implication renvoie donc à la réalisation de soi, l'estime de soi et la fierté.

L'implication organisationnelle peut être appréhendée à partir de trois grandes dimensions identifiées dans des travaux de recherche: *la dimension affective* (l'attachement de la personne à son organisation); *la dimension calculée* (qui fait référence au calcul rationnel d'un salarié anticipant les coûts éventuels de son départ de l'organisation); *la dimension normative* (qui désigne les obligations ressenties par une personne vis-à-vis de son organisation). Pour evidencier que le concept d'implication est multidimensionnel il faut insister sur deux aspects:

a) *Les composantes et les causes de l'implication.* À travers son analyse des composantes de l'implication organisationnelle, C. Louche identifie, dans une méta-analyse de la littérature sur le sujet, quatre grands items pour repérer l'implication:

- en premier lieu, il suggère de chercher à appréhender *les intérêts de vie*, c'est-à-dire le niveau de considération accordée par une personne à son travail du point de vue de son importance par rapport à la famille, à son niveau global de satisfaction, à ses réalisations et à ce que pense que la personne représente dans la société.
- en second lieu, il convient d'analyser *l'importance de la performance pour l'évaluation de soi*. Il s'agit ici de chercher à mesurer la manière dont une personne évalue l'importance de ses performances perçues par rapport à son niveau de satisfaction globale et, plus généralement même, à son bien être.
- en troisième lieu, Louche suggère d'intégrer dans l'analyse *la consistance avec le soi*. Cela revient à s'interroger sur la cohérence entre le potentiel de l'individu et ses réalisations concrètes ainsi que, sa capacité à développer au mieux ses capacités dans le cadre de son travail.
- enfin, il convient d'appréhender *la participation active* à la prise de décision tant sur le plan du contenu du travail de la personne que sur les décisions prises par le supérieur hiérarchique de celle-ci la concernant directement ou indirectement.

Au total, la recherche en psychologie sociale s'intéresse précisément à des variables personnelles (estime de soi, éthique) qu'à des variables situationnelles telles que la participation active ainsi que le contenu et l'intérêt du travail.

Sur le plan du management. Thévenet insiste sur la nécessité d'une adéquation entre les objectifs et les valeurs de l'organisation et de la personne. Dans cette optique, la personne va adhérer aux valeurs et au projet de l'organisation ce qui peut se traduire par son investissement dans le travail traduisant ainsi une volonté d'agir.

Enfin, l'implication peut inclure aussi un attachement affectif (l'amour de son organisation) qui conduit à une loyauté professionnelle source de fidélisation de la personne à moyen et long terme.

Dans sa théorie de l'implication, M. Thévenet identifie *cinq grandes causes de l'implication* des personnes en situation professionnelle:

- *l'environnement du travail* (relations interpersonnelles dans l'équipe, relations avec l'encadrement, lieu géographique d'exercice du travail),
- *les produits de l'organisation* (activité de l'entreprise, portefeuille de produits),
- *l'entreprise ou l'organisation au sens large* (politique générale, culture et projet, valeurs dominantes),
- *le métier* (attachement à sa profession, sentiment d'appartenance à un milieu professionnel) et, enfin,
- *la valeur travail* (centralité de travail, respect du travail, éthique personnelle par rapport à l'activité).

En résumé, l'implication en situation de travail représente la manière dont une personne place son travail compte tenu de ses autres intérêts de vie, s'identifie au travail, s'engage psychologiquement et physiquement, appréhende son niveau de performance comme essentiel pour s'auto évaluer et participe intensément aux relations et aux réalisations dans les situations de travail.

b) *Les différentes formes d'implication.* L'analyse de l'implication relève plusieurs formes d'implication:

- *l'implication dans les valeurs au travail* (la performance au travail démontre la valeur personnelle des personnes);
- *l'implication dans l'emploi occupé* qui désigne l'attachement d'une personne à son poste de travail ou à son emploi au sein d'une organisation. Il se manifeste à la fois par une volonté de valorisation des activités de travail réalisées dans l'emploi mais aussi par un fort sentiment d'appartenance à la profession;
- *l'implication dans la carrière* que l'on peut rapprocher de la théorie de la motivation. Suivant cette logique d'action, la personne a besoin de mesurer une progression professionnelle dans l'organisation par la progression dans sa carrière. L'activité professionnelle est alors envisagée comme un moyen privilégié de développement personnel et d'accomplissement de soi;
- *l'implication dans l'organisation*, probablement la forme d'implication la plus large. Elle désigne le degré d'adhésion aux valeurs, aux objectifs et au projet de l'organisation, compte tenu de sa culture, et se concrétise par une prédisposition personnelle à démultiplier des efforts pour contribuer à la performance organisationnelle.
- *l'implication dans le syndicat*. En tant qu'institution représentative du personnel qui vise la défense de ses intérêts., le syndicat peut être perçu par une personne comme un moyen tangible d'agir dans l'organisation pour préserver l'emploi, les conditions de travail, les rémunérations et lutter contre les politiques de licenciements économiques.

Finalement, malgré la diversité des approches de l'implication et la complexité du concept, la distinction entre implication au travail et implication organisationnelle est, peut être, la plus opérationnelle pour le management des ressources humaines.

Tous les débats sur l'implication arrivent aux questions suivantes:

- Peut-on manager l'implication ?
- Est-ce véritablement pertinent d'envisager un management de l'implication des personnes ?

Les travaux de Thévenet apportent des éclairages sans doute provisoires à ces questions qui se posent, tant sur le plan théorique qu'au niveau opérationnel. La thèse de Thévenet consiste à dire que c'est *un rêve que de pouvoir créer l'implication*. En ce sens, il développe l'idée qu'il est impossible d'impliquer des personnes. Finalement, l'implication est une décision personnelle même si les recherches indiquent que les organisations peuvent s'efforcer de réunir les conditions favorables à l'implication des personnes. Il y a, quelques interventions possibles pour favoriser l'implication de salariés:

- en premier lieu, *la cohérence de la politique générale* de l'entreprise et de son projet organisationnel avec les actions stratégiques et opérationnelles mises en œuvre.
- en second lieu, *la réciprocité*, c'est-à-dire l'échange social qui s'opère entre l'entreprise et ses salariés. En d'autres termes, les salariés doivent avoir un sentiment d'équité résultant de leurs contributions, à savoir de leurs efforts, confrontés aux rétributions (rémunérations, reconnaissance sociale, statut et qualification) qu'ils perçoivent en échange.
- enfin, la troisième condition est constituée par *l'appropriation* qui désigne le niveau de reconnaissance de soi des salariés dans les valeurs et les objectifs de leur organisation. Ces dernières années, le développement des politiques de ressources humaines visant l'essor d'une épargne salariale va dans le sens d'une plus grande appropriation et d'un sentiment d'appartenance accru.

En résumé, c'est probablement par le développement de la cohérence, de la réciprocité et de l'appropriation que les organisations susciteront davantage d'implication dans les années à venir. Cependant, la théorie de l'engagement actuellement émergente semble constituer une alternative potentiellement intéressante à l'implication des personnes.

L'engagement part d'une idée assez simple: *l'homme est rationalisant*. Dans cette perspective, il va adapter ses idées pour les mettre en conformité avec ses actions. L'action va ainsi précéder la rationalisation des opinions d'une personne qui va chercher à donner un sens positif à ses décisions.

Il est bien de retenir que l'engagement est le produit de conditions situationnelles à la différence de l'implication qui repose sur des variables personnelles. L'engagement dépend donc bien de conditions externes à la personne que l'on peut dissocier en deux catégories:

- en premier lieu, la taille de l'acte qui correspond à sa visibilité et après,
- son importance pour la personne que l'on pourra apprécier en termes de coût.

Ou total, l'apport de la théorie de l'engagement au management est de montrer que la créativité et surtout, la mise en oeuvre d'idées nouvelles débutent par des actes, c'est à dire des mises en situations plutôt que par des discours.

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THE UNIVERSITY ROLE IN ADAPTING THE STUDENTS PROFESSIONAL EDUCATION TO THE NOWADAYS AND FUTURE ECONOMICAL ENVIRONMENT REQUIREMENTS

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Abstract

The academic environment, through its activities and through its role in the society consists into a method of cultural answer to the social and professional elites need. Between the academic environment and society exists an interdependence relation, meaning that the well-functioning of the activity from the university level influence the society good development? The universities can transform in researching laboratories for the business environment (surroundings), with the condition of existing reciprocal opening and will.

Key words: knowledge management, cultural/intellectual capital, professional training

Knowledge – university – organization

An important domain for each organization which functions into a concurential market is represented by the knowledge management, whose base is represented through ideas, information, information kept and used inside the organization. Knowledge management includes on the one side, the sources of knowledge represented by the employees accretions and on the other side, the knowledge flux and the methods through the knowledge is used on the organization activities'. The strategies of the knowledge management imply communicating connections between people and information in order to work with well-informed experiences.

Cognition (according to Scarborough and Carter, 2000) is formed as a result of a collective labour experience and it is shared by the group members or by a certain community.

Knowledge consists in information used on an active manner (Armstrong 2003) and the information has certain meanings. (Drucker 1988)

Blake (1998) claimed that the knowledge management purpose is to have a good grip on the collective specialist knowledge of the company and to share it anywhere it can succeed into a great success.

Trussler (1988) endorsed that „in the following period, in many companies, the organizing and efficiently usage capacity will represent an important source of competitive benefit source”.

Mecklenburg and others (1999) claimed that „knowledge management allow companies to capture, apply and tune value from their employees experts creativity and competence”

The practical problems connected to the organization human resources supply, developing and compensation, employees value recognition, organizational learning and knowledge management , all can be found on **the cultural capital theory**. **The cultural capital** „consists in knowledge accretions and flux that a company dispose (Armstrong, 2003).

The elements of the cultural capital, according to Youndt (2000):

- Human capital: company employees knowledge's, abilities and skills;
- Social capital: knowledge's accretions and flux ones which issues from the relations' networks from the interior and the exterior of the organization;
- The managerial capital – knowledge emerged effectively in possession of the organization or institutionalized “baggage” of knowledge emerged in the possession of one organization, stocked in data base, textbooks, etc.

The human capital is the one who stock the knowledge which can amplify through the interaction with the social capital (clients, provision, and competitors) leading straight to the organizational capital or organization science. The value in organization is created by the human capital through knowledge, abilities, skills, but the organization efficiency is assured by the people knowledge, the interaction manner with the social, compounds that lead to the organizational capital appearance.

According to Armstrong opinion, taking to account the organization point of view, the intellectual capital theory, we can ask the following questions: 1. Which are the skills that the organization has in its possession? 2. What kinds of skills are necessary now and in the future? 3. How can we develop and maintain these kinds of skills? 4. What can we do in order to create a culture and an environment where can live peacefully not only individual learning, but also the organizational one, so as our employees and our necessities should be satisfied? 5. What can we do so the wordless and precisely knowledge created in our organization should be kept, registered and judiciously used?

The academic environment, through its activities and through its role in the society consists into a method of cultural answer to the social and professional elites need. Between the academic environment and society exists an interdependence relation, meaning that the well-functioning of the activity from the university level influence the society good development?

Schelling, the philosopher, claimed that **the university** should train only science people, researchers and under no circumstances professionals, because its goal is to rise the conscience latency, making reference only to the pure science. If we take into account the fact that the whole nations culture is influenced not only by pure ideas, but also by social reality, the Schelling conception can't be consider absolute. The university from our days has a complex goal: next to the scientific research and creation of the science that form its existence, the university intent to form the student spiritual personality and training for a job. It is said that the exaggeration of the direction of realizing the students professional training often contributed to the university study level descent. On the other side, it must be accentuated the fact that economy critical status determined the young in draft towards the university seeing that the university title conferee several chances to obtain a certain position into a company.

Lately seems that more and more universities train more professionals than scientists. Of course, the savants are having a serious and continue training, only in the individual office.

The student spiritual personality formation implies the advice to a see over the moment impressions, to understand the sense of the notions and to integrate inside their spectrum.

Dimitrie Gusti sustained that the **university**, thought at the beginning as a religious institution, then as an instrument of political power and today only as a professional training institution, is actually a social institution with a deeply value. It consists of „a sum of things, wills and facts, more precisely a structural relations system: outside, the university connection to the state and society, and inside, the academics material and cultural life, the student's relation with the university authority and in the end, the teachers – student's bounds.”

The professional training is defined by the specialty literature, as a training process where the participants achieve practical and theoretical knowledge necessary the activities course. It can't be measured through the graduation degrees number or obtained certificates, although they have their importance too, respectively the results obtained and its role in the society.

The professional training goals are: achievement the capacity to solve certain issues related to the activity field; certain actions execution; good communication inside and outside the organization; the capacity to bind certain changes to the labour location inside the company.

The professional evolution represents a complex training process that has as target the acquirement of the useful knowledge, taking to account the actual and the future status of the person.

The impact of Bologna Declaration over the higher education system professional training level and curricula

The European process has become an increasingly concrete and relevant reality for the European Union and its citizens. The academic world has an important role in this process through the necessity of building upon and strengthening intellectual, cultural, scientific and technologic dimensions of the new Europe. Only a Europe of Knowledge is capable of giving the necessary competences to face the challenges of the new millennium.

European higher education institutions have launched into a construction process of the European field of higher education, which has as aim the educational European system competitively increasing.

An important compound of the Bologna process refers to the higher education organization on studying cycle's system and is connected to the learning process quality increasing necessity and also to the creation of a more bounded relation between higher education and research, between higher education and economic dimension.

The common bases of the higher European education are fundamentals, according to the Bologna process, on two main cycles that separate higher education on different levels, known as Bachelor and Master, in order to increase a compelling environment, common to the national and international graduations.

The qualification levels are specialized according to the results of the formation process and the specific and general competences. **The competences** are those attributes (knowledge, attitudes, skills, and responsibilities) which outline the level that a person is capable to apply and obtain performances. They illustrate the training, appropriateness and responsibility level that a person can assume. Competences refer how to know, to understand, to action, to know theoretically speaking, to understand this knowledge in order to put them in practice on a special social context.

The curriculum, through its organization and structure, develops special and general competences, starting from the academic objectives materialized into *specializations* and from the labour market requests materialized in *qualifications*.

By creating this European framework it is envisaged the each national frame qualification harmonization, assignation of transparent and comparable qualifications. The European general framework of qualifications must be understood as an agreement regarding a common architecture and structure, where different national qualifications might be easily identified. The qualification framework has as main goal to simplify the process of establish precise objectives in order to carry through the curriculum elaborating process. The description of each qualification obtained by the student through individuals programs should provide the base for the disciplines content and further for the individual educational programs.

In this moment, the improvement of the conceptual approach used on qualifications description, represents a priority for Romania. Expressing and measuring study programs methods are the references standards, the level indicators, time, credits number, qualifications, the results of the competences and learning process. The curriculum expression in results provides precision to the learning process and leads to a curriculum centred on the student profile.

The reorganization of the qualification framework will improve the useful information towards students delivering process and will sustain the students to know the methods through they can complete their competences by appealing to the other national or international programs compatible with those whom they are already registered. The special competences description helps the student to obtain them by getting through the educational offer.

On working out for the curricula, the issue should start from the actual Romanian legislation on higher educational domain, from the European rules and Bologna process recommendations concerning higher education in the next decade, from the professional standards of the renewed and enriched professional domains based on the existing studies and documents, from the university experience regarding de professional training programs.

The modern curriculum, adequate to a knowledge society is characterized through the following features:

- Learning and results placement in the centre of the educational activity;
- Using the participative strategies on the educational process, in order to form the special competences;
- A flexible learning offer adequate to the professional career;
- Organizing the contents of the learning process by considering the final goal of the university training through its future use;
- Efficient mixture of the academic culture with the functional one, specific to each specialization;
- Conformation of the higher education content to the requests solicited by local community and civil society.

The specific organism which has the mission to promote the partnerships between the higher education institutions and economical-social environment, is The National Agency for Qualifications in Higher Education and Partnership with the Economic and Social Environment – ACPART, which turned in 2005, based on GD no.1357 from the The National Agency from Partnership between Universities and the Economic and Social Environment (APART).

In order to achieve its missions, the ACPART main objectives as a national authority for qualifications in higher education are:

- elaborate, implement and update the national framework for higher education qualifications which involves development, recognition and certification of qualifications based on the competences acquired by beneficiaries of the higher education system;
- analyse compatibility of the specialisations curricula in the fundamental areas of higher education with national qualifications framework standards;

National Qualifications Framework for Higher Education (NQFHE) is structured on three levels, each level having its own set of indicators/ general descriptions of a level expressed in terms of knowledge, skills and competences. Together with the workshops on study domains, NQFHE will elaborate the definitions to the corresponding qualifications.

There is a working team called “Consultative Committee for the Qualifications from the Higher Education System” made of qualifications experts, representants of different study domains and universities, and also social partners.

ACPART nowadays is preparing a key terms glossary, in order to propose to the decision factors and qualifications framework users, a common nomenclature. Its goal is to create a National Qualifications Register for Higher Education (NQRHE), considered the essential feature of the diplomas recognition and validation process, offered by the Romanian higher education institutions. It also elaborated a coherent 2006-2009 strategy which includes an operative actions plan regarding qualifications issue.

Conclusions:

- the necessity to restructure the specializations according to the economic, social and scientific progress;
- the necessity to correlate the specializations with the qualifications , taking to account the labour market requests, study program period and study cycle (bachelor, master, doctorate);
- the necessity to establish the specific and general competences framework which each student of a private study domain should be capable to practice;
- The necessity to project the curricula so it contains not only the specific and general competences, but also a developing and evolution strategy together with the incorporation of the specialty and community practices.

The business environment – academic environment relation nowadays

In order to offer a view as more as close to the reality of the business environment – academic environment relation, it was applied one of the qualitative research method – the focus group through the capacity of the “Constantin Brâncoveanu Pitești “University teachers.

The focus-group objectives, with semi-structured questions are:

- to identify the university man perception regarding the university role in the economic space;
- To evaluate the actual coordinates of the business environment – academic environment relation.

The focus-group with the academic area was organized on 5th of March, 2008 on “Constantin Brâncoveanu Pitești “University, with the participation of the 10 teachers .

The present article is restoring the main directions of the discussions and presents the main conclusion of the study: the universities can transform in researching laboratories for the business environment (surroundings), with the condition of existing reciprocal opening and will.

From the discussion focused on the relationship practice – research, the academic environment – business environment we can detach the following conclusions:

The mission of the academic environment is appreciated by the majority of the participants being not only that of forming people specialized and capable to incorporate easily in the labour market; only 2 subjects recognized the necessity and the importance of the activity of scientific researching.

The majority of the subjects had accentuate the fact that through the researching activity the academic environment must contribute to the business environment improvement; the economic agent, the organization should benefit of the results of the implementation of the specialist's ideas from the academic environment.

There are deep discrepancies between the academic environment and business environment in the way that, most of the times, there aren't common points in the developed activities in part.

The academic environment can offer to the business environment – the possibility of ubiquity in the real context of the market – capitalization the information and the data obtained from the companies. It cannot influence the business environment because of the stiffness which the didactic staff could identify with the occasion of the activities of accumulating material during the doctor's degree studies. Generally, business environment accepts influences from the exterior.

The appreciation of the representative of the business environment was univocal in what concerning the indispensable necessity that each didactic staff should have certain format of collaborating with the economic agents in order to streamline the didactic and researching activity through the direct connection of the economic environment's problem and to have the possibility to identify researching ideas which can execute directly the economic environment; the didactic staff who had a direct experience with the business environment through the activity evolved before the activity from the university – can be now considered to be isolated from the practice, they feel that they lost the connection with the practice. Some of the participant didactic staff had accentuated the fact that they feel a complex of inferiority determined by the lack of practical experience.

Other subjects consider that it would be benefic if in the University will function a researching department with a strategy of coherent search.

The appreciation that the didactic staff from the economic universities can realize, in principal, activity of applied researching - had been univocal; only one subject declares that could be a combination of applicative researchments with the fundamental one, but the applicative one has a significant balance.

Another general appreciation was that it is hard collaborating with the business environment which is not always disposed - especially with the companies which are not in the multi national category – to allocate financial resources for the analysis. The majority of the economic agents from Pitesti are less preoccupied of the developing of their scientific activities, using a methodology which results from the scientific research. It is very difficult to organize a field research because of the reticence in giving information inside the enterprise and because of the exaggerated bureaucracy promoted with the achievement of slowing down the movement of the researching activity.

The economic agents are organizing the forming continuous activity - preparing their own trainers or appealing to consulting companies and not to universities – whose role is considered only regarding the masters which are developing.

One of the subjects considers the business environment being unable to develop a partnership with the academic environment, cognition that was sustained by other participants, too. Many times, the university image is created only through the graduates training level who intend to apply for different jobs in certain companies. Some of the teachers experience's presents to the discussion showed that not always the top of the graduates are also good practiciens, because of the individual features, but also of the non-existence of a clear bound between university's specializations and labour market qualifications.

The nowadays benefits of the research – practice relation are more presumptively. The academic environment doesn't take advantages from the business environment existence; there is no good communication between the two parts unless the well-prepared specialists supply part. The partnerships will take effect only when the business environment will be aware of its importance and role.

We can state that there is a relation between “Constantin Brâncoveanu” University and business environment, but this is not a solid one, because the economic agents consider that an intrusion into their

intern environment (educational staff might invade their privacy) and some features that must be secret might be identified.

The relationship practice – research – is different seen from the didactic staff in rapport with the business environment cooperation experience, with the training obtained from the Master degrees:

- the research activity is an expensive activity for the didactic staff who must pay conference attending taxes and publicity taxes as a result of the researching which, sometimes, overdraw the own financial possibilities ;
- the research based on the projects is toilsome because of the excessive bureaucracy; there were described many uncomfortable experiences regarding the steps of the projects;
- some of the didactic staff are making research by passion, others are not attracted by this activity and consider that they don't have ideas and cannot involve in projects;
- The necessity idea of running research activity on small groups taking to account the individual skills and specializations it is unanimity accepted.

The conclusion regarding of what it should be done in order to improve the relation practice– research might be materialized under the following aspects:

- there is possible a cooperation with the voluntary economic agents, educational staff and students, and for this, the business people associations should be sensitized;
- project ideas based on the experience and certain results obtained on your own or from the activities with the students which can succeed in some companies; it is preferred to start the interaction with the economic agents who are opened to the partnerships idea ;
- the relation academic environment – business environment should be intermediate through students project's; we can determine the student to realize projects by using the information from the economic agents; we must help the students to promote their new ideas in order to promote their specialist image – a possible future employee;
- we must determine the students to interact with the business environment through common activities organized with the economic agents, through well-prepared practice stages, monitorized, by putting accent on the student personal evolution;
- we can identify the companies having problems and propose them to research projects voluntary and then materialized into contracts;
- we can attract in the research activity also the economic environment representants , because it was stated that where the managers followed doctor master degree's, the opening to the academic environment was larger;
- we can attract specialists into the educational activities, on certain themes, for a better understanding of the opportunities offered by the academic environment; some kind of successfully experiences existed;
- The research possibility should be valued at the maximum level through the master students that rise from the business environment.

The focus-group results with the academic environment will be completed with the results of the business environment one.

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THE PROFILE OF HUMAN RESOURCES INVOLVED IN MARKETING - OIL COMPANIES APPROACH

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Abstract

By its own role, interface between the internal and the external environment of the company, the marketing function needs highly trained human resources, capable to sustain the activities that must be ventured in order to achieve the strategic objectives allocated and to offer to the top management, in real time and in accuracy conditions, with the support of a performant information system, the data needed in order to update the strategy, at this firm function level being concentrated the most important part of the feed back mechanism.

Also, owing to its special character, the labour relations must be developed on trust, a higher value having, compared to the formal, written contract, the so called psychological one, this being the base for realising the dynamic equilibrium between employee desires (how is he appreciated, his expectations, his possibilities to prove his competence, involvement, workplace stability, etc.) and the company's requests (loyalty, responsibility, commitment, professionalism).

Key-words: human resources, marketing, conflict, negotiation

I. The human resources policy for marketing function

As all company's functions, the marketing one needs, maybe the most, a special resource: **human beings**. This is the reason why approaching this subject involves some particularities, because having results in such activity on the entire cycle of obtaining, retaining, motivating and developing the human resources who are supposed to occupy the workplaces designed for the marketing function it will be necessary **to define a professional profile** focused on the human qualities necessary to manage the conflicts and to undertake negotiation activities.

By its own role, interface between the internal and the external environment of the company, the marketing function needs highly trained human resources, capable to sustain the activities that must be ventured in order to achieve the strategic objectives allocated, and to offer to the top management, in real time and in accuracy conditions, with the support of an adequate information system, the data needed in order to update the strategy, at this firm function level being concentrated the most important part of the feed back mechanism.

Thus, here the **people** became the most important "**assets**", they must be treated as **critical investments**, having a strategic character. This feature, doubled by their adaptability, potential and values system, identifies every generation, being directly correlated with the results of the activities they are involved in, and, consequently, establishing the premises on which the company's competitive advantage will be built.

Recruiting the personnel who will occupy the posts into the marketing function must be realised according to the companies' **strategic objectives**, internal and external **environment** conditions and correlated to the **organisational culture** particularities, in order to obtain performance, into the oilfield industry being met, from this point of view, a higher frequency of Ivancevich-Glueck and Fisher models, that sustain the development of competitive products/services and which pay attention inclusive to the uncountable efficiency, aspect related to the intangible assets.

In the same time, when conceiving the human resources strategy it is preferred, for the marketing function, a **strategy focused on people**, because entering on new markets, maintaining the market share or, generally speaking, the economic success are fundamentally related to the quality of the company's human potential.

In the new context, generated by the implementation of the Lisbon Strategy into the European economy, to the investment character of the already mentioned strategy, it must be added a formative one, in order to facilitate the development of the best organisational frame for starting the continuous learning process at every employee level, for each of them being necessary to assure the conditions for going through the stages of: socialising, specialising, development and valuing, thus to develop the know-how transfer system.

In the human resources activity it is, first of all, necessary to take account of the *people characteristics*, who present individual particularities, have different attitudes and behaviours, own approaches and tasks to fulfil.

The marketing involves *good motivation* for the human resources, who occupy its workplaces, on both sides of it: intrinsic and extrinsic, the link between effort and performance having to be correctly realised, the marketing personnel assumed commitment (attachment and loyalty) being an essential criteria for realising the strategic objectives.

At this function level, owing to its special character, the labour relations must be developed on *trust*, a higher value having, compared to the formal, written contract, the so called psychological one, this being the base for realising the *dynamic equilibrium* between employee desires (how is he appreciated, his expectations, his possibilities to prove his competence, involvement, workplace stability, etc.) and the company's requests (loyalty, responsibility, commitment, professionalism).

Taking account of the direct contact with the external environment and the need of capacity to permanently receive and release new complex knowledge, the personnel involved in realising marketing tasks needs to be *systematically trained* as a consequence of the continuous learning process at the entire organisation level, the recruitment of human resource being recommended to be done according to this criteria when we are talking about marketing departments/divisions.

In the personnel strategies conceived in order to select future employees for marketing it can be applied all three known types: "the suitable man" approach, adaptation at the employee skills and the flexible approach, designed to develop a competitive organisation.

Oil companies, by definition, are large, and because of it, most of them use the first type and, as a modern tendency, it must be emphasized the fact that it is paid attention to *train new young managers* (aspect characteristic for the flexible type personnel strategy), in order to replace, step by step, the expensive workforce represented by ex-pats.

In the same time, because of the dynamism involved by the marketing activity, the personnel who fulfil tasks of this nature must be accordingly motivated and rewarded, because firm results are tightly correlated with this factor, a direct link between rewards (basic salary, bonuses, flexibility, recognition) and performance management having already scientifically proved.

The presented situation can be synthetically presented as it follows:

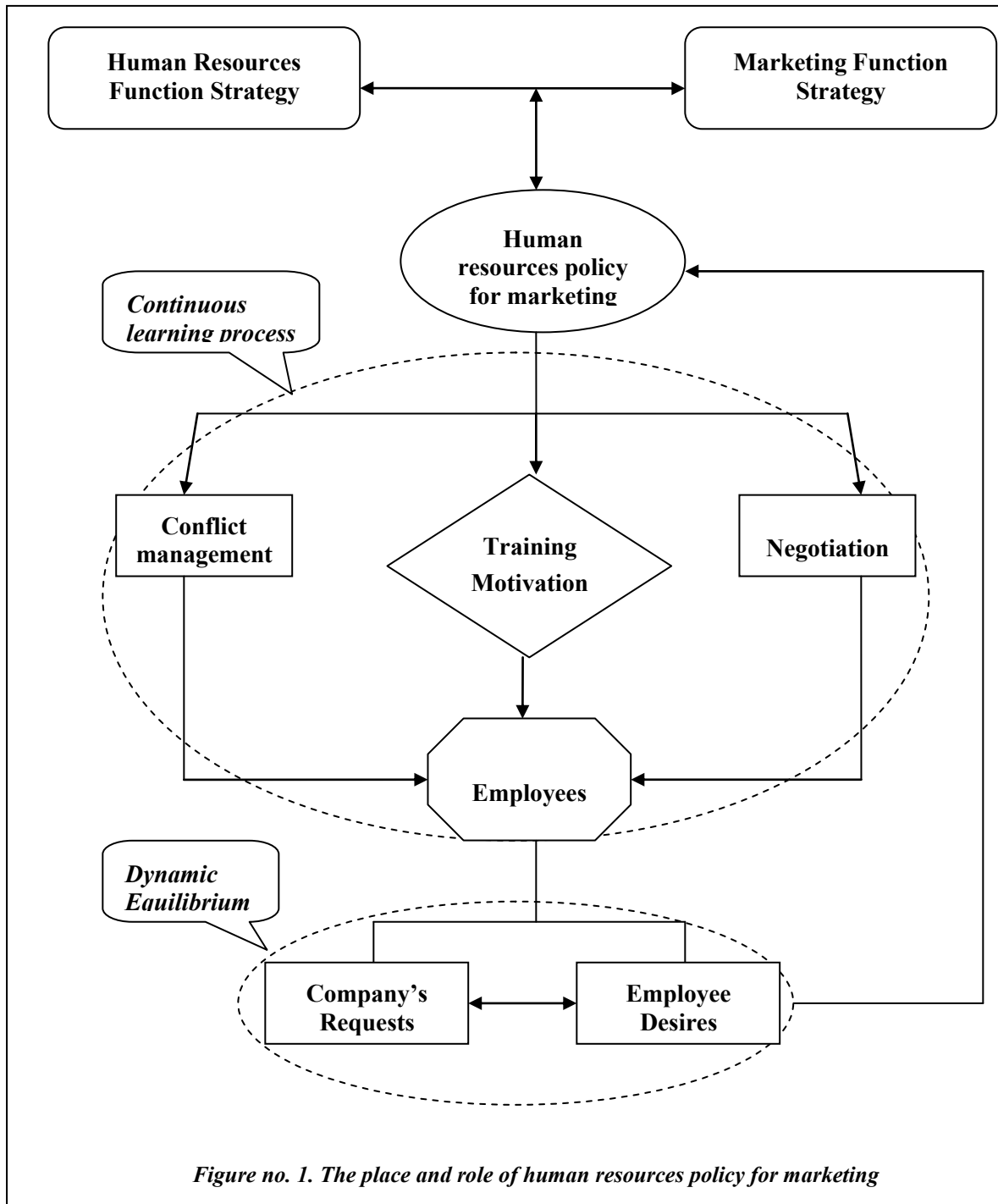


Figure no. 1. The place and role of human resources policy for marketing

II. Conflict management – a challenge for companies

The conflict, result of the progress and change, is *inevitable* at the companies' level, appears where inter-human connections are and involves communication. It starts from intrapersonal phase, than it became obvious at the interpersonal level, going further at certain forms for a group or appears at inter-groups relations.

From the presented features it is obvious the fact that, at the marketing function level, differently from all other functions, the conflict is present with a **double nature**: internal and external. Internal, because it appears and develops among the own employees and interdepartmental and external because through marketing it is sustained the largest part of the relationships with the external environment.

Managing efficiently the conflicts is a priority of companies' strategies because the negative effects can be higher when such situations go deepen. Some of the most **often met causes** are: the frustrations, the aggressiveness, different objectives and values, envy and, sometimes, cultural differences. In the same time, it is considered that *maintaining a certain level of conflict represents a sign of well organising*, because it stimulates the competition and the performance.

In order to **exemplify** the theoretical terms presented, we bring into attention the training which PETROM SA offered to some categories of employees responsible into the marketing function by special training in the conflict management.

Thus, in 2007, in partnership with BRAINOVATE SRL Bucharest, there have been presented to the employees advanced terms in this field, emphasizing the way in which the conflict could be efficiently solved. Analysing this study, it results that, in order to make an easier understanding, the conflict is pragmatically structured in **constructive** and **destructive**, the main differences being represented of the fact that the first shape is based on **dialog**, while the second one on **dispute**.

Among the **main causes** of the conflict there can be found out: unsuitable communication, lack of resources, different personalities and leadership problems. Conflict approach can be done, according to the involved parts, through: *domination, capitulation, negotiation, postponement, and collaboration*. In the same time, there are also shortly presented types of personality involved in the conflict, grouped as follows: *introverted and extraverted, sensitive and intuitive, rationalist and emotionalist, judger and receptive*.

The **main stages** in solving the conflict are:

- establishing the problem;
- presenting reasons;
- conceiving and evaluating the alternatives;
- solving and agreement.

The solving strategy is based on **certain tactics**, which have been proved **efficient**: reframing, paraphrasing, openness, minimising, sustaining the needs, discussing at the first person, and feeling recognition.

In the same time, the **inefficient tactics** in solving this are: blaming, attacking, sarcasm, negation, redirecting, minimising, fixation, suppressing, projecting and sounding.

For the cases when the conflicts get worse, its positive solving can be done in two ways: by **mediation** or by **arbitration**. The mediation is useful when the emotions and the relationships appear, being met at inter-human level, while arbitration is mostly used at corporative level and involves a final result, imperative and irrevocable from the legal or contractual point of view.

III. Negotiation – the conflicts solving path

From the already presented aspects it can be observed the fact that the most important way in which the conflicts can be solved is **the negotiation**, process characterised by an uncertainty climate in which the negotiator aptitudes (analyse capacity, planning, empathy, interactivity and communication) are vital and every marketing employee need them.

This is necessary because of the fact that when working in marketing, each of them is involved in many negotiation situations, reason for which they must to be prepared to make mutual concessions, to offer alternatives to understand the sources of the met conflicts and deal with the situation in a manner which maintain a winning position.

From this point of view, it worth to be noticed that PETROM SA trained a part of its personnel for understanding the **four basic principles of Harvard Concept**, more precisely:

- separating people from the problem;
- focusing on objectives, not on positions;

- creating mutual advantageous alternatives;
- using objective criteria for evaluating the negotiation results.

In the same time, the company's management training program included the introduction of **BATNA** (Best Alternative to Negotiated Agreement) specific terms, also known under Plan B name, alternative or retreating scenario, which main scope is to develop the negotiator confidence and to create a feasible alternative for the negotiation process.

During the negotiation process, a key role is played by the **value motivation system**, defined as a central concept designed for achieving the self management and relationship management abilities, depending on genetic influence and early experiences.

Into a study from 2005 of Personal Strengths Publishing Inc. (USA), also presented to PETROM SA employees in 2006, there have been structured **seven types of motivational systems**, as it follows: *altruist* (based on looking for the others welfare), *directive* (focused on fulfilling the tasks in order to achieve the objectives), *analytical* (careful to planning), *flexible* (emphasising the group welfare and the feeling of belonging to it), *assertive-protective* (obtaining the other welfare by realising the objectives), *correct-competitive* (pay attention to fair competition) and *cautious-offering support* (preoccupied to obtain self and others autonomy by respecting the rules).

In the same year, 2006 and in the already mentioned company, in cooperation with the BPP Professional Education firm, the human resource from marketing departments has been trained in order to clearly identify, according to the relationship and substance preoccupation, five **negotiating styles**: *compromise* (the conflict is decreased by successive concessions), *cooperation* (the problems are systematically approached in order to obtain an agreement), *accommodation* (the attention is focused on building the relation, despite the result), *retreat* (accept what is offered) and *defeat* (take as much as he can, ignoring the relationship). Their correct usage means to establish the partner **needs**, these ones being structured in three types: *emotional*, *rational* and *political*.

The negotiation process is based on **influence** (feature that involves effects by verbal and non-verbal communication, related to the subconscious) and **persuasiveness** (characteristic for the rational, conscious part).

When **leading the negotiation**, it must be established from the beginning if the situation is one of "feelings" type (based on influencing abilities as *reflection* – the capacity to listen the subliminal message sent by the other person, not necessary what he says, and *assertiveness* – understood as sustaining the own needs and expectations into a unyielding, not aggressive manner) or "facts" type, which involves skills of asking efficiently and suggesting responses.

The negotiation is sustained by "**dealing with objections**" **techniques**, among the most used being *curiosity*, *inoculation* (anticipating the partner complaints and mention them before he can be able to do that), *justification*, "*understood, felt, found*" (based on example, expressed as the favourable experience of other person who accepted your offer).

IV. Conclusions

From the presented aspects it can be observed the importance paid by the large oil companies to the human resources integrated in the workplaces from the marketing function, offering them *special training from the conflict management and negotiation point of view*.

Thus, it became evident the fact that, in order to resist to the competition, the *marketing knowledge must be completed with terms from human resources and psychology area*, being proved once more its multidisciplinary character.

Taking account of the discussed things, we can appreciate that **a profile of the marketing employee** implies **two main dimensions**: one of the **natural abilities**, among which that of *excellent negotiator* must to excel, and one of the **continuous professional training**, which has to be doubled with *advanced knowledge of conflict management*, these aspects being necessary to be first of all considered when the personnel from this function is recruited.

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THE DECISION - MAJOR ELEMENT OF PRODUCTION ACHIEVEMENT

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Abstract

In management process, we appreciate that decision represents the engine for any economic-social activity, who's effect can be felt in present or on longer period of time and sometimes it reflects even in career of person which had adopted.

Key words: decision, management, objectives;

The efforts of system management members in direction to achieve some high economical performances could be materialized only in measure to which they succeeded to elaborate and implement decisions substantiated on scientifically grounds.

To this moment, the informationally affairs medium is more intricately, due to increasing number of important informations volume for affairs proceedings, to number of informationally resources and the number of technologies used for access and dates keeping.

The restricted character of human, material or intelligence resources from economy, implies a huge and continued responsibility for managers in order to fulfill the organisation's goals regarding the best ways to allot and use this resources. It can be say that all management activity is formed by a decisions chain.

The social-economic medium's complexity and mobility make necessary the decisional skills in order to form and develop in future, due the fact that organisational management and it's evolution is related to decision's quality. In working author's opinion „Military management organisation”, the major role of decision consists in connection achievement between ideas and practice, making the link between the notional and grounded bases of option, over the activity or action in real proceeding.

For a long period of time, the management was considered a real art, gift, faculty hold by learning from attempts and errors. An individually styles variety, often based on creation, human thinking, intuition and experience were used in solving this type of problems, all this issues against quantities methods and scientific landings/approaches.

The affairs complexity and theirs's environment for proceeding highly increased in the last decades. Exist some major causes which determined this increase of complexity: - the possible solutions number is too high; the hardness to forecast the consequences for long term period due to increasing incertitude degree, the errors effects in taking decisions could be disastrous thanks to operations complexity and chain reaction, which an error could cause in different sectors to microeconomic and higheconomic levels.

Thus, the **decision** could be defined like a rational process to choose one solution, one certain action ligne from a number of possibilities, in order to get a safe berth to a result. From decision concept, could be depicted at least these following **elements**:

- Is regarded like a rational choosing process, specifically to humans;
- Is finding again all the management functions;
- Represents the final file in order to vouch for objective settlement or the objectives assumed by manager;
- Economic units integration into environmental medium depends on decision's quality;
- The action is named decision only if this is appropriate to one choosing situation;

- It is a legal instrument/act of attracting, combining and allotting of different resources in production process;
- It is a legal instrument/act to join the interests of economic unit's components;

In a large sense, decision represents the human's capacity, with certain responsibilities, to take resolutions in issues regarding their's competence/jurisdiction sphere. No matter the hierarchical level, it's content and quality, decision has a complex/intricate character, being a reaction of decision man to "signals" received from the conducted system.

In this manner, the decision is generally bequeath/tied by management, due the fact that it is not a product of contemporary economic life. The fact that imposed lately, their new quality element in management was to use, in the elaboration process of one large scientific device, throughout the empiric forms widely spread in the past had been replaced by the scientific ratiocination- based on deeply phenom analysis, the analysis of factors complex who conditioned a process, an operation, or an economic phenom and thus their's results – elaborate more action alternatives, attaching to every one their predictable consequences, also defining the optimisation or rationalization criterions.

Elaborate and adoptat process of decision represents a complex, dynamic process, which assume to step the following *phases*: identify and recognize the problem, settlement of objectives and decisional criterions, establishment of alternatives or decisional variants, choosing the best alternative, decision implement, control and finally, result's valuation.

Ensuring to managers the possibility to combine the available resources and to conduct the economic processes, the decision represents the major instrument to achieve the objectives taken upon the economic unit.. In economic units, inside a decisional frame, the objectives could be achieved on many ways. The existence of these issues impose the managers to have high competence, both regarding the elaboration of decisional variants and in valuation of their application.

The variants which allow to achieve the same objective are different through: the level and structure of allotted production factors; the level of work productivity; the obtained results; etc, causing the same time some measure consequences through the considered economic indicators level.

In order to vouch for elaborate of good decisional variants and fair valuation of every one, the decision persons must to prove a high degree of competencies, so the results obtained from application of one variant in practice, the real consequences not to be different by the advanced items only in agreed degrees. As much the difference between the real results and the advanced results is higher, so is imposed that in a shorter term to initiate correction decisions.

This one imposed only when in order to adopt the initiate one, were not taken into account the inside or outside system's factors or appeared other factors, to which were not available informations from decisional process start, which could be recognised through the ensemble's stages and phases covered in preparation, adoption, application and valuation of management decision's consequences.

The decisional problems solving with consequences over economic and social results of economic units assume major human and material efforts from managers. These efforts are valuate through the positive effects registred in unit economy..

Thanks to this reason I appreciate that, the activities commmand in a logic phases evolution is very important in order to obtain some economic performances forecasted by the economic unit's manager.

The activities grouping togheter on stages and afterwards on phases in decisionally process, it has not a theoretical pure character, this materialised and consolidated in economic practice from units.

The activities systematization on stages assume a selection and then a grouping on different phases, in a logical evolution that can't proceed otherwise. Such an example, the working's quality specific to second phase of decisional process depends on the way to command the activities and their quality specific to the first stage of decisional process, and choosing the variant with best profit, can't be done if previous settlement of indicators system or unit valuation parameters didn't proceed and, of course the establishment of decisional variants. Proceeding of decisional process assume also a competence activity from manager's side, measured by it's heterogeneous structure.

The decisional process structure is influence by a large number of *factors*, such as : the decisionally problem type; the real conditions to developp the decisional process; the knowledge degree of certain events apperance; qualities and manager's experience, etc.

The proceeding of one decisional process and elaborating one scientific decisions, decreases the risk to appear some consequences with important deviations versus the initial valuation and decreases the sphere of unknowledge.

The decision's quality adopt by managers can be appreciate through the amplitude of results obtained by practice materialize of this and the initiate valuation level. The economic units develop all the activity under the influence of some events. With low nature and frequency, which won't become entirely decisional problems, some being imposed situation with a certain manner to solve. In order to allow an event to become a "decisional problem" must to fulfill the basic condition "of having the possibility to obtain same result on many ways" with different characteristics.

In economic units the appearance of decisional problems is engender at least by two *situations*:

- a) In situation that the disorder factors create a lack of balance between the operational undersystem and the functional system with negative consequences in objectives achievement and it impose the restore of system functioning to settled parameters.
- b) In situation that exists balance between the two undersystems regarding the proposed objectives achievement, but the manager desires to obtain higher performances.

Diversity and complexity of decisional problems which follow to be solved by managers from economic units impose a systematization accordingly to some elements and criterions. The criterions are various, having a common element, thus "to order and alleviate the decision's person work.". In order to ensure the proceeding in practice of these demands is necessary that the decision taken person to dispose a large amount of specific informations for every decision and a certain time framework from identify the decision problem until to adopt decision necessity.

The most important *criteria*s and elements which follow to be taken into account to decision grouping are: the coverage sphere, the hierarchical level of decision taken person, the nature of problems which follow to be solve, substantiation level, the possibility to know the appearance of some events, the decision taken persons number etc. On decision plann, these elements translate in a vaste number of variables and impose conditions, also consist in increasing of interlinks between these.

When appears a problem is necessary to analyse all solving variants of this. For each variant are analysed the strong and faible points, the allotted resources, the necessary time, the risks. Choosing a variant from many possible options after combination of above mentioned factors, means to take an decision.

This represents in fact a process consisting in changing the reality, also changing of natural, financial and human resources of economic unit, of rationally choosing between variants. Decision must to be adequate to the performance, economy, acceptance criterions. In order to elaborate decision must to take into account: the action, a single measurable result; a time framework, also the maximum investment in order to reach /achieve the goal.

From mining industry point of view, the global practice of mining proved that an appropriate substantiation of decisions in using the mineral wealth can't be based on the other factors different by the important criterions, with the possibility to identify and to measurement only when the approach from economic perspective of mining activities is circumscribed under vaste technological peculiarities.

In mining branch, the valuation process of some mineral resource supposes gathering, manufacturing and appropriate rendition for a lot of informations, in order to illustrate the issues regarding, first, the quality and quantities of provisions and the condition to keep these resources inside the earth. In fact, the achievement phases of some mining project are constituted in materialized decisions, substantiated on some documentation basis which include the important informations, regarding the ore knowledge until the respective moment. As a conclusion, the decision, basic composition of decision system, is an essential element of management, being their specific utterance instrument. In stock, the quality level of organization manifests through the elaborated and applied decisions.

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THE GROWTH OF ORGANIZATIONS COMPETITIVENESS THROUGH THE DEVELOPMENT OF SOCIAL RESPONSABILITY INVESTMENTS PROJECTS

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In terms of globalization and intensification of technology and information transfer, the assurance of a economic competitiveness corresponding level represent a major concern for the organizations. Their efforts concentrate on different parts of the activity, one of the most important is the intensification of investments projects. Classic investments projects orientated on solving precise problems on short and medium term pass now in the sphere of complex preoccupation, with a systematic view towards everything which assumes the substantiation, accomplishment and the exploitation in a strong connection with the environment. Even if the social responsible investments are a new economic concept, it constitutes one of the elements with a significant impact for the organizations competitiveness. The present working presents some aspects regarding the way in which the involvement in social responsibility investments project could assure the growth of the competitiveness related to the actual context of the social and economic development.

Key words: competitiveness, investments, social responsibility

The economic systems, even if situated on different positions and apparently independent, constitute component parts of a macro system which works and it is governed by common and complex principles, related to the development at demographic, political, administrative level or to the sustainable development requires. Even if the main actors of the macroeconomic system have a decisive role in the principles and directions establishment, the last period has proved the fact that certain states, according to some competitor advantages, real or potential, can determine changes and can generate conflicts with major consequences. In this context, the economic growth and implicit the competitiveness have passed from the relative independence sphere to the one of interdependence linked with the actual stage and the development perspectives.

In the globalization context, the economic growth is strictly related to the competitiveness level of the main activity domains from the social-economic environment. If at the beginning the competitiveness was especially a concept of theoretic concept, with the mission to point out certain aspects or independent parts of the developed activities, the practice has proved that the competitiveness became one of the most important factors of the economic development, of the attractiveness in the investments projects field or of the built of some classifications at macroeconomic level.

The major preoccupation at national and European level were concentrated around a reference document, elaborated in the year 2000 „The strategy of economic and structural reform from Lisbon”, recently submitted to some revisions in the years 2004 and 2007. The respective documents establish as reference objectives that until 2010, the European Union becomes the most competitive and dynamic economy based on knowledge, capable to assure the sustainable economic growth, more jobs and a more intense social unity.³² Beside the performances evaluation of the 15 members (in 2004), the Lisbon diary attracts the attention over the performances of the candidate countries to adhere to the European Union with the goal of

³² Lisbon European Council 23 and 24 march 2000: Presidency Conclusions, The European Union's Lisbon Strategy (<http://www.etuc.org/a/652>)

reducing the economic and social development dissimilitude's between these and the states members EU, through the engendering of a additional gross intern profit growth of 15-20% until the year 2015.³³

The European integration brought the national economic systems in front of some challenges and major opportunities determined by the corresponding growth rhythm, by the available investments founds in different activity domains, by the principles of the sustainable development.

The position occupied by Romania in the classification regarding the economic competitiveness made evident disadvantageous positions for our country, both in the pre adhering period and the post adhering one. According to the top in 2006, realised by the World Economic Forum, among the 125 developed and emergent, Romania is situated on the 68 position from the economic competitively point of view, in descent with one position comparing with 2005 year.³⁴ Behind Romania it was Bulgaria, which has descended from the 61 position to 72, the Moldavia Republic, which has ascended 3 places, to the 86 positions, and in the top of the classification is was Switzerland, meanwhile the United States of America, and the leader from 2005, descended on the 6th position. From the competitiveness perspective, the Romanian economy was estimated through the global index of competitiveness, taking in account many criterions, among those the infrastructure state, institutions, macro economy, health, primary and superior education, market efficiency, innovation. By comparison with the states which adhered in May 2004 at the European Union, Romania is situated on the last positions at all the mentioned criterions. At the corruption chapter, favouritism in the governmental decisions, the respecting of the laws and contracts – made oblivious in the pillar of the institutes qualities – we are situated on the 87 position. In the same time, at the infrastructure area, the situation is even more drastic, which means we are on the last position among the states which adhered at 1st of January 2007, the position in the classification was 77.³⁵ From the macroeconomic point of view, Romania, in the documents, occupies again an unhonoring place, 97, only Hungary being after it. Similarly situations are being remarked in relation with the technological contribution, Romania (position 49), but before Poland (51), but again on the 76 position at the competition.

Published speciality reports, The Global Competitiveness Index 2007-2008, place Romania on the 74 position with a score of 3,97 among 131 analyzed states. The occupied place makes obvious an inferior position towards the previous years, important aspect in comparison with the macroeconomic policy and strategy adopted at country level; from the offered dates it seems that they didn't reach the entire proposed objectives.

The confirmation comes from the fact that Romania is at the end not just in the competitiveness classification, but also in the top of the investments at one inhabitant, statistic at which leaders were Estonia, Hungary and Czech Republic. As long as there were less economic environment difficulties and the public institutes were stronger, more foreign investments came to solve the competitiveness problem. Even if the total volume of the direct foreign investments was a significant at the country level too, their effect regarding the economic growth, the competitiveness and sustainability it wasn't as big as it was expected to be.

The causes for this situation are complex and they are related to the wide sphere of involved factors, from beneficiaries to financiers, public authorities, organizations of profile, etc. Among the identified problems, we can mention the incoherent substantiation of the necessity, the utility and the feasibility of the investments projects, the instability of the economic environment and of the legislature on medium and long term, the allocation and the use of the investments stocks to solve the current problems, without a preceding strategy, authorities incapacity to manage efficiently a batch of programs and projects financed by the European Union and by the international business environment or the allocation of the investments stocks, especially the public ones, relied on some requests and criterions sometimes subjective. It is obvious the fact that the presented situations can't be carried just a strong involvement of all the actors,

³³ World Economic Forum (2004) The Lisbon Review - An Assessment Of Policies And Reforms In Europe (www.weforum.org)

³⁴ World Economic Forum Classification is realised based on available economic dates, but also on a sounding opinion realised by a batch of partners research institutes and business organizations

³⁵ World Development Report 2007 - Development and the Next Generation, ©2006 The International Bank for Reconstruction and Development / The World Bank

which has to generate a major change regarding everything related to the strategy and the policy at micro and macroeconomic level.

The actual context of economic development made evident the fact that the economic systems that had taken into consideration the social side of the investment process had an important growth due to the tough national and international competition. Countries like Switzerland, Sweden or Denmark, in which the economic strategies are mainly oriented on the social side, are in the top position regarding the international classification.³⁶ Aspects like the necessity of regularization, the compensation of the labour grade of occupation, life quality improvement, ranging to different kind of plans of standards and principles of developed nations, pollution reduction or the ecologic rehabilitation, represent the main factors which influence the process of obtaining and use the investments funds.

More and more organizations and private institutions take into consideration the social, ecologic and ethic factors when they have to take the decision regarding the investment. Lately, the management of many SME began to understand the importance that the ethic standards and social responsibility play in the project, in order to have a long life and to strengthen the position on the unique market.

At the international level, in the documentation specific to investments began exist clearly requirements regarding the opportunity, the ecologic utility, because this aspects are well evaluated, in concordance with statistics about the actual situation and the development objectives. More and more financial institutes put strict ecologic requirements that need to be satisfied by a project in order to be accepted.

Because of the varied type of problems, an issue that occurred and affects a big part of the community, the local public authority see they obligated to take position and involve themselves in the projects that have a major impact on a specific region. Investments with a public character, oriented on community services, based on the alignment to standards, characterized by varied effects, social, cultural, regional effects and less economic effects. This type of investments objectives is minion to bigger strategies, for a regional community, and as a result their effect will have a diffuse character related to the community level.

The appearance of the social in the investments process lead to a new concept, which is: social responsible investments. For the first time this concept appeared in the 1950-1960, when in the economy of the United States of America appeared the first concerns about the integration of social principles in the investments projects. The concept was developed at a higher level, and outside the USA, after the 1995.

According to the study named „Voice of the Leaders Survey”, the company’s reputation is one of the main factors that lead to the business success. The results of the study show that 60 % of the interviewed think that a good reputation help to the market capitalization of the companies in 40% of the cases.³⁷ Many other studies show that for the costumers the company reputation and the trust that they can have in the company is very important, indeed. They are willing to pay extra for their honesty and the commitment to their promises. The companies, as well, are aware of the business benefits that can be gained if the costumers have a big interest regarding the companies’ reputation.

A good reputation it’s also very important for the continuous performance of the company. The social responsible companies, those who respect some ethic standards are able to attract more capital and they can get loans at smaller cost. This is, also, one of the arguments that lead to the growth of social investments all over the world. According to the social organization „Social Investment Forum" (Washington)", in 2005 more than \$2 trillions of capital, from the administrative portfolio in USA, where social investments, which is a growth of 80 % comparing with 1997 – a remarkable achievement, taking into consideration the economic decline from that period.³⁸

A study made in Europe shows similar trends related to social investments in the last years. The opinion poll „CSR Project on Managing and Communicating CSR for Value" realized through the European funds managers, financial analysts and the responsible for the good relationships with the investors show that a percentage of 50 % from the investors see the social and environment consideration as main futures of the investment decision in the next couple of years. The non-financial risks are regarded more and more, as

³⁶ World Economic Forum - The Global Competitiveness Report 2007 – 2008 (<http://www.gcr.weforum.org/>)

³⁷ World Economic Forum on Latin America - Worldwide Survey Highlights Lack of Faith in Leaders in an Uncertain World, Geneva, Switzerland, 15 January 2007.

³⁸ Social Investment Forum - 2005 Report on Socially Responsible Investing Trends in the United States, 10-YEAR REVIEW, Industry Research Program, January 24, 2006.

being important aspects of a investment process, less than 50 % of the interviewers said that professionals investors have already realized the importance of this aspects for the corporate rule, risk management, and costumers relations. In other words, for the social responsible companies, in the financial management the reputation has a important place, being very important for the company and for the clients, as well. ³⁹

An interesting role in this working is played by the motivation that lead to social responsible investment decisions. A study made in 2004, relates the main reason that were used : 86 % respect for human rights, 85 % a proper environment for business; 85 % respect for the environment, 76 % clients relation quality, 73 % working condition and ambiance and 68 % politics for employers satisfaction. ⁴⁰ The identified motivations have the purpose to point out organizations preoccupation, first of all for the social climate, human resources, stakeholders and the environment.

The big companies can have a big role in the process of improving trade practice on a big market, by creating and stimulating a general atmosphere of responsibility in business and by promoting standards and international agreements, but the small companies might play an important role to in the development of the local communities where they activate. The involvement of the economic systems and of the organizations in social responsible investments projects is justified and governed by the positive outcome towards competitiveness and the factors that generate it. By the following we must take into consideration all the interests of the co-interested groups ranging from stakeholders, employees, business partners, suppliers, clients, creditors, distributors, to consumers and community and building a strategy of social involvement, a strategy that would integrate the strategy of the organization on a medium and long notice, because the programs of social responsibility can not be conceived separately, besides one vision which integrates them in the management and marketing company objectives.

In order to adopt the social responsibilities practices toward the national plan of investments projects is needed to implement some international principles and practices. One of these sets of principles is the one promoted by The International Finance Corporation (part of the World Bank group) under the name The Principles of the Equator.⁴¹ In this context, the finance of the complex investments projects (power stations, transportation infrastructure, environment and telecommunication) of which values is over 10 millions dollars it is conditioned by the accomplishment of some requests and strict conditions regarding the potential impact and the social and environmental risks associated. ⁴² Through the assumption of these principles it is pursued the avoidance of the negative effects which the financed projects can have on different ecologic systems or communities, or, in case these effects are unavoidable, their reduction or/and compensation, in a corresponding way. The extension and the adhesion to these principles in the organizations practice at national level in the investments projects substantiation, brings significant benefits for the economic growth and competitiveness. The ethic code, standards and principles of social responsibility defining which the organizations apply in the investments projects assure a supplement of institutional transparency for the developed actions with benefits on the level of informing towards the rights and the obligations which the company has towards the groups interested for the project.

Another factor which favours the economic competitiveness is related to the periodical publishing of reports through which the company presents the way in which they respect the assumed obligations through the investments project, unto the environment and the society. In fact, these constitute guarantees of the involvement and bring a supplement of image for the stakeholders, financiers, customers, business partners, authorities.

The experience of the companies developed in the social responsibility investments programs pointed out the fact that for the markets and the organizations at different development levels, it can not be applied an universal model for the current activity in the social responsibility spirit. From this perspective we

³⁹ Department of Trade and Industry (2002), Corporate Culture - CSR Project on Managing and Communicating CSR for Value, DTI, London.

⁴⁰ The European Survey on Socially Responsible Investment and the Financial Community, 2004

⁴¹ The Principles of Equator reffer to the way in which one project finance has to take in consideration the aspects related to the social responsibility practices. At thede adhered over 50 banks which have more than 80% form the finance of the biggest projects from the entire world.(<http://www.equator-principles.com/principles.shtml>)

⁴² The "Equator Principles" - A financial industry benchmark for determining, assessing and managing social & environmental risk in project financing, July 2006.

appreciate as being useful the realization and the development of some activities for the civil society development, especially, making sensitive the customers regarding a responsible production, to promote taking responsibility by the organizations, these representing a long term engagement and relevant for the national context and the regional one, in particular.

In the same time, the way in which the companies social responsibility it is perceived stimulates, influences the dialogue and the partnership between the local and central public authorities, the private sector and the civil society, with implications onto the impact for the current and investments activities organization. The direct consequence of the implication in social responsibility investments generates the some contradictions between the economic and social interests of a project. In case between the two perspectives of the projects exist significant difference related to the resources, to the substantiation and realizing way, it can constitute a factor of major risk. We appreciate that in this kind of situations, the project manager has the essential role and he has to identify the common pints of the two directions and to promote them, and on the other side to harmonize the differences with the goal of reaching the project objectives at the organization and society level.

To draw a conclusion we can say that the transfer from a classic investments policy, orientated on the temporary organization difficulties, to a strategic policy of responsible investments, three- dimensional orientated: organization, environment, society, doesn't constitute an easy step. More the organization and its action environment understand and act more rapidly in the wanted way, more the main goal, competitiveness growth will be easier to be accomplished.

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ORGANIZATION'S COMPETITIVE ADVANTAGES RELATED TO SOCIETAL KNOWLEDGE MANAGEMENT

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***Abstract:** In the knowledge-based society, the corporations and the global and international companies are involving more and more in developing environmentally sustainable products and production processes, as a consequence of the new industrial system that generates individual, organizational and societal knowledge. Some general aspects regarding knowledge, knowledge management and knowledge societal management are presented in the paper. The main issues of the societal knowledge management are based on several organizations' competitive advantages that are nowadays fundamental: intellectual capital creation, the life cycle management, the integration of societal requirements into business strategies and the knowledge work force development. The fourth strategic capabilities discussed in the paper bring benefits to individuals, organizations and society into the societal knowledge system.*

***Key words:** knowledge, knowledge management, societal knowledge management, competitive advantage, societal knowledge system.*

Introduction

The management focus has suffered transformation along time. If early on the management observed the work and later it included the role of information, recently a new shift occurred by including knowledge concept. The understanding of organizational performance is not related only on know-how and expertise influencing the quality of processes and products or services, but on existence and use of knowledge. "However, the knowledge focus has tended to be on the individual and not on systematic considerations of broader work processes or knowledge mechanisms within organizations. There has been little focus on invisible work, particularly on how workers think and utilize knowledge when performing tasks" (Wiig, 2000).

The literature offers valuable ideas and theories regarding the integration of cognitive sciences, knowledge understanding and knowledge use in the business functions and demanding markets, and many writers became viable references, such as: Brown and Duguid (2000), Damasio (1994, 1999), Halpern (1989), Nonaka and Takeuchi (1995), Klein (1998), Schön (1983), Wiig (1993), also cited in Wiig (2000). But, gradually and systematically the organizations started to create and leverage the intellectual capital into business and public management. Integrated in this theory is the information technology (IT), which is used extensively to support knowledge management, although "many information management tools are marketed as being 'knowledge management' tools, which they arguably are not, because knowledge is distinctly different from information and that knowledge management and information management is not the same" (Wiig, 2000).

The broad field of knowledge management introduces new options, capabilities, and practices to assist organizations to great advantage. It becomes a new responsibility to manage knowledge to strengthen private organizations and public service effectiveness and improve the society they serve. Nevertheless, the knowledge management goals are to improve the effectiveness and sustained viability of any enterprise – be it a commercial corporation, a part of society, a country, or a single individual. In this respect the knowledge management must be fully aligned to the enterprise's central objectives to create competitive advantages.

Knowledge and knowledge management

Knowledge is understanding gained through experience, observation or study (Barquin, 2006). Knowledge has different forms, such as:

- Explicit knowledge: books, papers, databases, videos etc.
- Implicit knowledge: in people's mind and could be explained
- Tacit knowledge: in people's mind and difficult to be explained.

These forms of knowledge could be encountered in any organization, but the managers may not be fully aware of the importance of balancing them in designing the organization strategies to compete on the market. As Lewit (1991) points out "the most precious knowledge can neither be taught nor passed on".

Some important basic characteristics of knowledge are underlined by Fuchs (2004):

- Knowledge is a manifestation of information in the human-social realm. Knowledge doesn't exist in nature as such; it is a human and cultural product.
- Knowledge exists both in the human brain and in social structures and artefacts. It has subjective and objective aspects that are mutually connected. Subjective and objective knowledge is constituted in social practices of active, knowledgeable human beings; knowledge is related to human practice.
- Objective knowledge is stored in structures and enables time-space distancing of social relationships. It reduces the complexity of social systems; foundations of human existence don't have to be re-produced permanently due to this storage-function. Objective knowledge is a supra-individual structural entity, but is based on human agency, it is medium and outcome of social actions, it constrains and enables human practices.
- Individually acquired knowledge can be put to use efficiently by entering a social co-ordination and co-operation process. Synergetic advantages that can't be achieved on an individual basis can be gained by such a co-ordination of knowledge. Emergent knowledge and qualities show up and are due to the synergies produced by the co-operating efforts of knowledgeable actors. Intelligent organizations are based on the effective use and management of emergent knowledge.
- Knowledge is a social, common, public good that has a historical character. Knowledge production is a social process, in order to produce new knowledge one must refer to prior knowledge produced by others. Frequently knowledge production has a highly networked and co-operative character. Knowledge is a self-expanding resource, but can only be artificially transformed into a scarce resource (e.g. by Intellectual Property Rights).

Other relevant characteristics also underlined by the author are: knowledge must be permanently enhanced and updated, it is intrinsically coupled to not knowing, it has relevance for a system and it is constituted within and part of human experiences, it is a non-substantial good that is generally not used up by its manifold usage, it expands during its usage, it can be compressed, it can replace other economic resources and the costs of reproducing knowledge are generally very low and are further diminished by technological innovations and progress.

A brief analyze of the knowledge shows a picture of too much data, too many sources, too many formats, too many tools and too little integration. In our days the knowledge is amplifying faster than could be imagined. It is complex and it has an unmanageable volume. For example, the total new information issued in 2003 is equivalent to half a million new libraries and the amount doubled in 3 years (Barquin, 2006). The framework of actual and future amount of knowledge makes the organizations to compete more toughly with uncertain results. The solution is knowledge management. According to Barquin the knowledge management has to be focused on:

- Identify or nurture communities of practice;

- Pay attention to customer knowledge;
- Automate content and document management;
- Identify and disseminate best practices whenever possible;
- Deliver knowledge through Enterprise Portals;
- Change culture to reward sharing/collaboration;
- Utilize story telling to capture share of attention;
- Implement data warehousing environments, enterprise-level integration, and business intelligence solutions;
- Provide leadership to accomplish objectives.

Knowledge management is concerned with the entire process of discovery and creation of knowledge, dissemination of knowledge, and the utilization of knowledge. Knowledge management is a set of tools and processes, used by knowledge workers in an architected environment, created through an enterprise initiative, to obtain maximum returns from its data, information, intelligence and knowledge. Knowledge management is the process through which an enterprise uses its collective intelligence to accomplish its strategic objectives (Barquin, 2006).

Given the importance of knowledge in virtually all areas of daily and commercial life, two knowledge-related aspects are vital for organization's viability and success at any level: knowledge assets (to be applied or exploited) must be nurtured, preserved, and used to the largest extent possible by both individuals and organizations and knowledge-related processes (to create, build, compile, organize, transform, transfer, pool, apply, and safeguard knowledge) must be carefully and explicitly managed in all affected areas.

Societal knowledge management

Innovation and intellectual capital supported by IT lead to a broader involvement of the society into knowledge management and to the integration of knowledge management into societal needs. The solution is "knowledge environments to get the right knowledge to the right person at the right time" (Barquin, 2006).

Societal management is focused on satisfying the needs of society as a whole, generating favorable relations between the organizations and communities. "Societal knowledge management is the innovation enabler by providing the driving intellectual capital resources" (Wiig, 2004). But, "knowledge management is the view that globalization makes it a necessary activity to maintain or improve competitive stance. This has produced a societal and enterprise knowledge management "*movement*". This movement is based on the belief that 21st Century globalization has led to the 'Knowledge Era' where the fundamental competitive factor is intellectual capital when effectively utilized and applicable. The emphasis is not only on competition but on the endurance of quality of life, basic personal values, and broad global, societal, and enterprise responsibilities and values. This facet focuses on strategies, policies, and allocation of resources to build required intellectual capital on short term and long-term. It covers concepts as different as initiation of quick training programs to fill important societal knowledge gaps and creation of long-term intellectual capital capabilities by improving preschool education of children or building research and technology infrastructure" (Wiig, 2002).

Societal knowledge management acts in a societal knowledge system (fig.1) that allow the society to prosper, the organizations to wor

k smarter and individuals to increase their quality of life.

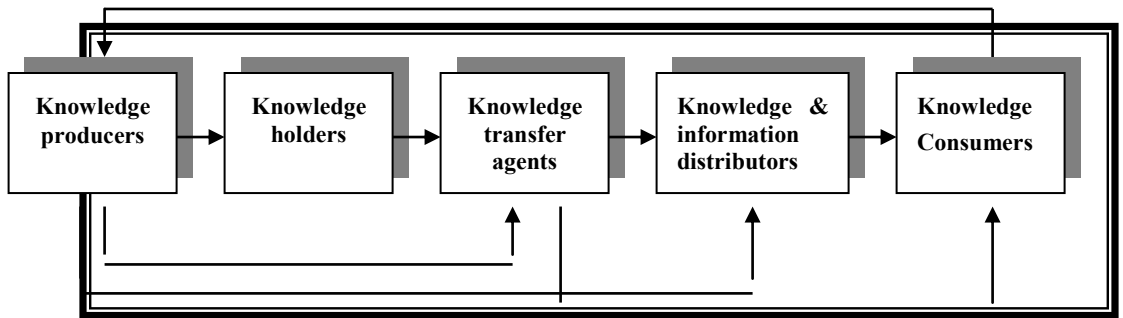


Fig. 1 Societal knowledge management system (adapted from Wiig, 2000)

This system “operates as a living organism with multiple goals, resources, information exchanges, flows of many kinds, and self regulating mechanisms. Unfortunately, some, such as the market mechanisms may too often be inefficient. The knowledge system changes and adapts to economic and social demands and it therefore is important to maintain the vision and overview for overall system and how it might operate in the modern, competitive society” (Wiig, 2000).

The main actors that behave into the societal knowledge chain are (adapted from Wiig, 2000): producers, holders, transfer agents, distributors and consumers, as for example:

- Knowledge producers such as: independent innovators, research institutes and companies’ research departments, universities;
- Knowledge holders: knowledge bases, experts, industries, public agencies, libraries;
- Knowledge transfer agents: primary and secondary schools, universities, professional firms, professional communities, individual professionals;
- Knowledge distributors: libraries (books), special publications, network (internet), media;
- Knowledge consumers: business, public organizations, specialized services organizations, public at large.

Societies consist of entities whose behaviors are determined by personal knowledge or intellectual capital embedded in systems, procedures, technologies, and computer-based systems.

The main societal knowledge management objectives are (Wiig, 2000, 2004):

- A stable, just, orderly, and secure society. This includes preparing citizens, organizations, and public agencies to be effective policy partners – to create sound public opinions – to engage in public debates and policy formation – to participate in processes to conceptualize, plan, decide, and implement public actions – to observe society policies – and to provide support for the administration;
- Acceptable level of quality of life, particularly through building, maintaining, and leveraging commercial and public intellectual capital;
- A prosperous society by developing its citizens to become competent knowledge workers and its institutions to be competitive;

- Strengthen societal functions and effectiveness towards implementing societal goals – e.g., public service agencies, law enforcement etc.;
- Provide infrastructure and general knowledge-related capabilities to make industry and commerce globally competitive;
- Increase citizens' capabilities to improve their lives, build knowledgeable workforce, and participate in societal functions;
- New challenges in societal knowledge system.

Organization's competitive advantages in societal knowledge system

The latest theories about competitive advantages focus on creating organizational strategic resources and capabilities. In the 'knowledge era', and more specifically, in the societal knowledge system the organizations need to take into consideration the creation of new capabilities, among four of them could be considered as fundamental: intellectual capital creation, the life cycle management, the integration of societal requirements into business strategies and the knowledge work force development (fig.2).

Intellectual capital creation

The shift from physical and financial capital to intellectual capital as an intangible strategic asset represents probably the core new competitive advantage creation. Intellectual capital is used to denote all aspects of personal tacit and explicit knowledge as well as structural intellectual capital, be it explicit, embedded in technology, or in other forms (Wiig, 2000). Knowledge acquired by intellectual capital is not able to be managed without IT and the new technology faster implementation.

The life cycle management

The life cycle management includes the entire life cycle of the product or service, across the entire extended value stream, from the extraction of raw materials right through to the management of its residue at the end of its productive life. To organize all activities and manage resources on the entire life cycle of the product or service is a real competitive advantage, considering cost reduction, increased productivity, environment protection issues and favorable market image creation.

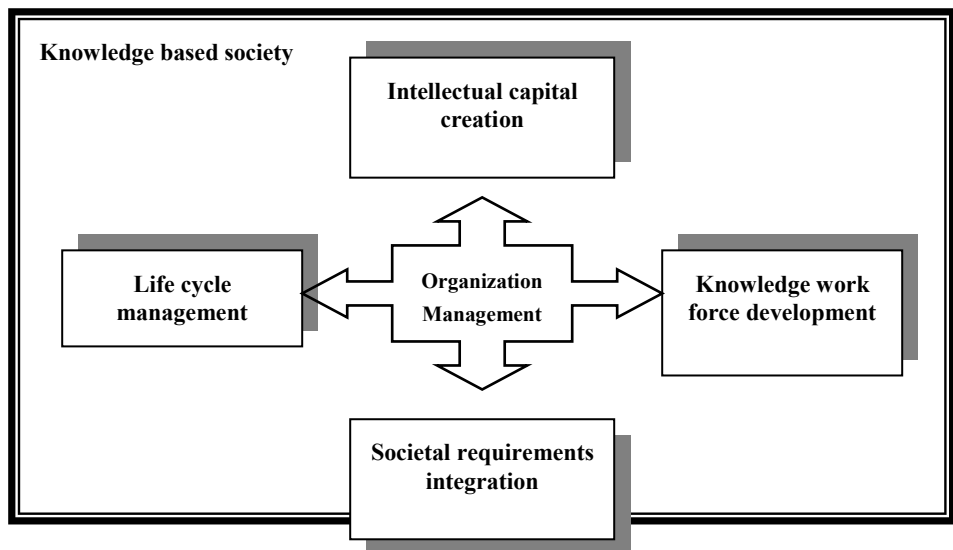


Fig. 2 Organization's competitive advantages in the societal knowledge system

The integration of societal requirements into business strategies

The societal requirements integration into strategies (including products and processes) is related to organization's capabilities and management competences to find priorities, to restructure appropriate knowledge and to understand and apply the best practices, usually based on common sense.

The knowledge the work force development

From the work force perspective knowledge is "a complex set of dynamic skills, know-how etc, that is constantly changing at the level of individuals". In this respect, Barquin (2006) relates that: knowledge-workers spend 15%-35% of their time searching for information, 50% are successful in finding what they want and they spend more time recreating existing information than producing new info. But, societies depend upon the capability of their work forces. An uneducated or unmotivated work force obliges the society to rely on natural resources to be successful, and even that is questionable. In today's global economy where intellectual capital determines competitiveness, a major objective is to develop and maintain the ability of its citizens to perform skilled and knowledge-intensive tasks. From the societal knowledge perspective, the organization needs to play an active role also in this area. To be effective, its role must be based on clear and flexible visions of what should be achieved, which societal results should obtain, and how it should be done (Wiig, 2000).

Some benefits of the organization's competitive advantages extended to community and individuals adapted to societal knowledge system are presented in the table 1.

The societal knowledge system implies organization flexibility that it resonates with broader, societal and political values and purposes. The organizations and people culture need to change towards the understanding of the convergence between economic rationality, technological revolution and environment protection. However, the organizations need to redefine themselves in terms of knowledge use for the increasing of competences in order to ensure the individual performance, commitment and creativity. It has to be made a distinction between the rhetoric and the reality, having in view the meaning and value. The rhetoric becomes real and real in its consequences. The societal knowledge management redefines organizations, its employees, its customers and communities because its resonance with and dependence on wider societal conceptions of the market and values is explained, developed and justified. The new reality legitimizes a humanistic, soft and knowledge-based strategic management in all organizations.

Table 1

Competitive advantages adapted to societal knowledge system	Major benefits for:		
	Individuals	Organization	Society
<i>Intellectual capital creation</i>	Knowledge-intensive skills performing	Increase in global competitiveness	Spread capabilities
<i>The life cycle management</i>	Potential professional areas for success	Improved performance and competitiveness	Consistently high quality and reliable public decisions and actions
<i>The integration of societal requirements into business strategies</i>	Satisfying employment requirements for greater competitiveness	Effective market actions that address real societal needs	Setting societal priorities that reflect a society with greater public acceptability
<i>Knowledge work force development</i>	Low unemployment and improved quality of life	Greater personnel retention and knowledge-building	Satisfying employment requirements for greater competitiveness

Conclusions

In the modern society the applications of knowledge management practices supported by IT based tools, have become important to pursue societal goals with success. Societal knowledge management have started to implement approaches to achieve well-defined objectives and this trend is accelerating as experience is gained and new insights of valuable applications of knowledge management are shared. That means that knowledge management is a potential for new practices in designing strategies and creating competitive advantages based on knowledge incorporation in societal system. Every organization, governmental or local institution and even individuals need to focus on clear goals seeking for (Wiig, 2004): making the target society more effective as a world citizen and global competitor; supporting continued pursuit of a balanced society and increasing effectiveness of constituents to improve their quality of life.

The knowledge management provides increased participation of more capable work force, increased participation by knowledgeable citizenry and improved social and economic environments.

In this context the organizations need to create and sustain new competitive advantages that could leverage societal needs and integrate them into the societal knowledge management system.

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INCREASE OF THE COMPETITIVENESS OF THE SMALL AND MEDIUM-SIZE ENTERPRISES BY MEANS OF THE BEST STRATEGIES OF DEVELOPMENT OF ECONOMIC ACTIVITY

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In the first part of the work, there are presented general notions on the small and medium-sized enterprises, what they signify currently and how they classify, from the point of view of the number of staff employed and annual turnover expressed in euro. It follows the presentation of the criteria, characteristics and advantages obtained, elements of vulnerability and factors determining the success or failure of the small and medium-sized enterprises. In the second part, there are shortly presented the proper strategies that may be adopted and necessity of their adoption by the small and medium-sized enterprises.

The targeted objectives are to understand the necessity of development of the small and medium-sized enterprises for the national economy, knowing the optimal strategies to be adopted by the small and medium-sized enterprises, possibility to adopt strategies of innovation by the small and medium-sized enterprises, development of the small and medium-sized enterprises by adopting some redevelopment strategies.

Key words: Competitiveness, innovation, strategies, specialization, diversification

Short presentation of the small and medium-sized enterprises

Generally, when speaking about small and medium-sized enterprises, we speak about economic entities whose classification in the first instance is made depending on the number of employees, turnover, size of the invested capital, size of the profit, size of the assets. In Romania, the delimitation of small and medium-sized enterprises depending on the number of the employees was made as it follows¹:

- a) Micro-enterprises – have up to 9 employees and achieve a net annual turnover or hold total assets up to Euro 2 million, the equivalent in lei;
- b) small enterprises – have between 10 and 49 employees and achieve a net annual turnover or hold total assets up to Euro 10 million, the equivalent in lei;
- c) Medium-size enterprises – have between 50 and 249 employees and achieve a net annual turnover up to Euro 50 million, the equivalent in lei or hold total assets not exceeding the equivalent in lei of Euro 43 million;

According to the sole patterns of E.U. , the legal and statistic definition of SME is as follows²:

SME	Staff number / annual turnover / total annual balance sheet		
	(employees)	(euro)	(euro)
Micro-enterprises 1 - 9		< 2 million	< 2 million
Small enterprise 10 - 49	< 10 million		< 10 million
Medium-sized enterprise 50 - 249	< 50 million		< 43 million

In order to set-up small and medium-sized enterprises, we have to consider certain criteria³ of appraisal:

- the economic criteria is a decisive criteria;
- the technical and technological criteria is a conditional criteria;
- the territorial or zonal criteria is a favoring criteria;
- the criteria of utilities is a criteria of functionality;
- the social criteria is an impact criteria.

All these criteria together with the experience, tradition, strategy or strategies adopted, management policy, etc. lead to the annual setting-up of an increasing number of small and medium-sized enterprises.

The small enterprises that are set-up must fulfill certain qualitative characteristics such as independent management (the manager is usually the company's owner), the capital ensured by one or several persons named associates and that become the owners of the enterprise from a geographic point of view, the area is local, even if the sales market is more extended, the company is small compared to other competitors in that field.

The significant advantages of the small and medium-sized enterprises are the high degree of adaptability to the market demands, the high capacity of innovation determined by competition and competitors, the simplified organizational structure that leads to a low cost and accurate circulation of information and decisions, existence of a direct system of information, a better management of the human resources, creation of new jobs, and not lastly a balanced territorial arrangement.

Still, the small and medium-sized enterprises show also elements of vulnerability as they have available a small capital, insufficient commercial means, technical and technological difficulties in order to cope with the competition in the high-technology sectors, impossibility of making some systematic investments and quite reduced protection of the employees.

Still, the small and medium-sized enterprises show also elements of vulnerability as they have available a small capital, insufficient commercial means, technical and technological difficulties in order to cope with the competition in the high-technology sectors, impossibility of making some systematic investments and quite reduced protection of the employees.

In time, it has been ascertained that a series of factors determines the success or failure of the small and medium-sized enterprises. These factors target on one hand, the enterprise and the entrepreneur on the other side. The factors targeting the enterprise can be its own or drawn financial resources, staff resources that means both the number and their quality, the system resources, that is the degree of complexity of the informational systems, of planning and control and business resources, meaning the customers basis, market share, relationships with the suppliers, production and distribution processes. The factors regarding the entrepreneur are the operational abilities used in order to accomplish some activities such as marketing, production, dismantling, objectives and degree of convergence between the individual objectives and the objectives of the enterprise, managerial abilities of the entrepreneur and strategic abilities of the enterprise for identifying strengths and weaknesses of the company to implement the best methods and techniques and to accomplish the proposed objectives. Besides the accurate evaluation of all these factors and their impact, it must be also required the careful analysis of the evolution of costs, analysis of available resources, forecasts of the sales, cash flow and necessary capital.

1 Dinu Marin- Economia Romaniei, Intreprinderile mici si mijlocii, cu ce ne integram?, pag.23 (Dinu Marin - Ecoomy of Romania, Small and Medium-Sized Enterprises, with what do we integrate?) page 23

2 www.biblioteca.ase.ro/downres.php?tc=6248. zamfirescu m

3 and 4 Delia Silvia Olaru – Economia si gestiunea intreprinderii, pag.23-24 (Economy and administration of the enterprise, pages 23-24)

Necessity of adopting proper strategies by small and medium-sized enterprises

Objectives:

1. Understanding the necessities of development of small and medium-sized enterprises for the national economy.
2. Knowing the optimal strategies to adopt by small and medium-sized enterprises.
3. Possibility of adopting innovation strategies by small and medium-sized enterprises.
4. Development of small and medium-sized enterprises by adopting redevelopment strategies.

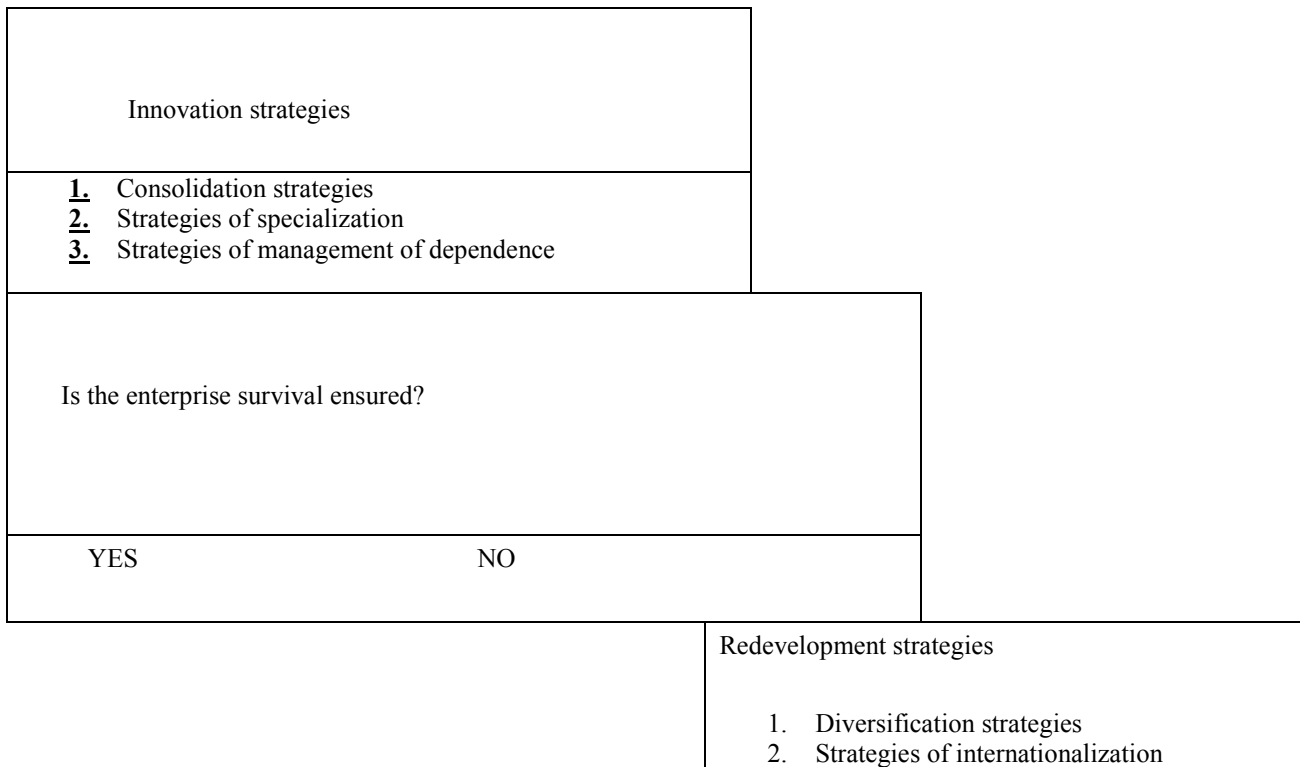
In the conditions of a market economy, the small and medium-sized enterprises play an important role in satisfying the consumers' requirements. Ensuring their development under conditions of a competing economy requires adopting a proper strategy according to the current particularities and future development perspectives.

According to the experience of competitive small and medium-sized enterprises, the adoption of proper strategies must follow-up the maximization of chances of survival on market on the conditions of their functioning within some national economy in which the competition situates on the first plan.

In the scheme below, a sequential classification of the most important strategies is presented, that can be adopted by the small and medium-sized enterprises in order to be able to maintain their presence on the market under conditions of productivity.

According to this scheme, small and medium-sized enterprises must adopt first of all, innovation strategies that can ensure for them a long-term survival potential. As a result of functioning of these enterprises, under the conditions of their being subject to the action of some factors of vulnerability, in order to ameliorate their actions, the enterprises can adopt the so-called strategies of consolidation of the activity by adopting some strategies of specialization or management of dependence.

Sequential classification of the strategies that can be adopted by small and medium-sized enterprises.



Under the conditions in which it is estimated that the factors of vulnerability remain a permanent threatening for the enterprise activity, the so-called strategies of redevelopment of the activity can be adopted that can create strategies of diversification and internationalization.

Ensuring the durability of the small and medium-sized enterprises requires adopting some innovation strategies. Although not all small and medium-sized enterprises use and develop inventions in their activity, the real life emphasize that they have an important contribution in drawing out innovations and their use in the productive process. More than a half of the great innovations of the 20th century are elaborated by independent inventors and small enterprises. In the current and future conditions, in the sectors in the maturity stage or within the sectors affected by economic crisis, the innovation, especially the technological one, follows the improvement of the production processes and is made particularly by the contribution of the small and medium-sized enterprises.

The elaboration and implementation of the technological inventions develop the technological environment and can stand at the basis of some innovation strategies. By using innovations, the small and medium-sized enterprises can implement strategies of strengthening or consolidation, by ensuring herewith a diminution or sustainable suppression of the factors of vulnerability. The possible strengthening strategies

can be materialized by the adoption of specialization strategies and in the strategies of management of dependence.

The specialization strategies that can be adopted by a small or medium-sized enterprise require the focus of these enterprises on a certain professional vocation, concretized by the production of goods or supply of services that cannot be executed under the economic conditions by large enterprises.

In order to avoid direct confrontation with the large enterprises, these strategies of specialization must allow the positioning of these enterprises on certain markets that do not draw by or do not interest the large enterprises from an economic point of view. These interstices of market must be well served, thus constituting a solid strategic basis, avoiding in this way to serve in worst conditions by large enterprises.

Adopting such strategies of specialization, small or medium-sized enterprises can take when necessary a vertical integration of their activity, superspecializing themselves in the respective field of activity, by using specific proceedings of activity that constitute its "strategic basis". By vertical integration, small or medium-sized enterprises can occupy a monopole position in the field of the said profession, that can be competed by other enterprises.

The adaptation of some specialization strategies by small or medium-sized enterprises must take into account certain limits and specific constraints. The practical life proves that generally as the market is more reduced, as much its economic potential is quicker reached by other enterprises. A narrower specialization strategy increases the global risk of the enterprise, by obliging the enterprise under the conditions of increasing this risk, to adopt strategies of redevelopment of the activity. Also, it must be mentioned actually that a narrow specialization strategy may lead to the increase of the number of vulnerability factors such as for instance the reduction of the number of clients.

The adoption of a strategy of management of dependence may constitute another form of strengthening and consolidation of the activity of a small or medium-sized enterprise. A small or medium-sized enterprise can be completely independent from a legal and financial point of view, but the economically dependent on a large enterprise or a group of enterprises.

The dependence phenomenon reached to a certain state of generalization once with the creation of some strong financial groups on different complex technological directions that made that certain small or medium-sized enterprise become dependent on such large enterprises, either by executing certain stages of the technological process for them, or by executing certain parts or sub-assemblies necessary for the delivery of the end products by them.

It must be specified that the dependence is not synonymous with the vulnerability or with the state of economic weakness of the enterprise. For a good management of the dependence in case that it is adopted such a strategy, the small or medium-sized enterprise can use different ways. A first way regarding a good management of the dependence consists in the activity make itself indispensable. Thus, a dependant enterprise can impose as a privileged supplier by becoming irreplaceable, thus ensuring dynamism and competitiveness. The dependent enterprise thus becomes an economic partner for a large enterprise, contributing to increasing its efficacy.

The small or medium-sized enterprise, dependent on one or several large enterprises during several years, benefiting of the economic advantages that result therefrom, may do investments also in other fields, thus increasing the degree of autonomy.

In the latest while there are established alliances between large enterprises and small or medium-sized enterprises as concern the development of certain activities. The large enterprises grant help to small or medium-sized enterprises consisting in transfer of technology, fabrication of certain products, making available the commercial network for the export activity, temporary delegation of certain persons. For the accomplishment of large international projects, there are established new relations of collaboration between the groups of global enterprises and some small or medium-sized enterprises.

As a result of a good management of dependence, both the small or medium-sized enterprises and the larger enterprises or groups obtain economic advantages.

If the action of the factors of vulnerability cannot be avoided, the small or medium-sized enterprise may adopt strategies of redevelopment of the activity by implementing strategies of diversification and when possible, strategies of internationalization.

The diversification strategy represents that type of strategy that consists in increasing the number of businesses, products, works, services, essentially different from the businesses developed currently. ! The

diversification strategies can be realized under two forms, such as concentric diversification and conglomerated diversification.²

The diversification as strategy of the small or medium-sized enterprises must be adopted with maximum attention in order to not enter activities that cannot be carried out productively with the existing or future means. In adopting a diversification strategy, it is necessary to consider the tendency of refocusing of the enterprises, even the large ones, on those activities which they can perform the best, taking into account the existing resources and abilities and competences available.

By adopting this type of strategy, the specialization will not be confounded with the diversification. The diversification assumes an extension of the professional vocation or adoption of a new professional vocation by the enterprise, assumes other abilities, competences and technologies resources that in most of the cases cannot be provided. Contrary to diversification, the specialization assumes a deepening of the professional existing vocation in a certain field of activity, by adopting technological resources, abilities and exiting competences to carry out the new dimensions of activity required by the specialization.

In order to adopt a diversification strategy by a small or medium-sized enterprise, it is necessary to be made a profound analysis of the possibilities to be implemented productively, by resorting to a successive filter of the ideas of diversification, by considering the existing possibilities and the need to develop efficiently the new activities.

The diversification of the activity needs to be made in stages, passing from a stage to another being made only after that a new stage was appropriated and the necessary resources were ensured. The adoption of a strategy of diversification assumes taking into consideration its implications on the modality of organization of the enterprise and on the style of management, emphasizing the delegation of the tasks, by organizing the production units, such as "responsibility centers" or "costs centers" in enterprises that adopts diversification, by imposing a systematic control from the superior management on the developed activities.

The internationalization strategy can be adopted by small or medium-sized enterprises for the redevelopment on a larger plan of activities. This type of strategy represents a natural prolongation of adoption by the enterprise of an accentuated specialization in a certain field of activity. The adoption of this type of strategy is made on basis of fighting down a certain type of obstacles and constraints according to different stages of development of the enterprise and with the degree of motivation of the management staff and development of this type of strategy.

The international engagement of small or medium-sized enterprises implies the use of the possible forms according to the existing conditions or that may be created, such as indirect export or implants of branches abroad. For the successful adoption of a strategy of internationalization of small or medium-sized enterprises, it is recommended to take into consideration certain requirements. Among them, we can mention those that recommend that the development of international activities be made depending on the existing means, that in this action, the risks be limited, to obtain an external support, to systematically control the efforts and results obtained by internationalization and to develop these activities of international development on the basis of a well thought plan.

¹si² – Constantin Barbulescu-Sistemele strategice ale intreprinderii, pag 214-215. (Strategic systems of the enterprise, pages 214-215)

The development of the internationalization actions in accordance with the existing means represents a basic requirement. Passing to more complex forms of internationalization requires the use of means which the enterprise must have available. The sub-supply of some parts or sub-assemblies to a large international enterprise may constitute an international form of activity at the beginning, following that in time, the enterprise starts on international activities on its account.

In order to limit the risk to carry out international activities, the enterprise has to endow with an efficient system of information and to appeal to specialized institutions in supplying the information necessary to be able to perceive the global risk of the enterprise in starting on international activities.

In order to carry out successfully international activities, the enterprise has to benefit of a certain time of support according to the planned activities, collaborating with the economic units from the targeted

countries for internationalization, the small or medium-sized enterprises being able to benefit on the basis of these collaboration of the commercial network of the large enterprises.

The successful development of some international activities requires adopting a superior organization of the control on these activities, by adopting some proper control procedures or by carrying out a periodical audit of them and inclusion of the international development in a well thought plan in which the international plan has to be conceived as a strategic option along with the activities developed by the enterprise.

The international development of a small or medium-sized enterprise has to be provided in a plan for them, the main stages of the planning process being shown below.

Setting objectives and rules

Analysis of the limits of strengths and weaknesses of the enterprise

Forecasting the limits of strengths and weaknesses of the enterprise

Isolation of the strategic problems of the enterprises and taking into consideration the possible opinions

Implementation and control

In conclusion, under the conditions of a market economy, the small or medium-sized enterprises play an important role for the satisfaction of the consumers' requirements. For increasing the chances of survival and continuous development, they can adopt innovation strategies, strategies of specialization and management of dependence and in case that it is not ensured the survival, there can be implemented some redevelopment strategies, among which the strategies of diversification and strategies of internationalization.

In current and future conditions, in the sectors in stage of maturity, or in the sectors affected by the economic crisis, the innovation and particularly the technological innovation is made by small or medium-sized enterprises. By using innovations, small or medium-sized enterprises can implement strategies of consolidating their activity, ensuring thereby the diminution and sustainable suppression of their vulnerability. For strengthening their activity, these enterprises can use strategies of specialization or management of their dependence to large enterprises.

The strategies have to be adopted generally on the basis of a plan, with well-defined stage.

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ASPECTS CONCERNANT LE MANAGEMENT DE LA QUALITÉ DANS L'ENSEIGNEMENT SUPÉRIEUR. ÉTUDE DE CAS – UNIVERSITÉ „CONSTANTIN BRÂNCOVEANU” DE PITEȘTI

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Providing a high quality education represents a priority for any higher institute. quality teaching and learning contribute to the student's evolution, to society's welfare and to the preservation and improvement of the environment. An educational institution must function in such a way as to satisfy the public trust by the quality of its activity and facilitate the affirmation of education as one of the public goods.

Mots clé (la qualité des services éducationnels, le management de la qualité, le système de management de la qualité, la garantie de la qualité, l'évaluation de la qualité des services éducationnels).

1. La garantie de la qualité dans le domaine universitaire de notre pays

L'enseignement supérieur joue un rôle important dans la formation des futurs spécialistes et dans la réalisation d'une conduite orientée vers la qualité, comme "élément vital pour la réalisation d'une économie prospère" (Joseph M. Juran)*. Assurer la qualité de l'acte éducationnel représente au moment actuel une nécessité et une obligation de chaque établissement d'enseignement supérieur.

Les préoccupations concernant la garantie de la qualité dans l'enseignement supérieur à niveau européen ont été mises en évidence vers la moitié des années 1990, quand est apparue la nécessité de créer l'aire européenne de l'enseignement supérieur. Ainsi, le concept de qualité dans l'enseignement universitaire a fait l'objet de certains documents importants, tels: *Déclaration de Sorbonne de 1998; Déclaration de Bologne de 1999; Réunion de Prague de 2001; Réunion de Berlin de 2003; Réunion de Bergen de 2005*. Le cadre législatif existant dans notre pays établit les conditions qui permettront le développement d'une culture de la qualité de l'éducation et la protection du bénéficiaire d'éducation.

Les établissements d'enseignement supérieur doivent respecter une série de standards européens, à savoir: la politique et les procédures pour garantir la qualité; approuver, monitoriser et évaluer de manière régulière les programmes d'études et les diplômes; l'évaluation des étudiants; garantir la qualité du personnel didactique; les ressources d'apprendre offertes aux étudiants; les bases de données et les informations intérieures; information publique.

2. Aspects concernant le management de la qualité dans le cadre de l'Université „Constantin Brâncoveanu” de Pitești

Le management de la qualité représente l'ensemble des activités coordonnées par l'intermédiaire desquelles on oriente et on contrôle l'université en ce qui concerne la qualité*.

* Joseph M. Juran est né en Roumanie en 1904 et il a été élevé aux États-Unis. Entre 1954-1960 il a été le consultant des entreprises japonaises pour la qualité. Le concept japonais de qualité, qui a connu un succès mondial par l'intermédiaire des maisons telles Hitachi, Fujitsu, Honda, est une symbiose des idées de Deming, Juran et Peter Drucker.

* Règlement concernant la garantie de la qualité des services éducationnels et de recherche scientifique, l'Université „Constantin Brâncoveanu” de Pitești

L'Université „Constantin Brâncoveanu” de Pitești est un établissement d'enseignement et de recherche, fondée en 1991 et accréditée institutionnellement par la Loi no. 242/23 avril 2002. Elle est une personne juridique de droit privé et d'utilité publique, partie du système national d'enseignement (ECTS), ce qui la rattache à l'aire européenne d'enseignement supérieur.

La responsabilité publique. L'université déroule son activité conformément aux lois roumaines et à la Carte de l'Université, elle a des pratiques d'audit intérieur concernant les principaux domaines d'activité, en poursuivant le respect des engagements assumés en conditions de transparence publique. L'audit intérieur est réalisé de manière périodique au niveau institutionnel et de services en ce qui concerne les domaines: financière-comptable, de l'intégrité académique, de l'enseignement, de l'évaluation et de la recherche. **L'intégrité académique** est contrôlée par l'intermédiaire d'un Code d'éthique universitaire, qui a été approuvé dans le Sénat de l'Université, qui garantit la protection des valeurs de la liberté académique, de l'autonomie universitaire et de l'intégrité éthique, en disposant des pratiques et des mécanismes claires de mise en œuvre.

Le système de garantir la qualité des services éducationnels adopté par l'Université a comme but: *fournir une meilleure corrélation des services éducationnels et de recherche scientifique aux exigences des clients et des autres parties intéressées; l'amélioration permanente de la qualité des services éducationnels et de ceux de recherche scientifique; le développement d'une culture de la qualité et garantir une protection réelle des intérêts des clients et des autres parties intéressées par les services offerts par l'Université; la définition et l'implémentation d'un système d'évaluation intérieure de la qualité des processus didactiques et de recherche scientifique et d'évaluation extérieure; la mobilisation des responsabilités des membres de la communauté de l'Université en ce qui concerne la façon d'utiliser les ressources financières; la facilité de la reconnaissance mutuelle au niveau européen des certificats, des diplômes et des titres universitaires.*

Dans le cadre de l'Université „Constantin Brâncoveanu” de Pitești, la qualité des services éducationnels est assurée par: le planing des activités de prestation des services éducationnels; la monitorisation des processus didactiques et de recherche scientifique; l'évaluation intérieure des résultats des processus didactiques et de recherche scientifique; l'évaluation extérieure des résultats des processus didactiques et de recherche scientifique; l'amélioration continue des services éducationnels et de recherche scientifique offerts par l'Université. Dans le cadre de l'Université, le système de garantie de la qualité concerne les domaines suivants:

a) La capacité institutionnelle de l'Université concernant la garantie de la qualité. La mission et les objectifs de l'Université sont actualisés par le **Projet stratégique et les projets opérationnels** annuels, en parfaite concordance avec le cadre national et européen des qualifications professionnelles. Dans ce sens, l'Université forme et perfectionne des spécialistes de haute qualification, elle promeut l'esprit de la libre pensée, critique, elle initie des activités de recherche scientifique à son compte et en collaboration avec des institutions similaires du pays et de l'étranger ou avec le milieu d'affaires, elle cultive et transmet les valeurs de la culture et de la civilisation universelle.

L'Université „Constantin Brâncoveanu” déploie son activité à présent dans les villes de Pitești, Rm. Vâlcea et de Brăila, par six facultés et 23 spécialisations, comptant plus de 7000 étudiants. L'offre éducationnelle de l'Université s'est diversifiée par l'organisation, à partir de l'année universitaire 2002-2003, des programmes d'études universitaires de mastère et de ceux postuniversitaires, dans toutes les trois villes, dans des domaines tels le Management et le Marketing. À partir de l'année universitaire 2008-2009, l'offre éducationnelle se diversifiera, le nombre des spécialisations pour le domaine de mastère se levant à huit.

L'activité académique est organisée en quatre **chaires**: la Chaire Management – Marketing, la Chaire Finances-Banques-Comptabilité, la Chaire Sciences Technico-Économiques, la Chaire Sciences Juridiques et de la Communication. Les **activités de recherche scientifique, pédagogie et méthodique** sont, elles aussi, à l'attention de l'Université, pour instruire les futurs diplômés de sorte que ceux-ci deviennent des cadres didactiques dans l'enseignement préuniversitaire et universitaire.

Structures administratives et territoriales. Dans le cadre de l'Université on met en œuvre de manière rigoureuse le management de la qualité, dans une conception participative, en stimulant la créativité et le travail en équipe. On emploie des méthodes scientifiques de diriger, telles la méthodes de la direction par objectives, par projets et par innovation. L'Université a opté pour la structure hiérarchique-fonctionnelle, dans une conception flexible, qui permet, au cas d'apparition des problèmes particuliers, qu'on mette en œuvre les méthodes de la direction par comités ou matricéale. La structure comprend 12 directions et services. La direction de l'Université est réalisée par le Bureau du Sénat, à savoir le recteur, qui jouit du

support de trois prorecteurs. Le choix des organes de direction se réalise conformément à la loi et sur la base d'un Règlement d'élections approuvé par le Sénat. L'élection des représentants des étudiants dans les Conseils des Facultés et Sénat est prévue clairement dans la Carte Universitaire et permet l'accès démocratique, transparent et non discriminatoire des étudiants conformément à leur droit de représenter et d'être représentés.

La relation entre l'activité d'enseignement-apprentissage et celle de recherche scientifique.

L'université a créé une stratégie à long terme et des objectifs à terme moyen et court qui concerne les projets et les résultats attendus de la recherche, tout comme les ressources de réalisation, composante du projet stratégique de l'Université. Il y a déjà une culture de la recherche, un code d'éthique et des préoccupations pour valorifier les résultats de la recherche. On élabore chaque année un Rapport concernant l'activité de recherche. Tous les cadres didactiques titulaires font une activité de recherche, fondée sur des grants ou dans le cadre du projet intérieur de recherche. En 2007-2008, dans l'Université „Constantin Brâncoveanu” il y a en déroulement 2 projet de recherche scientifique („La stratégie post-adération du ville Pitesti”, „Le développement du recherche academique interdisciplinaire pour la montée de la competitivite des universités roumaines au niveau international”), 1 grant CNCISIS, 1 programme „Bourse doctorale” (BD) et 1 contracts financés par des agents économiques.

Les résultats de la recherche sont mise en valeur par l'organisation d'un symposium scientifique annuel, avec participation internationale, et des symposiums ou des tables rondes thématiques périodiques. Dans le cadre du Symposium annuel de 2007 ont été communiquées 118 ouvrages scientifiques. Les ouvrages ont été choisis et publiés dans un volume du symposium, quoté ISBN (978-973-7732-58-3), publié à la Maison d'Édition „Indépendance Économique”. Cette maison d'édition est reconnue par CNCISIS et elle publie les ouvrages scientifiques et les manuels universitaires, ayant compte ISBN, appréciées et premiées à les expositions nationales avec le titre „La meilleure livre universitaire”. Chaque année, les cadres didactiques participent aux symposiums des autres universités du pays, tout comme à d'autres conférences et workshops nationaux et internationaux. Les résultats de l'activité de recherche sont utilisés pour la modernisation des supports de cours, et le développement de la base matérielle pour le processus didactique. Les étudiants ont accès à une partie de la base matérielle pour la recherche, effectuant des ouvrages scientifiques dans le cadre des cercles scientifiques estudiantins, sous la direction des cadres didactiques ou finalisant leurs mémoires de licence ou de dissertation.

La base matérielle. Le management de qualité et la valorification de bonne foi des ressources financières se sont matérialisés par la réalisation, pour la première fois dans le pays et dans l'enseignement supérieur, de trois sièges dans les trois villes, en tant qu'établissements d'enseignement et de recherche, mis en utilisation en 1997. Dans les trois complexes de l'Université il y a des bâtiments destinés à l'enseignement et à la recherche scientifique (trois Aula Magna; 25 amphithéâtres; un Master Centre à Pitești, inauguré en 2006, qui comprend des salles de conférence, une bibliothèque ayant une capacité de 400 places, club, café et restaurant; 80 salles de séminaires; 10 laboratoires d'informatique; 4 laboratoires de processon-édition; 6 laboratoires de langues étrangères; 4 laboratoires de mercéologie-technologie; 5 laboratoires multimédia; deux autres bibliothèques et six salles de lecture; 3 salons de livre; une résidence estudiantine d'élite; une salle sportive et un terrain avec nocturne. Les salles de cours et de séminaire et les laboratoires disposent des facilités nécessaires au déroulement du processus didactique (vidéoprojecteur, ordinateurs, imprimantes, rétroprojecteur et d'autres matériels didactiques, logiciels et bases de données spécifiques aux disciplines d'étude).

Les ressources humaines. Le corps didactique de l'Université, caractérisé par professionnalisme et compétence professionnelle, comprend 215 cadres didactiques, dont 149 en CDI (70%) și 66 collaborateurs (30%). La structure du personnel didactique, hiérarchiquement, est la suivante : professeurs (11%), maîtres de conférences (25%), lecteurs (37%), assistants (22%) și préparateurs (5%). La stratégie concernant les ressources humaines établit la soutènement des jeune salaries par des programmes d'études de mastère et doctorat, payées par l'Université et publiés à la Maison d'Édition „Indépendance Économique”.

Étudiants. Les derniers trois ans, l'admission à la faculté a été fondée sur le *concours de dossiers*, le critère principal étant les compétences et les performances antérieures du candidat, sans mettre en œuvre aucun critère discriminatoire. La méthodologie de l'organisation du concours d'admission est en concordance avec la législation nationale, étant mise à jour chaque année et soumise à l'approbation du Sénat. Le marketing universitaire promut les informations sur l'admission par l'intermédiaire de la page web de l'Université www.univcb.ro, la presse locale, la participation à des foires et expositions de

spécialité, des visites aux lycées et de la publicité directe adressée aux candidats potentiels. L'Université offre aux candidats des informations concernant : l'offre éducative, les compétences acquises, les facilités du campus universitaire ; le nombre des places ; la période d'inscription, les papiers nécessaires et la taxe afférente. L'admission et la scolarisation des étudiants étrangers sont effectuées conformément à la législation en vigueur, par le Service de Relations Internationales.

La promovabilité des étudiants enregistrée dans la session d'hiver de l'année universitaire 2007-2008 a dépassé 70% pour chaque année d'étude, étant de 80% pour la I-ère année, 75 % II-ème année, 76 % III-ème année, 77% IV-ème année. Par sièges, la promovabilité a été de 74% à Pitești et Rm. Vâlcea et de 78% à Brăila. Au niveau d'Université, la moyenne de promovabilité a été de 77%. La promovabilité à l'examen de licence et de dissertation dans les derniers 3 ans a été, en moyenne, de plus de 98%.

b) L'efficacité éducative. Le programme d'étude contient: les objectifs de formation et les compétences spécifiques pour les spécialisations respectives; des plans d'enseignements, avec les disciplines ordonnées successivement sur toute la période d'étude. Dans le cadre de l'Université on a fait des efforts pour le perfectionnement du processus didactique en ce qui concerne son côté pratique, en améliorant la qualité des cours et des séminaires. Des éléments d'innovation ont représenté l'introduction des disciplines semestrielles et d'enseignement avec de fréquence réduite. On a conclu des conventions bilatérales avec des universités européennes de prestige pour effectuer des stages de perfectionnement tant les cadres didactiques que les étudiants, par des programmes de type Erasmus-Socrates.

Par l'intermédiaire des activités didactiques, théoriques et pratiques déroulées dans le cadre de l'université, on envisage que, par l'acquisition des connaissances, des compétences et des habiletés nécessaires, ceux qui obtiennent la licence soient capables de: trouver un emploi; développer une affaire propre; poursuivre leurs études universitaires; réaliser l'apprentissage permanent; faire une activité de recherche. Au niveau de l'Université déploie son activité un **Centre de conseil et information en carrière**, ayant pour objectif de soutenir les étudiants dans le développement de la carrière professionnelle. Un nombre significatif de diplômés ayant obtenu la licence sont admis aux études universitaires de maîtrise.

Les cadres didactiques ont une **stratégie d'enseigner** avec d'objectifs précis et ils publient les objectifs du cours, le programme et la bibliographie sous une forme accessible. On se sert des ressources des technologies nouvelles (mél, la page personnelle de web pour la thématique, la bibliographie, les ressources et le dialogue avec les étudiants) et des méthodes auxiliaires modernes d'enseigner (rétroprojecteur, vidéoprojecteur). La relation entre étudiant et professeur est une relation de partenariat, où chacun s'assume la responsabilité d'accomplir les résultats de l'apprentissage. Les titulaires de discipline ont un horaire de consultations, affiché au panneau de chaque faculté. Pour chaque année d'études et pour chaque groupe d'étudiants on désigne un **mentor**, cadre didactique dans le cadre de la faculté respective.

c) Le système de management de la qualité. Dans le cadre de l'Université „Constantin Brâncoveanu” fonctionne **La Commission d'Évaluation et de Garantie de la Qualité**, composée de représentants de la communauté académique et de représentants d'autres parties intéressées par les services offerts par l'Université, à savoir: le prorecteur qui répond de l'activité didactique, en tant que coordinateur, quatre représentants du corps professoral de l'Université, un représentant des étudiants les plus performants, un représentant des meilleurs diplômés, deux représentants de ceux qui ont embauché les diplômés de notre Université.

Au niveau de l'Université ont été créées des procédures et des instruments qui soutiennent l'optimisation des décisions concernant la projection, l'organisation et le déroulement des programmes d'étude, ayant pour objectif l'harmonisation avec le marché du travail, le respect des lois nationales, tout comme la convergence aux pratiques correctes et les exigences concernant la garantie de la qualité de l'espace européen de l'enseignement supérieur. Les diplômes offerts aux étudiants de la faculté sont en parfait accord avec les qualifications universitaires réglementées à niveau national par le Cadre National des Qualifications. La délivrance des diplômes d'étude et de la feuille matricule est fait conformément à la législation en vigueur.

L'évaluation des étudiants se réalise sur la base de certains critères, stipulés dans le **Règlement concernant l'activité didactique**, approuvé par le Sénat. **La garantie de la qualité des cadres didactiques** est un objectif stratégique de la direction de l'université et des facultés, et l'évaluation des cadres didactiques est réalisée par les procédés suivants: pour les postes à pourvoir par concours (professeurs, maîtres de conférence, chefs de mémoires) il y a des grilles de notation qui comprennent l'ensemble des activités; l'évaluation des cadres didactiques par les étudiants; l'autoévaluation.

En conclusion, en ce qui concerne le management de la qualité, l'Université doit prêter une attention particulière aux aspects suivants:

- le développement des relations internes et internationales concernant la recherche scientifique;
- l'implication du personnel didactique et de recherche dans des projets et plate-formes à niveau national et international;
- la réalisation des contacts plus poussés entre les cadres didactiques et les étudiants;
- l'intensification des contacts avec le milieu économique, surtout avec les recruteurs de profil;
- l'implication plus marquée des étudiants dans l'amélioration des cours;
- l'amélioration des procédures concernant l'évaluation annuelle du personnel didactique;
- la préoccupation de réaliser les indices de performance dans la garantie de la qualité de l'offre éducative conformément aux standards nationaux et européens;
- la préoccupation permanente d'assurer l'instruction pratique adéquate des étudiants ;
- la poursuite du processus de promouvoir le personnel didactique;
- l'investissement dans le déroulement des activités de consultance et extension dans le domaine économique pour la zone d'influence de l'université;
- l'accréditation nationale et internationale de certaines plate-formes et laboratoires de recherche.

On doit remarquer que toutes ces activités qui visent le soutien de la qualité représentent, pour une université, un effort majeur, tant du point de vue des ressources financières allouées, que, surtout, du point de vue des ressources humaines investies dans ce genre d'activité. Il faut mener des activités en vue de culturaliser la communauté académique dans l'esprit de la qualité.

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CERTAINS ASPECTS REGARDANT L'EFFICACITÉ DE L'ACTIVITÉ DANS L'ADMINISTRATION PUBLIQUE

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Le management de la fonction publique et des fonctionnaires publiques est un ensemble de processus en changement continu, en fonction des mutations dans le système administratif interne et international. L'étape de la réalisation de l'analyse-diagnostique de la situation existante au niveau du management de la fonction publique est nécessaire pour la formulation d'une stratégie cohérente concernant le management de la fonction publique et des fonctionnaires publiques. Dans la vision des États Membres de l'Union Européenne on promeut l'idée de la réalisation d'un nouveau type d'administration qui soit mis au service du citoyen. Dans une autre perspective, il est normal que la formation continue et le perfectionnement du personnel dans l'administration publique représente aussi bien les priorités des gouvernements qu'une coalition fondamentale pour la réalisation d'un acte d'administration efficient.

Fonction publique, formation professionnelle, management des ressources humaines

La vision stratégique du management de la fonction publique et des fonctionnaires publiques tient compte d'un horizon de temps de 8-10 ans, en offrant une image d'ensemble sur le rôle que celui-ci aura dans le cadre du système de l'administration publique. La vision stratégique sur le management de la fonction publique et des fonctionnaires publiques est influencée par des facteurs internes et externes et se concrétise dans la présente stratégie qui s'adapte dans le temps, en fonction des mutations intervenues.

L'élaboration d'une stratégie du management de la fonction publique et des fonctionnaires publiques est nécessaire pour:

- l'établissement de la direction d'évolution du management de la fonction publique et des fonctionnaires publiques à terme moyen, dans le contexte de la réforme dans l'administration publique;
- la concrétisation du but du management de la fonction publique et des fonctionnaires publiques;
- l'amélioration du cadre institutionnel et légal de la fonction publique et de son management;
- l'efficietisation de l'activité des institutions et des autorités publiques, par l'adoption et l'application des décisions dans un cadre organisé, par le rapport permanent aux priorités établies dans l'administration publique;
- le développement d'une culture organisationnelle orientée vers des performances et la valorisation d'un personnel compétent, à une attitude positive envers le changement et au désir de se rapporter à un système de valeurs viable.

Les principes fondamentaux du management de la fonction publique et des fonctionnaires publiques sont représentés par:

- le principe de la stabilité de la fonction publique : en ce qui concerne ce principe il y a un consensus sur la nécessité de l'assurance du respect de ce principe en vue de la construction d'une carrière durable dans la fonction publique, au-dessous de la délimitation plus claire du palier à partir duquel les prérogatives de pouvoir publique se confondent à celles d'un mandat politique;
- le principe de la dépolitisation de la fonction publique: en ce sens s'impose principalement la dimension pratique de ce problème, la proposition étant celle de renforcer le rôle actif des commissions de discipline dans le cadre des institutions et des autorités publiques dans la monitorisation et la sanction des cas d'ingérence politique dans l'administration (un exemple

concret étant celui de la monitorisation - à l'avenir - du nombre des fonctionnaires impliqués dans les campagnes électorales, en vue de l'adoption des mesures de sanction afférentes);

- le principe de la création et du développement d'un corps de fonctionnaires publics de carrière, professionnel, honnête, stable, impartial et neutre du point de vue politique;
- le principe de l'assurance prompte et efficiente, délivrée de préjugés, de corruption, d'abus de pouvoir et de pressions politiques de toutes les activités effectuées par les fonctionnaires publics;
- le principe « du traitement égal », par l'application en manière non-discriminatoire de certains critères de sélection et de promotion objective et clairement définie conformément auxquels tous les candidats à l'entrée et à la promotion dans le corps des fonctionnaires publics aient des chances égales;
- le principe de la sélection des fonctionnaires publics exclusivement selon le critère de la compétence;
- le principe de la transparence dans le management de la fonction publique par la mise à la disposition de tous ceux intéressés des informations regardant la manière de déroulement des concours ou des examens pour l'occupation des fonctions publiques ou des autres documents administratives qui peuvent être faites publiques;
- le principe de l'évaluation objective des fonctionnaires publics en fonction du niveau des performances professionnelles individuelles, par la comparaison des résultats effectifs aux objectifs individuels établis;
- le principe de la motivation générale différenciée des fonctionnaires publics en fonction du degré de réalisation des objectifs individuels;
- le principe de la promotion d'une politique de développement adéquate de la carrière en concordance avec la nature de l'activité déroulée, de même qu'avec les besoins et les possibilités individuelles et organisationnelles;
- le principe de la confidentialité par la garantie de la protection des données personnelles regardant les fonctionnaires publics et les changements intervenus dans leur carrière
- le principe de respect envers le citoyen;
- le principe de la délégation;
- le principe de l'orientation de l'intérêt envers les résultats en termes d'efficience, efficacité et qualité des services. L'efficience et l'efficacité s'améliorent lorsque l'implication des fonctionnaires publics devient plus prégnante, lorsque les responsabilités sont transférées aux niveaux inférieurs de l'administration, en même temps que l'établissement du système de responsabilités, à chaque niveau;
- le principe de la déconcentration et de la décentralisation de sorte que les décisions prises soient proches des citoyens ou du problème auquel elles se réfèrent;
- le principe de la séparation des fonctions politiques de celles administratives.

1. Le management des ressources humaines: l'approche stratégique

Dans l'esprit des principes fondamentaux analysés ci-dessus la nécessité d'une approche stratégique du management des ressources humaines s'impose; celui-ci vise principalement l'amélioration des procédures de recrutement, évaluation, contrôle et promotion en fonction publique, les mécanismes de motivation des fonctionnaires publics, de même que la formation professionnelle continue dans la carrière des fonctionnaires publics.

En ce qui concerne *le recrutement*, celui-ci doit suivre des directions comme:

- la création de certains mécanismes spécialisés de recrutement, administrés éventuellement par les Centres Régionaux de Formation Continue en Administration Publique Locale ou sous la forme d'un service externalisé;
- le recrutement doit entrer dans les attributions du directeur/responsable de ressources humaines, qui garde une liaison permanente avec des centre de ressource, de sorte que le

Centre Régional/le service respectif fournisse constamment des informations aux institutions publiques qui organisent des concours sur l'offre de personnel qualifié existante à un moment donné pour une certaine spécialisation;

- l'identification par le directeur de l'institution des spécialisations déficitaires et la création de facilités salariales pour l'attraction et la sauvegarde dans le système de personnes qualifiées dans ces spécialisations;
- l'institution d'un système de tests nationaux avec des critères minimaux pour ceux qui veulent devenir des fonctionnaires publiques, avec des demandes différentes en fonction de la catégorie de fonctionnaire publique pour laquelle on organise le concours (par exemple, pour les fonctionnaires publiques en fonctions de direction, il devrait y avoir des tests qui surprennent le profil psychologique, les habilités managerielles de la personne etc.);
- la création et l'application de critères uniformes pour l'organisation des concours au niveau local/régional;
- l'organisation des concours unitaires pour des fonctions similaires au niveau régional (2-3 départements);
- un système de tests qui doivent être passés par les personnes mandatées par l'Agence Nationale des Fonctionnaires Publiques pour représenter l'Agence dans le cadre des commissions de concours pour éviter la répliation de la médiocrité dans le système (par exemple, un évaluateur qui ne connaît pas une langue étrangère, ne pourra automatiquement pas tester le candidat dans ce domaine);
- la réalisation d'une analyse institutionnelle complexe au niveau de chaque autorité et institution publique, avec l'adoption de l'organigramme au nécessaire de personnel, l'allocation d'attributions claires de postes.

En ce qui concerne *l'évaluation*, celle-ci doit suivre des recommandations telles que:

- l'adoption des critères d'évaluation à chaque type de fonction/ au spécifique de l'activité déroulée;
- la création des prémisses légales qui permettent l'externalisation des services d'évaluation par les entreprises spécialisées, avec l'avis de l'Agence Nationale des Fonctionnaires Publiques;
- l'extension du projet-pilote d'évaluation des postes, dans lequel des représentants de l'ANFP instruisent les compartiments de ressources humaines dans la réalisation de ce type d'évaluation, après laquelle la procédure puisse être appliquée périodiquement.

En ce qui concerne *le contrôle*, l'application des règles suivantes s'impose:

- la monitorisation plus efficiente de l'application des prévisions de la Loi no 7/2004 concernant le Code de Conduite des fonctionnaires publiques;
- le renforcement du rôle actif des commissions de discipline dans le processus de combat/sanction des cas de déviation des normes qui règlementent aujourd'hui l'exercice des prérogatives dans la fonction publique;
- l'organisation des commissions de discipline au niveau départemental pour éviter le risque des liaisons interpersonnelles qui affecterait la procédure, dans le cas des petites communautés.

La promotion/ l'efficientisation de l'activité des institutions publiques doit viser:

- la réévaluation du système de promotion dans la fonction publique de sorte que le critère de promotion dans la fonction publique de sorte que le critère de base soit la compétence et non pas l'ancienneté dans la fonction;
- la création des mécanismes de promotion naturellement, concomitante à la fin d'études universitaires de longue durée, postuniversitaires etc. (aujourd'hui on ne peut plus opérer une transformation de poste, mais on passe à une catégorie supérieure dans la limite de la vacation de certains postes);
- l'institution des indicateurs de performance par institution.

En ce qui concerne la motivation des ressources humaines impliquées dans le processus d'administration publique, on recommande ce qui suit:

- les incompatibilités de la fonction publique, non doublées par une motivation salariale proportionnelle rendent cette fonction publique non attractive, spécialement pour les jeunes;
- dans la limite des fonds alloués, le directeur de l'institution doit avoir plus de flexibilité dans l'établissement des priorités- en incluant ici un système de motivation distinct pour les spécialisations déficitaires (en administration, une spécialisation déficitaire est celle des informaticiens);
- la création d'un système plus permissif de distribution des prix/primes salariales au niveau de l'administration publique locale d'attirer et administrer des fonds, simultanément à la transparence des mécanismes et des critères de distribution de ces primes.

La formation professionnelle et la formation continue doivent être basées sur:

- la réalisation d'une évaluation préliminaire des besoins de formation professionnelle des fonctionnaires publics, dans le but de l'harmonisation de l'offre des cours (de l'Institut National d'Administration, des Centres Régionaux) avec la demande de formation existante au niveau de l'administration publique centrale et locale;
- la réduction des coûts de formation par l'institution d'un système d'heures de formation par fonctionnaire et non pas des journées de formation;
- la popularisation et l'emploi des méthodes de fonctionnement de type e-learning à large échelle;
- l'institution d'un système objectif et unitaire de sélection des fonctionnaires publics qui vont bénéficier de cours de formation professionnelle, -un système basé sur les résultats des évaluations préliminaires de formation dans le cadre de l'institution;
- la libéralisation des services de training et l'encouragement de ce marché (dans le cas où ces services sont prestés par des ASBL accréditées, on doit prendre en compte l'allocation de fonds gouvernementaux pour la formation des fonctionnaires publics par l'intermédiaire des fournisseurs de training);
- l'approche différenciée de la notion de formation des fonctionnaires publics:
 - formation initiale - conditions pour l'entrée dans le système (inscription aux concours)
 - la formation continue - le perfectionnement obligatoire tout au long de la carrière.

2. Tendances actuelles dans le management des ressources humaines

En Roumanie, la réforme de l'administration publique doit être dirigée vers la réforme de la fonction publique, vers la décentralisation et vers la réforme gouvernementale.

Dans la perspective de la fonction publique, dont les attributs sont représentés par le professionnalisme et la non-politisation, la formation est une condition fondamentale. Pour cela on a besoin de l'implication et de la collaboration de toutes les institutions aux attributions dans le domaine, une grande partie avec de l'expérience dans la formation des ressources humaines pour l'administration publique.

Tenant compte du fait qu'à l'heure actuelle 82% des fonctionnaires publics ressentent le besoin de participer aux cours de perfectionnement, 34% des fonctionnaires ont participé à ce genre de cours, une fois ou plusieurs fois, la restructuration des stratégies dans la sphère de l'administration publique et la restructuration du rapport entre le milieu universitaire et l'administration s'imposent.

Ainsi, le perfectionnement du fonctionnaire public doit-il constituer une priorité, une fois que le fonctionnaire devient lui-aussi conscient du fait qu'il est au service du citoyen et qu'il a un rôle immense dans le processus d'intégration européenne, respectivement celui de mettre en pratique, d'une manière efficace, l'entier cadre législatif créé.

La réforme législative dans le domaine de l'administration publique, en général, et dans la décentralisation des services publics, spécialement, impose la création et la consolidation d'un corps de fonctionnaires publics, professionnel, neutre du point de vue politique et compatible avec les structures existantes dans les pays membres de l'Union Européenne.

Ainsi, par la stratégie de développement de la fonction publique on veut aboutir à:

- l'amélioration des systèmes de perfectionnement professionnel des fonctionnaires publiques;
- la création d'un corps de fonctionnaires professionnels;
- l'augmentation de la mobilité des fonctionnaires publiques dans le cadre de la fonction publique.

Les principaux facteurs qui influencent la formation pour l'intégration européenne des fonctionnaires publiques, se réfèrent aux éléments suivants, dans l'opinion des spécialistes dans le domaine: la législation, mentalité et éducation, modalités de perfectionnement, la qualité des ressources humaines, la collaboration entre les spécialistes dans le domaine et les praticiens, l'amélioration de la communication horizontale et verticale.

Dans l'opinion de spécialistes il y a encore l'idée qu'on doit agir en plusieurs directions pour l'augmentation du niveau qualitatif du fonctionnaire publique, c'est-à-dire:

- Mettre l'accent sur la formation et le perfectionnement du fonctionnaire publique et tout ça en accord avec les exigences de l'UE, mais dans des circonstances concrètes, spécifiques à la Roumanie.
- La réalisation des formes de formation professionnelle et de spécialisation qui aident le fonctionnaire publique et le déterminent à assimiler de nouvelles connaissances professionnelles, spécifiques à l'administration et non pas dernièrement à le rendre conscient qu'il est au service du citoyen. Le résultat des formations et des perfectionnements professionnels devra se réfléchir dans l'augmentation des compétences des fonctionnaires publiques et de l'efficacité de l'activité du personnel dans l'administration. La formation professionnelle des fonctionnaires publiques doit être planifiée, organisée et fondée, puisque dans l'administration publique il y un personnel à des spécialisations différentes. C'est pour cela que dans l'opinion des spécialistes, la formation et l'augmentation de la créativité, de l'originalité, de la capacité d'adopter de différentes décisions d'organisation et fonctionnement des autorités ou des institutions publiques constituent des aspects forts importants, en ce qui concerne tout le personnel de ce secteur de l'économie. Au même temps, on ne doit pas minimaliser la capacité et la qualité des formateurs impliqués dans le processus de formation, parce que ceux-ci sont mis devant des praticiens, comme les fonctionnaires publiques.
- Une autre direction d'augmentation du niveau qualitatif du fonctionnaire publique est constituée par la croissance de la motivation du fonctionnaire publique par un système de récompenses attractif et stimulateur, étant donné le fait que la motivation, du point de vue managerial, constitue la base de l'entraînement du personnel dans le but de l'accomplissement des objectifs proposés au niveau organisationnel.
- La conception d'un mécanisme et des procédures simples d'évaluation de l'activité du fonctionnaire publique, facteur important de l'augmentation de l'efficacité du travail. L'évaluation des performances professionnelles individuelles est une activité manageriale à nombreuses implications individuelles, mais aussi organisationnelles. Dans l'administration publique on doit avoir des systèmes efficaces d'évaluation des performances professionnelles, en tant que partie intrinsèque et importante du système de management, en général, et du système de management des ressources humaines, en particulier.
- La conscientisation par le fonctionnaire publique de la mission de l'intégration européenne. Après 1990, quand les responsabilités des autorités locales ont augmenté, dans le secteur publique on a transféré des spécialistes d'autres domaines d'activité, totalement différentes de ce secteur. Ainsi, pour l'adaptation de ceux-ci aux demandes du nouveau secteur d'activité a-t-elle été et est-elle nécessaire pour la réalisation d'une évaluation plus exacte des besoins de formation et de perfectionnement du personnel des autorités locales. Analysant les principales directions à suivre en ce qui concerne le recrutement, l'évaluation, le contrôle, la promotion, la motivation et la formation professionnelle, on peut conclure sur la nécessité d'une autonomie plus large de l'administration locale; au fur et à mesure on doit aboutir à la décentralisation des attributions en ce qui concerne le management de la fonction publique par l'administration publique locale par:

- la création des prévisions-cadre, flexibles, qui respectent une règle générale, amis qui permettent l'adaptation aux exigences spécifiques des institutions;
- le renforcement du rôle du département de ressources humaines dans le cadre des institutions publiques, en même temps que la définition claire des attributions du coordinateur de ce département;
- la débureaucratization des procédures (telles que le transfert ou le déménagement d'un compartiment à autre) dans le sens de l'élimination du caractère obligatoire de l'avis de l'Agence Nationale des Fonctionnaires Publiques.

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THE PROGRESS AND STRUCTURE OF THE INTERNAL AND PUBLIC AUDIT IN ROMANIA

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Since 1999, Romania has seriously got involved in the System of Internal and public Financial Control. Together with experts of the European Community, we obviously started this process with the elaboration of a strategic document - Policy Paper - finalized in October 2001, by means of which it was set out the architecture of the coming system of internal audit within the public sector.

This new conception is based on the managerial responsibility and liability on an efficient management of the budgetary funds, especially of the European ones. Thus, it is supposed to be adopted the management modern principles, the control systems based on risks assessment, the concise and complete regulations and proceedings, in order to perform the activities and implicitly, an efficient position of internal audit.

Key-words: internal and public audit, internal control, internal control system, managerial control, the Ministry of Public Finances the Central Unity for Internal and Public Audit Harmonisation, the Central Unity for Management and Financial Control Systems Harmonisation, internal audit function.

Present Studies of Implementation the Internal Audit Function

The reformation of the public financial control in Romania supposed the passage from a control system mainly performed by external entities based of inspections and replies to notifications to a control system for each public entity separately, qualified to limit the risks effects the institutions faces on their way to reach the objectives.

The implementation of the action plan of the new system supposed a gradual process:

- elaboration of a normative and procedural frame for internal audit performance (2002);
- institutional structuring, respectively reorganisation of old internal control structures (2003);
- professional training based on elementary formation which covered all the personnel that is working at present in the internal audit domain (2003-2004);
- consolidation of the internal audit activity (2005-present day).

At present, we may assert that in Romania it was created the institutional frame for performing the activity of internal audit in all the central and public institutions as well as in most of the territorial structures. For the local and public administration the process is not finalized yet, there is a segment of territorial and administrative unities, respectively those that make circulate an annual budget of 100,000 to 2,000,000,000 euro, where, because of both the territorial extent and of the limited financial risks, the position of internal audit evolves sporadically. To this effect, there were identified some more solutions to lead to the implementation of the position of internal audit for this segment, as well.

In the context of the general principles for first-class practice, control is associated to a wider meaning, thus being viewed as a managerial position and not as a simple verification operation.

The entities optimum functionality based on an integrated frame of internal control imposes the existence of a control environment correspondent to these which should promote the ethnical values, accept the standards of first-class practice and set out the responsibilities in the spirit of the strategies and policies approved by the higher level management.

At present, the managers have understood that it is their responsibility to organize their own internal control system within the entities they ran as well as the fact that the responsibility was entirely transferred to them and this is the reason why they have to get involved in a structuring of maximum efficiency.

The role played by the Ministry of Public Finances and the one played by the Court of Accounts are to assess if the internal control system implemented by the management department works and if it is competent to prevent or to put an end to potential uneconomical uses of funds and to identify the eventual leaks in the funds administration they manage.

Under the given circumstances, the managerial structure will have to "invent" control activities which will allow them to master the risks that may appear and constantly evolve in order to control their effects.

For these reasons, the managers have to build up their own "flexible system for internal control" which can be easily reduced or developed in certain sectors or departments within the public entities and, thus keeping under control the risks evolution and the limit of their consequences.

The definite implementation of the new System for public and internal financial control was accomplished by creating within the Ministry of Public Finances the Central Unity for Internal and Public Audit Harmonisation - C.U.I.P.A.H., in 2003 and the Central Unity for Management and Financial Control Systems Harmonisation -C.U.M.F.C.S.H., in 2005.

The main purpose for the creation of the C.U.M.F.C.S.H. was to help the general management to define and structure its own internal control system.

To this effect, in 2005, the Ministry of Public Finances issued The Internal Control Code⁴³ which comprehends the *Managerial/internal control standards in public entities for the development of the managerial control systems* and consists of dispositions concerning the management obligations and responsibilities in all public institutions of which we mention:

- the managers of the public institutions will dispose measures necessary in the elaboration and development process concerning the managerial control systems, based on international control standards, inclusively on proceedings in written form for each activity separately;
- the managerial structure have the obligation to identify the risks and to perform actions for keeping the risks at an acceptable level;
- for the potential needs of execution of different punctual inspections or control actions, the managers may form their own commissions or, if it is imposed, control departments that may work permanently or certain periods of time, in order to solve the disorders or irregularities encountered within the entity.

The internal control standards represent an important contribution in making public the general principles for first-class practice in the domain, on the basis of which the entities may set out structures of applicability for the internal control and financial managing systems.

Beside the *general norms for internal audit activity performance* there were elaborated, separately, some norms of *management consultancy* by means of which the internal audit comes to support it, identifying and deeply discovering the internal systems operating process so necessary to the basic management whose responsibility is to implement these systems. *The internal audit must be looked at together with the management and internal control system within the public entities.*

Within the public system the internal auditors have a major responsibility towards mass-media and public opinion, while in the private sector, they respond only on clients needs. Thus, if the internal control structures notice any infringement of the normative frame, funds embezzlement, or even frauds, the public opinion may ask if, within this entity, the *position of internal audit* does exist and is applicable in accordance with the principles of the corporatist ruling.

Conclusions

- The executives of public entities must get involved effectively in the structuring of the management and internal control system by means of collaboration with the basic management structures responsible for the assessment of its efficiency in the internal control

⁴³ MPFO no.946/2005 on the Internal Control Code, covering the management/internal control standards for public entities and for the development of the managerial control system, Of. M. no.675 of 28 Inly 2005.

organization and with the internal auditors. The association between the components will represent the value added to the managerial decisions and a guarantee of the fact that the settled targets will be reached maybe quite at performance parameters.

- The development of the system for the professional training of the internal auditors is necessary in the nearer future, as well due to the fact that we must pass over the phase of regular audit and accept the audit and performance systems which require a totally different training, especially in order to deeply master the domain of auditing.
- Concerning the relation with the managerial structure and the guarantee of an independent and objective activity, the major preoccupation for the audit is the systematic updating of the internal audit regulations, document that states the method used in carrying out the internal audit position within the entities.
- Bearing in mind the current status of internal audit implementation, we consider that Romania has set out on the right way and comes to support the creation of an efficient internal audit at the public entities levels, according to the first-class practice of the European Union.
- In the context of a recognized internal audit activity, we may assert that at present, we are in a consolidation phase concerning the internal audit. As a proof for this stand the conclusive results registered from the added value achievements and the improvement of the activities performed within the public entities, but also the awareness of the meaning of management generally of its importance and necessity, for reasons of joining the European structures.

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REMARKS ON THE IMPORTANCE AND NECESSITY FOR PUBLIC ENTITIES TO ASSOCIATE IN ORDER TO PERFORM EFFICIENT ACTIVITIES OF INTERNAL AUDIT

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In Romania, due to territorial extend of the audited entities, we deal with a great number of isolated departments for internal audit, consisting of 1 to 2 auditors.

The international audit standards recommend that the number of internal auditors should cover at least the minimum of activities performed by the departments for internal audit. Related to this matter, the first-class international practice recommends that their number should be of three internal auditors at least.

The internal auditors of these departments consisting of 1 to 2 individuals encounter particular problems concerning the documentation, standards acquiring or implementation.

Key-words: internal and public audit, obligatory procedures of internal audit, risk analysis, realizing the function of internal audit through association (employment or office), chief employment or office for internal public audit, the Ministry of Public Finances the Central Unity for Internal and Public Audit Harmonisation (CUIPAH).

The analysis of organizing and functioning of compartments for internal audit in public institution

Apart from the subjective issues mentioned above, the internal auditors of these departments face also objective issues on the sense that they are not able to insure the accomplishment of some compulsory proceedings within an audit action, such as:

- activity of supervising the method used for internal audit tasks, respectively use of all proceedings, assessment of risk analysis, test examination during the on-site intervention, quality of remarks and recommendations, of internal audit reports, supervision of recommendations implementation;
- ensuring a program for quality development and improvement concerning the internal auditors' work.

The situation mentioned above is encountered both in local and public establishments which are chief credit rulers (city halls) and in other central public institutions (agencies, offices, authorities and others) which are not subordinated or they are not under the coordination or authority of other public organizations, but which make circulate annual budgets of 100,000 to 2,000,000 Euro, consecutively, in 3 - year's time and which, according to the Law no.672/2002 on public and internal audit, they are obliged to found departments for internal audit.

To analyze this matter, the Central Unity for Internal and Public Audit Harmonization - C.U.I.P.A.H. set forth *the assessment report for the current status of internal audit organization in small-sized central and local public entities subordinated to another entity*, discussed by the Comitty for Internal and Public Audit - CIPA, in December 2004.

The conclusion of the assessment report was that within the public and local entities, which make circulate an annual budget, the equivalent of 400,000 euro in Romanian currency, it is difficult to make available the position of internal audit by own forces, the reasons being the following:

- reduced amount of allotted funds;

- limited domain for auditing;
- lack of trained personnel;
- management misunderstanding the part that the internal audit plays.

All these objective limits make it necessary to find out some more flexible methods for making available the position of internal audit within these small-sized public entities and to dissolve the departments consisting of 1 to 2 internal auditors, isolated and spread on territory, founding some effective and operational structures.

The assessment report analyzed the possibility that the internal audit structures, within the territorial General Directorate of Public Finance, should generally perform the audit in small-sized public institutions, chief credit rulers which make circulate an annual budget of 100,000 euro, taking into account that in this case there are only 67 public entities in the entire country.

Meanwhile, the assessment report considered also the possibility of increasing the limit for small-sized public entities from 100,000 to 2.000,000 euro whose regular audit should be performed by the Ministry of Public Finance, as well. In this case, the number of small-sized public entities grows from 67 to 735, meaning that the Ministry of Public Finance can not provide it, not even in the farthest future. All these lead to the conclusion that it is necessary to find out a solution of partnership among these small-sized public entities and together may perform the position of internal audit, in accordance with the International Standards provisions.

To this effect, we recommend *to perform the position of internal audit in association, respectively by creating common structures of internal audit providing the position of audit for more entities with compatible activity domains.*

This method could be used in small-sized public entities, especially those which make circulate an annual budget of 100,001 to 2,000,000 euro, its equivalent in Romanian currency.

In these cases, the association is going to build up on geographical criterion, on main means of communication by joining the entities of the larger villages, cities or towns. Generally, it is recommended that by association to be founded departments of minimum 3 internal auditors in order to provide a complete covering, but it is considered that a structure of 5 to 7 individuals working full-time would be more efficient for the internal audit activity in order to be sorted out on performance criteria.

The executives of public and local institutions, which wish to associate for organizing, operating and performing the internal audit, will keep in view, at least for the start, the following aspects:

- grouping up the public institutions on size criteria in order to create the associations;
- setting up the rights and obligations of the associating institutions executives concerning the conception and provision of headquarters, furniture articles, computers etc., for the internal audit departments;
- selection and working frame for internal audit organizing structure with an executive personnel in order to comply with the law conditions related to professional training, integrity and required objectivity;
- provision of juridical assistance on termination of association contracts, of conditions of executive activity development within the internal audit department;
- effectuation of supervision and control proceedings for norms implementations by the territorial General Directorate of Public Finance

Depending on the amount of activities, as well as on the number of public institutions that form the association, the organizing structure that is under construction –department or office - will include the executive position - departmental manager or head clerk - as well as a suitable number of executives, internal auditors, respecting the legal provisions of the Statute of municipal officers.

The internal audit departments or offices of the associated entities perform internal audit team - work and the resulted reports are presented to inform on and to be approved by the executives of the respective public institutions.

Dependant on the way the activity of the association internal audit department or office goes, the contractual parties could as well anticipate other necessary rules, proceedings and activities, on the basis of the

amendments and completions to be set out and mutually agreed on in the document attached to the initial contract of association.

The internal audit department or office of the local and public institutions association subordinates to the executives of the local component institutions, and for the operational management of the internal audit department is empowered, having the mutual consent of the executives of the local and public associated institutions, the executive of the local and public institution where the internal audit department performs its activity. If the internal audit structures operate within a different headquarters it is essential to be set out an operational executive system for them.

The manager of the internal audit department or office, by the obligation stated by the local and public associated institutions, does not have to get involved in the elaboration of the proceedings for internal control within the local and public associated institutions. Also, the manager is appointed/dismissed by the competent executive of the local institutions, having the approval of the C.U.I.P.A.H.

The internal audit applies to all the activities performed within the local and public associated institutions concerning the foundation and use of the public funds, as well as the administration of the public inheritance, aiming at implementing, according to the law, the internal audit which examines the actions took on the financial effects on the basis of the public funds or inheritance in order to respect the assembly of principles, procedural and methodological regulations which are applicable to them.

Every three years at least, but not restricted to this, within every local and public associated institution, the internal audit department or office of the association audits the following :

- a) the budgetary and legal engagements from where derive directly or indirectly the payment obligations, inclusively the social funds;
- b) the payments took upon by budgetary and legal engagements, inclusively the social funds;
- c) the sale, mortgage, cession or rent of the goods from the private sector of the state or of the territorial and administrative unities;
- d) the cession or rent of the goods from the private sector of the state or of the territorial and administrative unities
- e) the public funds collection, respectively the method used for authorizing and setting up the debt security, as well as for the facilities offered on their cashing;
- f) the budgetary credits allocation;
- g) the accounting system and its liability; the system of taking decisions;
- h) executive and control systems, as well as the risks associated to such systems;
- i) data processing systems.

The territorial structures of the M.P.F., delegated by the C.U.I.P.A.H., will supervise the implementation of these principles performing together with the executives of the local and public associated institutions periodical analyses on the way the internal audit departments or offices organize and carry out the internal audit tasks stated in the activity programme.

The internal audit departments or offices, on the basis of the statutory tasks, periodically report to the executives of the local and public institutions, as well as to the internal audit structures within the territorial General Directorate of Public Finances and within the one in Bucharest, the accomplishment of the legal tasks and the method of implementation, in time and respecting the general norms concerning the performance of the activities of the scheduled internal audit tasks.

The territorial General Directorates of Public Finances and those from Bucharest periodically inform the Territorial Councils of Public Administration on the methods used for organizing, operating and performing internal audit activities within the local and public associated institutions.

The territorial General Directorates of Public Finances and those from Bucharest present to the C.U.I.P.A.H. annual reports on internal audit structure, operation and performance within the public associated institutions.

The C.U.I.P.A.H. annually brings up to the executives of the Ministry of Public Finances the Report on the internal audit activities performed by association with the public associated institutions.

Conclusions

We consider that the suggestion to perform the association of the small-sized internal audit departments is possible and it will have an influence in complying more strictly with the provisions of the international standards and with the first-class practice recognized in the domain.

The manager of the internal audit department or office within the associated public institutions is responsible for organizing and performing the internal audit activity, ensuring, according to the law, the execution of the following tasks;

- a) elaborates and passes on to be approved by the executives of the associated public institutions the methodological norms of internal audit, norms that are put forward to the C.U.I.P.A.H. to give its notice;
- b) elaborates and passes on the internal audit planning to be approved by the executives of the associated public institutions;
- c) carries out the internal audit assignments aiming at the assessment of the financial management and control system within the associated public institutions, paying attention that these comply with the legal, right, economical, efficient and effective norms and presenting to the executives the respective reports;
- d) informs the C.U.I.P.A.H. on the recommendations unimplemented by the executives of the local and public associated institutions, as well as on their consequences;
- e) periodically reports to the public associated institutions the remarks, conclusions and recommendations resulted from the internal audit activity;
- f) elaborates the annual report on the internal audit activities;
- g) in case it is identified any disorder or possible prejudice, he immediately reports it to the executives of the public associated institutions.

Factually making the association represents a structuring issue which will serve all the public institutions involved in association and will have an influence on the performance of some audit tasks in accordance with the norms of each institution and under the conditions of providing corresponding independence and objectivity as the internal auditors concern.

Also, after association, the costs will lessen due to a higher quality and a greater efficiency of the internal audit activity that may direct to reach some elements of performance.

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VIRTUAL WORKPLACE AND TELECOMMUTING: CHALLENGES THAT REDEFINE THE CONCEPT OF WORK AND WORKPLACE

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Abstract: Virtual organizations that perform the activity in the virtual workplace (cyberspace) will play a more and more important role within the global economy. Telecommuting (teleworking) is a concept strongly related to cybecorporation and cyberspace. In order to determine: (a) the usage level of telecommuting according to the field of activity and the size of the organization; (b) the reasons that determine the organizations to appeal to telecommuting; and (c) the teleworker profile, I carried out a survey based on a sample of 150 managers from all types of organizations: commerce, production, services. The survey highlights the fact that only a reduced number of organizations have started „ to make a move” related to teleworking. Some of the organizations do not understand the concept; others have heard about it but are still reluctant to it, while other organizations have not heard of this concept.

Key words: telecommuting, teleworker, information technology, cyberspace, cybrcorporation.

Introduction

Lately many organizations have undergone the process of reengineering: they modify their size; they decrease the number of hierarchic levels; they eliminate departments' barriers; they create teams on projects and products; they externalize activities; they organize virtual workplaces and encourage teleworking (from home or other locations outside the organization). All these changes obviously lead to a **fundamental rethinking of the manner in which organizations develop their activities**. Within this context, the virtual workplace and the telecommuting are the key elements that should be carefully considered by managers and organizations.

In the new age of **information technology (IT)**, of the Internet and e-commerce, the virtual organizations will play a more and more important role in global economy. The **virtual organization** or the **cybercorporation** is a business specially designed for virtual space. The **virtual workplace (cyberspace)** is a working space without walls and boundaries, created with the help of IT that allows the work to take place at any time of the day (24 from 24 hours), in any location and that connects people and information no matter of their location (Keohan, M).

The concepts of cyberspace and virtual workplace focus on using the **communication technology** – *fax, e-mail, voice mail, software for video conferences* – so that the employees can perform their tasks in a location different from the headquarters. **Telecommuting** or **teleworking** is a concept strongly related to cybercorporation and cyberspace. Telecommuting refers to the use of information and communication technology in order to achieve remote working activities (respectively to work in a place different from the central location). For telecommuters that place can be their own home, or the plane, a hotel room or even the customers' offices. Strongly related to teleworking and to the use of communication technology – with the goal of connecting different locations with the central location – has emerged the concept of telecommuter. By **telecommuter** or **teleworker** we understand a person that works for an organization and that performs this activity from home or from other satellite location – at least a part time of the working hours – and that is connected to the central location by means of communication technology (Langhoff, J).

Even if currently teleworking implies a multitude of styles and organization models, the most important ones are the **telecommunities** – satellite offices located at the teleworker's workplace and witch are connected to the central location through communication technology tools. Any organization and any telecommuter or teleworker that develops an activity that can be realized in such a pattern could be a part of this teleworking system. As mentioned above, teleworkers are individuals that work at their own home or in working telecentral or persons that frequently go to the customers' place. Consequently, due to the fact that individuals can work in a location different from the central one, being also able to send the results

of their work through communication technology, the telecommuting and the virtual workplace can offer **new professional opportunities** for each involved person.

In practice teleworkers can be classified in **two categories**: (a) Those that work outside the organization because the situation is required by work that they are performing (for example many sales agents must go to the customers' offices instead of waiting for customers' calls); (b) Those that can work in a remote location from the central one because the tasks' achievement do not depend on the place where they develop the activity.

Telecommuting is also related to the tele-cooperation facilities and it offers to the worldwide specialists the possibility to collaborate by means of IT. Telecommuting usually implies sales and marketing workers, advertising field workers, analysts, architects, design engineers, auditors, economists, jurists, programmers, software engineers and other jobs related to computers and communications.

As a result of the detailed analysis of all teleworking aspects and of the specialized materials research one can underline the **advantages** that telecommuting generate not only for the teleworkers but also for the organization (Ghilic-Micu, B., Stoica, M).

- **Advantages for teleworkers**: Better management of time and increased flexibility of working schedule; Productivity improvement due to the fact that they are not disturbed by colleagues or by superiors (however, we should mention the fact that also at home there can be a productivity reduction if the teleworkers do not manage their activities very well or if they are repeatedly interrupted by other persons or by other problems); Better focus on tasks to be performed; Reduction or even elimination of transportation costs; Reduction of time required for going to the office; Reduction of stress (in an office where many persons develop their activity, the stress level can be rather high).
- **Advantages for organizations**: Reduction of expenses involved by the necessity of using working spaces – rent, maintenance, insurances etc.; The judicious usage of offices' space, in the case when some employees work according to the traditional system, while others prefer the teleworking system; Diminishing utilities expenses – gas, electricity, water etc.; Reduction of the consumption of consumable materials; Decrease of salary expenses, as the teleworkers are paid for their task and not for their time spent at work; Possibility to have experts located in any part of the globe; Possibility to hire low cost but qualified labor force (recruiting the personnel can be done in geographic areas where the labor force is low cost and well trained); Increase of productivity and performances due to the fact that teleworkers can better focus on the results to be achieved; Reduction of the number of absentees', because the teleworkers work at home; Creation of jobs and employment opportunities in rural or disadvantaged areas.

In some organizations a part of the personnel can perform the activity off-site and be in permanent contact with the central location. Using *mobile phones, portable computers/laptops*, and *communication networks* the registered orders and other information of great interest can be sent to the central location and processed in due time. As a consequence, decisions process can be faster, based on updated and real time information. It is possible that the personnel working off-site at the customer, would have to spend more time away from the central location – sometimes weeks – and, as a result the need of offices and spaces is substantially reduced.

In the circumstances of globalization and sharp competition, the organizations are trying to offer products/services of a good quality at the lowest prices possible. Within this context they can use teleworkers – a qualified labor force, that involves low costs and who can provide increased flexibility for the organizations. Presently, the Internet allows the organizations to search, to find very quick, and to use workers from any place on the globe. We can notice more and more frequently that there is a **task transfer towards the geographic area with low cost labor force**. The telecommuting has a significant economical and social impact and it obviously influences **the international division of labour**, offering to the developing countries the possibility to improve, and to the organizations from these countries the chance to become more competitive on the global market.

The organizations that resort to this manner of work should have **performing hardware and software**, in order to realize information and documents remote transmissions. The success of virtual workplace and of teleworking greatly depends on the organizations' ability to manage their businesses electronically, respectively to use **e-commerce** and the facilities offered by **Electronic Data Interchange (EDI)**. However, we should consider the fact that the infrastructure is a vital element and, in this context, the involved countries and organizations must greatly **invest in the infrastructure**, and this implies high costs. Moreover, the informational system should base on computers.

Market Research Regarding Teleworking

In Romania the first forms of teleworking emerged in 1995. At the beginning there were „pseudo activities” of teleworking in which the impact of IT was rather low. Out of the teleworkers’ group we could mention the sales agents that used to perform their work off-site, the journalists that used to report from the scene location, the field workers etc. In the year 2000, more evolved forms of teleworking started to appear in Romania too. Presently, there are organizations that partially or totally use the teleworking system, mainly in commerce activities, web design, computerized programming, Database Management, Computer Aided Design, consultancy in the filed of information and communication technology.

In order to identify the level of telecommuting usage, a survey has been realized based on a questionnaire applied on a sample size of 150 managers from Sibiu County organizations.

Main objectives of the survey:

- Highlighting the usage level of telecommuting;
- Analyzing the usage level of telecommuting according to field activity and organization size;
- Determining the reasons that make the organizations not to appeal to telecommuting;
- Determining the teleworker profile.

Usage of telecommuting option

From the analyzed results we can conclude that most organizations (74,7%) do not employ „telecommuting” (figure 1).

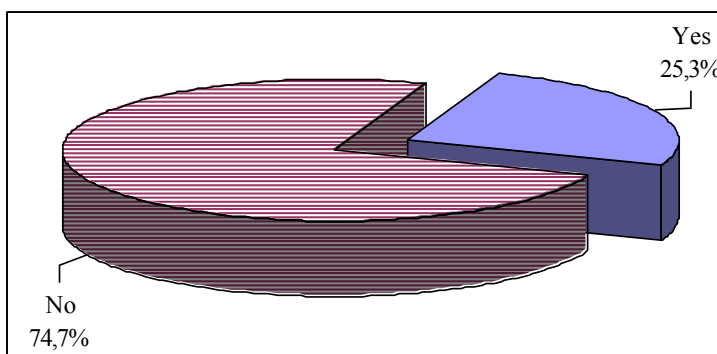


Figure 1 Organizations’ option regarding the telecommuting

Moreover, it is quite interesting to underline the usage level of this working method with regard to the organizations that resort to it. Subsequently, it was necessary to calculate the weighted average (mean) for the 38 organizations that resort to telecommuting. The results (minimum, maximum and average) are presented in table 1.

Table 1 Telecommuting Usage Level

	N	Minimum	Maximum	Mean / Average
Usage of telecommuting	38	5	70	27,34

After processing the data we can conclude that from the organizations resorting to telecommuting, the lowest usage percentage is 5%, the highest is 70%, and the mean is of a rather low value (27,34%). To conclude, the hypothesis mentioned before research (*Organizations resort very little to telecommuting*) has been confirmed.

For more details there is an *analysis according to the field of activity* and an *analysis according to the organization scale*. The results are graphically represented in figure 2.

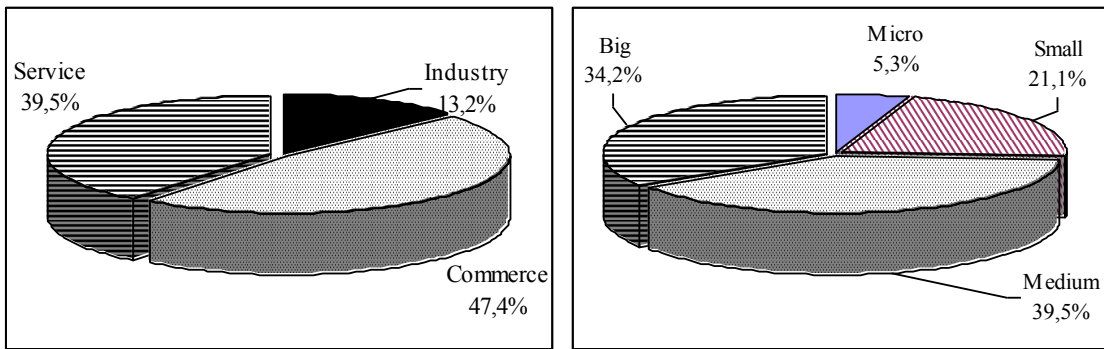


Figure 2 *The usage of telecommuting – classification according to the field of activity and to the size*

From this combined analysis we can highlight that the highest weight of the organizations resorting to telecommuting are in the field of commerce (47,4,9%), followed by services (39,5%). In opposition, the industry field includes just 13,2% organizations that use this facility.

As we can notice in the above mentioned figure, the combined analysis emphasizes that the highest weight of the organizations employing telecommuting are registered within the medium organizations (39,5%), followed by big organizations (34,2%). On the third and fourth place there are the small organizations (21,1%) and micro enterprises (5,3%). The possibility to implement a teleworking system obviously depends on the financial resources and on the organization endowment with computers, communication equipments and specialized computer software. Taking into consideration all these premises, the micro enterprises and the small organizations can slightly afford to resort to telecommuting. On the contrary, the medium organizations are on the top place with regard to this aspect. An interesting conclusion refers to the fact that the big organizations do not appeal so much to telecommuting as the medium ones tend to do, even if they usually dispose of the necessary resources. The explanation could be that big organizations are probably more conservative than the medium ones, namely more connected to the traditional way of working, and thus more rigid.

The market research underlines also the most frequently mentioned **reasons** that determine the organizations not to use telecommuting: It requires an infrastructure that they do not dispose of; It does not fit to their activities; This option has not been considered yet; It is more difficult to control the employees etc.

Teleworkers Profile

Out of the data obtained via the market research, we can highlight the fact that within the organizations using telecommuting most of the teleworkers (60,5%) are employees that perform their activity off-site (for example at the customers' place); 31,6% are experts to whom the organizations occasionally appeal and only 7,9% are employees that permanently work at home (figure 3).

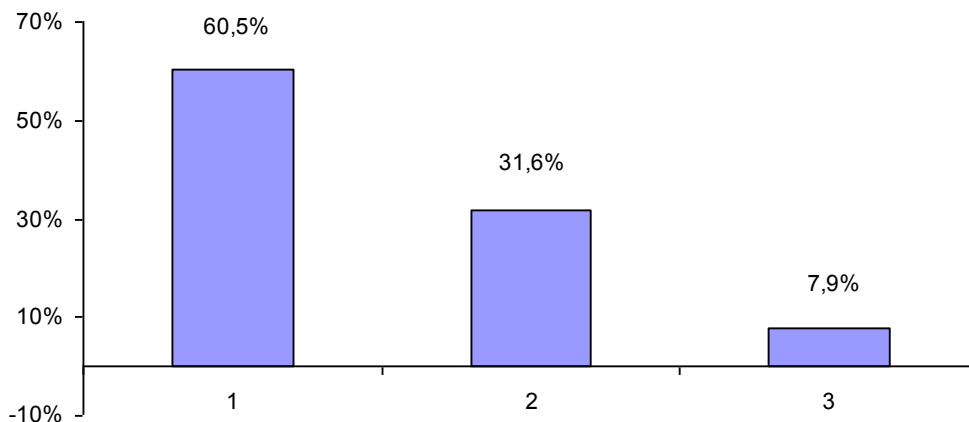


Figure 3 Teleworkers' profile

Location:

- 1 – Employees performing the activity off-site (customers' place)
- 2 – Experts to whom the organization appeal occasionally
- 3 – Employees that permanently work at home

To conclude, the hypothesis mentioned before the research (*Most of the teleworkers are employees that perform their activity off-site*) has been confirmed.

Conclusions

As mentioned at the beginning of this paper, the teleworking and the virtual workplace can offer a lot of advantages not only for individuals, but also for organizations. By using information and communication technology the individuals can work in a location different from the central one, being able to send the work results to the central location. In some organizations— especially in the commerce field – there is the necessity that a part of the personnel performs the activity away from the company and permanently keeps contact with the central location. In digital era, the mobile phones, portable devices (laptop, PDA etc.), and the communication networks can support not only the managers – so that decisions are made faster – but also the organizations – so that they become more flexible and more adaptive. These arguments can explain the survey conclusions namely that: (a) the commerce organizations make the most use of telecommuting, these being followed by the services field organizations; (b) the most frequent teleworkers are those that have to perform their activity off-site, (at the customers' place , this being the case of sales agents).

The organizations that appeal to telecommuting should take into consideration the necessity of highly relying on computers, communications and performing software and of using the facilities offered by Electronic Data Interchange – EDI. As a consequence, the possibility to implement telecommuting obviously depends on the financial resources and on the organization endowment with computers, communication equipments and specialized software. Taking into consideration all these premises, we can explain also the fact that the micro enterprises and the small organizations just slightly afford to use telecommuting, as many of them do not dispose of the necessary financial resources. Usually, the big companies have the necessary resources, but they are probably more conservative than the medium ones, being more connected to the traditional way of working, and thus more rigid.

We should admit that in Romania just a very reduced number of organizations have started „to make a move” related to teleworking, while some of them do not understand this term, others have heard about it but are reluctant, and others have never heard about this concept. Starting from the advantages offered by teleworking, we still hope that in the future teleworking will develop also in Romania according to the international tendency.

Another important aspect that should be mentioned is the fact that besides the infrastructure and financial facilities, the teleworking also implies other issues that relate to **mentality** and to **organizational culture**. Consequently, even if they have resources necessary for the telecommuting implementation, the organizations must carefully **analyze if they are ready for this challenge**. The organizations should take into consideration the fact that this new type of work can develop only if there is an adequate mentality and if managers have an attitude prone to telecommuting. The managers used with permanently checking the way in which the employees divide their working time, the managers that enjoy seeing the employees „stuck” in their chair and working in their offices during the eight hours of work, the managers that like to permanently control their subordinate employees will probably face difficulties in accepting the telecommuting system.

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MANAGERS' TRAINING AS PROMOTORS AND USERS OF MODERN INFORMATION SYSTEMS

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Abstract: In the Information Age managers have to face complex and radical changes, many of those being related to the new information technology (IT) proliferation. The ability to transform the information technology in a threat or an opportunity, in a challenge or an impediment, greatly depends on the managers' professional training in the field of IT. In order to find out the usage level of the tools provided by IT and to point out the managers' attitude towards these, a survey was realized. By analyzing the results we can notice that the marks obtained by managers for the knowledge in the computer science field are rather unsatisfactory. Taking into consideration the fact that in the new age the information technology will be available in all industries and in all activities, enterprises should focus more on training the users – managers and employees.

Key words: information technology, informatics, information system, manager, training

General aspects regarding the training of managers in information technology field

The managers of information age have no other choice but face complex and radical changes. Many of these are related – directly or indirectly, more or less – to the new information technology proliferation. The spectacular development of information technology can be both a threat as well as an opportunity; it can be a challenge or an impediment for managers and their organizations. The ability to transform the information technology in a threat or opportunity, in a challenge or impediment depends greatly on managers training in IT field.

This paper focuses on several aspects related to the managers training as users of information systems and information technology and it is based not only on the market research results, but also on my experience as IT consultant and authorized trainer for developing, implementing and using modern information systems, based on the information and communication technology..

In the context of the challenges emerging from the information technology, we should understand and admit the fact that the success or failure of an information system greatly depends on the **managers' training** not only as final users, but also as supporters of modern information systems. Within this context, the organizations must focus on the adequate IT training of managers, realized by various *methods* and *adapted to the basic education and to the types of applications they are supposed to be aware of currently and in the future.*

Managers and employees can appeal for training to various **methods**: outsourcing – respectively courses, seminars, laboratories taught by experts and organized within the enterprise (on-site of the enterprise requiring this training) as well as off-site (at the enterprise providing training services); specialized training realized by the enterprises' own experts; e-learning; Computer Assisted Training – interactive training manuals which combine practice and seminars with Computer Assisted Training; HELP components of the software; interactive television, multimedia systems etc.

Maybe one of the most adequate training methods is to appeal on a well-known training company with experience in this field. Why? In such a company the trainers are not endowed only with hardware and software knowledge, but also with important **pedagogic abilities**. Are the pedagogic abilities important? Obviously! An expert, no matter of his training and experience in the informatics field, will not be able to completely pass on the information if he lacks pedagogic skills, respectively if he does not know how information and knowledge should be transmitted or how to make the trainees „to feel” the informatics. It is well known that some people have informatics “in their blood”, while others must be very well guided and stimulated in order to understand it and accept it. As a consequence, the person who transmits informatics knowledge – hardware or software – must be a good pedagogue and psychologist – „able to be in the trainee's shoes”. Only in this manner, the process of transmitting knowledge as well as the process of acquiring knowledge will end successfully.

Specific aspects related to the managers' training in informatics in Romanian enterprises, as resulted from the market research

As previously mentioned, within the context of the challenges emerging in the information age, the success and failure of an information system and of the organizational performances greatly depends on the managers' training in informatics field, as they should be supporters and catalysts of the changes generated by IT.

In order to find out the usage level of the IT tools and to highlight the managers' attitude towards the IT challenges, a selective survey was realized by way of a questionnaire directly administered by managers. The survey was realized on a sample size of 150 managers coming from enterprises (commerce, services, production) that develop their activity in the Sibiu County. In order to realize a successful survey I focused on: respecting a certain level of data representation; getting stable and reliable results; using efficiently the resources respectively ensuring a good ratio between the value of obtained information and the involved costs (financial and time).

Main goals of the survey:

- Highlighting the managers' opinion regarding the role of IT within the organizational change.
- Identifying managers' opinion regarding the advantages generated by IT.
- Identifying the influencing factors considered by managers when purchasing a Computer Based Information System or its components.
- Awareness of the managers' position towards Internet.
- Identifying the managers' knowledge in the field of informatics.

Out of the goals related to the survey just one makes the object of the present paper, namely: "Identifying the managers' knowledge in the field of informatics." (respectively the mark that managers consider to deserve for their level of knowledge regarding each type of informatics system). In order to reach this goal, the focus was on different application systems software: *Office Automation; Graphics Applications; Transaction Processing Systems – TPS; DataBase and Database Management Systems; Enterprise Resource Planning – ERP; Programming*. For each system one was supposed to determine the following: usage level; average of the marks given by managers and for more details the assessment of knowledge acquired on age categories.

From the results obtained after the processing of the data collected from the questionnaires I have chosen to be presented in this paper a synthesis referring to the marks given by managers and grouped on application category and on age category (figure 1).

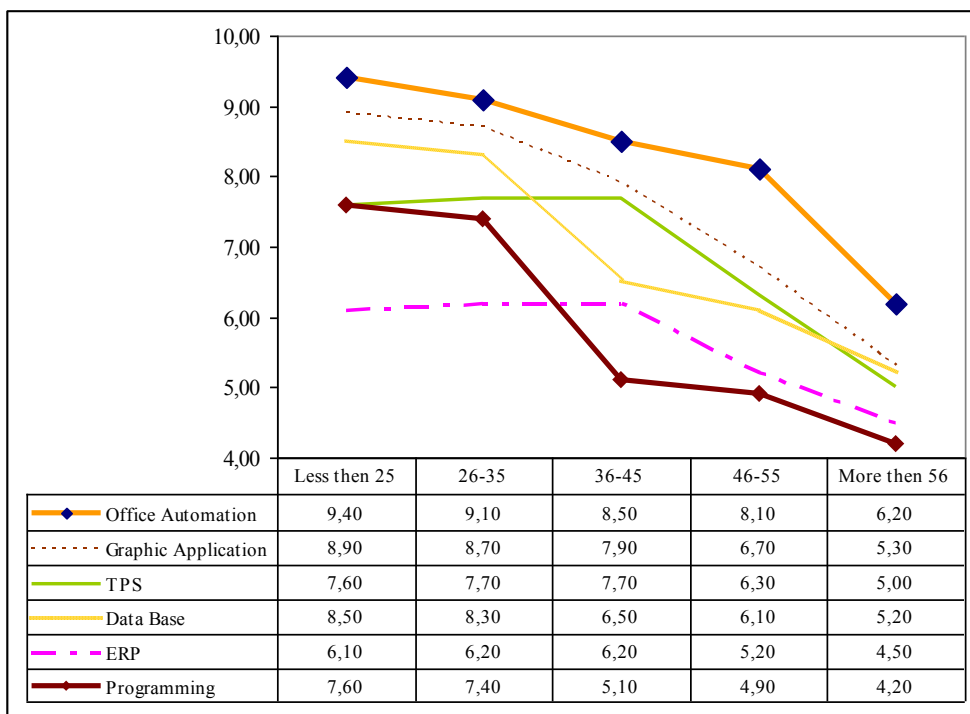


Figure 1 Marks given by managers – classification according to Application System Software and age category

Office Automation. As presented in figure 1, the highest mark was obtained by managers who are below 25 years old (9,40). Next, the average marks tend to decrease with the advanced age (9,10 for the age category 26-35 years old; 8,50 for age category 36-45 years old and 8,10 for age category 46-45 years old). Unfortunately, managers who are over 56 years old can be found on the last place (6,20), at a rather big distance (approximately two points) as the second last place. The applications referring to Office work Automation are *easy to learn and use*. Many of them (for example Microsoft Office: Word, Excel) *can be found also in Romanian version* (inclusively Help components) and consequently each manager and employee has the opportunity to acquire them by self-teaching. In the last 8-10 years, the applications of this type *can be studied generally at all universities, no matter of the specialized field* (especially Word Processing). Moreover, on the market there are many specialized enterprises that offer, at reasonable prices, *trainings* in the field of Word Processing and Spreadsheets. Any manager of the 21st century should be able to edit a word document with inserted images, to make various computerized calculations, to create different graphics, to make a Power Point presentation, and to draw up his own work scenarios etc. These could be the explanations related to a large scale knowledge regarding these applications. However, we should emphasize the fact that the managers over 56 years are still living in the past as they only got the average mark of 6,20. The explanation could be that most of these managers did not study informatics in school and more than that, many of them are not prone to invest time and energy for computer science training.

Graphics Application. As we can notice, the highest average mark was obtained by the managers who are under 25 years old (8,90), closely followed by those belonging to the age category 26-35 years old (8,70). Next, the marks tend to decrease with advanced age (7,90 for age category 36-45 years old and 6,70 for age category of 46-55 years old). As this aspect is concerned, the managers over 56 years are still on the last position, the mark being unsatisfactory, even very close to the test passing level (5,30). The explanation for these results could be that the young managers had to *use graphic applications even from school years* because that was required by their projects, so that they acquired abilities in this field of graphic application.

Transaction Processing Systems – TPS. In the field of TPS (salary, inventory and accounting application, customers and suppliers management, production, marketing, sales etc.) the managers belonging to the age groups of 26-35 and 36-45 years old are the best trained ones (average 7,70), followed by those who are

under 25 years old (7,60). The last positions are occupied by the persons belonging to the age category of 46-55 years old (6,30), respectively who are over 56 years old (5,00). The explanation for this lower mark obtained by the young questioned managers (under 25 year) could be that usually these programs are not the object of high education courses. The ability to use these programs is acquired in time, as the person applies them for his work or as the person takes part in training stages led by the enterprises that develop and supply these applications. The argument for the lower marks obtained for the managers over 56 years old could be the fact that the automation and the development of these programs emerged when the respective managers found them selves at a certain age so that many of them are not willing to learn how to use them.

DataBase and DataBase Management Systems. As we can notice, the data base system is best handled by the managers who are under 25 years old (average 8,50), closely followed by those of the age category 26-35 years old (8,30). The knowledge level of data base decreases with the managers' advanced age. Thus, the average of 6,50 was obtained for the age category 36-45 years old; average 6,10 for those of the age category 46-55 years old and again the lowest average (5,20) for the managers over 56 years old. As resulted from another survey realized with the goal of determining the usage level of informatics tools related to DataBase Management Systems and Data Mining, the enterprise frequently use DataBases. The managers that graduated an economic or technical university have studied „DataBase” during high education years. Moreover, in the present there are a lot of specialized enterprises on the market, which offer professional training in this field. Thus, we can explain the fact that a rather high percentage of the questioned managers claim that they know how to work with these tools. Nevertheless, the average mark is rather low (6,92). This aspect can be justified by the fact that DataBase Management Systems are taught in universities generally in the first two years, so that if they are not used in the meantime, they could be largely forgotten. The same thing is going on with the managers who attended various trainings, but then never really used the respective applications.

Enterprise Resource Planning – ERP. It is obvious that the average of individual marks given by managers for their knowledge in the field of ERP are very low, namely 5,60. ERP Systems have recently emerged and their development involves considerable financial resources. Due to the total high costs – also caused by the development, implementation and usage of these systems – very few organizations can afford to purchase them even if their usage generates many advantages. As we can notice, in this field the best trained managers are those belonging to the age groups 26-35 and 36-45 years old (6,20). These are followed by young managers under 25 years old (average 6,10). The managers belonging to the age group of 46-55 years old got 5,00 while the managers over 56 years old got only a average mark below the test passing one (4,50). The initial learning of ERP Systems has been available in universities for several years and unfortunately only in few universities (those who have signed agreements with developer enterprises in order to use – freely or with low expenses – the educational licence). After graduating, if the companies they work for do not have such an information system, the young employees are not able to acquire the usage ability anymore, as there are no professional enterprises to offer trainings in this field. The training is offered only by the enterprises that develop such systems, especially for the organizations that purchase these systems. As a consequence, the managers of the enterprises that do not use such systems are hardly to know these systems (maybe only if they previously worked in an enterprise that had such a system or if they had the chance to study them at the university). Thus, the little knowledge in this field can be explained.

Computers Programming. As we can notice, that in the field of programming abilities the best trained managers are those below 25 years old (average 7,60), closely followed by the age category 26-35 years old (7,40). The other age groups have very low average marks. However, managers from the age category 36-45 years old obtained the average mark of passing the test (5,10). Still, the managers from the age category 46-55 years old and those over 56 years old got average marks below the test passing one (4,90 respectively 4,20). The explanation could be similar to that given in the case of the other types of applications, namely that most managers belonging to this category are not willing to invest time and energy in computer programming training. Probably, the managers that graduated computer science faculties acquired the programming abilities due to *analyst-programmer trainings* or due to *self-teaching*. It is true that lately, the economic and technical faculties have focused on *programming concepts*, but the course lasts only one semester and generally consists of basic notions which cannot be a real basis for those interested in programming, if not subsequently developed. These are also the reasons for which such a low

percentage of managers have programming knowledge and the cause of the low average mark obtained by managers (5,84). The young managers are an exception as their knowledge acquired at the university is still available and not forgotten. An interesting aspect, underlined by the discussions with the managers, is that most of them consider there is no use „in wasting” their time studying programming notions as the market has specialized enterprises which offer performing application. However, this point of view should be reconsidered as all the enterprises belonging to economic developed countries focus on the development, even by the computing end-users, of the more simple programs – self-sourcing. The new programming environments (respectively Fourth Generation Languages – 4thGL) are radically different from the old generations as they are easy to learn and use even by the persons without professional experience.

As we can notice, the usage level for all types of computer applications is dominated by the highest average marks obtained by the interviewee below 25 years old (8,02), these being followed by the persons from the age category 26-32 years old (7,90). This average decreases as the age increases, namely: 6,98 for the age category 36-45 years and 6,22 for age group 46-55 years old. The least trained managers belong to the group over 56 years and they got only the average mark 5,07.

Conclusions

The research points out the fact that, in general, as the informatics knowledge is concerned the results are rather unsatisfactory – the general average mark being 6,84. The general conclusion is that young generations are better trained in the informatics field. This conclusion can be explained by the fact that the young managers had a greater chance to study and acquire informatics knowledge at university and high school. Moreover, the experience acquired as an IT consultant gives me the opportunity to state that the younger persons are more willing to acquire knowledge in this field, while the older persons are more reluctant in investing time and energy towards this direction. However, these statements cannot be turned into general ones and as a proof, the research emphasis that there are older managers who have informatics knowledge.

In Romania many managers claim that they **do not have the necessary time** for a specialized training in computer field, as there are **other problems more stressful and critical** than „wasting time” in studying informatics. For many of them these not even are real reasons. A lot of older managers are afraid not only of getting close to the computer, but also to attend specialized trainings. Why? Because they are afraid to face new technologies, they are afraid of not being able to acquire knowledge and so „to be taken as fool” by lecturers and colleagues. Obviously there is no general statement regarding this aspect and we have to admit that there are managers very well trained in computer science field, experience that they acquired by attending specialized trainings or by self-teaching – as autodidact.

The problems related to managers and employees’ training, the acceptance or rejection of the IT challenges, and in general the success or failure of the informatics system greatly depends on the **organizational culture**. The implementation of Communication and Information Technology and the changes within information system can lead to **formal and informal transformations in the entire organization**. The formal changes can influence the department boundaries and the relations between managers and subordinates. The informal standards can affect the work and social relations among employees, the work standards and their statute. Consequently, those who develop informatics systems must permanently collaborate with future users in order to find out their requests or needs and their possible reaction to changes. Any informatics system, no matter how performing or not, will turn up to be a failure if is not supported by the management and if is avoided, rejected and/or sabotaged by users.

To conclude, taking into consideration the fact that in the new age the information technology will be available in all fields of activity, ideally would be that the enterprises should focus more on an adequate training – realized by different methods – for the users of modern Computer based Information Systems. The managers training, as well as of the employees training must be adjusted to their basic education but also to the types of applications they should be able to handle in the present and in the future. Moreover, any enterprise that intends to have a success regarding the implementation of new information technology should firstly have a **pro-informatics organizational and managerial culture**. The organization should have managers and employees who support the computer based information systems not only formally, but also out of their belief and intention to really want the informatics become part of their work and life.

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LE MANAGEMENT DE LA PROGRAMMATION DE LA PRODUCTION AUX LIGNES TECHNOLOGIQUES POLYVALENTES (MULTIOBJET)

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Extrait: La projection des lignes en flux multiobjet doit assurer des conditions adéquates de manière que, dans leur exploitation, elle puissent réaliser plusieurs produits ou pièces avec de moindres pertes de temps et avec des dépenses aussi réduites que possible concernant les opérations de règlement nécessaires au passage d'un produit à l'autre. En fonction des caractéristiques constructives des outillages et des produits programmés à être exécutés, les lignes en flux multiobjet peuvent être exécutées en deux variantes, c'est-à-dire: des lignes en flux multiobjet avec outillage principal et produit représentatif et des lignes en flux monoobjet sans outillage principal et sans produit représentatif. Les éléments nécessaires à l'organisation des lignes en flux multiobjet sont les mêmes que pour les lignes en flux monoobjet, qui sont calculées de la façon mentionnée ainsi de suite.

Mots clé: ligne technologique polyvalente en flux continu et cadence imposée, fonds de temps mensuel disponible de la ligne polyvalente, rythme de fabrication, normatif de programmation, équation des dépenses de production, méthodes des trajectoires hamiltoniennes.

Dans les entreprises industrielles avec une importante production en série il y a la possibilité de l'exécution sur ligne de fabrication en flux de plusieurs types de produits différents qui ont pourtant la même gamme d'opérations. De telles lignes permettent, par conséquent, le façonnage en lots alternatifs de plusieurs types de produits avec la même gamme d'opérations, d'où le nom de lignes polyvalentes.

L'organisation de telles lignes polyvalentes en flux continu et de cadence imposée (où le passage de la fabrication d'un type de produit à un autre ne nécessite pas le règlement des outillages) est conditionnée par l'observation des conditions:

(1.1)

$$\sum_{i=A}^N \tau_i \cdot P_{pi} = F_{d \max}$$

$$\frac{t_K^A}{\tau_A} = \frac{t_K^B}{\tau_B} = \dots = \frac{t_K^N}{\tau_N} = M_K$$

(1.2)

où: τ_i représente la cadence de travail spécifique de chaque type de produit;

P_{pi} – le programme de production de chaque type de produit i ;

$F_{d \max}$ – le fonds maximal de temps possible de la ligne technologique;

$t_K^A, t_K^B, \dots, t_K^N$ – la durée de l'opération K ($K=1, 2, \dots, n$) pour les produits A, B, \dots, N ;

n – le numéro des opérations à exécuter;

M_K – le numéro des lieux de travail de chaque opération K ;

$A..N$ – la nomenclature des produits étant exécutés sur la ligne polyvalente.

Dans le cas des lignes polyvalentes en flux continu et cadence libre, des celles en flux discontinu, les conditions d'organisation de la projection des lignes sont les suivantes :

$$\sum_{i=A}^N \left(\tau_i \cdot P_{pi} + \frac{P_{pi}}{L_i} \cdot tt_{ij} \right) \leq F_{d \max}$$

(1.3)

$$\max\left(\frac{t_K^A}{\tau_A}; \frac{t_K^B}{\tau_B}; \dots; \frac{t_K^N}{\tau_N}\right) \leq M_K \quad (1.4)$$

où: P_{pi} représente le programme de production de chaque type de produit i ;

tt_{ij} – le temps de passage du lot des produits i au lot des produits j .

Tel comme on a précisé ci-dessus, le rythme de fabrication représente un normatif de programmation important qui doit être déterminé aussi dans le cas de la ligne technologique polyvalente. Dans cette situation, la cadence de travail de la ligne technologique exprime l'intervalle de temps qui s'écoule entre l'exécution de deux types de produits consécutifs; par conséquent, la notion de cadence de travail spécifique à chaque type de produit apparaissait.

Le calcul de la cadence de travail spécifique à chaque type de produit, quelle que soit la forme de mouvement des produits en cours d'élaboration, impose la réalisation de la succession d'opérations suivantes:

- le calcul du fonds de temps mensuel disponible de la ligne polyvalente (F_{dl}), car le programme de production de la ligne contient, pour chaque type de produit, la charge de production pour un mois :

$$F_{dl} = 60 \cdot D_S \cdot N_S \cdot N_{zl} \cdot (1 - k) \quad (1.5)$$

- la répartition du fonds de temps mensuel disponible de la ligne pour chaque type de produit, proportionnellement au volume de main-d'oeuvre nécessaire à l'exécution des tâches du programme de production :

$$F_{dli} = F_{dl} \cdot \frac{P_{pi} \cdot T_i}{\sum_{i=1}^n P_{pi} \cdot T_i} \quad (1.6)$$

où: F_{dli} représente le fonds de temp mensuel disponible de la ligne réparti pour l'exécution du produit de type i ;

P_{pi} – le programme mensuel de production de type i ;

T_i – la durée d'exécution, pour toutes les opérations technologiques, d'un produit de type i ;

n – le nombre des produits qui sont exécutés sur la ligne technologique polyvalente.

La cadence de travail spécifique du produit de type i (τ_i), dans le cas du mouvement individuel des produits en cours d'élaboration, est déterminée conformément à la relation :

$$\tau_i = \frac{F_{dli}}{P_{pi}} \quad (1.7)$$

Le rythme de fabrication de la ligne indique le nombre des produits de type i que la ligne technologique doit exécuter dans l'unité de temps. Ce rythme de fabrication, exprimé sous la forme de la production horaire (P_{hi}), s'établit conformément en rapport:

$$P_{hi} = \frac{60}{\tau_i} \quad (1.8)$$

La cadence de travail spécifique au produit de type i , dans le cas du mouvement des produits dans l'élaboration en lots de transport, exprime l'intervalle de temps qui s'écoule entre l'exécution des deux lots de transport consécutifs de produits de type i et elle est déterminée d'après le rapport:

$$\tau_{li} = \frac{F_{dli}}{P_{Pi}} \cdot l_i \quad (1.9)$$

où: l_i représente le volume du lot de transport du produit de type i .

Le rythme de fabrication de la ligne dans ce cas, exprimé sous la forme de la production horaire, est calculé de la façon suivante:

$$P_{hli} = \frac{60}{\tau_{li}} \quad (1.10)$$

Les normatifs de programmation des lignes technologiques polyvalentes impliquent non seulement la détermination du rythme de fabrication ayant comme fondement la cadence de travail, mais aussi la détermination du volume des lots de fabrication, partant dans ce but de la nécessité de l'égalisation de la fréquence de lancement de tous les produits élaborés sur la ligne technologique. Dans le cas contraire, donc de quelques fréquences différentes, les travaux de programmation, le lancement et la poursuite seraient beaucoup plus alourdis.

Pour la détermination du volume optimale des lots de fabrication, on part de l'équation des dépenses de production pour l'exécution de tous les produits qui s'exécutent sur la ligne polyvalente. Ces dépenses se divisent en deux catégories:

- dépenses indépendantes du volume du lot de fabrication (y_1) qui sont égales avec:

$$y_1 = \sum_{i=1}^n P_{Pi} (cm_i + cp_i) \quad (1.11)$$

où: P_{Pi} – le programme de production mensuel du produit i ;

cm_i – dépenses matérielles directes pour le produit i ;

cp_i – le coût de l'élaboration d'un objet du lot des produits i ,

exclusivement les dépenses de préparation-achèvement et d'immobilisation des moyens circulants;

n – le nombre des produits qui se fabriquent sur la ligne polyvalente.

- les dépenses dépendant du volume du lot (y_2), qui incluent les dépenses de préparation-achèvement et celles liées à l'immobilisation des moyens circulants, établis conformément à la relation suivante:

$$y_2 = \sum_{i=1}^n \frac{P_{Pi}}{L_i} \cdot b_i + \sum_{i=1}^n \left[L_i \cdot \left(cm_i + \frac{cp_i}{2} \right) + b_i \right] \cdot \varepsilon \quad (1.12)$$

où: L_i représente la quantité du lot de fabrication du produit i ;

b_i – les dépenses de préparation-achèvement pour le lot des produits i

ε – l'intérêt mensuel payé pour le recouvrement des besoins de moyens circulants immobilisés.

Tenant compte des deux catégories de dépenses, l'équation des dépenses de production pour l'exécution de tous les produits sera :

$$Y = \sum_{i=1}^n P_{Pi} \cdot (cm_i + cp_i) + \sum_{i=1}^n \frac{P_{Pi}}{L_i} \cdot b_i + \sum_{i=1}^n \left[L_i \cdot \left(cm_i + \frac{cp_i}{2} \right) + b_i \right] \cdot \varepsilon \quad (1.13)$$

Ayant en vue le fait que le nombre des lots (nl_i) est déterminé à l'aide de la relation :

$$nl_i = \frac{P_{P_i}}{L_i} \quad (1.14)$$

alors la relation (1.13)

$$(1.15)$$

Finalement la fonction Y s'écrit :

$$Y = \sum_{i=1}^n Y = \sum_{i=1}^n P_{P_i} \cdot (cm_i + cp_i) + nl \cdot \sum_{i=1}^n b_i + \sum_{i=1}^n \frac{P_{P_i}}{nl_i} \cdot \left(cm_i + \frac{cp_i}{2} \right) \cdot \varepsilon + \sum_{i=1}^n b_i \cdot \varepsilon \quad (1.16)$$

Le minimum de la fonction Y s'obtient lorsque la dérivée en rapport avec nl est nulle, c'est-à-dire: $\frac{\partial Y}{\partial nl} = 0$

$\frac{\partial Y}{\partial nl}$

$$\frac{\partial Y}{\partial nl} = \sum_{i=1}^n b_i - \frac{1}{nl^2} \cdot \sum_{i=1}^n P_{P_i} \cdot \left(cm_i + \frac{cp_i}{2} \right) \cdot \varepsilon = 0 \quad (1.17)$$

d'où le nomb

$$nl_{opt} = \sqrt{\frac{\sum_{i=1}^n P_{P_i} \cdot \left(cm_i + \frac{cp_i}{2} \right) \cdot \varepsilon}{\sum_{i=1}^n b_i}} \quad (1.18)$$

Dans ces conditions, la quantité optimale du lot de fabrication pour un type de produit est:

$$L_{opt_i} = \frac{P_{P_i}}{nl_{opt}} \quad (1.19)$$

et la périodicité du lancement des lots, elle est la même pour tout type de produit, sera :

$$R_{opt} = \frac{N_{zl}}{nl_{opt}} \quad (1.20)$$

où N_{zl} représente le nombre des journées de travail du mois respectif.

Quel que soit la méthode de détermination du volume optimale des lots de chaque produit qui s'élabore sur la ligne polyvalente, pour l'élaboration des graphiques de programmation il est nécessaire qu'on établit le plus raisonnable ordre de lancement en fabrication des lots des différents types de produits, ayant comme critère la minimisation des pertes de temps dans le fonctionnement de la ligne.

Pour l'établissement de la succession optimale du lancement des lots on peut utiliser la méthode des „trajectoires hamiltoniennes”.

Tenant compte du fait que sur ligne technologique polyvalente on exécute les produits $P_1, P_2, \dots, P_i, P_j, \dots, P_n$, l'établissement des successions optimales du lancement des lots en fabrication par cette méthode a comme point de départ la connaissance des dépenses de passage du produit P_i , au produit P_j et vice-versa. De telles dépenses de passage peuvent être transposées dans la matrice ci-dessous:

Le produit	Dépenses de passage						
	c_{11}	c_{12}	...	c_{1i}	c_{1j}	...	c_{1n}
P_2	c_{21}	c_{22}	...	c_{2i}	c_{2j}	...	c_{2n}
.
P_i	c_{i1}	c_{i2}	...	c_{ii}	c_{ij}	...	c_{in}
P_j	c_{j1}	c_{j2}	...	c_{ji}	c_{jj}	...	c_{jn}
.
P_n	c_{n1}	c_{n2}	...	c_{ni}	c_{nj}	...	c_{nn}

où c_{ij} représente les dépenses de passage du produit P_i au produit P_j , et c_{ji} les dépenses de passage du produit P_j au produit P_i .

À la matrice des dépenses de passage C on associe une matrice booléenne (B), dont les éléments sont déterminés d'après les règles suivantes:

- si $c_{ij} < c_{ji}$, on écrit la chiffre 1 dans la case ij et 0 dans la case symétrique ji ;
- si $c_{ij} > c_{ji}$, on écrit la chiffre 0 dans la case ij et 1 dans la case symétrique ji ;
- si $c_{ij} = c_{ji}$, on décide arbitrairement si écrire 1 dans la case ij ou ji et 0 dans la case symétrique.

La matrice booléenne obtenue ainsi est élevée à des puissances successives jusqu'au moment où deux puissances consécutives donnent deux matrices identiques, c'est-à-dire:

$$B^h = B^{h+1} \tag{1.21}$$

Dans la dernière matrice on supprime la ligne ou les lignes contenant seulement des éléments égaux à 1 et la colonne ou les colonnes afférentes. À l'occasion de chaque suppression on obtient le produit où les produits d'une certaine classe d'équivalence (qui est lancée dans la fabrication à un moment donné). Si on a supprimé, par exemple, dans la première étape, les lignes afférentes aux produits P_1 et P_2 , cela veut dire que les deux produits font partie de la première classe, devant être lancées en fabrication avant les autres. L'opération de suppression continue jusqu'au moment où on a supprimé les dernières lignes et colonnes de la matrice et on a établi la dernière classe d'équivalence.

Ayant comme fondement ces classes d'équivalence on construit un graphe où sont représentées d'abord les pointes afférentes à la première classe d'équivalence, puis les pointes de la deuxième classe d'équivalence et ainsi de suite jusqu'à la représentation de la dernière classe d'équivalence. Sur ce graphique on lit les trajectoires hamiltoniennes partant des pointes de la première classe d'équivalence jusqu'aux pointes de la dernière classe, tenant compte du fait que chaque classe d'équivalence constitue un graphe fort connexe et ayant aussi en vue les liaisons entre les classes.

À l'ensemble des m trajectoires hamiltoniennes possibles $d_{H1}, d_{H2}, \dots, d_{Hm}$, représentant autant des variantes de succession des n produits, on associe les dépenses de passage de la matrice initiale, sommant les dépenses de passage en chacune de ces variantes on obtient la dépense totale de passage de chaque succession. L'ordre optimal de lancement en fabrication des produits $P_1, P_2, \dots, P_i, P_j, \dots, P_n$ est donné par la variante de succession (la trajectoire hamiltonienne) dont la dépense totale de passage est minimale, c'est-à-dire:

$$S_{opt} = \min \{C_{S1}, C_{S2}, \dots, C_{Sm}\} \tag{1.22}$$

où: C_s représente les dépenses totales de passage de la succession s ; m – le nombre des variantes de succession.

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L'OPTIMISATION ÉCONOMIQUE DU VOLUME DU LOT DE FABRICATION DANS LE MANAGEMENT DE LA PRODUCTION EN SÉRIE

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Extrait: Le dimensionnement optimal des lots de fabrication d'après le critère économique implique l'établissement de leur quantité dans les conditions du coût unitaire minimal. Dans le modèle d'optimisation présenté on distingue seulement les facteurs ayant un rôle important dans l'évolution des coûts, ce modèle soulignant les principales corrélations entre ces facteurs..

Mots clé: Lot de fabrication, Dépenses de préparation-achèvement de la fabrication, Dépenses avec l'immobilisation des moyens circulants, la transposition en lots de la production, le Coefficient des travaux de préparation-achèvement).

Le lot de fabrication – notion, facteurs qui influencent son volume

Le lot de fabrication représente la quantité des produits identiques (demi-produits, pièces, sous-ensembles, ensembles etc.) lancés simultanément en fabrication, qui s'élaborent dans les mêmes lieux de travail et qui consomment un seul temps de préparation-achèvement.

Une place essentielle dans la désignation de la catégorie de lot de fabrication est occupée par le temps de préparation –achèvement. Cette catégorie de temps génère une série de dépenses de préparation-achèvement de la fabrication, dont la quantification est strictement nécessaire pour la détermination du lot de fabrication.

L'importance et le rôle de la détermination du volume des lots de fabrication résident, essentiellement, dans les aspects suivants:

- en fonction du volume du lot de fabrication on établit tous les autres paramètres du management de l'activité de production, tel que: la durée du cycle de fabrication, le volume moyen des stocks de production inachevée dans les sections et intersections, la durée de la période de répétition des lots de fabrication;
- le volume des lots conditionne le degré d'usage des capacités de production, la vitesse de rotation des moyens circulants et l'efficacité de leur usage;
- le travail basé sur des lots représente une nécessité objective pour la production en série, déterminée par le devancement du rythme de consommation ou de livraison par le temps de fabrication, par l'observation du principe du parallélisme en exécution et les exigences de l'efficacité économique. La transposition en lots permet, aussi, l'assurance des bénéficiaires en mode rythmique et continu avec les produits sollicités; la transposition en lots de la production est possible dans les conditions des trois types de production. De cette façon, dans le cas de la production individuelle, la transposition en lots apparaît tenant compte du fait qu'un seul produit contient plusieurs repères identiques ou des repères identiques qui s'utilisent pour des produits différentes, et, dans le cas de la production en série majeure, la transposition en lots est déterminée par le nombre relativement grand de sortiments qui se fabriquent en grandes quantités. Mais la production en série moyenne constitue le domaine typique de la transposition en lots de la fabrication, dans les conditions de la production des sortiments divers en quantités relativement importantes.

Le lot optimal dans le cas des produits parcourant plusieurs stages d'élaboration

Dans la détermination du volume optimal des lots de fabrication on peut utiliser plusieurs critères, parmi lesquels: le critère économique, le critère technico-économique, le critère disponible ou – dans les conditions où l'usage d'un des critères antérieures ne conduit pas aux effets économiques suffisamment favorables pour l'entreprise – on peut recourir aux critères présenté de suite.

Le dimensionnement des lots de fabrication d'après le critère économique consiste en l'établissement de leur volume optimal, qui conduit à un coût unitaire minimal. Dans le modèle d'optimisation du volume du lot on souligne seulement les facteurs ayant un rôle important dans l'évolution des coûts, ce modèle marquant les principales corrélations entre ces facteurs.

D'après ce critère, on considère que les facteurs suivants agissent sur le volume des lots:

- les dépenses de préparation-achèvement de la fabrication;
- les dépenses avec l'immobilisation des moyens circulants;
- le programme de production.

a) Les dépenses de préparation-achèvement de la fabrication (b)

Ces dépenses ont le caractère et l'influence des dépenses conventionnellement constantes, leur poursuite étant réalisée par la corrélation avec le volume de la production.

Les dépenses de préparation-achèvement de la fabrication par unité de produit (y) sont exprimées de la façon suivante:

$$y = \frac{b}{L} \quad (1.1)$$

où: L représente le volume du lot de fabrication.

Graphiquement, l'évolution des dépenses de préparation-achèvement de la fabrication par l'unité de produit a lieu d'après une hyperbole équilatérale (fig. 1.1).

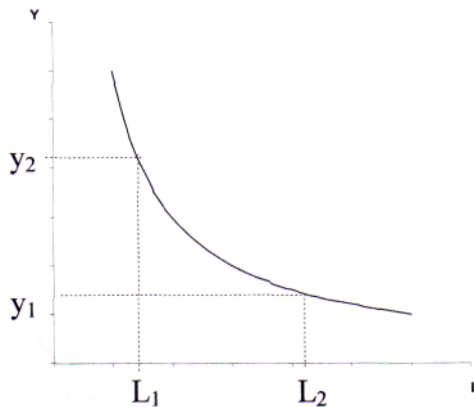
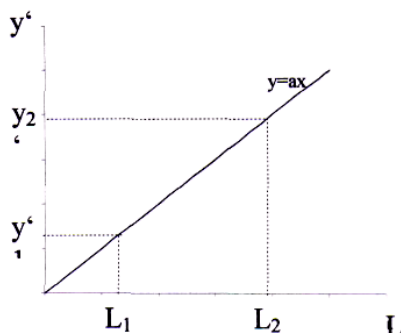


Fig. 1.1 L'évolution des dépenses de préparation –achèvement unitaires

b) Les dépenses avec l'immobilisation des moyens circulants

La période d'immobilisation des moyens circulants génère des dépenses spécifiques agissant comme pertes pour le processus de production .

Les dépenses avec l'immobilisation des moyens circulants sont directement proportionnelles avec le volume du lot de fabrication, tel comme on peut observer dans la fig. 1.2.



Pertes de l'immobilisation d'une unité de produit

Fig. 1.2 L'évolution des dépenses avec 'immobilisation des moyens circulants

Dans la figure ci-dessus, a représente le coefficient angulaire de la droite des pertes.

La perte de l'immobilisation d'un lot de production sera:

$$u = V \cdot T \cdot \varepsilon \quad (1.2)$$

où: V – représente la valeur des moyens circulants immobilisés;

T – la durée moyenne des immobilisations (heures, jours, etc);

ε – la perte résultant de l'immobilisation d'une unité monétaire pour une période de 1 an.

La valeur V se détermine de la façon suivante:

$$V = L \left(c + \frac{c_p}{2} \right) + b \quad (1.3)$$

où: c – représente le coût d'une unité de produit jusqu'à l'entrée en fabrication;

c_p – le coût de l'élaboration (salaires directs plus des dépenses indirectes, exclusivement les dépenses de préparation-achèvement de la fabrication).

La valeur T se détermine d'après la relation:

$$T = \frac{L}{N} \quad (1.4)$$

Selon ces calculs préliminaires, concernant les dépenses de préparation-achèvement de la fabrication et les pertes résultant de l'immobilisation des moyens circulants, on peut apprécier que pour l'obtention d'une unité de produit on réalise les dépenses suivantes :

$$Y = C_m + S + r + \frac{b}{L} + \frac{\left[L \left(c + \frac{c_p}{2} \right) + b \right] \cdot \varepsilon}{N} \quad (1.5)$$

où: C_m représente la dépense avec la matière première / produit;

S – le salaire par unité de produit;

r – des dépenses de régie unitaire.

En dérivant la fonction Y , qui quantifie le coût d'une unité de produit selon le volume du lot L , et égalant le coût à zéro, on obtient la valeur minimale des dépenses de production :

$$\frac{\partial Y}{\partial L} = -\frac{b}{L^2} + \frac{\left(c + \frac{c_p}{2} \right) \cdot \varepsilon \cdot N}{N^2} \quad (1.6)$$

ou

d'où résulte le volume optimal du lot de fabrication L_{opt} ,:

$$L_{opt} = \sqrt{\frac{b \cdot N}{\left(c + \frac{c_p}{2}\right) \cdot \varepsilon}} \quad (1.7)$$

Le lot optimal dans le cas des produits qui parcourent un seul stage d'usinage

La principale caractéristique de la fabrication dans certains maillons de production, tel que les ateliers de pressage, d'usinage mécanique, etc, équipés avec des outillages automatiques ou semi-automatiques, est constituée par l'exécution d'un nomenclateur relativement ample de produits, avec une envergure réduite et un volume faible de l'usinage. De tels produits sont exécutés entièrement dans un seul lieu de travail, outillage ou installation.

Pour ces produits l'analyse de la structure des durées d'exécution souligne un poids important du temps nécessaire à l'exécution des travaux de préparation - achèvement. Pour cette raison, la minimisation du nombre de réglages des outillages, des installations et implicitement la réduction de la durée des travaux de préparation-achèvement doit représenter le facteur principal dans la détermination du volume des lots de fabrication.

Une méthode de calcul du volume des lots de fabrication, pour le cas de la production où le quote-part de la durée des travaux de préparation-achèvement détient un poids significatif dans la durée d'usinage d'un produit, est celle qui a comme fondement „le coefficient des travaux de préparation-achèvement”.

Pour un certain produit, le coefficient des travaux de préparation-achèvement exprime le rapport entre la durée des travaux de préparation-achèvement et la durée totale d'exécution du lot de fabrication, de la manière suivante:

$$kp\hat{i} = \frac{tp\hat{i}}{tp\hat{i} + L \cdot t}, \quad (1.8)$$

où:

$kp\hat{i}$ - représente le coefficient des travaux de préparation-achèvement;

$tp\hat{i}$ – la durée des travaux de préparation-achèvement d'un lot de produits

L – le volume du lot de fabrication;

t – la durée d'exécution proprement-dite d'un produit.

La relation (1.8) nous permet d'observer que le volume optimal du lot de fabrication pour un certain produit, en utilisant le coefficient des travaux de préparation-achèvement, peut être déterminé comme il suit:

(1.9)

où

$$L_{opt_i} - \text{représ} \quad L_{opt_i} = \frac{(1 - kp\hat{i}) \cdot tp\hat{i}_i}{kp\hat{i} \cdot t_i}, \quad \text{pour le produit } i;$$

$tp\hat{i}_i$ - la durée des travaux de préparation-achèvement d'un lot de produits i ;

t_i - la durée d'exécution proprement-dite d'un produit i .

Les données concernant $tp\hat{i}_i$ et t_i sont prévues dans la fiche technologique du produit, document se trouvant dans l'évidence de chaque agent économique.

En analysant la relation (1.9) on peut observer, d'un côté, l'existence d'un cercle vicieux dans la détermination des valeurs $Lopt_i$ et kpi , et de l'autre côté, le principal problème du dimensionnement du volume des lots de fabrication, duquel dépend la qualité des calculs d'optimisation, est constitué par la méthode de fondement du coefficient des travaux de préparation-achèvement.

L'élimination du cercle vicieux dans la détermination des valeurs $Lopt_i$ et kpi est possible – affirment la majorité des chercheurs – si on procède au calcul du coefficient des travaux de préparation-achèvement par ateliers ou sections de production, en utilisant les données statistiques concernant la fabrication d'une période précédente. Dans ce sens, le coefficient des travaux de préparation-achèvement peut être calculé d'après le rapport:

$$kpi = \frac{\sum_{i=1}^n tp\hat{i}ef_i}{\sum_{i=1}^n tp\hat{i}ef_i + \overline{Lef} \sum_{i=1}^n tef_i}, \quad (1.10)$$

où:

$i = \overline{1, n}$ représente le nomenclateur des produits exécutés dans l'atelier ou dans la section dans une période précédente ;

$tp\hat{i}ef_i$ – la durée effective des travaux de préparation-achèvement d'un lot de produits i ;

tef_i – la durée effective d'exécution proprement-dite d'un produit i ;

\overline{Lef} – le volume moyen effectif d'un lot de fabrication.

Le volume moyen effectif du lot de fabrication se détermine à l'aide de la relation:

$$\overline{Lef} = \frac{\sum_{i=1}^n Lef_i}{n}, \quad (1.11)$$

où: Lef_i représente le volume effectif du lot de fabrication du produit i .

Le coefficient des travaux de préparation-achèvement, établi à l'aide de la relation (1.10), reflète seulement la situation effective de la production, ce qui peut conduire à une déformation des calculs d'optimisation. C'est pour cela que, dans les calculs d'optimisation du volume des lots de fabrication on recommande l'utilisation d'un coefficient kpi , établi par la relation (1.10), seulement pour des valeurs moindres de 0,03 ou du moins égales avec 0,03. Dans les calculs d'optimisation du volume des lots de fabrication on peut adopter en tant que normatif un coefficient $kpi < 0,03$, car il résulte que la modification de la valeur du coefficient kpi dans l'intervalle $0,01 \div 0,03$ ne conduit pas à des modifications importantes en ce qui concerne le volume des lots de fabrication.

Si la valeur du coefficient des travaux de préparation-achèvement, résultée de l'application de la relation (1.10), est supérieure à 0,03, la rigueur des calculs d'optimisation du volume des lots de fabrication est influencée par le juste fondement du coefficient kpi .

Pour ces conditions de fabrication on doit apporter certaines corrections de calcul dans le choix du coefficient kpi , come valeur normée. En essence, les opérations de correction consistent en la réalisation des calculs suivants :

- on détermine, pour chaque atelier ou section de production, le rapport r .

$$r = \frac{\sum_{i=1}^n tef_i}{\sum_{i=1}^n tp\hat{i}ef_i}, \quad (1.12)$$

- on introduit le rapport r dans la relation (1.10), cas où kpi est égal avec:

$$kpi = \frac{1}{1 + r \cdot \overline{Lef}} \quad (1.13)$$

- on calcule la dérivée de la relation (1.13) en rapport avec Lef , pour établir la rapidité de la modification du coefficient des travaux de préparation-achèvement selon la variation du volume du lot de fabrication:

$$kpi' = \frac{r}{(1 + r \cdot \overline{Lef})^2} \quad (1.14)$$

- on choisit la valeur optimale du coefficient des travaux de préparation-achèvement kpi^* selon le critère du minimum de la rapidité de la modification de la relation kpi' :

$$kpi^* = \min \left[-\frac{r}{(1 + r \cdot \overline{Lef})^2} \right] \quad (1.15)$$

- le coefficient kpi^* , résultat de l'interprétation de l'exigence formulée dans la relation (1.15), est utilisé pour la détermination du volume optimal des lots de fabrication, conformément à la relation (1.9).

$$Lopt_i = \frac{(1 - |kpi^*|) \cdot tp\hat{i}_i}{|kpi^*| \cdot t_i} \quad (1.16)$$

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LE MANAGEMENT DE TYPE KAIZEN

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Extrait:Le concept Kaizen désigne le perfectionnement continu du management et des activités de l'organisation qui impliquent l' employé , et inclue les exécutants mais aussi les managers . Kaizen représente une pratique managériale courante et constitue qui tente à définir la mentalité Japonnaise.

Motes clé:Le management visuel , le management est orienté vers la réingénierie des affaires, 5s, juste dans le temps (J.I.T) en maintenant une productivité totale (T.P.M),kanban teian .

Kaizen – Une Philosophie De Vie Qui S'adresse Aux Plus Bons Et Á Celles S'usposaient Être Les Meilleurs

Le modèle Japonnais de conduite á démontré le fait que,le progrès se fait petit á petit mais rapidement , et apporte des victories sûres ,de longue durée. La méthode Kaizen,,implémentée aussi en Roumanie, apporte du satisfaction et beaucoup d'argents de poche;

Kaizen est un concept d'origine japonnaise, qui en essence justifie l' amélioration continue .

Le terme provient du boudisme ,où ce terme signifie«rénovelle le Coeur et fait-le de plus en plus bon».Dans les armatiaux,pour «Kaizen cela signifie:`` avancer a petits pas,mais rapides``.La méthode s'étend de plus en plus dans le management .

A présent Kaizen s'étudie en dehors même du territoire japonnais , dans de grandes instituts des ÉTATS UNIS ,du Canada,de l'Europe de l'ouest et est considérée comme une voie entre deux (2) sortes de conduites traditionnelles: Le management de la qualité ,est orienté en conformité avec le standard préétabli,,et le management orienté vers la réingénierie des affaires ,basé par un changement majeur du processus, ou même dans la structure de l'organisation..

Le management orienté vers la réingénération des affaires nécessite une grande consommation des ressources pour la réalisation d'un changement d'un BOND type, mais á la fin le succès n'est pas au rendez-vous .

Dans l'abordation du type kaizen ,on met l'accent sur la fluence du processus d'amélioration et de l'efficiantisation .La seconde importante difference est que, pour Kaizen ,la responsabilité des processus et la qualité des produits sont stictement propre á la compagnie et á ses spécialistes .

Dans cet esprit d'innovation ,plus ou moins fiable ,les travailleurs ,les masteurs, les ingénieurs ,et les managers sont impliqués.

La méthode Kaizen a été implimentée aussi á J.T.I Roumanie.Le processus a débuté dan les années 1999 en impliquant premièrement le management de top niveau mais aussi le management moins de la compagnie.La partie introductif du système a nécessité une préparation de 6 mois,dans ce temps on a fait l'armonisation avec les pratiques du management de type J.T.I. Roumanie:le système I.S.O.,le cercle de la qualité ,les programmes de suggestion etc.Au début on a employé les instruments:5S et le management visuel-qui ont eu une grande force sur les emplyés,parce que,par ces méthodes,les employés ont vu et ont compris des aspects élémentaires de conduite,dans leur activité quotidienne.

5.S. –représente une série d' étapes qui a la forme des concepts liés á l'organisation du lieu de travail et le déploiement de l'activité:

1. La classiffication=la séparation des lieux utiles de ceux inutiles;
2. L'ordonation=l'arrangement des choses essentielles,pour pouvoir les retrouver et les employer plus facilement.
3. Le nétoieiment=mentenir les appareils et le lieu de travail propres,(identifier les causes et l'inspection individuel continue)

4. La standardisation= des méthodes entières /de procédures a éviter l'apparition dans le future des problèmes de type S1,S2,S3, identifiés et solutionnés.
5. L'autodiscipline= le respect en permanence des règles établies (les étapes S1,S2,S3,qui doivent devenir une routine)

Le manager de la compagnie J.T.I. Roumanie,réconnaît qu'il a été une provocation entre communiquer et faire impliquer réellement les ouvriers et non formellement dans ce processus.On a établi que chacun doit accomplir des objectifs bien définits, avec des indicateurs de performance et d'évaluation faites au cours de l'année.La meilleure modalité d'attirer les employés est celle d'afficher des choses plus intéressantes, pour eux,ou ils contribuent ,pour aussi voir comment s'impliquent ils.Petit a petit,les gens ont accepté le jeu, non seulement parce qu'ils ant été enseignés et soutenus par des causultants et la totalité du management de la compagnie, mais aussi, parce qu'ils ant participé à la prise des décisions; on a tenu compte de leur point de vue,on a appliqué leurs suggestions et ils sont récompensés individuellement par leurs efforts fournies.

Après ça,l'introduction des systèmes J.I.T.(juste dans le temps)ou T.P.M (maintenance totale de la productivité) a été qu'une question de temps.Les mentalités étaient dépassées.Les gens sont devenus plus réceptifs à l'amélioration continue.Les sondages d'opinion effectués ont démontré une augmentation réelle de la satisfaction des employés a tous les niveaux de l'organisation.Différemment en 1999,il y a une baisse de 50%, mais la productivité a augmenté de 4%. ,pour pouvoir atteindre cette performances le processus est soutenu en permanence.Chaque année on fait 3-4 révisions suivant le model de deployment de l'activité et on fait des pronostiques dans le plan de l'amélioration .

Les Médicaments Kaizen Pour L'Amélioration De Ses Performances

7W.-la réduction des dépenses avec les7 pertes

5S.-La maintenance d'un environnement de travail propre et plaisant,mais aussi la maintenance d'un climat de travail stimulant;

V.M.-L'amélioration interne de la communication dans la compagnie,l'amélioration et la motivation des employés en reconnaissant leurs mérites.

J.I.T.-L'élimination des stoques et la réduction de la production /la prestation du travail;

T.P.M.-L'amélioration et la disponibilité de la technologie ,pour la réduction des heures de défection ,les réparations ,etc;

Knaban-La manifestation par des marquages des matérielles ou du processus pour l'amélioration de leurs qualités;

Teian-Une système d'amélioration continue d'organisation basé sur l'application des suggestions des employés;

J.I.T - La réponse rapide aux commandes

Toyota est bien connue par la qualité et la fiabilité de ses véhicules.La compagnie a reçue le prix du journal américain ``Forbes``pour l'année2002 comme la compagnie qui a le management le plus grand au monde et avec la meilleure qualité de sa production.Ça, parce que Toyota a développé pendant des décénies le système de production J.T.I.(juste dans le temps),système qui a permis la réduction de la durée de répondre aux commandes faites par des clients,de 3 semaines (la durée initial)à 2 jours!On a fait ça dans des conditions d'amélioration continue, la fiabilité des véhicules et l'augmentantion du période de la garantie.des véhicules a 3 ans .

T.P.M. - Moins de défection

Pour les efforts d'implementations du type T.P.M,réalsés dans les companies japonaise Waseda , est spécialisées dans la production des composants mécaniques et réduit le temps total des interruptions occidentales des équipements de dix mille minutes à 30 minutes ,et a réalisé au moins un taux de 1.5 million de dollard en 6 mois.

Teian- Tout opinion est importante

Aux ÉTATS UNIS,et en Europe ,on emploie les même méthodes mais basés en principe „une bonne idée pour un bon bonus!,, .L'étude comparative a ces méthodes ,a été réalisée en 1999,par l'association Américaine pour le système de suggestions et d'association japonnaise des ressources humaines ,a montré qu'un échantion de 555 compagnies de différents pays , le nombre total de suggestion enrégistré aux États unis étaient de 996 mille ,au moment ou au japon , on utilisait la méthode kaizen-Tein, cela dépassait 60 millions . Aux ÉTATS UNIS, la bénéfice realiee en appliquant 100 suggestions était de 22.800\$,mais au japon ce chiffre dépassait de 365.000\$.

Le Management D'efficient Se Construit Du Jour Au Jour Et D'employé En Employé

Pour qu'un style de management ait des résultats dans le temps,il est important que tous les ouvriés de la compagnie soient impliqués dans le processus de la production continue. Mais il est plus important que les managers de top soient les premiers a s'impliquer ,parce qu'ils sont, ceux qui influencent la plus grande partie de la compagnie.

La majorité des managers de top pensent que l'action s'arrête uniquement dans leur bureau,mais cette pensée est fausse. Les manager doivent toujours être au terrain ,, ,d'après le professeur Masaaki Imai, Fondateur de l'institute Kaizen.Le professeur disait que les managers d'efficiencient devraient visiter en permanence le centre où les locaux de la production,le lieu de vente mais également vérifier les données fournies dans l'ordinateur.

En parlant de la philosophie Kaizenne,Masaaki Imai dit que cette philosophie consiste l'application de quelques principes conduisant l'amélioration graduelle du management de la compagnie mais avec l'implication des employés ,de bas niveau jusqu'au top management. Mais cela se fait par des observations ponctuelles du lieu de production ,c'est là ou se trouve la base des affaires ou des données mais on peut aussi remédier les petites erreurs .

D'habitude ,on pourrait adopter après 6 mois voir un an les résultants du principe Kaizen.Par exemple, il ya des compagnies qui ont réduit de 30% leur prix de vente après 6 mois et ont augmenté leur productivité a 100%. A la différence d'autres philosophies du management qui ont tendance a détruire les principes d'administration antérieures, Kaizen ne se propose pas a créer des révolutions dans le processus de conduite qui tente à se construire à côté de ceux qui existaient déjà , et s'améliorent du jour au jour.

L'abordation de la méthode Kaizen suppose être la continuation des performances du passé , l'amélioration graduelle de ces résultats de durée ,différemment des changements qui proviennent des résultats rapides,qui devient éphémères en longue terme

En Roumanie,,jusqu'à present,il y a plus de 15 compagnies qui ont adopté la philosophie du management de type Kaizen.

Parmis ces compangies il y a des compagnies qui travaillent dans le domaine de l'automobile, dans le domaine bancaire,où des compagnies qui offrent des services de projection ,de l'architecture ou du marketing,mais aussi des departments publiques dans les conseilles nationaux d'état..

Cet intérêt pourrait être expliqué par le fait que le management de type Kaizen suppose faire des efforts d'amelioration de la production , la plus part des employés de la compagnie ,le progrès se voient et se mentient dans le temps.

Le spécte est large,il y a des compagnies multinationales qui ont développé ce type dans les pays où ils ont des sites de travail.Ils sont venus en Roumanie non-seulement pour profiter du fait que la Roumanie est un pays low-cost,mais aussi ils profitent du management intelligent dès ressources humaines de tous les types .Mais aussi il y a des compagnies Roumaines avec un managerRoumain intégrant,qui ont développé des affaires à un haut niveau ,spécialement dans le domaine de la production à l'aide de la philosophie de type Kaizen.

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LE STRESS PROFESSIONNEL DANS LES SECTIONS DE PRODUCTION

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Extrait: La préoccupation pour le stress au lieu de travail est relativement nouvelle pour les Compagnies Roumaines que dans celles de l'Occident. En voyant les résultats, un sur trois employés de UE (40 millions de personnes) est soumis au stress au lieu de travail. A cause de cela, on perd chaque année 1 million de jours de travail. Aproximativement la moitié des employés manquent le travail à cause de la perte d'intérêt. On peut expliquer ça parce que les compagnies imposent des conditions de travail très dures ce qui conduisent à un haut niveau de stress, on constate aussi le taux croissant d'absentéisme au lieu de travail.

Les problèmes créés par le stress dans les conditions industrielles et les grandes dépenses pour maintenir la santé, imposent aux chercheurs du monde entier, l'élaboration des méthodes de combattre les facteurs qui sont des "inducteurs" de stress.

Motes clé: inducteur de stress, le management des changements organisationnelles, réducteur de stress, ergonomie.

LE MANAGEMENT DE STRESS DANS UN MILIEU DE TRAVAIL

L'intérêt augmenté dans l'élaboration et à la réalisation des programmes de management de stress au lieu du travail, pourrait être expliqué comme suit:

1. les employeurs ont commencé à se rendre compte du fait que, le stress au lieu de travail représente un problème majeur, non seulement pour le système de la santé publique mais aussi pour, la production industrielle qui demande la formation d'un fond spécial de dépense.
2. L'augmentation du niveau de compréhension, du mécanisme d'action du stress et ses interactions avec les différentes analyses des maladies, en incluant le dérèglement somatique de l'organisme de l'ouvrier.
3. Dans une mesure considérable on perfectionne la méthodologie d'identification et de l'appréciation du stress au lieu de travail .
4. On élabore les processus de réalisation et de légalisation des méthodes, qui permettent la diminution de la manifestation du stress au lieu de travail.
5. On obtient des témoignages que les programmes de formation qui entrent dans le domaine du management du stress au lieu de travail, influencent d'une manière rapide la situation financière de la corporation, et augmentent le degrés de satisfaction des employés pour le travail fournie.

On doit mentionner que, l'opinion de la majorité des chercheurs et des pratiquants, se réduit de plus en plus au fait que la plus importante tâche de nos jours c'est "la production". Pour résoudre ce problème on emploie le système d'appréciation du stress professionnel, qui tient compte de quelques niveaux de manifestation de stress dans la société.

Chacun d'entre eux a un type de stress ou des "inducteurs" d'état de stress, pour chaque type d'inducteur on propose quelques types d'interventions des "réducteurs".

Groupés dans des catégories formelles et informelles, ils permettent la détermination du volume nécessaire aux mesures de contrôle personnelles ou organisationnelles par rapport avec les potentielles réactions d'adaptation.

LE MANAGEMENT DES CHANGEMENTS ORGANISATIONNELS

Il faut préciser qu'on a élaboré une série de mesures d'élaboration consultatives en ce qui concerne la diminution des niveaux d'évolution des situations de stress dans le rang des employés .

Les consultations prévoient l'emploi des méthodes d'identification "des inducteurs" du stress au lieu de travail (une tâche trop grande, des situations de conflit imprévues), des méthodes ergonomiques au lieu de travail qui prévoient la diminution de l'influence ou l'exclusion totale des inducteurs qui identifient le stress. L'avantage de cette approche permet la découverte des sources de stress au lieu de travail. Dans le même temps, les managers sentent le déconfort, parce qu'une telle méthodologie peut amener des changements dans les opérations traditionnelles, avec la modification du système déjà utilisé dans le domaine de la production.

Comme règle, quelques actions faites dans la direction de l'augmentation du niveau de stress au lieu de travail conduisent aux changements organisationnels pour améliorer les conditions de travail. Ces changements prévoient:

- l'établissement de la tâche pour l'employé en conformité avec ses capacités et ses ressources;
- la perfection de l'ergonomie au lieu de travail, permet l'assurance de la stimulation et la facilitation de démontrer les capacités;
- la détermination du rôle de l'employé dans le processus du travail, et l'établissement de ses responsabilités;
- la possibilité de l'ouvrier de participer aux réunions et à la prise de décisions
- l'amélioration de la communication, en excluant la méfiance
- assurer le soutien pour résoudre les rapports sociaux entre collègues
- l'organisation des cours de réqualification, compatibles avec les possibilités et avec la responsabilité de l'employé.

Même les efforts faits pour améliorer les conditions de travail, ne peuvent pas exclure le stress en totalité. À cause de cela, la méthode la plus efficace est considérée comme une approche combinée.

LE MANAGEMENT COMBINÉ POUR PRÉVENIR LE STRESS AU LIEU DE TRAVAIL

À présent, il manque le management standard, qui doit montrer la manière de prévenir l'état de stress au lieu de travail. L'élaboration d'un tel programme et la prise des décisions correspondantes, sont influencés par quelques facteurs: les dimensions et la complexité de l'organisation, l'accès aux ressources et spécialement l'unicité du problème de stress. Comme règle on mentionne la suprasollicitation de l'employé, le manque de communication et de la flexibilité. Même s'il y a des difficultés dans l'élaboration des mesures universelles sur le stress au lieu de travail, on peut résoudre ça avec un paquet qui doit inclure des principes sur la conduite. Un tel paquet suppose l'emploi d'un programme de management pour combattre le stress, comme suit:

La première étape: Identifier le problème.

À cette étape on étudie les limites des situations de stress et, on analyse aussi, les sources du stress. Dans le même temps, on étudie les dimensions de l'organisation et l'accès aux ressources de travail. Dans les petites compagnies, on discute de ce problème du stress (des discussions entre les managers de la compagnie et les représentants des employés) pour prendre des informations sur les facteurs qui provoquent le stress. Dans des organisations ce type de débat pourrait être utilisé pour apporter des informations sur les conditions qui provoquent le stress.

N'importe quelle méthode employée, l'information doit inclure les caractéristiques de tours de travail, des dates sur le niveau du stress, que les ouvriers confrontent; l'état de leur santé et le degré de satisfaction de travail fourni. Le guide d'orientation des spécialistes dans le domaine du management est constitué par les conditions suivantes de travail, que l'apparition du stress emporte :

- la nature de la tâche de travail (l'enceinte, une courte pause, le prolongement des heures supplémentaire de travail, l'agitation et la routine dans l'abordation des problèmes ont pour conséquence l'insuffisance du temps pour trouver la solution ce qui n'est pas nécessaire au professionnalisme de l'employé.
- le style de management (manque de liberté de l'ouvrier à la prise de décision. le manque de communication dans le processus d'organisation du travail)

- les relations entre ouvriers (l'environnement social défavorable, le manque de soutien, le manque de compréhension)
- le facteur de travail (des conflits et l'indétermination (des conflits, manque de détermination pour la résolution de leurs problèmes de travail, un haut niveau de responsabilité)
- le problème de la carrière (des conditions dangereuses de travail, l'aide d'avancement dans leurs carrières)
- -les conditions dans l'environnement de travail (des conditions physiques défavorables et dangereuses, ainsi que l'agglomération dans l'entreprise, la pollution de l'air).

Les résultats issus des enquêtes et des observations doivent être analysés avec la formation de la réponse (dans cette compagnie il y a des problèmes de stress au lieu de travail, quelle est le degré d'inclusion à ce problème dans des différentes sections de travail).

La deuxième étape: la réalisation des interventions

Après la découverte du stress au lieu de travail, il faut essayer d'étudier son champ d'action. Cette étape élabore des stratégies d'intervention pour prévenir les conditions du stress dans les petites entreprises. La discussion sur l'identification de problème de stress peut conduire l'idée de liquidation de stress et la prévoyance de son développement.

Dans les grandes entreprises le management de stress peut être formel parce qu'ici il pourrait apparaître la nécessité dans l'élaboration des recommandations basées sur l'analyse effectuée des données de la première étape du management et l'obtention d'une consultation faite par des experts externes.

En dehors de cela, il pourrait apparaître une telle situation: l'un des inducteurs de stress, par exemple l'état de tension dans l'environnement de travail se développe dans tous les compagnies, alors, dans ce cas, il est nécessaire d'avoir une large information.

Si un tel facteur est dépisté dans une subdivision séparée, il faut prendre une décision concrète sur la révision du processus de travail. Si l'état de stress est observé, l'intervention se fait sous forme de modification organisationnelle du lieu de travail, pour accorder l'aide psychologique nécessaire.

Il n'est pas nécessaire de prendre beaucoup de temps pour effectuer une série d'interventions, ainsi que, la réalisation des mesures peut être effectuée rapidement. En ce qui concerne ce type d'intervention on peut aussi rapporter le perfectionnement des méthodes de communication, effectuer des formations.

La troisième étape: L'interprétation des résultats des interventions

Une telle appréciation n'est pas nécessaire pour établir l'effet des résultats obtenus à la réalisation du programme de management du stress et pour la détermination des lieux inévitables,

Pour effectuer cette analyse, on doit établir un temps limite pour la recherche des lieux du travail et de l'enquête des employés parce qu'il y a des interventions qui prévoient d'effectuer des modifications organisationnelles différentes, la recherche doit avoir un caractère de courte ou de longue durée.

L'appréciation des résultats de courte durée peut être effectuée par trimestre ce qui assurera la dépistation du premier effet à la réalisation du programme de prévention du stress et donnera la possibilité d'effectuer la correction des mesures suivantes sur le management du stress.

Si on tient compte du fait que des types d'interventions ont un effet insignifiantes (les études de longue durée effectuées à chaque année) nous permettent d'établir l'efficacité réelle des programmes de prévoyance et l'exclusion du stress au lieu du travail.

Dans ce cas, les recherches doivent être focalisées sur la communication et sur l'analyse des informations similaires.

Les deux (2) premières étapes du programme de management du stress dans ce plan on doit mentionner le fait que les employés se sont soumis à la mission de prévoyance à l'action du stress: ils sont les premiers à observer les effets de l'intervention.

La détermination des dépenses au niveau de la compagnie peut être utilisée pour renforcer l'intérêt des employés sur le travail et sur le maintien de leur santé. Ceci démontre que le stress au lieu du travail occupe petit à petit le droit d'appeler le syndrome du XXI siècle.

On suppose que ce problème va aussi continuer dans les entreprises Roumaine .Pour accorder l'attention au problème du stress au lieu de travail, on peut considerer,de justifier et opportuner.Il reste a anticiper la processus de résolution du problème et la fixation du temps raisonable au niveau du seuil et l'effet négatif commençant avec l'introduction des situations de stress ,nécessiteront l'emploie des différents méthodes de management ,leurs descriptions a ètè donnée ci dessus.Les interrogations seront a l'ordre du jours pour les manageurs autohtons de haut niveaux :<que faire?>Partialement cette réponse est représentée ci dèssus . Une autre question traditionnelle pour la Roumanie est *qui est coupable?*qui pourra être mise au cas où la mesure préventive ne sera pas prise.,les hopitaux seront pleins d'ouvriers affectés du stress .

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THE ROLE AND IMPORTANCE OF MANAGERIAL GAMES IN IMPROVING THE COMPANY'S MANAGEMENT

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Managerial games were created in order to test the abilities, the decision capacity and the degree of reaction under risk conditions of those who took part in such activities. By means of these simulations the managers or the managerial teams subject to test, get in touch with a real working environment, based on all the data, reports and working situations of two or more firms situated on competitive positions. After learning the rules of the game, each participant has to put into practice all the strategies he knows in order to place the firm he manages on the first place of the managerial top.

Key words (strategy, simulation, knowledge)

The transition to the market economy, as well as the changes at the macroeconomic level, generated by Romania's accession to the European Union have led to certain transformations of the competitive environment and, implicitly to the adaptation of the organizational management to the new requirements. Thus, most of the Romanian organizations, in order to meet the external and internal market demands, either adopted a series of international managerial strategies, reported to the internal economic environment and activity profile, or they chose an internal reorganization and the change of management, style and vision.

The creation and development of international organizations for different market shares in Romania have influenced the competitive environment emphasizing thus the need to elaborate a global economic strategy that should envisage a mission adapted to the future type of economy, a clear definition of the fundamental economic objectives leading to a balance of the macroeconomic indicators' evolution, GDP, productivity, inflation rate, budgetary deficit, unemployment rate, technological development as well as a constant economic-fiscal policy that should ensure internal resources, borrowed or brought, necessary for the development.

The emphasized international tendency of globalization has led to the change of vision and to the reorientation of internal resources of national and international firms, a stronger emphasis being on the development and improvement of the human resource, transforming thus knowledge in competitive advantage, being supported at the same time by technological progress and innovation. Organizations functioning on the competitive market and coming with their own strategy, either for a new market share, for the promotion of a new product or a price policy eventually tend to overlap which leads to the long-term reorientation of set managerial objectives.

At present, in order to be an honest competitor on the market you need to be strongly balanced, know and correctly assess the micro and macro evolution of the environment where you develop your activity and to have all financial resources necessary to meet your objectives.

Managerial simulation is a procedure that allows, on the one hand, the testing, assessment and manipulation of a real system, without a direct action on it and, on the other hand it has a great number of models describing the existent relations between the system components offering the possibility to change parameters and study the effects produced on data. The most important characteristic of simulation is the time compression so that the manager can observe in a short period of time the long-term effect of the taken decisions. The managerial simulation is used only for typical managerial situations that are produced repeatedly, being a model created out of the implied variables that reproduce the decisional mechanism afferent to the respective situation.

For the elaboration of a managerial game one should start from the delimitation of the typical decisional situation, stage realized by the collection and analysis of all the necessary information, the identification and evaluation of the implied variables, which can be managerial, economic, technical, necessary for the

setting of the decisional model afferent to the managerial situation, the decisive role being the elaboration and testing of the information programs that allow the operationalization of the chosen model.

The efforts for the projection and use of managerial games had as a purpose the training and specialization of managers of different field of activity. The larger the applicability area of managerial games is, fusing with other fields of present interest, the greater the managers' performance will be. I consider that it is absolutely necessary that any manager who wants to develop his activity in accordance with demands of the competitive market, being flexible to the changes of the business environment, to improve his knowledge, skills level, testing by means of the managerial simulation the possibility of meeting the set objectives.

The advantages of simulation or managerial games can be synthesized as follows:

The development of managerial and professional skills and knowledge

- a) **The consolidation of training** – tendency accomplished by the fact that, within simulations, participants have to apply theoretical knowledge previously acquired.
- b) **The development of some integrated functional perspectives** – this objective is strongly connected with the first one and represents a transition to the applied of the theoretical concepts on the functional organization.
- c) **The improvement of the decision capacity** - the period from information to the decision-taking is for simulations longer than in real life. Therefore, the participants will carefully analyze the typical situations they are placed in, knowing in the future similar situations how to act. Trying the simulation of the real environment, the games introduce a random element, characteristic for daily life, element that the competitors should take into account when taking their decision.

Improving the professional and managerial behavioral skills

This objective was introduced by the tradition of social sciences and had a great impact on the managerial training. The solving of the following problems is viewed: the fact that most individuals are aware of their image in the eyes of the others and do not notice the social-psychological and not intellectual character of the skills which are necessary for team work.

The motivation of participants and team work

The satisfactions resulted from this process are generally psychological. In many cases the specifications for well-known games are not of the type “it is viewed for the participants to learn X, but it is rather viewed for the participants to feel good working together.

The tendencies that can be mentioned regarding the simulations development within the present context are generally the consequence of the learning methods evolution, of the new educations. We mention some of the main defiance of the surrounding environment at the beginning of the third millennium:

- the transition from penury to the richness of supply ;
- the increase of the market role in the economic development of companies and national economies;
- the acceleration of technological changes;
- the general growth of productivity.

Approaching the problem of the real environment evolution closer to the economic model, there can be noticed the exponential increase of the number of variables explaining the phenomena that appear

Taking into account these tendencies, simulations, as a training method, are more and more used in academic environments, registering some tendencies in their development:

- the emphasis of the realist character
- the extension of computer games;
- the proliferation of interactive, complex, participative simulations

- The diversification of the game range depending on the target-participants. ⁴⁴

Within this sustainable development, we will retain as an important element the transition to computer games and its consequences. In an internet article, Fox McManus⁴⁵ from Texas describes two major advantages of the use of internet in the training programme:

- in this environment the advantages of all communication channels can be combined (writing, sound, video) and resources can be shared between different users;
- The immense stocking activity can lead to the creation of large information resources. Internet is by far that greatest information basis, easily accessible and usable for different purposes.

Managerial games are those products requiring the participants to face situations where they have to apply different management functions. According to the definition given by Henry Fayol the management process is an exercise of the functions of “prevision, planning, organization, command, coordination, and control”. The framework created by this definition is a large one

The framework created by the definition is a large one, the category of computer games comprising a diversity of games. Company games can be seen as a subclass of management games; the restriction being imposed here refers to the environment. Company games are games in which participants practice management functions, but within a simulated company. This supposes the contact with an informational material typical to that a company’s management has access to, depending on its hierarchical level. The games for the companies with Anglo-Saxon accounting systems deal with balance sheets and profit and loss accounts. The decisions specific to this type of game have a high quantitative character, related to elements such as: price, quality, advertisement, distribution.

Historically speaking, company games have been used as didactic tool before the boom in the PC industry. In 1965, in the American universities there was circulating a totally manual simulation called The Small Business Management Exercise. Within this type of simulation the participants took decisions for the company’s management and the manager decided what happened according to some charts and some simple arithmetical correlations. In the specialists’ opinion, the game accomplished successfully its mission: that of showing the participants what real management meant.⁴⁶ The practicing of this game was not at hand for anybody but it supposed a previous reading of the game instruction book, an economically-oriented thinking and some preliminary adaptation rounds. One of the strengths of this game is transparency. The manager can justify his decisions by commentaries like “There has been a disparity between your product’s quality and the required price. In this situation, the benefits of publicity are reduced as you do not promote a credible product.”⁴⁷

A game similar to that described previously and that is still used within the Academy of Economic Studies of Bucharest is CORAV (mini game of a company’s activities correlation). CORAV is a market game where the participants, 3-6 enterprises compete on two generic markets: internal and external. The elements of the game refer only to the processes of the exporting products, not taking into account the production for the internal market.

Computer company games are nowadays used as didactic tools. Their development is due the modern technology, to the spread of PCs and to their important role in the current processes in any field of activity. Any computer game is based on numbers and rules, which represent the basis of the electronic computer; as a result, problems have to be formulated specifically in order to be programmed. The essence of any computer simulation is the mathematical model; in the case of company games we will approach the mathematic-economic model as way of transposing the economic realities in programmable mathematic equations. Most of the times, in order to accurately present the economic reality, the complexity of models is so high that participants cannot completely comprehend all viewed relations. As a result, company games face a certain resistance from the public to whom they address.

⁴⁴ Nicolescu, Ovidiu, Radu Ioan,- SIMACO - Cartea jucătorului – Editura Economică, București, 2007

⁴⁵ <http://ccwf.cc.utexas.edu/~mciTianus/wbi.html>

⁴⁶ Elgood, Chris – Computer – Controlled Business Simulations – Training Officer Magazine, martie 1998, vol.34, nr. 2;

⁴⁷ Elgood, Chris – Handbook of Management Games and Simulations, 6th Edition, ed Gower Publishing Limited, UK, 1998, p.21.

The main reasons of resistance are:

- their tendency to bring forward quantitative elements on accounting and which seem sterile to the participants;
- their complexity makes the learning process they facilitate not very transparent to the participants; many times there are involved decisional variables whose causal connection is not easy to foresee;
- the results generated by the computer for the support of participants make them no longer concerned with additional checking.
- the equipments are either not always available, or not easy to handle.

Alternative uses of a company computer game can be:

- the use for the team development;
- the use for the introduction and familiarization of certain technologies;
- the use connected to prestige, that is the people faced with a complex simulation, not to solve it but to show that they are considered able of this attempt;
- the use related to insecurity conditions;
- the use associated to the acknowledgement of future possibilities.

After a research process in the business simulations field on the internet, there has been determined that there are two major types of offers in this field, the first offering simulations on demand, dedicated soft and the latter under the form of prefabricated.

Those offering simulations on demand are generally managerial consultancy firms whose services have in view the staff training with the modern management principles. Given the diversity of domains, of the necessary knowledge, of the objectives to meet by means of the created soft, the consultants go to the subject's company in order to investigate the situation. The projected programs are tailored on what already exists in the company according to the direction of evolution. In the case of prefabricated there are games already created and destined for universities.

Computer company general systems are used in economic universities. Management faculties are their main beneficiaries as the declared objective generally aims an introduction in the field and a familiarization with the main decisional variables and the correlations between them. Companies' employees requiring training have already gone beyond the global vision and prefer a more specialized training.

In Romania, the well-known universities rarely use managerial simulations. The management is interested in purchasing this type of products, but the supply is reduced. The games should imply more the use of computers as an analysis tool and even of the internet. Only this way there can be realized simulations between geographically distributed teams, similar to the competitions between universities.

As they need to specialize their staff Romanian companies appeal most of the times to the foreign consultants concerned with the conception of simulations from an economic point of view, so that they can meet the set objectives. As a consequence, the development of simulations can be a good opportunity on the Romanian market. They address mainly to the academic environment and aim the acquirement of basic knowledge on the market influencing means.

Among the internationally and nationally representative managerial games there are "SIMACO", "Prelem XXI 2003", "S.S.A.F.", "S.P.A.F." and "The Simulation of the distribution chain management". At present there isn't any simulation of the financial organization management, this economic field being somehow avoided because of the complexity of the developed activity, of the restrictions imposed by the access to information and to the continuous changes in the competition field. Therefore, the more inviting to approach and to simulate the managerial process of these organizations is, the more expanding they are.

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THE NEED FOR HIGH QUALIFIED LABOR FORCE IN THE PRIVATE FIRMS FROM ORADEA

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This article presents the results of a survey conducted with randomly sampled representatives from 660 firms from Bihor, aimed at supporting the academic institutions to develop their educational programs as to address the educational needs for the private sector. The study presents in the first section the structure of the human resources of private firms from Bihor County and a prognosis of the need for higher education qualifications from the following period. In the second section we assess the quality of the human resources provided by University of Oradea.

Keywords: labor market, prognosis, training needs analysis, quality, educational services planning

Introduction

The Romanian higher education institutions are increasingly forced to take into account the needs from the labor market when planning the educational services. We can talk about the devalorization of the certifications, due both to their inflation and also to their decrease utility compared to the competencies and abilities needed at working places in the knowledge society. On the other hand, the European employment policy, as part of its social policy, imposes the correlation of educational offer to the signals from the labor market (Prisăcaru, 2004). University of Oradea has to face these pressures, and our article addresses these needs by achieving three objectives which can help at planning a complete educational offer:

- description of the structure of human resources of private firms from Bihor County,
- prognosis of the need of higher education qualifications for a the near future,
- evaluation of the quality of human resources provided by University of Oradea for the private sector employers.

Data and method

The findings of this study have as basis data from a survey conducted in March – May 2008, on a random sample of firms form Bihor County. The sample consisted of 489 firms from Oradea, 142 firms from other towns in the County and 29 firms from the rural areas. The survey is part of the project: “Careers. Guidance, mediation and professional training center for young people from Bihor County”, nr. nr. PHARE 2005/017-553.04.02.01.01.601, in which University of Oradea, Faculty of Social Science is partner.

The sample

Comparing the two sets of data one can notice an overrepresentation of firms from the commercial sector, distortion which is counterbalanced partly by the under-representation of service firms. Added to the sampling biases, the differences can be also explained by the errors in the identification of the correct main domain of activity or to some changes in this domain from the one officially registered. The data correction by domain of activity, by simple mathematical reduction of firms with commercial activity, show that all the sampling biases can be reduced to overrepresentation of firms with commercial activity.

Table 1. the sample structure on domain of activity

	Number in the sample	Percentage in the sample	Percentage in Bihor County	Ponderated percentage
commerce	392	64,9	43,9	47,8

services	99	16,4	25,2	24,1
constructions	32	5,3	7,1	7,8
another domain	30	5,0		7,3
light industry	22	3,6	6,9	5,4
transport	16	2,6	8,3	3,9
heavy industry	6	1,0	3,5	1,5
agriculture	5	0,8	2,7	1,2
agro-industrial	2	0,3	2,4	0,5
Total	604	100	100	

Structure of human resources in private business from Bihor County

The structure of labor market and local economy can not be judged only on the basis of frequency of organizations declaring a certain type of activity, knowing that the firms from industrial domain are generally larger than the ones in commerce. Large firms, with more employees, even if are less in number, occupy important segments of labor force. Our data show that, indeed, the majority of firms in the heavy industry have over 30 employees, while those in commerce have less than 10.

Table 2. Firms from Bihor County on domain of activity and number employees

	less than 10 employees	between 10-49 employees	between 50-249 employees	over 250 employees
agriculture	60,0	20,0	20,0	,0
constructions	40,6	40,6	18,8	,0
heavy industry	,0	16,7	83,3	,0
light industry	13,6	27,3	45,5	13,6
transport	33,3	26,7	26,7	13,3
commerce	74,0	20,8	3,4	1,8
services	64,3	25,5	6,1	4,1
agro-industry	50,0	50,0	,0	,0
other	55,2	31,0	6,9	6,9

The interesting results are those regarding the profile of human resources of private enterprises from Bihor County. One can note that, depending on the weight of the four levels of education considered (see figure 1), we can identify certain particularities. Thus, firms from light industry have over 50% of the employees non-qualified, while those in heavy industry have a significant percentage of higher educated personnel, and those from agro-industrial sector employ an important number of professional school graduates.

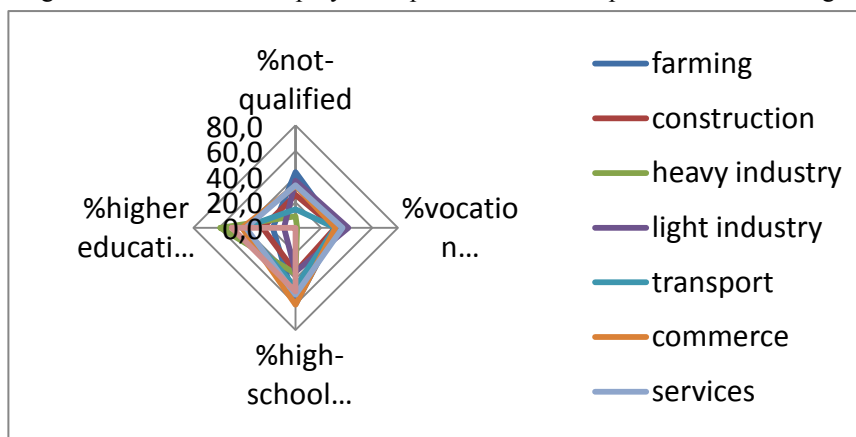


Figure 1. The profile of human resources of Bihor firms

People who graduated high-school and vocational schools are the ones that participate the most at different training courses. This situation can be explained by several aspects: they are the best represented category (at least high-school graduates); accreditations obtained do not guarantee the vocational training required; they are employed for long term, the investment in human capital being thus profitable.

The prognosis of need of higher educated personnel

The majority of firm representatives consider that they will increase the number of employees in the future years, which prove also some amount of optimism regarding the local business sector. The most needed are the high school graduates, followed by those graduating vocational schools and those from higher educational programs. From this last group, the economists and engineers will be most wanted.

Figure 2. Prognoses regarding the number of personnel

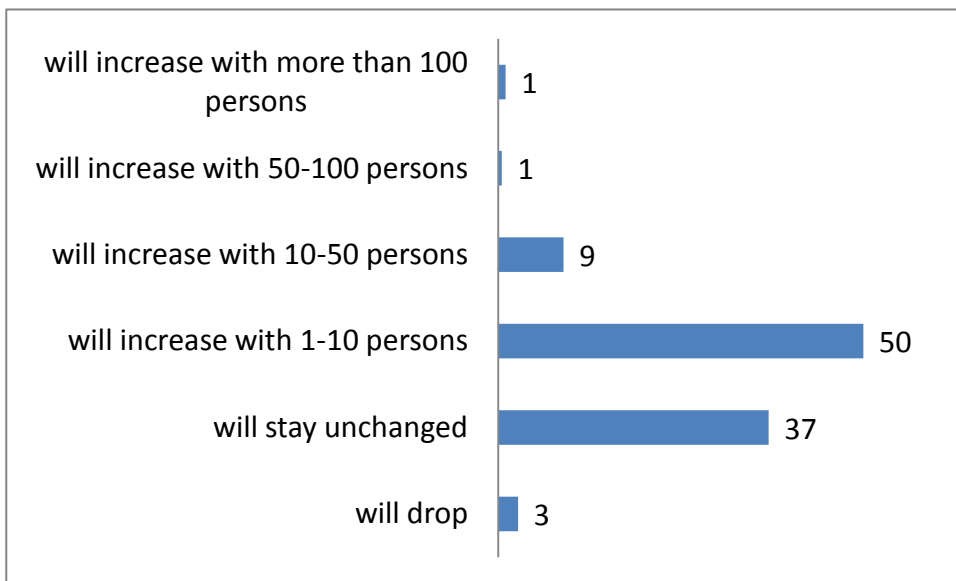


Table 3. Highly educated specialists needed by the firms from Bihor County

	N
Engineers	205
Law counselors	27
Economists	274
Doctors	7
Computer specialists	38
sociologists, social workers	10
Psychologists	2
Public officers	56
other	41

Our data prove the fact that, at least on behalf of the private sector, the need of university degrees will be still very high, even increasing. Given the needs from the public sector and from the non-governmental sector we record a strong demand. University of Oradea has to be prepared to answer this demand.

Regarding the recruitment tools and mechanisms, personal connections are still the most efficient technique for identification and acquisition of a working place – generally valid situation (see Granovetter. 1995). In order to maximize the orientation chances on the labor market, students have to be put in contact with the economic sector since their student hood (through practical training in the field, volunteering and the forms of social participation, internships).

The evaluation of University of Oradea graduates

From the firms in our sample, 266 have as employees' graduates from University of Oradea. The mean number of them is of 6.7. The majority (86%) consider the professional training of these employees as good or very good. It is worrisome though that at the question where they had to identify the weak competencies of their employees which graduated University of Oradea they list technical and field related competencies.

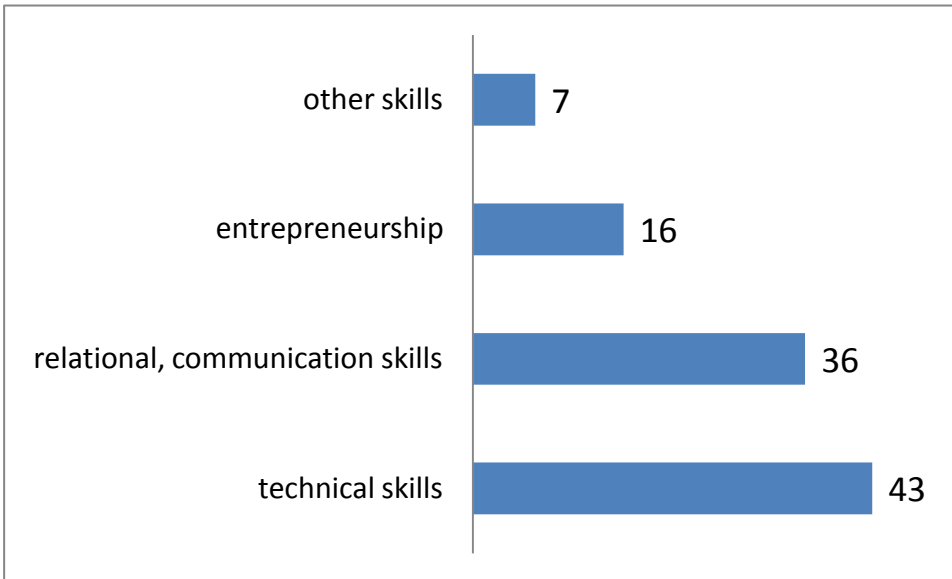


Figure 3. Which are the competencies that your employees who graduated University of Oradea lack? (%)

This critical judgment regarding the competencies and abilities regarding their field impose a re-evaluation of the contents of educational programs in the direction of their harmonization with the technical and applied needs of contemporary professions.

Limits

Our research has a few limits that can not be ignored. Thus the validity of our conclusions is affected by the lack of comparative data – regional or longitudinal. Consequently, in the presentation of our data we can not talk about trends or about the situation of human resources from our County in an area of regional comparisons. On the other hand, the lack of data from public sector and those regarding NGOs make the image we have on the labor market and possible tends to be only partial.

Conclusions

Regarding the evolution of labor market and their effects on planning of the educational offer from University of Oradea can be focused on at least three aspects:

- the optimism of business sector which forecast a higher demand of labor force,
- the demand in higher qualified labor force will be still very important, with an advantage for engineers and economists (on behalf of private sector),

- there is a concrete need for evaluation and reorganization of educational programs on behalf of University of Oradea.

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THE CONFIGURATION OF THE ROMANIAN CONCEPTS ENTREPRENEUR AND MANAGER IN FRONT OF THE EUROPEANIZATION

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Summary

In the context of the new type of economy, as a result of the European integration and of the striking necessity to increase the adjustment's capacity of the Romanian enterprises to the exigencies of the social-economical environment, one of the problems which must be solved is, without doubt, the transition from the model of the good manager, executor of the received tasks from the superior hierarchical levels and directed especially to the administration of the current problems- widely, product of the totalitarian system- to the model of the dynamic and prospective manager, with capacity to observe and to anticipate the changes, to plan the actions which must be undertaken to realize them or to come across them, but also to stimulate and to activate the others members of the organization with power of decision..

Key words: entrepreneur, manager, european integration.

Taking into consideration the behavior in the existent business practices on the unique European market, the entrepreneur is different in many aspects from the manager. We can say that all the entrepreneurs are managers, meaning that they should control their own business, but not all the managers are also entrepreneurs. This happens because the big companies became very structured, with strict rules, necessary to control some entities of such dimension. The little companies have not these problems.

A business of success represents the transformation of the work, of the imagination, of the risk and of the entrepreneur's capital in profit. Firstly, the businesses are formed in our imagination and then, these are transposed in the real world, which is more complex, and presupposes the projection of all the factors in order to realize the business's profitableness.

If a manager is responsible only for an aspect related to a specific function, the entrepreneur is responsible for the entire business.

The entrepreneur differs from the manager also from the point of view of the behavior in all the activity's spheres of the business. He has the exploitation tendency of the existent opportunities in his business' environment, without being constrained by the resources availability.

To be entrepreneur supposes a distinct prevision sense, a certain attitude regarding the carried up activity and also the unique responsibilities.

As far as the *strategic orientation* is concerned, it is a business dimension which tackles the factors which leads to the company's strategy elaboration. This orientation is determined by the opportunity's fructification manner, and it should be assumed by the Romanian managers.

The entrepreneur has the exploitation tendency of the existent opportunities in his business' environment, without being constrained by the resources' availability.

Even he recognizes the necessity of opportunities' fructification; firstly, the manager focuses on the utilization manner of the available resources and those he can control.

This dimension points out one of the main characteristic of the entrepreneur- the creativity, innovator spirit.

Consequently, the Romanian manager will be efficient when he has a strategic vision regarding the phenomena and the processes which develop inside and outside the company and he is preoccupied by its future, manifests a great receptivity in front of the new and interest for the authentic, professional and moral values, he has the realistic evaluation capacity of the situation in which the company is, but he has also the capacity to stimulate the employees' confidence and their attachment for the company.

In other words, the manager is efficient when he proves a strategic vocation and an enterprising spirit, based on initiative, competitiveness and risk's accepting, but also on information, intuition and talent.

To be a good strategist, a company manager has to stimulate himself to develop his talents and to improve his abilities in the following directions:

- the thought's originality, expressed by the capacity to interpret the external world's evolution;
- sensibility, to realize the collaborators, consummators' expectations;
- the capacity of selection, respectively to memorize the most important events, the "key" opportunities and the main dangers;
- the capacity to adapt to change, respectively to think in a constructive manner, using the transformation and anticipating the situations' modification that can supervene;
- concentration and perseverance to achieve a purpose, improving the vision on a long period.

Certainly, the reunion of all these qualities depends on the personality and the characteristics of the manager, but firstly on his professionalism level, on his availability to acquire new knowledge and managerial abilities, to develop a strategic thinking, all these representing demands and exigencies very important to which the managers has to answer to assure a realistic perspective orientation of the companies and an efficient administration of their activity.

I also consider that in situations of incertitude and rapid mutations of the business environment from Romania, is impossible to surprise everything (technological breaches, the new competitors' entrances, the clients' pressures, state' interventions etc.) through formal analysis techniques, and the strategic "rationality" is not sufficient. To this is attached the difficulty to come on the unique European market.

It has to be duplicated, so it has been shown by the experience of the countries members of the EU, by the managers' intuition and creativeness, by their imagination and vision regarding the evolution of a phenomenon or of another and of the company that they administrate.

These qualities represent the binder that maintains the organization cohesion, helps it to formulate itself and to implement coherent strategies, to increase its flexibility and to adept successfully to change.

Another element that differentiates the entrepreneur by the manager is the opportunity's fructification, its exploitation degree.

The entrepreneur wants to profit rapidly of the appeared opportunity, on a short period of time, in a manner almost revolutionary. For this, it is considered that the entrepreneurs may assume exaggerate risks.

The manager engages himself in opportunities, on a long period of time, in a rhythm slower, progressive, but which can seem stationary.

The resources engagement distinguishes the two subjects of the economical activity. The entrepreneur engages himself in a multi-stage process of using the resources, with a reduced implication degree to each stage. They try to maximize the produced value, through the minimization of the resources volume implied, certainly, with the price to assume a bigger risk. The managers focus on the uni-stage utilization of the resources, with a great implication degree and only after a detailed evaluation.

Another factor which produces differences between the entrepreneurs and managers makes reference to the resources' control. The entrepreneur is the adept of the habitudes, talent and others' ideas use. He tries to use these resources in a proper manner.

In exchange, the manager wants to own the property and the resources' control or to employ the personnel necessary to realize the tasks. Firstly, he is interested in the efficient utilization of the resources that he possesses. With respect to the management structure, between the Romanian entrepreneurs and managers and those from EU, exist important differences.

The entrepreneur wants to know directly each domain of the business. The fact that he rents the necessary resources and he doesn't use the own employees, determines the development of an informal management structure.

On the other hand, the manager considers the management relations more formal, defining the specific rights and obligations assigned by the tasks' delegation.

This arises directly from the use of the resources and of the own employees. Some authors tried to make the distinction between entrepreneurs and managers, suggesting that it is impossible that a good entrepreneur to be also a good manager.

The entrepreneur is seen as an egocentric person, and, consequently, inefficient to manage. Nevertheless, although the managerial tasks are very different from those entrepreneurial, the managerial talent is essential.

The reward system is a new factor through which the entrepreneur differs from the manager. The entrepreneur focuses especially on the value creation and realization. Those who invested money in the business' setting up, they will want to recuperate them as quick as possible. As a result of the conception based on the value creation, the entrepreneurial companies tend to substantiate on performances the reward system- there, where the performance is closely connected to the value. The manager focuses less on the value maximization and distribution.

He takes into consideration, when he takes decisions, especially the protection of his position and the job's security. Firstly, the reward system is based on the individual responsibilities and on the performances referring to the objectives' realization, regarding the short-time profits. The rewards have the mission to stimulate the increase of the responsibility levels.

With the XX century, the entrepreneur became a synonym or at least associated with the free enterprise and capitalism. He is recognized as being an agent of the changing. The entrepreneur is a creative person, with innovator ideas of business, which contribute to the enterprise's increase and profitability.

The entrepreneurs are also those who are not necessary inventors or innovators, but persons who initiate a business, taking risks that normally, others don't take the liberty, with the object to realize the profit.

Some authors affirmed that the entrepreneurs are some adventurers, taking into the consideration the fact that they assume some risks that others wouldn't. For this reason, the risk is an important element in the entrepreneurial process.

Nevertheless, I think that the existent perception is wrong, because the majority of the entrepreneurs prepares and plans their actions. So, the entrepreneur doesn't search deliberately the risk and doesn't assume it inefficiently, but he doesn't have restraints when it is about risks that can be avoided. According to the economist Peter Drucker, the persons who need certitude, is less probable to be good entrepreneurs.

In all the entrepreneurial activities the decisions must to be taken for a purpose, and the essence of any decision is the incertitude. Conformable to the mentioned author, I consider that the incertitude, the doubt, the lack of persuasion lead to managerial failures and block the way towards excellence.

The incertitude and the doubt are the greatest enemies of the failures. The lack of persuasion presupposes the lack of a motivation, powerfully anchored in the belief to succeed in the prompt realization, at time and qualitative of the activities, objectives, and the appliance of new methodologies in the products' realization.

The Romanian entrepreneur can not manifest the necessary will to assure himself the success, only having the firm conviction that he will be successful in what he enterprises, always advances in the direction of his beliefs. He will realize only what he thinks he is capable to do.

There exists an extraordinary power in the conviction that you can realize what you proposed. Who has the bigger self confidence is released by the incertitude of his situation, even if this is insecure and it eliminates any incertitude for the future.

In other words, who is protected by his belief releases many of his fears and cares which can defeat those who don't have a sufficient belief in what they could realize. He can use freely his qualities, using them completely, at their entire value. Nobody can use entirely his qualities, when he lets him being surrounded by the troubles, incertitude, fear or hesitation.

Relating to the situation of the Romanian entrepreneurs, at the present, especially in the context of the European integration, I consider that they should learn that in a Market economy there is not only profit, but profit and loss, there is not only gain, but risk and gain, you should have a company's strategy, and to be entrepreneur supposes art, economical knowledge, intuition and style adequately to the circumstances of the ambient environment of the business. Therefore, the Romanian entrepreneur should have knowledge from each activity domain to built a successful activity, but in my opinion, for a business to be successful it should begin with the identification of the combination mode of the production's factors available: to identify the goods and services request and offer, to introduce the business on the respective market in function of the economical arguments, to calculate the breakeven, the managerial productiveness of the production's factors.

The decision to put in application a business in a Romanian economy anchored to the European integration's requests has to be taken with the entire comprehension of the implied risks and to find the solutions how to remove them. This thing relates the Romanian entrepreneur's intuition and flair.

In conclusion, the enterprise contains also a part of management. But the enterprise and the management aren't synonyms.

The enterprise presupposes a specific management, with its own concepts, purposes and methods.

The enterprise is based on the risk's administration, and not on its minimization, on the orientation towards opportunities, and not towards resources, on action, and not on the analysis, on an informal structure, flexible of management, and not on a formal one.

These characteristics derive from the specific features of the entrepreneur.

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“SUPPLY CHAIN MANAGEMENT OR ADAPTIVE BUSINESS NETWORK? – COORDINATION VERSUS COLLABORATION”

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Abstract: You are not the only company capable to create value for your clients. For making valuable products, for performing high standard services, one company is no longer enough in this new informational era, in this new needs era. Better business performing means now to satisfy more complex needs quicker than ever. Could one company face this challenge alone? Is there another way?

Collaboration may be the answer. Maybe the most well-known term when it comes to collaboration between companies is Supply Chain.

Why Supply Chain, why Supply Chain Management (SCM)?

This article presents the answers to these questions, but also presents different approaches regarding SCM: the logistics approach regarding supply chain management, the strategic approach, the new entrepreneurial approach, supply chain as a win-win game. New paradigms regarding collaboration appeared regarding business collaboration: Adaptive Business Network (ABN). Do these new concepts imply the dead of SCM? Or are they only a new wave in SCM terminology and business orientation?

Our conclusion is that these new approach is a normal change in business: businesses are made by people and people don't like to be conducted (managed). The old-fashioned SCM was based on a coordinator versus several obedients relation. It is absolutely normal to dream at freedom and to be not very efficient while you have to play after somebody else rules. ABN is in the other side of human relations and also business relations – it insists on partnering. Everybody is a part of a chain which has as its main goal customer satisfaction, has the right to make proposals, to negotiate, and to be a winner.

Of course, ABN appearance does not involve SCM disappearance, but change in how some chains are managed, in how some chains function. We shall see for the future if an organization with several brains is more successful.

Keywords: Supply Chain Management, Adaptive Business Network, Collaboration

Introduction

The goal of this article is to bring these new concepts into the light, making a short comparison with SCM.

The first part of this paper contains details regarding SCM, SCM well-known paradigms, SCM less known paradigms.

The second part is a presentation for a new business concept: Adaptive Business Network (ABN), making connections with the old paradigm, SCM.

Supply Chain Management

Supply Chain Management definitions and paradigms

The Council of Supply Chain Management Professionals (CSCMP) is the most well-known organization regarding Supply Chain Management. CSCMP was originally founded as the National Council of Physical Distribution Management (NCPDM) in January 1963. In 1985, recognizing the growing field of logistics, the association's focus broadened as it changed its name to the Council of

Logistics Management (CLM). It stayed that way until 2004 when CLM's Executive Committee voted to become CSCMP, effective in 2005⁴⁸.

CSCMP's definition for Supply Chain Management is the next one: Supply chain management encompasses the planning and management of all activities involved in sourcing and procurement, conversion, and all logistics management activities. Importantly, it also includes coordination and collaboration with channel partners, which can be suppliers, intermediaries, third party service providers, and customers. In essence, supply chain management integrates supply and demand management within and across companies.

Bowersox, Closs and Cooper's definition: Supply chain (sometimes called the value chain or demand chain) management consists of firms collaborating to leverage strategic positioning and to improve operating efficiency. For each firm involved, the supply chain relationship reflects strategic choice. A supply chain strategy is a channel arrangement based on acknowledged dependency and relationship management. Supply chain operations require managerial processes that span across functional areas within individual firms and link trading partners and customers across organizational boundaries [**Bowersox, Closs and Cooper: 2002: 5**].

Frazzelle defines the Supply Chain as the network of facilities (warehouses, factories, terminals, ports, stores, and homes), vehicles (trucks, trains, planes, and ocean vessels), and *logistics information systems* (LIS) connected by an enterprise's supplier's suppliers and its customer's customers. Logistics is what happens in the supply chain. Logistics activities (customer response, inventory management, supply, transportation, and warehousing) connect and activate the objects in the supply chain. To borrow a sports analogy, logistics is the game played in the supply chain arena – Frazzelle says [Frazzelle: 2002: 8].

The GSCF (Global Supply Chain Forum) defines supply chain management as "the integration of key business processes from end user through original suppliers that provides products, services, and information that add value for customers and other stakeholders"⁴⁹. There are now here presented four different definitions. CSCMP considers Supply Chain Management as the management of procurement, conversion and logistics activities (planning), but also the coordination of the channel partners. Bowersox and his colleagues underline the relational character of the channel partners. Frazzelle comes and says that logistics is the game played in a supply chain arena. The final definition spreads out the area of the Supply Chain Management and identifies the subject of the Supply Chain Management as all the key business processes which add value for the stakeholders (including here the customers too). Now that we have met the paradox, there is a chance to make some improvements. But this paradox exists already for several years. We can say that these are not paradoxes, but paradigms.

⁴⁸ Their history from www.cscmp.org, page accessed at 15.05.2007.

⁴⁹ Considering their site: <http://www.fisher.osu.edu/centers/scm/research-publications/scm>, accessed at 15.05.2007.

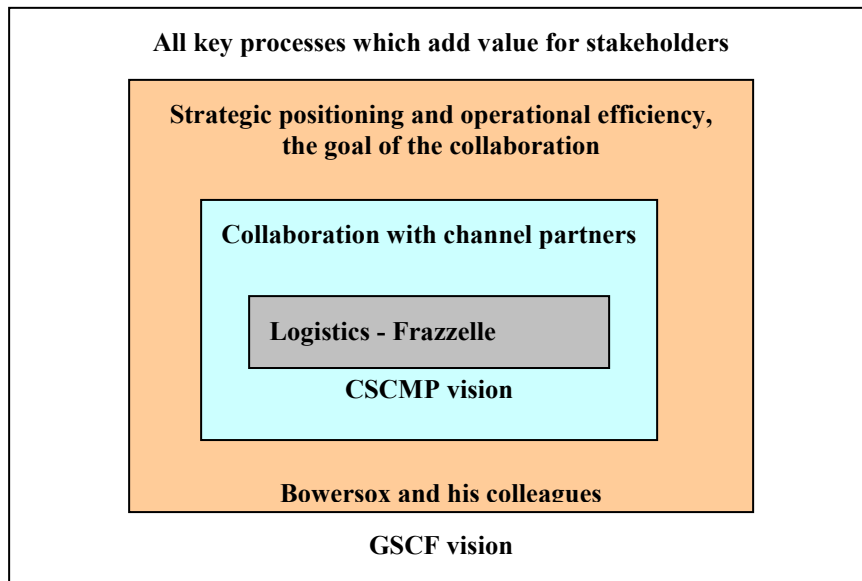


Figure 1: Four paradigms regarding Supply Chain Management

We cannot say that there are bad or good paradigms, but the lenses that you use to see the world will tell you the problems, the solutions for these problems. But a paradigm is as lenses are. Frazzelle tries to solve logistics problems saying that these are Supply Chain Management problems, CSCMP will focus also on collaboration problems, Bowersox will solve also strategic problems related to the Supply Chain, while GSCF will try to improve the performance of the Supply Chain processes, comprising logistics, collaboration, strategies, but thinking at all stakeholders affected by these processes.

Describing the history of the Supply Chain Management, Delfmann and Albers [Delfmann&Albers: 2001] identified several paradigms for this notion, but also identified the main goals and objectives of the Supply Chain Management.

They identify four Supply Chain Management paradigms, some of them similar to the previous paradigms remembered before in this this paper:

1. **The functional chain awareness school** (Houlihan's definition from 1988): "Supply Chain Management covers the flow of goods from supplier through manufacturer and distributor to the end user";
2. **The linkage / logistics school** (Turner's definition: "SCM is a technique that looks at all the links in the chain from raw material suppliers through various level of manufacturing to warehousing and distribution to the final customer.");
3. **The information school** (Johannsson's definition: "SCM requires all participant of the supply chain to be properly informed. With SCM, the linkage and information flows between various members of the supply chain are critical to overall performance";
4. **The integration / process school** (Lambert's definition): "The integration of business processes across the supply chain is what we are calling SCM".

While the first paradigm makes the link with the Porter value chain, the second focuses on logistics activities inside supply chain, the third focuses on information transfer between channel participants, while integration is the subject of the fourth paradigm.

Why supply chains? Why Supply Chain Management?

Oliver and Weber [Delfmann & Albers : 2001 : 11, Woxenius: 1998: 58] introduced the idea of Supply-Chain-Management. They motivate this evolution [Delfmann & Albers : 2001 :8, accordingly to Oliver, K., Webber, M., *Supply-chain management: logistics catches up with strategy in: Logistics. The strategic issues*, Christopher, Martin, Chapman&Hall, Londra, 1992, pag. 63-75]: "What were hitherto considered

„mere’ logistics problems have now emerged as much more significant issues of strategic management... We needed a new perspective and, following from it, a new approach: Supply Chain Management.”

Considering this motivation, we can say that Supply Chain Management can never be considered as the management of the logistics of the supply chain. The new paradigm which occurred after logistics integration has a strategic feature with no doubt. Of course, the opinions may vary, as we saw for example Frazzelle considers only logistics to be the game played in the supply chain.

Why Supply Chain Management?

We can say that we see things thinking at the benefits one thing could bring to us. Because there is a chance to improve logistics performance more than this was made through logistics integration at firms level, because there is a chance to improve the chain participants’ performances through information sharing more than it was possible at firms level or just because collaboration at processes level means possible better performance for each company.

Delfmann and Albers also identify the main advantage that Supply Chain Management could bring to a chain, to a value chain, if we take into account the Porter’s paradigm.

Bowersox and his colleagues focuses on the logistical main advantage of a supply chain approach [**Bowersox, Closs and Cooper: 2002: 5**]. They say that the six-sigma errors level is present for actual businesses. Perfect timing at the perfect location, the right in good state product for the right quantity is no longer an impossible logistics dream. It is no longer a dream, it is the usual customer expectation, and it is a standard, even with lower costs. This is what they call the “supply chain revolution”.

1.3. New Supply Chain Management paradigms

1.3.1. SCM as an innovation

A very interesting paradigm regarding SCM is to see it as an innovation. Saad and his collaborators [**Saad, Jones&James: 2002: 173-183**] realize a very interesting analysis of the evolution of SCM through construction firms.

SCM can be seen as an example of “evolutionary and cumulative innovation, which is often described as emanating from internal programmes aimed at improving overall effectiveness”. The focus is now not only limited to increasing the internal efficiency of organizations but has been broadened to include methods of reducing waste and adding value across the entire supply chain. “It is seen as a set of practices aimed at managing and coordinating the whole supply chain from raw material suppliers to end customers and which develop greater synergy through collaboration along the whole supply chain”.

1.3.2. SCM as a win-win relation

With no doubt the game theory is a well-known tool related also to economy and it has proved it’s applicability during time. This SCM paradigm could be interpreted as a more „hard” view regarding business relations.

Jorn-Henrik Thun debates the potential of cooperative game theory for SCM, giving a mathematical approach to SCM results. The game theory can be used to evaluate each firm’s performance and each process’ results inside a supply chain.

This approach was build-up thinking at the SCOR model (Supply Chain Operations Reference Model) developed by Supply-Chain Council – SCC. The model is a way to see supply-chains, rather than an optimization tool [Stadler and Kigler: 2005: 41].

We will present here only the general processes:

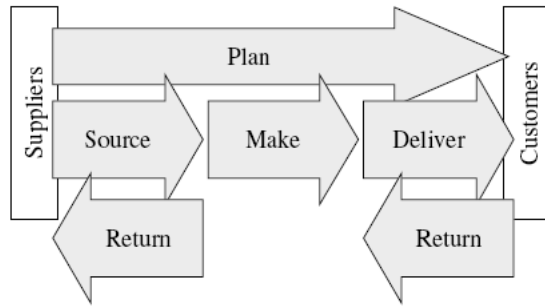


Figure 2: General processes identified using SCOR [Stadler and Kilger: 2005: 42, Poirier and Walker: 2005: 14, Bolstorff and Rosenbaum: 2003: 5].

Plan covers processes to balance resource capacities with demand requirements and the communication of plans across the supply chain. **Source** covers the identification and selection of suppliers, measurement of supplier performance as well as scheduling of their deliveries, receiving of products and processes to authorize payments. In the scope of **make** are processes that transform material, intermediates and products into their next state, meeting planned and current demand. **Deliver** covers processes like order reception, reservation of inventories, generating quotations, consolidation of orders, load building and generation of shipping documents and invoicing. In the scope of **return** are processes for returning defective or excess supply chain products.

2. Adaptive Business Network (ABN)

Business strategy has reached a turning point in which two opposing forces must be reconciled. At one end of the spectrum is the need for stable, efficient processes in a company. At the opposite end is the need for instant adaptation to rapidly changing business conditions. Efficiency without adaptability means solving yesterday's business challenges at the lowest possible cost, and adaptability without efficiency allows for quick reactions, but inflates cost structure.

The concept of the adaptive business network developed over several years as the effect of the Internet on the structure of the manufacturing industry came into focus. The concept, which offers chances for change at logistical activities level, marketing level, strategic management level, was first formally identified by Claus Heinrich in his book, *Adapt or Die: Transforming Your SupplyChain into an Adaptive Business Network* (John Wiley & Sons, Inc., 2003).

Heinrich's definition for ABN is the next one: an adaptive business network is an integrated, flexible network of companies focused on a customer need that responds in real time to changes in the state of the network. The adaptive business network involves a three-phase process that is executed repeatedly at all levels of every business including planning and execution, which are the foundations of efficiency; sensing and responding, which enable adaptability; and learning. The Smart-and-Fresh model Heinrich [Heinrich: 2003: 33-45] presents to bring into our attention the ABN concept is an example which suggests that not only technology is the new trend, but the adaptive character.

There are practically two SCM models: a linear model and the ABN model.

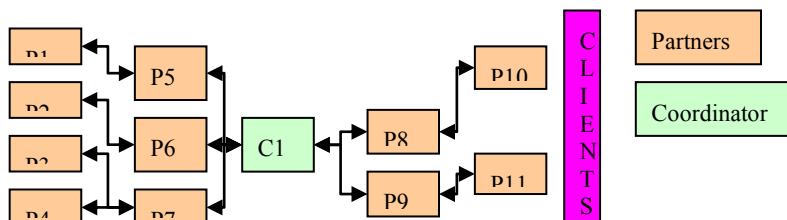


Figure 3: SCM linear model

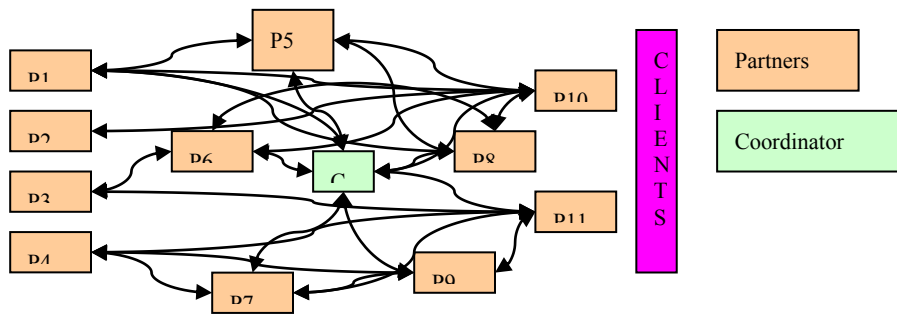


Figure 4: SCM ABN model

The main advantages that ABN brings are: communication efficiency, collaborative relationships between channel partners, instantaneous communication, and minimized bullwhip effect.

3. Conclusions

There are several ways to make business better. One alternative is collaboration and the most used term to denote collaboration relations between companies is Supply Chain Management. This new born business field has not yet finished its evolution.

In previous decades SCM was recognized as a coordinator game, a great company which builds up a chain which is going to satisfy clients.

That is no more sufficient. Companies want also independence as people do: collaborate but don't forget who you are! This is maybe the slogan which Adaptive Business Network incorporates.

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THE LINK BETWEEN ORGANIZATIONAL CULTURE AND CORPORATE PERFORMANCE – AN OVERVIEW

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The object of this paper is to examine organizational culture and organizational performance through an analysis of the existent culture models and the empirical studies conducted to examine the corporate culture and organizational performance link. Even though a wide literature has focused on this relationship, the link between these two variables remains unclear because of the mixing results of the empirical studies.

Key words: organizational culture, organizational performance, competitive advantage.

Introduction

The term *culture* refers to a relatively stable set of beliefs, values and behaviors commonly held by a society, being derived from social anthropology as a framework for understanding “primitive” societies (Kotter and Heskett, 1992). The term *organizational culture* was used for the first time in the academic literature by Pettigrew in 1979 in the journal “Administrative Science Quarterly”. Organizational culture was used to explain the economic successes of Japanese firms over American firms by motivating workers who were committed to a common set of core values, beliefs and assumptions (Denison, 1984). One of the most important reasons that explain the interest in organizational culture is the assumption that certain organizational cultures lead to an increase in organizational financial performance. According to Peters and Waterman (1982) successful organizations possess certain cultural traits of excellence. Ouchi (1981) showed a positive relationship between organizational culture and productivity.

Even though the literature on organizational culture and its relationship with corporate performance is rich and diverse, there are only a few empirical studies that actually examined the nature of this relationship. For this reason, this article will examine, based on existent empirical research, the link between culture and performance.

Conceptualizations of organizational culture

Lim (1995) suggested that the conceptualizations of organizational culture exist along a continuum which has two extremes: the process oriented and the classification approaches.

The process/qualitative approaches to organizational culture

This approach is usually represented by Schein’s model (1990) who describes organizational culture as a pattern of basic assumptions invented, discovered, or developed by a given group as it learns to cope with its problems of external adaptation and internal integration, and that has worked well enough to be considered valid, and therefore, is to be taught to new members as the correct way to perceive, think and feel in relation to those problems. In Schein’s opinion, culture has three levels:

- behaviors and artifacts, which is the most clear level of culture consisting of the physical and social environment of an organization;
- values, which is less visible than the previous level of culture, being composed of those elements that provide the underlying meanings by which the patterns of behaviors may be deciphered;
- basic assumptions, which represent an unconscious level of culture being the most difficult to relearn and change.

According to Sackman (1991), the qualitative approaches may have limitations in testing hypotheses and building theory because of the large number of case studies that have to be completed in order to draw some general principles from such approaches. Because qualitative approaches are time and money consuming, the classification approaches were proved to be more useful in the study of organizational culture.

The classification/quantitative approaches to organizational culture

According to the classification approach, organizational cultures correspond to a range of ideal types that can be reflected by two or more variables. One of the best known studies based on this approach belongs to Hofstede (1980) who used data gathered from IBM employees from over 40 countries. The author identified four dimensions of organizational culture: power distance, uncertainty avoidance, individualism/collectivism and masculinity/femininity. Later, Hofstede (1998:238) defined organizational culture as a concept that has the following features:

- “holistic (describing a whole which is more than the sum of its parts);
- historically determined (reflecting the history of the organization);
- related to the things anthropologists study (like rituals and symbols);
- socially constructed (created and preserved by the group of people who together form the organization);
- soft, and;
- difficult to change”.

Compared to the qualitative approach, the quantitative approach generates a number of quantitative methods that can be used to measure the corporate culture. There were many questionnaires developed based on the classification approach that have the advantage compared to the qualitative approach of covering large samples at lower cost. (Sackman, 1991)

Organizational culture: assumptions

From the literature on organizational culture we can identify a number of assumptions about organizational culture. We will present and discuss four of the most important assumptions found in literature:

1. The first assumption refers to the process of organizational culture change, more specifically even though culture may be resistant to change, they are to some extent flexible and manageable (Scott et al., 2003). According to Ogbonna and Harris (2002) who analyzed the existent literature on culture change, the process of organizational culture change can be influenced and a number of contemporary organizational culture researchers are adopting this perspective.
2. The second assumption relates business performance with distinct cultures of organizations.
3. The third assumption refers to the possibility of identifying particular cultural attributes that facilitate or inhibit good performance, thus helping managers in designing appropriate strategies for cultural change.
4. The fourth assumption states that the benefits resulted from change will outweigh any negative or undesirable consequences. (Scott et al., 2003).

Organizational culture and sustained competitive advantage

As mentioned previously, the interest in organizational culture can be explained by the assumption that certain organizational cultures lead to an increase in corporate financial performance. This assumption is founded on the perceived role of culture in generating competitive advantage (Scholz, 1987). According to Krefting and Frost (1985) organizational culture may create competitive advantage if the boundaries of the organization are designed in a manner which facilitates individual interactions and if the scope of information processes is limited to appropriate levels. Theorists also argue that the values that are widely shared and strongly held enable managers to predict employee reactions to certain strategic options and in this way minimizing the scope for undesired consequences (Ogbonna and Harris, 2000)

In 1986, Barney specified three conditions that have to be met in order for a company's culture to achieve sustained competitive advantage. First, the culture has to be valuable, which means that it must allow the company to behave in a manner that will lead to higher profits, lower costs and other results that improve the financial performance of the firm. Second, the culture has to be rare, which means that it must have distinctive characteristics that differentiate the firm from the cultures of a large number of other firms from the same industry. Third, a culture must be imperfectly imitable, which means that even if potential imitators can understand valuable and rare organizational cultures, it still may not be possible to imitate those cultures.

The impact of organizational culture on corporate performance

The literature on organizational culture is rich and diverse. Much of its richness is founded on the claim that culture is linked to organizational performance. Even though there are some theorists that questioned the culture-performance link, sufficient evidence exists to suggest that organizational culture is associated with organizational performance. (Ogbonna and Harris, 2000)

One of the earliest quantitative studies on the culture-performance link was conducted by Denison (1984) who used data from 34 American firms over a five year period. The author examined characteristics of organizational culture in these firms and tracked their performance over time. To measure performance the author used data on returns on investment and sales. For organizational performance responses on a one time survey regarding the perceptions of work organization and participation in decision making were gathered. Although, the author found that organizational culture is correlated with financial performance, some of his measurement indicators differ in the strength of the relationship between culture and performance. Decision making and work design were associated with long term financial performance while supervisory leadership was associated with short term financial performance. Even though it has encouraging results, this study is not without limitations. The most important criticisms refer to the use of employee perceptions which suggest that the study had obtained a measure of organizational climate rather than a measure of organizational culture (Lim, 1995).

Rousseau (1990) tried in his study to overcome some of the limitations in measuring organizational culture. He gathered data from 32 voluntary service organizations using as a performance measure the amount of money raised from a recently completed fund-raising campaign and the Organizational Culture Inventory promoted by Cooke and Lafferty (1983) to measure organizational culture. The results of this study showed no significant positive correlations between performance and culture.

One of the most extensive studies on the culture-performance link was conducted by Kotter and Heskett (1992). They used data gathered from 207 firms over a five year period. In this study they used various measures of culture and long term economic performance data. Their initial objective was to examine the relationship between *strong* cultures and long term performance. Even though they found only a minor correlation between strong culture and long term performance, subsequent investigations showed that firms with cultures suited to their market environment have better performance than those that are less fitted to their environment.

Marcoulides and Heck (1993) analyzed the relationship between organizational culture and performance using data collected from 26 organizations. The authors proposed a model in which organizational culture was measured using several latent variables (organizational structure, organizational values, task organization, climate, and individual values and beliefs) and organizational performance was measured using capital, market and financial indicators. The results of this study showed that all of the latent variables used to measure organizational culture had some effect on performance with workers attitudes and task organization activities being the most significant variables.

More recently, Ogbonna and Harris analyzed the relationship between organizational culture and performance by including the leadership style as a third variable in the model. They used a sample of 1000 units from the Financial Analysis Made easy database of registered British companies. To measure performance they used variables such as: customer satisfaction, sales growth, market share, competitive advantage and sales volume. For organizational culture they used measures such as: competitive culture, innovative culture, bureaucratic culture and community culture. The results showed that all four measures of organizational culture were associated in some way with corporate performance. More specifically, innovative and competitive cultures had a direct effect on performance and accounted for approximately 25 percent of the variance in organizational performance. Both competitive and innovative cultures were

externally oriented in line with the assumption that organizational culture must be adaptable to external environment for a sustained competitive advantage. The bureaucratic and community cultures, which were internally oriented, were not directly related to performance.

This study was extended in 2002 when the authors analyzed the link between market orientation, organizational culture, strategic human resource management and organizational performance. The authors used the same measures as in the previous study for organizational culture and performance. As in the previous study, competitive and innovative cultures were found to have a significant effect on performance while community and bureaucratic cultures were not related to performance.

Concluding remarks

In this paper we examined and reviewed some of the research concentrated on the link between organizational culture and corporate performance. Even though we presented a wide variety of studies, the results are mixed or inconclusive.

First of all it is assumed that organizational culture is directly related to performance but the study conducted by Ogbinna and Harris (2000, 2002) shows the opposite: the only variable that had a purely direct effect on performance was innovative culture while the competitive culture had both a direct and indirect effect. Moreover measures of bureaucratic and community culture had a purely indirect effect on performance. Also, except for a few studies (Marcoulides and Heck, 1993; Ogbinna and Harris 2000, 2002), all the other studies that examined the culture-performance link failed to discuss the influence of other variables such as organizational structure or leadership. For this reason the future investigations of this relationship have to take into consideration and remove the effect of other factors (Scott et al., 2003).

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HUMAN CAPITAL – A STRATEGICAL RESOURCE FOR KNOWLEDGE ORGANIZATIONS

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***Abstract.** Immaterial value of contemporary organizations is on continuing growing, but these, approach in a new manner the aspects about their performances and timelines of development, they are intensifying the investments into the human capital, the organizational capital, respective into relational structure of the company. On the same time, the instruments of the financial reporting and traditional management are not able to quantize the investment's efficiency into the intellectual capital of company. This essay, had not it base a vast study about the measure methods of the intangible's contributions at the company's value, show a calculation model of contribution of human capital at grow of knowledge value based company's.*

***Key-words:** knowledge management, human capital, intangible assets*

Started by 90's, an increasing number of the research institutes and companies especially from North Europe began to put seriously the problem about measure, estimate and expressing of the investment's efficiency on intangible assets. These efforts went to suggest many theories about these on the last years and were creating measure methods witch tend on time to apply like some report standards. This was happened when the important of intangibles assets for the company's success was significant grow, and the traditional economical and managerial concepts were not adequately. To recent economical and managerial studies based on the elaborated of some instruments witch to facilitate a better understanding and representation of intangibles.

The principal part about the measuring system is that is not possible to measure intangibles with a scientifically precision. Without the proper instruments must to use the traditional methods based on financial reports, indexes, which to cause the appearance of these intangibles assets.

The principal questions witch looking for answer on the measurement of intangibles assets had like to end to discover the prices (costs) or timeliness for the value creating, and these are hiding into the traditional account How much is the employ's substitution ? What is the value of learning lessons when the interaction of company's employees with costumers happens? What is the post timelines of the value creating when improper management systems of the knowledge exist?

The models used now by the companies were precede some testings on the identification intangibles direction like on '60s and '70s HRA model (Human Resource Accounting) by Flamholtz, the model named "value added statement" (the declaration about added value) elaborated and used of some companies from Great Britain in '70s, These models have not got an impact about companies activity and on time they disappeared. For the new provocations, the scientist of this phenomenon give an important attention to the concept of the intellectual capital (IC) and the adopting of instruments for the classification and identification of the new determinants of value. So, were many different methodologies of expression and measure of the intellectual capital like „Value Platform” by Dow Chemical, „Intangible Assets Monitor” from Celemi, „Value Scheme” from Skandia etc. These models support that idea – the components of the Intellectual Capital can be assemble in three groups: human capital, organizational capital and the capital generated by the relations with customers, the end will be that to maximize the company's value operated about those three elements.

The essay show the partials results of a vast study about the models of calculation witch can be use to determine the investment's efficiency on the intangible actives so, those results about of investment on the human capital. The models are the representations of systems which can be study without the systems can

be touch physical, social and economical. The well-known models are linear programming, dynamic programming, stochastic programming, models of queue phenomenon, Markov chain. The modelations especially the analytical modelation, making about the simplification of reality, is the event's renditions. The managerial reports on the models are too risky. So, when the models are applying for some managerial decisions, is necessary that the models to be validate artificial, before their application. However, it is necessary to estimate the risk. The ability of making models are an increasing number thanks to the development of the operational investigations which put to the managers' disposition all kind of models like a prefab form and a technique of calculation more performant for testing the models' validity and solve.

By all these progresses, the managerial activity is on the high intensity thanks to the complications which progressing on time: the natural resources are reducing; the population of the Earth is a growth and the pretentious are an increasing an all life's categories. Therefore, the management registering the trend of decrease of the direct experiments on the systems and must to strengthen the creating and using methodology of models like an appreciation means of new strategies designed to control the consequences of real uncertainties.

For the model of calculations we started by the identification and expressions of exist which the model will follow to estimate them. About the descriptions of measuring methods of intangibles resulted from the international experiences, the most conclusive expressions of a company's value (wrote in calculations by Y expressions like that:

- the differences between the of the capitalizations market value, at the stock-exchange, and the nominal value of shares from book;
- the ratios between the intangibles assets generated by the intellectual capital and wages cost;
- the difference between discounted cash-flow achieved at the end of the year and that projected at the begin of the year.

This model was elaborate for a company at the stock exchange and chose, like an expressions form of management's value of the company, the differences between capitalizations market value of company and equity value. Company's value, so the Y objective functions, depend on the variables wrote by x. These variables were choosing after Intangible Assets Monitor (IAM) by Sveiby in 1997, and there are three classes of intangible assets:

- the ability of the company's employees (OPF);
- the relations with market and customer (RPC);
- the structure and functions of organizations (SFO).

This systematize is convenient because it as not infringe to classical systematize of the managerial process on functions of the company, which the three classes are into these relations:

- Research & Development - SFO, CPF;
- Productions - SFO;
- Commercial - RPC;
- Human resources - CPF;
- Accounting & Financial - RPC, CPF.

After Sveiby's Monitor, each of three classes where are systematize the intangible assets, have four type of index which expressing the generated of the value for the company and than:

- indexes of grow;
- indexes of turnover and renewal;
- indexes of efficiency;
- indexes of stability.

These are the principal aspects that the stock exchange brokers when they estimated the share's quotations. So, into a simple expression of the Y functions by x variables, must to exist an index for each category of indexes belong to the four categories and this each class of intangibles, which are into those three categories (CPF, RPC and SFO). All, we talk about the 12 x variables. Limited the number of x

independent variables at 12 indexes, has a simplifications character, but it is not compulsory. Can be adopt anytime variables of 32 which are on IAM. Can be replace some indexes on the list by others or can be add others, which are into IAM.

After these results, the Y objective functions expressing causal connections of x variables. It is true, into Y are the effects of many causes like quality effects of the sell produces, effects of the employee's educations standard, effects of the employee's average age, effects of personnel age in company, effects of specialist proportions, effects of employee's turnover. Therefore, the Y objective functions must to organize information about the factors that generated the value about the management strategies. The terms of these functions proper of n variables, are responsible of the Y result, can be specify about the strategically correlations. Must be correlated much than two variables, will be talking about multiple correlations, with linear functions. On the descriptions of indexes which will be into the x crown of independent variables, resulted than these indexes expressing the achievement strategies of same managerial objectives into the purposed limits, means that more suitable model to assure the optimize of management's components with intangibles assets is the model of linear programming (LP). This will be constituted of Y objective functions like that:

$$Y = \theta_0 + \sum_j \theta_j X_j \quad (j = \overline{1, n})$$

(1)

it must be maximize:

$$\max(Y - \theta_0) = \sum_j \theta_j X_j \quad (j = \overline{1, n}) \quad (2)$$

into a restrictions system:

$$\min X_j \leq X_j \leq \max X_j, \quad (j = \overline{1, n}) \quad (3)$$

and nonnegative restrictions:

$$X_j \geq 0 \quad (4)$$

Into these relations, θ_0 is the slope, θ_j is coefficient of dependence variables and X_j is level of strategically indexes.

Like indexes, which are into the company's human capital, were choose and calculating the next:

- **Rookie ratio:** $RR_t = (N_2 / N) \times 100$, into: N_2 – employee's $t < 2$ year; N – total employees;
- **Employee's age in firm:** $\bar{T} = (\sum N_T \times T) / \sum N_T$, into: N_T – employee's age $t > 2$; $\sum N_T$ – total employee's;
- **Turnover ratio:** $g_t = (N_v - N_p) \times 100 / N_T$, into: N_v – employee's entry in year t, N_p – employee's live in year t, N_T – total employee's year t;
- **Stability ratio year t:** $g_{st} = (100 - g_t)$
- **Professionals experiences of specialist in year t:**
 $NEP_t = (\sum N_{Tt} \times T_t) / \sum N_T$, into: N_{Tt} – specialist with t year in firm in t year; $\sum_T N_T$ – total specialist in firm in t year;
- **Specialist with superior education:** $SGSt = S3 \times 100 / (S1 + S2 + S3)$, into: $S1$ – primarily education employees; $S2$ – secondary education employees; $S3$ – tertiary education employees;
- **Ratio of employees who frequent concluding programs:** $PP_t = N_{pp} / \bar{N}$, into: N_{pp} – employees who frequent concluding programs in year t; \bar{N} – average employees;

- **Added value per employees:** $VAA_t = (P_t - C_m) / \bar{N}$, into: P_t – value of production in year t , C_m – material cost I year t , \bar{N} – average employees in year t .
- **Satisfaction degree of employees:** $GS_t = \sum n_i x_i / \sum n_i \leq 5$, in care: i – satisfaction degree, $i = 1, 2, 3, 4, 5$ (5 higher satisfaction degree); n_i – number of employees which declare a degree of satisfaction i ;
- **Turnover of specialist:** $RSP_t = N_p \times 100 / N_a$, into: N_p – experts leave in year t ; N_a – experts come in year t ;

The restriction:

$$5\% \leq RSP_t \leq 20\% \text{ and at firsts IT, } 5\% \leq RSP_t \leq 10\%$$

- **Average age:** $VA_t = \sum n_v \times V / \sum n_v$, in care: n_v – number of employees age v ; V – age in year.

The number of indexes can be alternate at a company to another. If they had calculation many indexes, the correlations degree will be higher, and the model that have them, will be closer of the reality. A great number of indexes as independent variables complicated the model.

The system of restrictions will have a size directly proportional by the number of variables. To work with a big model is not advisable because: 1) it cannot afford a middling analysis; 2) it cannot be manipulated easily. Therefore, in this case we are interesting about the modelation technology and the restrictions system can have 8 – 10 independent variables with 2 – 3 variables for each variables class (external, internal, competence) and each valences category (grow, renewal, efficiency, stability). For the model's simplifications, were choose nine indexes by 2 – 3 classes (external, internal, competence) and each category of valences (grow, renewal, efficiency, stability). Were elaborating the combinations of these indexes and was determining investment effect into these, about the company value.

Combinations of indexes into are the indexes that have an importance for our problem are:

- I. The growth of incomes (%)
 - Incomes/Administrative personnel (%)
 - Professional experience average (years)
- II. The costumer's index of satisfaction (note)
 - R&D expenses in incomes (%)
 - Professional experiences average (years)
- III. The costumer's index of satisfaction (note)
 - Returns on administrative personnel (%)
 - Professional experiences average (years)

On these conditions, the model must to have a system of three restrictions which to define the positions of variables into the 3 levels of existences (external structure, organization, people). For to observe the possibilities and needs of the company's three manifestation level, is necessary that into the model PL (1) – (2) to introduce on the restrictions (3) other restrictions about the resources and market, restrictions like that:

$$\sum_j A_{rj} x_j \leq B_r, \quad \left[\begin{array}{c} j = \overline{1, n} \\ j = \overline{1, R} \end{array} \right] \quad (5)$$

Into A_{rj} are the R set restrictions coefficients about the specific consumptions of r resource per unit of measure where are expressing x_j indexes, and B_r are free terms of the restrictions, represented the available resources.

After the calculations, the influence of these indexes, combinations about the evolution of company's value look like that:

Nr. combination	I	II	III
Y prevision (mil.)	403.572,12	256.093,16	447.329,26
Y optimized (mil.)	1.948.256,25	1.943.158,18	486.356,54
ΔY	1.544.684,13	1.687.065,02	39.027,27
X_1	15%	4	4
X_2	2.713,20	4%	10%
X_3	30	30	30
Corrective factor	37.666,93	35.994,82	35.706,16
ΔY_{\min}	1.507.017,20	1.651.120,20	3.321,11
ΔY_{\max}	1.582.351,06	1.723.009,84	74.733,44
ϵ_{\min}	10,81	219,87	0,47
ϵ_{\max}	11,35	229,44	10,67
Allocate resource (mil.)	139.410	7.509,52	7.005
Efficiency	13,98	258,76	69,43

After the result, the only variable which it growth go to growth of the company's value is **Professional experiences**. The growth of other variables value influenced negative the company's value and the growth of investment in research & development or into the costumer's indexes of satisfaction because they are big consumers of financial resources. The result of „shadow-prices, after solved dual problem of LP, they go to conclusion that must be reduce the investments which bring about customers satisfactions into research & development, because the customer's unsatisfaction for a long time give company a negative image and produced a diminution of company's value on time. Renunciation at investments can go to decline of company's competitive position on market and that can be a diminution of company's value for a long time.

LP gives the moment solutions and it doesn't observed the dynamics of phenomena for a long time, when the observations number (like a years numbers take on calculations) is too small.

The conclusion is that kept to a minimum level of investments on the consumer variables of resources with a minimum investment on the growth of employees ability is the best solutions for the company.

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DISTINCTIVE ASPECTS OF THE SERVICES STRATEGY

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Abstract ; Services have certain peculiarities (immateriality, unstorable, heterogeneity) which distinguish them from the material goods. Due to these peculiarities, the strategies adopted by the service firms have distinctive features, mainly with the aim of creating a competitive advantage.

Key words: strategy, services, competitive advantage.

Strategy implies the way in which the organization actions in order to fulfill its aim. It represents a set of rules which develops the aims which are triggered by this aim.

Etiologically, the word strategy comes from Greek, where **stratos** means army and **agos-I** lead⁵⁰. In Larousse dictionary, the term strategy appears as:

- the art of coordinating the action of military, political and moral forces implied in leading a war or in preparing the defense of a nation. Strategy is the competence of the government and of the high commandment of the military forces;
- the art of coordinating actions and of managing them in order to fulfill an aim; election and political strategy.

The strategy of services provides the conceptual framework which enables the managers to identify the opportunities in order to offer values to their clients⁵¹ and to offer that certain value in profit or in the limits of a budget. The role of operational managers in services is (from this point of view) to help creating and delivering this value through the contribution to the thinking of the strategy and through the developing of the operations, resources, people and processes, all with the aim of assuring the future success of the organization.

For the implementation of the strategy of services, the organization has to appeal to a multitude of abilities, starting with a visionary thinking at the higher levels of leadership, continuing with the interpretation of the policy strategy at the management level and ending with the implication of the service process at the level of the first line of the employees. Researches in the domain of developing strategies reveal that the strategies have a rather evolutionist character than a revolution one⁵². Quinn sustains that in spite of the fact that in formulating the strategy are included refined analyze techniques, the real strategy develops as a combination of inner decisions with outer events which form a shared agreement as regarding the strategy to be followed. Taking into consideration the actual requirements of the economy of services, we appreciate that the contact staff in the service firms play a decisive part in development of strategy. Most of the time, they have information, in advance, about the clients' preference, about the way in which the clients' tastes change. This stuff have the difficult task to "live" the strategy.

Just like the other business, those in the area of services have to develop strategies in order to prevent the occurrence of "fragmented"⁵³ activities and decisions. In marketing terms, a strategy is often seen through

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⁵¹ R. Normann, R. Ramirez- „From value chain to value constellation: designing interactive strategy”, Harvard Business Review, iulie-august 1993, p.65-77.

⁵² J.B.Quinn- „Strategic Change:logical incrementalism”, Sloan Management Review, vol.1, nr.20, toamna 1978, p.7-21; A.Bailey, G.Johnson-, „How strategies develop in organisations”, în D. Faulkner și G.Johnson- The Challenge of Strategic Management, Cranfield Management Series, Kogan Page, London, 1992, p.147-178

⁵³ C.H.Lovelock- Product Plus, McGraw Hill, New York, 1994; P.M.Senge- The Fifth Discipline, Century Business, London, 1993

the politics of the organization used in order to obtain an advantage upon its competitors⁵⁴. Some firms may not want to obtain this advantage, seeing their own part as one of maintaining their own position in the market. Other organizations operate in non competitive situations and want to make sure they are able to adapt to permanently changing conditions. Therefore, ***the strategy of services is defined as the totality of plans and politics through which a service organization aims at fulfilling its goals.***

A strategy plan will render profitable different aspect of the organization and will assure there is a mutual support between them and that they are directed by the points indicated by the leading forces of change. There are five critical elements in a strategy: creating the aims of the company, understanding the environment, developing a suitable concept about services, identifying the proper aims for measuring performance, developing a suitable operation⁵⁵.

- ***Corporation aims:*** they provide the necessary aims and the goals of the strategy. If we consider strategy as a set of plans or politics designed to fulfill certain aims, there must be a declaration of these aims too. These aims offer, partially, the necessary motivation of change, and they establish the dimension and the speed of change as well. Such a declaration is an important step in making the change public, and the employees will know what the expectations of the firm will be in what regards themselves.
- ***The environment:*** each service organization operates in a certain context and that context has to be understood in order to assess not only the opportunities which can be exploited, but also the probable answers of the other organizations and the clients' reactions to change.
- ***The concept of service:*** it identifies the chosen nature of the business – the imagined service that the organization wants to create. The concept of service helps the organization to focus upon ***the value*** it can offer to the client.
- ***Performance aims:*** they offer the means through which a strategy is changed into an operational language, establishing the priorities for these operations. Together with the concept of service, they specify the tasks for the implied operations.
- ***The operations:*** the operations (the people, the structures, the systems of measuring performance, the supplying chains) – have to be developed in order to implement the strategy.

Strategy is an iterative process. The key components, the aims, the context, the concept of service, the performance criteria, the operations have to be ordered for the delivery of the services and the fulfilling of the strategic objectives. This requires a constant checking of all the elements that participate in the fulfilling of the aims. More than that, the organizations have to answer the two major forces which govern their way of functioning: the inner and outer contexts. Therefore, strategies require a continuous assessing even when some corrections are needed to be done.

Strategies can be intentioned, formal and planned; in turn, they can be developed from an intentioned strategy which was not fulfilled or can be generated by a formal planning process⁵⁶. The planning of an intentioned strategy is heading towards a “top down” approach starting with the declaration of the aims of the firm or with assessing of the context and the market opportunities. The emerging strategies tend to be “bottom-up”, starting with an idea about a certain service concept or about new operational capabilities. Both approaches can be used in the service organization⁵⁷.

The Competitive Services and Advantages

Many organizations, both in the field of production, and in the sphere of services, admit they can obtain sustainable and significant profit, through the improvement of services they provide. Services, as well as their performance, can become true competitive “weapons”.

⁵⁴ Robert Johnston, Graham Clark-Service Operation Management: Improve Service Delivery, 2nd edition, Prentice Hall, 2005, p.424.

⁵⁵ J.L.Heskett- Managing in the Service Economy, Harvard Business School Press, Boston, 1986; R.Johnston- Developing competitive strategies in service industries, in P.Jones(ed.)-Management in Service Industries, Pitman, London, 1989.

⁵⁶ H.Mintzberg- The Strategy Process, Prentice Hall, London, 1998

⁵⁷ R.A.Burgelman, A.S. Grove-, „Strategic dissonance”, California Management Review, iarna 1996, p.8-28.

For the manufacturing organizations or for those product oriented, services can be important means of differentiating, especially in the case when they operate in the markets where there is a slight difference of the product or where the development of the product is slow, difficult and expensive. The nature of available services and the way in which the services are performed, can offer the ways towards competitive success.

The companies service oriented admit they often need to perform high levels service for their clients. The ever growing competition, the decreasing amount of sales and the increasing amount of importance the clients give to services represent a pressure for the service organizations and they imply an rethinking and improving of the level of offered services. The effect of quality service is very important for the increasing loyalty of the clients and the gaining of new clients and of the financial position of the organization, as well. In the organizations that compete through costs, services have a key part in assuring deliveries on time and low operational costs.

Certain service organizations compete with the results of the delivery activity, others with experience, others are able to compete with both dimensions. There is a great number of positions which the service organization can adopt when they compare themselves with the competition. This analysis can be applied for the non profit organizations or for those in the public domain, as well, because they are engaged in a certain competition form for the resources. The five positions that have been identified are:

- **failure** : the results of the organization are under the specifications of the industry and the service to the client is of an unsatisfactory quality. The traditional services which failed in capturing the tendencies of the market are in this position.
- **self-content**: in these organizations the result of the services is excellent, but the way in which the clients are dealt with is unsatisfactory. Sometimes the professional services enter this category, being considered by the clients as being full of arrogance. Medical services enter the same category.
- **maintaining the client for a short time**: the loyalty of the customer can be developed by good services. If the total result of the service goes under the established standard , the users will tolerate this situation only for a short period of time. If the experience with the service is excellent , the emotional costs of changing the users' preference are high so, they might even give up that service.
- **average**: is the position of many “business to consumer” have. In many of these traditional domains in the sphere of services there is often a number of competitors that lead their business in the same way. A good example is the domain of financial users in Britain, with many players, but few possibilities to differentiate their offer.
- **“of world class”**: are the organizations universally recognized as being the best in what they do.

Many organizations will discover that they can position their wide variety of services in different points. Some of them will be of the “world class”, others will fail. The most important fact is to make a clear cut distinction among them because they demand different strategies.

In order to understand how services can be used to create a competitive advantage it is necessary to understand what the consumer considers as being important . In this way we can speak of a “**perceived user value, PUV**”⁵⁸. This represents the criteria that the client appreciates as important and will have in mind when assessing an organization and its services. PUV For a chain of supermarkets may include the range of goods, the stock availability, the store location.

1.2. The understanding of the competitive context of services

Generally speaking, the service firms compete in a difficult economic context. There are several reasons for this difficulty:

- **Rather low entrance barriers**: the innovations in the sphere of services are not licensed , and more often , services are not intensive in the capital. Under these circumstances , innovations

⁵⁸ C.Bowman- Strategy in Practice, Prentice Hall, Harlow, 1998.

are easily copied by the competitors. Nevertheless, there are other types of entrance barriers, as for example, the location of a resort hotel on the most attractive beach on an island(e.g. the location of Club Med on the Moorea island in The French Polynesia).

- ***The smallest opportunities for the scale economies:*** We have to remember that ,because of the simultaneity production- consumption in the sphere of services, either the client has to go to the place of their performance or the performer of services has to go to the client's place. The necessity of these shifting delimitate the market area, determining low deliveries. The services firms ,working in the franchisee can make some savings by dividing the publicity and the acquisition costs; in other cases electronic communication can replaces the physical shifting.
- ***Irregular fluctuations of sales:*** the service demand varies according to the moment of the day (sometimes seasonal), with issues at random.
- ***No advantage from the point of view of dimension in the relations with the buyers or suppliers:*** the reduced dimension of many service firms creates a disadvantage in the negotiations with the important suppliers and purchasers.
- ***The substitution of products:*** the innovations in products can substitute services (e.g. the pregnancy test which can be done even at home). The service firms do not have to passively watch what the competitive firms do, on the contrary, they have to anticipate the possible innovation of products which ay render services out of fashion.
- ***Clients' loyalty:*** stable firms that use personalized services create a loyal base of clients which becomes an entrance barrier for the new services.
- ***Output barriers:*** small service firms can go on operating in spite of their low profits. For example, a private firm can establish as main aim, hiring the members of the family in spite of maximizing the profit. Other service firms, such as the antiquity shops or the scuba diving shops have a romantic attraction or a hobby interest which offer the owners enough satisfaction for their work to compensate the low financial results.

If we analyze any other private domain in the sphere of services, we notice that there are firms which have surmounted these competitive difficulties and have prospered. For example, McDonald's has won a dominant position in the fast food industry by overcoming most of the preceding difficulties. The new comers on the market have to develop a strategy of services that should appeal to the important competitive features of that industry. There are three generic strategies which have proved to be of success in offering competitive advantage.

Competitive Service Strategies

The well known American strategy specialist Michael Porter⁵⁹ states that there are three generic competitive strategies: general cost leadership, differentiation and concentration.

General cost leadership

A similar strategy needs efficient scale facilities, firm costs, control from the upper levels, and often, innovative technologies. Having a low cost position provides a certain protection against competition because most of the efficient competitors will be the first to suffer the pressure of competition. The implementation of the low cost strategy needs major capital investments in equipment, an aggressive policy of prices and initial losses determined by building the market share. A leadership strategy based upon costs may sometimes change an industry, fact proved by the success of firms like McDonald's, Wal-Mart or Federal Express. More than that, service firms may obtain low costs using a variety of methods:

- ***Looking for low cost clients:*** it costs less to serve certain clients than others, and the first will be privileged in the politics of the service providers. For example, United Services Automobile Association (USAA) occupies a dominant position among the car insurers because they have as clients only military staff and their families. This group implies low

⁵⁹ Michael E. Porter- „Generic Competitive Strategies”, in Competitive Strategies, New York, Free Press,1980.

costs because its members are characterized by nomadic behavior, are willing to do business on the phone, email or online and are used in operating like this.

- **Service standardization:** routine professional services at a low cost are expected (e.g. the preparation of the personal tax)
- **Diminishing the elements connected with the staff involved in the service delivery:** it's a high risk strategy, that may be accepted by the consumer only if his comfort is increased.
- **Diminishing the network costs:** the service firms that need network in order unite the suppliers and the consumers. Electricity utilities that have important fix costs on the transmission lines provide the best example.
- **Cutting out the operations in services:** many services, such as passenger transportation or the barber shops are by their nature online because they can be performed only in the presence of the client. In services in which the client doesn't need to be present, the service transaction can be cut out. For example, American Airlines has one of the 800 centers of booking tickets located in the Caribbean. So, we can say that the cut services function on the rules of a factory, economy being made by strengthening, low cost locations and the absence of the client in the system.

Differentiation

The essence of the differentiation strategy is based on the creation of a service seen as being unique. It can appear in different forms: brand image, technology, features, services for the client, the network of dealers. A differentiation strategy does not ignore costs, its main aim being to create the clients loyalty. Differentiation with the aim of improving the service is obtained at a cost that the target consumer is willing to pay. Some approaches of differentiation are:

- **Making the intangible tangible:** by their nature, services are intangible and do not leave the consumer any memory about the purchase. Admitting the need of reminding the clients of their holiday, many hotels offer complementary toilet articles with the name of the hotel written on them.
- **A certain personalization offered to the standard services:** service firms provide certain personalized impulses which can generate a low cost relation between the firm and its clients. For example, an employee of a hotel that is capable of addressing the client by name can get a favorable impression that might determine the client to come back to the same hotel. Beauty parlors have added many personalized features (personal stylist, atmosphere music, relaxing environment) in order to distinguish themselves from the classic ones.
- **Diminishing the perceived risk:** the lack of information regarding the purchase of the service, generates a feeling of taking risks for many clients. The lack of knowledge or trust in services will determine the search for certain suppliers that will have the necessary time to explain the work in that domain.
- **Increased attention to the qualification of the staff:** the investments in developing and instructing the staff that determines a increase of the quality services represent a competitive advantage, hard to be imitated. The leading firms in their industry are recognized to be, among their competitors for the quality of their training programs. In certain cases, these firms have initiated training centers that have college statute (McDonald's Hamburger University of Oak Brook, Illinois, close to Chicago).
- **Quality control:** providing a consistent level of quality in services in many locations and using a harmless working system is an important challenge. The firms have dealt with this problem in different ways including the training of the staff, explicit procedures, technology, direct supervision, the colleagues' pressure.

Concentration

The concentration strategy is built round the idea of serving very well a certain target market by approaching to consumers' specific needs. The market share may be a certain group of customers (e.g. USAA and the military community), a service or a geographic region. The concentration strategy is based

on the premises that the firm can supply a narrow market share more efficiently and more proficiently than any other firms that try to supply a much larger market. Therefore, that firm obtains competitive advantage on its share of market by satisfying the specific needs of the consumer and by applying lower costs due to the specialization.

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METHODS OF ASSESSING THE QUALITY IN SERVICES

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Abstract: The present study presents the main methods which may help the manager of the service firm to investigate the level of the services which the firm performs. The utility of these methods should be taken into consideration even by the Romanian firms, especially because this branch of economy is in full development.

Key words: management, quality, services.

1.1. The GAP model used in expressing the quality of services

The objectives of the management of services are not considered as being fulfilled only by fulfilling the clients' expectation as regarding the services performed by the firm. The increasing of the quality in services is not only a main aim in the management of services, but it also represents the strategic premises for the development of the firm. The scientific research has developed several models for the assessment of the quality in services. The GAP model elaborated by Parasuraman (1985) has enjoyed special appreciation.

The Gap model represents a general framework for appreciating the quality of the services from the point of view of the clients and of the firm as well. It was developed with the help of the interviews with focus groups of customers and discussions between the experts and the service of errors in banking, credit cards, insurance, brokers, and goods repairing. Therefore, there appeared differences (GAP) between the clients' perception of the quality of the services and intention of the firm. As a result the following discrepancies have been established:

GAP1-the discrepancy between the clients' real expectations and the clients' expectations perceived by the management of the firm;

GAP2-the discrepancy between the clients' expectations perceived by the firm and their representation in the quality specifications of services;

GAP3-the discrepancy between the quality specifications of services and the performed services;

GAP4-the discrepancy between the quality of the performed services and the firm's communication concerning the performed services;

GAP5-the discrepancy between the clients' expectations regarding the services and their perception of the services performed.

The GAP model is based upon the duality in the domain of the performer of services and the client.

GAP1 reveals the deficiency that the firms have incorrect representations of the importance of the quality characteristics in its appreciation by the clients. The possible causes of this deficiency are connected with the little attention paid to the market studies or the complete lack of such studies. The discrepancy may also be generated by an unsatisfactory communication between the staff that comes in direct contact with the clients and the management ("from bottom upwards" communication) or by a great number of hierarchy levels.

Example:

The analysis of the clients' expectations from a hotel specialized in organizing congresses concerning the brackets of the organized seminars revealed the following results: the management of the hotel started from the premises that the participants to the seminary expect firstly a coffee break, secondly fruit and cakes break, thirdly a nice display on the table, and fourthly, flowery displays. The clients' survey revealed different expectations and a different order. The participants to the seminary expected first of all a coffee break, then another coffee break, thirdly, proper toilets, and fourthly, the possibility of using the phone.

GAP2 expresses the discrepancy in applying the clients' expectations in concrete quality specifications (for example, in standards for services). This deficiency is more often determined by the following factors:

- - the hesitating attitude of the management regarding the improvement of the quality in services;
- - unclear aims as regarding the quality of services;
- - the incorrect usage of the instruments and techniques for the standardization of the performed services.

Example: following the example for GAP1, GAP2 appears if the employees of the same hotel gets the order to set on the tables fruit and cakes instead of coffee, for the breaks, not taking into consideration the participants' preference for the second coffee (the quality standard expressed as type and succession of services wasn't obeyed).

GAP3 reflects the situation in which the stuff that comes into contact with the clients doesn't perform the services at the level expected by the management of the firm. Among the factors that determine such a situation we can mention:

- unsatisfactory qualified stuff;
- unsuitable criteria for verification and control for fulfilling the tasks;
- deficiencies in group-working;
- The conflict of roles, or the misunderstanding of the roles by the stuff implied in services.

Example: The rent car firm AVIS established as compulsory standard the answer within an hour to any requests of renting from any client. If an employee, with specific attributions, answered in a few days to a request, we could speak about a discrepancy between the quality specification and the performed service.

GAP4 appears when the client's perception upon the quality of the service is influenced in such a way (by exaggerated promises in the advertisements or by the omission of information) that there appears a discrepancy between the service performed and the service promised. The causes are generated either by an unsuitable horizontal communication (for example between the marketing and the distribution divisions) or by the firm's tendency to unfairly advertise the quality of its services.

Example: We can speak about GAP4 when bank promises, through the communication means, the consideration of the clients' needs, while at the level of the consulting services offered these needs are not wholly taken into account.

GAP5 reflects the major deficiency of the model, being greatly determined by the other four deficiencies. According to Parasuraman (1985, p46.) the difference between the expected services and the ones performed, can be reduced by mineralizing the other four categories of discrepancies, obtaining thus, the key for a good service. The client requesting the services makes a certain perception concerning the quality of the services offered by the firm, perception which is conditioned by each situation. This perception may correspond identically with his expectations or it may be above or under his expectations. The last two situations are very important when discussing the quality of services.

Example: Excessive offers in the restaurant of a hotel, daily fresh fruit in the hotel room, a delivery one week in advance, the long queuing at the cash desks, an unfriendly representative of the firm.

The number of discrepancies (GAP) represents the steps which have to be taken in the design of a new process of services (market exploration, design, conformation, communication, client's satisfaction). As a result of the GAP study, there have been identified the ten dimensions of the quality which are used by the clients.

1.2. The SERVQUAL Model- basis of the quality services measurement

The ten dimensions of the quality of services identified by Parasuraman (1985) in the GAP model could be concentrated, due to some analyses processes, into five dimensions of the quality. On the basis of these results, the so called concept SERVQUAL appeared and it now represents an important part in the process of measuring the quality of services in many firms. The five dimensions of the SERVQUAL concept are:⁶⁰

- the acceptability of tangible („tangibles”);

⁶⁰ M.Bruhn-Orientarea spre client: temelia afacerii de success,Ed. Economica, Bucuresti,2001,p82-83.

- trust , sincerity(“reliability”);
- competence, certitude(“assurance”);
- empathy(“empathy”);

These dimensions have been measured on a double scale with 22 items as can be seen below:

INSTRUCTIONS: This survey investigates your opinion concerning the service_____. Please show the measure in which you consider that the firm which offers the services _____ has the characteristics depicted in each of the statements. If you firmly agree that the firm should have that certain feature, circle 7. If you want to show your disagreement with that feature, circle 1. If your feelings are not very strong, circle a number from the middle of the scale. There is not a right or a wrong answer, we want you to circle a number which best reflects your own expectations as regarding the offer of the firm.

Services_____:

E1: The firm should have modern equipment.

E2: The physical facilities should be visually attractive.

E3: The employees should wear neat clothes.

E4: The aspiration of the physical conditions should be in accordance with the type of offered service.

E5: When these firms promise to perform something in an established period of time, do they have to keep their promises?

E6: When the clients have a problem, the firms should be understanding and reassuring.

E7: These firms should be reliable.

E8: They should perform their services within the promised time.

E9: They have to accurately keep their documents.

E10: We shouldn't expect the firms to communicate the clients the exact moment of performing the service.

E11: Clients should not expect prompt services from the employees.

E12: The employees should not always be ready to help the clients.

E13: It is not a problem if the employees are too busy to answer immediately to the requests of the customer.

E14: The clients should be able to trust the employees.

E15: The clients should feel safe during their transaction with the employees of the firm.

E16: The employees should be polite.

E17: The employees should be well assisted by their firm in order to do their duty well.

E18: We shouldn't expect the firm to pay special attention to each client.

E19: We shouldn't expect the firm employees to pay special attention to each client.

E20: It is unrealistic to expect the employees to know the clients' needs.

E21: It is unrealistic to expect the firm to be preoccupied by the most important interests of the client.

E22: We shouldn't expect the firm to have a convenient schedule for the clients.

INSTRUCTIONS

The next set of statements is connected with your feelings towards XYZ. For each of the next statements show the measure in which you believe that XYZ has the characteristic described in the statement. Circle number 7 if you strongly agree that XYZ has the characteristic, and circle number 1 if you strongly disagree. You can circle any number from the middle of the scale in order to show the intensity of your feelings. There are no correct or wrong answers, we want you to circle the number which best reflects your perception of the XYZ.

P1: XYZ benefits by modern equipment.

P2: The physical facilities of XYZ are visually attractive.

P3: The employees wear neat clothes.

- P4: The physical facilities are in accordance with the type of service offered.
- P5: When XYZ promises a service in a certain period of time, it should keep its promises.
- P6: When the clients meet a problem, XYZ is understanding and reassuring.
- P7: XYZ is reliable.
- P8: XYZ should perform its services within the promised time limit.
- P9: XYZ should keep its documents accurately.
- P10: XYZ shouldn't communicate the clients the exact time of performing the service.
- P11: It is not realistic for the clients to demand prompt services from the employees of the XYZ.
- P12: The employees of the XYZ shouldn't always be ready to help the clients.
- P13: The employees of the XYZ are too busy to answer immediately to the requests of the clients.
- P14: You may trust the employees of the XYZ.
- P15: You feel safe during your transactions with the XYZ.
- P16: The employees of XYZ are polite.
- P17: The employees have the right support from the XYZ in order to do their task well.
- P18: XYZ does not pay you any individual attention.
- P19: The employees of XYZ do not pay you any individual attention.
- P20: It is not realistic to expect the employees to know the clients' needs.
- P21: It is not realistic to expect these firms to be concerned with the most important interests of the clients.

Source: J.Fitzsimmons, M.Fitzsimmons, *op.cit.* 2005,p.132-133.

The double scale used in the SERVQUAL model is used, in the first part, to emphasize the ideal situations (the desired profile), and in the second part, to emphasize the real situations (the real profile). Both scales are based on seven steps of appreciation, from 1 – total disagreement to 7- total agreement. From the difference between the desired situation and the real situation, for each item, there is a value between -6 and +6, the quality of the service increasing with the resulted value. The middle separates the high quality services from the low quality ones.

In spite of the empiric foundation and of the adequate method of measuring the service quality, this is criticized for the validity of its measurement of the quality in services. The double scale demands the clients' capacity of assessment. It was also noticed an exaggeration of the values in the domain of the desirable.

The GAP model and the SREVQUAL method offered the premises which were taken by the management in order to improve the quality of services and the orientation towards the clients of the service providing firms. These refer mainly to the management of the staff, inner and outer communication, the applying of the market studies, redesigning of the organizational structures, using informatics and controlling systems.

Example:

In order to obtain the optimization of the quality of services in the branches of the detail commerce firm MIGROS in Switzerland, in 1995 a working group was made for the Welcome project with the responsibility of elaborating a tool for the quality in services. The group whose components were people with leadership responsibilities in MIGROS, clients and consultants in the problems of the firms assumed the task of offering all the branches MIGROS help in the improvement of the daily activity services. The result of the project was the suggestion of a broad concept of the services which was applied after 1996. A model of the firm from the point of view of the services was the starting point of the concept. The MIGROS model was presented to all the sale points and to the employees, and they generated certain effective measures in the domain of services.

1.3. The“Walk-through”audit

The delivery of a service has to be done in accordance with the expectations of the clients from the beginning to the end of the experiment. Because the client is a participant in the process, his impressions

the quality of services are influenced by several observations. An environmental audit can be a proactive management instrument for the systematic assessment of the clients' image regarding the performed services. A 'walk-through' audit (WtA) is a study based upon the client in order to discover the areas which need improvement.

Fitzsimmons and Maurer⁶¹ developed such an audit for the restaurants. It consisted of 42 questions which investigated the experience of serving dinner in the restaurant. The investigation starts from the parking area, entering into the restaurant and following the way in which the client is welcomed, the way in which he is waiting for a free table, the way in which he sits at the table, orders and receives drinks and food, and eventually receives the bill and pays it. The questions included two categories of variable terms:

- maintenance items;
- "person to person" services;
- waiting;
- placement of the table and of the seats;
- atmosphere;
- the display of food;
- the display of the bill;
- suggestive promotion and sales;
- tips;

In this way, the whole experience of the client is followed from the beginning to the end. WtA is usually based on the details of the process of service delivery in an effort of discovering the items upon which we can action for an improvement.

The first step in designing such an audit is the preparation of the graphs which include the interactions which the consumer has with the system. The following example refers to the way in which parts of the WtA are used by the Art and Drawing Museum in Helsinki. The questionnaire was divided into five major sections connected with the process of the delivery of services (tickets, information, experience, facilities, and satisfaction). Within each section there are several statements regarding the observation that a client would make. The statements should be formulated rather as declarative sentences than questions. In order to catch the clients perceptions, we used a Likert scale with five points (1= total disagreement...5= total agreement). As WtA illustrates, other questions have been included, being of great interest for the management (for example, "where have you heard about the event?" in order to mark the efficiency of advertising). It is also useful to let the last part for "comments" which can offer useful opinions of the consumers which haven't been anticipated by the questions already asked. In order to avoid excessive questioning, WtA has to be limited, as length, to two full pages.

WtA can be administrated in several ways (via email, phone interview or personal), but the most efficient method is the one administrated directly to the person immediately after the experience regarding a certain service. Rewarding the consumer with a gift certificate or a next free visit will increase significantly the degree of participation.

WtA is an opportunity of assessing an experience with a certain service from the clients' point of view. Tangibility in a service implies providing the consumer certain suggestions, verbal, environmental, sensorial, that can define the service for the client and that can encourage the repetition of the visit.

WtA can also be an instrument for the diagnosis in management with the aim of assessing the distance of perception between consumers and managers of the delivery services. The clients visit a certain place less frequently than the managers and, however, they are more sensitive to the subtle changes (old wall painting or old carpets) than the managers. The quality of the service for the client can be diminished and become more difficult to be understood both by the clients and by the managers.

In order to test this application of WtA, the same audit used at the Helsinki museum, which has been done for the clients, was also done for the managers and employees. There could be traced differences in the perception of services by the managers, clients and employees. Some of the differences are not surprising

⁶¹ J.A.Fitzsimmons, G.B.Maurer- Walk-Through Audit to Improve Restaurant Performance, Cornell HRA Quarterly, februarie 1991, p.95-99.

(as for example “There was enough information about the objects”, because the employees were familiar with the exhibits). Other differences suggest possible improvements, as follows: “It is very easy to get further information from the employees” or “The employees that help you behave in a friendly manner”. It is interesting to mention the points in which there are differences in perception from the point of view of the managers and the employees, as for example “The explanations concerning the objects were clear” or “There is the possibility of interacting with the exhibits”. In both cases, the employees agreed in a greater extent with the statements than the clients, the managers occupying the last position.

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EVOLUTION AND PERSPECTIVES OF PERSONNEL EMPLOYMENT WITHIN THE SMALL AND MEDIUM ENTERPRISES IN ROMANIA

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Abstract: The present paper dwells on the evolution of employment during the period 2006-2007 within the SME-s and on te perspectives of the year 2008 in order to measure the intentions of the employers regarding the increase or the diminution of the number of employees.

Key words: employment, entreprise, jobs.

In Romania, in 2007, compared to the year 2006, the SME-s increased their number of employees in average with 3,73 persons / company, fact that represents an average increase of the number of personnel/company with 16,58 % , thus demonstrating that the sector of small and medium enterprises contributes decisively to the creation of new workplaces.

More than 3 /4 of the companies (79,53%) hired less than 5 employees, 8,92 % of the enterprises employed between 6 - 10 persons, 6,30% of the enterprises hired between 11- 20 persons and only 5,25% of the SME-s hired over 20 persons (figure no. 1).

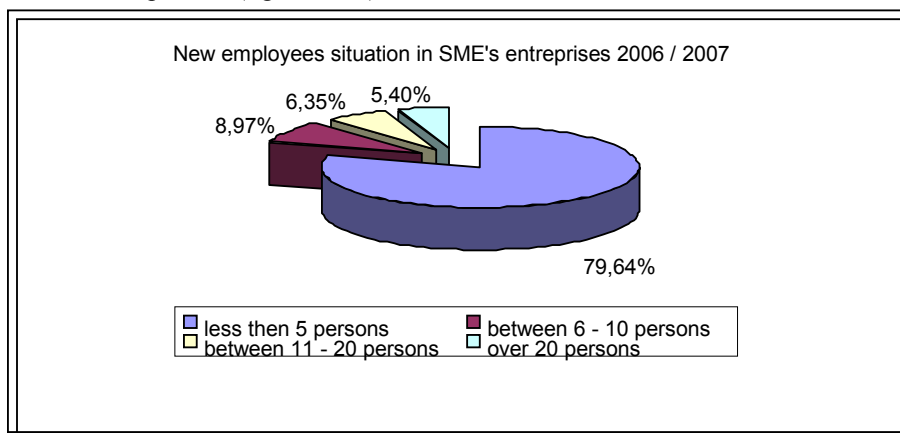


Figure no. 1: The Employment Situation within the SME-s

Should we take into consideration the SME-s in point of the duration of their performed activity, we will notice mainly that the companies activating on the market for about 10 - 15 years hold the most important average of new employees (5,04 %) and the enterprises with less than 5 years of existence recorded the most important percentage increase for newly hired persons (19,88%) (table no. 1).

Crt. no.	Indicator	The SME's duration of existence			
		under 5 years	5 – 10 years	10 – 15 years	Over 15 years
	The average number of newly hired persons	3,30	3,30	5,04	4,02
	The increase percentage of the average number of employees	19,88 %	15,70 %	16,10 %	10,32 %

Table no. 1: The evolution of employments and of the average number of employees according to the SME-s duration of existence

By grouping the companies on regions of development, we can notice that the SME-s located in the North-Western area hold the most important number of newly hired persons (9,67%), while the enterprises within the Central area record the most important percentage increase concerning the number of employees (22,41%). The companies located in the South-Western area register the smallest average number of new employees as well as the smallest personnel increase percentage (8,38%).

Crt. nr.	Indicator	The SME-s duration of existence							
		Nord East	South East	South	South West	West	North West	Center	Bucharest
1.	The average number of newly employed persons	6,96	2,61	2,35	1,21	5,38	9,67	1,78	4,34
2.	The increase percentage of the average number of employees	15,51%	18,02%	17,03%	8,38%	16,53%	21,30%	22,41%	16,47%

Tabel no. 2: The evolution of employments and of the average number of employees within the SME-s, according to the development areas

According to a study performed by ManPower Romania, regarding the manpower perspectives, it comes out that the employers within all the eight analyzed regions have positive employment intentions. The results of this study demonstrate the fact that the net employment provision for the second trimester of the year 2008 reaches a level of + 36%. Thus, 43% of the Romanian employers intend to augment their work force during the following trimester. On the other hand, only 7% of the employers expect a reduction of the employment activity. Concurrently, a segment of 49% of the employers do not anticipate any change. The employers from the North-western area are the most optimistic regarding the 2nd trimester of the year 2008 with a significant Net Employment Prevision⁶², of +42%. The employers within the North-eastern and West regions are the less optimistic, recording nevertheless an important Net Employment Provision of +21%.

⁶² The parameter „Net Employment Prevision" (PNA) can be obtained by means of the difference between the percentage of employers anticipating an increase of the total number of employments and the percentage of employers estimating an employments reduction within their location, during the following trimester.

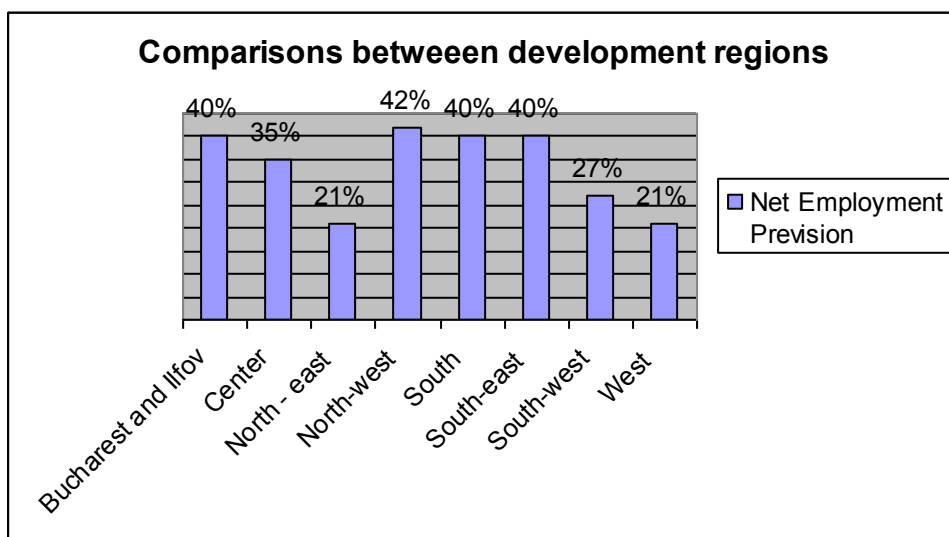


Fig. no.2: Comparisons between development regions

According to the chart hereinabove (Fig. no. 2) the employers from the capital, center, North-west, South and South-east anticipate a considerable evolution during the 2nd semester of the year 2008 whilst the Net Employment Prevision of 21% is identical to the one reported by the employers from the western region and corresponds to one of the lamest previsions for the sectors of activity studied during this trimester.

The analysis of SME-s according to their fields of activity emphasizes the following important aspects:

- considering the average number of newly employed persons, the constructions and industrial companies detach considerably from the SME-s from the other fields, with averages of 7,59 and 5,16 new employees per company. These evolutions are determined by the particular development of the activities in the field of constructions and by the slight revival of the industrial sector;
- regarding the increase percentage of the average number of employees, the service companies occupy the first position (19,98%), and the tourism companies the last (14,57%).

Crt. no.	Indicator	SME-s on sectors of activity					
		Industry	Constructions	Trade	Tourism	Transports	Services
1.	The average number of newly employed personnel	5,16	7,59	2,30	4,43	3,40	2,78
2.	The increase percentage of the average number of employees	16,04%	17,92%	15,11%	14,57%	16,55%	19,98%

Table no. 3: The evolution of employments and of the average number of employees according to the SME-s activity field

The comparisons between the sectors of activity (Fig. no.3) for the year 2008 the 2nd semester indicate that the employers from the labor market have great expectations regarding the employment activity, positive previsions being reported on all the ten sectors of activity.

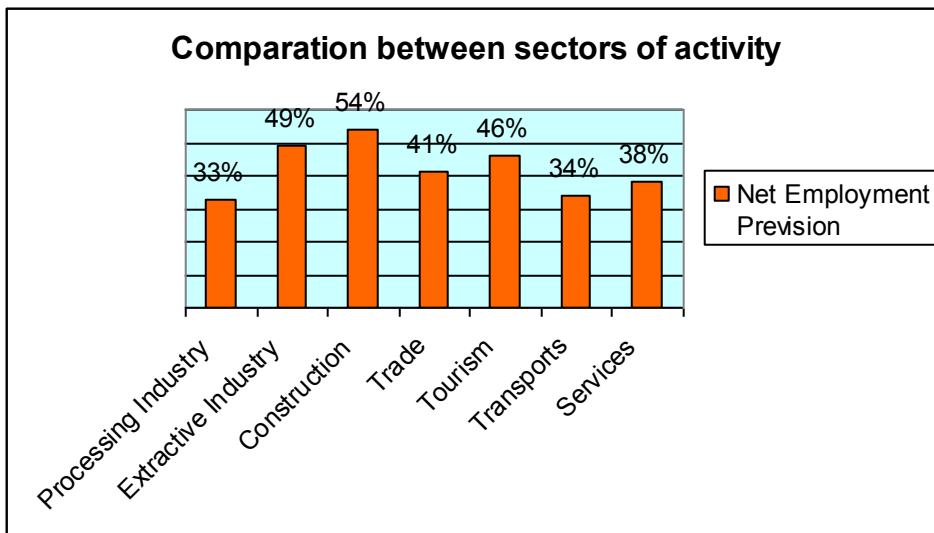


Fig. no. 3: Comparisons between sectors of activity

The companies with the strongest intentions of employment come from the industries where the deficit is the most acute. The constructions field leads by far this top, with a net employment prevision of 54% for the next three months, in the conditions in which the deficit within the sector is estimated by ARACO to approximately 80-100.000 persons at present. The same problem of personal recruiting also occurs, at present, in the retail (the employment prevision is of 41% for this sector), in the hotelier industry (46%) or in the extractive industry (49%). The employers from the financial-banking or consultancy field have also serious employment intentions (38%). The public institutions anticipate, as well, a positive dynamic of employments within the following trimester - approximately 20%.

In this context, the National Council of Small and Medium Sized Private Enterprises from Romania performed a research on a sample of 234 SME-s having as purpose to evaluate the existing deficit on the work force market. A first investigated aspect referred to the percentage of the SME-s confronted with a deficit of work force. The result emphasized the fact that most of the investigated companies (Fig. no. 4) – 70,94% - confront with such a deficit and, at present, the deficit is, on an average, of 17 persons/company, but it will increase by the year to come to 29 persons/company.

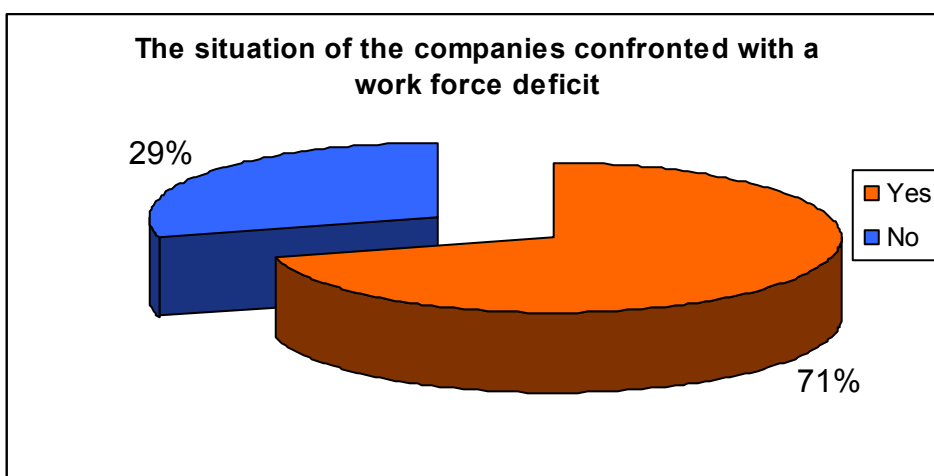


Fig. no. 4: The situation of the companies confronted with a work force deficit

The undertakers were questioned regarding the professions (jobs) indicating the highest deficit. Most of the companies indicated: skilled workers in the field of constructions, lathe operators, fitters, instalatori, carpenters, welders, electricians, motor vehicles dyers, mechanics, motor vehicle tinkers, millers, mechanic

fitters, skilled workers in agriculture, drivers, security agents, rodent control agents, salesmen, chemist operators, architects, electronic engineers, designing engineers, metallurgic engineers etc.

As a conclusion, the proposals solicited by the undertakers for the improvement of the situation on the Romanian work force market aimed at :

- the reduction of the fiscality applied on the work force;
- the support of the Arts and Trades Schools program;
- the elimination of social welfare for the skilled persons receiving a job through AJOFM, according to their qualification;
- the organization of vocational schools for craftsmen;
- the organization of regional workplaces grants ;
- the granting of facilities to the companies organizing trainings and qualification/requalification courses with their own funds;
- the stimulation of the Romanians working abroad for their return to the country;
- the granting of facilities to the companies employing students and young people;
- the reappraisal of the Labor Code which is unbalanced, by granting more rights to the employees and more obligations to the employers;
- the facilitation for the employment of work force from the Republic of Moldavia;
- more permissive conditions for the granting of work permits or of sojourn visas.

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MODALITÉS POUR APPRÉCIER LES PERFORMANCES ÉCONOMIQUES ET FINANCIÈRES D'UNE ENTREPRISE

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La performance n'est pas seulement un chiffre: elle peut prendre toutes les formes informationnelles si elle répond à ces deux fonctions –la conduite d'action et l'évaluation de résultats.Les performances techniques et technologiques mettent en valeur le progrès qui se développe sans cesse et marque la capacité d'une entreprise à réaliser des biens et des services concurrentiels. Les indicateurs financiers ne permettent d'apprécier que partiellement les performances d' une entreprise; le diagnostic des performances vise les problèmes stratégiques, organisationnels, sociaux , technico-économiques, commerciaux ainsi que financiers.L'appréciation de l'efficacité d'une entreprise, de ses performances, ont un contenu plus vaste; le diagnostic financier n'en est qu'une composante.

Mots clé: la typologie de la performance, indicateurs financiers, la rentabilité, le profit légitime,

Introduction

Pour bien comprendre ce que signifie la performance en général, économique- financière en particulier, il est important de rappeler quelques considérations qu'on trouve dans la littérature spécialisée .

Par exemple, dans le ‘ Dictionnaire fiduciaire . Organisation et gestion ‘ on trouve des souscriptions qu'on peut utiliser dans la configuration de compréhension .Le mot ‘performance’ provient du mot ‘ performare’ (latin) et ‘to perform’ (anglais).L'invocation de ces mots permet de relever le sens de performance dans le contrôle de gestion , appliquée à l'analyse économique-financière .

Le sens de ce mot – ‘ performare’ – dans le dictionnaire mentionné, peut être interprété par : ‘donner entièrement la forme de choses ‘, ou par - s'agissant de ‘ to perform’ : accomplir, réaliser une tâche régulièrement, systématiquement, ou accomplir certaines choses demandant une certaine habilité et aptitude. Dans une optique relativement similaire, on peut expliquer la notion de « performance » par la réalisation d'activités correspondant à des objectifs recherchés, ce qui pourraient être traduits en dernier lieu par « rendement » (du point de vue des auteurs).

Il est important de bien faire la distinction entre notion de performance et notion de résultat. La performance, soulignent les auteurs, représente un concept relatif à des objectifs et à des normes, tandis que le résultat est une notion absolue.

Selon nous, cet essai d'explication du sens de la notion de performance n'est pas adaptable à tous les domaines de compréhension.

1. Démarche dans la théorie de la performance économique-financière

1.1 La typologie de la performance

Afin d'évaluer la fonction du système économique et social comme un tout, qu'il s'agisse d'un micro-système, c'est-à-dire une entreprise, ou d'un macro-système (une économie nationale), ou de la composante d'un système, il nous paraît important de former une typologie établie sur la base de certains critères (il ne s'agit bien sûr pas d'une typologie exhaustive). Ainsi, nous relevons les groupes de performance suivants :

a) Du point de vue de l'échelle de formation et manifestation des performances :

- échelon micro-économique
- échelon mézo-économique
- échelon macro-économique

b) Du point de vue du contenu des performances :

- performances technico-technologiques
- performances économiques
- performances technico-économiques
- performances financières
- performances économique-financières
- performances économiques et sociales

Il est souvent fait mention des performances financières dans la littérature spécialisée. E. Cohen, sous la formule « l'analyse financière des performances », précise que les plus importantes sont les suivantes :

Le profit

L'excédent brut d'exploitation

L'excédent de trésorerie

Le cash-flow

Parmi celles-ci, on pourrait inclure la liquidité générale (bien entendu, dans le contexte de l'enregistrement de certaines valeurs du coefficient) la liquidité immédiate, la corrélation fond de roulement net-actif circulant (proche du type « ciseaux »), le dividende per actions, la valeur de l'action, etc.

Après quoi on remarque que, dans la typologie des performances, sont mises à part les performances économique-financières. A notre avis, un tel groupe réalise une fonction informationnelle cognitive de réel intérêt pour diagnostiquer et évaluer l'activité d'une entreprise.

Selon nous, la rentabilité ou la profitabilité avec tous les indicateurs absolus et relatifs, entrent correctement dans la catégorie des performances économique-financières. Ou, comme on le sait déjà, toute la littérature spécialisée l'inclut dans le cadre de la situation financière.

Il est certain que la rentabilité, dans les conditions légitimes de sa formation, reflète la consommation et l'efficacité des facteurs de la production, par essence le travail et le capital, ce qui signifie qu'elle apparaît au premier plan comme indicateur « déterminé » économique.

Parmi les fonctions ultérieures interviennent le potentiel financier, mis en évidence par les capacités d'autofinancement, de rémunération des capitaux, de satisfaction des obligations vis-à-vis du macro-système suivant pour assurer le mode général des activités.

Le problème se pose également en ce qui concerne la rotation des actifs circulants d'exploitation. Selon nous, cet indicateur est inclus dans la catégorie des performances économique-financières dans lesquelles l'économique est de fait un déterminant complexe du processus de formation des stocks à la consommation physique des différentes ressources matérielles. Dans ce cas, la rotation des activités entre en corrélation avec le volume des sources financières plus grand ou plus petit tenant compte de l'accélération ou du ralentissement de la rotation.

L'appréciation d'ensemble des performances d'une entreprise ne peut faire abstraction des performances économiques et sociales. Le comportement des agents économiques manifeste de sérieuses carences concernant les performances économiques et sociales, surtout du fait de l'action de prestigieuses organisations internationales qui les influencent. Or, la santé de la population, la protection de l'environnement, le développement durable suppose des contraintes plus rigoureuses que les contraintes économiques.

Dans le fond, le présent et l'avenir des communautés humaines devrait faire abstraction des frontières entre les pays, or rien ne peut véritablement contrer l'initiative et le développement libres.

c) Du point de vue des manifestation en les limites des fonctions managériales

Le spectre des performances peut être analysé entre les limites des fonctions du management. La prévision se fonde sur un ensemble de valeurs du passé et du présent réalisé par l'entreprise, qui s'inclut dans la combinaison des déterminations futures pour situer leur dynamique en zone des performances attendues comparatives avec leurs concurrentes.

L'organisation représente une zone remarquable dans l'assurance des prémices des formes de performances économique-financières de l'entreprise .

Leur domaine comprend toutes les fonctions du système et évidemment, à leur niveau, il les rend plus efficaces, concourt aux sorties spécifiques analytiques et synthétiques qu'on peut situer à la cote de performance.

Dans le même ordre d'idée, la coordination comme une composante managériale, par un processus synchrone des actions et la surveillance de l'activité facilite la fonction entière et obtient un lien effet-performance.

1.2. Le rôle et la place des indicateurs dans la caractérisation des états de performance

L'obtention de valeurs dépend de la croissance du revenu ; celle-ci se réalise alors quand les produits ou les services de l'entreprise sont préférées à ceux offerts par la concurrence. La stagnation du revenu attire implicitement une dépréciation de la valeur et la régression de l'entreprise.

La stimulation de la croissance du revenu a besoin d'indicateurs économique-financiers, indicateurs devant être utilisés non comme un moyen mais comme un but. L'usage des indicateurs économique-financiers pour mesurer les succès d'une entreprise est, de fait, une modalité reflétant les performances économique-financières.

Philippe Lorino, in « Méthodes et pratiques de la performance. Le pilotage par les processus et les compétences », affirme que les indicateurs de mesure des performances offrent des informations qui doivent aider un acteur individuel ou, en termes plus généraux, un acteur collectif, à conduire des actions visant à atteindre son objectif ou à permettre l'évaluation d'un résultat.

La performance n'est pas une mesure objective, l'attribut d'un phénomène mesuré indépendant de l'observateur, mais est construite par des acteurs en relation avec le type d'activité menée et des objectifs proposés. La performance n'est pas seulement un chiffre, elle peut prendre toutes les formes informationnelles si elle correspond à ces deux fonctions – conduite d'actions et évaluation de résultats.

Les indicateurs financiers sont indiscutablement et absolument nécessaires pour apprécier les performances d'une entreprise, mais il faut prendre en considération un certain nombre de limites. En premier lieu, les indicateurs financiers ne permettent qu'une appréciation partielle des performances d'une entreprise, le diagnostic des performances vise les problèmes stratégiques, organisationnels, sociaux, technico-économiques, commerciaux et financiers. L'appréciation de l'efficacité d'une entreprise, de ses performances, a un contenu beaucoup plus vaste ; le diagnostic financier n'en est qu'une composante.

En second lieu, le fait que l'analyse financière aborde les critères monétaires d'appréciation des performances, revient à négliger certains aspects de l'activité qui ne peuvent avoir une transposition monétaire.

Par ailleurs, l'analyse financière permet la formation d'images d'ensemble sur la base des résultats sans permettre une bonne connaissance des activités internes d'une entreprise. Les indicateurs abordés d'analyse financière permettent une appréciation globale de l'activité d'une entreprise. Or, pour mieux préciser les performances économique-financières, il est besoin d'une perception analytique des résultats, et de stabiliser la contribution de chaque facteur à part dans les réalisations de l'entreprise, ce qui ne peut se faire que par un diagnostic global de l'activité d'une entreprise.

L'analyse financière permet de mesurer et d'apprécier d'un point de vue strictement financier les résultats présents qui ont de fait un caractère partiel ; pour apprécier les performances économique-financières, il faut se soumettre par nécessité à l'utilisation d'un système d'indicateur qui exprime également l'orientation stratégique de l'entreprise, qui caractérise ses relations internes et externes, l'efficacité des activités, la capacité d'adaptation de l'entreprise face à la demande du marché, etc.

De plus, les performances reflétées par l'analyse financière sont la résultante des activités menées dans le passé une caractéristique d'une entreprise à un moment donné ; elles ne permettent ni d'apprécier la capacité d'une entreprise à réaliser un profit stable, ni d'appréciation sur la durabilité d'une activité.

Les performances économique-financières d'une entreprises sont mises en relief par un diagnostic global qui a pour objectif de mettre en évidence dans quelle mesure se réalise les objectifs majeurs d'activité : assurance de viabilité et croissance des valeurs d'une entreprise.

1.3 La rentabilité dans le système de performances

« Peut-être qu'aucune autre notion ou concept n'est utilisé dans les discussions économiques avec une variété aussi stupéfiante de sens distincts que le profit. »

Frank Kniglet

Le profit représente l'une des zones fondamentales du revenu formé dans l'économie de marché. Dans l'acceptation la plus large, le profit représente le gain ou l'avantage réalisé en espèce grâce à une activité économique.

Aucune activité entreprise par un agent économique ne peut se développer si elle ne réalise un avantage en espèce, si elle ne récupère les dépenses ni n'obtient un excédent de revenu.

Comme résultante des actions économiques, vues comme le décalage entre les revenus et les dépenses, on considère que le profit d'une entreprise peut avoir deux composantes : le profit légitime (légal) et le profit illégitime (illégal).

légitime

Revenu – Dépenses = profit [

illégitime

Le profit légitime représente la différence entre les revenus et les dépenses constitués légalement comme fond et modalité de calcul (sous-entendu dans ce contexte le coté social –moral des actions qui entrent fréquemment sous l'incidence de la tentation de déviance). Il apparaît comme un surplus monétaire dégagé du respect des normes légales et peut être différent du profit normal (respectivement au niveau moyen du profit obtenu dans la branche ou dans le secteur d'activité).

Comme composante du profit légitime sont considérés également les revenus provenant de la volonté d'éviter les risques qui, avec une probabilité plus ou moins forte, accompagnent l'activité économique d'une entreprise.

Les gains de ceux qui ont assumé les risques de l'activité économique, indifférents de dimension, s'inscrivent dans le cadre de l'acceptation de profit légitime. Bien entendu, l'action économique suppose également l'échec de celui dont le coût est supporté par l'entrepreneur.

Le profit illégitime, ou le revenu non-gagné, est défini comme la somme que s'approprie le possesseur de ces facteurs de production sans avoir apporté la moindre contribution dans l'obtention de résultats, sans l'avoir mérité, n'ayant rendu aucun service dans l'activité économique.

A titre d'exemple, **le profit légitime peut être :**

- La pratique de prix de vente très élevés (comme une spéculation sur une demande supérieure à l'offre),
- Les gains supplémentaires dus à l'inflation,
- L'économie sur les dépenses pour la protection de l'environnement,
- Les gains obtenus par des frais moindres et positions de marché favorables

Les effets directs ou indirects d'efficacité marginale sur le profit sont indiscutables. Un management dynamique et de qualité, l'assurance d'une réduction des dépenses, l'amélioration de la qualité, l'augmentation de la productivité sont les causes d'un profit supplémentaire assuré.

Dans la littérature spécialisée on trouve souvent la notion de profit admis ; c'est le cas de l'institutionnalisation de mesures de profit qui se stabilisent, pas tant en fonction de facteurs économiques que de décisions étatiques visant à assurer plus ou moins un certain niveau de profit sur les secteurs, les sous-secteurs.

Par la centralisation des revenus et des dépenses d'une entreprise, le décalage entre le total des revenus prouvés et les frais correspondants (exclusivement l'impôt sur le profit) s'exprime le contenu du profit brut (ou profit comptable). L'ajustement du profit brut avec l'impôt sur le profit constitue le profit net.

Laissant à part toute ces essais de définition du profit, comme notion purement théorique, on constate que celui-ci se trouve fortement impliqué dans la psychologie humaine : « le profit est le résultat d'action de force ou de pouvoir , où l'entrepreneur - ou le propriétaire - d'une unité économique entend parvenir, sur les marchés, par sa production, à créer une situation en mesure de renforcer son caractère ». Jean MARCHAL.

Conclusions

Parmi toute cette spéculation, ces avis, ces opinions, pour les entrepreneurs, dont le but est d'obtenir les résultats les meilleurs dans les domaines économiques, financiers, patrimoniaux et sociaux pour lui assurer stabilité et prospérité sur le marché, seule la version législative officielle présente de l'importance.

Le profit se définit ainsi comme la raison d'être d'une entreprise, se destinant à contribuer à la constitution du budget de l'état, à la création de nouveaux emplois, au fonctionnement des activités nécessaires à l'existence d'un pays.

A l'opposé, quand l'entreprise affiche des résultats qui reflètent, après une longue période d'activité, son incapacité à produire des bénéfices, elle risque de se soumettre à la procédure de faillite, d'élimination par le phénomène de concurrence.

Cette situation est de fait le résultat d'une situation dans laquelle l'agent économique, par manque de moyens nécessaires, se met dans l'impossibilité de poursuivre son existence en tant que « productrice de valeur » sur le marché.

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FONDEMENTS DES DECISIONS FINANCIERES AYANT POUR BUT DE REALISER UN MANAGEMENT PREVENTIF

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Dans les conditions actuelles, nombreuses sont les entreprises en situation de crise sans que le management de celles-ci ne parvienne à contrôler ces situations. La mondialisation du marché, la pression exercée par la concurrence, le besoin continu d'efficacité des activités avec la baisse des prix, la dynamique de croissance du milieu économique contemporain suppose un perfectionnement continu du processus de planification, contrôle et conduite en vue de réaliser du profit. En complément des fonctions classiques financières-comptables, on parle de plus en plus du concept de controlling stratégique comme modalité pour aborder une affaire, dans une perspective financière, mais aussi dans le processus d'affaire, dans leurs interdépendances ayant pour but l'identification des événements ayant un impact significatif sur les affaires avant que celles-ci ne deviennent information comptable.

Mots clé: management préventif, controlling stratégique, instruments du controlling, le contrôle par les budgets

Introduction

Dans les conditions actuelles, nombreuses sont les entreprises en crise dont le management ne parvient pas à contrôler la situation.

Celles-ci sont décrites comme événements irréparables, du genre: perte d'un client ou d'un fournisseur stratégique, fournisseur qui menace d'arrêter les livraisons, expiration

d'un crédit de financement, etc.

Aujourd'hui, on parle de plus en plus d'une entreprise - dans le nouveau contexte économique - dans une philosophie de contrôles et de prévisions, avec l'idée que celles-ci puissent faire face aux problèmes confrontés: le niveau élevé de l'incertitude, la mauvaise préparation de la force de travail, la dévalorisation du travail, la dégradation de l'environnement et des relations humaines, l'augmentation de l'immoralité des engagés, mais encore d'autres aspects de nature politique, économique, sociale et culturelle.

La mondialisation, la pression de la concurrence, le besoin continu d'efficacité avec la baisse des prix, la dynamique de croissance du milieu économique contemporain, supposent un perfectionnement continu du processus de planification, contrôle et conduite de l'entreprise.

1. 1 De la fonction financière et comptable au controlling stratégique

Information comptable réelle, opérante et complexe, il représente le support des décisions économiques et financières nécessaires aux managers dans le processus de conduite des activités d'une société. L'organisation et la conduite de la comptabilité est une obligation des personnes juridiques dans le cadre de l'économie de marché, et représente un instrument de connaissance économique-financière.

La fonction financière-comptable, son **rôle classique** de mise en évidence de l'utilisation des ressources financières, d'attraction de nouvelles ressources, de planification à court terme, de contrôle périodique et de coordination, dont le but est d'assurer la possibilité de corriger les déviations sur le processus économique, s'est montré insuffisant pour fournir des informations nécessaires aux fondements des décisions managériales.

En complément des fonctions classiques financières comptables, dans le contexte de l'économie du savoir, on parle de plus en plus du concept de controlling stratégique.

Le controlling stratégique est considéré, selon les spécialistes, comme une modalité pour aborder une affaire, dans une perspective financière, mais aussi dans le processus d'affaire, dans leurs interdépendances, dans la recherche-développement et l'innovation, et dans le développement et le

perfectionnement des ressources humaines ayant pour objectif l'identification des événements ayant un impact significatif sur les affaires avant que celles-ci ne deviennent information comptable.

Selon nous, par le controlling, est comprise la sous-fonction déléguable au management, par laquelle sont assurées et analysées des informations relevant des différents niveaux de décision.

Cette fonction présente le développement des affaires et indique le grade de réalisation des objectifs stabilisés par l'intermédiaire de la planification, analyse et interprétation des informations soutenues de l'existence d'un système de rapport adapté aux spécificités de l'entreprise.

Lorsque l'on a découvert les secteurs problématiques du business, on les analyse afin les éviter dans l'avenir, tout en s'assurant des capacités d'adaptabilité de l'entreprise face à la concurrence.

Le controlling stratégique synthétise l'identification des risques et facteurs de risques, avec pour objectif d'assurer l'existence à long terme de l'entreprise.

La fonction financier-comptable dans son exercice classique, ce que nous appelons le controlling opératif, est utilisé spécialement pour la croissance de la rentabilité économique avec une bonne liquidité et indépendance financière dans l'entreprise.

1.2 Les instruments propres aux activités de controlling

Les objectifs étant stabilisés, on procède au contrôle et au calcul des variations du niveau réalisé par rapport avec ceux planifiés. Les déviations doivent être évaluées en temps utile, tandis que le management de l'entreprise peut être mené dans la durée.

Parmi **les instruments spécifiques du controlling opératif** sont: analyse ABC, méthodes empiriques de pronostic, projets linéaires et analyses de trend, méthodes mathématiques et statistiques de détermination des déviations absolues et relatives, détermination et présentation graphiques des résultats, le calcul de niveau de rentabilité.

Le controlling stratégique vise à déterminer les chances et les facteurs de risque dans l'entreprise le développement des potentiels de succès, la surveillance du milieu externe et la définition de stratégies d'entreprise.

Parmi **les instruments propres aux activités de controlling stratégique**, relevons: analyse de la concurrence, analyse de porte-feuille, méthode BBC, analyse du cycle de vie du produit, diagnostic organisationnel, balance de la scorecard, target costing, analyse SWOT (évaluation des points forts et des points faibles), analyse du coût du capital engagé, technique de scénarios, autres.

On rencontre l'activité de controlling dans différents segments du domaine économique, comme le marketing, le management des ressources humaines, et davantage encore sous forme de controlling financier sur les investissements, les recettes, les dépenses, et sous forme de controlling des activités de trésorerie.

En particulier dans le domaine industriel d'activités de production ou de recherche/développement, nous rencontrons des préoccupations par rapport au controlling des projets.

Dans le management des projets, **le rôle du controlling** est de:

- planifier les résultats et l'évolution du projet
- délimiter le projet en phase d'exécution
- surveiller les déviations du plan
- déterminer les dépenses de projet et assurer l'enregistrement correct de celles-ci dans le cadre de la comptabilité financière
- déterminer les niveaux de réalisation du projet et déterminer les revenus.

Le controlling vous assure l'enregistrement du résultat escompté dans le projet respectif, en tant que partie intégrante des résultats et des performances de l'entreprise.

La nécessité de connaître en permanence la situation d'une firme, la transparence aux différents niveaux de décision et de secteurs, de déterminer des objectifs clairs, quantifiables, de planifier l'unités économique et la décision, d'analyser et d'interpréter les différents indicateurs économiques, ont déterminé l'augmentation du rôle et de l'importance des activités de controlling dans une entreprise moderne.

Le controller, personne responsable de ces fonctions, peut être comparé à un consultant interne sur les problèmes économique-financiers, **la nature de ses activités supposant**:

- connaissance solide de nature financière-comptable
- raisonnement analytique, dynamisme
- capacité de communication et de collaboration avec les différents départements de la firme et avec les stakeholders externes
- capacité de simplification des phénomènes complexes
- capacité à identifier et gérer les risques et opportunités
- savoir-faire dans l'utilisation des programmes de gestion des informations
- vision dans le temps, capacité d'anticipation

Dans son travail au jour le jour, le contrôleur ne doit pas oublier de:

- assurer le maintien de l'accès à l'information
- initier et entretenir les différents systèmes et applications utilisés dans l'activité de controlling
- coordonner les sous-objectifs, les tactiques, les actions.

La qualité et l'efficacité du controlling dépend de la disponibilité des ressources nécessaires, de la qualification du personnel, et bien sûr de l'équipement matériel et des techniques de calcul.

D'après nous, seule une combinaison saine des activités de controlling opérationnel, des types d'activités spécifiques de la fonction financière – comptable dans l'acceptation classique, avec les activités modernes de controlling stratégique vont conduire au succès de durée de l'entreprise et exercer dans les conditions d'efficacité du management préventif dans l'activité économique-financière de l'entreprise.

En conclusion, le controlling est une nécessité du management moderne imposée par la dynamique du milieu économique contemporain, par la réactivité nécessaire à la prise de décision, du besoin d'optimiser les activités, de réduire les coûts, de développer une stratégie claire, dans l'alternance des actions, dans les scénarios et dans les besoins d'anticipation des phénomènes économiques.

La qualité et l'efficacité de ceux-ci dépend de la disponibilité des ressources nécessaires, de la qualification du personnel et bien sûr enfin, de la dotation en appareils et techniques de calcul.

1.3 le budget et le contrôle par les budgets –instruments de planification et contrôle préventif des entreprises.

La technique budgétaire, comme composante du processus de planification organisationnelle suppose la mise en ordre des informations à court terme dans un budget général, qui une fois stabilisé suppose des activités continues d'analyse comparative régulée, les résultats effectifs étant mis en relation avec ceux budgétisés, les déviations enregistrées influencent le cycle budgétaire suivant.

L'analyse des déviations a comme principal but d'assurer la possibilité de correction en temps réel sur le parcours du processus économique.

Dans de nombreuses entreprises de Roumanie, privées ou mixtes, mais aussi du marché allemand, le budget, une fois fait, reste encore un document passif.

L'activité de finance doit porter l'empreinte des exigences budgétaires, des restrictions quantitatives et qualitatives spécifiques aux disciplines financières.

L'activité de budget est un processus complexe qui commence avec la phase de préparation du budget, suivie de la mise en budget proprement dite puis de la règle du budget stabilisé.

La préparation du processus de mise en budget est importante, aussi l'application correcte et conséquente des principes budgétaires suppose une réorganisation du service financier.

Par ailleurs, le service financier doit disposer d'un système d'informations opérationnel, bien doté en techniques de calcul et bureautique moderne, pour oeuvrer en temps réel, pour fournir des informations financières qui recouvrent les événements techniques, économiques, sociaux, écologiques du quotidien de la firme.

Concrètement, la budgétisation des activités économiques est faite par la transformation des activités de consommation et de production, et des fluctuations des fonds dans les informations financières puis dans les décisions incorporables dans la maquette du budget.

Les déviations des indicateurs projetés ou attendus se transforment en implications financières. La recherche de fond en mode opératif suit. A partir de là, on adopte et on réalise les budgets intermédiaires.

Ces budgets peuvent être consacrés à des investissements, à des moyens circulants, à la recherche scientifique, à des actions sociales, etc.

Le budget des recettes et dépenses constitue un instrument de contrôle des dépenses et des recettes en comparaison des prévisions avec les réalisations.

Précisons que celles-ci jouent un rôle important du fait que pour la majorité des gens, le contrôle des activités économiques par le budget, a le sens d'activités coercitives et, en partie, inutiles. Il provoque états émotifs et discomfort.

Toutefois, le management suppose activités de surveillance, contrôles qualité, sanctions et récupération des pertes, ainsi que des récompenses pour la réduction du gaspillage, dépistage des déviations et augmentation de la qualité, ayant quelques unes des attributions du management en relation avec les activités de contrôle.

L'absence de contrôle provoque, dans la majorité des cas, du gaspillage, une baisse de la qualité, la perte de segments du marché, la hausse des dépenses. Se pose également le problème de l'existence et de l'exercice du contrôle par le budget.

Dans la réponse du service financier, chute le mécanisme entier d'obtention de valeurs et de dimensionnement exact de celle-ci pour être reconnue par le marché. Le financier est, comme il se doit, un ingénieur des valeurs, tandis que le service financier est un laboratoire de vérification et de gestion des valeurs qui sont obtenues par l'entreprise.

Si ce laboratoire détecte des signaux alarmants, la parole du financier doit être écoutée, et l'activité économique doit être corrigée dans le sens voulu et en fonction des exigences du budget.

La meilleure forme de contrôle par le budget est représentée par le dépistage et l'analyse des différences entre les résultats prévisionnels et ceux réellement obtenus. Dans la littérature de spécialité, il s'agit des écarts suivants:

1. Ecart global sur les coûts

- par rapport aux éléments du coût
- par rapport au coût unitaire

2. Ecart global sur les résultats

- des quantités vendues
- par rapport aux prix de vente
- par rapport à la structure des ventes

Un autre domaine clef du contrôle par le budget a pour objet la situation de la trésorerie de l'entreprise sur le parcours de l'exécution du budget de trésorerie. Ce phénomène financier-monétaire représente le pouls de la firme, et doit être vérifié, si possible, chaque jour.

Dans les conditions de blocage financier dans lequel se trouvent de nombreuses entreprises de Roumanie, le contrôle par le budget de trésorerie doit viser tout particulièrement l'évolution de revenus des clients et leur effet sur les liquidités de la firme.

En mode concret, ce contrôle est suivi:

a) évolution des créances totales face au chiffre d'affaire journalier

par le rapport (r) $r = \text{créance totale} / \text{CA journalier} = n \text{ de jours}$

b) évolution du solde du compte Clients, comme différence entre le volume des factures émises et le volume des revenus prévisionnels et réalisés.

Les décalages constatés sur le mois sont des éléments de débat et peuvent constituer le point de départ pour adopter des mesures de correction des activités économiques et financiers de la firme en cause.

Nous pouvons en conclure que le contrôle budgétaire et l'analyse des déviations avec les rapports d'analyse, les rapports prévisionnels comparatives constituent les instruments de base dans l'exercice d'un management stratégique-préventif moderne.

1.4 Stabilisation d'un moyen efficace de contrôle financier préventif.

Le management préventif dans l'activité économique-financière a à la base un set de standards stabilisés.

L'objectif principal du **contrôle financier préventif** est constitué de l'élaboration et de la publication de rapports financiers corrects et complets, la protection de l'intégrité du patrimoine de l'entreprise et l'évaluation de l'efficacité opérationnelle.

Le management général est responsable de la stabilité de ces normes et du maintien d'un système de prévention et contrôle basé sur le principe d'efficacité économique de type coût-bénéfice.

1.5 Application et justification du contrôle dans le management préventif

Le contrôle est considéré comme l'un des instruments de gestion et prévention des risques les plus efficaces.

Deux types majeurs de contrôle sont discutés dans la littérature spécialisée

- **le contrôle préventif**, considéré comme prépondérant dans l'activité de contrôle de l'organisation, doit permettre de prévenir un événement indésirable dans le cadre ou en relation avec l'activité de l'organisation.
- Par exemple, la réglementation de l'approbation des acquisitions dans l'entreprise est une mesure de contrôle et de prévention du risque.
- **le contrôle d'après les faits** aide à identifier les événements déjà enregistrés, en offrant la possibilité d'interventions de correction et l'obtention d'informations de référence pour le suivi ultérieur.

Conclusions

Dans la pratique, il a été démontré que seule une combinaison pertinente de l'utilisation de ces deux types de contrôle peut permettre d'atteindre et réaliser les objectifs recherchés dans la meilleure proportion.

Analyse de l'**efficacité** du contrôle:

- Le degré dans lequel la mesure de contrôle proposée se rapporte au risque prépondérant identifié.
- La nécessité de mesures de contrôle supplémentaires (dans le cas où le risque identifié est considéré comme élevé).
- La combinaison de mesures préventives et détectives.
- L'implication du management ou d'une personne indépendante non exposée au risque.
- La favorabilité du milieu de l'entreprise et le mode par lequel il peut affecter l'activité de contrôle.
- Mesure dans laquelle le personnel impliqué dans l'activité de contrôle possède les connaissances, les aptitudes et l'attitude nécessaire.
- Composantes clés du processus de contrôle dans le mode d'attribution des responsabilités.

La **justification** des actions du contrôle se démontre par:

Impact de l'événement en cas d'absence de mesure de contrôle

Les coûts des activités de contrôle vont être devancés par les bénéfices de réduction des risques.

La matrice de contrôle, instrument utilisé dans la monitorisation et la gestion des risques:

- identification du processus clé des entreprises,
- décomposition de celles-ci dans les activités critiques du point de vue des risques
- identification et localisation des risques majeurs,
- classification de ceux-ci en fonction de leur impact potentiel sur l'entreprise.

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ASPECTS REGARDING THE APPROACH OF THE PROBLEMS OF THE EMPLOYEES AND OF THE PROBLEM-EMPLOYEES

Lukacs Edit

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The procustian approach of the job's design is widely spread in actual society too. Several researches in European countries regarding working conditions, employees' satisfaction and work stress marked the fact that there are many stressful jobs. The most serious consequence of work – stress is the lack of balance between private and professional life. Western organizations offer various support instruments to their employees in order to improve the balance between work and private life. There are employees who have difficult demeanour due to stress and exhaustion. The approach of problem-employees demands great skill and ability.

Key-words: bed of Procut, working conditions, balance between work and life, support company politics, problem-employees

1. Bed of Procut and working conditions

The idiom „Bed of Procut” is relatively widely spread not only in literary discourse but in the current one also. We met it either in the greek mythology or as the title of a famous novel of Camil Petrescu or because it is frequently used as a metaphor, to reflect various inadjustment situations or situations in which people are treated with force and brutality.

For those cases, less likely, when the reader does not recall the story, here is an abstract:

Procut was a robber in Atica, who invented an artifice to scrounge money from the tired and rather unlucky travellers who came by his house. He offered them hospitality; afterwards the guests either paid for their consumption or had to sleep in one of his beds. If the guests accepted the idea of sleeping in his beds, Procut mentioned in addition that the guest had to fit exactly to the bed. After being served with plenty of food and beverage the guest was shown the bedroom where there were two beds: one of them was very short and the other one very long but no unlucky guest matched the size of bed to sleep in. If the overdone amount of money requested by Procut would not be paid, he would force his victims to lay on one of his beds: the tall guests on the short bed whom he chopped their legs which were longer than the size of the bed; the short ones on the long bed whose bodies he stretched so as to fit the bed.

Since the connection of man with the environment became complex, this type of Procustian approach of environment design was widely spread. In metaphorical terms the people's arms were “stretched” so as to reach the unaccessible command organs/parts and the perceptual abilities were highly strung in order to see or hear the signals which can not really be seen or heard. At the other extremity of the Procustian scale, the legs were often “chopped” in order to match tight jobs and the cognitive capacities have been reduced so as to handle monotone tasks (1).

In our days we can often consider a Procustian approach regarding the match of man with the working environment also. There are plenty of researches which emphasize the fact that in our contemporary society the ergonomic design of working places is not taken into consideration.

The inquiries of the Foundation for Improvement of Life and Work Conditions, starting with the year 2001, provide compared data concerning working conditions, satisfaction degree of people, balance between private and professional life, which express not only the manner European people work and live but also the way they think.

The answers of almost 30.000 employees from 31 European countries highlight the fact that work is no longer a priority in European people's lives. They place health above anything and family on second place (2).

Our country presents the most concerning results. Most Romanian people work in unfavorable environment conditions (far too hot or too cold or pollution) and in tiresome or great physical effort demanding locuses. Work causes for over 42% of the questioned Romanian employed people backaches and excessive fatigue. Only 10% of the Romanian employed people declare themselves very content with their working place.

In a recent article of the "Financial week" there is the assertion that development appears to be the worst enemy of the employee. Although it is meant to ease labour, the new technology overbalances the employee's life who feels more and more threatened by the automation of operations. There are many qualifications who practically vanished due to implementation of sophisticated working systems but there are also new ones which emerged so that active population must permanently be "up and doing" in order to adjust to new things on the way (3).

An analysis made by the European Agency for Safety and Health at Work points out that the changes which occurred at the level of conceiving, organising and administrating work lead to serious abasement of mental and physical health of active persons. Jukka Takala, manager of EU-OSHA, pays attention to the fact that nowadays stress is the second most reported health problem and it affects 22% of European Union employees. Researches suggest that between 50% and 60% of all wasted working days are related to stress. In 2002 the annual economic cost of working stress in EU 15 was calculated to reach 20.000 million euros.

2. Balance between professional and family life

The most serious consequence of job stress is the lack of balance between private and professional life. Researches of EU-OSHA emphasises the fact that 40% of European Union employees who have prolonged working schedule are discontent with the relation between professional and family life.

Although spending prolonged working hours is being considered by managers as a manner to press employees to make efforts so as to show the requested efficacy, overtime work does not mean performance. Social sciences specialists assert that an the work of an employee who works overtime is not as performant on the long run as the work of an employee who uses his normal working time under similar conditions (4). An employee is more productive if there is a balance between his private and professional life. The balance is due to the span (how long?) and the quality (how?) of his working time and outside it. When the employee spends too much time at work and/or when being at work he is concerned about personal problems or related to family then he is dealing with an imbalance issue. The same imbalance appears when the employee thinks about work problems in his spare time or when he is with his family.

Offering the employees the necessary instruments to reach an appropriate balance is a concern of organizations. The balance between work and life improves the maintenance degree of employees in the organization and leads to the growth of their initiative and engagement and to reduction of stress as well.

3. Employee support company politics

The organizations of the future will have to carefully approach the employees' worries for their families and their personal lives if these organizations want to be leaders in their activity domain and train talented employed labor force. People need and deserve support from their managers.

At the moment the European employers deal with a deficit of 25 million employees; this a problem which will grow in all countries of the continent and in Romania, within ten years the labor force deficit will increase by about 15%", asserted Arvin Mishra, partner Human Capital of Ernst & Young (5). According to Arvin Mishra the talent crisis registered in Europe, the greatest worldwide, due to population's aging increases the pressure on the companies in order to attract and maintain talents.

The firms which invest in development and maintenance of talents have a rate of return on Investment 22% bigger than the competitors and the companies that treat the HR department as a business associate benefit from competitive advantage; these are only two of the topics discussed upon within the HR Forum 2008 event, organised by the Money Express magazine.

In developed countries the employers have identified various support instruments to balance professional and family lives of their employees. Here are few examples mentioned:

- The company Hewlett-Packard adopted flexible work schedules since 1972 which are being perceived according to researches as one of the most appreciated advantages
- According to Lewis E. Platt's assertions, president and manager of HP, the company also accepted a more pliable leave of absence policy. „Today the employees can obtain a leave of absence for any reason. If the employee reached a certain point in his life when he just wants to rest a little he can do it”(6).
- The American public relations firm Fleishman Hillard offers the employees a pause of six weeks after having worked for four-seven years inside the company.
- The banking group HSBC ensures baby nurseries for the employees' children and the investment bank Goldman Sachs offers financial assistance to the employees who adopt a child as well as a 5 days paid vacation for family emergencies.
- The oil group Royal Dutch Shell ensures consultancy services for stressed employees and the communications British firm Text 100 allows the employees to miss work two days a year because they are tired (7).
- In the American company IT Sun Microsystems the employees can work at home, in case fulfilling the tasks does not depend on actually being at the office; this system facilitates the attraction of talents from several regions of the world.

The concept of balance between work and life is not very much spread in Romanian companies. There are still companies which adopt benefit systems which help employees to improve the balance between professional and family life or which attempt to reduce the effects of professional effort. Dacia Groupe Renault is also part of this category which offers a series of benefits to the employees: offering help and subsidizing home-work transportation and canteen or subsidizing rest and treatment tickets (8).

Employers are obliged to approach the issue of stress at work according to the frame-directive 89/391/CEE referring to health and security in EU. This directive and the necessary legislation of the European Union countries emphasise that working stress is related to the legal aspect of health and security at work. They ascertain that stress ought to be approached in the same systematic and logical manner as other health and security issues by applying the risk managing model and especially emphasising the preventive measures.

4. Approaching problem-employees

The difficult demeanours of some persons or of the so-called problem-employees are easily recognisable in companies due to the emotional reactions they develop. According to experts from the point of view of the antisocial demeanour really difficult people are rare, in return anyone can have a difficult demeanour at one time (9).

Generally speaking the difficult demeanours of some of the employees can consist of objective causes such as assignment of tasks which exceed their abilities or, on the contrary, of too few tasks, lack of variety of work, setting vague objectives for the employee, unexpected working hours, uncertainty of the job or constant and continuous pressure (10). The difficult demeanour is often direct consequence of stress and exhaustion.

There are also times when difficult demeanour is based on personality features such as hypersensitivity, negative thinking, low self - respect or aggression.

Regardless of what the causes of difficult demeanour are, the approach of problem-employees is a challenge for the managers. While most of them may be tempted to dismiss these employees researches have indicated that the best alternative is to learn how to behave with that person. Dismissal is not always a solution as recruiting and training new persons is expensive (11). On the other hand the presence in a work group of an aggressive, arrogant, insubordinate, finical, hypersensitive and unproductive employee is difficult to bear. It is even worse when he has alcohol problems.

In organizations various types of problem-employees are to be met and they are often named with humour: „little genius”, „pathologic blabber”, „chronic complainant”, „the informer”, „the absent-minded”, „the bad-tempered” and so on.

The choice of the right demeanour for the approach of the employee will be made according to the type of demeanour.

4.1. Understanding the hypersensitive

No one likes to be criticised but most people can accept constructive critiques. However some persons feel any kind of critiques. Every time there are vague critique hints made related to their activity they become defensive and start accusing people that they are picking holes in them. The hypersensitive employee's fear to be criticised leads to great precaution in all his activities. In order not to risk by making the smallest mistake he checks and double checks anything he does. Consequently he doesn't succeed to finish his tasks on time. The hypersensitive employee may have low self-respect and therefore needs encouragement. Approaching him takes plenty diplomacy and pleasantness. Every time his activity is being analysed one should start by praising the good aspects of the accomplished activities and then make suggestions of how he can improve the unsatisfactory zones (12).

4.2. Tempering tantrums

There are employees who lose their temper occasionally and scream and yell at their colleagues and even at their bosses. They calm down rapidly but their demeanour affects the work of the entire team and some time has to pass until everything returns to normal.

Here are some suggestions of how to treat a person who has tantrums:

- After he has calmed down you should have a human to human discussion with the person. Emphasise you understand that it is not always easy for anyone to control one's temper but these tantrums are not to be accepted at work.
- If he has another tantrum send him out of the room until he calms down. Tell him that the next tantrum will lead to disciplinary actions.
- Recommend him to think about the old saying: „count up to ten before opening the mouth”.
- If you have an employee assistance program suggest the member to set a meeting with one of the program's advisors.

4.3. „Got you” game

Almost in every organisation there is an employee whose greatest pleasure is to catch the others making a mistake. The persons who play this game try to display their superiority. Because they usually do not have original ideas or constructive suggestions they find it satisfactory to discover others' mistakes, especially their boss's. They try to make them feel embarrassed and uncomfortable. The most adequate approach is by ignoring their observations or the answer by making a joke and smiling: “thank you for drawing the attention before something bad would happen”.

4.4. Denying negativity

Nothing goes right for the negatory employee. He always has a reason why an activity or a program can not be realized. Negatory persons cause more problems to the organisation. They oppose to every change just because they like to oppose. No argument ever helps. They often do whatever they can to sabotage a situation so that the new method wouldn't work and they could then say: „I told you so”.

Negatory persons have a negative impact on the team's morale. As a rotten apple can affect a whole barrel, so can a negatory person spoil the entire team's morale.

When new ideas are being brought forward to negatory persons it is good to ask them to express their objections outloud and then assure them that their observations are being appreciated.

Negativism is often based on personality factors which are formed since a long time and which exceed the abilities of any manager to solve the problem. In this case professional help is required.

4.5. The informer

The informer type problem-employee can be very good in his domain, can have multiple qualities, but has the greatest flaw: a bad character. He is disgusting by providing information about his colleagues to his boss: „X is late again”, „Y is talking to her friend on the phone again”. Such a man can manipulate the

relations among the employees of a company for his own benefit. He is the same man who will leave to another company for a greater income and will expose all the secrets of the previous company.

Although it doesn't hurt a manager to know everything inside a company and always be informed about it, such an employee could be dangerous for the company.

5. Conclusions

The results of the researches made by the European Agency for Safety and Health at Work (EU-OSHA) and also the ones of the Foundation for the improvement of live and working conditions draw the attention on the fact that working stress is one of the greatest challenges that Europe deals with in terms of working security health. Stress is placed second mostly reported health problems and it affects 22% of European Union employees.

The most serious consequence of working stress is the lack of balance between employee's private and professional life.

The difficult demeanours of some of the employees are often caused by stress and exhaustion. Under stress conditions calm people can turn into nervous and aggressive people.

Working stress can be prevented and the measures for its adjustment can be very effective from the point of view of costs.

Some of the measures for preventing working stress would be the next ones: testing work resistance during the hiring selection, clear definition of tasks and responsibilities, offering enough time to the employees for the fulfilment of tasks, adapting workload to the capacity and resources of each employee, offering opportunities to socially interact and others.

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LA VISION MANAGERIALE CONCERNANT LA CONCEPTION DES INDICATEURS SPECIFIQUES AU CONTROLE DE PERFORMANCE DANS LE DOMAINE DES PRODUCTEURS DE CONFECTIONS TEXTILES EN ROUMANIE

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The organisational performance is determined by the way in which companies try to adapt to the new „game's rules” imposed by the information era; the control system of the performing companies must be focalized on the implementation of the Balanced Scorecards that are developed in the context of the insufficiency of financial indicators within the processes referring to the performance measurement. Our paper emphasizes the results of a research that we made in view to determine the principles concerning the vision of Romanian managers from textile producers on performance control management; after the analyze process of the information gathered from the research, we outline the strategic orientation adopted by the organizations that influences their performances, the manners in which is projected the system of performance indicators and how are applied the benchmarking techniques and the most important indicators exploited in performance control process on the four dimensions of the balanced Scorecard.

Keywords: vision, performance, Balanced Scorecard, organisational culture

1. Eléments méthodologiques de la mise en oeuvre de la recherche

La recherche concernant le niveau d'application du management du contrôle de performance dans le domaine des producteurs de confections en Roumanie a suivi la création d'une base d'informations ayant un caractère général sur la manière dans laquelle les compagnies qui agissent dans ce secteur ont projeté et implémenté des systèmes des indicateurs pour quantifier les performances organisationnelles.

La définition des objectives de la recherche a envisagé l'évolution spécifique du domaine investigué, en plan conceptuel et opérationnel, auprès un échantillon représentatif des compagnies impliquées dans la production de confections textiles de Roumanie.

Le questionnaire utilisé comme support de la recherche est formé par des questions semi-ouverts qui visent tant des aspects concernant la projection du système des indicateurs associés au contrôle de la performance que des aspects concernant les implications de l'analyse de ses indicateurs sur les stratégies de développement de ces entreprises.

Dans la construction de l'échantillon, nous avons sélectionné 40 compagnies qui agissent dans le domaine des confections textiles qui ont un degré de notoriété élevé ; les managers de ces compagnies ont accepté de répondre aux questions, confirmant la conception de leurs stratégies d'affaires sur l'analyse des systèmes des indicateurs associés au contrôle de la performance.

2. L'analyse et l'interprétation des résultats obtenus

En ce qui concerne les actions possibles d'augmentation de la force compétitive implémentée au cadre des stratégies d'affaires des compagnies investiguées (figure no. 1), on remarque le fait que leurs managers focalisent les efforts d'abord sur les processus de rentabilisation de la gestion des coûts (50%), ce qui dénote une préoccupation permanente pour trouver des solutions concrètes de réduction des coûts au niveau de tous les départements ; en même temps, nous considérons que cette approche implique aussi des risques qui peuvent affecter les standards de performance.

L'assurance du contrôle périodique des indicateurs de performance à travers les tableaux de bord équilibrés (Balanced Scorecard) occupe la deuxième place conforme aux réponses des managers interviewés (28%), mettant en évidence le double rôle du tableau de bord équilibré :

- *instrument informationnel*, ce qui permet à chaque responsable d'une unité de gestion de disposer des indicateurs spécifiques, sur lesquels il peut effectuer des comparaisons entre les résultats réels et les objectifs établis, réagissant en conséquence à son niveau de compétence ;
- instrument prévisionnel, puisqu'il compare en permanence les réalisations avec les prévisions en vue de déterminer la réaction des managers.

Le développement des compétences des employés présente une importance moyenne pour atteindre les standards de performance, fait relevé par le poids des réponses reçus de la part des managers (15%) ; à notre avis, il faut imposer aux salariés des standards de performances mesurables à la suite de leur participation aux programmes de formation et développement des compétences. Ces cibles doivent être soumises à une analyse intermédiaire au moins une fois par trimestre.

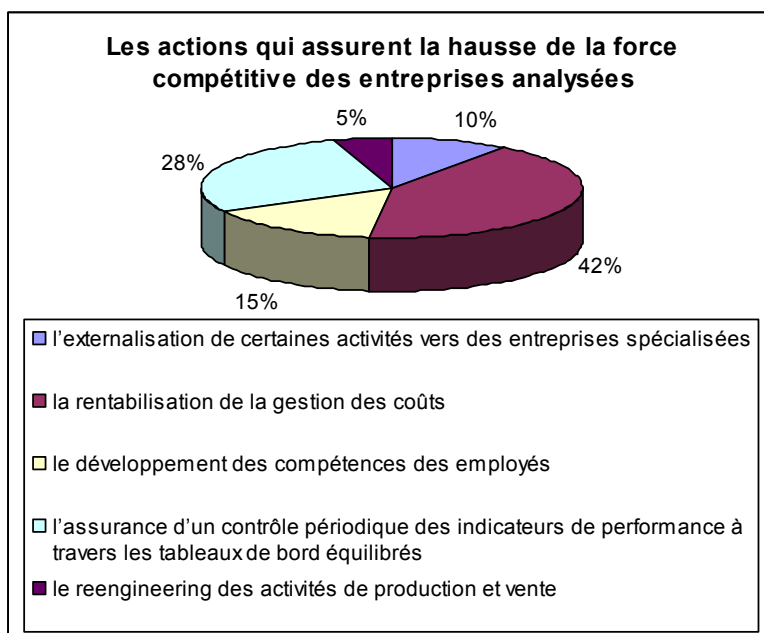


Figure no. 1 - Les actions qui assurent la hausse de la force compétitive des entreprises analysées

L'externalisation de certaines activités vers des entreprises spécialisées, appréciée comme un facteur d'augmentation de la compétitivité par 10% des managers des compagnies productrices des confections textiles, présuppose l'utilisation stratégique des ressources externes pour le développement de certaines activités qui pourraient être réalisées avec les forces propres. Les entreprises pourront hausser leur niveau de performance sélectionnant les fournisseurs qui ont l'habileté d'offrir des services complexes d'externalisation, pour les activités qui ne font pas l'objet principal de la compagnie.

Le poids très réduite des réponses concernant le rôle du reengineering dans les activités de production et vente dans la hausse de la force compétitive d'une organisation (5%) met en évidence la notoriété assez basse de ce concept et de ses avantages au sein des entreprises analysées, dans les conditions où la majorité des problèmes liés au développement peuvent être solutionnés par la re-modélisation de la culture managériale à travers les opérations de reengineering.

A la question concernant **les implications des cultures organisationnelles sur les modalités qui définissent les prémisses de l'implémentation d'un système de contrôle de la performance**, la majorité des managers ont placé sur la première place le développement des relations constructives entre les organisations et leurs « stakeholders » en vue de mettre en œuvre une culture orientée vers la performance

(52%), suivi par la mesure et l'évaluation de la performance en concordance avec les standards et les objectifs établis, en vue d'offrir aux managers et aux employés le feedback de leurs activités (30%) et la création d'un cadre pour la mise en place d'un système d'objectifs, exprimés par standards de performance (18%). (figure no. 2)

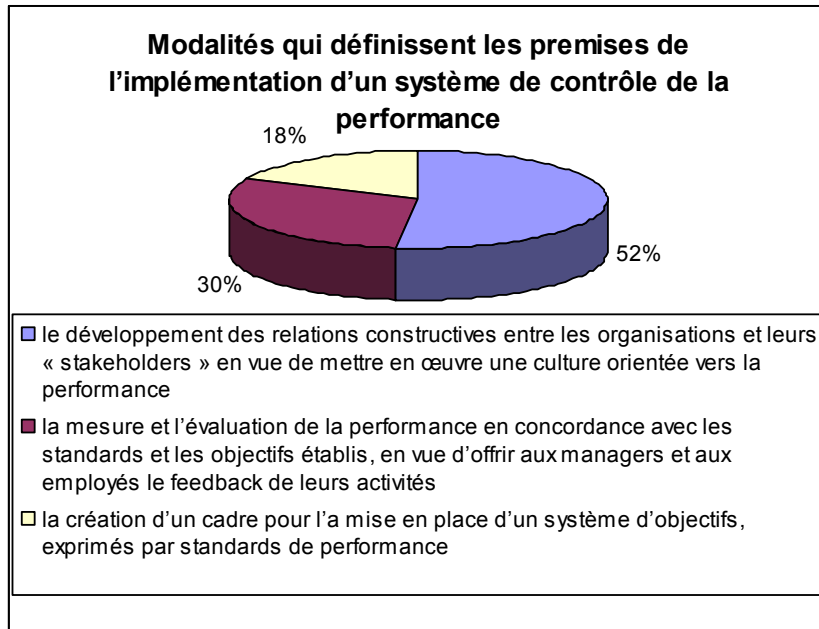


Figure no. 2 - Modalités qui définissent les prémisses de l'implémentation d'un système de contrôle de la performance

Dans l'opinion des managers interviewés, la projection des tableaux de bord équilibrés n'est pas influencée par les composantes des cultures organisationnelles ; nous ne partageons pas cet idée parce que, à notre avis, la performance organisationnelle représente une valeur culturelle qui impose la projection des tableaux de bord équilibrés en vue d'évaluer le degré d'accomplissement des critères de performance.

La culture organisationnelle orientée vers la performance s'appuie sur les interactions répétitives entre les quatre perspectives d'un tableau de bord équilibré (la perspective des clients, financière, du développement organisationnel et des processus internes), la mise en commun des croyances et valeurs partagées par les employés, même s'il y a des facteurs fortes qui la particularise, comme : le style de management et implicitement la manière de la prise des décisions, le niveau de formalisme, la structure d'organisation, qui peuvent influencer les comportements des employés en vue de l'accomplissement des objectives.

Un aspect qui a déterminé l'intérêt accru des chercheurs et praticiens dans le domaine du management de la performance concerne la réalisation de la fonction de contrôle à travers la culture organisationnelle. Celui-ci est un contrôle qui peut être considéré de nature idéologique, orienté tant vers la raison que les émotions des employés. Le contrôle culturel agit sur plusieurs niveaux, qui varient de ceux cognitives, aspects éthiques (normes, valeurs, idéologies) vers ceux esthétiques et émotionnelles (honneur, loyauté, dévouement). La culture organisationnelle peut être considérée l'un des principaux moyens qui vise la création d'une discipline sociale dans l'organisation et assure l'accomplissement des indicateurs de performance.

Dans le moment où les managers des entreprises textiles **approuvent un système de contrôle de performance**, ils accordent la plus grande importance à la manière de stimulation des employés de tous les niveaux hiérarchiques pour atteindre les standards de performance (45%). La projection et l'implémentation d'un système informatique de management des performances a obtenu un poids de 28% du total des réponses à cette question, tandis que la mise en place des plans réalistes de performances individuels et les facteurs critiques qui assurent le succès des stratégies d'affaires ont enregistré 15%, respectivement 12% des options de managers. (figure no. 3)

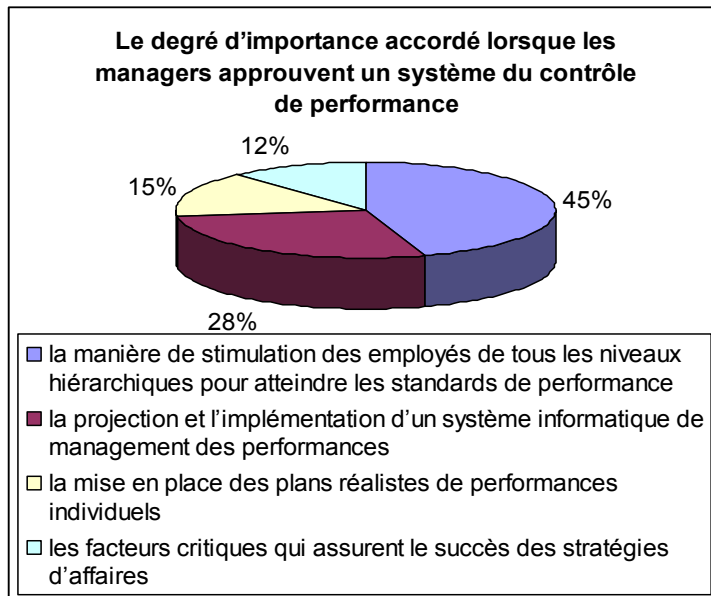


Figure no. 3 - Le degré d'importance accordé lorsque les managers approuvent un système du contrôle de performance

L'évaluation et le mode de récompense des employés doivent être considérés des processus d'analyse qui offrent aux salariés le feedback nécessaire à la réalisation de la performance. Les managers doivent toujours récompenser les performances de pointe et expliquer le plus claire possible le concept de « performances à haut niveau ».

De même, nous considérons qu'un management performant, adapté aux demandes actuelles du marché, suppose l'adoption d'un système informatique complexe qui assure la cohérence informationnelle, technologique et d'infrastructure ; l'implémentation d'un système informatique de management des performances contribue à l'amélioration de l'activité d'une organisation par l'accroissement de la productivité, une utilisation efficiente des ressources matérielles et humaines, la connaissance opérative et détaillée des revenus et coûts. Toutefois, les rapports fournis par ces systèmes informatiques permettent l'adaptation rapide à l'environnement d'affaires, ce qui conduit à une compétitivité accrue des compagnies.

La mission principale d'un manager est de faciliter la performance individuelle, de créer les conditions nécessaires à l'accomplissement des indicateurs de performance. On considère que la performance individuelle et le rendement collectif dirigent vers l'ouverture des nouvelles opportunités de développement.

En vue d'assurer l'efficacité du système de contrôle des performances, il faut envisager, dès le moment de sa conception, une approche séquentielle des objectives, puisqu'on considère que dans une première étape le contrôle de la position stratégique de l'entreprise dans son environnement d'affaires s'impose, suivi par la communication de la position stratégique de l'organisation auprès ses « stakeholders », la conception du système des indicateurs de performance et finalement la confirmation des priorités pour atteindre les critères de performance.

Plus de la moitié des managers des entreprises incluses dans l'échantillon de la recherche (52%) partagent l'opinion que **l'indice général de performance** se réalise sur la base des objectives d'amélioration des performances par rapport à la propre performance enregistrée dans une période antérieure, tandis que 23% des répondants considèrent que cet indicateur est déterminé sur la base des objectives d'amélioration de la performance par rapport aux concurrents (à travers les techniques de benchmarking). Il existe aussi d'autres opinions conforme auxquelles l'indice général de performance est représenté par un set d'indicateurs qui assurent une vision unitaire du top management, adaptée au besoins de pilotage organisationnel (15%) et favorisent la participation du personnel à travers une responsabilité accrue et en même temps stimule les employés en vue d'atteindre les objectifs mesurables (10%). (figure no. 4)

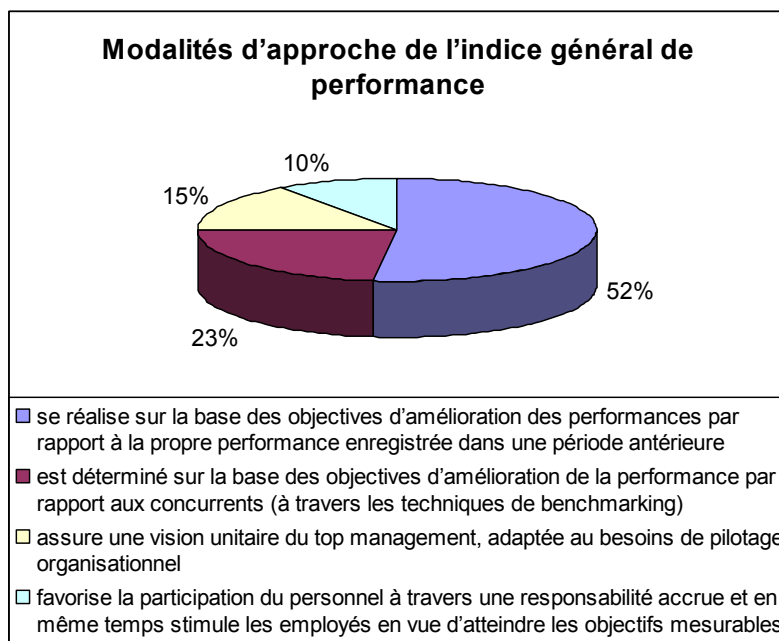


Figure no. 4 – Modalités d'approche de l'indice général de performance

L'objectif suprême d'une organisation est de performer constamment en vue de se développer. On remarque le fait que la majorité des organisations incluses dans le processus de la recherche ont une approche en ce qui concerne l'indice général de performance rapportée à sa valeur dans une période antérieure, fait qui nous détermine d'affirmer que la vision managériale se focalise surtout sur les processus internes.

Les performances organisationnelles doivent être corrélées avec celles de chaque employé. Si les performances organisationnelles s'expriment d'habitude par les indicateurs financiers, celles individuelles sont en général influencées par les comportements, attitudes ou l'accomplissement des objectifs individuels.

Les indices généraux de performances diffèrent d'un niveau hiérarchique à l'autre, d'un département à l'autre. Les similitudes apparaissent dans la zone des valeurs individuelles/valeurs spécifiques à l'entreprise et aussi dans la zone de certains comportements/qualités spécifiques. Pour chaque position il faut établir exactement les valeurs personnelles et professionnelles qui font la différence : la capacité de travailler individuellement ou en équipe, la capacité de conduire une équipe et de tolérer l'autorité, l'accomplissement des objectifs pré-établis ou indices professionnels.

L'importance de l'organisation des sessions d'évaluation des performances doit être mis en lumière, puisqu'elle a un impact majeur sur la motivation individuelle et aide les employés d'appréhender quels sont les points forts et quels aspects doivent être améliorés.

Balanced Scorecard est un moyen utilisé pour transposer avec succès la stratégie dans la pratique à travers le suivi des indicateurs de performance financiers et non financiers. Ceux-ci sont définis en vue d'établir les cibles et mesurer la performance au niveau de tous les compartiments d'une organisation.

Le principe de projection du tableau de bord équilibré (Balanced Scorecard) auquel adhère la majorité des managers interviewés (43%) relève l'optimisation des indicateurs de performance afférents à ses quatre perspectives (financière, clients, processus internes et développement organisationnelle), ainsi que les améliorations apportées dans certains processus d'affaires n'aient pas lieu au détriment de la détérioration des autres ; 35% des managers des compagnies textiles incluses dans la recherche considèrent que le principe de la projection d'un Balanced Scorecard est constitué par les relations de dépendance entre les indicateurs associées à ses quatre dimensions, qui facilitent la détermination de l'indice général de performance, tandis que 12% des managers croient que la projection du Balanced Scorecard suppose, premièrement, l'association dans un seul rapport managérial des éléments nombreux, apparemment sans interdépendances entre eux, d'un plan d'affaire orienté vers l'obtention de la performance ; 10% des

réponses à cette question envisagent les relations qui apparaissent entre la projection du Balanced Scorecard et l'assurance du cadre pour l'élimination des situations qui mettent en évidence des ressources inefficaces qui participeront à la réalisation des indicateurs de performance. (figure no. 5)

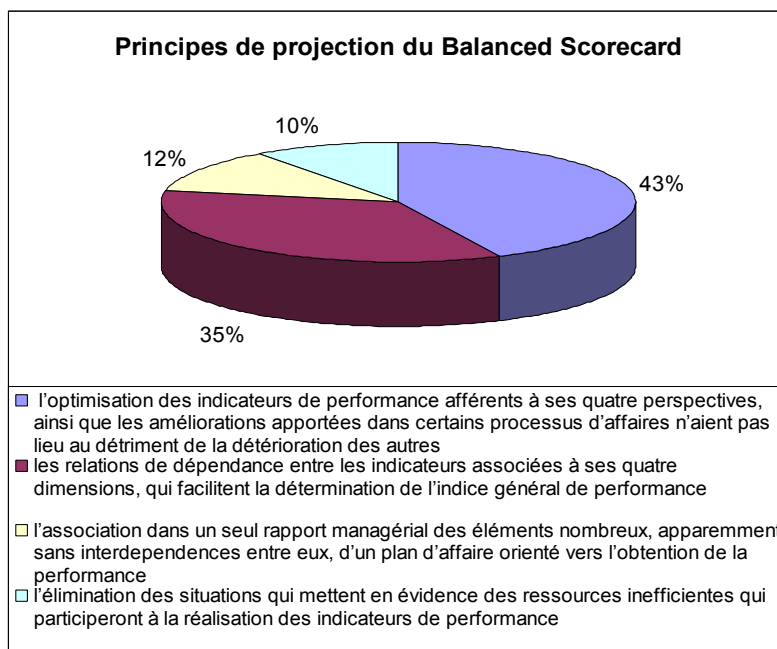


Figure no. 5 – Principes de projection du Balanced Scorecard

A notre avis, le tableau de bord équilibré (Balanced Scorecard) ne doit pas être perçu comme un facteur de remplacement pour la stratégie et la vision d'une entreprise, mais il est un instrument qui aide à leur formulation et réalisation, permettant un équilibre entre les objectifs financiers et ceux non financiers, engendrés par la perspective des clients, processus internes et appréhension et développement organisationnel. Après les résultats obtenus suite à la recherche, le processus d'optimisation des indicateurs de performance associés à ces quatre perspectives du Balanced Scorecard s'appuie sur un équilibre qui doit être assuré au niveau du chaque département, et le système informatique doit fournir des rapports qui mettent en évidence les relations de dépendance entre les indicateurs associés aux dimensions du tableau de bord, tandis que les situations d'allocation inefficace des ressources qui participent à la réalisation des indicateurs de performance doivent être envisagées par les logiciels de type Project Management.

Balanced Scorecard est fondée sur une approche pondérée entre quatre perspectives et a comme but le transfert du poids de la gestion financière à court terme sur la vision managériale à moyen et long terme, basée sur les stratégies innovatrices orientées vers la satisfaction totale des attentes et exigences des clients. L'objectif de cette méthode est d'orienter la stratégie vers les indicateurs qui décrivent le futur de la compagnie.

Les quatre perspectives impliquent la capacité des managers de fournir des réponses aux questions suivantes :

- **Perspective financière** (Comment nous sommes perçus par les stakeholders ?)
- **Perspective clients** (Comment nous sommes perçus par les clients ?)
- **Perspective processus internes** (Dans quels processus est ce que nous devons exceller pour avoir succès ?)
- **Perspective Développement et Innovation** (Comment est ce que nous soutenons notre capacité d'adaptation et comment pourront améliorer nos performances ?)

Parmi les quatre perspectives du tableau de bord équilibré, les managers des compagnies analysées accordent l'importance la plus grande à la perspective financière (40%), suivi par la perspective clients

(35%), la perspective des processus internes (18%) et la perspective développement et innovation (7%). (figure no. 6)

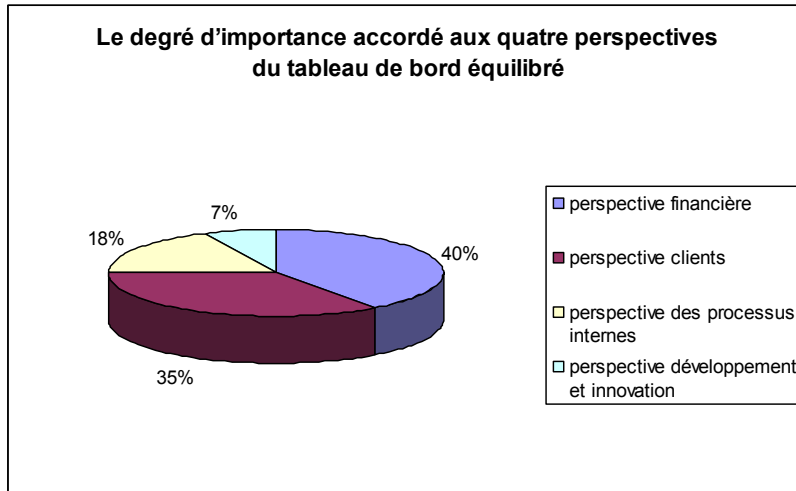


Figure no. 6 – Le degré d'importance accordé aux quatre perspectives du tableau de bord équilibré

Même si la plupart des réponses reçus mettent en évidence le placement de la perspective financière sur la première position, qui apparemment prouverait une orientation prédominante de ces organisations vers les résultats financiers, nous considérons que toute stratégie doit prouver que les relations de type cause - effet dans le tableau de bord équilibré peuvent être identifiées à partir des résultats financiers, à travers la perspective clients et processus internes et finalement vers la perspective développement et innovation. Lorsqu'une stratégie est élaborée, Balanced Scorecard doit être complétée par une série d'indicateurs cible qui représentent les niveaux de performances désirables dans le futur. La construction de ces quatre dimensions suppose d'accorder priorité aux activités et projets qui contribueront à l'accomplissement des cibles ; en vue de vérifier la faisabilité et la commensurabilité des cibles, il faut avoir le savoir faire dans le domaine du contrôle de performance.

3. Conclusions

Nous apprécions le fait que **Balanced Scorecard** analyse la stratégie d'affaire à travers toutes les perspectives possibles et permet la division des objectifs stratégiques en actions individuels jusqu'au dernier niveau opérationnel. L'avantage le plus important de cet instrument est représenté par les relations directes entre les objectifs stratégiques à long terme et les actions à court terme. La majorité des systèmes de contrôle et de management des organisations sont conçus autour les indicateurs et cibles financières, mettant l'accent dans une proportion réduite sur les objectifs stratégiques à long terme, engendrant une approche différenciée entre l'élaboration de la stratégie et sa implémentation.

Les managers qui utilisent le modèle Balanced Scorecard ne se focalisent pas seulement sur les indicateurs financiers à court terme en vue d'évaluer les performances de l'entreprise. Le tableau de bord équilibré permet l'utilisation de quatre **processus**, qui contribuent à la corrélation entre les objectifs à long terme et les actions à court terme. Ces processus sont : **la traduction de la vision, la communication et relation, la planification de l'affaire, le feedback et apprentissage organisationnel.**

☉ **La traduction de la vision** est le processus qui aide les managers d'atteindre le consensus dans leur organisation en ce qui concerne la vision et la stratégie organisationnelle. Pour que les employés agissent conforme aux déclarations présentées dans la vision et stratégie, celles-ci doivent être exprimées par un set intégré d'objectifs et mesures, agréées par tous les directeurs exécutifs, qui décrivent les facteurs du performance à long terme.

☉ Le deuxième processus, **la communication et la relation**, permet aux managers de communiquer la stratégie en amont et aval des échelles de la pyramide organisationnelle et de la lier par les objectifs individuels et les objectifs départementaux. Traditionnellement, les départements sont évalués conforme

aux performances financières. Balanced Scorecard offre aux managers l'opportunité que tous les niveaux organisationnels comprennent la stratégie à long terme.

☉ Le troisième processus, **la planification de l'affaire**, implique la possibilité des compagnies d'intégrer les plans financiers avec les plans d'affaires. La majorité des organisations implémentent des programmes de changements, chacune avec ses managers et consultants de projet, concourant pour le temps, l'énergie et les ressources des directeurs exécutifs, situation qui conduit fréquemment aux problèmes liés aux résultats. Lorsque les managers planifient des objectifs ambitieux pour Balanced Scorecard comme une manière d'allocation des ressources et établissement des priorités, ils peuvent comprendre et coordonner les initiatives qui aboutissent aux stratégies à long terme.

☉ **Le feedback et l'apprentissage**, le quatrième processus du Balanced Scorecard, offre à une entreprise la possibilité d'apprentissage stratégique. L'existence du feedback et l'évaluation des processus sur lesquels se focalise la vision de l'organisation, ses départements et ses employés assurent l'accomplissement du système des indicateurs spécifiques au contrôle de la performance.

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EDUCATION SERVICES QUALITY – A MUST FOR A COMPETITIVE EDUCATIONAL SYSTEM AT A EUROPEAN LEVEL

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Considering the present economic development, human resources represent the essential element of competition, at both national and international level. In the global competition of the IT economy, quality and human resources ingenuity are the main factors that differentiate countries.

Taking into consideration Alfred Marshall’s statement: “the most valuable of all capital is that invested in human beings”, we consider the quality of human resources in general and that of education in particular to be a key factor for general economic growth.

Key words: human resources, quality, education, quality management

Introduction

Specialists say that there is a very close relation between the technological progress and the investment in education influencing all areas of life: economy, society, politics, and culture. Although the most wide spread idea about quality is that it’s expensive, researches have shown that this idea is false. The quality of education is a desired social objective, and its contribution to general efficiency of economy is determinant.

Seen as a corporate culture model, total quality management has the purpose of orienting all its activities and processes towards the client and of optimizing them, so that they bring him long term benefits. The customers of the education services are both the people who benefit from them and their family but also the society as a whole.

The deficiencies of educational institutions’ management come from the orientation towards solving and diminishing quality problems as they arise rather than increasing the quality of processes and activities that generate these problems, the duality of organizational structures in the educational system and the tendency of self isolation of the personnel and functional subdivisions, the faulty analyses and institutional quality management measurement processes and often solving quality issues after a “late modernization” model.

1. Human Resources – A Key Factor for Economic and Social Development

Considering the present global economic development, the human resources represent the essential element of competition, at both corporate and national level. In the global competition of the IT economy, quality and human resources ingenuity are the main factors that differentiate countries.

People represent the main source of any economy on its way to modernization. The human resources that are educated, healthy, with a high physical and intellectual potential, able to be educated during the whole cycle of life and that adapt themselves to the economic changes, are essential for an economic growth model based on competitiveness, efficiency and quality.

Based on the existence of “living organizations”, managers have reached the conclusion that human resources represent the soul of those organizations (Mathis, R.L., Nica, P.C., Rusu, 1997).

Economic growth depends directly on work productivity. Higher capital investments and technological modernization, although necessary, are not sufficient to obtain these productivity improvements. This is why the improvement of human resources quality is necessary as an inherent condition that in the end implies the structural increase and optimization of public and private investments in key domains of human development, first of all in education and health.

The quality of human resources represents a sum of properties and characteristics of the human resources of an organization. The books written on this subject, refer to quality sometimes as “utility”, “capability to utilize”, or “conformity with the requirements” (S.Ciurea, N. Dragulanescu, 1995). Each of these

expressions represents aspects of quality that require further explanations because here we refer to human resources quality.

Although there have been a lot of discussions about better utilizing the human resources, usually, in reality, the whole potential of personnel from one division is not fully utilized. Thus the necessity of relating the exigency of issued standards with organizational realities regarding: (C. Rusu, M. Voicu, 2001):

Supporting and developing the organization's personnel competences (the efficiency of professional development system of the personnel and of promoting procedures, including the system for choosing all levels managers; the awareness and acceptance degree of the personnel for the criteria employed to evaluate performance.

In order to increase the workforce and corporate adaptability, the following will be supported: assurance, development and maintenance of workforce in order to achieve the companies' high criteria regarding the workforce competences, requirements that are essential in order to be competitive in the transforming process of economic and technological conditions required by the development of knowledge based society.

Adapting the professional competences of own personnel to the company's development needs will support the increase of productivity and the quality of work. All these, together with better work conditions, will lead to a healthy and secure workplace, especially in activity domains and divisions with a high risk and will determine a substantial decrease of accidents as the workplace and of professional diseases, as well as promoting an active aging process (prolonged active life and reduced phenomenon of anticipated retirement).

For continuous improvement of knowledge and managerial competences on all levels, entrepreneurial development will be supported. Implementing programs for entrepreneurial development will lead to ensuring entrepreneurial creativity, improving the manager's and the entrepreneur's capacity to manage their business and to adapt to the exigencies demanded by competitiveness and technological changes.

In order to make the changes in economic and social life faster, it's necessary to have a human resources policy that ensures high quality personnel. In a world characterized by globalization and internationalization of businesses, you can't obtain performance without competent human resources, which means that personnel activities go to a next level concerning promoting total quality management (TQM) and related to that concerning the strategic importance for organizations.

The development of human resources in education has as objective the diversification of initial and continuous education offers and of career opportunities for teaching staff and other human resources from the education and initial learning system. The competences gained during this education and learning programs will ensure, first of all, the acquisition and development of rewritten competences in the European Framework for Teachers' Qualifications.

The actions taken into consideration for this, view the human resources from education, both as participants to lifetime study and as disseminators of knowledge. This domain contributes to the development of human capital stock in education capable to offer quality education focused on individual personal and professional development needs of students, to decreasing the early school abandonment phenomenon and to increasing of education attractiveness.

Also, taken into consideration the fact that orientation and counseling services of human resources in education are not developed enough, nor have operational specific instruments to define professional and career plans for this category of human resources, actions from this domain will be linked with specific measures of career development growth opportunities for human resources in education.

The main actions taken into consideration are:

- Developing continuous education offers for teaching staff and human resources in education (including "on the job training");
- Developing initial education offers for teaching staff and human resources in education (for example, master's programs for teaching staff);
- Developing continuous and initial education offers for new professions in education; research;
- Developing the supplier services and instruments network;
- Ensuring the access to quality services;

- Career opportunities and career development services for human resources in education.

Developing and modernizing initial and continuous education offers have as objective the increase of the educational offers' appeal, the increase of quality and education value for the workforce market. The investment in human capital must be understood as an investment that sums up the investments in education. The investment in human resources includes the total expenses for increasing physical and intellectual aptitudes of people. The investment in human resources approach, like investments in physical capital, can be made through the cost-benefit, cost-efficiency and actualization analysis.

Among the factors that influence the investment in human capital are: *the economic general situation, the length and stability of the income flow, income differences, direct and indirect costs, ability revenue, human capital investment rate of return, the marginal income of it*, etc. Investments in human potential, seen as key investments in an economy, should be focused so that they coincide also with workforce occupation politics at national level. It should also be taken into consideration that an efficient regional and activity sector management of investments in human capital can lead to a better national economic development.

The perception of changes that took place in the structure of human resources and the effects caused by them on investments in human capital evolved along with the restriction of activities in some domains. Thus, the appearance of unemployment and the effects of it on some socio-professional categories led to rapid changes mainly in the structure of work demand and generated significant mutations in the human capital investments' structure.

The most important part of human capital is, as we have already shown, education and implicitly, the level of knowledge. In order to highlight the efficiency of investments in education we have to analyze both the costs and the benefits of the investing process.

The costs refer to the funds allocated for acquiring land but also buildings meant for education purposes. The private benefits resulting from the investment in education are clear: increased incomes, decreased risk of unemployment, therefore the increase of the degree of insertion on the workforce market. Social benefits strengthen the social cohesion, the increase of productivity and the certainty of economic growth, the decrease of social costs by preventing social exclusion, etc.

Taking into consideration the fact that individual investment into a person is made on a long term basis, not only in school but also at the workplace, the investment responsibility is not only of the employee but also of the employer, because the production process is the subject of permanent adaptation to the new techniques and technologies that appear on the market.

An OECD study shows that "participating at an additional year of secondary education amplifies the economic growth by as much as 5% and further, with 2.5% on a long term". Also, an additional school year raises the level of individual salary by approximately 6.5%. Evidence has also shown that, unemployment rate decreases along with the superior education levels, thus reducing the social costs that are involved. In conclusion we can say that the employment rate increases together with the education level reached by a person.

Education must help solve some of the problems that the contemporary society deals with. For this, internal coherence of education systems and society must be improved, but also ensuring a certain stability and continuity of these that will ensure long term efficiency.

If investments in tangible resources have as output the creation and development of physical (technical) capital, investments in the growth, education and training of human resources generate that which we call human capital.

We can say that a better quality of work contributes to the growth of employment, productivity and social cohesion. Benefiting of a higher and higher reward for qualification, the polarization between those with high volume and those with low volume of knowledge *affect the economic and social cohesion*. The access to education paid by the employer is often limited for those who already have a high qualification and so some groups are blocked in the inferior part of the workforce market.

An important desideratum is the development of education and training throughout the entire life, so that the changes and reorganizations in the economy don't produce negative effects for the social cohesion. One of the most important conclusions of recent research in education is that investment in educating and training people is both a *growth factor*, especially in the present times characterized by fast technological changes, and a fundamental instrument in *supporting social integration*. This fact was also confirmed by

the analysis of the PISA study results, which show that some countries with the highest medium achievements have, also, the lowest levels of differences between individuals and schools; in other words, the improvement of quality does not imply restricting the opportunities, on the contrary.

Education and high qualification education are considered an instrument of reducing differences between highly and lowly developed regions, by providing human resources necessary to the economic and social development. Choosing *the regional or local level of the training degree* as one of the six fundamental pillars of permanent education strategies in Europe and the movement for Learning Cities and Regions show how important these have become for hiring workforce and for local and regional development.

The question here is: should education be seen as a public asset exclusively? It is said that a stable, democratic society can't exist if the majority of its citizens don't dispose of a minimum level of civic culture. The idea is that the education a child benefits from brings benefits not only to his parents or to himself, but also to the other members of the society. "The education of my child contributes to other people's welfare by promoting a stable and democratic society" (M. Friedman).

Other people from the society benefit also from the fact that a parent pays for the education of his children. But it's difficult to identify all the beneficiaries and to demand payment from them. As a conclusion, we are dealing with a vicinity effect. Governmental intervention would be necessary on one hand in order to impose that every child receives a minimum level of education, and on the other hand to pay for this education in the case they don't afford.

Regarding the Romanian education system, we can see that it faces structural issues and especially the rural education system which deals with major difficulties regarding investments in physical infrastructure, qualified teaching staff, limited access to professional education and to continuous education programs for the rural population.

The special interest for investing in human capital in general and educational in particular is reflected also by the constant concern of OECD to support economic growth through programs of educational capital growth. International comparative studies for OECD countries show that at individual level, investment rate of profit in education is higher for higher education graduates than for secondary education graduates.

2. Quality of Education Services – a Must of the Present Times

In Romania, as well as in other European countries, the quality of education has become a very interesting domain considering in the first place the national differences as compared to developed countries and the necessity of obtaining results integrated in the European context. For this, compatible politics and procedures for ensuring the quality of teaching and higher education have began to be promoted, in order to increase the global competitiveness of higher European education and to facilitate mutual acknowledgement of each other's diplomas and university degrees.

Taking into consideration the desired outcome, any higher education institution is responsible to develop a quality culture, meaning to develop politics, techniques and practices that are applied consistently and thoroughly documented in order to obtain those results / performances that obey the desired objectives.

Among the institutional standards of ensuring the quality in a university are: the existence of specific mechanisms of approval, surveillance and evaluation of study programs and diplomas, the evaluation of students according to public criteria and procedures consistently applied, the compulsory fact of ensuring sufficient, competent and qualified teaching staff to manage teaching and study, the learning resources offered to the students to be appropriate and specific for each learning program, institutions to have data systems and information that measure the quality.

The quality of education services is a desired social objective, and its contribution to the general growth of efficiency of economy is critical. Although the most widespread idea about quality is that it's expensive, research have shown that this idea is false.

Ensuring the quality in education refers to elaborating reference standards, norms and performance indicators in the national education system taking into consideration the following aspects:

- The quality of the national education system;
- The quality of suppliers, education unit and institution representative.
- The quality of teaching and education process of the students is proven by the learning results, by applying development methodologies of the curriculum, teaching and learning methods, evaluating the examinations and certifications.

Concerns regarding ensuring the academic quality exist also in the extra-European and global space. For example, UNESCO and OECD, taking into consideration the transnational, cross-border education, are involved by elaborating and adopting “guidelines” regarding the quality of the services offered by transnational institutions. The issue is that of applying the same quality rigorous demands not only to national institutions, but also the transnational ones.

Among the motivational factors that determine higher education institutions to be concerned with the quality issue are:

- Orientation towards performance and increasing competitiveness of universities on the education services market and of graduates on the workforce market;
- The increase of expenses for education processes and for research and development;
- The acknowledgement on the European market of the qualifications (titles and diplomas) offered by the institutions in the country;
- Developing a corporate culture of quality, total involvement of the personnel for obtaining performances;
- Increasing the responsibility for the quality of university services.

In order to offer a common set of references to all universities and to facilitate the inter-university comparison regarding the institutional management and to evaluate the quality externally, the following was proposed by Law:

- Reference standards;
- Clues concerning domains where this applies;
- The necessity of working with performance indicators.

Conclusions

Ensuring the quality and quality management in education and initial education is an area that mainly needs developing and implementing systems and procedures of internal evaluation, management and the guarantee of quality for the education activities and initial and continuous education, as well as professional managerial activities for the suppliers of education and for the initial and continuous education.

The focus is mainly on the institution’s activity and on the suppliers of education and knowledge from the formal education system. The main activities focused on are: creating and developing guarantee systems and quality management in education and training; developing professional training programs for educational management and for quality management; developing mechanisms to monitor the graduates’ entrance on the workforce market in order to adjust the education offer according to the evolutions from the workforce market; creating and developing guarantee mechanisms and quality management in education in the non-formal and informal education contexts.

The quality of education in the Romanian education system focuses on outputs as per the European context revealing opportunities offered by the European society of knowledge. Pupils, students and teachers must be aware of the necessity of proper studies that can be efficiently used in the entire Europe.

Considering that quality education means continuous improvement of performances and considering the rhythm of social changes, education institutions must have as objective the continuous development of human resources.

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APPROCHES MANAGERIALES DANS LES RELATIONS DE TRAVAIL

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Cette étude présente brièvement la manière dont les managers gèrent les relations de travail, tout en insistant sur les stratégies et les styles de management utilisés, en passant par les facteurs d'influence. Une partie de cette étude est réservée à l'explication du déclin des relations collectives de travail, qui se développent sans syndicats dans diverses organisations de certains états de l'Union Européenne.

Mots-clés : relations de travail, syndicat, stratégies, styles de management

Considérations générales

M. Armstrong, spécialiste de la pratique des relations collectives de travail, définit la notion de « relation de travail » comme le rapport entre les employeurs et les employés. Ces rapports peuvent être formels (tels que les contrats de travail, les accords de procédure) ou bien ils peuvent être informels, tel le contrat psychologique. Ce dernier exprime, selon M. Armstrong, certaines suppositions ou attentes liées à ce que les employeurs ou les employés désirent effectivement offrir. Dans une entreprise, un contrat psychologique équilibré est nécessaire pour avoir une relation ininterrompue et harmonieuse entre l'employeur et l'employé. La transgression de ce contrat est la preuve que les deux parties ne partagent plus le même système de valeurs et d'objectifs.

Selon cet auteur, le point primordial dans la relation de travail est l'obligation assumée par l'employé d'offrir à l'employeur effort et aptitudes contre un salaire ou une rétribution. Les employeurs autant que les employés continuent d'avoir certains droits et obligations légales implicites. D'une part, l'employeur est obligé de payer les salaires, de mettre à la disposition des employés des conditions de travail qui correspondent à leur niveau de qualification, de faire preuve de bonne foi dans les rapport avec les employés et de ne pas compromettre la confiance qui caractérise la relation de travail. D'autre part, les obligations de l'employé tournent autour des mots-clés suivants : conformité, compétence, honnêteté et loyauté.

Les dimensions de la relation de travail sont présentées par S. Kessler et R. Undy (figure 1). Ainsi, la relation de travail peut avoir une dimension individuelle si elle fait référence aux contrats et aux attentes des individus, ou une dimension collective, si elle renvoie aux relations entre la direction de l'entreprise et les syndicats, les associations des employés ou les membres des organismes consultatifs communs, telles les commissions paritaires des usines.

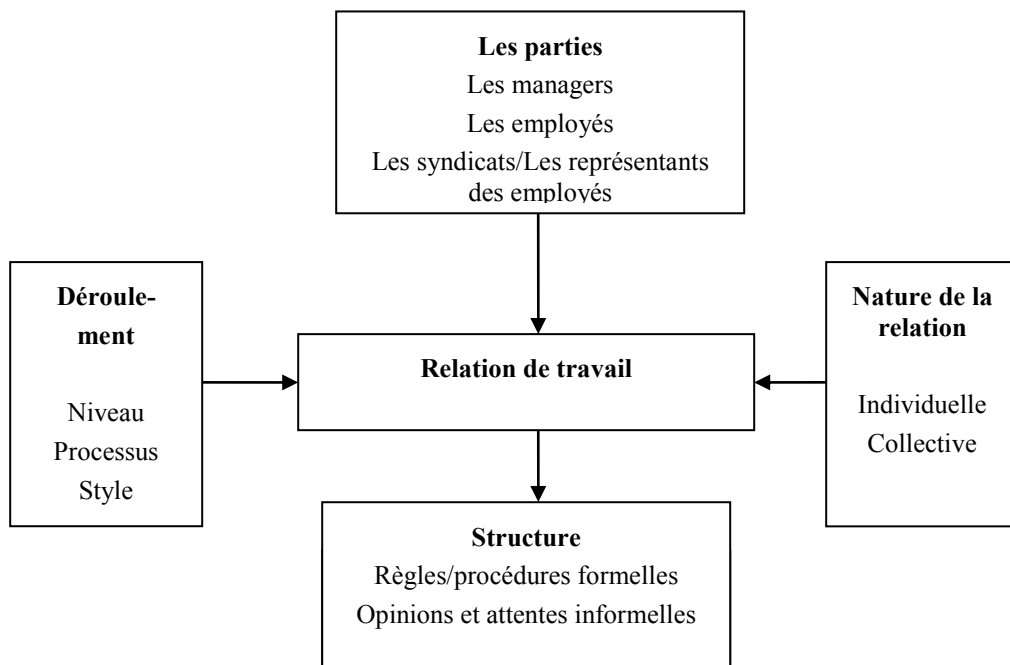


Figure 1. Dimensions de la relation de travail

(source : S. Kessell et R. Undy, The New Employment Relationship : Examining the psychological contract, Institute of Personnel and Development, London, 1996)

Par ailleurs, dans la relation de travail, il est très important de souligner le rôle de l'employeur. En effet, c'est lui qui détient généralement le pouvoir de dicter les termes du contrat, si ces derniers n'ont pas été fermement établis par négociation collective. Les employés individuels ont rarement la possibilité de modifier les termes contractuels imposés par les employeurs, excepté les cas où ils sont fortement recherchés sur le marché du travail. Le déroulement de la relation de travail est influencé par des processus comme la communication ou la consultation, ainsi que par le style managérial qui caractérise une entreprise ou qui est adopté par certains managers individuellement.

Stratégies concernant les relations avec les employés

Les stratégies concernant les relations avec les employés portent sur ce qu'une entreprise se propose de réaliser ou de changer dans la manière dont elle gère les rapports avec les employés et les syndicats. Les relations entre l'employeur et l'employé ont depuis toujours représenté une source potentielle de conflit. Dans cette perspective, Friedman (1977) parle de deux types de stratégies utilisées par les managers pour exercer l'autorité : l'autonomie responsable et le contrôle direct.

- **L'autonomie responsable** mobilise la capacité de travail tout en accordant aux employés la possibilité de contrôler eux-mêmes leur activité pour un meilleur profit de l'entreprise. Ainsi, les managers accordent aux employés un certain statut, de l'autorité et de la responsabilité, tout en cherchant à les rendre fidèles et à les déterminer à adopter les objectifs de l'entreprise.

Le contrôle direct est basé sur la surveillance de très près de l'employé. Il s'agit d'un régime sévère de discipline caractérisé par des menaces liées à la diminution du salaire, voire au licenciement. On a aussi tendance à réduire la responsabilité individuelle des employés. Tel que le montre Morgan (1977), le contrôle direct voit dans l'entreprise et les employés un mécanisme. C'est un régime actuellement considéré comme révolu, peu intéressant pour l'employé, qui se rend compte qu'une meilleure productivité serait possible si on utilisait la stratégie de l'autonomie de la responsabilité ou de la délégation (voir La Théorie Y de McGregor, 1960)

Par ailleurs, l'approche de Walton (1985), qui porte sur les stratégies managériales mutuelles (où les employés et les employeurs partagent les objectifs de l'entreprise ainsi que le but de les atteindre), a été

plus appréciée que le contrôle direct, qui risque de compromettre la performance économique et le développement humain.

De leur côté, Blyton et Turnbull (1998) affirment que certaines stratégies peuvent être adoptées pour divers employés retrouvés dans des situations particulières. En revanche, il y a des employés qui peuvent faire l'objet de stratégies contradictoires. Tel est le cas des compagnies japonaises qui déploient leur activité en Europe. En effet, on impose à l'employé une discipline individuelle stricte et on l'encourage à la fois à une forte implication personnelle. Ces stratégies de contrôle dans les relations de travail témoignent sur la manière dont les managers comprennent agir pour le bénéfice de l'entreprise.

Au XXI siècle, l'économie des pays développés est basée sur des métiers qui prônent les connaissances et non pas le travail physique. Plus les employés sont instruits, plus leur rapport avec les managers tourne à leur avantage. On arrive ainsi à la stratégie de l'autonomie de la responsabilité. Par exemple, il est nécessaire qu'un employé comprenne que certaines décisions relatives au travail sont basées sur la notion de l'exercice du pouvoir en commun. Elles ne doivent donc pas être considérées comme imposées sans consultation préalable.

Styles de management dans les relations de travail

Le style de management reflète les manières dont les managers exercent leurs attributions dans la réalisation des fonctions du processus de management, ainsi que leur attitude envers les employés. Le style de management traduit la manière dont l'employeur pense et agit dans les relations de travail. J. Purcell et Gray (1986) ont défini les styles de management comme la manière préférée de travailler avec les employés ou les collectivités. J. Purcell et K. Sisson ont même identifié cinq typologies, en divisant les styles de management dans les relations de travail selon les différents managers :

- Les traditionalistes exploitent les employés, en les considérant comme de simples travailleurs, des facteurs de productions qui forment un mécanisme. On limite l'implication de l'employé et on s'érige contre les syndicats. C'est le meilleur exemple de contrôle direct, motivé uniquement par les coûts réduits. L'employeur paye moins, investit moins dans la formation des employés et dans l'amélioration des conditions de travail. Cela arrive le plus souvent dans l'hôtellerie et dans le textile. Dundon (1999) parle dans cette perspective d'une usine de moteurs du Nord-Est de la Grande Bretagne qui a arrêté le paiement des salaires et a licencié un employé ayant perdu deux doigts lors d'un accident de travail.
- Les paternalistes sophistiqués sont considérés de bon employeurs qui prennent soin des employés de manière paternelle. Ils ne reconnaissent pas les syndicats. En revanche, la formation, l'implication et l'engagement des employés constituent les stratégies de ce type de managers. Ce style est rencontré dans la haute technologie et dans la recherche. Par exemple, Marks & Specer est la compagnie qui a pratiqué ce qu'on appelle aujourd'hui le management des ressources humaines. (MRH), Hewelt-Packard.
- Les sophistiqués modernes (les constitutionnalistes) reconnaissent les syndicats. Ils ont une visée plurielle sur les relations de travail et, pour résoudre les conflits, ils font appel à des accords collectifs formels. Ce style est rencontré dans l'ingénierie et dans la production, à l'exemple de Ford.
- Les sophistiqués modernes (les consultatifs) reconnaissent aux syndicats le droit de s'impliquer dans l'administration des relations de travail. La négociation est considérée comme un problème commun à résoudre et les stratégies de management prennent en compte l'implication des employés. On les rencontre dans les compagnies où les coûts qui concernent les employés sont relativement bas par rapport aux coûts d'ensemble, à l'exemple de Dupont.
- Les modernistes standard reconnaissent les syndicats, bien que de manière bivalente. Il n'y a pas de stratégie concernant les relations de travail. S'il existe un conflit de travail, on intervient ad hoc, de manière pragmatique. Ce style existe depuis longtemps dans les multinationales développées par des acquisitions ou par la diversification, dans le domaine de l'ingénierie et de l'industrie lourde, comme British Aerospace, Lucas.

Par ailleurs, on constate dans une étude récente (Marinaş Cristian, sous la direction de A. Manolescu, "Le Management comparé des ressources humaines" 2006, p.270) qu'il existe dans les organisations roumaines actuelles surtout deux styles de management impliquant la manifestation de l'autorité sous différentes formes.

Ainsi, certains employeurs adoptent le style familial de management centré sur des éléments tels que la richesse et les propres intérêts, sur le profit, sur la possibilité de risquer pour le développement de l'entreprise. Dans d'autres entreprises, c'est le style managérial allemand qui prédomine où les employeurs accordent des responsabilités aux employés. Enfin, les auteurs de cette étude considèrent que les managers de Roumanie adoptent majoritairement le style français, car l'autoritarisme constitue un problème de pouvoir personnel et une solution à la fois face aux activités quotidiennes de l'entreprise. Le droit d'organiser et de contrôler vient de la position hiérarchique de l'employeur.

L'administration des relations de travail dans les entreprises européennes

Un aspect essentiel visant l'« option stratégique » dans le management des relations de travail est lié à la reconnaissance des syndicats pour la détermination collective des termes et des conditions d'embauche. Un élément important dans ce processus porte sur la décision du degré de reconnaissance accordé par la direction au syndicat. En effet, le manager dispose de deux options : une reconnaissance partielle (procédurale), où les droits de reconnaissance sont limités aux problèmes liés aux mesures disciplinaires, et une reconnaissance totale, où les syndicats participent en tant que partenaires égaux aux négociations avec la direction de l'entreprise pour déterminer les termes et les conditions contractuels.

Au fil du temps, le dialogue social a représenté la principale forme de communication entre les partenaires sociaux. Au cours des deux dernières décennies, dans l'Union Européenne de nouvelles formes d'action ont été adoptées afin d'anticiper et de répondre aux défis de la globalisation. On a ainsi identifié de nouvelles stratégies pour favoriser la justice sociale et la compétitivité économique.

L'Union Européenne a identifié dans les partenaires sociaux de nouveaux piliers de stabilité et de développement. La législation accorde une place primordiale aux négociations collectives à tous les niveaux. L'Allemagne, Le Danemark, Les Pays Bas, la Grèce sont des pays où les négociations ont lieu au niveau des branches d'activités professionnelles. Pour pouvoir participer aux négociations, le syndicat doit être représenté dans plusieurs institutions.

En Grande Bretagne, l'explosion syndicale a lieu dans les années 1979 lorsque le nombre des membres syndicaux atteint le sommet de 13,2 millions de personnes, vu la demande importante de travail de l'époque. Le déclin des syndicats est enregistré à partir des années 1990. En 1995, on décompte 8,2 millions de membres syndicaux pour 256 syndicats, et en 1998 on arrive à 7,5 millions de membres. Ce déclin a mené à ce que les négociations collectives au niveau des PME ne soient pas institutionnalisées.

L'enquête de 1998 (Cully) portant sur les relations de travail entre les employés, réalisée sur un échantillon de 3000 entreprises, constate que :

- dans 47% des entreprises il n'y a aucun membre syndical, alors qu'en 1990 ce chiffre était de 36%
- dans 2% des entreprises tous les employés sont des membres de syndicat, en baisse par rapport à 1990 lorsque ce chiffre était de 7%
- 70% des employeurs ont été d'accord avec le syntagme : « Ici on n'opère aucun changement sans un débat préalable avec les employés »

A présent, en Grande Bretagne, la position des syndicats est plutôt consultative et défensive. Les syndicats cherchent à protéger ses membres contre le licenciement abusif et luttent contre la modification des contrats et des accords de travail. Il existe pourtant des branches de l'économie britannique, tels les transports, où les syndicats disposent d'un grand pouvoir de négociation grâce à l'importance du service qu'ils rendent à la société. Par ailleurs, en France, les négociations collectives ont toujours favorisé l'adoption de solutions menant à la diminution des conflits de travail. En Belgique, les accords sociaux représentent un compromis entre les syndicats et les patronats qui reconnaissent le droit du syndicat d'être le seul représentant des ouvriers dans et en dehors de l'entreprise.

Parallèlement, en Espagne, les représentants des salariés ont des compétences importantes liées à la surveillance et au contrôle de l'activité de travail. En Italie, le dialogue social est limité à l'information des syndicats. Dans le secteur privé, la participation des salariés au dialogue est limitée.

Dans des pays tels que la Roumanie, la République Tchèque, la Slovaquie, la Slovénie, l'Estonie et l'Hongrie, le processus de globalisation est en pleine expansion, les syndicats ayant perdu l'opportunité d'exercer la moindre pression sur les compagnies internationales. On y constate aussi la diminution du

nombre de membres syndicaux. En Hongrie, par exemple, la législation du travail permet la réalisation de contrats collectifs. Mais, comme les PME représentent la moitié de la main d'œuvre, la probabilité de développement des relations collectives de travail est assez basse. Dans ce pays, les conditions de travail sont imposées par l'employeur par un accord individuel avec l'employé. En Lettonie et l'Estonie, 80% des employés ne font pas l'objet d'un contrat collectif de travail.

La législation actuelle de la Roumanie est alignée aux acquis communautaires. En ce qui concerne le dialogue social, le cadre juridique existant institutionnalise le dialogue social tripartite à tous les niveaux de l'économie nationale, tout en favorisant le fondement du dialogue social bipartite. Le dialogue social tripartite a lieu au niveau des structures suivantes : le Conseil Economique et Social, le dialogue social tripartite sectoriel, le dialogue social territorial.

Par ailleurs, la négociation et la conclusion des accords sociaux au niveau national représentent une forme particulière de partenariat social. Parmi les résultats remarquables enregistrés dans ce domaine, on signale l'élaboration et la promotion en commun de nombreux projets de loi et d'actes normatifs ayant un impact social particulier, tels : le Code du travail, la Loi des patronats, la Loi des syndicats, la Loi relative à la stimulation de l'embauche et à la protection sociale des chômeurs. On signale ici le rôle du partenariat dans la diminution considérable des conflits de travail au cours des dernières années, ainsi que la disparition des mouvements syndicaux revendicatifs au niveau national, les revendications s'étant limitées à des problèmes sectoriels et locaux. Selon le Bulletin Statistique trimestriel, dans le domaine du travail et de la sécurité sociale, le nombre total de conflits d'intérêts en 2006 est de 95, en baisse par rapport à 2003 lorsqu'on enregistrait 121 conflits.

Le dialogue social bipartite (syndicats, patronats) a une place importante dans le processus de négociation et de conclusion des contrats collectifs de travail, ainsi que dans la résolution des conflits collectifs de travail réglementée par la Loi n° 168/1999.

En guise de conclusion, on souligne que les perspectives du développement du dialogue social bipartite, basées sur l'augmentation des capacités des partenaires sociaux, vont mener à une implication soutenue de ces partenaires dans la résolution des problèmes économiques et sociaux, ainsi qu'à la création de nouvelles formes de partenariat nécessaires pour assurer un climat favorable à la stabilité sociale en Roumanie.

Les facteurs d'influence sur le choix des stratégies et du style managériaux

La Nature de la législation. Dans tous les pays de l'UE, l'administration des relations de travail est fortement influencée par la nature de la législation favorisant une plus grande uniformité dans la réglementation de la législation du travail en Europe. En Allemagne, il y a des réglementations formelles relatives à la participation des employés. En France, il existe des systèmes performants de réglementation pour la qualification dans le domaine de l'industrie. Les accords collectifs sont implémentés de manière légale dans beaucoup de pays européens, sauf la Grande Bretagne. Le système volontaire qui existe dans ce pays, où les employés et les employeurs choisissent librement la manière d'administrer les relations de travail, suppose une gamme variée de styles de management adoptés.

Les caractéristiques de l'entreprise. On fait référence ici à la taille de l'entreprise. En effet, plus une entreprise est grande, plus il y a des procédures formelles dans les relations de travail.

Le droit de propriété sur une entreprise. Le manager, propriétaire d'une petite entreprise, voit dans le syndicat un intrus. Une étude de 1998 relève le fait que 39 % des entreprises ayant entre 25 et 49 employés reconnaissent les syndicats, alors que dans le cas des entreprises de plus de 500 employés, les syndicats sont reconnus à hauteur de 78%. Par ailleurs, 11% des ces entreprises acceptent la rémunération des salariés par négociation collective, alors que pour les entreprises de plus de 500 employés la négociation collective des salaires est acceptée à hauteur de 43%. Enfin, 26% des ces entreprises enregistrent des employés impliqués dans la résolution de problèmes de l'entreprise sans faire partie de l'équipe de direction. En revanche, dans les entreprises de plus de 10.000 employés, ce rapport est de 47%. En Grande Bretagne, la même étude met en exergue le fait que le nombre d'employés du secteur public faisant partie des syndicats (95%) est double par rapport à celui du secteur privé (25%). Les styles managériaux du secteur public sont plus artificiels par rapport à ceux du secteur privé. Ceci est, d'une part, le résultat du déclin du secteur public en Europe, qui tend vers la privatisation totale. D'autre part, on constate une tendance dissimulée des employeurs publics à refuser les structures traditionnelles des relations de travail.

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HUMAN DEVELOPMENT ISSUES IN ROMANIA

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During the last sixteen years, Romania, like other south-eastern European countries, import managerial principle, methods and techniques from the western developed management systems. It is important to notice, that in this period, the managerial practices were influenced by the multinational companies. The recent managerial evolutions and the socio-economical, political, juridical and technological factors had directly consequences on the human development level in Romania.

Key words: human development index, Romania, GDP, adult literacy rate, gross enrolment ratio, life expectancy.

Introduction

Since January 2007, Romania became member of the European Union, but 74% of the urban population with higher education consider that Romania was not ready yet for the adhering process. The Romanian companies' managerial staffs also sustain this hypothesis, 75% of them considering that Romania doesn't have the necessary tools to face the European Union integration. A lot of Romanian companies consider the competition a threat, although they should understand it as a positive economic effect⁶³.

These are the main arguments to consider the necessity of an x-ray of the main managerial practices used in Romanian companies.

Human development indicator in Romania

According to the Human Development Global Report 2004⁶⁴, Romania was the 69th of the 177 countries that formed a hierarchical system based on the Human Development Indicator. The Human Development Index registered the value of 0.786 and so Romania was placed near the countries with a middle level of human development. The value of the Human Development Index is over the average registered by the Latin America (0.777), the Eastern Asia and the Pacific area (0.740) and the Arabian countries (0.651). Though, the Romanian indicator value is under the average registered in the Central and Eastern Europe (0.911). During the last four years, the Romanian Human Development Index registered a lasting growth in value, although the general tendency was under the growth rhythm of the region⁶⁵.

According to the Human Development Report 2007-2008⁶⁶, Romania is the 60 country in a total of 177 countries where data are collected and the Human Development Index is calculated. In 2005, the Human Development Index registered the value of 0.813 and so Romania was placed near the countries with a high level of human development. Generally, in Western and Central Africa there is a low rhythm of human growth (table 1). The countries with the highest rhythm of human development are the Northern Countries; three of them, Island, Norway and Sweden are in the first six places in the world. (Table 1).

⁶³ *** Socio-economic medium in Romania in the perspective of the European Union integration, the 5 of April 2006, www.gallup.ro;

⁶⁴ *** The National Human Development Report 2003-2005, www.undp.org, pg. 21;

⁶⁵ *** The National Human Development Report 2003-2005, www.undp.org, pg. 21;

⁶⁶ *** Human Development Report 2007/2008 - Fighting climate change: Human solidarity in a divided world, Published for the United Nations Development Programme, New York, SUA, 2007

	Country	HDI 2005	Level
High human development (HDI \geq 0,800)	Island	0,968	1
	Norway	0,968	2
	Australia	0,962	3
	Canada	0,961	4
	Ireland	0,959	5
	Sweden	0,956	6
	Switzerland	0,955	7
	Brunei	0,894	30
	Barbados	0,892	31
	Seychelles	0,843	50
	Oman	0,814	58
	Trinidad Tobago	0,814	59
	Romania	0,813	60
Medium human development (HDI 0,500 – 0,799)	Thailand	0,781	78
	China	0,777	81
	Egypt	0,708	112
	Uganda	0,502	155
Low human development (HDI \leq 0,500)	Senegal	0,499	156
	Rwanda	0,452	161
	Ivory Coast	0,432	166
	Sierra Leone	0,336	177

Table 1 The Human Development Index in different countries⁶⁷

The data from the Human Development Global Report shows that each component of the Human Development Index in Romania increased in value since 1995. (Table 2)

Indicators	Years		
	1995	2000 ⁶⁸	2005 ⁶⁹
GDP (USD per capita)	6,095	5,750	9,060
Adult literacy rate (%)	96,9	97,0	97,3

⁶⁷ *** Human Development Report 2007/2008 - Fighting climate change: Human solidarity in a divided world, Published for the United Nations Development Programme, New York, SUA, 2007, pag. 230-232

⁶⁸ *** Raportul Național al Dezvoltării Umane 2003-2005, www.undp.org, pag. 22;

⁶⁹ *** Human Development Report 2007/2008 - Country Fact Sheets – Romania;

*** Human Development Report 2007/2008 - Fighting climate change: Human solidarity in a divided world, Published for the United Nations Development Programme, New York, SUA, 2007

Gross enrolment ratio (%)	61,6	66,5	76,8
Life expectancy (years)	69,4	70,5	71,9
Human Development Index (HDI)	0,759	0,767	0,813

Table 2. Romania's Human Development Index, 1995 - 2005

The educational issue registered some improvements (table 2), that showing the interest of the Government and of other organisations to invest in the human capital. The most important progresses were registered with the adult literacy rate, in comparison with the education index. During 1995 and 2005, the Gross Domestic Product continuously decreased, while the life expectancy index fluctuated. Beginning with 2000, at each of the two indicators levels (Gross Domestic Product and Life Expectancy Index) we can notice a continuous growth (Table 2). Between 2000 and 2005, Romania registered a sustainable economic development revealed by the evolution of the GDP per capita which registered a growth of 1.57 in 2005, in comparison with the year 2000.

During 1995-1999 was dominated by a series of economic difficulties that Romania dealt with in the process of transition to market economy. In that period the restructuring process reached a maximum especially because of the reorganisation of a large number of state enterprises and the decreasing of state budget subventions. Beginning with 2000, these measures brought positive effects that registered favourable economic evolutions.

Regarding the life expectancy, according to the data presented in the Human Development Report 2007-2008, Romania is the 76th country in a total of 177 countries. The biggest life expectancy index is registered by Japan with a record of 82.3 years and the smallest by Zambia (40.5 years). In Romania, the life expectancy is 75.6 years for women and 68.4 years for men.

Surprisingly, the highest adult literacy rate is registered by Georgia (100%) and the lowest in Burkina Faso (23.6%). In Australia there is the gross enrolment ratio (113%), while in Niger is the lowest value for this indicator (22.7%). The countries with the highest GDP per capita are Luxemburg (60.228 USD per capita), SUA (41890 USD per capita) and Norway (41420 USD per capita). The smallest value for GDP per capita is registered in Malawi (667 USD per capita).

In Bulgaria, the country that joined European Union in the same time with Romania, there is a higher index of human development than in Romania. In 2002, the Human Development Index was 0.796, also higher than the value registered in Romania 0.786 (Table 3). In comparison with other Central and Eastern Europe countries, Romania has a higher position than Turkey and Ukraine (Table 3). The annual rhythm of economic growth registered in Romania between 1990 and 2005 was of 1.6% per year, while in the same period in Bulgaria there was a lower rhythm of 1.5% per year. In countries like Croatia (2.6%), Czech (1.9%), Hungary (3.1%), the annual rhythm of economic growth was higher than the one registered in Romania in the same period of time.

In the Central and East Europe, Turkey registers the lowest value of the Human Development Index, but we can observe that, in the last seven years, Turkey reduced the deficit of human development and nowadays it is at the same level as Ukraine. In Hungary there is the highest value of the Human Development Index.

Country	HDI 1995	HDI 2002 ⁷⁰	HDI 2005 ⁷¹
Hungary	0,810	0,848	0,874
Croatia	0,798	0,830	0,850
Bulgaria	0,784	0,796	0,824
Romania	0,759	0,786	0,813
Russia	0,771	0,795	0,802
Ukraine	0,751	0,777	0,788
Turkey	0,713	0,751	0,775

Table 3. The Human Development Index in the Central and Eastern Europe countries

A comparative analyse of the Human Development Index values registered at the level of the Central and Eastern European countries reveals the direct relation between the economic performance of the country and the values of the Human Development Index.

There are also some indicators⁷² that can reveal the human development level registered in Romania:

- The women membership in politics that registered in 2002 the value of 9.3% of the whole number of parliamentary members. In 2007, this indicator registered the value of 10,7%.
- According the data from the Human Development Report 2007-2008, the percentage of women that occupy a management position in the central administration is 12.5%, comparative with Germany, the country that leads from this indicator point of view, 46.2% of the employees in public administration being women.
- In 2007 there was a high incidence of women in politics, 11.2% of deputies being women and 9.5% senators.
- 31% of the women are working as leaders and officers in public administration and social-economic departments.
- 56% of the women have intellectual and scientific job places.
- during 2002-2007, the share of the women's earning in the men's earnings was rising from 0,58% to 0,69%.

We must not analyse the Human Development Index as a pure mathematic index that incorporates in a single number the complex and dynamic realities of the human development. We must understand it in tight relation with the country capacity to develop a coherent future strategy.

Conclusions

The most important conclusion we can develop is that the Human Development Index is the expression of one country economic performance. Generally, the countries that developed their economies also increased their human development level. Certainly, this correlation is based on the purpose and the importance of

⁷⁰ *** Raportul Național al Dezvoltării Umane 2003-2005, www.undp.org, pag. 24;

⁷ *** Human Development Report 2007/2008 - Country Fact Sheets – Romania;

*** Human Development Report 2007/2008 - Country Fact Sheets - Russian Federation;

*** Human Development Report 2007/2008 - Country Fact Sheets – Ukraine;

*** Human Development Report 2007/2008 - Country Fact Sheets – Bulgaria;

*** Human Development Report 2007/2008 - Country Fact Sheets – Hungary;

*** Human Development Report 2007/2008 - Country Fact Sheets – Croatia;

*** Human Development Report 2007/2008 - Country Fact Sheets - Turkey

⁷² *** National Human Development Report 2003-2005, www.undp.org, pg. 25-26;

public policies in strengthening the link between economic growth and human development. Strong public institutions and a healthier and educated population create favourable conditions for human development.

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THE MAIN PARAMETERS AND LEVELS OF HUMAN RESOURCES AUDIT

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Human resources audit is an expertise which is carried out periodically to the administration system of human resources, including monitoring and collecting information, their analysis and assessment on this basis of the efficiency the organization uses human resources with. The main goal is to improve the employees' performance and job satisfaction

The purpose of human resources audit is to emphasize the strengths and weaknesses in the nonprofit system of human resources and managing the possible issues and the auditor is the landmark in the correct and legal carrying out of the audit.

*The human resources audit domain is much more comprehensive than the mere personal activity control. Human resources audit requires **the study of the human resources system** within the organization on different hierarchical levels..*

Key words: parameters , levels, human, resources, audit

The main parameters and levels of human resources audit

The objective of Human resources audit is to check the compliance of the obligations by the firm but also the degree of adequacy of commands in order to ensure, for example, a continuous and effective development and the improvement of the individual's knowledge, a fact leading to the employer's profit, first and foremost.

Human resources audit could be seen from the technical and organizational point of view, socio-psychologically and economically.

From the **technical and organizational** point of view – human resources audit is a means of verifying the documentation and an indicators analysis, which demonstrates the efficiency of the activities in an organization.

In the western practice, human resources audit consists in the analysis of data and staff turnover indicators, the human resources attitude towards job and the degree of personnel satisfaction.

Socio-psychologically, human resources audit represents an assessment of work relationships in the company in order to outline the essential factors of motivation and to identify the resources of maximizing the activity of the firm from the subjective point of view of personnel.

The **economic side** of human resources audit consists of:

1. Establishing the competitiveness of the company in human resources area, which can be done by comparing the social and economical indicators of company activity to the work regulations mentioned in the laws or to the best results from other companies in the same line of business;
2. Settling the functioning effectiveness of the Human Resources Department, ascertaining the role it has in increasing the competitive power;
3. Establishing the economic effectiveness of audit itself by comparing the audit costs to the effects of auditing.

An efficient analysis is that which presents thorough and accurate information on personnel administration and development programs application results, as a strategic resource of the organization.

The main parameters of human resources audit as distributed on the personnel subsystem functions are presented in table 1.⁷³

⁷³ I.G Odegov, T.V. Niconova, *Auditul Personalului*, Editura „Examen”, Moscova, 2004.

The main parameters of human resources audit

The Functions of Human Resources Subsystem	The Content of Human Resources Audit
Formation of personnel policy in the organization	The assessment of the current situation of personnel policies, the degree of compliance to the development strategy of the firm; the evaluation of relationships among the personnel policy, the features of the organization and the internal conditions
Planning the human resources	The assessment of existing resources, targets and development prospects, future personnel request; analysis of planning plan and staff turnover planning analysis
Utilization of human resources	Degree of personnel occupation analysis; personnel stability analysis.
Recruitment and selection of human resources	Assessment of methods and procedures used in recruiting personnel; recruitment costs; recruitment efficiency in filling in the vacant positions; filling in possible positions in the future; efficiency of selection procedures.
Professional assessment of human resources	The analysis of methods used in the personnel assessment, their effectiveness; assessment of results and effects of the personnel evaluation process.
Human resources adaptation	Analysis of the methods used for personnel adaptation, their efficiency, identification and diagnose of issues which appeared in the adaptation process.
Human resources training	Analysis of targets and forms of training, their compliance to the purposes of the organization; study of the training program; assessment of personnel after completing training, the efficiency and results of the training program.
Professional career development of human resources	Analysis of development system of personnel in the organization; job analysis, analysis of the plan for personnel development, the efficiency of methods used.
Organization and progress of the working process	Analysis of work environment, security techniques; analysis of work standardization process; evaluation of work productivity; analysis of investments in this area and results.
Human resources' motivation and stimulation	Analysis of motivation forms, their relationship with personnel motivation; analysis of the level and structure of payment forms; assessment of compliance between the motivation forms and the targets of the organization.
Development of teamwork spirit	Diagnose of socio-psychological climate, assessment of the relationship strains between employees, hostility towards changes; organizational culture diagnose; the type of leadership practiced.

Human resources system requires analysis of human resources on three levels: **strategic, functional and medium**. Taking this into consideration, we could formulate **three levels of accomplishing the human resources audit**, namely⁷⁴

The Strategic Level

On the **strategic level**, the human resources audit is carried out from the point of view of the organization's strategy, which requires a checking of the integration of administration practice of human resources in strategic planning within the organization, and the relationship between the human resources department and the other departments, referring to the formation of utilization of human potential within the organization. The auditors study the organization strategy by interviewing staff, studying strategic plans, systemizing external and internal factors of the firm and establishing the dynamics of changes. The general strategy in the firm usually targets a most competitive position in the market. Staff searches and identifies means of occupying the best possible position in the market through the assessment of opportunities and threats in the environment and through the analysis of strengths and weaknesses within the firm.

Development of competitive skills of personnel can be done with:

- Clearance of flaws within the organization structure which hinders the growth of the work potential. In order to maintain an equilibrium in the organization it's essential to keep the quality of human resources, without whom the organization losses any chance of strengthening its position in the market and to eliminate further inauspicious events. This may be done through reorganization, elimination of structural subdivisions and removing the employees who can't integrate in the change strategy.
- Identification of the organization's unique features which represent the administration system of human resources in each organization. Even in the conditions of perfect agreement among the profile, structure and objectives of the organization there can't be similar human resources which compose these organizations and finalize these purposes in the same manner.

The features of the human resources in the firm and the utility level of every individual's possibilities anticipate all the results and all the competitive possibilities.

The study of strategy has a major impact on planning the personnel policies, motivation system, work relationships and other aspects in the human resources field.

The competitive strength in the work market is the organization's capacity to be chosen for a workplace, i.e. the sum of all the work conditions offered by the employer, which makes the difference between the organization and others within the same line of business.

Among the indicators which can be used in the assessment of the firm's situation there are:

- - The level of personnel satisfaction;
- - The level of personnel stability.

The study of the firm's global strategy influences the importance of the audit activity information.

The Functional Level

The functional level requires checking the effectiveness of functional departments' activity within the organization's human resources system.

On this level, the auditor is required answers to three questions:

- Do the results meet the established targets?
- Is it possible to have these results with the lowest costs?
- Is it possible to simplify and improve the personnel procedures?

The Medium Level

⁷⁴ Employment Practices – HR Audit Results, www.peoplehelpers.net.

The medium (management) level requires checking the accuracy of the middle-managers' application of personnel policy.

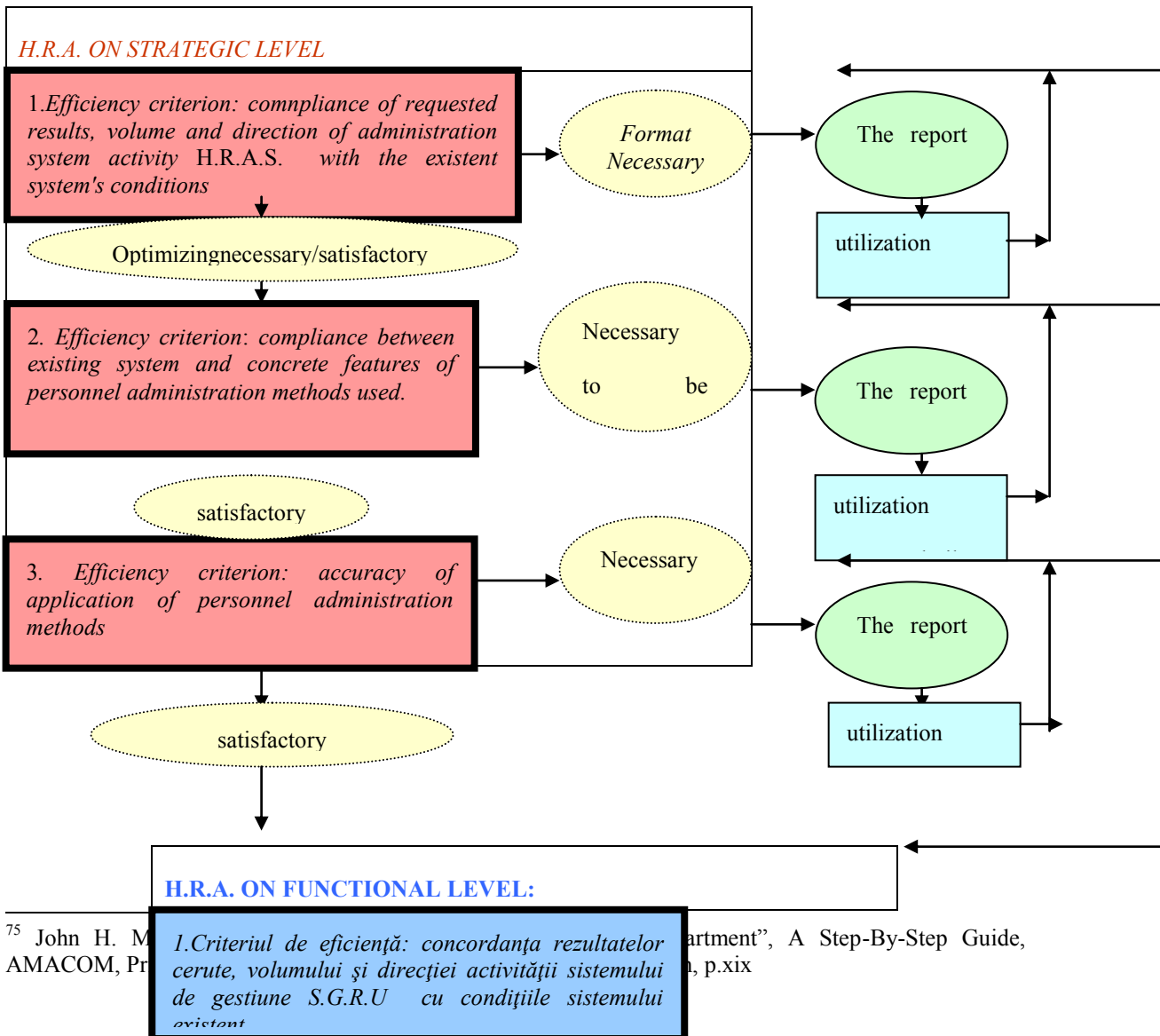
In this mission the auditor uses information from:

- Union representatives;
- Employees;
- Human resources administrations and departments;
- External resources (social organizations, shareholders, city services).

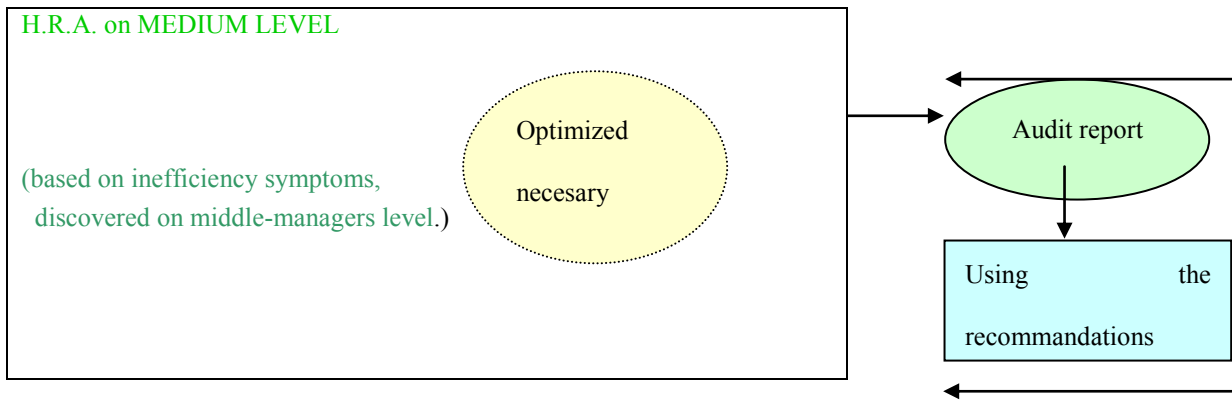
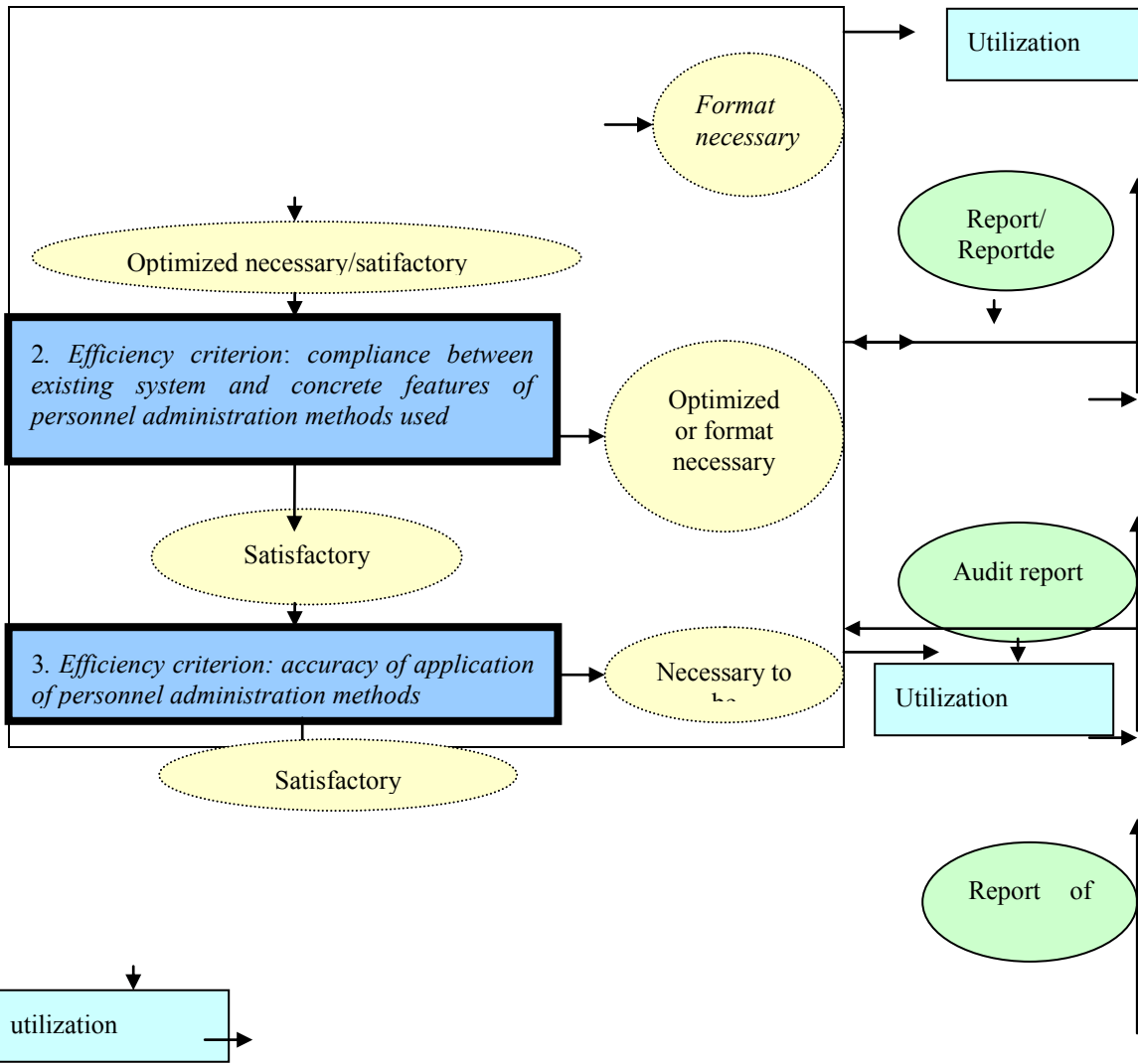
With the achievement of the audit procedures in this area, the middle-managers' esteem for the functional activity of human resources department rises. Also, human resources audit kindly appreciates line managers who take care of the firm's personnel policy. If the managers ignore or disrespect the laws at work, then the audit has to uncover these faults in order to take the necessary measures. It's very important to obey the laws as otherwise, for example in the case of disobeying the human rights, security techniques, rewards or work laws, the image of the firm is hit directly. Human resources audit can improve the image of the human resources department and its role in the company. An efficient human resources department achieves the company's targets but also the personnel's requirements.

Diagram no.1

Diagnose Operations Algorithm of H.R.A.⁷⁵



⁷⁵ John H. M. AMACOM, Pr... department", A Step-By-Step Guide, p.xix



In practice, an audit reaches every subject which is developed in human resources management if we are to consider the most appropriate approach – the holistic approach. Although we do not intend to diminish the importance of all the variables presented herein, we emphasize that in a human resources audit a system of

elements concerning on the one hand qualitative human resources ensurance and on the other hand their utilization is of an utmost importance.

The diversity of human resources audit and the work relationships within an organization enables the approach of this procedure as a complex process worthy of individual study

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ETUDE DES CARACTERISTIQUES QUI DONNENT UN SENS AU TRAVAIL DES JEUNES ENSEIGNANTS

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In this article we study the characteristics which give a sense to the work and more exactly which give a sense to the work of the young teachers. The study has on the base the model of the characteristics of employment of Hackman and Oldham (1976) and uses the instrument JDI elaborated by both authors. The results are globally analyzed on the whole sample of the teachers, but also partial and comparative degree enters teachers' university and teachers of the secondary school.

Mots-clés: travail, caractéristiques du travail, sens du travail, profession enseignant

INTRODUCTION

Le travail occupe une place importante dans notre vie, même si on ne pense pas à toutes les bénéfices qu'il nous apporte. On travaille pour s'assurer la subsistance, pour se faire plaisir ou bien on le fait pour mettre en valeur ses compétences ? Quels sont les besoins qui nous poussent à dédier une grande partie de notre vie à un emploi ? Quelle place le travail occupe-t-il dans nos vies ? Voilà quelques aspects qui, au fil du temps, ont été au cœur des préoccupations de nombreux spécialistes du domaine du travail.

Les théories construites développent, chacune pour sa part, une perspective différente du travail et de son rôle dans notre vie : le travail comme une gratification instinctuelle, le travail comme un droit ou comme une nécessité économique ou le travail comme un instrument d'épanouissement personnel.

Nos travaux s'appuient sur les caractéristiques qui donnent un sens au travail et, plus précisément, sur ces caractéristiques-là qui donnent un sens au travail des jeunes enseignants. Cette perspective de cohérence s'inscrit dans le cadre théorique de l'ajustement au travail et de l'ajustement personne - travail.

Des modèles théoriques qui visent les caractéristiques d'un travail stimulant ou motivant

Le travail peut être défini comme une activité qui a un but (Brief et Nord, 1990) ou un ensemble d'activités coordonnées visant à produire quelque chose d'utile (Shepherdson, 1984) ou une activité utile, déterminée par un but défini au-delà du plaisir engendré par son exécution (Fryer et Payne, 1984).

Si l'on prend en considération plusieurs points de vue, on peut définir le sens du travail comme :

- la signification que le sujet assigne au travail (Morse et Weiss, 1955)
- l'orientation vers le travail (Super et Sverko, 1995)
- un effet de cohérence entre les caractéristiques qu'un sujet cherche dans son travail et celles qu'il perçoit dans le travail qu'il accomplit (Morin, 1993).

Deux modèles sont représentatives pour cette approche : le modèle sociotechnique proposé par Trist (1978) et le modèle des caractéristiques de l'emploi de Hackman et Oldham (1976).

Le modèle sociotechnique

Eric Trist a développé son modèle à partir de l'idée que l'insatisfaction des travailleurs des mines est due à la mauvaise organisation du travail plutôt qu'au montant de leurs salaires.

En ce sens, il a montré que l'organisation du travail de façon à correspondre aux motivations intrinsèques et extrinsèques des employés améliore la performance organisationnelle.

Trist a trouvé six aspects intrinsèques du travail (la variété et le défi, l'apprentissage continu, une marge discrétionnaire et l'autonomie, la reconnaissance et le support, une contribution sociale qui fait du sens, un avenir désirable) et six aspects extrinsèques (le salaire, l'assurance de l'emploi, les facilités, la sécurité, la santé, la justice et l'équité des procédures) qui peuvent affecter l'engagement au travail.

Le modèle des caractéristiques d'emploi

Le modèle de Hackman et Oldham a développé l'idée que les caractéristiques de l'emploi peuvent influencer (parmi quelques états psychologiques) la motivation, la satisfaction et la productivité des travailleurs.

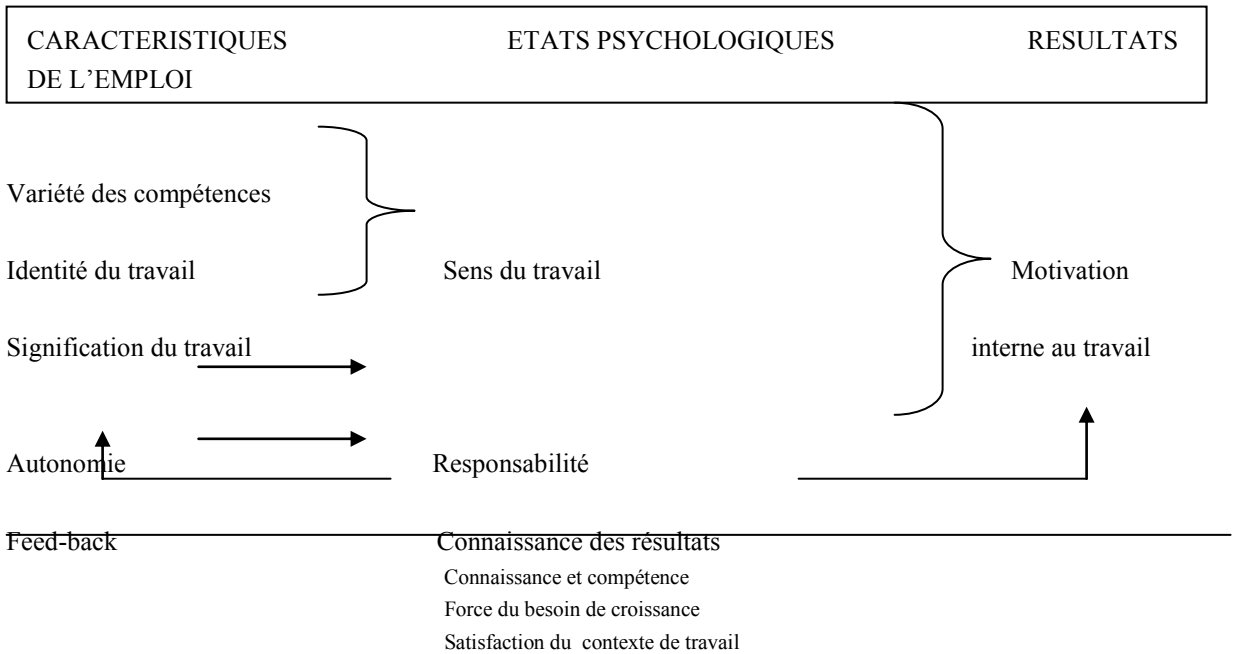


Fig – Modèle des caractéristiques de l'emploi de Hackman et Oldham (1980)

Le modèle de Hackman et Oldham décrit cinq caractéristiques de l'emploi d'où découlent trois états psychologiques:

- *la variété des tâches* – le degré dont un travail implique une variété de tâches qui exigent une variété de compétences ;
- *l'identité de la tâche* – le degré dont un travail permet d'assurer une tâche du début à la fin, avec un résultat tangible, identifiable ; *la signification de la tâche* - le degré dont un travail a un impact considérable sur le bien-être ou le travail d'autrui, à l'intérieur de l'organisation ou au lieu de travail ;
- *l'autonomie* – le degré d'indépendance et de liberté qu'a quelqu'un pour planifier ses activités et pour choisir la façon d'accomplir sa tâche ;
- *le feedback*.- le degré dont l'accomplissement des tâches est lié à l'information que l'individu obtient directement sur sa performance.

Parmi les cinq caractéristiques du modèle, trois semblent contribuer à donner du sens au travail: la variété des compétences, l'identité du travail et la signification du travail.

Le sens du travail, le sens des responsabilités et la connaissance des résultats de sa performance sont les états psychologiques qui peuvent influencer la motivation et la satisfaction au lieu de travail.

La liaison entre les caractéristiques d'un emploi, les états psychologiques et la motivation au travail seraient modérés par la force du besoin d'épanouissement personnel, par les connaissances et les compétences d'une personne et par la satisfaction de son contexte de travail.

Notre étude a le but d'identifier les caractéristiques d'emploi des jeunes enseignants et leur potentiel de motivation. En même temps, nous sommes intéressée par les différences existant entre les caractéristiques de l'emploi des assistants universitaires et des enseignants au lycée.

2. Méthode

2.1. Les sujets

Les sujets qui ont constitué l'échantillon de notre étude font partie de quatre facultés d'une université technique roumaine (de Timisoara) et de six lycées de la région du Banat. Trente d'entre eux sont des assistants universitaires, qui assurent des travaux dirigés - 16 femmes et 14 hommes (de 24 à 33 ans) - et 30 sont des jeunes enseignants au lycée (dans les trois premières années de carrière didactique).

2.2. La procédure

Nous avons fondé notre étude sur J.D.S (Job Diagnostic Survey) élaboré par Hackman et Oldham à partir de leur modèle des caractéristiques de l'emploi. Ils se sont proposé de mesurer la perception des travailleurs sur leurs postes par rapport à chaque dimension de leur modèle. JDS a 15 items et est utilisé pour mesurer cinq dimensions. Les trois premières caractéristiques (suivant leur modèle) donnent un sens au travail, alors que les deux suivantes décrivent un emploi stimulant. Les cinq caractéristiques sont présentées ci-dessous:

- la variété des tâches V.A. (3 items)
- l'identité de la tâche I.S. (3 items)
- la signification de la tâche S.S. (3 items)
- l'autonomie (3 items) A
- le feed-back (3 items) Fb.

2.3. Le mode d'analyse des réponses

Sur une échelle de sept degrés, on demande au sujet de choisir une réponse pour chacun des 15 items. A partir des résultats obtenus (score de 1 à 7), on peut établir la mesure globale de l'enrichissement du travail, appelés score potentiel de motivation MPS.

Le score de MPS s'obtient en faisant la moyenne des scores des trois premières caractéristiques, qui va être multiplié avec le score de l'autonomie et avec le score de feed-back.

$$\text{MPS} = [(\text{V.A.} + \text{I.S.} + \text{S.S.}) / 3] \times \text{A} \times \text{Fb}$$

3. Résultats

Les moyennes des caractéristiques au JDI varient (comme on voit dans le tableau 1) du 4,42 pour l'identité du travail au 5,57 pour la variété du travail.

Caractéristiques de l'emploi	Min	Max	Moyenne	Dev Std.
Variété des tâches	2,00	7,00	5,57	,96
Identité de la tâche	1,00	7,00	4,42	1,51
Signification de la tâche	2,60	7,00	4,82	1,22
Autonomie	3,00	7,00	5,38	1,11
Feedback	3,30	7,00	5,39	1,00
Valid N (listwise)				

Tableau 1- Statistique descriptive globale pour les 60 sujets enseignants

Dans ce tableau, on voit que les trois premières positions, par ordre hiérarchique, ont des valeurs très proches. Il s'agit de: « Variété des tâches », « Feedback » et « Autonomie ». La dernière place est occupée par l'« Identité de la tâche ».

Le tableau 2 présente les moyennes des caractéristiques de l'emploi en fonction des deux catégories d'enseignants poursuivies : assistants universitaires et enseignants au lycée.

Statistique comparative	Descriptive	Moyenne Univ	Dev.Std Univ	Moyenne PreUniv	Dev.Std. PreUniv
Variété des tâches		5,83	,84	5,32	1,03
Identité de la tâche		4,31	1,43	4,53	1,59
Signification de la tâche		4,91	1,12	4,73	1,33
Autonomie		5,53	1,13	5,23	1,09
Feedback		5,55	1,06	5,24	,93

Tableau 2 - Statistique Descriptive comparative enseignement supérieur et lycée

3.1. Analyses globales

Sur un échantillon total de 60 jeunes enseignants, la caractéristique « Variété des tâches » occupe la première position, étant donc la plus valorisée et avec le potentiel de motivation le plus élevé.

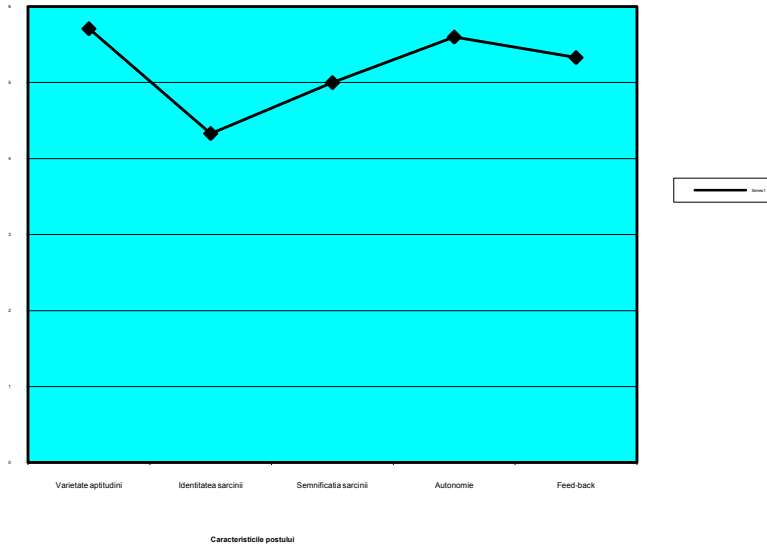
Le travail d'enseignant implique une variété de tâches qui exigent une variété de compétences. Ce résultat se trouve justifié par le fait que le travail d'enseignant nécessite des compétences dans la classe étudiants/élèves, des compétences de travail dans l'établissement scolaire et des compétences au niveau du système d'éducation. Au niveau de la classe d'élèves, l'enseignant doit être doté d'une compétence scientifique, d'une compétence pédagogique et d'une compétence psychosociale.

Très proches de la « Variété des tâches » sont les caractéristiques « Autonomie » et « Feed-back », ce qui signifie que les enseignants jouissent de liberté dans l'accomplissement de leurs tâches et ont le moyen d'obtenir des informations sur la réussite ou sur l'échec de leurs tâches.

L'« Identité de la tâche » est la caractéristique avec le potentiel de motivation le plus bas et cela peut être expliqué par le fait que les résultats du processus d'éducation et d'instruction ne sont pas tangibles immédiatement et visent la contribution de plusieurs personnes durant plusieurs années .

3.2. Analyse comparatifs assistants universitaires - enseignants au lycée

L'analyse des deux échantillons n'indique pas de différences significatives.



4. Conclusion

Les caractéristiques de l'emploi du modèle de Hackman et Oldham viennent de préciser l'importance du sens que l'on attribue à notre travail, ce qui peut stimuler la motivation, la croissance du sentiment de puissance, l'équilibre psychologique et la croissance de la loyauté.

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LA SATISFACTION PROFESSIONNELLE ET LES CARACTERISTIQUES DE L'EMPLOI DES ENSEIGNANTS ROUMAINS

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The places of depart of my study aim of at one quote, the report that the young people with university studies are attracted by the professional offers of countries Westerner and they leave in these countries, and the other one quoted than there is a general indifference, in our country, on the phenomen of " migration of brains ".

Having on the base this perception of the social reality, my research centres on the analysis of the problems connected to the motivation and to the professional university satisfaction of the assistants professors.

The echatillon of the subjects which participated has this research consisted of 30 young teachers.

For studied the relation enters the potential motivator of work and the professional satisfaction (with all its constituents) were used the following ones instruments: J.D.S (Job Diagnosis Survey) JDI (Job Descriptive Index) and JIG (Job in General) The resultats of this recherche has just put the bases of a program of reconfiguration of employment of the teachers of universities, by valuing the information on their motivation and their professional satisfaction.

Words-clé: job satisfaction, job characteristics, motivation

La satisfaction professionnelle est devenue l'un des sujets les plus importants et les plus recherchés dans le domaine de la psychologie organisationnelle. Le besoin de faire un travail efficient a contribué au développement de l'appréciation du facteur humain dans les organisations et, par conséquent, à l'accroissement de l'intérêt pour la satisfaction du travail.

Notre recherche s'appuie sur le modèle des caractéristiques de l'emploi de Hackman et Oldham (1976), mais fait référence aussi à d'autres modèles théoriques sur la motivation et la satisfaction du travail. En voici trois des plus représentatifs :

Le modèle des caractéristiques de l'emploi

Hackman et Oldham ont identifié cinq caractéristiques de l'emploi qui peuvent influencer la motivation, la satisfaction et la productivité des travailleurs :

- *la variété des tâches* – le degré dont un travail implique une variété de tâches ; *l'identité de la tâche* – le degré dont un travail permet d'accomplir une tâche du début à la fin ; *la signification de la tâche* - le degré dont un travail a un impact considérable sur le bien-être ou le travail d'autrui ;
- *l'autonomie* – le degré d'indépendance et de liberté ;
- *le feed-back*.- le degré dont l'accomplissement des tâches est lié à l'information que l'individu obtient directement sur sa performance.

Le modèle sociotechnique

Eric Trist a trouvé plusieurs aspects intrinsèques et extrinsèques du travail qui peuvent influencer la motivation au travail. Parmi les aspects intrinsèques on peut énumérer : la variété et le défi, l'apprentissage continu, une marge discrétionnaire et l'autonomie, la reconnaissance et le support, une contribution sociale qui fait du sens, un avenir désirable. Les aspects extrinsèques établis par Trist sont les suivants: le salaire, l'assurance de l'emploi, les facilités, la sécurité, la santé, la justice et l'équité des procédures.

Le model de Morin et Dassa (Les caractéristiques d'un travail qui a du sens)

Morin et Dassa ont conçu un modèle général des composantes principales décrivant un travail qui a du sens : l'utilité du travail, la rectitude morale, l'apprentissage et le développement professionnel, l'autonomie ou l'exercice de son pouvoir et la qualité des relations professionnelles.

Les recherches visant le modèle de Hackman et Oldham (1976) fondent l'hypothèse d'une relation entre les caractéristiques d'un emploi et les résultats d'un travail. Kim, Price, Mueller et Watson (1996), Pearson et Chong (1997) ont montré l'existence d'une relation entre les caractéristiques d'un emploi et la satisfaction du travail, mais la relation causale n'est pas totalement clarifiée. On considère qu'il y a une relation indirecte (médiante) entre les deux aspects mentionnés.

En ce qui concerne les conditions extrinsèques d'un emploi, les études montrent que le salaire est un bon indicateur de l'implication au travail (Buchko, 1997) et de l'intention de quitter un emploi (Lum, Kervin, Clark, Reid et Sirola, 1998).

La satisfaction du travail et l'effort déposé peuvent être des indicateurs du stress occupationnel, de la performance professionnelle et de la tendance de quitter une organisation (Jamal, 1990 et Cooper, 1996).

Les études mentionnées, relatives aux antécédents et aux conséquences de la motivation au travail et de l'implication de celle-ci au niveau individuel et organisationnel, mettent en évidence l'actualité de la problématique étudiée dans le champ des recherches scientifiques.

Les objectifs de notre recherche visent à :

- identifier les dimensions extrinsèques qui influencent la satisfaction du travail des assistants universitaires ;
- identifier les caractéristiques de l'emploi liées à la satisfaction du travail.

METHODOLOGIE

L'échantillon des sujets qui ont participé à cette recherche a été composé de 30 jeunes enseignants, qui assurent des travaux dirigés dans une école polytechnique de Timisoara: 16 femmes et 14 hommes (de 24 à 33 ans).

Pour étudier la relation entre le potentiel motivateur d'un poste et la satisfaction professionnelle (avec toutes ses composantes) ont été utilisés les instruments suivants:

J.D.S (Job Diagnostic Survey)

Cette échelle a été élaborée par Hackman et Oldham qui se sont proposé de mesurer la perception des travailleurs sur leurs postes par rapport à chaque dimension de celui-ci. JDS a 15 items et est utilisé pour mesurer cinq dimensions: la variété des tâches, l'identité de la tâche, la signification de la tâche, l'autonomie, le feed-back.

Le score de MPS s'obtient en faisant la moyenne des scores des trois premières caractéristiques qui va être multiplié avec le score de l'autonomie et avec le score du feed-back.

JDI (Job Descriptive Index) et JIG (Job in General)

JDI est un instrument élaboré par P.C. Smith, Kendall et Hulin (1969) qui ont mesuré la satisfaction du travail suivant cinq aspects : le travail, la relation avec le chef, le salaire, la possibilité de promouvoir et la relation avec les collègues. En 1985 a été ajoutée une nouvelle échelle nommée JIG qui fait référence à l'emploi, en général. JDI est composé de 72 items et JIG a 18 items. Le JDI et JIG ont été adaptés à la population roumaine en 1994 par H.Pitariu.

Résultats

Pour déterminer le niveau de satisfaction du travail pour le groupe de 30 assistants universitaires, on calcule la moyenne et l'écart-type pour la dimension « Travail » de l'échelle JDI. Le niveau de satisfaction est opérationnalisé comme il suit : le score maximal à chaque échelle de JDI est 54 ; la moitié (27) est prise comme le point de raccourci pour indiquer la satisfaction basale du travail. Tous les scores inférieurs à 27 sont considérés comme représentant l'« insatisfaction du travail » alors que tous les scores excédant 27 sont considérés comme indiquant une « satisfaction du travail ». De plus, chaque moitié de la gamme est dédoublée pour donner une indication sommaire du niveau de satisfaction ou d'insatisfaction.

Selon cette procédure, on considère un score de 13.5 ou moins comme indiquant une "forte insatisfaction", tandis qu'un score situé au-dessus de 13.5, mais au-dessous de 27, représente une " insatisfaction modérée".

De l'autre côté de la médiane, les nombres jusqu'à 40.5 représentent la "satisfaction modérée", tandis que ceux au-dessus de 40.5 indiquent la "satisfaction forte."

Dimension JDI /JIG	N	Minimum	Maximum	Moyenne	Ecart-type
travail	30	6,00	52,00	39,80	11,18
rémunération	30	,00	30,00	7,86	6,70
promotions	30	6,00	54,00	36,83	15,59
chef	30	10,00	52,00	37,16	12,01
collègue	30	9,00	51,00	33,93	12,44
emploi en général	30	13,00	54,00	41,06	10,02

Le score moyen de 39,80 pour la dimension « Travail » du JDI indique que les assistants universitaires sont "modérément satisfaits" de leur travail alors que le score 41,06 pour la moyenne de la dimension « Emploi en général » indique que les assistants universitaires sont "fortement satisfaits" de leur emploi.

La rémunération est la dimension avec la moyenne la plus basse (7,86), valeur qui nous indique une "forte insatisfaction" en ce qui concerne le salaire des jeunes enseignants.

Dimension JDI	France (n=36)			Alaska (n=39)			Norvège (n=57)			Pays de Galles (n=51)			Roumanie (n=30)		
	Moyenne	E.t	R	Moyenne	E.t	R	Moyenne	E.t	R	Moyenne	E.t	R	Moyenne	E.t	R
travail	38.47	9.40	2	36.85	8.05	4	31.54	7.30	3	31.65	9.07	3	39,80	11,18	1
rémunération	21.55	14.67	4	38.56	11.43	3	14.60	10.20	4	10.27	0.25	4	7,86	6,70	5
promotions	15.72	13.94	5	14.13	13.35	5	10.74	6.77	5	5.92	6.97	5	36,83	15,59	3
chef	36.88	13.30	3	39.92	14.91	2	42.16	9.10	2	35.73	3.91	2	37,16	12,01	2
collègues	42.19	12.32	1	42.95	8.92	1	44.28	6.77	1	38.65	1.94	1	33,93	12,44	4

Tableau

En ce qui concerne les caractéristiques de l'emploi, la statistique descriptive se présente comme dans le tableau suivant :

	N	Minimum	Maximum	Moyenne	Ecart-type
Variété des tâches	30	4,00	7,00	5,8387	,84095
Identité de la tâche	30	1,00	7,00	4,3100	1,43703

Signification de la tâche	30	2,60	7,00	4,9100	1,12230
Autonomie	30	3,00	7,00	5,5367	1,13881
Feedback	30	3,30	7,00	5,5533	1,06147

Comme on voit dans ce tableau, la caractéristique avec le potentiel de motivation le plus élevé est la variété des tâches, alors que le potentiel de motivation le plus bas est donné par l'identité de la tâche.

Par rapport aux corrélations qui cherchent à identifier les relations entre les dimensions de l'emploi (aussi MPS) et la satisfaction professionnelle, les résultats se présentent comme il suit:

corrélations	Travail	Emploi en général
MPS	$r = .445$ $p=0.05$	$r = .422$ $p=0.05$

corrélations	Travail
autonomie	$r = .524$ $p=0.01$

Au premier regard, on peut observer qu'une seule caractéristique de l'emploi du modèle de Hackman et Oldham, l'autonomie, est en relation avec la satisfaction du travail. Cela met en question la validation empirique de ce modèle. Mais, en même temps, on voit que le score potentiel de motivation MPS est corrélé avec la satisfaction donnée par le travail et avec la satisfaction de l'emploi en général. Sur ce point de vue, le modèle de Hackman et Oldham sur le MPS est valable.

En ce qui concerne les corrélations entre les dimensions de JDI et JIG, on voit que la satisfaction du travail est fortement corrélée avec la satisfaction de l'emploi en général, mais aussi avec la satisfaction donnée par les relations avec le chef et les collègues.

corrélations	Satisfaction donnée par l'emploi en général	Satisfaction donnée par la relation avec le chef	Satisfaction donnée par la relation avec les collègues
Satisfaction du travail	$r = .859$ $p=0.01$	$r = .775$ $p=0.01$	$r = .392$ $p=0.05$

Conclusions

Cette recherche sur 30 enseignants, assurant des travaux pratiques, nous indique un haut niveau de satisfaction de l'emploi en général parmi les sujets examinés, avec quelques inassouvissements dans les secteurs particuliers du travail. Les découvertes suggèrent qu'ils ne sont pas satisfaits par le salaire.

Par rapport à des enseignants d'autres pays, on voit une différence au niveau de la satisfaction donnée par les relations avec les collègues. Alors que les étrangers valorisent les relations avec les collègues (dimension qui occupe la première place dans la hiérarchie), les enseignants roumains mettent ces relations en base de la hiérarchie, juste avant la rémunération.

La caractéristique de l'emploi qui donne un sens au travail des enseignants est la variété des tâches, mais on trouve aussi deux autres caractéristiques qui sont importantes pour leur emploi: l'autonomie et le feedback.

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LABOR FORCE MIGRATION IMPACT IN THE EUROPEAN SPACE UPON THE BUSINESS FIRM IN ROMANIA

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This paper intend to present a personal opinion regarding the evolution of the labor force within the organization in Romania, namely the business firm, mostly affected by this phenomenon: the labor force migration. Having a human resources management, adequate to this new tendency in Romania: emigration and immigration may be an alternative solution to this tendency. Romania and the entire Europe face the migration of both qualified and unqualified labor force on the background of the demographic factor.

REL: J10G

Exodus, migration, the emigrants' absorption

The national publications of the last years have approached the demographic problem faced by our country and Europe, emphasizing some statistic data:

‘The number of the old people over 80 will increase by 180% the following 45 years’. In 2050, the experts estimate that the Romanian men will live, on average, 10 years longer, and the women 7 years longer. Simultaneously, in most of the European countries, the population will decrease. The specialists predict that one of the most dramatic decreases will be registered in Romania: in the present level of the birth rate is maintained, there will be less than 16 million inhabitants in 2050.

‘A third of the Europeans are over 60 years old’. For the last 60 years, the number of Europeans over 60 years has increased. On the contrary, there is a significant decrease of the number of births in the entire Europe. Between 1950 and 1955 there were over 12 million births a year while between 2000 and 2005 there were only 7.3 million. Consequently, until 2050, about a third of the European population will be over 60 years old. The number of those over 80 years old is expected to increase by about 180%, accordingly to **the UNO statistics**. The demographic changes are different from one country to another. In countries like Germany, Spain and Italy dramatic decreases of the population are expected, while in France and Great Britain will have more inhabitants until 2050. For our country, the experts in demography have more possible scenarios regarding the evolution of the population in the next 45 years. All depends on how the birth rate will increase, and also on what the level of mortality, of **internal and external migration** will be. After **1992, migration**, the natural decrease of population also intervened, completed by the parallel growth of the general mortality. Since 2003 birth rate has started to grow slightly, according to the specialists’ opinions. The straightening of birth rate will diminish the demographic decline, but this is impossible to stop. The specialists estimate that in Romania the retirement age should be extended, while **the young people should be encouraged to stay in the country**.

The national and international press stated that the European Union as well has been facing the same genre of demographic problems. In 2003, the natural growth of population was only 0.04% per year and all the new member states, except Malta and Cyprus, faced a decrease of population. Although many aspects regarding the demographic changes are exclusively the matter of the Union members, the European Commission has launched a brainstorming campaign at the community level by publishing the **Green Card**. This is meant to find some solutions, including through the Lisbon Strategy, whose target is **the creation of more and of a better quality jobs**. Nevertheless, in sectors such as family, health, education, **migration**, or the free circulation of persons, there are certain social policies which, in the experts’ opinion, must be clarified and improved. **Immigration**, another matter brought into discussion in the Commission’s report, may bring **temporary improvements**, but on a long term **it may generate major problems on the working market**, in the social insurance and tax systems. Although the European Union

is planning to maintain the **national characteristics** of the member states, it is very important for each of these to have **flexible policies** regarding the social insurance system, **the equivalence of studies and qualifications for the immigrants**.

On the background of such phenomena, Romania as well is facing the **illegal immigration**. It is estimated that in 2005, 1700 foreign citizens were discovered trying to trespass the border, either to stay in Romania or to transit the Romanian territory. Thus, 1300 tried to enter illegally in Romania and 400 tried to leave the national territory, according to the **report of the Ministry of Administration and Internal Affairs**.

On the background of the Romanian population's emigration in the European space, an **alternative solution** for the companies in Romania is the **use of the foreign labor force** on our territory.

Presently, about 100 000 Romanians are working in constructions abroad. One of the solutions may be the use of the foreign labor force on the territory of our country. The members of the **Constructors' Social House** suggested a few possible solutions for the maintenance of control and the regulation of the flows of foreign workers in constructions working in Romania. One of these would be a tight collaboration between the organizations in the field of constructions and the **Labor Force Migration Office** for the contingency of the flows of migrant workers in Romania. At the same time, the development of partnerships and the closing of bilateral agreements between the Romanian unions and those in the countries where the foreign workers come from, on the existing models, represent a positive point regarding the mentioned matter. Other points would be the joining in unions of the foreigners working in constructions in Romania, the development of partnerships, the closing of bilateral agreements between the Romanian private employment organizations and those from the origin countries of the foreign workers. These are a part of the solutions suggested as alternatives to the exodus of the Romanian qualified and unqualified labor force.

The members of the Constructors' Social House noticed **the poor qualification of workers** in our country. The statistics show that: 'among the workers legally employed in the field in constructions in Romania, about 7% are not qualified, and many of the qualified ones are old. The young people do not choose this field any more because it is poorly paid and the working conditions on the local sites are far from appropriate', explained the vice president. According to a study of the National Research Institute in the field of Work and Social Protection, in the sector of constructions, more than 70% of the questioned employees have never attended an instruction form during the whole period of their activity.

Taking into consideration the above mentioned data, the change and management of this process within the business firm in Romania is essential.

Using the **immigrant labor force** in the context of the **Romanian organizational culture**, the **performance management**, the **carrier management** are some of the **suggested alternatives** in the future PhD thesis 'Research in the Degree of Preparation of the Organizations in Romania regarding the Maintaining of the Qualified and Unqualified Labor Force in the Context of the European Union's Extension', on the background of the salary discrepancies decrease between Romania and the other European countries. Taking into account the possibility that in the future the local firms could use immigrant labor force, they should adapt the working style.

The employee should be encouraged to orientate him/herself and conduct his own carrier plan. The immediate result of this aspect is the development of the employees' responsibility in an organization and the improvement of their performance. The usage of some adequate methods of evaluating the employees' performance represents the guarantee that the organizations' employees reach 'the desired destination', meaning the desire point of their carrier.

On the grounds of powerful **changes in the organizational and cultural environment** there will be many organizations unprepared to deal with these. **Alwin Toffler** suggests three elements that should be taken into consideration in order to diminish the effects of the future's shock: the employees must learn 'how to study', 'how to chose', 'how to correlate'. All these elements should be correlated in a **carrier management program including the executive level employee**.

Having answers to questions such as 'Do you know your subordinates? Do you know their wishes and aspirations?' can make the difference among organizations. As Aristotle stated, 'the man is nothing in himself/herself but an infinite chance, but he/she is infinitely responsible for this chance', we people, are directly responsible for the chances that may occur to us. Having a performance and carrier management

implemented within the organization is the method through which the managing staff ensures that they have employees prepared 'to exploit all chances' within a well-designed organizational culture.

Plato stated 'Get to know yourself and you will get to know the Gods and the entire Universe'. I consider that the two processes: **the performance management and the carrier management** are a **method** through which an organization can know its employees in order to keep them in its own firm. The better the organization understands the importance of the processes and it applies them, the more it becomes aware of the benefits it may get from their correct implementation. An approach of the connection between the performance management and the carrier is necessary in the context in which, at the level of the performing employee, one can not talk about a carrier, even less about a performance management.

People make the difference among the companies. But how many companies know what motivates their people, which are the explanation for their employees' behavior, which are the reasons for not leaving the company, except for the material aspect?

I consider the approach of the two processes in an organization, in the context of the salary discrepancy diminishing between Romania and the European Union, to be the first step in the communication process between the management. Being asked to what extend the communicative people are superior to the introvert ones, Aristotle answered 'To the same extend that the living are superior to the dead!' From the perspective of the historical evolution, the European Space started to take shape in the 7th and 8th centuries. In time, the European continent has become a public space, then a European Union, and today, one can even talk about a great European State. Why state?

Because the objectives, the measures applied until now, as well as the projects of the European Union prove that this is no longer an economic community, as it used to be at the beginning of its creation but a community of values, rights and obligations.

The European Union has taken over many of the traditional state's protection functions offering better guarantees than those given by the traditional state. If, in the latter's case, legitimacy was assured by its national character in the European Union's case, legitimacy is given by the very political will manifested by the countries which adhered to the Union. The Amsterdam Treaty (signed in 1997 and enforced in 1999) adds to the provisions of the previous one, the common administration of 17 fields, among which, the field of the human resources and of the jobs.

Some of the important objectives of the European Union are tightening the relationships among the European peoples and creating a climate of peace and unity, **obtaining the economic-social progress through a common action**, by creating a common and cohesive internal market. In this context, the organizations must organize themselves in such a way so that it permits the employees to evolve in an **international competitive environment** where competence should be a central factor in developing a carrier. Also, as Vinturache Mihai said in the "Systems management of the safety ecological in the industry" paper, employers are required to assess risks and take practical measures to protect the safety and health of their workers, keep accident records, provide information and training, consult employees and co-operate and co-ordinate measures with contractors, in integrated human resources management.

The human resources management will be the one that makes the difference: a management oriented towards the development of the execution employee, the assurance of an environment proper to the development of certain competences but also the **opportunity of their application** in an **organizational culture** centered on the needs of all employees, being either at the supervising or the execution level. If in the past the performing employee used to be seen as a simple instrument based on which the organization would increase its profit, today, in the context of the European Union integration, I consider that at this level it is no longer possible without a performance and carrier management. The framework offered by the organization should be a stimulating one, where the performing employee might have a feeling of belonging and perceive the business as his/her own. This is possible on the background of his/her identification with the organization. The specialists of the organization have the mission of identifying to what extent the employees feel the company's mission and values, what carrier means to them within the organization, which are their needs of development over short and long term.

The conception of a stimulating training program, adapted to the competences identified by the organization's specialists, may influence one employee's decision of leaving the organization.

These are only a few elements that might influence the decision of the best performing employees and not only, to remain within the Romanian firm in the favor of those in the European space which offer such perspectives to their employees.

Knowing the strategies applied by other companies in the European Union with respect to the human resources management can help the Romanian companies set their strategies in human resources so that they could make the difference in keeping the best employees within the organization, including standardizations of their procedures. „Systematization and standardization of the work does not always guarantee the success. One of the usual managerial problems is to identify the cause why the work is not done properly, is low quality, in spite of an efficient organization” as Malina Cordos said in „The motivation in quality management people based” paper.

Each organization has its own life, a certain organizational zeal, a certain rhythm where the employees find their place (identify themselves with the organization) or search other ways of fulfilling themselves as people. As Septimia Chelcea states, ‘The organizational zeal can be obvious or, on the contrary, barely noticeable’ within an organization.

The organizational zeal is defined as “The will of the organization’s members to act in order to reach the set purposes”. There is a set of factors that can influence the organizational zeal and depending on which an organization is differentiated from another, for instance the applied managerial style. The closer the managers get to their employees, set tangible objectives for them, explain why these have to be achieved and what the importance of their accomplishment is, the more the employees will chose the organization on a long term in order to remain within it and their performance will be as expected. How they can be achieved (in what ways, with what techniques and procedures) is up to the employees.

The more the employees prove their interest, the bigger the organizational zeal will be, the less the danger will be for the organization to lose the best employees in the favor of the other companies in the European Union.

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CULTURE AND CORRUPTION

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National culture and the organization's management are interdependent systems of values, which generate human performances that can reach levels of excellence. But, in certain crises situations, generated and supported by turbulent economic frames, by the transition from one economic system to another, the cultures specific to the organizations' management become vulnerable. In such conditions, when an economic system is chaotically dismantled, as it happened to the communist one, "an organized anarchy" appears, a system which is good for some individuals and interest groups that assimilates rapidly the deficiencies specific to a "marginal culture".

Our study is trying to underline some characteristics of the Romanian managerial culture, specific to the transition period from real socialism to capitalism and pre-adhesion to the EU.

Keywords: *national culture, management and organizational culture, managerial style, corruption.*

In the research and interpretation work, out of the sociological perspectives of the cultural phenomenon, the great Romanian sociologist Dimitrie Gusti notices three approaches of culture: *objective culture*, seen as a system of cultural goods that form the style of an era, *institutional culture* which includes the state, the church, the customs, the economic organizations and *personal culture*, that is the attitude of persons concerning the work of culture – the living report between persons and cultural values⁷⁶.

If the above mentioned values and institutions become representative and specific for a nation, created based on the unity of language, territory and economic and social life, then we can talk about *national culture*.

Taking into consideration the fact that the values, norms and principles (rules) promoted by the national culture system can be found reproduced in the valuable and behavioural variables within the organizations or at the persons who lead them, their cultural fundamentals belong to the system. Still, from the point of view of the content dimensions between managerial culture and the organizational one there are notable differences. For instance, while managerial culture notices aspects of the behaviour of those who have managerial functions within the organization, organizational culture reflects the active life of all its members. Thus, both categories of culture interact, being complementary parts of general management. From our analyses and reflections result significant differences between cultures: national, managerial and organizational. Even if each organization has its own cultural identity (managerial and organizational) which comes from the values and norms of the national culture, in the real economy this is disseminated in different results, sometimes with good effects, other times with an immoral effect.

The bad behavioural deviations (including facts of corruption) in the organizations, but also the chances to correct them have their sources in the national cultural legacy as well as in the managerial culture (thinking and acting of the organizational or governmental management). The remedies are always possible, even for the drastically diminution of the corruption phenomenon, when within all the articulations of the managerial structures the factors of performing managerial culture are promoted, factors which create a system of values and sustainable believes, defining competitiveness as the supreme value of the way of thinking and acting. Managerial competence, the force of example of ethical behaviour and the intransigency in fulfilling and applying the laws are independent forces, which represent ways to answer in a viable way, when they manifest in convergence, to all the financial "engineering": evasions, fake auctions, stealing through "tick" firms, compensatory exchanges of properties, illegal reimbursements of VAT, bribery, unclean commissions as well as many other "tricks" specific to a kleptocratic management. These vices of managerial nature belong to the *personal culture* mentioned by Dimitrie Gusti "as a living report between persons and cultural values."

⁷⁶ Dimitrie Gusti (1965), Pagini alese, București: Editura Științifică, p. 252.

Managerial culture acts as a mechanism for equilibrating some values that are endogen and hexogen to the organization, being strongly oriented towards the accomplishment of the objective assumed by the organization. For the managers who are concerned with a good “leadership”, ethical approaches become more and more important, because the traditional theories of structure and process that have been intensively applied in the XXth century have left the human communities outside analyses and strategic decision. We are underlining this phenomenon taking into account the fundamental purposes of managerial culture that needs to support the organization’s *mission, strategy and objectives*. Thus, M. Godet defines managerial culture from the perspective of its focus on three poles of activity: *anticipation, action and motivation*.⁷⁷ Anticipation defines the future changes; action takes into account the implementation of strategic changes, while motivation refers to the mobilization of all the actors involved in the changing process.

Organizational culture is a discussed concept, loaded with multiple significances, the phenomenon bringing into the attention of the organizational management the importance of human resource and the need to innovate (including socially) in order to promote positive changes. Launched at the beginning of the '80s in the United States, organizational “culture” has known a rapid expansion, representing today the theoretical nucleus of a new school in the management science: the school of cultural management. Since then, the management literature has started to spread the fact that an organization’s excellence is given by the common ways through which its members have learned to study, sense and act.

The managers’ ability to obtain extraordinary contributions from a great number of people is transformed in the ability to create a sense of a treasured purpose. The firms with weaker performances tend to have cultures which focus on internal policies, instead of the customer and on figures instead of people, as two American authors stated when searching for organizational excellence⁷⁸.

Thus, it results the pragmatic significances of *organizational culture* which aim a few elements such as: behavioural rules, the norms which develop within the organization, the dominant values adopted by the organization regarding the offer (products, services), the philosophy which leads the organization’s policy concerning the business partners (stakeholders), the rules established for its efficient functioning, the spirit and the climate which characterizes the organization in its internal and external environment (the market, society), respectively the relations with the natural environment.

Corruption at the Romanians is the result of the immoral activity of some persons and groups (personal and group managerial culture), usually in minority, but which obtain a no worthy attention, having the possibility of using some manoeuvre means at the border of legality of illegality, that favour the idea that they act in all the articulations of the power structures. It is true that greed, the desire for immediate enrichment and on every way, including the criminal one, gathers the persons and the groups interested in the sudden change of their wealth fare by avoiding the moral principles or the legislation. We call these types of the transition’s alliances towards capitalism, created out of reasons of excessive enrichment and moral depravation, coalitions of cleptocratic management⁷⁹.

The „original” Romanian transition towards the market economy has proved that the corruption acts have continuity at the Romanians, their proliferation and amplification, after 1989, being reflected by the increase in time of the Index of the perception of Perception (IPC), for 1997-2001 (see Fig.1). In this case, the perception of the level of corruption has been appreciated for 91 countries by analysts from the Göttingen University, by consulting the businessmen, the economic analysts of risk and the public opinion.

⁷⁷ M. Godet, *Prospective et Planification Strategique*, Economica, 1985, apud L. Marian (2001), *Strategii manageriale de firmă*, Tg. Mureș: Editura Universității „Petru Maior”, p. 20-21.

⁷⁸ T. Peters, R. Waterman (1982), *In Search of Excellence*, New York: Harper & Row Pb., p. 9-17.

⁷⁹ Mișuț, I., *Euromanagement*, (2002), Ed. Economică, București, p. 252

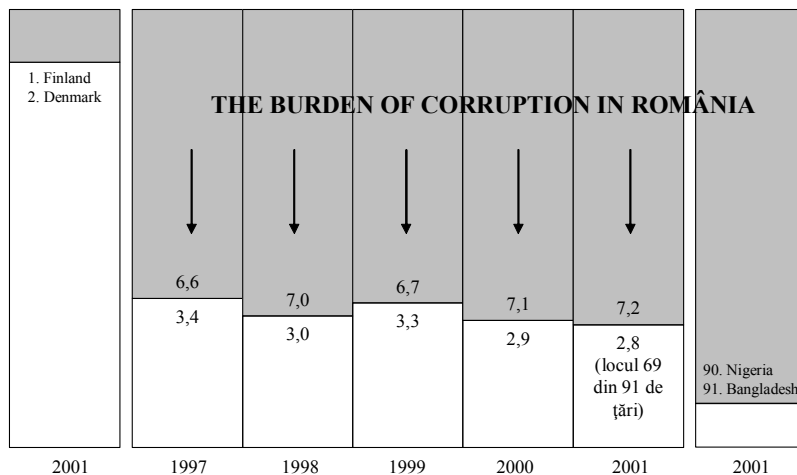


Fig.1. The index of the perception of corruption for Romania, 1997-2001

The index of the perception of corruption (IPC): IPC=0 – maximum corruption; IPC=10 – minimum corruption

The elaborated histogram is of course subjective, being an empiric image of the corruption in Romania seen by the foreigners. In reality, the corruption facts can be bigger or smaller than the situational perception. It is important to admit that after 1989 we, the Romanians, perceive from one year to another the increase of corruption and not its decrease, even if small fluctuations might appear (as it results from the histogram, corruption in 1989 seemed to be smaller than in 1998). The present tendency of intensification for the “corruption power” for Romania is expressed by the continuous decrease towards “zero” (maximum corruption) of the perception index, from 3,4 in 1997 to 2,8 in 2001. Appropriately, the phenomenon called “the burden of corruption” has increased from 6,6 to 7,2 points. According to the same source, for 2001 the perception index of corruption in countries appreciated as “clean”, such as Denmark or Finland, has come close to 10 points. It has to be noticed that the two Northern countries placed on the 1st and 2nd spot regarding “cleanness” are members of the European Union, and on the last places, 90 and 91, there is Nigeria and Bangladesh. In this top, Romania is placed on the 69th spot, next to Venezuela, with a visible tendency of unfavourable evolution of the index for the perception of corruption.

Fig. 2 continues to analyse the IPC’s evolution until 2006, the year before Romania’s integration into the EU. As it can be seen, the differences are significant between the average IPC level in the EU and the IPC for Romania, a difference which is maintained relatively constant, 3.5 points. The index of the perception of corruption in the analysed period is below the average of the years ’97-2000 (see Fig.1). It thus becomes obvious that the low rhythm for the implementation of reforms and anti-corruption activities in the Romanian society did not give the expected results. The causes which maintain the corrupted climate are numerous, they need to be identified and discouraged by the synergy of the society’s moral forces.

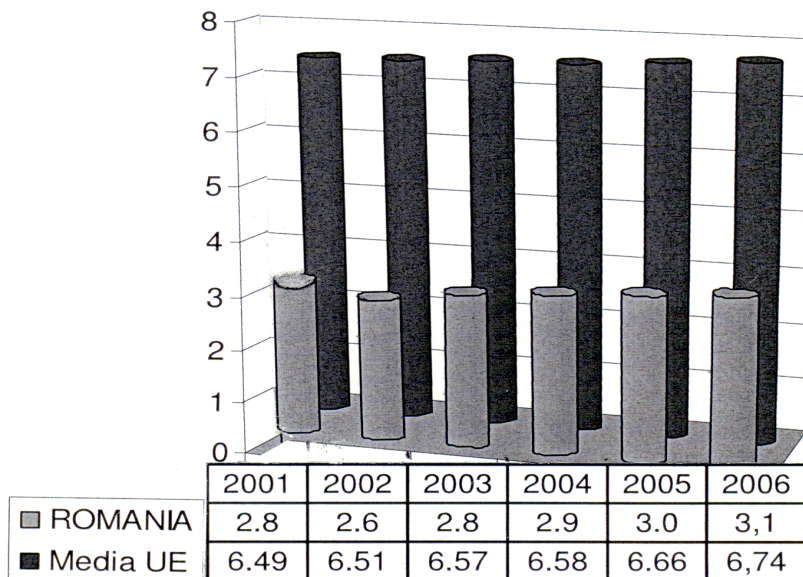


Fig. 2 The evolution of the corruption index in Romania in comparison with the average indexes in the EU, 2001-2006

Source: "The index of the Perception of Corruption (IPC)", office@transparency.org.ro

In a study regarding the mentalities within Central and Eastern Europe, the Austrian Institute Fessel+GFK for the market research configures for each nation in transition certain predominant features, on two bipolar axes: disillusion - hope and passivity ambition. Fig.3 presents the map of the Romanian transition mentality towards modern capitalism. The relative equilibrium can be noticed, of 15%, in the area of disillusion between *winner*s (animated by ambition) and *nostalgic* (passives), as well as a significant difference of 6% in the area of hope between the *new-comers* (ambitious) and *traditionalists* (anchored in passivity and sceptical to change), in the favour of the last. In reality, the managerial structures (including the governmental ones) have been dominated by the category of "nostalgic" who, being in power, have participated to the "great kleptocratic distribution", by "commissions", being the first beneficiaries of the fraud privatizations. As a reward for party "loyalty", of big boss etc. the promotion of incompetence has been used for the managerial functions. Thus, if during communism the phrase "specialist and politics man" has been used, in the democracy of transition towards capitalism, within the public institutions and enterprises have remained only the political men, because "the specialists" have privatized.

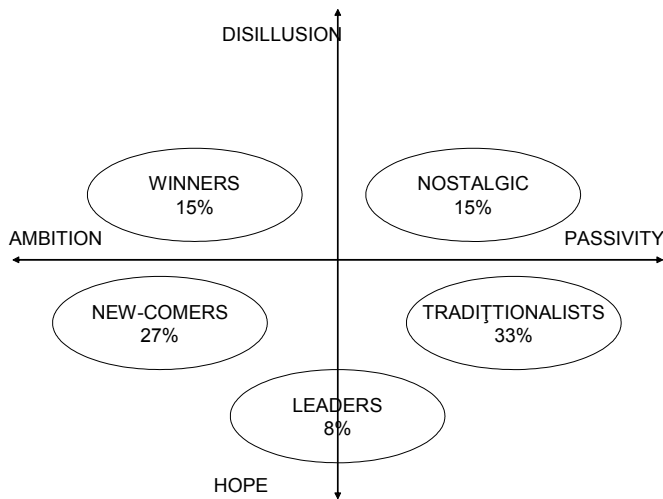


Fig. 3. The map of the Romanian mentalities in the transition towards capitalism

Source: Data from: A. Roșca (1996), "The Romanian oscillate between tradition and the desire to change", *Capital*, nr. 47, p. 39.

It becomes obvious that in the kleptocratic organizational culture, in order to dominate, subordinate, share the advantages etc. Incompetent leaders are promoted, which creates a functional environment for „Peter’s principle”. All the transition managers who made restructurings and reform only by suppressing the jobs and by sending the employees away have reached their level of incompetence. According to the criteria and values of the organizational culture where the ethic behaviour is at great price, the incompetents should have been dismissed.

The gates of the kleptocratic robbery and organized theft will be closed only if there will be actions on the causes which maintain the corrupted climate. Among these we mention: *the bureaucracy of the relation with the foreign investors and citizens* (action for the diminution of state bureaucracy are required), *privatizations with envelope offers* (privatizations should be transparent), *the lack of the codes of ethic behaviour for the dignitaries, managers, firms etc.* (the elaboration of ethics codes is required), *immunity for dignitaries* (this wall should be eliminated), *anti-corruption laws that are confusing and permissive regarding the assets, conflict of interests and others* (an anti-corruption package of laws should be elaborated, identical to the one in the EU, which will insure the independence of justice), *political clientele and local mafia* (a strong advertising is required and exemplary sanctions), *“the barriers” of managerial incompetence* (a strict promotion of professionalism and competence in management is required), *poverty* (viable strategies for eliminating poverty).

Conclusions

Romania’s integration in the EU and the globalization of the processes of knowledge will have a positive impact on cultures: *national, managerial or organizational* making more efficient the convergent actions for the elimination of immoral behaviours and economic criminality, specific to the kleptocratic managerial approaches.

The Romanians are not corrupted, only those who temporarily were or still are at power and take advantage of the immoral usage of their managerial function for purposes of personal or group enrichment. The corruptible and corrupted managers abuse their public power in order to obtain private benefits.

In order to be able to eliminate efficiently the corruption at the Romanian managers, it is needed to have a synergetic action of the *political forces, economic, juridical ones*, as well as *the church’s and the civil society’s*. As long as the corruption acts remain hidden and profitable, the action for eliminating in synergy will remain a future desiderate.

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ESTABLISHING THE *REGIONAL OPERATING COMPANY* – A CHALLENGE FOR ACCESSING EU FUNDINGS FOR PUBLIC UTILITIES SERVICES

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Romania had started a dramatic process of restructuring of the entire society and institutional organization, on the rough road between a dictatorial communist regime to a European democracy. One of the most important domains in which in the last 18 years major changes were realised through a multitude of changes, modernising, restructuring, splitting or merging actions, during a desperate try to create an efficient system of the public services. The entire structure of the existing operators must be redesigned in the near future, development of these institutions that will work in the future on the basis of performance indicators, defined by the National Authority of Public Services.

Key words: Regional Operator, investments, management redesigning, EU funding

Assessment of the existing situation:

Even since 1990, Romania had started a dramatic process of restructuring, starting from political, administrative, legislative and social point of view of the entire society, on the rough road between a dictatorial communist regime to a European democracy.

One of the most important domains in which in the last 18 years major changes were realised through a multitude of changes, modernising, restructuring, splitting or merging, during a desperate try to create an efficient system was the public utilities system.

As we already know, a **Public service** can be defined as an activity of a general interest performed by a public or private institution or company, which is established by a competent organisation like a central or a local administrating institution with the purpose of satisfying one or more requests of the members of the community.

It is a common understanding that services of general interest are constantly developing and will definitely continue to develop.

The present paperwork intends to be an objective analysis of the situation and more, of the necessity of realigning the public services management for water and sanitation in the existing context, after the integration of Romania into the European Union.

We can positively identify as major priorities the statements of Romania signed under the frame Treaty of adhering to the European Union, respectively the general Procedures of administrating community funds between 2007 – 2013, as is stated in the EC rule No. 1083/2006 which establish the general provisions regarding the European Fund of Regional Development, European Social Fund and Cohesion Fund.

In the purpose of being quite eloquent, we would like to detail bellow few of some defining figures of the water and sanitation services in Romania, as follows:

- Only 65% of the population benefits of water supply insured from a public din network, Romania being in the middle of the scale within the average countries of Europe.
- Romania is categorised as a relatively poor country in the countries with water resources, having only 2660 cum/inh/year, in comparison with an average of 4000 cum/inh/year in Europe.

- 79% from the wastewater are discharged not treated or just not enough treated in the emissaries.
- Only 52% of the Romanians benefits of both water and sanitation.

Considering the Frame water Directive 2000/60/EC, from the point of public services for water and wastewater, we can identify the following major requests for improvement of the above mentioned services:

Art 9: - The necessity for implementing of the principle of recovering the costs and of stimulative prices till year 2010.

Member States take into account the principle of recovering the costs for water services including the costs for resources and environment, considering the economic analysis in accordance with Annex III and the principle "polluter pays";

- Member States should insure till 2010 "a policy of prices that can ensure adequate for all the users, and also for rationale utilisation of the water resources";

- The Member states should insure: a good contribution of the different water users divided in industry, population, agriculture in order to ensure the recovery of the costs of water utilisation.

In accordance with the report elaborated by the National Institute of Public Health, Romania is ranked in the middle of the European coverage, considering that only 65% of the world population benefits of drinking water supply from a public network.

In Europe, population is connected to the water supply distribution in a proportion of about 96% -100% in the urban area and about 87% in the rural area, in accordance with the Health Organisation of the World named "Global Water Supply and Sanitation Assessment 2000". In the last 25 years in Romania was reached an increase of 29% for the users of public water networks, representing now more than 65% of the population of the country, in the conditions were during the same period of time major changes were registered comparing the report between urban and rural population.

In the statistics, the resident population within about 256 urban localities is supplied with potable water around 86% inhabitants, figures showing that only in about 55 urban localities population is 100% connected to the public network for water supply, representing no more than 21,5% of the total population of Romania.

In accordance with the "**White Paper on services of general interest**" released by the "Commission of the European Communities" in 2004, regarding public services, we can withdraw some of the main objectives for these categories of services:

- The need to ensure the provision of high-quality and affordable services of general interest to all citizens and enterprises in the European Union.
- Services of general interest remain essential for ensuring social and territorial cohesion and for the competitiveness of the European economy
- citizens and businesses rightly expect to have access to affordable high-quality services of general interest throughout the European Union
- Access is an essential component of European citizenship and necessary in order to allow them to fully enjoy their fundamental rights.

Purpose: A SHARED RESPONSIBILITY OF A PUBLIC AUTHORITY IN THE UNION

„In the Union, services of general interest remain essential for ensuring social and territorial cohesion and for the competitiveness of the European economy. Citizens and businesses rightly expect to have access to affordable high-quality services of general interest throughout the European Union. For the citizens of the Union, this access is an essential component of European citizenship and necessary in order to allow them to fully enjoy their fundamental rights. For enterprises, the availability of high-quality services of general interest is an indispensable prerequisite for a competitive business environment.”

The provision of high quality, accessible and affordable services of general interest meeting the needs of consumers and enterprises is therefore an important element contributing to reach the strategic goal of the Union "to become the most competitive and dynamic knowledge-based economy in the world capable of sustainable economic growth with more and better jobs and greater social cohesion".

Actions for creating the new institutional structures

Implementing of regional investment programmes financed through The Environment Operational Sectorial Programme answer to an entire series of requirements derived from the existing situation of water and sanitation services, most important of these being detailed bellow:

The requirements of the water and sanitation services in the most costly from Romania's obligations under the Adhering Treaty.

Drinking water supplied in the centralised system in mostly of a poor quality, under standards. In many areas sanitation does not exist. Water supply public services are in the most occasions not effective, especially because of the big number of small operators, which doesn't have the financial capacity sustaining investment in infrastructure.

Legislation that rules the functioning of the water and wastewater services is in accordance with the aquis comunitaire, but there are also several requirements that should be realised for full conformation, especially the ones regarding the implementation of the legislation for cases of small and average communities. In accordance with Adhering Treaty, Romania obtained the following deadlines for wastewater and sanitation services alignment till 2015 for 263 agglomerations having more than 10.000 inhabitants and till 2018 for 2.346 agglomerations having between 2.000 and 10.000 inhabitants and for drinking water services until 2015.

In order to comply with requirements, priority for financing regional investment projects for optimising investment and operational costs will be accorded.

Based on an long term investments programme, the utility services will be assured at quality requirements and acceptable tariffs. As we stated before, the investments needs should be prioritised, for assuring the engagements of Romanian authorities in order to comply in the first round with urban agglomerations.

General scheme for recommended institutional organisations for obtaining financing under the programme it is shown bellow.

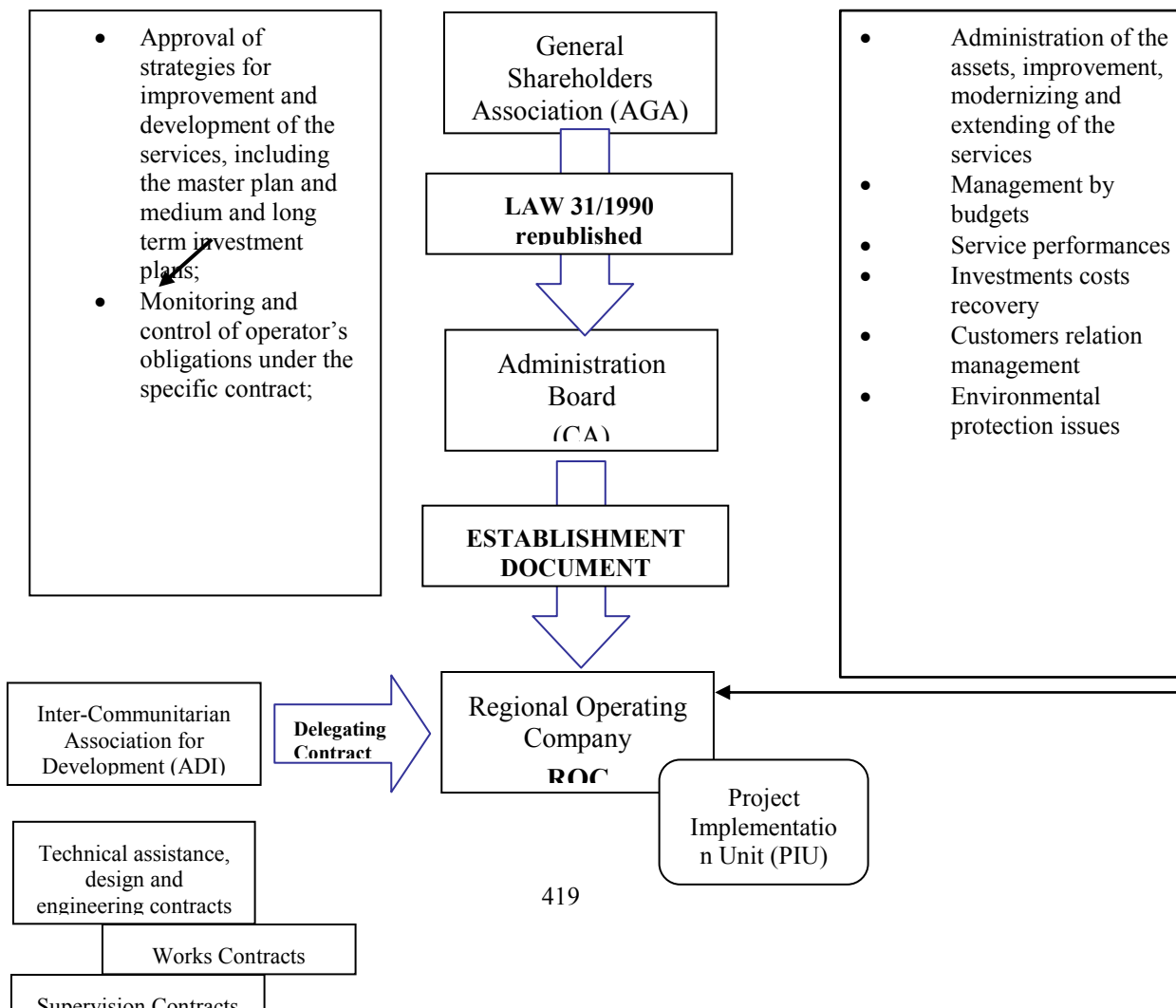


Fig. 1. General scheme for recommended institutional organisations for obtaining financing

Managerial redesigning of the existing public services operators in future in the new ROC's

The entire structure of the existing operators must be redesigned in the near future, development of these institutions that will work in the future on the basis of performance indicators, defined by the National Authority of Public Services. This development is compulsory in the context of obtaining funds for investment projects, therefore the next steps to be performed are to be accomplished from the managerial and organisational points of view.

There were identified the main development directions described as follows:

- Implementing of a DECENTRALISED MANAGEMENT SYSTEM OF THE TYPE OF MANAGERIAL RESPONSIBILITY, in which the organisation of the operator is redesign on so called "operating cost centres grouped on precise criteria: geographic area; volume of the necessary investments for reaching relevant European standards; administrative capacity; number of inhabitants, etc.
- Applying the basis of Projects Management, functionally and not only as an efficient management technique of investment projects. This will facilitate in the future the implementation of such organisational structures like the PIUs. (Project Implementation Units)
- Applying of the internal benchmarking evaluating method for evaluation of the performances of the internal structures of the ROC (cost, administrative of performance centres).
- Promoting of the principles of corporative governing concerning the protection of the shareholders, harmonisation of the interest of the stakeholders, social responsibility for the customer etc.
- Establishment of some commercial societies with under the "coat" of the ROC, specialised on the operational and maintenance.
- Also, the management of the new created ROC should consider the externalisation of one of these activities for effectiveness.

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A COMPARATIVE STUDY: THE ORGANIZATION AND FUNCTIONING OF THE FINE ARTS INSTITUTIONS

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Abstract:

This paper draws a parallel between the organizational management of some academic institutions of fine arts in Romania and Germany comparing their organizing and functioning mode, taking into account the cultural, political, social and economical differences and also considering the fact that both countries are part of the same Europe.

Key words: management, organization, art, education

Starting with the definition of the comparative management, we notice its functional characteristics within different cultures, but the most frequently studied ones are the management conceptions in the USA and Japan, due to the fairly high competition between their industries.

If we study the European management we realise that the cultural, economical and social contexts specific to the European lifestyle lay at its foundation.

From a cultural point of view we could speak about comparative management within some fine arts institutions from two European countries that are different considering their economic and social position: Romania and Germany.

1.The organising and functioning mode of the Faculty of Visual Arts in Oradea, Romania

Oradea has imposed itself as an old traditional and cultural centre of an area with cultural-spiritual interferences, as a cosmopolitan, multiethnic and multi-confessional town.

The Faculty of Fine Arts was born out of the desire of the artistic community in Oradea and out of the awareness that there are professionalists (fine artists and theorists) that can live up to the pretensions of this kind of action, under the guidance of the University of Oradea. This desire coincides with the quality of our region as an area characterized by its mobility, economical power and ability to absorb the artistic products and services.

Bihor county is a confluence area of the western and eastern culture, where one can find the remains of the great European movements: Romanticism, Gothic, Renaissance, Baroque, Secession and also the Romanian customs inspired from Byzantine culture that have successively left their mark both upon wall and wooden architecture and also upon religious painting.

We can also mention the tradition of the academic education of Oradea by the foundation of the Royal Academy of Law and Philosophy in 1780, that was followed by the current University with its remarkable fame.

The cultural relationship of the town, the existence of a functional system of cultural institutions, as well as the premise of further developing the Faculty of Fine Arts in the Renaissance Princely Palace (16th and 17th century) within the Fortress of Oradea- historical monument - all represent further reasons to

financially support this faculty of our town. This space of about 25.000 m², of which 12.000 m² are meant by the municipal authority to house the Faculty of Visual Arts is an extremely suitable one for carrying out the process of artistic education.

Organizational Framework.

The Faculty of Visual Arts within the University of Oradea was founded according to the Government Ordinance no.3622/1995 and has been functioning from the university year of 1995-1996. It currently has the following structure:

1. The Department of Fine Arts with the following specializations:
 - The Pedagogy of Fine Arts
 - Sculpture
 - Painting
2. The Department of Decorative Arts with the following specializations:
 - Industrial Design
 - Textile (tapestry, prints, fashion)
 - Restoration-Conservation
 - Ceramics, Glasswork, Metal
3. The Department of Theoretical Subjects:
 - History and Theory of Art.

Part of the tuition fees are financed from the state budget and the rest are paid by the students.

Organizational Framework of the Faculty.

The organizational management of the faculty is provided by a managerial team made up of the dean, prodean, the heads of the departments and scientific secretary.

The judicial structure.

The Faculty of Visual Arts functions as a state institution endowed with judicial personality.

The educational system is applied gradually from the first years with teaching fundamental subjects and continuing with the expansion of the professional experience in the second and third years. There is a well-balanced ratio between the speciality subjects and the theoretical ones so as to assure both the formation of the artistic language and the conceptual development of the ability to make theoretical statements.

The quality of the artistic education is according to the criteria and standards of the academic evaluation and accrediting stipulated by the law (teaching staff, educational content, facilities, research activity, institutional, administrative and managerial structures according to the law) being compatible to the European system in accordance with the "Bologna Declaration" (1999).

The Faculty of Visual Arts is part of the University of Oradea and it functions as an academic institution proceeding from University's Carta, The Education Law, The Status of the teaching staff and the Organizing and functioning regulations of the Romanian educational institutions.

The artistic didactic instruction is carried out at the level of the modern principles and methodologies and it is open to permanent renewals. The credit transfer system allows the students' mobility and an increased flexibility of their own study routes. This organizing system required the students' responsibility when choosing the didactic routes, it gives them the possibility to freely acquire a multidisciplinary knowledge.

The students are equal partners in the mutual attempt to form qualified specialists. The students' opinion, either individual or expressed by their representatives and authorized by democratic processes or polls done with validated methodologies, represent a method of self-control, assessment and improvement of the academic activity.

The activity of the students is materialized by organizing personal and group exhibitions, fashion shows, artistic camps and so on.

The professional managerial goal

5. The complex formation of the future specialists-artists in the fine arts field.
4. The formation of its own staff from the student community of Oradea by means of counselling and professional orientation, by educational management, by sociology of education, by intercultural education and so on.
5. Developing some competitive research programmes.
6. Benefiting by financing some projects-contracts or other sources gained according to the law: own incomes, subsidies, donations, sponsorships and taxes from judicial or physical people according to the paragraph 53 from the Education Law. The incomes from the above mentioned sources are managed and used entirely at the faculty level (chairs, specializations).
7. Benefits, compensations, comisions and granting financial compensations (up to 20%) according to the decision made by the Senate of the University, to those teaching staff that sign contracts with the market.

2. Academie fur kunst&creative Lebensgestaltung Lage – The Academy of Art și Creative Design of Lage, Germany

General Context

Germany is one of the biggest economical powers of Europe and an important part within the European Union. The German people are well-known for their readiness and punctuality. From a cultural point of view, the German artistic management is different from the Romanian one, Romania being a young democratic, eastern European and former socialist country in comparison with Germany – a capitalist, western European country.

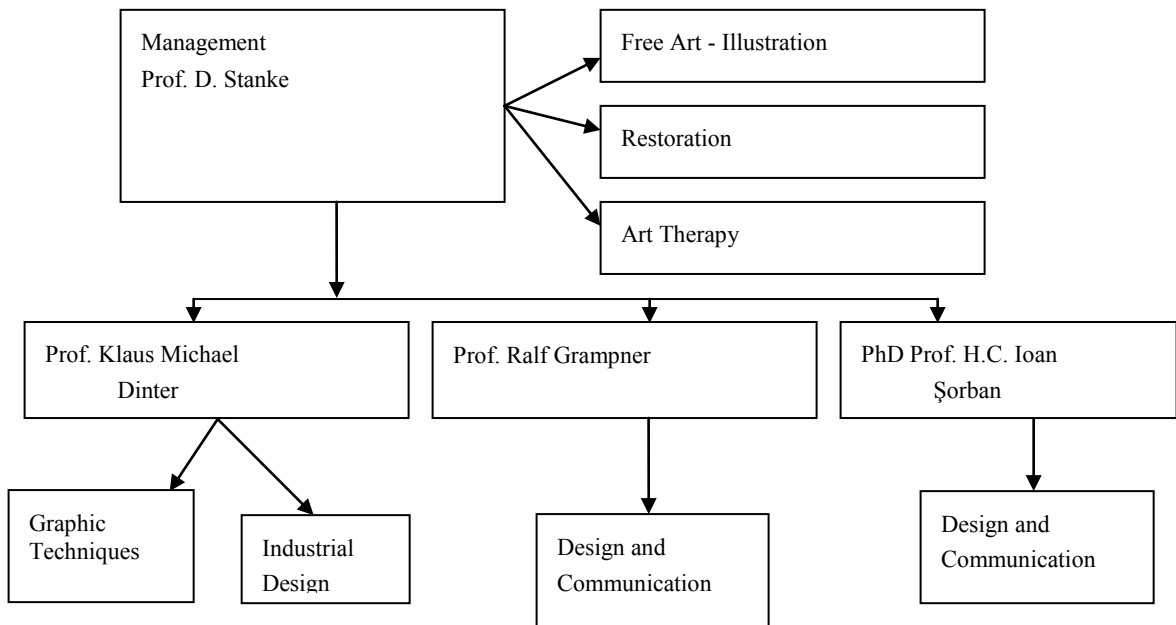
A peculiarity of the German educational system is represented by the implication of the companies through training programmes. This implies financial investments for training the employees. Thus, they spend four hours a week studying in a company and a day and a half in a theoretical school. In this way, the companies ensure qualified labour and the graduates definitely have a work place.

This characteristic of the German system regarding the involvement of the companies in the professional training leads to a superior quality of the products and services that are internationally renowned.

The German managers lay emphasis on the quality and costs decrease as well as on the link between the structure and culture of the organization with the market requirements.

Organizational structure

The Academy of Art and Creative Design of Lage – AKL, is an institution with judicial personality and an entirely private capital. It was founded 30 years ago by a remarkable personality of the artistic world, that is PhD Prof.H.C. Doris Stanke. Her activity as a teacher of illustrations, restoration, sculpture, free arts and art therapy is well-known beyond the borders of her region.



The management of the Academy is mainly dealt with by Doris Stanke in collaboration with the heads of the departments and it follows two directions:

1. practice (one year)
2. study (two years).

All these are based on the compatibility with the European educational system – Bologna. In order to pass the entrance examination in the first year at the academy, one can attend a practice year.

The structure of the hours in the curriculum:

1. Practice : 1 year – 25 hours/week – 100 hours/month
2. Study : 3 years – 32 hours/week – 128 hours/month

As for the artistic management, it comprises the total of the theoretical and material structures that are the basis of the applied artistic creation as artistic consumer goods, this being a promotion and success method for the fine artist and market operators.

Art therapy at AKL is based on humanistic sciences in accordance with scientific, artistic, psychological and interdisciplinary methods and knowledge. By means of colour, form, line and background, the art therapy can touch the innermost soul of a persona and help him to live a life without any problems and almost without any medication. AKL does not impose the use of a certain art concept, it pursues the application of manual methods used by the Ancient masters in order to achieve a large range of forms which, after having been freely applied using different art movements, they would produce works of art.

The study of the art therapy is recommended to the art students who have a talent for pedagogy, psychology, to the medicine students and to the teaching staff, nurses, caretakers of the elderly, and kindergarten educators.

The person who laid the foundations of art therapy in Germany is Rudolf Steiner.

Doris Stanke starts with the division of man in three parts: head- bust – abdomen and she presents this concept in the following table:

Therapy Artistic form	Figure The division in three parts	Physical Body Phyziology	Soul Characteristics	Spirit Consciousness
Drawing	Head	Nerves	Thinking	To be awake

Painting	Bust	Alert life	Feeling	Dreaming state
Moulding	Abdomen	Metabolism	Will	Sleeping

Tiring work, the life style of the modern society, the lack of fantasy in the environment, the haste, the noise all these lead to a sickening stress that can be compensated by sociability, sport, relaxation or hobbies. In this respect, each country is characterized by a specific tendency, i.e the southern countries suffer less from stress and more from depression.

3. Conclusions

The two analyzed systems of organizational management are closely connected, interdependent with the cultural background of each of the two countries.

As for the managerial approach there are differences between the two countries, even though the starting point is similar. The Romanian state interferes more in the organizational system, as the faculty is a state institution while the German state barely does. But both institutions proceed from the European artistic education system, according to the "Bologna Declaration". The cultural differences led to the foundation of art therapy in Germany, while in our country this does not function, even though its benefits are huge.

In the young democratic eastern European countries, art therapy is more than necessary, as it does not appeal to the state politics, but to the person. Therefore politics must show interest in it for the mutual benefit in what concerns balance and health. We think that art therapy can be applied to each country regardless of its culture, socio-political background and economical structure.

When losing the sense of reality and personality, art therapy can be seen as a way to regain stability and normality, bringing its contribution to increasing the life quality.

There are differences regarding the managerial practice, when making decisions (in Germany the staff is involved in the process while in Romania this happens in a smaller degree), human resources etc.

For the continuous improvement of the artistic management of our faculty, we have organised experience exchanges, with well organised visiting programmes at AKL in order to implement an educational artistic management in accordance with the standards of the European Union and to train compatible and functional professionals on the artistic market in a liberal society, an artistic market that would encompass all the methods and means that secure the material and spiritual existence of the artist.

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LE NOUVEAU CONTRAT PSYCHOLOGIQUE : UN DÉFI POUR LES PROFESSIONNELS ROUMAINES EN RESSOURCES HUMAINES

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La multiplication des recherches sur le contrat psychologique est apparue comme un résultat des changements subis par les relations de travail où on assiste à des processus de restructuration des entreprises, de licenciement et de prolifération du travail temporaire sur le marque de la globalisation économique et de la nécessité de repenser la gestion des ressources humaines à la lumière de son approche stratégique (Morrison et Robinson, 1997). Qui plus est, on admet qu'un changement de paradigme se déroule de la sécurité de l'emploi vers l'employabilité. (Guerrero 2005). Dans ce contexte, le contrat psychologique qui facilite l'analyse de la relation d'emploi à partir des perceptions individuelles concernant les obligations qui existent entre l'employé et l'employeur (Rousseau 1989), fournit les moyens d'une meilleure compréhension des attitudes et des comportements au travail dans le but d'améliorer la mobilisation et la fidélisation des employés roumains dans le contexte du marché de travail européen.

Mots clé : contrat psychologique, brèche, violation, conséquences sur les attitudes et sur le comportement

Abstract :

The multiplication of research concerning the psychological contract has appeared as a result of the changes undergone by the work relations where we witness a process of enterprise restructuring, dismissal and uncontrolled proliferation of temporary work taking into account the economical globalization and the necessity to rethink the human resource management from its strategic approach. Moreover, we admit that there is a paradigm change, from employment security to employability. In this context, the psychological contract which eases the analysis of the work relation starting from the individual perceptions concerning the existent obligations between the employee and the employer provides the means for a better understanding of the attitudes and behaviors with the purpose to improve the commitment and the loyalty of Romanian workers within the European work market.

Key words: psychological contract, breach, violation, consequences on the attitudes and behaviour.

Nous nous proposons dans cette communication scientifique d'analyser quelques unes des facettes du nouveau contrat psychologique qui aideront les professionnels des ressources humaines à mieux comprendre l'utilité de ce concept pour développer une stratégie RH en harmonie avec la stratégie globale de l'entreprise. A cet égard, nous présenterons d'abord la notion de contrat psychologique dans ses acceptions initiales et actuelles tout en essayant de distinguer leurs points convergents et divergents. Par la suite, nous nous proposons de cerner les fondements et les caractéristiques définitoires du contrat psychologique. Cependant, nous montrerons les conséquences de la brèche et de la violation du contrat psychologique. La partie finale de notre travail essaiera de présenter l'importance d'une meilleure compréhension du nouveau contrat psychologique pour les praticiens RH qui sont confrontés avec des défis importants après l'entrée de la Roumanie en l'Union Européenne.

La notion de contrat psychologique

La littérature sur le contrat psychologique suggère que ce concept représente une extension des écritures des philosophes du dix-huitième et dix-neuvième siècles sur le contrat social, des ouvrages dont les origines portent les traits des anciens philosophes Grecs. Ainsi, dans cette approche, le contrat social inclut une composante « naturelle ». En ce sens, l'adhésion de l'individu à une forme organisée de la société, et une partie de « soumission » qui réclame l'action de l'état en tant que garant de la sécurité et de la protection des citoyens à l'échange de leur part de payer les impôts, de respecter les lois et de partager le risque de la défense en cas de différentes menace (Roehling 1997). Morrison et Robinson (1997) reprennent l'idée de contrat social comme « suppositions, croyances et normes concernant un comportement approprié dans une unité sociale particulière »⁸⁰ (p. 246) pour expliquer le processus d'interprétation de la brèche soutenant que les parties prenantes du contrat psychologique changent non seulement des promesses concernant l'échange des biens et de services, mais elles s'engagent implicitement à réaliser cet échange réciproque en respectant l'ensemble des valeurs, des croyances et des normes spécifique à un contrat social donné. En s'inspirant des idées de Clark & Waddell, (1985), Morrison et Robinson (1997) ajoutent que des différents contextes sont gouvernés par des contrats sociaux différents et qu'un comportement jugé comme acceptable dans un contexte, pourrait être considéré comme intolérable dans d'autres contextes.

Les racines de la théorie du contrat psychologique dans la littérature de la gestion s'appuient sur la théorie de l'équilibre de Barnard (1938) et sur le modèle de récompense - contribution élaborée par March & Simon (1958). La théorie de l'équilibre de Bernard (1938) met en lumière une perspective d'échange entre les organisations et leurs membres dans le sens où chaque employé reçoit des récompenses pour lesquelles il apporte des contributions. (Roehling 1997). March & Simon (1958) mènent plus loin la théorie de l'équilibre pour s'intéresser à la nature des échanges qui influencent la décision des employés de s'impliquer dans les organisations. Cependant, ils sont les premiers qui parlent de termes implicites et explicites du contrat d'emploi (Roehling 1997).

Le terme de Contrat Psychologique du travail a été créé par Argyris (1960) pour décrire la relation entre les ouvriers et leur contremaître dans une usine. Il a observé qu'un niveau satisfaisant des salaires et la garantie d'emploi contribuaient à l'augmentation de la production.

« Puisque le contremaître réalise que le système tendra à atteindre une production optimale sous un leadership passif, et puisque les employés partagent ce point de vue, on peut faire l'hypothèse qu'une relation particulière se développe entre les employés et le contremaître, relation qui peut être qualifiée de 'contrat psychologique au travail' » (Argyris, 1960, p.97)⁸¹.

Quelques années plus tard, Levinson (1962) a mis de côté le terme « travail » dans le concept d'Argyris (1960), pour mettre en évidence les obligations des entreprises en ce qui concerne le bien-être émotionnel de ses employés. Il emploie le terme d'« attentes mutuelles » pour décrire le contrat psychologique entre l'individu et l'organisation mais dont les parties peuvent ne pas être parfaitement conscientes (Guerrero, 2004b). Tel que décrit dans le livre « Psychological men » (1976), Levinson affirme l'existence des besoins psychologiques au travail. La motivation individuelle est équivalente avec le fonctionnement de la personnalité individuelle. En plus, les gens ont des impulsions (nécessités) de base : développement / construction ; affection / amour ; destruction / agression. Ces impulsions agissent simultanément et inconsciemment et c'est l'ego qui intègre ces forces d'une manière cohérente (Meckler, Drake, Levinson, H., 2003).

Schein (1965) quant à lui, met l'accent sur l'importance d'une adéquation entre les attentes et les contributions de chaque partie et sur l'interaction entre les deux parties impliquées dans le contrat psychologique (Coyle-Shapiro, 2005).

« La notion de contrat psychologique suppose que l'individu a une série d'attentes envers l'organisation et que l'organisation a une série d'attentes envers lui...De telles attentes ne sont écrites dans aucun contrat formel entre l'employé et l'organisation, mais elles agissent pourtant comme de puissants déterminants du comportement » Schein, 1965, p.11

⁸⁰ Notre traduction.

⁸¹ Les définitions du contrat psychologique d'Argyris, Schein et Rousseau et la citation de Blau ont été reprises de Coyle-Shapiro (2005), p. 22,23 et 27.

Bref, selon Coyle-Shapiro (2005), les principales différences parmi les conceptualisations initiales du contrat psychologique représentent (i) le passage d'une vision de l'échange qui se réfère aux avantages tangibles vers une perspective plus large qui contient des éléments tangibles et intangibles ; (ii) la perspective de la définition du CP changée du niveau de group envers la relation individu- organisation ; (iii) la préoccupation pour l'interaction entre les deux parties de l'échange ; et (iiii) la relation entre ces parties vue comme une relation de dépendance (parent enfant) (Meckler, Drake, Levinson, H., 2003).

Avec Rousseau (1989) la perspective change devenant plus « étroite », vu que jusqu'à ce moment-là le contrat psychologique faisait référence à l'idée d'attentes, de croyances, d'obligations, de perceptions ou encore de relations (Guerrero, 2004b). Rousseau (1989) considère que le Contrat Psychologique est une « perception » subjective et différente d'un employé à l'autre qu'une promesse a été faite et que la compensation qui suit cette promesse va déterminer des obligations réciproques.

Le contrat psychologique représente « la croyance d'un individu relative aux termes et aux conditions d'un accord d'échange réciproque entre cette personne cible et une autre partie. Les questions clés ont trait ici à la croyance qu'une promesse a été faite et une compensation offerte en échange, liant les parties à un ensemble d'obligations réciproques » Rousseau 1989, p.123.

Ainsi, on assiste à un déplacement de l'analyse du niveau relationnel à celui individuel, plus spécifiquement, au niveau des croyances subjectives individuelles. Cependant, l'accent est mis sur la notion d'obligations basées sur des promesses perçues, notion distincte de celle d'attentes qui a caractérisé les travaux précédents. Dans cette logique, les attentes font référence seulement à ce que l'employé attend de recevoir de la part de son employeur, tandis que le contrat psychologique est relié aux *attentes mutuelles* perçues (souligné par l'auteur) qui sont spécifiques à la relation employé-employeur (Robinson et Rousseau 1994). Rousseau (1989) ajoute que les promesses elles-mêmes ne constituent pas un contrat. Par contre, le contrat psychologique engage en égale mesure les promesses et les contributions changées pour telles promesses. Les contributions comme travail dédié, l'acceptation du perfectionnement ou du transfert peuvent être offerts en échange pour des promesses implicites ou déclarées concernant le salaire, la promotion, le développement ou la carrière (Robinson et Rousseau 1994).

Dans sa critique à Levinson, Rousseau (2003) considère qu'il ne prend pas en considération le rôle du schéma dans le CP comme source de stabilité, adaptation et résistance au changement. L'accent mis sur l'individualisme égoïste et l'omission du processus relationnel sont des points faibles de la conceptualisation de Levinson. En revanche, Rousseau (2003) propose la conceptualisation du contrat psychologique comme modèle mental de la relation d'emploi. Le rôle joué par le schéma dans la formation du CP nous fait croire que les managers et les employés qui partagent un schéma commun ont d'avantage la chance d'avoir une compréhension mutuelle des obligations discrètes de l'un à l'autre et d'être d'accord en ce qui concerne leurs interprétations des informations, d'actions et d'événements. Rousseau (2003) propose une vue en termes de « nous » de la relation d'emploi. En même temps, elle est en désaccord avec la relation de dépendance décrite par Levinson (2003) proposant un partage du pouvoir au sein d'une organisation.

Selon Rousseau (1989), le contrat psychologique n'est pas synonyme du contrat implicite (en anglais « implied contrat »), car leur niveau d'analyse est différent. Le contrat psychologique se situe au niveau individuel et à cause de son caractère subjectif. Pour que le contrat psychologique existe, les parties, soit l'employeur et l'employé, ne doivent pas s'entendre sur ses termes. D'autre part, le contrat implicite représente une obligation mutuelle qui existe au niveau relationnel (par exemple, dyadique, interorganisationnel) et il est le résultat d'un consensus social concernant la nature de l'obligation. Rousseau (1989) considère que le contrat implicite représente un modèle des obligations issues des interactions entre les individus et l'organisation qui devient une composante de la structure sociale dont la relation est sortie. Ainsi, le contrat implicite peut être évalué par les « observateurs » de la relation, c'est-à-dire les tiers, le public, tandis que le contrat psychologique n'existe que dans les yeux de l'employé. D'ailleurs, selon Guerrero (2004 b), la vision « contractuelle » de la relation d'emploi est très anglo-saxonne étant soumise à la logique « client – fournisseur », spécifique aux entreprises américaines. Dans le même sens, Rousseau (1989) emploie la typologie de Miles et Snow (1980) pour départager les stratégies d'emploi selon la culture organisationnelle en deux catégories : « faire » et « acheter ». En tant qu'acheteur, les organisations payent le prix du marché pour obtenir des individus avec des habiletés spécifiques rapidement utilisables. Ce n'est pas le cas pour la stratégie « faire » qui implique

l'investissement en employés en termes de formation, de socialisation et de développement d'une relation à long terme entre l'employeur et ses employés.

La théorie de l'échange social comme fondement de la théorie du contrat psychologique

La théorie de l'échange social s'appuie sur les travaux de Blau (1964). Selon lui, on connaît deux types d'échanges : l'échange économique et l'échange social. L'échange de type économique a comme base le contrat formel qui est explicite et plus spécifique. En conséquence il peut être mesuré, quantifié, donc, il peut être négocié. En plus, au niveau temporel, il agit à court terme parce qu'il n'a pas besoin de temps pour se consolider. Par contre, l'échange social englobe « des faveurs qui créent des obligations futures diffuses, non précisément spécifiées, et dont la nature de la contrepartie ne peut être négociée mais doit être laissée à la discrétion de son auteur » (Blau, 1964 p.93). Pour éclairer davantage la notion d'échange social, Blau (1964) continue en affirmant qu'on ne peut pas parler d'échange social dans des situations limite comme celle de donner d'argent sur la menace ou celle de faire des dons pour satisfaire l'orgueil propre. Blau (1964) considère l'échange social comme détenteur des éléments avec une valeur intrinsèque ce que le distingue de l'échange économique. En même temps, il n'est pas entièrement désintéressé (comme l'amour profond) à cause de l'attente du retour de la faveur de la part de son receveur. Bref, l'échange social est « un cas intermédiaire entre le pure calcul de l'avantage et la pure expression de l'amour » Blau, 1964, p.112⁸².

D'autre part, étant donné que les obligations impliquées dans l'échange social sont diffuses, non explicites et elles n'ont pas de valeur métrique. La relation entre les deux parties prenantes a besoin du temps pour se consolider. Par conséquent, puisque l'échange social comporte des obligations moins explicites, c'est la confiance qui joue un rôle de base dans ce processus. Comme la confiance, l'affectivité et le soutien offerts pas les organisations ont aussi besoin d'une orientation à long terme pour que la relation soit satisfaisante pour toutes les parties impliquées (Blau 1964). La confiance est présente dès le début de la relation, chaque partie ayant besoin de la confiance que l'autre partie retournera ce qu'elle a reçu. Cette action de réciprocité fait aussi la distinction entre l'échange social et l'échange économique. La confiance joue un rôle aussi important pour le contrat psychologique car elle intervient dès le début de la relation entre l'employé et son employeur (Robinson, 1996). Ainsi, selon Robinson (1996), l'existence de la confiance *à priori* va modifier la perception de l'employé concernant l'apparition ultérieure de la brèche dans son contrat psychologique. L'employé est, dans ce cas, susceptible d'être plus tolérant envers son employeur en interprétant la brèche comme un événement non intentionné, dû à l'erreur ou en dehors de la responsabilité de son employeur. Cependant, elle ajoute que la confiance soit tout aussi importante durant l'entier processus du contrat psychologique en jouant le rôle de médiateur de la relation entre la brèche et ses conséquences.

Shore et Barksdale (1998) utilisent la théorie de l'échange social pour définir un modèle de la relation d'échange entre l'employé et l'employeur. Ainsi, ils partent de l'approche de Blau (1964), selon laquelle un équilibre dans la relation d'échange est attendu tandis qu'un accomplissement déséquilibré des obligations pourrait engendrer des conséquences négatives sur cette relation. Dans ce sens, Shore et Barksdale (1998) ont démontré que la plupart des relations d'emploi sont équilibrées mais il peut exister des individus qui perçoivent la relation avec leur employeur comme étant déséquilibrée. Plus spécifiquement, ils ont examiné le modèle général de l'échange en termes d'équilibre et de niveau d'obligation. Leur approche est basée sur la délimitation d'une typologie composée de quatre type d'échange dont deux sont équilibrées à de niveau différents des obligations soit (i) mutuel obligations élevées (anglais « mutual high obligations ») et (ii) la relation mutuelle baissé en obligations (anglais « mutual low obligations relationship »). Les autres deux catégorie d'échange dévoilent une relation déséquilibrée soit au niveau de l'employé qui aurait plus d'obligations que l'employeur, c'est-à-dire (iii) la relation employé supra-obligation (anglais « employee over-obligation relationship »), soit au niveau de l'employeur dont les obligations sont perçues comme supérieures à celles de l'employé ; (iv) la relation employé sous-obligation (anglais « employee under-obligation »). En s'appuyant sur cette logique, l'étude de Shore et Barksdale (1998) démontre que les catégories équilibrées de l'échange livrent des conséquences plus positives pour l'organisation que les catégories manquant d'équilibre et aussi qu'un

⁸² Notre traduction.

niveau élevé d'obligation pour l'employé conduit à des attitudes et à un comportement qui soient en accord avec les objectifs de l'organisation. Au contraire, un niveau d'obligations plus élevé pour l'employeur démobilise l'employé car il voit l'employeur dans la position de ne pas avoir accompli et respecté sa part de la relation d'échange. En conséquence, les employés sous-obligés envers l'employeur sont plus susceptibles de montrer des niveaux baissés de la perception du support organisationnel et d'engagement affectif et par la suite d'avoir le niveau le plus élevé d'intention de quitter l'organisation.

Au coeur de la théorie des échanges sociaux se trouve la **norme de réciprocité** (Goldner 1960) selon laquelle « (i) les gens doivent aider ceux qui les ont aidé et (ii) les gens ne doivent pas faire tort à ceux qui les ont aidés ». Selon Goldner (1960), on distingue deux types de réciprocités : la *réciprocité hétéromorphique* et la *réciprocité homéomorphique*. Dans le cas de la réciprocité hétéromorphique, la valeur du contenu de l'échange est perçue comme équivalente même si la forme du contenu est différente tandis que la réciprocité homéomorphique présuppose un contenu de l'échange parfaitement égal (Coyle-Shapiro et Parzefall 2005).

La littérature sur le contrat psychologique a gardé la distinction entre l'échange économique et l'échange social pour identifier le contrat psychologique de type transactionnel et relationnel. Le contrat transactionnel englobe des éléments de nature économique plus tangibles et reste invariable au cours du temps. Par contre, le contrat psychologique de type relationnel contient une forte dimension affective appuyée sur la confiance et la loyauté entre l'employé et l'employeur (Guerrero, 2004b). Dans la même veine, Morrison et Robinson (1997) affirment que la violation du contrat psychologique est susceptible d'être plus profonde dans le cas d'un contrat relationnel parce qu'il n'est pas caractérisé par un comportement opportuniste ou égoïste est le seuil de détection de la brèche et plus élevé tandis que la vigilance de l'employé est plus baissée. Cependant, selon Coyle-Shapiro et Parzefall (2005), ce type de contrat est dynamique et, vu qu'il englobe des éléments tangibles et intangibles, pourrait être doté d'une certaine ambiguïté.

La typologie d'échange social versus les types de CP

Même si les chercheurs ne font pas l'unanimité par rapport à la typologie du contrat psychologique ou à son importance pour les recherches du domaine (Coyle-Shapiro et Parzefall (2005), les dernières années ont révélé un renouvellement de l'intérêt concernant le rôle de la typologie de contrat psychologique pour expliquer le comportement organisationnel.

En s'appuyant sur les travaux de McNeil (1985), Rousseau (1995) propose quatre types de contrat psychologique, positionnés sur un continuum allant de l'instabilité vers stabilité (Tableau 1). Le contrat le moins stable est celui de type transitionnel caractérisé par une relation d'échange non stable, des attentes ambiguës concernant la performance et une stratégie de la part de l'entreprise plutôt réactive que proactive. Par contre, le contrat de type relationnel livre la plus grande stabilité dans la relation d'emploi car il a comme fondements la confiance mutuelle et la loyauté de même qu'une relation de type « ouverte » (open-ended) (Rousseau, 2000). Lester, Kickul et Bergmann (2007) considèrent qu'il n'y a pas aucune contradiction entre le caractère stable et celui ouvert du contrat psychologique relationnel. Le caractère ouvert est opposé, selon eux, à la situation dite « statique », dans laquelle la relation d'emploi reste inchangée dans le temps. Par contre, une relation stable offre l'opportunité pour les parties de communiquer leurs préférences et leurs attentes dans une relation évolutive et continue. Le contrat relationnel englobe une forte partie « affective » d'où son rôle important dans l'explication de plusieurs comportements dus à la réaction émotionnelle qui suit l'apparition de la brèche ou de la violation (Morrison et Robinson, 1997 ; Raja, Johns et Ntalianis, 2004 ; Ho, Weingart et Rousseau, 2004).

Dans le milieu du « continuum de la stabilité », Rousseau (1995, 2000), place le contrat transactionnel et le contrat de type « balancé ». Le contrat de type transactionnel englobe des arrangements d'emploi à court terme ou d'une durée limitée, basés premièrement sur un échange de type économique. Par contre, le niveau de la performance attendue est clairement spécifié, ce qui confère un bas niveau de l'ambiguïté pour les deux parties impliquées dans la relation d'emploi. Dans le même sens, Flynn (2005), parle de l'échange de type « négocié » dans lequel les deux parties engrenées dans une relation d'échange établissent de manière négociée le contenu et les termes de cet échange. Cependant, le contrat psychologique de type balancé ou équilibré (balanced) (Rousseau, 1995), contient des arrangements d'emploi dynamiques et ouverts, conditionnés à la fois de succès économique de la compagnie et des opportunités de développement de carrière livrées aux employés. Vu son caractère dynamique et sa capacité de constituer

un cadre d'apprentissage et de développement autant pour les employés que pour l'organisation, certains chercheurs ont nommé ce type de contrat psychologique « contrat de développement » (Guerrero, 2004 b).

Au-delà de ces différences d'opinions, la distinction générale entre des contrats psychologiques de type transactionnel et relationnel aide les chercheurs à expliquer les raisons pour lesquelles des types différents d'obligations rompues ont des effets différents sur les comportements au travail. Ainsi, selon Morrison et Robinson (1997), la préoccupation concernant les résultats (outcomes) de la relation d'emploi semble à avoir un effet important dans le lien entre la brèche et la violation du contrat psychologique plutôt pour l'échange transactionnel que pour l'échange relationnel. Elles expliquent cette situation apparemment paradoxale par le fait que la relation transactionnelle suppose une réciprocité immédiate et directe tandis que dans un échange relationnel, les employés sont plus « tolérants » et s'ils perçoivent qu'ils ont été correctement traités, ils seront plus confiants qu'à long terme leurs contributions seront adéquatement récompensées. Par contre, selon les mêmes auteurs, l'expérience de la violation serait plus forte dans le cas du contrat relationnel, puisqu'il n'est pas caractérisé par un comportement opportuniste ou égoïste et que la détection d'une brèche engendrerait des sentiments de mécontentement plus profonds à cause de la violation des présupposées et des croyances qui gouverneraient ce type de relation d'emploi.

Les conséquences de la brèche et de la violation du contrat psychologique

Même si les chercheurs ne font pas unanimité quant au concept, au contenu ou aux instruments de mesure du contrat psychologique, ils s'accordent à reconnaître sa capacité de livrer des réponses pertinentes aux questions sur les nouvelles relations d'emploi. Cependant, la notoriété du contrat psychologique augmente au fil des années puisqu'il permet une meilleure compréhension des comportements et des attitudes au travail (Guerrero, 2005 ; Robinson et Morrison, 1997, 2000 ; Coyle –Shapiro, 2000).

Apparu comme un reflet du caractère idiosyncrasique de la relation d'emploi, le contrat psychologique offre l'explication de l'émergence de certaines attitudes et comportements au travail, suite à l'apparition de l'inadvertance entre ce qui a été promis et ce qui a été livré dans la relation entre l'employé et son employeur. Ce déséquilibre conduit parfois à l'apparition des phénomènes de brèche ou de rupture ou, d'autre part, à l'apparition de fortes réactions émotionnelles, caractéristiques de la violation du contrat psychologique.

Ainsi, selon Dulac (2005), les conséquences des brèches et violations du contrat psychologiques peuvent être analysées par rapport à leur impact sur les attitudes et sur les comportements au travail.

L'impact de la brèche et de la violation du contrat psychologique sur les attitudes au travail.

De nombreuses recherches se sont axées sur l'analyse de la brèche et de la satisfaction. Robinson et Rousseau ont démontré dans leur étude de 1994 que la perception de la brèche était reliée de manière négative à la satisfaction au travail. Dès lors, plusieurs recherches ont trouvé une relation négative entre la brèche du contrat psychologique, soit par rapport à la satisfaction dans la relation d'emploi (Robinson et Rousseau, 1994 ; Turnley et Feldman, 2000 ; Guzzo, Noonan et Elron, 1994) soit par rapport à la satisfaction générale dans la vie (Kickul et Lester, 2001).

Une autre composante de l'attitude au travail qui a suscité l'intérêt des chercheurs est représentée par l'engagement affectif des employés à l'égard de leur organisation. Plusieurs études ont démontré empiriquement un degré d'engagement envers l'organisation plus faible le moment où les employés percevaient l'apparition d'une brèche dans leur contrat psychologique (Coyle –Shapiro et Kessler, 1998 ; Coyle- Shapiro, 2000 ; Raja et al, 2004 ; Robinson et Rousseau, 1994). Par contre, Turnley, Bolino, Lester et Bloodgood (2004) ont trouvé une relation positive entre la perception de la brèche et l'engagement envers le syndicat.

L'intention de rester ou de quitter l'organisation a fait l'objet de plusieurs recherches car elle représente un signal important pour une organisation concernant sa préoccupation de mobiliser et de retenir ses employés. Maintes études dans ce domaine ont trouvé que la perception de la brèche prédit de manière significative l'intention des employés de rester ou de quitter l'organisation. (Robinson et Rousseau, 1994 ; Turnley et Feldman, 2000 ; Guzzo, Noonan et Elron , 1994).

Robinson et Rousseau (1994) ainsi que Robinson (1996) se sont concentrés sur l'analyse de l'impact de la brèche (i.e. non-accomplissement des obligations dans la relation d'emploi) sur la confiance dans la relation d'emploi. Leurs études ont démontré une diminution de la confiance vis-à-vis l'employeur le

moment où les employés ont perçu l'émergence d'une brèche dans leur contrat psychologique. Qui plus est, pour Robinson (1996) la confiance joue un rôle important autant que l'outcome (conséquence) de la brèche, ainsi qu'antécédent de son apparition.

Suite à sa recherche menée en 2000, Coyle-Shapiro a conclu qu'il y a un effet positif de l'accomplissement des promesses du contrat psychologique sur le support organisationnel perçu par l'employé. A son tour, Dulac (2005) cite d'autres études qui se sont intéressées à l'impact de l'accomplissement des obligations du contrat psychologique sur d'autres attitudes au travail comme le cynisme affectif et cognitif (Anderson, 1996 ; Robinson et Brown, 2004) ou la fatigue émotionnelle (Johnson et O'Leary-Kelly, 2003).

L'impact de la brèche et de la violation du contrat psychologique sur les comportements au travail.

Premièrement, l'étude de la brèche qui survient dans le contrat psychologique est importante parce qu'elle permet la compréhension de l'effet des promesses non tenues sur la performance au travail. Ainsi, Robinson (1996) met en évidence l'existence d'une relation négative entre l'apparition de la brèche et la performance reliée à la tâche, donc la performance intra-rôle. Lester et al. (2002) démontrent à leur tour, dans une évaluation faite par le superviseur direct, que la perception de la brèche conduit à une diminution de la performance au travail.

Par contre, peu de recherches sont destinées à l'étude du départ effectif de l'entreprise (i.e le taux de roulement ou le turnover). Turnley et Feldman (1999) ainsi que Guzzo, Noonan et Elron (1994) ont trouvé que le turnover est relié positivement et significativement à la brèche du contrat psychologique.

En ce qui concerne la performance extra-rôle (i.e. des comportements de citoyenneté organisationnelle), plusieurs études ont démontré l'impact négatif de la brèche sur la disponibilité des employés de s'engager dans ce type de comportement. Ainsi, Robinson et Morrison (1995) ont démontré empiriquement que les obligations non remplies prédisent de manière négative le comportement de vertu civique, une composante de la citoyenneté organisationnelle. Coyle-Shapiro et Kessler (2000) concluent à leur tour que les employés essaient de redresser la balance dans la relation d'emploi dans le moment où ils perçoivent que leur employeur n'a pas rempli sa part dans le processus d'échange. Cette situation déséquilibrée contribue à la diminution de la volonté des employés de suivre un comportement de citoyenneté organisationnelle.

Enfin, comme Kickul (2001) le souligne, d'autres comportements dits « déviants » peuvent se manifester auprès des employés quand une brèche survient. Ainsi, même si l'employé accomplit ses tâches intra-rôle, il peut s'engager dans des comportements opposés à ceux de citoyenneté organisationnelle comme le fait de parler excessivement avec ses collègues au lieu de travailler, critiquer en secret les actions de la compagnie ou prendre des longues pauses pour éviter le retour au travail. Dans le même esprit, Dulac (2005) rappelle les comportements de frustration, d'agression et de revanche mis en relief dans les travaux de Felson (1982) et Bies et Tripp (1998).

L'importance du contrat psychologique pour la pratique en ressources humaines

Les professionnels RH trouveraient dans la théorie du Contrat Psychologique quelques pistes de réflexion concernant l'amélioration des pratiques de la gestion des ressources humaines des entreprises. Guerrero (2004 b), en s'appuyant sur la typologie de Rousseau (1996) pour catégoriser les types de contrats psychologique, argue que l'une des raisons du succès du Contrat Psychologique est le fait qu'il offre des explications concernant la mobilité externe des employés. Ainsi, les contrats de type relationnel et de développement déterminent des comportements au travail les plus positifs, tandis que le contrat de type transactionnel a comme conséquence des comportements négatifs de la part des employés. Les recherches de Tsui et al. (1997) ont démontré que dans le cas du contrat psychologique de type relationnel les salariés ont un élevé niveau de confiance par rapport à leur employeur et une implication organisationnelle importante, ce que contribue à un moindre taux de *turnover* comparativement au contrat de type transactionnel où l'employé manifeste moins d'attachement à l'entreprise. Dans ce cas, l'implication de l'employé par rapport au group ou par rapport aux tâches « extra-roll » est faible, donc l'intention de départ est élevée est la mobilité externe l'est tout autant.

Un autre aspect qui explique la mobilité externe des employés est représenté par le degré de respect des promesses qui ont été faites dans la relation d'emploi. Quand l'employé perçoit qu'il y a un écart entre ce que lui a été promis et ce qu'il reçoit effectivement, il va avoir des sentiments qui vont du mécontentement

jusqu'à la frustration, à la trahison ou même à la colère, des sentiments associés à la violation du Contrat Psychologique. Dans ce sens, les chercheurs qui s'occupent du Contrat Psychologique mettent en garde les praticiens de la gestion, et surtout les professionnels RH sur le danger de promettre ce qu'ils sont mandatés d'offrir aux employés. Par exemple, la recherche de Morrison (1997) qui s'occupe principalement des diplômés MBA conclue que cette catégorie d'employés est plus susceptible de percevoir une brèche ou une rupture du Contrat Psychologique puisqu'elle est la plus recherchée catégorie d'employés par les recruteurs qui ont la tendance d'exagérer les côtés attirantes d'un emploi. Qui plus est, Guerrero (2004 b) recommande aux responsables RH de proposer une vision plus juste et plus « réelle » de l'entreprise et du futur poste pour éviter l'apparition du sentiment de la rupture du contrat psychologique et pour impliquer d'avantage l'employé dans la vie de l'organisation. D'autre côté, il peut apparaître dans la vie d'une organisation des situations dans lesquelles l'employeur ne peut remplir ses promesses suite à des conjonctures économiques défavorables. Selon Morrison et Robinson (2000), l'incongruence entre les promesses et la réalité peut être diminuée si l'agent organisationnel initie un processus de communication avec les employés visée par les changements dû au déclin organisationnel. Ainsi, selon les chercheuses, même si l'employé blâme l'entreprise à cause de la perception d'une brèche dans son contrat psychologique, le sentiment de violation pourrait être atténué lorsque l'employé perçoit qu'il a été traité avec justice, honnêteté et respect. Qui plus est, l'étude de Robinson (1996), révèle l'importance de la confiance comme antécédent et comme résultat de la brèche du Contrat Psychologique. Ainsi, les managers sont invités à se rendre compte que l'employé sera plus « tolérant » envers son employeur à qui il fait confiance, même s'il perçoit que, peut-être, les promesses attendues non pas été entièrement rencontrées.

Vu que le Contrat Psychologique évolue en temps, son influence sur les pratiques de la gestion intervient dans plusieurs étapes de la relation d'emploi (Guerrero, 2004b). Ainsi, tel que rappelé plus haut, dès la procédure de recrutement, les représentants de l'entreprise doivent faire attention aux promesses/obligations qui sont véhiculées par rapport à la future relation d'emploi.

Par la suite, dans la phase dite de « rencontre », l'employeur devrait ajuster ses pratiques envers les employés en essayant d'adapter les opportunités offertes au spécifique des attentes exprimées par les employés concernant, par exemple, l'avancement de leur carrière ou l'équilibre vie professionnelle- vie privée. Dans ce processus, l'entrevue périodique d'évaluation joue un rôle crucial (Guerrero, 2004b).

Ceci dit, on peut conclure que, peu importe le pays dont on parle, le respect des promesses qui ont été faites dans le contrat psychologique doit constituer une priorité pour tous les professionnels RH car cela représente une garantie des comportements et des attitudes positifs au travail, ce qui conduira à l'augmentation de la performance des ressources humaines et implicitement, de la performance organisationnelle dans son ensemble.

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CRITICAL ANALYSIS OF THE SCRUM PROJECT MANAGEMENT METHODOLOGY

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Abstract: Considering the fast-paced changes in the economic and technological environment, the organizations are placed under increasing pressure for agility and efficiency. As a consequence, the traditional structures tend to be replaced by newer, flexible structures, adapted to various events occurring inside and outside companies. With regard to Information Technology in particular, the science of project management has become crucially important. The paper critically analyzes one of the most modern project management technologies in this field – SCRUM, by identifying its strengths and weaknesses from both a theoretical and a practical point of view. The paper is relevant from a scientific perspective because it can be considered as a starting point for researchers looking into project management methodologies; the paper is also relevant for practitioners, by presenting the main benefits and disadvantages of using SCRUM in Information Technology companies.

Keywords: SCRUM, Project Management, Software development, Information Technology, AGILE, Methodology, Iterative

Introduction

The importance of research

The scientific literature abounds of examples in which the success of projects drive the success of companies, or, the other way around, the failure of a project puts the company out of business (Charette, 2005), (Voas & Whittaker, 2002), (Jones, 1995). As a consequence, minimizing risk and approaching projects in a structured manner, become critical success factors. By using a proper methodology, the project managers increase the probability to deliver what the client wants, while accommodating the time and budget restrictions.

Therefore, research in Information Technology Project Management becomes increasingly important, any scientific work in this field having the potential to significantly improve the effectiveness and efficiency of the organizations of this field, with regard to the three basic restrictions: time, financial and scope.

Description of SCRUM

The SCRUM approach is used in the top companies in the field of software development, and has a significant success rate. Analysts of the field consider that SCRUM can be appropriate also for other types of software development companies, in order to benefit from using object oriented tools and techniques (Aberdeen Group, 1995).

The SCRUM approach (or methodology) is based on process management; these processes can be defined, or they can be considered as “black boxes” (Takeuchi & Nonaka, 1986). The name SCRUM comes from the English name of a formation of players in the rugby game – a tight formation in which the players are united in a specific position.

SCRUM represents an improvement of the iterative and incremental approaches, in order to deliver object-oriented software. The iterative methodologies have been initially discussed by Pittman (Pittman, 1993) and afterwards developed by Booch (Booch, 1995).

SCRUM is a management methodology, developed in order to improve and maintain an existing system or a production prototype. This methodology assumes the existence of a project and some source code sequences, which almost always exist in the object-oriented software development due to class libraries. SCRUM is not addressing to development efforts for completely new or legacy systems.

The releases in SCRUM are planned taking into consideration the following variables:

- User requests – what are the needed improvements for the current system
- Time pressure – which is the needed timeframe for obtaining a competitive advantage
- Competition – which are the predictable actions of the competition, and what is needed to prevent them most efficiently
- Quality – what is the needed quality considering the above
- Vision – what changes are needed in this phase in order to realize the desired system
- Resources – what human and financial resources are available.

These variables form the initial plan for an Information System improvement. However, these variables are also altered during the project, and a successful development methodology needs to consider these variables, along with their dynamic nature.

The main difference between the traditional methodologies (waterfall approach, spiral approach or iterative approach) and the empirical approaches (such as SCRUM) is that the latter assume that the analyze, design and development processed in the SPRINT phase are unpredictable. A control mechanism is needed to manage this unpredictability and to control risks.

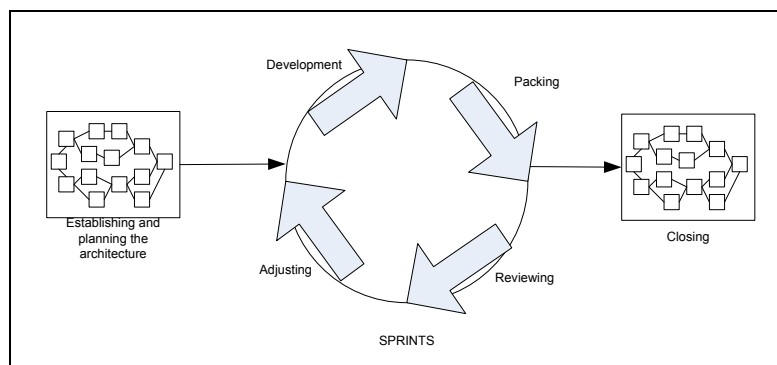


Figure 1 – SCRUM Methodology (Schwaber, 1996)

Some general features of the SCRUM methodology are:

The first and the last phase (planning and closing) consist of defined processes, where all the inputs, outputs and processes are well structured. The knowledge regarding these processes is explicit.

The SPRINT phase is an empirical process. Many of the processes in the SPRINT phase are non-identifiable or impossible to control; as a consequence, the SPRINT phase is treated as a black box which does not need external control. The control, including risk management, is placed on each iteration of the SPRINT, in order to avoid chaos and to maximize flexibility.

SPRINTS are non-linear and flexible. Where possible, explicit knowledge regarding the process is used; if not possible, trial and error methods are used.

The project is open to further development until the closing phase. The deliverable can be changed at any time during Planning and SPRINT phases. Thus, the project remains adaptable to the complexity of the environment, including the competitive pressure, time pressure, quality or financial pressures during these phases.

The deliverable of the project is determined based on the environment, during the project.

In the SCRUM terminology, a SPRINT is a set of development activities which are undertaken during a pre-determined timeframe, usually from one to four weeks. The interval depends on the complexity of the product, on the risk assessments and on the needed degree of skills and expertise. The speed and the intensity of a SPRINT are determined by its agreed duration. The risk is assessed continuously and permanently, and adequate measures are taken for each risk event. Each SPRINT involves one or more teams which perform the following:

Development: Defining the needed changes in order to implement the requests from the journals into packages, opening the packages, analyzing the field, designing, developing, deployment and testing, and also documenting the changes.

Packaging: closing the packages, creating an executable version of the changes and the way in which these fulfill the requests coming from journals. Reviewing: all the teams meet to present the evolution, to evaluate the evolution, to raise and solve problems and to add new entries to the journals. Adjusting: Consolidation of the information discussed in the reviewing meetings.

Each SPRINT is followed by a review, which has the following characteristics:

- The whole team along with the management is present and participates.
- The review may include the clients, the sales team, the marketing team, and others
- The review covers the functional, executable systems, which incorporate the objects associated to the respective team, and includes the changes made to implement the journal entries.
- The way in which the journal entries are implemented can be changed during these revisions
- The moment of the next revision is determined by the complexity and the registered progress. The SPRINTS usually have a duration of 30 days.

Critical analysis of the SCRUM methodology

Strengths of SCRUM

The traditional development methodologies are designed only to answer the unpredictable coming from the internal environment and from the development environment, at the beginning of an improvement cycle. The recent approaches, such as Boehm's spiral methodology (Boehm, Anchoring the Software Process, 1996) and its variations are still limited in their ability to answer to changes in requests once the project has been started.

The SCRUM methodology, on the other hand, is designed to be flexible all along the project life. It provides control mechanisms for planning a release, and then for managing the project's variables as it progresses. This allows organizations to modify the project and its deliverables at any time, delivering therefore the most appropriate release.

The SCRUM methodology frees the developers, so that these can focus on developing innovative solutions during the project, when the learning curve and changes in the environment are already taken into consideration.

Small developer teams can share tacit knowledge referring the development processes; also, the methodology provides a very good learning environment for all involved.

The object oriented technologies provide the basis for the SCRUM methodology. The objects, or the product's characteristics, offer a relatively discrete and easy to manage environment. Procedural code is usually not well-fitted for SCRUM, due to numerous and complex interfaces. SCRUM can be selectively applied to procedural systems, only when the interfaces between the various components of the software are relatively simple, and the product has a strong data orientation.

Team size in SCRUM

When SCRUM is the methodology used in the development process, one of the first aspects which needs to be decided is the size of the development team. The recommended size of a development team when using SCRUM is from one to 10 persons, and it is important that the size of the team does not exceed this number. This is particularly relevant because small teams tend to work more independent and more efficient than the teams involved in large projects (Rising & Janoff, 2000). In smaller projects, communication is usually easier, those involved being more up-to-date with the project's evolution. Also, organizing meetings with the client is easier, and the efficiency of those meetings is increased, because having a small number of members in the project team, each can interact with the client, as opposed to the situations in which the number of members in the project team is large, and they practically cannot interact with the client during the meetings.

However, usually it is not recommended that all the project team participates to the client meetings. Many times, some members of the project team are not directly interested by the information emerging from this interaction, and as a consequence they can be informed by their colleagues about the outcomes of the meeting.

When the project team is too large (larger than 10 persons) the difficulties in communicating and implementing changes are increasing, and sometimes these can overcome the benefits of using the SCRUM methodology (Nichols & Twidale, 2003). The disadvantage which can occur by using SCRUM is given by the following situation: sometimes, in order to reduce the size of the project team, the project is split on separate components, each of those being a SCRUM project (Mountain Goat Software, 2007). The coordination efforts in this case are very big, and also the communication difficulties between the managers involved (and in this situation they are at large numbers).

When using SCRUM, traditional roles in software development projects (programmer, designer, tester, and architect) are not used anymore. In this situation, all the members of the project team are involved in finding the solution to the problem at hand. By being involved, all the members of the project team consider that they have a contribution to each part of the project, and consequently a responsibility towards fulfilling client's demands (Mountain Goat Software, 2007).

Another potential problem which can occur when using SCRUM is, however, due to the lack of specialization between the team members. It is commonly observed that a programmer usually writes better code than a solution architect or a designer, and vice-versa, a solution architect will always have a broader point of view over the system than a programmer. The idea of a strong involvement is essentially a good one, though, and the small number of members in the SCRUM team fully contributes to this.

Daily SCRUM meetings

There are three questions that are addressed to the team members at the beginning of the daily project meeting. These questions are:

- What did you do yesterday?
- What will you do today?
- What obstacles do you anticipate?

By addressing these questions, the most important aspects of development will be covered each day. When these daily meeting exist, the team develops very well from the standpoint of human and professional relationships, and the involvement in the project is growing (Rising & Janoff, 2000). Also, the team members will see the progress of their colleagues, and will be more motivated to involve more and to do better their part of work for the project. There is however a possibility that the team members who repeatedly fail to fulfill their daily objectives to become less motivated, or to be exposed to a higher level of stress than the rest of the team.

Rising (Rising & Janoff, 2000), considers that sharing the problems with the team members will motivate the whole team to use the talent and creativity to solve the problems which occurred. These problems do not have to be solved during the meeting, as this will be time consuming. Those who can help solving the problem only have to state their availability during the meeting, and the problem will be solved later.

When there are daily meetings, the visibility over the progress of the project is highly improved. However, it is very important that the meetings' length to be maintained at a minimum, so that no time is wasted. The literature on the subject (Mountain Goat Software, 2007) recommend that the meetings do not exceed 15 minutes. If the meetings last too much, the tendency of the team members is to become un-interested, which can only damage the project instead of helping it.

Another positive fact related to the daily meetings is the fact that the tasks which will be done during a day are known by all the team members, and those who will have to bring their contribution to the respective tasks are warned since the beginning of the day.

SPRINTS

A typical SPRINT in the SCRUM projects lasts 1 to 4 weeks. After each SPRINT, the deliverable is presented, either internally or to the client.

However, experts recommend that a SPRINT should last approximately 30 days in SCRUM. Thirty days are enough for the whole team to understand various parts of the increment, such as design, development and testing. If the SPRINT is done in less than 30 days, it could become difficult that all the tasks to be accomplished. Considering the fact that SCRUM uses the product environment in each SPRINT, if the

SPRINTS are long, the technology can become obsolete, or the environment will change and the product will not fulfill its initial purpose (Control Chaos, 2007).

Another advantage of using SCRUM and the SPRINTS is the fact that once a SPRINT has been decided and started, there should be no more changes over the features which will be developed over the respective SPRINT. The team can have a meeting before the SPRINT starts, and there they can decide what are the activities that have to be done for a 30 days period (or for the length of the next SPRINT). By holding this meeting, a higher productivity from the team members is obtained, and re-work due to changes practically disappears.

There is, however, a trade-off which has to be done in certain situations. Many times, when the client cannot introduce any changes during a SPRINT, will do the change over the next SPRINT, case in which a large part of the work might be re-done. In this particular situation, altering an already started SPRINT is allowed.

SPRINTS are positive features of the SCRUM, as after each SPRINT the decision to continue or to stop the project is possible; this can be decided over some factors such as the market, the client's need for the product, etc. In a contract project, the client has an early chance to experiment the product, and therefore does not have to pay for something that in final could not fit its needs.

There is also a possibility that the product has to be changed during development, in order to better fit the client's needs. This can be done with SCRUM a lot earlier than with a traditional methodology, where the client has a single delivery of the final product.

The main advantage of the SPRINTS is given by the fact that the cost of change in project is significantly lowered (Highsmith & Cockburn, The Business of Innovation, 2001). By avoiding problems as early as possible in the process, a lot of time and money is saved in the project.

The client

In the SCRUM projects, the client represents a very important development factor. At the end of each SPRINT, the client will receive a deliverable, and will be able to see the incremental growing of the product. The client will also receive feed-back regarding the way the product works.

By using SCRUM, a good relationship with the client is usually developed, and his knowledge about the project increases in time. Also, the client gets used to the project and to the (inherent) differences between the way he wishes the product to look and work, and the way it will look and work at the final. It is very important that the client to wish to be capable to participate to all meetings regarding the product.

SCRUM is therefore a methodology developed to be flexible and easy to use, mainly through changes that occur during the development process. SCRUM's characteristics make it very suitable for software development projects, where requirements change rapidly or where they are unclear.

SCRUM's most important characteristic is given by the daily meetings, and the SPRINT review meetings; during these meetings the team along with the client decides what has to be done and what tasks will be accomplished. The SCRUM methodology is suitable to create multiple types of software, like in-house, under contract or for selling on a market, as long as the client has enough time to give consistent and timely feed-back.

Weaknesses of SCRUM

One potential weakness of SCRUM, highlighted in the literature (Highsmith & Cockburn, The Business of Innovation, 2001) is the fact that, when the project is developed for an external client, this has to be involved a lot in the project. The client has to be able and available to test the monthly (or periodical) releases or deliverables, and to suggest new or modified functionalities.

In the projects using SCRUM, the vision of the client highly influences development. Highsmith (Highsmith & Cockburn, The Business of Innovation, 2001) shows that if the client does not have a clear sense of the product's direction, the members of the development team will tend to behave in the same way, and the final product can be significantly different to what is expected. Therefore, one of the main weaknesses of SCRUM is precisely one of its strengths: client involvement in the development process.

Another potential weakness of SCRUM is given by the relatively long period in which the client (internal or external) cannot intervene in the project. Although in principle this is an advantage, there are situations

in software development when the client's intervention has to be done within a SPRINT; if the methodology cannot accommodate these interventions, the risk over the project is significant.

The small size of the project team can also be considered a weakness of SCRUM; the way in which this methodology approaches large projects with large teams is viable, but not very easy to be implemented.

SCRUM has another potential weakness: relatively low visibility over the project outside SPRINTS – in other words, it is very difficult to estimate how long a project will take or how much it will cost; in the project with external clients, where bidding is used to determine the contractor for projects, this can be a major hindrance in using SCRUM.

Conclusions

SCRUM represents a software development methodology, based on the iterative methodologies, part of the AGILE category. SCRUM is known by its ability to accommodate frequent changes (technological and from a requirements standpoint) which occur in the software development projects, and also by offering the possibility to quickly obtain results in projects. Its main feature is flexibility, and in the same time it offers mechanisms of controlling and improving the project's performance. Also, the SCRUM methodology, in the current context of the knowledge-based society, contributes to keeping tacit knowledge inside the organizations.

The methodology is very well fit for projects with small development teams (under 10 developers, but 4-5 developers is recommended). It is preferable that this methodology to be used for projects with internal client, or with highly available external client; the availability of the client directly influences the success of the project.

The methodology is used more and more in software development companies; recently it large software providers (such as Microsoft) started to support it, which shows the increasing importance as well as the recognition of this methodology's advantages.

Future research

One of the most important future research directions based on this paper is the identification of ways to overcome the few weaknesses of SCRUM. More specifically, it would be appropriate that variations of this methodology are developed, in order to allow it to be used in larger projects, with larger teams, and which would offer better and scientifically sound planning tools.

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HOW TO ESTABLISH THE OBJECTIVES WITHIN A STRATEGIC SYSTEM

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Abstract: Managers should understand that the domains of establishing some objectives are different and therefore the diversity of objectives to which the concrete actions are reported, is big. From capital and active accounts, to competences and costs and up to technologies, know-how and production factors there will be numerous long term plans over which the managers should establish the targets and leadership formula. Their hierarchy and managing on more plans are aspects which are necessary for the organization success. Only in this way the values supporting the organization become phenomena which reinforce the system and can also uphold the rhythm of accommodation to the new realities of the market. Having the analyses hierarchy and the targets as a model, the managers should also choose the most well adapted ways to the own specific of the organization, considering that the objectives are part of its strategic system and does not represent an individual act with no connection to the concrete reality.

Keywords: objectives, domains, ranging, strategic system, system of values

1. The hierarchy of objectives

To accomplish accordingly the landmarks role of the actions course which the firm is to develop in keeping with the mission that it has assumed at expressing the objectives, it should take into account the following requests:

- to refer to a single object, to express a single reference element, only in this way being able to assure its clarity, precision, and to avoid the ambiguities;
- to be easily measurable, meaning to be formulated in quantitative terms;
- to express the results that should be obtained and not the activities or the actions that should be accomplished;
- to have precise achievement terms;
- to be realistic and workable.

Each organization has, depending on the profile in which is joined through its activity and on its own specific, some domains in which it establishes the strategic, functional and operational objectives. We identify seven domains like these at the level of a firm:

- The capacity and force of capital, the long-term organizational development expressed by the rate of growth year by year, the actions value, the situation of borrowed and own capital, level of investments, the capacity of self-investment, the income on action, level of dividends, financial balance, the coefficient of capital's efficacy, etc;
- The efficacy and situation of the organization on the market, domain in which the forms of expressing the objectives can consist in the market quote covered with its own services and products, the business amount, the level of production, the sales volume, the recess of available market, the volume and weight on activity areas and on business or product groups in the total amount of activities;
- The competitive and profitable activity, domain for which the objectives can be expressed as a profit, profit recess, income from investment, profit/sales report, etc, costs structure, the formation sources of profits, the volume of total profit etc;
- The profitableness and the product quality together with the innovation in which the expressing of objectives can be done in a value form or by the technical-economic parameters of the products which will be launched on the market;

- The efficiency of work within the compartments and performances and their managers preparation, domain in which is more difficult to identify the specific objectives, taking into consideration the particularities of the leadership work. The effort to identify some more suggestive forms of reflecting in objectives of managerial catering quality can lead to expressions considering the time given to meetings during the total time of managers' work, of the decisions taken in what concerns the major problems of the firm within a year, of the weight of the decisions delegated at the inferior levels in the total amount of the decisions taken at a certain level, of the speed reaction in taking major decisions, the minimal number of weeks in which managers participate annually at the managerial perfecting programs, the number of titles of professional and scientific consecration.
- Productivity itself is an objective which is expressed in different measure units – the number of pieces manufactured by a worker in a shift, the production reported to the number of employees, the production reported to the number of workers, number of pieces produced in the time unit, number of clients served in the time unit, as well as other different terms (the hours of absence from work program, the minimal number of weeks when each and every employee follows a professional improvement program);
- The rated capacities of resources. For each category of resources (human, financial, material, energetic) there are specific forms of expressing the objectives as it follows: 1) for human resources – the background of work time, the number of hours or days of without leaves, the hours of delays, the number of leavings from the firm, the number of hires etc, all reported to a certain time unit; 2) for the financial resources – the weight of its own capital in the total capital of the firm, the average volume of money flux, the grade of loans, the solvent patrimony, etc; 3) for the material resources – the capacity of production, the capacity of storing, the capacity of transport, the average specific consumption, the level of material expenses, the park of means of transport etc.; 4) for energetic resources – the average specific consumption, the energetic intensity, the total amount of energetic consumption, the level of energetic expenses etc.

It should be noticed that some of the strategic objectives refer to the relations of the firm with the environment and quantize its competitive position, outline the image they want to have in the perception of investors, clients, manufacturers, creditors, and rivals, public in general, and finally reflect its capabilities. Other objectives have an internal incidence and they mainly refer to the financial and economic performances that the firm proposes to realize.

By presenting the domains in which the organization establishes its objectives after the environment analysis and its own analysis on these domains, it certifies the fact that in the case of strategic objectives the orientation will be done in report with the analysis and prevision realized over the external environment, and in what concerns the operational objectives these will be established, mainly, in function of analyses and previsions over the market and internal environment.



Figure no. 1 The hierarchy of objectives at the organization level

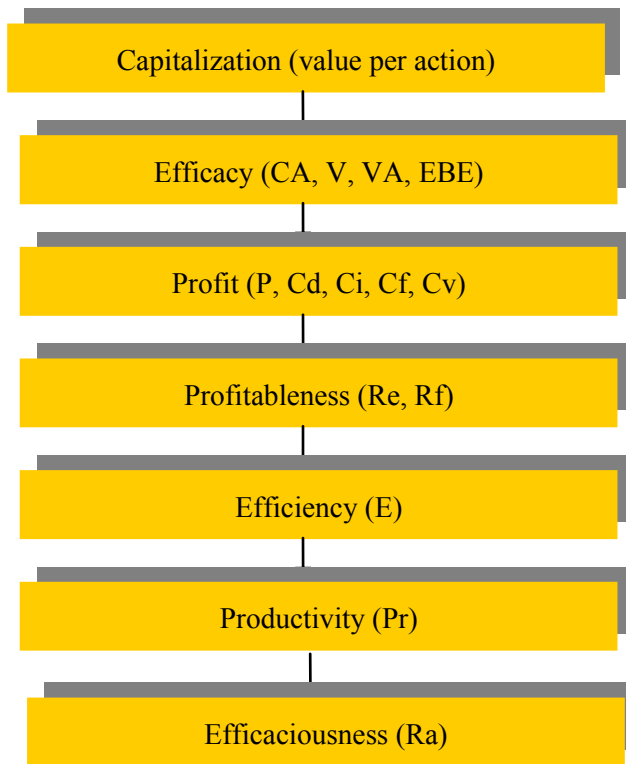


Figure no. 2 The domains hierarchy of establishing the objectives

The hierarchy of objectives is established from the level of the entire organization up to the individual level, when the objectives settled at a certain level determine those from the following level (fig. no. 1).

The hierarchy of the domains which establish the objectives can be realized from the biggest to the smallest domain (fig. no. 2). This way, the anterior domain will establish directions of action in what concerns the other subordinated domains.

The concept of strategic system makes the firm management to adopt a flexible and global approach before the systemic modifications. Realizing the effects against intuition of the homeostatic forces and of the risks of system disorder obliges the organization management to carefully understand the objectives of change and the strategy to reach them.

2. Establishing the objectives

The step of the high management of the organization which establishes its strategic objectives, from which derives the objectives presented above, is found under the incidence of some major factors which alters the chosen objectives. These factors refer to the situation of the organization's action environment, to its internal condition and to the value system the high management promotes.

The forces of action and the tendencies which manifest in the action environment of the organization influence the establishment of the objectives on numerous ways. The normative-legislative settlements concerning the fees and taxes system, the prevention from monopoly manifestations and the respect for the competition on market, the prevention from polluting the environment, the protection of consumers interests etc., could stumble the establishment of some objectives too ambitious in the domain of firm profitability. In the same way the trade union pressures act concerning salary increases, the reduction of work program, and the modification of spores given for special conditions of work etc. Clients want to buy products and services at prices and tariffs as low as possible and this request can be offered only by some of the market rivals. The producers who have quasi-monopolistic positions can impose prices and conditions for delivery which are burdensome for the firm, and thus affecting its production expenses etc.

The second determinant factor of the objectives establishment is the internal situation of the organization, its available resources and the distribution of the decisional prerogatives over the hierarchic lines. The well-organized activity, the adequacy of available resources for the activity development, the suitable organizational climate, the general preoccupation for the efficiency and the competitive growth are strong arguments for the settlement of some ambitious objectives and they are tiresome for the whole personal of the organization. The internal relations of power inside the organization – expressed through the reports between the high management and the managers and specialists from the strategic planning domain – condition, also, the magnitude of the objectives which are established.

Looking into the problem of establishing the objectives, we will consider that at the organization level they result from the collations of the power spheres involved in the orientation of the current activity and the future development of the organization as it follows:

- External coalitions of owners, producers, clients, trade unions, and public in general, who exercise over the firm some influences meaning norms of behavior of some constraints, effectuated controls, pressure campaigns, the presence of some members from outside the firm in its Administration Council;
- Internal coalitions of the high management members; of the other managers; of specialists in the strategic planning domain; of the members of different professions exercised within the firm; of the trade-unionists of the firm; of the execution staff.

The third determinant factor of the organization's objectives establishment is constituted by the value system promoted by its high management, in accordance with the base formation and the preparation of managers, their experience, the social-cultural environment from which they result and they belong to, the beliefs and information they get. The promoted value system manifests through a specific set of attitudes and behaviors of the high management components, which mark the way in which the organization objectives are established, its "personality", the image it outlines and sends inside it.

In the complex establishment of the objectives, the combinations are promoted in different proportions of the mentioned values. The combinations are translated into attitudinal and behavior manifestations of the organization managers involved in establishing the objectives, which affects the optic they are approached in and the level to which the respective objectives are settled. These manifestations refer to:

- The attitude adopted in solving the problems (combative, passive);

- The position to risk (to assume, to avoid);
- The position to “new”, to innovation (innovative, non-innovative);
- The preference for the dynamic environment or stable environment;
- The approach of problems (quantitative, qualitative);
- The manner of managing (autocratic, participative);
- The spirit of treating the people, the groups of people, firms, institutions, governmental organisms etc. (to confront, to collaborate);
- The vision concerning the organization role (exclusively to realize a profit, to have social responsibilities);
- The manner of taking the decisions (individually, collective).

The managers ply to one or another of the possible manifestations of each and every attitude and behavior said before, is strongly observed in the action of establishing the objectives and in the magnitude settled finally to them.

3. Conclusions over the objectives within the strategic systems

One of the conclusions can be seen at the mechanism of establishing the objectives, at the influence factors and at the ways through which these factors determine the managerial step consecrated to the problem, and is that the objectives adopted at the end represent a compromise between the managers' wishes and the need of satisfying the requests frequently divergent of interests keepers in the firm activity (property, clients, producers, creditors, State etc.)

The adopted objectives result from the numerous processes of “negotiations” in which managers try to establish objectives to satisfy objectives to satisfy, in a great majority, all the parts. The process of objectives establishment for the future activity is based on the past activity results and on the most recent objectives previously settled; the increases applied to the most recent past objectives to set out the future evolution should also result with the accord of the different groups of interests.

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OBJECTIVES AND OPTIONS WITHIN A STRATEGIC PROCESS

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Abstract: Either is considered in a wide or limited meaning, the strategic system of a firm invites the strategist to pay attention to the complex relations among its components. It forces him to become explicit in what concerns the wanted and equilibrated arrangements which should be mentioned among the different parts of the system. The concept of strategic system distinguishes the importance the system architecture has and helps to understand the fact that the strategic innovation often consists in new forms of relations, in new arrangements between the constituent parts or in a new definition of its strategic domain which could take economical advantages undetected until then.

It should be understood that for building a strategic system, the management needs a clear vision of the way in which such a system should be formed and function, as well as a total engagement for its realization. The management from all levels is invited to make the proof of great responsibility in front of the decisions and interventions which could unbalance a performing system, and transforming it unwillingly in a self-destructive system.

Keywords: objectives, strategic process, strategic sequence, strategic levels, options

1. The strategic process and the formal background

The organizations management involves a multitude of situations in which realizing an analysis, the delimitation of some previsions, taking a decision and applying a strategic solution (implementation) is necessary. The strategic process represents actually a sum of identification (analysis), measuring (prevision/prognosis), selection (decision) and intervention (implementation) processes involved in a strategic chain just like a matrix.

Thus the decisions are involved in each and every strategic level within a completely integrated strategic system. At the same time the decision is found within each stage of a strategic level. The integrated process of strategic action, for a strategic level, proceeds accordingly to the following model:

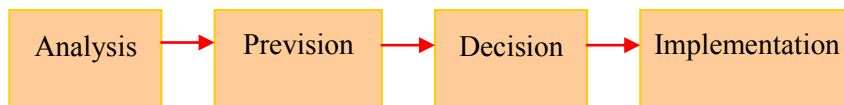


Figure no. 1 – The integrated process of strategic action

Each component (sequence) from the strategic process chain, just like any type of human action, is realized at a different level of consciousness considering the situation (fig. no. 2). Thus it can unroll based on a concept, on some principles, on models or methods of work. The evolution of the formulation from the concept formulation to the formulation based on methods depends on the context of taking a decision and the specific.

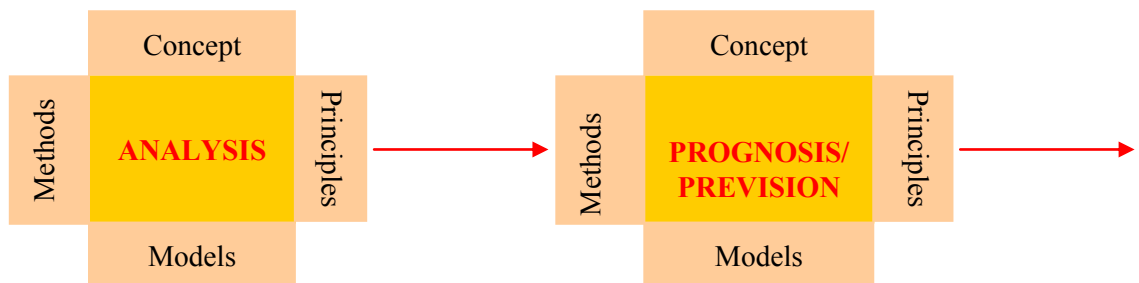


Figure no. 2 – The formalization grades of a strategic sequence

To exemplify we could analyze the component (sequence) decision from the chain of strategic process. Thus, in situations of an uncertain environment characterized by a great risk the decision is realized by using some specific methods, but which ask for a great volume of time and consumed resources. On the contrary, in the situation of a certain environment and well-known as forms of manifestation, the decision will be realized at a conceptual level through automatisms formed within a past experience. Realizing a decision by using principles represents the adaptation of some work concepts at new, concrete situations, considering a set of principles developed in the decisional practice from a business (activity) environment relatively stabile. Taking a decision accordingly to the application models is valiant in the context of a changing environment but in which some of its evolution stages could be identified.

On the other hand when we reach the level of strategic action there appears a necessity of conceptual formulation in the case of analysis processes, prevision, decision and implementation. Why is this thing imposed? Just because the spectrum which includes the phenomena and processes took into consideration is very big at the level of the superior management. Thus, in the case of top management, in the base of environment analysis, the previsions over the markets capacity and their structure are considered especially prognoses as general anticipation of the evolution directions of an environment and the decision and implementation are realized in a non-regulated formula at the level of concepts or principles. At the level of functional management which is often occupied with the market and firm politics, we deal with a strategic process which uses alternative formula (models) for analysis, prognosis/prevision, decision and implementation. The operational management is extremely, clearly and formally regulated and it relies on specific methods of work.

2. The situation of objectives within the strategic process

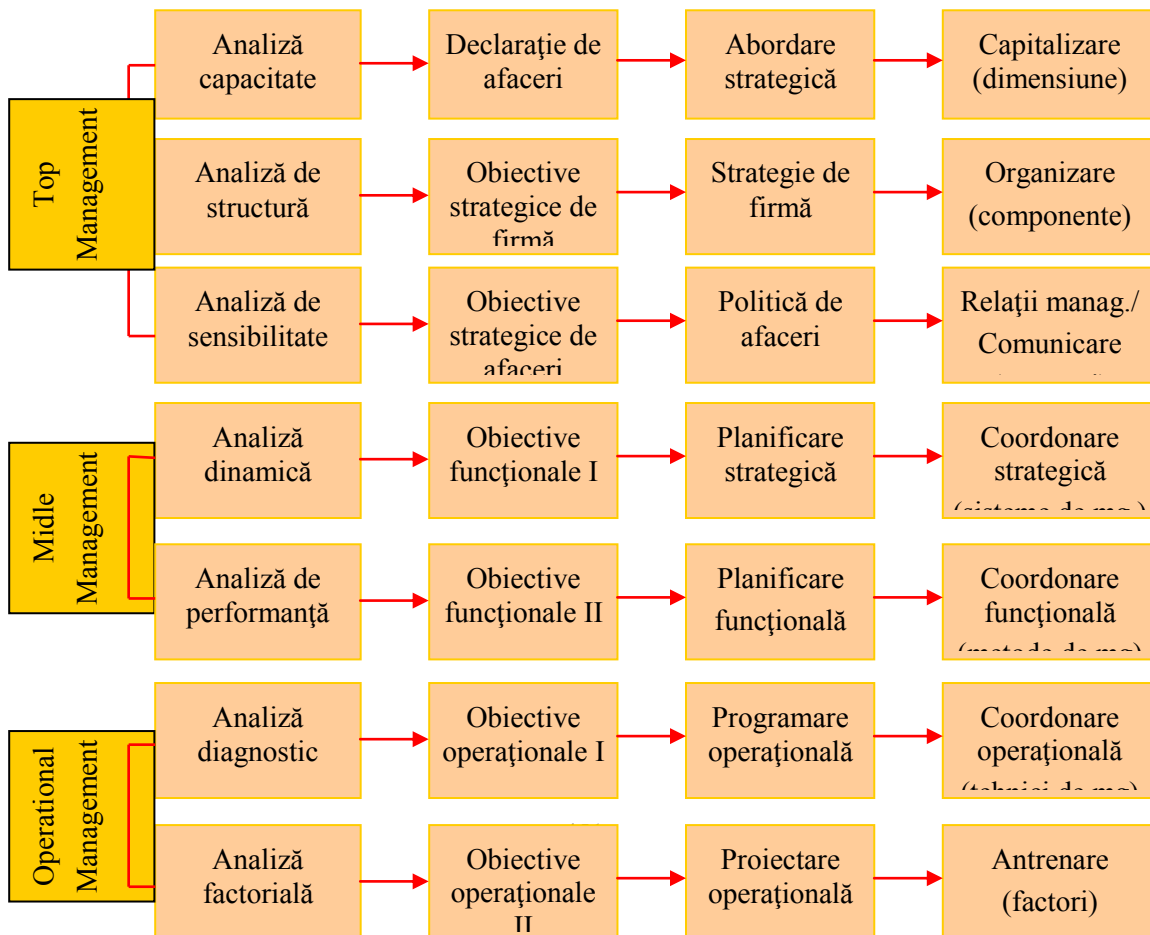
Comparatively, the classic models of the strategic management (Ansoff, Chandler, Thompson & Strickland) consider as being the stages of the strategic process the following: objectives, strategic options, actions, resources and terms. In the context of nowadays presentation we consider that the establishment of objectives represents a substantiation of prevision/prognosis, the strategic options represent the decisional

act, and the actions, terms and resources are a sum of the implementation of previously established decisions. There are two aspects which want to be distinguished through this study.

The first is oriented to enlighten the specific of the decisional system and the reports with the managerial decision. In this way we consider the managerial decision as being part of all the managerial systems as a succession of the decisional process presence in all the levels of the strategic system. So, the decision is found to be a fundamental base both for organizational system and relational, informational, methodological system. On the other hand, the decisional system could be assimilated as the assembly of the organizational (managerial) relations or of all the managing structures from the organization. A second aspect is that of the relation between prevision and objectives. This actually represents the essence of the discussed theme and is obviously the fact that the settlement of objectives is realized directly with the foreseeable level of the elements which are essential for the level of action taken into discussion. No matter if the prognosis or prevision over some phenomena or market characteristics is correct or not, all our expectations will be at a level directly connected to the predictable one.

For each strategic level another level of the economic and social system the organization takes part in, is approached, and therefore the specific indicators for each and every level of action is predictable. Thus these indicators, through their level of manifestation on the business/activity market will represent the objectives of economic or social type that the organization establishes itself (firm, institution). From another point of view, the objectives derive directly from the analysis realized over the markets, being characterized by a certain character of stability in time. Under the aspect of stability the capacity of a market and the dimensions of an organization modify at big intervals of time of approximately ten years minimum, and that makes the mission and declaration of business of an organization to be stabile over a long period of time. On the opposite, there are the operational objectives II which are very flexible on short term as the influence factors of market and the production factors are in a continual change, sometimes monthly or at even smaller intervals of time, and therefore it results their cyclic character. As a result of these changes the decision also suffers numerous changes having a repetitive character at an operational level and this determines the frequent usage of standard decisional models and methods in the current activity. Even the implementation implies a small number of actions and a reduced frequency of terms at the superior levels and a big number of actions with small intervals terms for the operational levels.

Description of those levels and sequences from strategic chain are presented on figure no. 3.



3. The formulation of objectives between option and strategic target

In formulating the objectives, there is, many times, a heterogeneous mixture of concrete targets to be reached in the strategic process and concrete options of reaching them. This weak delimitation of strategic, functional and operational targets toward the options of realization is due to the classic model of formulating an objective.

Theoretically, objectives are considered as being classified in two categories: economic and social. Personally, we consider that the both categories define more a concrete specific of options than of objectives, representing directions (options) of the organization business/ activities evolution. The objectives can not be only economical and of course not only social, having a complex prediction character of a specific aspect of the firm (dimensions, structure, dynamic etc.). On the other hand these don't aim concrete social or economic measures but they distinguish only aspects or levels to be reached through social and economic measures. This wrong classification of the objectives is due exactly to this incorrect identifying of strategic options with the objectives.

A more pertinent classification could be considered the one which structures the objectives in financial objectives and strategic objectives (Thomson & Strikland). This structure distinguishes much better the observation that the objectives should be better separated in report with the options of reaching them. Thus the objectives are targets of a quantification nature as results, efforts or combinations of these having an emphasized value-financial character. At the same time the strategic objectives are constituted as concrete options of reaching the results or the predictable/forecasted efforts.

For example the firm of sports equipment "Nike" established for the next period, the following sets of objectives:

Financial Objectives:

- Improve returns from each of our existing groups;
- Dispose of those parts of our business which cannot generate returns or do not fit with our business strategy;
- Achieve a 20% return on equity;
- Achieve net sales growth rate of 10% per year;
- Maintain average earnings per share growth rate of 15% per year;
- Maintain total debt to total capital at 40% or less;
- Pay out 25% to 35% of net income in dividends.

Strategic Objectives:

- Protect and improve Nike's position as the number one athletic brand in America;
- Build a strong momentum in growing fitness market;
- Intensify the company's efforts to develop products that women need and want;
- Explore the market for products specifically designed for the requirements of maturing Americans;
- Direct and manage the company's international business as it continues to develop;
- Continue the drive for increased margins through proper inventory and fewer, better product.

In report with the previous example the difference between **objectives** and **options** or better said between **target** and **intention**, is very well distinguished.

An objective should accomplish a very well regulated formulation after certain rules. No matter the action area of a firm, the objectives express themselves through three determinant elements:

- The indicator they refer to, for example, the physical volume of production or the effectuated service, the number of business, productivity, the market quote covered with the products and the services of the firm, the profit rate etc.;
- The scale or unit of measure in which the respective indicator is expressed; for example, for the mentioned indicators: the physical volume of production can be expressed in tones, litres, pieces, megawatts-hour, tone-kilometers, transports etc.; the number of business in lei, dollars, etc.; productivity in lei/employee-year, lei/worker-year, tone/hour, pieces/change etc.; the market quote in percents; the profit rate in percents etc.;

- The level on scale of the indicator, expressed quantized; for example for the illustrations of the indicators and scales presented; 500tones, 1,5millions litres etc.

The strategic options represent synthetic declarations concerning what the firm proposes to realize in a certain interval. So, the strategic options constitute the way through which the firm objectives, formulated in measurable terms, are “translated” in expected directions of action whose level conditions the objectives realization:

- It constitutes an essential premise of assuring a global orientation of business/activities/actions/operations under the aspect of an action unit to reach some results and preordained efforts through objectives (efficacy, profitableness, the efficiency of actions);
- It assures clear reference bench-marks for the decision factors within an organization to follow all the processes which carry on at the firm level. The options become, in these conditions, real constraints for the work processes, the behavior and the actions of the main involved factors;
- It guides the terms of execution in report with the level of importance of the established options;
- -It delimitates the necessary resources in accordance with the involved actions for each and every option.

Within the decisional normative model grounded on the global utility, the objectives are transposed as selection criteria of the decisional variant. This is the reason for which the objectives should be put in a hierarchy as importance and so, an importance coefficient could be allocated to them.

<i>Decision Criteria</i>	<i>Objective 1 (0,4)</i>	<i>Objective 2 (0,4)</i>	<i>Objective 3 (0,2)</i>
<i>Decision Variants</i>			
<i>Option 1</i>			
<i>Option 2</i>			
<i>Option 3</i>			

Table no 1. Decision matrix

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STUDENT MOBILITY IN EUROPEAN PROGRAMMES. COMPLIANCE WITH THE CRITERIA FROM THE EUROPEAN QUALITY CHARTER FOR MOBILITY 2000-2006

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In the last years, progress has been made at European level to develop and adopt a European Qualification Framework (EQF), a sort of Esperanto of qualification that allows an easy translation of all national qualification frameworks into one common language and that covers not only vocational training but also higher education. This will allow all European citizens to have their qualifications easily recognised when moving to another country.

A major aim of Bologna processes is to increase the mobility of students, The Diploma Supplement, the ECTS, Europass and the harmonization of the structure of higher education are several measures that can have a positive impact on students' mobility.

The current study aims at elaborating an in-depth analysis of the conditions for outgoing students from Romania within Erasmus activities as well as compliance with the criteria from the European quality charter for mobility 2000-2006. The study uses quantitative (on-line questionnaires) research methods.

1. LITERATURE REVIEW

In 2007 we celebrated both as the year of the 50th birthday of the Rome Treaty, a key milestone in European history, and of the 20th birthday of one of the most renowned European programmes: ERASMUS. The first European action programme in Higher Education, launched in 1976, was of an experimental nature. In the first three years of the 1980's, only 450 universities were involved in Joint Study programmes involving the mobility of an average of 1,000 students and 130 professors per year for the ten countries which were at that time members of the European Community. In 2007, with thirty-one participating countries, the estimated numbers of beneficiaries have skyrocketed to reach some 200,000 students and 30,000 university staff annually (The participating countries in 2007 were the 27 EU countries, the 3 EFTA countries (Norway, Island and Liechtenstein) and Turkey as a candidate country to join the EU).

We hope in 2037, when its 50th birthday will be celebrated, Erasmus and other Education and Training programmes such as Leonardo da Vinci, for vocational education and training, or Comenius, the European programme for schools, will all be considered as major milestones in European integration, as important as was Jean Monnet's European Coal and Steel Community initiative.

The history of European cooperation in Education and Training has not been a smooth one. Between 1976 and 1980, at the request of both Denmark and France the Education Council did not meet at all. As so often in European Union history, France played the role of "enfant terrible". Nevertheless, the Council resumed its works in June 1980, but this was accepted by Denmark on the sole condition that neither a decision nor a budgetary commitment would be taken. Taking into account the continuous support of the European Parliament, the Joint Study Programmes were still able to develop over the years with a – by today's standard - meagre budget of some 2 Million ECU in 1984. 1985 will be seen as the key turning point for the European Community to win the battle for having a significant role in Higher Education cooperation. As is not well known, the front runner was not ERASMUS but COMETT (1986-1989), the action

programme of the Community in Education and Training for Technology that focused on university-industry cooperation and in particular the trans-national placement of students in enterprise for their advanced training in new technologies.

Such a positive environment also benefited ERASMUS inasmuch as it would never have

The successful strategy followed for COMETT opened the road for the Commission to adopt on December 12 1985 a second audacious proposal for a new programme, the EuRopean Action Scheme for the Mobility of University Students (*ERASMUS*) covering the period 1987-1989 with a requested budget of 175 Million ECU, an average of nearly 60 Million ECU per year, 30 times more than the total budget earmarked in 1984 for the whole of European cooperation in Higher Education.

Teacher mobility in Erasmus is mainly geared at lecturing in another higher education institution or preparing mobility programmes (around 30,000 participating teachers) and working together on modernisation projects or networks (1,000) covering a wide variety of domains as diverse as musical heritage or the education and training of dentists in laser surgery. But the bulk of Erasmus investment is in student mobility.

With some 1.7 million students having benefited from an Erasmus mobility grant in the last twenty years, Erasmus is undoubtedly a major success. It is, however, not the leader of all European programmes in terms of mass impact. For instance, the RACE programme (Research on Advanced Communication in Europe), was at the origin of the GSM norm in mobile communication and the Europe Against cancer programme made a leading contribution to the fight against tobacco⁸³. Both of these programmes were launched in the same period as Erasmus and both are nowadays benefiting hundreds of millions of citizens in terms of ease of mobile communication or improved public health. The key reason for the popularity of Erasmus is that the vast majority of its beneficiaries have become living "ambassadors", fully satisfied with their first concrete European experience with 98% of them ready to recommend their friends to go for Erasmus mobility (ESN, 2007).

In 2007 Leonardo da Vinci cut its last ties with COMETT since student placements are from now on under the umbrella of Erasmus. Nevertheless, Leonardo da Vinci remains a mass mobility programme. Since 1986, slightly more than 600,000 trainees and trainers have benefited from a training mobility grant.

In 2007 some 15,000 trainers and 60,000 trainees should benefit from a Leonardo grant. Monitoring the quality of such mass mobility has been, as for Erasmus, a constant priority for the European Commission and its network of Leonardo da Vinci agencies.

All in all, the impact and the quality of Leonardo da Vinci individual mobility are high. The number of complaints received as well as the number of mobility organisers excluded from the Leonardo da Vinci programme is now very marginal indeed.

In parallel, progress has been made at European level to develop and adopt a European Qualification Framework (EQF), a sort of *Esperanto* of qualification that allows an easy translation of all national qualification frameworks into one common language and that covers not only vocational training but also higher education. This will allow all European citizens to have their qualifications easily recognised when moving to another country.

The Jean Monnet action was launched in 1990 to support the set up and the running of university courses on European integration worldwide. Nowadays, it is a full programme, integrated in the Lifelong Learning Programme. Although little known, Jean Monnet is successful in terms of impact and value for money.

Firstly, this programme supports, within the European Union, a number of Higher education and training institutions which attract mainly European students, researchers and trainees. In 2007, close to 1,200 students and researchers will thus be involved and more than 15,000 professionals:

- Slightly more than 500 Masters degrees are expected to be delivered by the College of Europe in Bruges and Natolin (420), by the Centre International de Formation Européenne in Nice (60) and by the European Institute of Public Administration in Maastricht (45) while some

⁸³ As for COMETT and ERASMUS, the choice of the legal base for the Commission proposals was based on an economic rationale and the use of article 100A of the Single Act that was requesting a qualified majority only. See my article "Following the US Example: How the European Community Went Into Public Health", in "Winning in the New Europe", Liam Fahey Editor, Prentice Hall, 1992.

700 students and researchers are registered in the European University Institute in Florence (620 in the doctoral and 100 in the post-doctoral programmes).

- The European Institute for Public Administration will offer this year short term training sessions on European matters for more than 10,000 staff from public or private organisations and the European Law Academy in Trier will provide training sessions for some 4,500 judges and lawyers.

Secondly, Jean Monnet also encourages the teaching of European integration in universities across Europe and the whole world by providing financial support to the so-called Jean Monnet chairs, Modules and Centres of excellence. In 2007, for a modest investment of 3.5 million €, some 250,000 students world wide will participate in Jean Monnet courses. This represents a cost-effectiveness ratio almost as exceptional as that of the eTwinning action in Comenius.

2. METHODOLOGY AND FINDINGS

A. Data from ERASMUS universities was gathered by means of questionnaires. Overall, answers from 31 universities were received from a total of 52 universities participating in 2006/2007.

B. Data from ERASMUS students was gathered by means of an online survey. The hyperlink to the online survey was provided to all participant universities in the programme, who have distributed it in turn amongst the students participating in the programme in the years of reference. Overall, 824 valid answers from 58 universities were received. This large sample provides a representative sample for analysis with low margins of error.

2.1. Description of research instruments

A. The questionnaire concerning the compliance with the criteria from the European Quality Charter for mobility 2000-2006 is structured into four section five section:

- *Information and guidance, learning plan, personalization*, includes data about the principles of the Charter (EUC – Erasmus University Charter), about the role and the responsibilities of the home and host institutions, about the training and education system from the host country
- *Quality Criteria, linguistic aspects*, refers to the preparation of the beneficiaries before their departure in mobility (preparation according to their specific needs, including linguistic, pedagogical, administrative, financial, legal, cultural aspects).
- *Logistical support, mentoring* includes data about the assistance and information ,about the travel arrangements, insurances, work or residence permit, the portability of government grants and loans, accommodation arrangements.
- *Recognition– Reintegration and Evaluation* includes data about the study or placement period as a part of a formal learning or training plan in order to facilitate beneficiary’s academic recognition. The experience acquired during the mobility must be evaluated both by participant and home institution in order to appreciate if the objectives from the “learning plan” have been reached.
- *Commitments and responsibilities* The responsibilities arising from these quality criteria must be agreed and, in particular, confirmed in writing by all sides -sending- hosting institutions and participants.

B. The questionnaire is structured into four sections, following the phases and the logic of the mobility process:

- *Identification* data include questions about the respondents themselves and other relevant items for the study: the home university; the home faculty; gender; the academic year for the ERASMUS study period; the host country.
- - *Motivation* includes data on the reasons for participating in the Erasmus exchanges and the importance of a scholarship for the participant’s future career.
- *Information* includes data about Erasmus students’ participation in other European Programmes, duration of Erasmus mobility, the selection process of participating students, sources of acquiring information on the programme.

- *Personal experience* – captures the mobility experience from the participating student’s perspective by studying a variety of aspects such as social (integration in the host university), administrative (grant payment, accommodation), the impact of the mobility programme on future personal career and personal evolution (professional performance and competencies), the most positive/negative aspects of the mobility.

2.2. Results

A. There is a schedule of student mobility organizational activities made public by the Community Programs Office on the university website, through posters, meetings with students and individual counseling. The principles of the Erasmus Charter have been promoted and respected in detail by all the actors involved in Erasmus mobility: partner institutions, students, National Agency and last but not least European Committee.

The selection of the students has respected the criteria of EUC and a list of specific criteria approved by the Senate Office and made public: the studies status, the linguistic abilities, motivation, recommendation and.

The Learning Agreement comprises disciplines and a number of credits that sum up to 30 credit points per semester or 60 credit points for a mobility period of one academic year. The strongly personalized „one to one” teaching imposes for the Learning Agreement to constitute part of the individual education program in the home institution. This program can be done only under the condition of a preliminary acceptance from the teacher and from the specialty department from the host institution and through an excellent communication between the Erasmus Offices and the students both before and after their acceptance for studies. As contractual base of the studies taken at the partner institution by the Erasmus student, the Learning Agreement is the fundamental instrument for the studies recognition of the student at his return from the stage. This instrument is signed and assumed by the dean of the faculty, by the Erasmus coordinator and by the applicant student.

The individual study makes the mobility organizing activity very complex.

Only three Romanian universities organize language courses but in the evaluation criteria as a part of the selection process, the candidate linguistic abilities are a very important.

The assurance of the grants for the mobility period is a principle of our university faculties. Generally, the Erasmus grants and the personal contribution of the student allowed them to have a good merge in the host cities. Useful information regarding the daily life costs have been most of the times offered by our former Erasmus students. The narrative reports written by our ex-students comprise useful information about daily life costs, ways to spending free time. All these information is transmitted to the students through individual counseling and consultancy activities organized by the Community Programs Office.

Different ways of monitoring have been used: email communication from the student to the Erasmus Office of the home institution, between the institution Erasmus coordinators, monitoring visits and monitoring through the professors taking a teaching to the host institution. On their return the students fill in a questionnaire of mobility evaluation and write a narrative report describing the experience they’ve had.

The study program comprised the Learning Agreement is part of the formal study program of the home university and is assumed and signed by both institutions. The changes proposed by the host institutions (generally not more than one-two disciplines) have been accepted by the home institution only as long as the required number of credits has been accomplished.

The recognition of credits obtained by the students during the Erasmus stage has been realized according to the EUC principles. Transcribing the received grades of the student in the official documents of the home university required extra documentation on the national grading systems and in making them compatible with the Romanian system. Sometimes, additional documents have been necessary concerning the artistic or research activity undertaken by the student (photos, press releases, concert/recital posters, etc.) for a optimum evaluation of his work. The transcription of credits and grades is made by the ECTS responsible person for each of the faculties.

On their return, the students go through a more or less difficult period of becoming again a part of their study year. A very important role in this process is held by the Erasmus Office members, the individual teachers and last but not least the year colleagues. The memories and the experience lived during the Erasmus stage become subject of both formal and informal inter-personal communication.

B. The Erasmus students appreciate to the highest extent the quality of the teaching process in the host university (62.67%), The percentage of the Erasmus students aiming at continuing post university studies in the host university or another university abroad is almost identical (61.55%), 58.72% of the respondents consider their mobility opened opportunities for new mobilities.

There are also a high percentage of those who declare they intend to develop a career abroad (48.22%) while 31.81% are not decided on this question.

The motivation of the students from different universities varies significantly, although some could be identified as most important:

- 89.06% the European experience;
- 64.93% the cultural aspect;
- 64.44% future career plan.

60.84% of the students consider that mobility is very important for their future career. Most of them (83.80%) would also find a second mobility as further improving their career perspectives.

41.88% of the students have the perception the selection process reveals to a high degree their potential to succeed as an Erasmus student.

Academic recognition of the studies abroad has been confirmed by 91.69% of the respondents, but there is still a high percentage (8.31%) whose answer was negative to this question.

The students mentioned cultural experience, personal development and improvement of foreign language skills as the most positive aspects of the mobility.

As the most negative aspects of the mobility they mentioned: financial difficulties (insufficient funding, mobility period too short, bureaucratic problems).

89.39% of the respondents consider the contact with a new culture as the major influence of their mobility in terms of personal development. The cultural aspect is also seen by respondents as having the most relevant impact on their future personal development (69.77%).

Conclusion :

When one looks at the whole picture, one can only be impressed by the results achieved with roughly 120,000 teachers and trainers and more than 500,000 students or trainees undertaking in 2007 a trans-national mobility, real or virtual. Also, worth noting, is that the "appetite" for trans-national mobility is very strong indeed. For example, in the first quarter of 2007, the PLOTEUS website providing information on education and training opportunities in Europe was visited 250,000 times and the Europass portals providing a portfolio of documents allowing a citizen to have his or her qualifications better recognised was visited 1,100,000 times. This is indeed a world away from the beginning of the 1980's. This is all the more important given that nowadays we do have a single market for goods and services and a single currency. But we do not yet have a true European labour market in which citizens can have their qualifications recognised in another country in which they would like to work. As economists well know, the first two markets –money and goods—cannot be sustainable in the long term in the absence of the third one. This is indeed one of the major challenges Europe has to cope with at the beginning of the 21st century.

A number of recent initiatives reflect that quality control in education is an important issue on the political agenda of the European Commission as well as in many European countries.

Within the Lisbon process, enhancing the quality and effectiveness of education and training systems in Europe is one of the three main goals to be achieved in the period up to 2010.

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INNOVATION MANAGEMENT AND FINANCING APPLIED IN RURAL PUBLIC POLICIES AND SME IN FRANCE

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The accelerated globalization and technical changes determined, in France, starting with 1980, the adoption of new communitarian strategies focalized on: the development and the adaptation of the agriculture both in view to increase the added value of agricultural and the creation and improvement of the local agro-food channels, the application of agricultural practices that assure the environment protection and the improvement of the life quality in the rural space.

Keywords: local activities development, enterprises incubators, regional centers of technological transfer, patrimony economy poles, local productive systems, competitiveness poles, rural excellence poles, SME.

1. The evolution of the territorial development in France

In the last period, in France, the public policies, the political actors' discourses and the scientific papers emphasize the profound changes on the territorial policies. Thus, the territories are considered to be productive environments, ecosystems based on growth, able to involve the innovation, the change and finally the competitiveness.

In such a context, the small urban and rural territories had to focalize to projects concerning the tourism turning to account and local economy optimum. In order to achieve this goal, the local administration should apply innovation strategies.

The socio-economist and engineer Pierre Veltz, director of European High Studies for Amenities and Development Institute, reveals the fact that the Taylor approach from the 30's affected the geography, enterprises' organization and territorial development representations. Influenced by a weak concentration of the employees less or medium qualified and a rigorous division of tasks between management, product development and execution levels, this dominant model of mass production contributed to the uptake of an important number of SME's.

Starting with 1980, the internationalization and technical transformations remodeled the competition rules and conditions, which concern not only the costs but also criteria like quality and products' diversity. We observe the passage from hierarchical organization to the network organization. In this context, outsourcing projects for activities in more or less autonomous business units were implemented.

The main part of geographical, demographical and economical links between towns and their peripheries lost considerably from their importance. In the same time, the great towns followed network alliance strategies.

The rural space becomes a part of global economic space from France, often influencing the metropolis. Thus, the new arrangements encourage the synergic links between villages and towns.

In this approach, the territory is perceived like a social system, not only spatial, that can contribute to the competencies' increase by means of interactions and relationships. Pierre Veltz considers that the reinforcement of learning solidarity between SME's, SME's and other groups, private and public actors must represent a priority of territory arrangement, because in the new economical and technological context, the intelligence of resources combination makes the difference between territories that win and those that lose.

2. The evolution of the innovation concept

Innovation can be defined as a procedure that assures the application of an invention to the production of new goods and services, the improvement of the existent goods and services or the improvement of the way concerning their production or distribution, obtaining a competitive advantage or a social benefice.

The initial meaning of the innovation concept confined to the technological innovation, which had two components: product innovation and procedure innovation. **Technological innovation** was for a long period of time the single innovation form. We witness nowadays a considerable extension of this concept.

The first declension from the technological innovation concept is represented by the **social innovation**, in which it is considered that the intervention of a new product can solve a social problem.

The **tertiary innovation**, another innovation derivative, appears in the culture domain, tourism and services that we are interested especially in territorial development.

Starting with 1982, in France, the Economic and Social Council (ESC) launched a new discussion topic: "innovation and regional development", an opportunity to underline the link between innovation and territories. This occasion emphasized that the regional dimension is a favorable field for the innovation development and multiplication, because this initiative:

- represents a strength for companies, helping them to gain on markets, supply sources and offering a greater possibility to adapt themselves.
- allows the establishment of personal relationships between funds owners and the potential innovators.
- allows a better individual development.

ESC insists on the importance of the innovation; on the one hand, the concentration on the development of the activities' network and human capital, that make the progress possible to the regional level, and on the other hand, the importance of the regions responsibilities increase for their own economical and social development.

The essential factor of innovation is the cooperation of all the private and public actors from a territory, in which the role of local elected representatives owns the first place. If they dispose of an economic vision for their territory, as like the leadership capacity, they can involve the concurrent enterprises in an active collaboration, for example the launch of a local productive system.

Besides the creation of innovative approaches, the public policies must reply to companies'needs, especially SME's, spreading the existent and accessible innovations.

3. Preexistent national and regional policies

In France, the local economic development field was influenced by the intervention of different actors, like: Industry and Commerce Chambers, local communal communities, General Councils and Regional Councils.

Industry and Commerce Chambers are public institutions with administrative features, being coordinated by the SME's, Commerce and Handicraft and Liberal Professions Minister. They have two categories of missions: the creation and development of enterprises (the resources issue from dues) and the development of the industry and commerce (their services being paid by the users). They represent the companies' interests in front of the public powers, helping them in the process referring to urbanism documents processing, strategic planning from economical point of view or market research carrying out.

At the national level, the interests of the Industry and Commerce Chambers are represented by the Industry and Commerce Chambers French Association.

The **local communal communities**, in number of 2.300, are engaged in operations concerning inter-communal competences.

General Councils provide services, information, financial support and consultancy.

Regional Councils, arranged by the law from 13 august 2004, elaborate regional schemes concerning economical development and sustain the creation and the development of all types of enterprises: industrial, handicraft, commerce, services, etc. they facilitate the access of enterprises on the international markets, contribute to the technological development and innovation; in this process, a network of universities is involved, focalizing on channels dynamics and competitiveness poles. As well, the Regional Councils have the responsibility to define the needs concerning the professional training strategy, to subsidize training centers and social works and paramedical professions institutes. They finance in the same time permanent professional training for those that are looking for jobs, offering them remuneration during their training stage.

Besides these institutions, the local economic development profits by the **extra-public organizations**: development agencies, enterprises incubators, regional centers and platforms of technological transfer, patrimony economic poles, local productive systems, competitiveness poles and rural excellence poles.

The **development agencies** and expansion committees include the actors, which contribute to the economical development of the territory they manage. The originality of these agencies is due to their structure, being constituted by: consular chambers representatives, unions' representatives, syndicate employees, managers, professors, etc. This partnership, which allows the organization of experiences and different points of view confrontations, supports the innovation spirit and the permanent adjustment to the evolutions of the economical life. The main intervention domains of these agencies are: the enterprises' development, local collectivities consultancy, European actions, studies and communications. Development agencies, that are present especially in small towns, are federalized at the national level in the National Council of Regional Economies.

The incubators of innovative technological enterprises were created in 1999 at the initiative of the Research Minister. They sustain and support development projects for enterprises, based on technological innovation, by the means of competence centers, like universities and research laboratories. They also finance studies for companies' creation.

The regional centers of technological transfer and regional technological platforms

The regional centers of technological transfer have the task to expand advanced technologies in the economic network. These are competence centers to which companies can request consultancy when they search the competitiveness by using new techniques. They can also assure training services.

The regional technological platforms include competences of the research institutions and from other structures that can facilitate know-how and innovation. They assure technical services, consultancy and training.

The regional centers of technological transfer and regional technological platforms are sustained by the state and local collectivities, the personnel being motivated by the beneficiaries of their services.

The patrimony economy poles (PEP) are attached to a goal concerning the local economic development that must be built on a patrimonial resource represented by: classical monuments, industries, ethnography, landscapes and traditions. Starting from one of these patrimonial supports, interesting topics can be realized for the development projects. These projects will include the local economical life actors which work in tourism, economic and social activities.

The local productive systems (LPS) were launched by the French government in 1999. A local productive system is:

- a geographical concentration of enterprises, most frequently SME's;
- formed by strategic resources organized in a manner to build innovation centers interconnected with the enterprises network.

The political interest of the LPS is to make from territories and enterprises' cooperation an engine of the thematic economic development, which will be sustained by competitiveness poles or rural excellence poles.

The competitiveness poles gather in the same territory enterprises, training centers and research institutions, involved in common projects with innovative character and that dispose of the necessary

dimension for an international visibility. We can distinguish between poles centered on technological dimension in which the research-development predominates and poles oriented to the industrial perspective, with advantages determined by the productive network.

In all cases, the partnership, the innovation and the international visibility are the essential factors for the poles' recognition.

The rural excellence poles were launched by the French government in October 2005. Inspired from the policy of urban competitiveness poles, these are projects that facilitate the development of the rural territories, receiving a partial finance support from the part of the state. The rural excellence pole is a project concerning the economic development, being situated on a rural territory and based on a partnership between local collectivities and private companies.

4. The conception, application and evaluation of the territorial strategy – support for innovation processes

The conception of a development strategy in such a complex and uniform sector as innovation must emphasize the following stages:

First stage: The realization of an economical diagnosis of the territory

During this stage, there will be established the features of the local economic network, its evolution on long term in order to identify the development opportunities.

This stage requires the conception of a questionnaire formed by six questions:

1. There is an inter-communal policy in terms of local economy?

The goal of this question is to determine if there is at the communal level an economical development strategy.

2. What's the situation of the commune in what concerns the activities developed?

The deciders must argue the place of the village in the dynamics of the activities and occupations.

3. What is the dynamics of the local economic environment?

The local communities' representatives will analyze the activity sectors types presented on the communal territory and their evolution (agriculture, production, handicraft, services logistics, tourism), the evolution of the activities fields needs, determined on infrastructure terms as well as the interests concerning the geographical concentration of the activities in the sphere of competences poles or activities zones.

4. What is the dynamism of the commune from business perspective?

The goal of this question is to know the enterprises from the commune territory and its neighbor villages, in view to identify the needs, extensions or outsourcings and the risks for the businesses.

5. What are the existent training channels in the commune?

In this case, the deciders will analyze the organizations' needs and the training channels, both from commune and the neighbor villages, in order to identify the actual and future movements of the population that will affect the commune.

6. What are the lands or the available places for the enterprises arrangements?

There will be verified the activities zones covering rates, the availability of the lands and places for the arrangements of new enterprises, as well as for the assurance of a sufficient services level for enterprises.

Second stage: Building an efficient governance system

The governance doesn't limit on the involvement of the key actors to the most important decisions. First of all, it must assure a mobilization system on long term. From this point of view, benchmarking (the comparative evaluation of the performances by the means of synthetic indicators) and the change of good practices become the best instruments for the improvement of the innovation territorial framework.

Third stage: The application of the direct actions in the favor of innovation

After the identification of the strengths and weaknesses of the territory from the innovation point of view, targeted actions must be started and integrated in a global strategy, in order to consolidate the network of new, innovative enterprises and to create a favorable framework for innovative projects in the existent enterprises.

During this stage, venture capital funds become extremely important in the increase of the global attractiveness of the territory (infrastructure, public services, life quality, cultural domains, etc.).

In the new enterprises development phase, a special support must be accorded to the expertise of the structures and the implementation of certain projects.

Fourth stage: The evaluation of the results obtained

In France, the evaluation of the public policies was defined by a decree: “to evaluate a policy signifies to search if the juridical, administrative or financial means allow the realization of the expected effects from this policy as well as the achievement of the goals that were planned.” (Decree from 22.01.1990)

The evaluation of the public intervention in the favor of the innovation will be more efficient if it will operate in a partnership framework.

5. Conclusions

The entire attention of the public powers must be focalized on the so called “territorial engineering”. The communitarian national and international policies are conceived in France in a way in which they are able to struggle against the inequalities concerning the resources, competences, territorial development financing, creating specialized structures and resources.

The innovation is perceived when it covers a very complex topic, which refers to: the innovation within partnerships, the organizational innovation (by the channels expertise and the improvement of the marketing strategies) and the technological innovation within production and commercialization channels.

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THE PERFORMANCE OF HUMAN RESOURCES DEPARTMENT – THE PREMISE OF ORGANIZATION’S SUCCESS

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In '90s the topic of HRM and performance was popular not only among managers, but also among academics. There are many researches which point out the importance of human resources for building organizational competitive advantage. Starting from the most popular researches from the field, through this article, we want to point out the role and the importance of human resources department in order to ensure a level of performance necessary for a high competitiveness.

Keywords: human resources department, competence, performance.

Introduction

Should a company assigns HR manager some functions for the development of human resources, the selection criteria come from a different area and the respective candidate must be a good psychologist and prove excellent communication skills, vision and the capacity of handling conflicts.

In Romania, more and more companies understand the role of the human resources department within the development of the team. The perception of HR manager has also undergone some alterations. A good HR manager must keep the contact with the employees of the company and seize the feed-back transmitted by the employees in connection with the processes within the organization. In a certain extent, we may say that the HR manager is the bridge between the employees and the executive level of the company.

Even if in Romania there is no higher education institutions specialized on Human Resources, the number of HR managers well-trained is ever greater as this job has become a very professional one due to both procedures implemented in the multinational companies and to training courses organized abroad. Romania lacks specialists with a technical training.

However, the units of professional training do not provide sufficient personnel to the companies in the field. Technical training is in deficit in Romania, at the level of both vocational school and technical high school and at university level. In order to forestall this aspect the companies must give a higher importance to improving human factor through personalized training sessions organized for each employee.

The reasons for which the employees desert the companies are in tight relation with the competition between companies for the best professionals. During the last years the transfer of personnel between companies, for material benefits became a tendency for raising the salary level.

The roll and importance of Human Resources Department within the organization

American, European and Australian top managers accuse the lack of efficiency of human resources departments and that of training position in their companies for the lack of competent personnel, which do not allow them to attack the market leader position and affect even the critical functions inside the organizations.[1]

The lack of essential competences represents a problem of vital importance for the management of the companies. As the competition becomes ever tougher, the need to grow competent personnel especially for the critical positions should be on the top list of priorities of corporations. The lack of success of the companies in developing the labor force leads directly to a low level of competitiveness.

A study of Accenture, the international management and outsourcing services consulting company, which included over 250 of respondents in the United States of America, Europe and Australia, revealed the fact that only one of seven executives (14%) think that the general level of competences of labor force in the organization they represent is the most competitive at the level of the whole industry in which they carry on their activity. According to the study, these deficiencies may be considered, in a certain extent, a result of an insufficient human resources training and development.

Moreover, only one of five respondents declared that the vast majority of the employees do not understand the company's strategy and what must be done for it to be competitive on the market it occupies.

The executives also pointed out that critical positions such as sales, customer service, financial and strategic planning do not meet the right standards due to these reasons.

All these are manifest against the background of a deep and extremely spread lack of satisfaction regarding the human resources departments and training activity. Thus, only one of ten respondents stated they were satisfied with the activity of such divisions within their companies.

The lack of solid bounds with decision-making level in business, incapacity of assessing the human resources and training impact at the level of the entire activity, as well as the incapacity of educating competences and know-how among the personnel were the most frequent critics addressed to human resources departments. [2]

But one third of respondents declared that their organizations adapt their human resources policies and training activities according to each department needs, while more than four of ten mentioned that they do not assess the profitability of these activities at the level of the entire business.[3]

Almost half of the participants at this study (43%) mentioned that alluring talents is a difficult problem due to a more restrained basis of selection. At the same time, the study revealed, besides the inefficiency of HR policies, the lesser implication of managers who coordinate the various main functions in the organization in solving the personnel problems.

Even if the whole picture was not so gladdening, the research also identified a number of companies in which the three functions mentioned by the executives as being the most important run at the highest standards. Accenture representatives associated their performance with human resources policies and efficient training activities.

Among those practices which ensure success, the executives identified the formal measures which establish the impact the human resources development has on the main business functions, their adaptation to such functions as well as a strategic approach of human resources which should be regarded as an important business partner by the top management of the companies.

The ability of a company to develop labor force competences will make the difference on competition market. Some companies focus on one or two aspects of human capital management, such as internal communication but the best companies have an unbiased insight. Human Resources Department is the main source of yield.

The companies in our country have not understood by now the importance of HR department and frequently they forget that this department is responsible of the most important investment of a company: the people.

Any organization which wants to make a progress must realize the role the human resources department plays within a company. This department must be accepted as strategic partner in the running of the company. The respective department brings a direct contribution to the change of the company so that the company be in accordance with reality.

Just because their importance is not recognized accordingly, the human resources departments in our country prove to be less efficient than their foreign counterparts. A study made by Pricewaterhouse Coopers points out a very concerning aspect that in Romania organizations spend equal money as those in western countries for the needs of HR department but the results are not the same.[3]

According to the data of the poll, almost 0,4% of all costs of a company are allotted to HR department. This is double compared to central Europe companies. The study shows that such departments spend more money but their work is one sixth less productive than the rest of departments of the same company.

In addition, out of the data collected by PrincewaterhouseCoopers, one can see that there is a direct connection between the profit of a company and the work rendered by the human resources department. It is obvious that in a company in which the department is strong the profit is equally high.

The study was made according to the information provided by 60 companies of various fields of activity such as: IT, pharmaceutical, consumer's goods, industrial, financial, retail, automobile industries.

Unfortunately, the reality shows that in many Romanian companies the importance of human resources department is not recognized and especially by the work mates in other departments of the same company. Even if it is the 'right hand' of the managerial team, this department is the first one which gets under personnel cutting policy when it is about idling people.

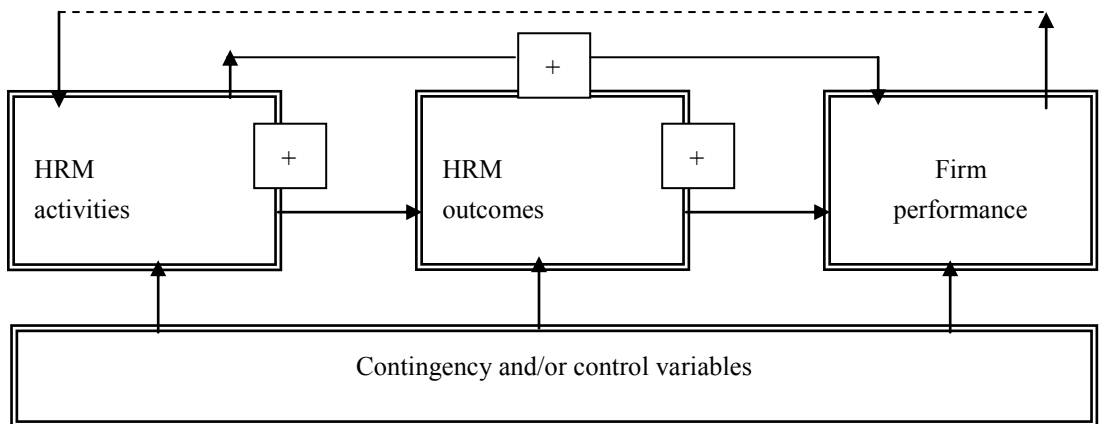
What is really worrying is that after so many years in which we had a lot of time to see how human resources activities are structured in foreign companies, Romanian companies go on with the idea that the development of a human resources department is not a necessity. That is why such departments are very rare in Romanian companies. It is no wonder that in a company with hundreds of employees there is only a personnel and salary department – which are mandatory by law - but no human resources department. The specialists say that no human resources department can exist without a HR manager.[4]

Academics as well as managers seem to give particular attention to critical success factors and sustained competitive advantage of an organization. That is why we have to point out the relationship between HRM and performance.

Many researchers developed conceptual models to explain the relationship between HRM and performance. In 1987, Guest developed a normative model, identifying four policy goals: integration, employee commitment, flexibility/adaptability, and quality. In his model these goals serve as human resource outcome; goals and policies together generate a range of organizational outcomes such as high job performance and low turnover.

Using the framework presented by Guest, Paauwe and Richardson (1997) summarized it, thus:

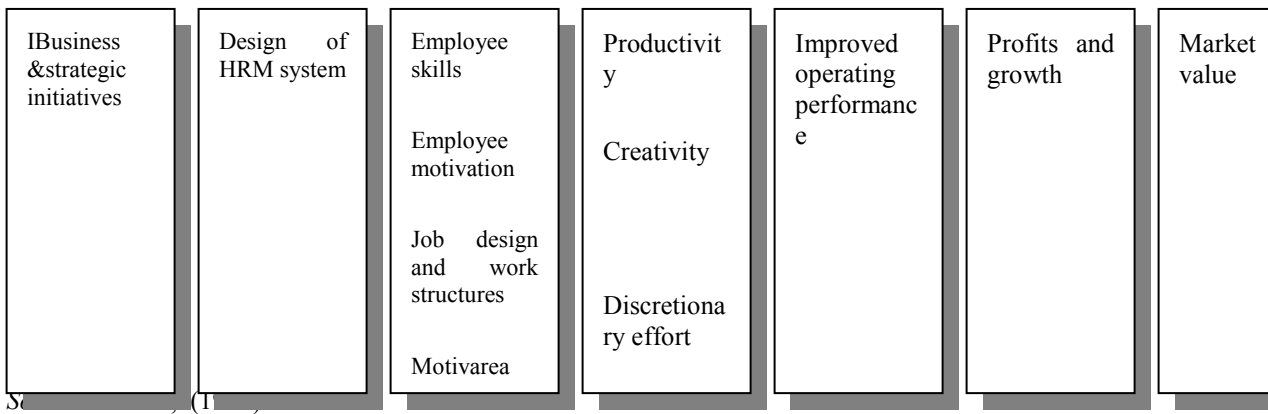
Fig.1. General overview of the linchage between HRM activities, outcomes, and performance.



Source: Paauwe si Richardson (1997)

Baker (1997) presents a conceptual model of HR- shareholders value relationship. In this model the authors assume that business and strategic initiatives affect the design of HRM systems. The HRM systems in their conceptual model affect: (1) employee skills, (2) employee motivation, (3) job design and work structure. These factors are presumed to have an impact on productivity, creativity, discretionary effort etc. this model contains seven "boxes" and, in effect, represent a chain of excellence. The final "box", and thus the ultimate outcome of this chain, represents the market value of the firm.

Fig. 2. A model of the HR-shareholders value relationship



Finally, the models of Baker (1997) and Guest (1997) both reveals a number of hidden assumptions, relevant for further research on the relationship between HRM and performance:

1. Vertical “fit” is a necessary condition for success, represented by the link between strategy and design of HRM systems or HRM practice.
 8. The relationship between HRM and performance is linear.
 9. There is a sequential link between HRM (design of HRM system’ or HRM practices’) and market value/financial performance. In other words, there is a chain of interrelated boxes.
 10. Financial performance, represented by profits, growth, and market value, is the final outcome of the transformation process and therefore is representative of organizational performance and subsequent success.

Conclusions:

Irrespective the strategy they choose, focus on the client, proficiency in services, costs lowering, grabbing opportunities or differentiation, the companies need employees proving new competences in information management, strategic thinking or empathic action.

Thus, everybody should understand the importance of HR department which has as main task to develop such competences for a better consolidation of the business strategy.

In order to be capable to provide analytic evaluations and to protect the informational patrimony of the company, the employees of human resources, marketing and strategic planning departments must have some knowledge and capabilities.

According to specialists, such skills are necessary especially for the transfer of data and information into a strategy of action leading to decision-making. Any company needs resources/capabilities in order to back up its strategies. Such resources can develop when within the company there is a clear internal policy, work instrument and an IT platform.

Thus 15 competences and 4 differentiation capabilities were identified. The 15 competences are divided in three categories: six concern the information management, five concern the strategic thinking and four the empathic action. Each of the 15 competences and four capabilities take a period of development in order to be directly applied. Generally, this period varies between three and twelve months according to the complexity of each competence.

While the managerial competences refer to perception and understanding of information coming from the environment (newspapers, television, street panels, internet, seminars, clients), the strategic thinking competences have the role of proposing the development of an information system belonging to the company, the appropriate sharing of common information for both the colleagues and the executive level, the replacement of reports by visual maps including all information in order to accomplish an action plan for protecting the informational patrimony of the company. Thus, according to the conclusions adopted as a result of understanding and synthesizing the information, more action strategies can be applied.

60%-80% of all information we need are within the organization, but one must know whom to ask and when to ask.

Regarding the emphatic action techniques, they stress the access to sub-consciousness of the collocutor so that the non-verbal language becomes a very important factor for both understanding the affective mood of the partner of discussion and for shaping it with the purpose of getting an efficient relation.

Empathic capabilities have as a purpose the development of behavior for achieving a better team work, transmitting more credible messages with a greater impact but also the possibility of better understanding the other person's inner personality.

Although within the majority of companies a very simple way of thinking based on labels, assumptions and stereotypes is dominating, leading in their turn to simple behavior patterns, the role of competences that a good human resources manager must have becomes ever more important for a better development of relations and internal policy.

HRM system design within the organization play an important part because according with the conceptual models presented in this article there is a strong relationship between HRM and performance factors. So, we can figure that human resources play an important part within the organization being an important source of competitive advantage. Concerning with this one of Coca-Cola managers said once: "if tomorrow will burn all Coca-Cola assets, we will build everything again because remains something very important: the brand and the employees who built Coca-Cola".

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MANAGEMENT OF INTERDISCIPLINARY RESEARCH PROJECTS

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***Abstract.** This paper introduces interdisciplinary research as a key point on European Union's and Romania's research agenda. It identifies specific programmes that aim to reinforce this type of research in European context and itemizes the main barriers to interdisciplinary research projects. Considering team integration as the biggest challenge to interdisciplinary research, the paper suggests the use of **sociometric technique** as a good instrument in facilitating group cohesion. The sociometric technique allows managers of interdisciplinary projects to identify leaders and isolated disciplines/individuals in the team, to uncover asymmetry and to map chains of connections. The case study undertaken within the paper demonstrates the opportunity of such a technique in an interdisciplinary context.*

***Keywords:** research project, interdisciplinarity, team integration, sociometric technique*

1. Interdisciplinary research, an European Union priority

The EU experience

The Union has today set itself a new strategic goal for the next decade: to become the most competitive and dynamic knowledge-based economy in the world (...)
(Lisbon Strategy, 2000, European Council)

This quotation transcripts as simple as possible Europe's intention to boost economic growth in order to reduce disparities from the United States. The "knowledge triangle"- **research - education - innovation** - is a core factor in European efforts to meet the ambitious Lisbon goals. Numerous programmes, initiatives and support measures were carried out at European Union level in support of knowledge. The review of the Lisbon Strategy in 2005 reinforced the Barcelona target to allocate 3% of the GDP for research&development in the European Union. Most European states have already rallied behind that objective; however, the level of private investments is still seen as too ambitious. The Framework Programmes are the instruments through which the European Commission implements its scientific and technological research policy. Since their launch in 1984, the Framework Programmes have played a lead role in multidisciplinary research and cooperative activities in Europe and beyond. The **Seventh Framework Programme (FP7)** continues that task, its broad objective being grouped into four categories: Cooperation, Ideas, People and Capacities. For each type of objective, there is a specific programme corresponding to the main areas of European Union research policy. All specific programmes work together to promote and encourage the creation of European poles of (scientific) excellence.

The specific programme '**Ideas**' aims to reinforce excellence, dynamism and creativity in European research and improve the attractiveness of Europe for the best researchers in "**frontier research**". In terms of the document, "frontier research pursues questions irrespective of established disciplinary boundaries. It may well involve multi-, inter- or trans-disciplinary research that brings together researchers from different disciplinary backgrounds, with different theoretical and conceptual approaches, techniques, methodologies and instrumentation, perhaps even different goals and motivations". It should be noted that even if the European Research Council uses the single term "multidisciplinary research" instead of multi-, inter- or trans-disciplinary research, concepts are clearly distinct. To Romanian professor George Văideanu we should recognize the merit of distinguishing between related concepts, in a paper published under UNESCO in 1985: ■ Transdisciplinarity is a state of complete balance of influence between all relevant

participating disciplines at the highest possible level of coordination. ■ Interdisciplinary is somewhat weaker than transdisciplinarity in coordination or cross-communication. The balance of influence, however, of the respective disciplines, is upheld. The total impact of the quantitative and qualitative elements is not strong enough to establish a new discipline. ■ Cross-disciplinarity deviates from interdisciplinarity in both the qualitative and quantitative senses. One discipline dominates the others and is the one that establishes all important premises. ■ Pluri-disciplinarity is characterized by the fact that communication takes place between various disciplines, but the contact may be weaker or more sporadic than in cross-disciplinarity. ■ Multi-disciplinarity is the least developed form of interdisciplinarity. The communication between disciplines is reduced to a maximum. Projects are often complementary to each other. To conclude, „interdisciplinarity is a form of cooperation between disciplines to solve problems that can be solved only through the convergence and prudent combination of different points of views. It implies a certain amount of integration between different areas of knowledge and between different approaches and the development of a common language so as to enable conceptual and methodological exchanges to take place.” (G. Văideanu, 1985)

The Romanian case

The Romanian Research – Development – Innovation (RDI) system went across a very difficult period after 1989: the underinvestment and delayed restructuring only permitted a connection to the global trends in science and technology in isolated cases. However, the public funding of the Romanian RDI showed a radical changes starting with 2005, together with the first substantial increase in the GDP share assigned to that field. The CEEX Research of excellence program launched in 2005 by the National Authority for Scientific Research has contributed to direct public expenditures for research towards developing the Romanian Research Area. In the CEEX program, the priorities of the public R&D funding were those from FP7, and the projects focused on the creation of powerful consortia, the promotion of interdisciplinary research, the development of human resources, the international promotion of the Romanian RDI system, and the reinforcement of infrastructures for conformity evaluation and certification.

With the RDI strategy for the period 2007-2013, Romania intends to reach the European average for the basic indicators describing the structure and performance of the research, development and innovation system. The National Plan for Research, Development and Innovation takes into account the significance of fundamental research for knowledge development and the training of highly skilled human resources and emphasizes the excellence, the interdisciplinarity and the international visibility. Complex research in frontier areas and the participation to international excellence research networks are sustained through the programme **Ideas**. Even though for this programme there have been no specific priority domains established, and the emphasis is on participation in international networks of excellence research and on research at the boundary of knowledge, there are several basic research areas of special interest, with potential in Romania. And social sciences are concerned too.

2. Interdisciplinary research projects (IRP) - between rigour and „bricolage”

Interdisciplinary thinking is rapidly becoming an integral feature of research as a result of four powerful “drivers”: the inherent complexity of nature and society, the desire to explore problems and questions that are not confined to a single discipline, the need to solve societal problems, and the power of new technologies.
(Stehr N., Weingart P., 2000)

Research&Development projects can be defined, according to Romanian Research Law (324/2003) as „a way to accomplish the objective of a programme, in a specified period of time. It makes use of limited resources and asks for obedience to a clear set of rules”. By extension, an interdisciplinary research project (IRP) aims to accomplish a certain objective through the cooperation and integration of knowledge coming from different disciplines; it also makes use of planned resources and functions under a set of rules. The management of research projects aims to find the best way to allocate limited resources to the project’s main objective. The management’s task becomes more difficult in interdisciplinary projects. Working with people with different disciplinary backgrounds, in a disciplinary-oriented environment, gives the management a lot of challenges.

Although interdisciplinarity is somewhat weaker than transdisciplinarity in coordination or cross-communication, its level of complexity is also very high because an equilibrium between disciplines should be maintained on a continuous basis. On the other hand, any interdisciplinary project should find a common language that all participants should be able to use. The task of the manager of an interdisciplinary project is doubled by the obligation to create harmony between participants in the team. That's why specialists recommend **the identification of possible barriers** as the starting point in any interdisciplinary research project (Birnbaum M., Rossini F., Baldwin D., 1990). Traditional rivalry between disciplines is one of the most cited barriers to IRP: participants in interdisciplinary teams have, in most of the cases, a disciplinary affiliation, they tend to protect against possible „rivals”. This unilateral specialisation leads to the difficulty of finding a common language and to fear of unknown. More than that, usually participants are asked to make use of research methods of their co-workers. The difficulty rises especially where a quantitatively based discipline meets a „softer” discipline. That's why it is strongly recommended to surpass disciplinary attitudes.

There are also some institutional and cognitive constraints in doing interdisciplinary research (Heintz Ch., Origgi G., 2003). Institutions are often disciplinary organised, so they allocate their resources consequently. Incentive and rewards are usually based on disciplinary rather than interdisciplinary standards. Whether team members are drawn to a project by their inherent interest in the research problem or the availability of funding, their commitment will be enhanced by negotiating professional rewards in advance, if possible. More than that, many national research councils tend to have a structure based at least in part on long-established disciplines (such as physics, chemistry and mathematics) with discipline-based committees to determine the allocation of resources. Such a structure makes it harder for researchers who propose a multidisciplinary project to decide which committee they should aim their proposal at. In the same time, there are very few scientific journals/reviews focused on interdisciplinarity, so the dissemination of results can be also problematic.

But the most important challenge to IRP remains team integration.

One of the reasons why I think interdisciplinarity is always fighting an uphill struggle is because it is not only multi-vocal, it's not only less certain, but it has a softer feel about it. People who have a narrow disciplinary focus are able to say things they think with great confidence. What can interdisciplinary people say with great confidence?

(Amey M., Brown D., 2004)

All interdisciplinary teams depend on the willingness of individuals to subordinate their individual interest to a common objective. There are some certain ideal characteristics for personnel: flexibility, patience, a willingness to learn, tolerance of others and a willingness to venture into uncharted waters. **Just as there are not algorithms for interdisciplinary research, there are no prescriptions for building interdisciplinary teams** (Birnbaum M., Rossini F., Baldwin D., 1990). Experience suggests several lessons: familiarity with general systems theory has proven a benefit in some projects; research performance, in general, appears positively associated with research diversity in terms of professional activities, knowledge of several areas specialization, engagement in multiple projects and interdisciplinarity orientation. Nevertheless, increased intellectual diversity among team members relates to superior research to a point, then diminishes. Interdisciplinary skills include knowing what information to seek, participating effectively in collaborative work, acquiring a working knowledge of the language, concepts, information and analytical skills pertinent to the problem, collating the contributions of individual experts, knowing how to confirm or disconfirm the proposed solution.

From a disciplinary perspective, interdisciplinary results seem to lack scientific rigour. To surpass this barrier, Berry K și J. Kincheloe (2004) introduced the French term "bricolage" as the best descriptor for interdisciplinary research. In their opinion, much of what is promoted as "rigorous inquiry" is reductionistic and ultimately misleading. The authors present an alternative to such approaches to educational inquiry and construct a new conception of rigour, **“bricolage”**, that is culturally sensitive and socially transformative, and makes use of a variety of research tools and ways of seeing.

This paper considers all barriers to interdisciplinary research. It agrees with the idea that manager's first task in interdisciplinary research is to integrate the working team. So, the paper suggests the sociometric technique as a good instrument in facilitating team integration. It brings into study the case of interdisciplinary compatibilities within Constantin Brâncoveanu University. The results of such a study

lead to the assessment of each discipline's prestige and puts into light relational attractions and rejections between disciplines.

3. Research methodology and main results

This study aims to identify interdisciplinary compatibilities within Constantin Brâncoveanu University, a private educational institution based in Pitești, with branches in Rm. Vâlcea and Brăila. Scientific research at Constantin Brâncoveanu University is carried on through the Department of Scientific Research and through four Chairs: (1) Management – Marketing, (2) Accounting – Finances – Banks, (3) Technico-Economic Sciences, (4) Law and Communication Sciences. The study uses the **sociometric technique** to put into light the web of preferences, likes or dislikes within the big group of teaching staff. This technique allows a researcher to identify leaders and isolated individuals, to uncover asymmetry and reciprocity and to map chains of connections. Sociograms or “friendship charts” are graphic representations of social links within a group and result from the application of sociometric technique. They were first developed to analyze choices and preferences within a group of classmates/students, so the teacher can observe the social makeup of the class. I thought useful to use sociometric technique to analyze inter-disciplinary preferences in the university, in order to map the chains of connections between disciplines.

To conduct the study, I made an inventory of disciplines and of full-time teaching staff employed in the University. I came to the conclusion that, in order to include in the study more disciplines, I can make use of six teaching staff per each of the groups of disciplines identified previously: Management (MG), Marketing-Tourism (MK-T), International Relations (IR), Accounting (A), Finances (F), Merceology-Technology (M-T), Statistics-Mathematics (S-M), Law and Public Administration (L-PA), Journalism and Communication (J-C), Foreign Languages (FL). I asked the teaching staff to nominate, from a list, *three disciplines they think they may have compatibility (+) and three disciplines they think they have incompatibility (-) for an interdisciplinary research project*. I tabulated and placed the results in a **Sociomatrix**, then I calculated each discipline's total **Likes (T+)**, **Dislikes (T-)** and the **Sociometric status**. Last, I draw the **Sociogram** (*Appendix*).

It should be also noted that **51,6%** of the respondents have previously been part of an interdisciplinary team. Participants to the study were also asked to nominate the most important barriers to interdisciplinary research: **46,6%** considered *the time to integrate the team* as the biggest barrier to interdisciplinary research. For **43,3%** of the respondents, the difficulty to find *a common language* actions as an inhibitor to interdisciplinary research, while **26,6%** considered *the lack of interdisciplinary evaluators* as an important impediment. **25%** of the respondents think there is *a traditional rivalry between disciplines*. Other important barriers to interdisciplinary research can be: *universities are disciplinary-based* (**18,3%**), *the results of an interdisciplinary project can be hardly published and disseminated* (**16,6%**) and interdisciplinary research implies often *additional costs* (**8,3%**).

Results and conclusions

There are 5 groups of disciplines with positive scores (Likes) above the mean: Management (38+), Marketing-Tourism (30+), International Relations (21+), Finances (20+), Journalism-Communication (19+). The most Dislikes went to, decreasingly: Law-Public Administration (27-), Journalism-Communication (26-), Accounting (25-), Statistics-Mathematics (22-), Finances (22-), Merceology-Technology (19-). It is interesting to observe the case of two groups of disciplines: Journalism-Communication and Finances, which scored highly in both categories (Likes and Dislikes).

The **Status index (Isp)** indicates one discipline's prestige within the group, taking into account, in the same time, Likes and Dislikes. It is computed from the relation:

$$Isp = \frac{(T+) - (T-)}{N-1}$$

Isp = Status index

T(+) = Total Likes

T (-) = Total Dislikes

N = respondents

In this case, $N=60$ \longrightarrow $l=1$ = one group = 6 respondents \longrightarrow $N_l=54$

The status index permits the diffusion of scores around 5 categories:

1. **Star** - Management (Isp = 0.58)
2. **Popular** – Marketing-Tourism (Isp =0.39)
International Relations (Isp =0.26)
3. **Isolated** – Foreign Languages (Isp =-0.02)
Finances (Isp =-0.03)
4. **Ignored** – Journalism-Communication (Isp =-0.13)
Statistics-Informatics (Isp =-0.2)
5. **Rejected** -Law-Public Administration (Isp =-0.34),
Merceology-Technology (Isp =-0.32)
Accountability (-0.37)

On the **base** of the Staus Index, the **Sociogram** (See Appendix) is represented by 5 concentric circles, each of them representing a certain distance from the centre where the leader (star) is. The Sociogram helps graphically see not only each discipline's place in the space of group, but also the nature of relationships between disciplines. Looking at the Sociogram, one (the manager) can easily see how each discipline can be related to others.

■ *Management* is, undoubtedly, the leader of the group; it can base any research project because it has the best prestige among disciplines. Management, Marketing-Tourism and International Relations form a **clique** (the only one in the study), because all choose each other. As the Sociogram shows, this is the best solution for an interdisciplinary research team. To note that although Management has the most Likes within the group, *Marketing-Toursim* gained Likes from the big majority of respondents. So *Marketing-Tourism* can easily form interdisciplinary research teams with individuals from all the other chairs: *Journalism-Communication, Foreign Languages/ Statistics-Mathematics, Finances/ even Merceology-Technology*.

■ The sociogram shows also two **cliques in evolution**: Statistics-Mathematics, Finances, Accountability and Marketing-Tourism, Finances, International Relations. Even they come from different Chairs, they are attractive one to another.

■ The main **reciprocal rejections** are: Accountability with Journalism-Communication, Finances with Merceology-Technology, Law-Public Administration with Marketing-Tourism and Law-Public Administration with Statistics-Mathematics.

■ Law and Public Administration is, as the sociogram displays, the most difficult discipline to be integrated in an interdisciplinary research project, because there is no possibility to combine with 2 other disciplines in the same time.

■ Management and Accountability and Management and Statistics-Informatics are **incompatible pairs**: Management rejected the two, while the two chose Management.

There are also a lot of connections that can be seen in the sociogram. The sociometric technique used as previous can help managers of interdisciplinary research projects know better the members of their teams, their status within the group and the way they relate one to another. It can be a very useful technique for managers who have to set up an interdisciplinary team or for managers who try to enforce the team's cohesion.

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WORK IMPROVEMENT IN HIGHER EDUCATION FROM MANAGEMENT PERSPECTIVE ON TEACHING – LEARNING – EVALUATION PROCESS

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Abstract. *European statistics on higher education place Romania among last places of all the countries that entered Bologna Process. The present paper presents the results of a study concerning the identification of causes that lead to the fact that Romanian higher education is mistrusted evinced a lot of deficiencies in the organization and functioning of work process within the universities. Although the study was more complex, here we present just the results which concern on the teaching – learning – evaluation process along with some proposals for rising the efficiency of it, sustaining the necessity of managerial competence rather than pedagogic of those who conduct educational processes at different levels, including the implementation of managerial principles in the activity of teachers that is so useful in actual development of educational activities with a group or class of students.*

Key-words: *higher education, teaching-learning-evaluation process, educational management*

According to present social – economic development environment, the quality situation in higher education becomes more and more obvious while universities are involved in competition on education services market. This fact has been acknowledged at the European level by start of Bologna Process that certifies the accord of signed countries to meet common effort to reestablish higher education and research on new bases generated by knowledgeable society.

Romania has adhered to Bologna Process since its beginning in 1999. However, even though some achievements cannot be denied, European statistics on higher education place Romania among last places of all the countries that entered this process. Statistics and national opinions are added to these, concerning higher education graduates accession on labor market that sustain the fact that Romanian higher education is not so proficient in the context of requirements of knowledgeable society principles and of pragmatic requirements of European Union.

Our study concerning the identification of causes that lead to the fact that Romanian higher education is mistrusted evinced a lot of deficiencies in the organization and functioning of work process within the universities. The present work is concerning on the teaching – learning – evaluation activity and the manner of its development and organization influences in a significant manner the level of social, economic and teaching efficiency that the educational managers reach.

The research study on teaching – learning – evaluation process developed in Romanian universities demonstrates that the main requirements that affect teachers and students work are the following:

- Time allocation;
- Setting of objectives;
- Evaluation activity.

In this paper, they have been approached from managerial and not didactic perspective, starting from the assimilation of teaching – learning – evaluation process to any other work process and in respect of its particularities.

Time allocation

Time is a fundamental resource for any human action and consequently for the activities developed in higher education institutions. However, just as with other economic activities, the observation that unlimited period of time that a working person has (student in this case) is not a sufficient condition to fulfill work tasks (in this case learning according to set objectives), other conditions being required as well; yet, lack of sufficient time to fulfill a task may annul benefic effects of other conditions created with the purpose to support work task fulfillment.

Relevant studies in this field demonstrate that allocation of insufficient time for learning for expected results may generate for the student, especially for the one that has to learn, anxiety mood, stress, weakness feelings that may induce study abandon, plain memorizing instead of fully understanding of concepts to be apprehended, exam pass may become the only goal of learning. Consequently, students may try to overcome the problem of lack of time by turning to methods that may push them away from a complete study. Thus, they may not properly comprehend the knowledge they were taught in the university and also their ability to think logically may be affected. All these facts lead to less trained graduates and professionally unsatisfied teachers that see their students fail to obtain the desired results. On macro level, this situation may lead to formal integration of higher education system into European requirements, and it shall maintain the image of mistrusted system that is not capable of having cooperation relationships with top universities in Europe. More than the image issue, the most serious consequence of wrong allocation of time to study is the transformation of superficial study practice into permanent habits of study. As long as “permanent education” is a set objective of European educational systems, to avoid the danger of permanent superficial study is a duty for any educational manager.

The problem of correspondence between time allocated to study and the expected results is not scientifically approached in Romanian universities. Setting of necessary time to study have to be done in realistic manner, so that any average student (it has been established that within student institution, approximately 70 % are of medium level, 15% are very good and 15% are weak) may reach the set objectives of learning. Although time necessary to study is influenced by a series of factors such as the level of motivation and students skills, the degree of difficulty of study concepts, some international statistics provide certain average values of time amount that different methods of studying require. Thus, every method implies individual study that is essential to profound learning. These statistic data may be reference elements to Romanian higher education system.

Setting of objectives

Highly connected to the allocation of time for study is the issue of setting and expression of learning objectives. Just as in any other social – economic activity process, the setting of objectives for teaching – learning process is important for its efficiency. The objectives, together with rewards and incentives have a powerful effect over behavior and actions of both students and teachers. Out of data made public by universities the conclusion is drawn that most of the time, the way of setting the objectives is unclear, confuse and meaningless. Implementation of the system of setting the objectives according to presented requirements and of the system of necessary time determination is an activity that takes time and yet, it is a project within the socio – economic organizations and, therefore, the managerial methodology to apply to this purpose is the one specific for *project management* that implies the existence of project manager and project team. As regards the stages of project development, they may be the following:

1. Measuring the capability coefficient of the faculty

It is specific to any faculty and it should be determined with the purpose of resources identification (material and human) that the faculty has got to sustain the teaching – learning process. Also, this is useful to establish the average level of the student of that faculty. Calculation of the coefficient is also useful to make the objectives real. The following indicators shall be used:

Indicator	Calculation manner	Value	Score	Importance coefficient
Student selectivity in the	Nr. of candidate students /	> 4	4	25%

entrance exam (I₁)	Nr. of enlisted students	3 – 3,99	3	
		2 – 2,99	2	
		1,5 – 1,99	1	
		< 1,5	0	
Entrance exam average score/ high school graduation exam / previous years (I₂)	\sum score / Total no. of students	> 9	4	25%
		8 - 9	3	
		7 - 8	2	
		6 - 7	1	
		< 6	0	
No. of students/ teacher (I₃)	No. of students/ teacher	17 - 19	4	20%
		19,1 - 21	3	
		21,1 - 23	2	
		23, 1 - 25	1	
		> 25	0	
No. of students/ internet computer (I₄)	Total no. of students/ no. of computers	< 7	4	5%
		7,1 – 10	3	
		10,1 - 13	2	
		13,1 - 16	1	
		> 16	0	
Existence of didactic spaces according to specific field (I₅)	Qualitative appreciation concerning the surface, nature and ambiance of spaces	The following terms shall be used: very good, good, satisfactory, bad, very bad	4 – very good; 0 – very bad	5 %
Providing libraries with books and magazines necessary to didactic activities (I₆)	Qualitative appreciation as concerns the book, diversity, modernity	The following terms shall be used: very good, good, satisfactory, bad, very bad	4 – very good; 0 – very bad	20%

Calculus indicators for the capability coefficient of the faculty

$$\text{Capability coefficient (C}_C\text{)} = 0,25 I_1 + 0,25 I_2 + 0,20I_3 + 0,05I_4 + 0,05I_5 + 0,20I_6$$

$0 \leq C_C \leq 4$, and it may be divided into three levels of significance:

1. $0 \leq C_C \leq 2$
2. $2,1 \leq C_C \leq 3$
3. $3,1 \leq C_C \leq 4$

2. Setting the objectives

Starting from final objectives of specialization, every teacher is to establish the objectives of its own teaching subject. This stage requires a meeting of all those who teach in the faculty, and according to managerial methods such as brainstorming or Philips 66, shall agree on the objectives of the disciplines so that they form a coherent frame. At the same time, we consider necessary that for every study objective the teacher needs to express the competence levels according to the following logic:

- Performance level P_1 – represents what the student **has to know**, a minimum amount of knowledge that any graduate shall have;
- Performance level P_2 – represents what the student **should know**;
- Performance level P_3 – represents what is **remarkable** for the student **to know**;

Thus it is created a matrix of competences / study objectives that may be used as instrument of formalized expression of objectives.

	Theoretic knowledge	Knowledge in practice	Nature of the concepts student may express	Communication ability	Learning ability
P1					
P2					
P3					

Matrix competence / study objectives

These competence levels shall be established in an absolute manner by teachers taking into consideration the existing standards at the national and European level without adapting them for a category of students.

3. Resource distribution by teachers according to competence levels and study objectives

Every teacher shall set the teaching - learning methods that are needed for the objectives and competence levels as well as the time required for direct meeting between student and teacher and for individual study also. At this stage teacher' resources (time, attitude, didactic material etc.) shall be distributed differently according to capability coefficient. An example in this respect may be such as:

The case: $0 \leq C_C \leq 2$: 80% of resources shall be allocated to the P_1 level, 15% to the P_2 level, 5% to the P_3 level.

The case of: $2,1 \leq C_C \leq 3$: 60% of resources shall be allocated to the P_1 level, 25% to the P_2 level, 15% to the P_3 level.

The case of: $3,1 \leq C_C \leq 4$: 40% of resources shall be allocated to the P_1 level, 35% to the P_2 level, 25% to the P_3 level.

4. Adjusting theoretic determinations according to actual situation

This requires, on one side, confrontation with time allocated by the other colleagues so that, per total it shall not overcome the established time by law that a student may allocate t studying that is 1.500 hours/year; and on the other side, there has to be set a manner in which students accept and comprehend the time allocated by the teachers.

5. Conversion of necessary amount of time in ECTS

Since the problem of time allocated to study is approached at the European level by means of study credits distribution, all these determinations shall be transformed in European common terms. Thus, each study course shall be allocated a number of study credits.

Evaluation activity

Rigorous organization of evaluation activity, which is connected to that of study objectives setting, represents the basic condition of an efficient teaching – learning process with all the advantages that come out of this. Thus, the studying individual defines what is important to him within the entire teaching – learning process, by means of the elements that he shall be evaluated with. So, for a student the course

study objectives are not those previously set y the teacher (they shall only have the role to appeal to the student to a certain study subject) but he shall express his objectives by what he has to know in order to pass the exam. Comparing the above with the work in any other organization, student evaluation is equivalent to worker’s wages and just as the worker shall work for what he is paid to do and not for the set objectives, the same shall the student study those things he is evaluated for. In other words, teachers and students have an opposite perspective on relationships that form within teaching – learning – evaluation process. Thus, in a way similar to managerial practice, unless there is a close relationship among foreknowledge – achievement – finalization between the objectives and student evaluation, then we can reach efficiency in educational management.

The results of this study in Romanian universities evinced a trend to use rapid forms of evaluation (quiz test or written examination) against forms of evaluation that allow the student to express freely, creatively such as oral examination or practical work evaluation. Also, in the absence of various methods of evaluation, this activity is not a regular one, but focuses mainly during evaluation period, that determines the student use the “leap” study. Such organization of evaluation cannot reach the efficiency of the study process, making it difficult for students and teachers work.

Studying specialized writings, we have elaborated, in the shape of a matrix, the existing correspondence between the objectives that have to be followed in the teaching – learning processes and the possibility of their verification that one of the most used method of student evaluation provide.

	Theoretic knowledge	Knowledge use	Applic.	Analysis	Synth esis	Evalu ation	Communica tion
Oral exam							
Written exam							
Paper work							
Quiz test							
Case study							
Public present of a work							
Project work							

Matrix of the examination forms – evaluated objectives

This study goal is to bring into attention of those interested a reality that many of European countries have already understood, that is the necessity of managerial competence rather than pedagogic of those who conduct educational processes at different levels, including the implementation of managerial principles in the activity of teachers that is so useful in actual development of educational activities with a group or class of students.

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USE OF ICT IN SMES MANAGEMENT WITHIN THE SECTOR OF SERVICES

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The knowledge-based economy, along with the impact of the information and communication technologies (ICT) in management of the organizations, presents a growing interest in strategic management literature. Nowadays, information and communication technologies are recognized as key tools in management processes, having a remarkable potential to contribute to sustained competitive advantage for businesses. However, some difficulties in using information and communication technologies and aligning them with strategic development could appear in case of small and medium enterprises (SMEs). The aim of this study is to reveal and analyse the key factors of implementing information and communication technologies in small and medium business within the sector of services. We examined how information and communication technologies could influence the organizational practices of SMEs within the sector of services. Based on the results of the study we offer some reflections on knowledge-based economy practices in SMEs management within the sector of services.

Key Words: information and communication technologies, small and medium enterprises, management, services, knowledge-based economy.

Introduction

This study investigates how the use of ICT could contribute to the success of small and medium enterprises (SMEs) within the sector of services. Within the knowledge-based economy, SMEs are facing both opportunities and challenges due to the information and communication technologies development. We consider that ICT should be used in small business management within the sector of services because ICT are key tools in management processes and could improve managerial practices. The study is based on evidence provided by articles and research reports. The research question was answered by analysing published sources and interpreting evidence. Another way of approaching this question could be collecting and analysing empirical data from the SMEs within the sector of services and comparing the results with the findings of this study.

Background

The rapid development within society of the use of information and communication technologies has meant a revolution in the way businesses work, as indeed it has changed the way in which very many people in Europe work. Information technology generally means the convergence of computers, hardware, software, telecommunications, Internet, electronics and the resulting technologies and it can be measured through the inventory of applications that organisations have (Ruiz-Mercader et al., 2006). Information and communication technology includes networks, computers, other data processing and transmitting equipment, and software (e-Business W@tch, 2006). Nowadays people need to have skills and competences to be able to use information and communication technologies. The development of the knowledge society is raising demand for the key competences in the personal, public and professional spheres. The way in which people access information and services is changing, as are the structure and make-up of societies. As a result, the way of doing business has to change, and for the SMEs within the sector of services this could be a real challenge.

The growing internationalisation of economies affects the world of work, with rapid and frequent change, the introduction of new technologies and new approaches to organizing companies. E-business represents

new ways of conducting business, where electronic networks of companies to a large extent make e-business an inter-organizational activity. The performance of the inter-organizational alliance and ability of the partners to create value in such networks would therefore depend on their relationship competency. With better knowledge of how to influence their business networks, SMEs could increase their influence and their outcome of such relationships (Eikebrokk T. R. and Olsen D. H., 2007). The application of ICT in business processes leads to e-business, defined by the e-Business W@tch (2006) in the broad sense, relating both to external and to company internal processes, considering that it includes external communication and transaction functions, but also ICT-supported flows of information within the company.

Role of SMEs within the new economy

The economic importance of SMEs within the sector of services is highly recognized at the European Union level. According to Eurostat (2008), in total, there were almost 19 million enterprises in the EU-27's non-financial business economy in 2004. Of these, 99.8 % were SMEs, the majority of which were micro enterprises (employing fewer than 10 persons). However, in order to have a significant impact on Europe's economy, SMEs need to grow bigger, meaning that they should increase employment, expand their variety of services, and enlarge their markets and earnings. Innovation is the most important driver of SMEs growth, because it could lead to new products and services or more efficient ways of delivering existing ones, through the introduction of new technology, know-how, additional staff with new skills, and access to new markets (European Commission, (a), 2008).

SMEs are very diverse, despite that all of them, by definition, employ less than 250 employees. SMEs could be dynamic, flexible and innovative companies, or traditional, family-based enterprises, embedded in local business environments. A small firm is not a scaled-down version of larger firms. Larger and smaller firms differ from each other in terms of their organizational structures, responses to the environment, managerial styles and, more importantly, the ways in which they compete with other firms (Man W. Y. T. et al., 2002). In many cases, the skills and experiences of an entrepreneur are not necessarily sufficient to grow the business to a much larger size. Further stages in the company's development require, amongst other things, new technologies and the know-how to implement them, new staff, with additional skills, access to new markets, and financial investments (European Commission, (a), 2008). In this respect, SMEs could use ICT in order to grow and to become more innovative. eBusiness, for example, eliminates the barrier of distance, allowing them to trade throughout Europe's vast Single Market - and indeed the world - without having to expand a physical network of offices and shops (European Commission, (b), 2008). Their size, however, means that many SMEs do not invest in ICT. Some reasons for this situation could be that SMEs face resource constraints on one hand, and are sceptical about ICT and eBusiness, finding many IT solutions still too expensive or untrustworthy, on the other hand.

The use of ICT in SMEs should be more encouraged and this could involve improving technical and managerial skills, making appropriate eBusiness solutions for SMEs available, addressing the high cost of ownership of ICT equipment (European Commission, (b), 2008). Public policy makers are important for stimulating programs for SMEs and they should initiate relevant actions in order to motivate SMEs associations to run programs to increase e-business competency in member organizations (Eikebrokk T. R. and Olsen D. H., 2007).

Benefits of adopting ICT in SMEs within the sector of services

SMEs within the sector of services should use ICT because it provides many benefits at different levels (Love P. et al., 2004): operational level, tactical level and strategic level. As the figures 1, 2 and 3 reveal, the use of ICT in SMEs within the sector of services could improve communication, ability to exchange data, teamwork, customer relations, visibility of services, market share, and competitive advantage etc. This statement is based on the fact that ICT allows companies to obtain, to process, to accumulate and to exchange information. Furthermore, in a knowledge management context, ICT can support transformation within and between tacit and explicit knowledge. Successful knowledge management initiatives could transform the small business innovation capacity into a sustainable higher performance (Ruiz-Mercader J. et al., 2006). Another benefit of adopting e-business could be the higher efficiency obtained in business transactions due to a fast and accurate processing of information. Web-enabled services increase the

competitiveness of SMEs because they change the relationship with customers by creating a stronger link between firms and its clients (Lal. K., 2005).

Using ICT in SMEs within the sector of services could also facilitate cooperation within the company and between the company and other firms. SMEs could use tools and Internet technologies such as business modelling tools, service development tools, discussion groups, training tools etc. As Lal K. (2005) stated, e-business has the potential to redefine the existing business infrastructure organisations and to re-evaluate the way in which they do business. It has capabilities in re-engineering business processes across the boundaries that have traditionally separated suppliers from their customers. Previously separated activities such as order processing, payments, and after sales services may be merged into a single process. As a result, the costs of creating, moving, processing, and managing documents are reduced.

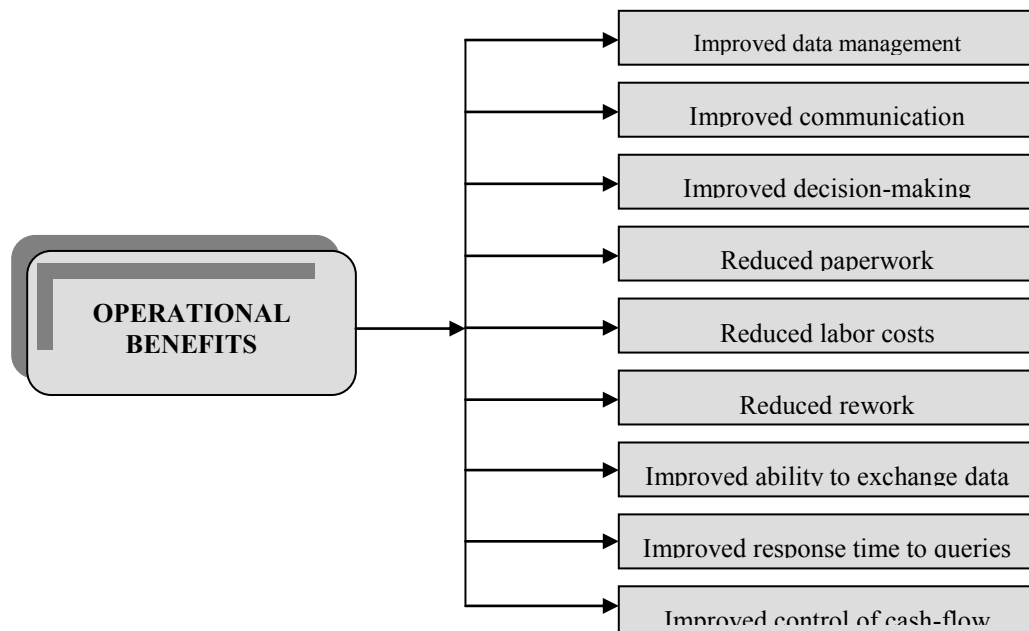


Figure 1 Operational benefits of ICT adoption by SMEs within the sector of services

Use of ICT in small and medium enterprises management within the sector of services could improve the competitive advantage and the performance of firms. The entrepreneur's demographic, psychological and behavioural characteristics, as well as his/her managerial skills and technical know-how are some of the factors that could influence the performance of a SME. The relationship is also affected by many characteristics of the services sector, environmental, firm-specific features and firm strategies. Competitiveness of a SME is revealed by the long-term performance of the company related to its competitors, which is the result of being competitive (Man W. Y. T. et al., 2002).

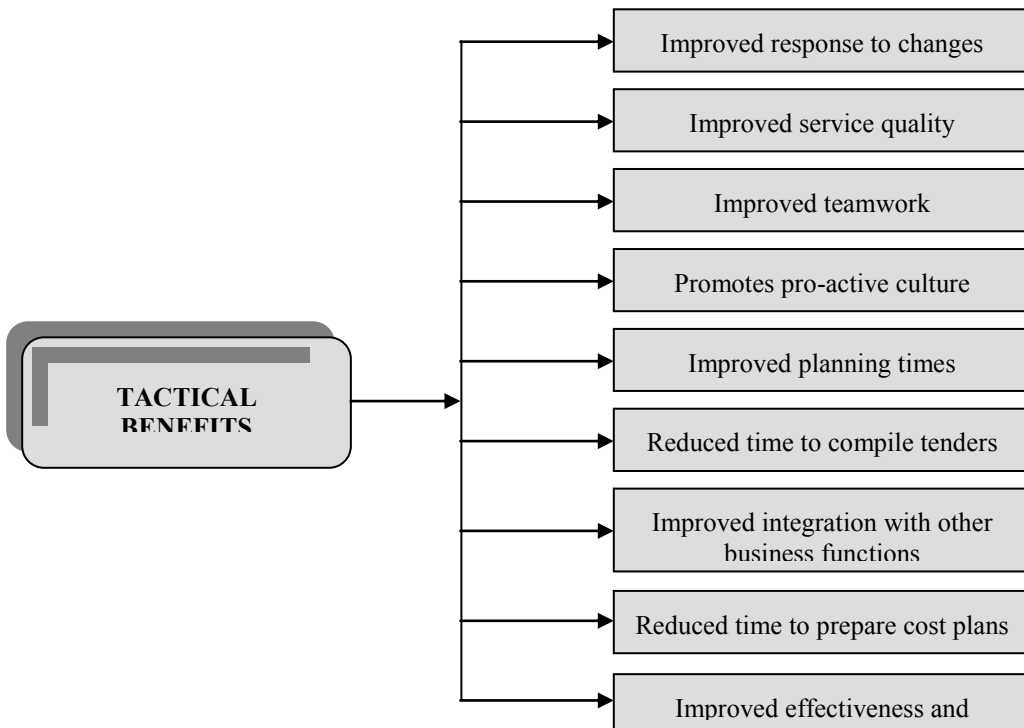


Figure 2 Tactical benefits of ICT adoption by SMEs within the sector of services

ICT technical skills are essential in ICT use and application, but they are not a source of competitive advantage, due to their availability and mobility. In order to obtain benefits from using ICT both ICT technical skills and managerial skills related to ICT are needed. Managerial skills involve management's ability to develop ICT applications to support and contribute to other business functions. Such skills could be real sources of sustainable competitive advantage because of their nature and development. Therefore, effective ICT capabilities could be reached through aligning or fitting ICT resources (particularly managerial skills) with each other and with other important organizational resources (Celuch K. et al., 2007).

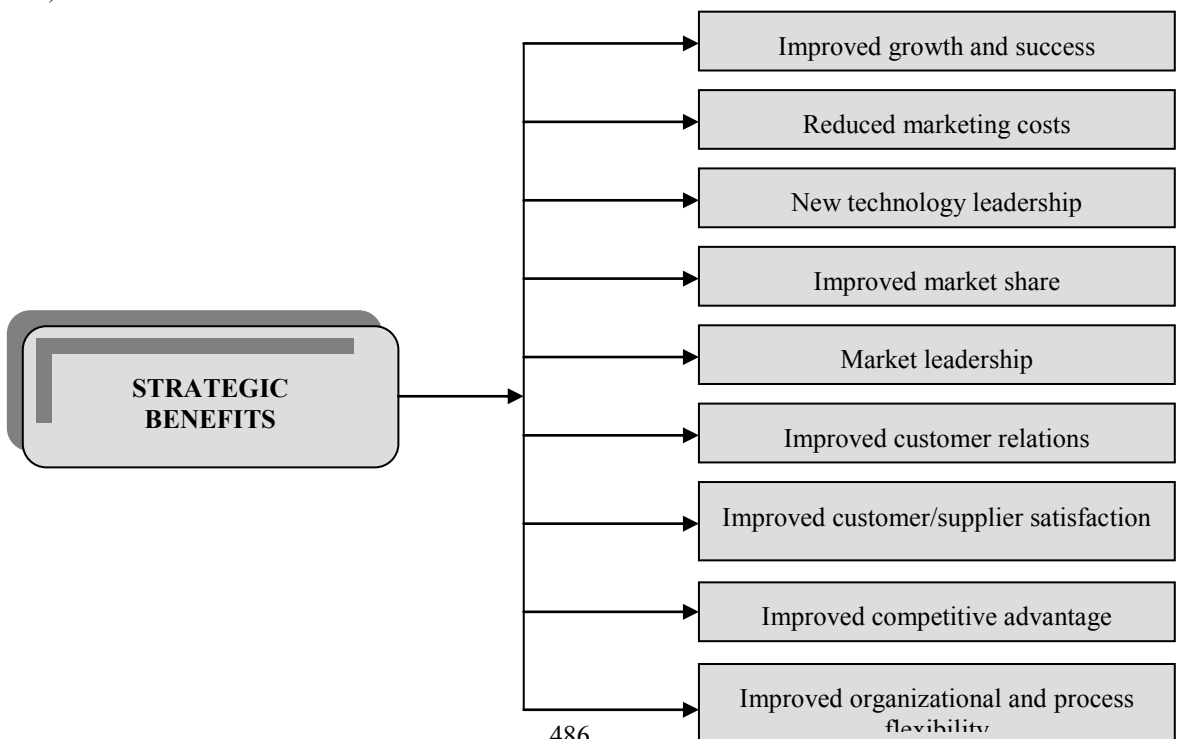


Figure 3 Strategic benefits of ICT adoption by SMEs within the sector of services

The competencies in ICT business process integration could be defined as their ability to integrate ICT and business knowledge to create and develop new business processes. Eikebrokk T. R. and Olsen D. H. (2007) have examined the competencies that affect e-business success in European SMEs and their empirical analysis identified three competencies associated with e-business success: e-business strategy, IT-business process integration, and systems and infrastructure. Competencies in strategic planning and IT management were not found to be significant predictors. E-business success in terms of efficiency, complementarities, lock-in and novelty were explained by competencies in e-business strategy, IT and business process integration, and systems and infrastructure. The results showed that the type and extent of competency in SMEs were important determinants for success.

The competitiveness of SMEs depends on the basic role of the owner/manager, intangible investment (intellectual capital), tangible investment in information and communication technology, and strategic capability, meaning the ability to be innovative and adaptive to change (Love P. E. D., Irani Z., 2004). Successful e-business initiatives and strategies depend on the mentalities of managers, their understanding of ICT, and the organisational implications of adopting ICT (Damaskopoulos P., Evgeniou T., 2003). The most fundamental challenge to SMEs may lie in changing the attitudes of an organization (Eikebrokk T. R., Olsen D. H., 2007). Managerial perceptions and commitment are critical factors for the successful implementation of ICT in SMEs within the sector of services (Damaskopoulos P., Evgeniou T., 2003). If the managers do not have positive perceptions and commitment to the pursuit of competitiveness and growth in the e-business environment than e-business strategies of SMEs could not be developed. However, awareness and commitment, though necessary, are not the only conditions that ensure ICT uptake and success of e-business initiatives. The successful implementation of e-business strategies depends on the capacity of SMEs to generate synergies between technology, organisational goals and strategies, and people's abilities and skills. Therefore, SMEs within the sector of services must understand how they can gain and add value through developing their ICT capability. Smaller firms often lack a coherent ICT investment strategy or the related skills, partly because most SMEs cannot afford to employ ICT practitioners, and for that reason ICT strategy and implementation critically depends on respective skills of the management (E-Business W@tch, 2006).

Success in e-business networks is heterogeneously distributed between partners, and success for the e-business relationship as a whole is different from success for each participant. As a result, related competencies could also differ (Eikebrokk T. R., Olsen D. H., 2007). The value of any communication technology is proportional to the square of the number of users of the system. Large companies have already recognised that they need to get their small business partners "on board" in order to reap the full benefits of e-business. Policy is also focusing on the integration of small firms in their "digital eco-systems" (E-Business W@tch, 2006). We could argue that SMEs within the sector of services could combine their services with those of other SMEs or large firms in order to achieve performance. As a result the market area could be expanded through the use of ICT and the customer satisfaction could be improved.

Costs of adopting ICT in SMEs within the sector of services

The use of ICT in small and medium businesses management within the sector of services implies different costs, and these costs are both direct and indirect (figure 5).

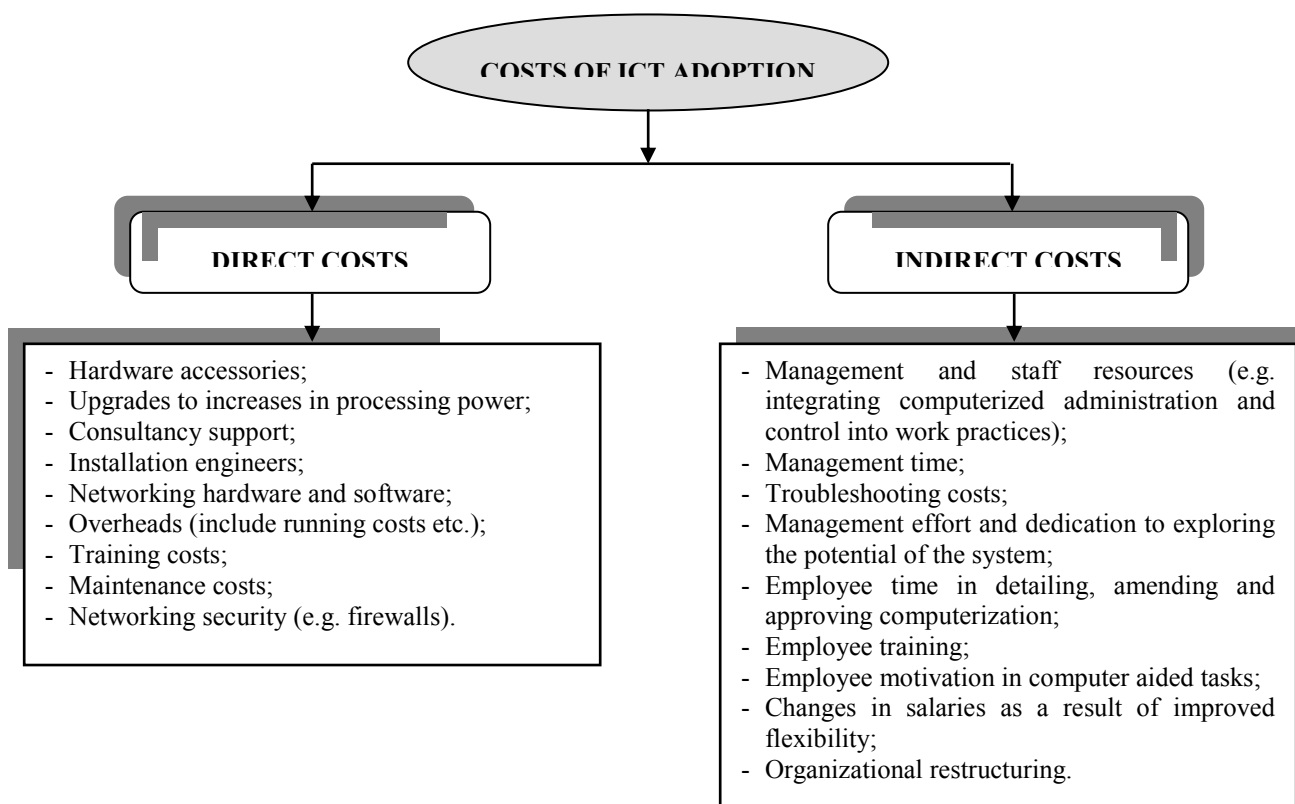


Figure 4 Costs of ICT adoption in SMEs within the sector of services

Direct costs of ICT adoption, such as the costs of hardware accessories, the costs of upgrades, training and consulting costs, maintenance costs, the costs of maintaining networking security are often underestimated. In fact, they might include unexpected additional hardware, installation and configuration costs.

The indirect costs are more significant than direct costs. Organisational costs can arise from the transformation from old to new work practices. At first, a temporary loss in productivity may be experienced. Additional organisational costs may be experienced once the basic functions of the system are in place. These are associated with management's attempts to capitalise on the wider potential of the system at the business and project level (Love P. E. D., Irani Z., 2004). The managers of the companies with extensive ICT infrastructures tend to reorganize their activity, but organisational restructuring is expensive, mainly when people are resistant to change. However, ICT companies are increasingly addressing the SME market by developing affordable, smaller-sized solutions, like ERP and CRM suits (E-Business W@tch, 2006). Moreover, current technological developments like Voice-over-IP telephony and mobile e-business solutions could help SMEs and could reduce the resistance to change, because they tend to become instruments within day-to-day life. This fact could lead to another indirect cost related to employees who have developed new skills requesting revised pay scales or leaving to go to competitors (Love P. E. D., Irani Z., 2004).

Management time could also be a significant indirect cost because time is spent leading, planning, and organising the integration of new systems into current work practices. The result of implementing newly adopted technologies may also force management to spend time revising, approving, and subsequently amending their ICT strategies. In addition, significant resources are used to investigate the potential of ICT and in experimenting with new information flows and modified reporting structures (Love P. E. D., Irani Z., 2004). However, electronic information tends to be today more accurate, timely and easily available (Lal. K., 2005) and therefore using ICT in small business management will reduce the operational costs.

Conclusions

The study reveals that ICT should be used more in SMEs within the sector of services. This conclusion is based on several premises: (1) within the knowledge-based economy, SMEs from the sector of services are facing both opportunities and challenges due to the information and communication technologies development; (2) ICT are today key tools in management processes; (3) ICT could improve managerial practices of SMEs within the sector of services; (4) SMEs could use ICT in order to grow and to become more innovative; (5) ICT provides many benefits for SMEs within the sector of services; (6) the costs of ICT adoption in SMEs within the sector of services have a good potential to decrease.

Our findings could give good reasons for intensifying the efforts of promoting the use of ICT in SMEs within the sector of services and attempting to change mentalities. SMEs within the sector of services should change their managerial practices by integrating ICT in their day-to-day activity. Otherwise, they will not be able to benefit from the opportunities that knowledge-based economy offers and moreover, they will face the risk to be eliminated from the services market.

Further research could focus on collecting and analysing empirical data from the SMEs within the sector of services, comparing the results with the findings of this study, and developing a model for the integration of ICT in SMEs management within the sector of services.

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A STUDY ON HONEY AUTHENTICATION. A COMMODITY SCIENCE PERSPECTIVE

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Honey is the sweet viscous substance elaborated by the honey bee from the nectar of floral plants. It is produced in almost every country of the world and is a very important energy food, used as an ingredient in hundreds of manufactured foods, mainly in cereal based products, for sweetness, flavor, color, caramelization and viscosity. An important role in establishing the authenticity, the origin and quality of honey is held by the microscopic analysis of pollen at the origin of each honey variety. There are several criteria that help identify pollen grains and therefore find the plant of origin: The exine structure and markings; The shape of pollen grains; The colour of pollen grains; The size of pollen grains; The density of pollen grains; The percentage of pollen grains specific to monofloral honey.

1.1. General aspects

Honey is a natural food product produced by honey bees (*Apis mellifera L*), which use "raw matter" provided by plants directly, and also, to a smaller extent, they use elements from other sources.

A basic raw matter collected from plants is flower or extra-flower nectar, to which some other elements can be added such as the excretions of insects (aphids and other plant-feeding insects), resulting in a product known as honeydew honey.

According to *Codex Alimentarius*, the nectar from flowers or from other sources is rich in sugars that bees process, enrich with the substance they produce and turn into specific products that they then store in wax combs as honey.

From the viewpoint of food safety and hygiene, honey is the natural food product extracted from honeycombs when they have been capped by honey bees at least $\frac{3}{4}$ of their surface, so as to prevent larvae, bee fragments, wax pieces or other impurities from entering (Balucea, 2002).

Honey must be sold by a name corresponding to the origin and type of honey, as follows:

- Honeycomb honey;
- Blended honey;
- Improved honey (pollen, propolis, royal jelly etc.);
- Crystallized honey.

1.2. The main types of honey and its food value

According to its source, honey can be classified in:

- monofloral honey- made from the nectar of a certain species of plant, such as acacia, lime trees, sunflower, rapeseed;
- polyfloral honey - derived from the nectar of several types of flowers or from a mixture of monofloral honey, for instance from fruit trees, acacia and lime trees, lime trees and sunflower;
- forest honey – from the sweet secretions found on other parts of plants, other than flowers, mixed with the nectar of forest flowers.

According to the processing technology, honey can be classified in:

- honeycomb honey;
- free-flow honey;
- honey obtained by extraction (Şindilar, 1998).

The high content in glucose and fructose, which are easily assimilated, confers the acacia honey excellent energy and nutritional values. As fructose is metabolized without needing insulin, honey is a product that is recommended for diabetics. Moreover, honey protects the digestive tract and favours the absorption of iron in the intestine.

Compared studies carried out at Sports College in Canada have recently confirmed the advantages of using acacia honey in athletes' diet, as compared to other energy food products. Thus, acacia honey has proven its superiority due to the high caloric power, perfect digestibility, pleasant taste and absolute tolerance.

In child food, honey has successfully replaced sugar substitutes. It has been proven that honey helps us assimilate calcium and magnesium, which are essential elements in bone structure formation. Some studies have signalled an anti-anaemic effect and an increase of haemoglobin in blood, an improvement of health in general, an increased appetite and increasing weight.

Due to its physical-chemical properties and due to its antibiotic principle, honey is highly antibacterial and cicatrising as it quickly eliminates suppuration and reduces cicatrization time (Marin, 1990).

1.3. Quality characteristics of acacia honey

Honey is a syrupy, transparent, light to dark yellow liquid, with pleasant taste and smell properties. Any similar product which has not been exclusively produced by honey bees or which comes from sources other than nectar or honeydew, despite the fact that honey bees metabolized the raw mater and deposited it in the wax comb cells cannot be called honey and is considered to be an adulterated food product (Diaconescu, 1995).

Honey must meet the organoleptic, physical-chemical and hygiene quality requirements in order to be ready for consumption (Banu, 2002).

The physical and chemical quality indicators, as well as microbiological and sensory indicators depend on many factors but especially on the geographical origin, the chemical composition, the extraction technology and the storing conditions.

Acacia honey has a series of specific sensory characteristics: no foam, no visible foreign particles, and colour from slightly colourless to light yellow, golden yellow, specific smell and taste, more or less distinguishable flavour, sweet taste, homogenous, viscous or crystallized consistency.

The main sensory characteristics that give the organoleptic quality of acacia honey are presented in table no. 2 (Bulancea 2002.)

Tab.1 Sensory characteristics of acacia honey

	Colour		Taste and smell	Consistency	
	1st Quality	2nd Quality		1st Quality	2nd Quality
Acacia honey	Almost colourless Light yellow Golden yellow	Dark yellow	pleasant, sweet, characteristic of acacia honey	Uniform: fluid or viscous, without signs of crystallization	

Tab.2. Physical, chemical and microscopic characteristics of acacia honey

	Acacia honey	
	Superior quality	1 st Quality
Water, % max.	20	20
Acidity, ml NaOH sol.1N/100g max.	4	4
Reducing sugar, expressed as invert sugar, %, min.	70	70
Easily hydrolysable sugar, expressed as sucrose, %, max	5	5
Diastasic index, min.	6.5	6.5
Ash, %, max.	0.5	0.5
Specific pollen grains, with reference to the total number of pollen grains examined, %, min.	30	25
Hydroxymethylfurfuraldehyde (HMF), mg / 100 g max.	1.5	1.5
Colour index, mm. , max.(Pfund scale)	max.12	max.18
Electrical conductivity, micro Siemens x10 ² , min	-	-
Water insoluble substances, max.	0.1	0.1
Falsifying agents (artificial invert sugar, industrial glucose or another starch hydrolysing substance, gelatine, gum, cereal flower or other starchy products, artificial colouring bodies, synthetic sweeteners etc.)	0	0

Tab.3. Microbiological indicators of acacia honey

Specification	NTM/g	No. yeast/g	Mould	Pathogen microflora
Normal honey	< 300	2-3	Absent	Absent
Honey preserved for a limited time	< 300	10 - 10 ³	Absent	Absent
Honey which is not good for consumption any more	> 300	10 ⁴	Present	Present

1.5. A case study on the authentication of honey by means of microscope examination

Acacia honey authentication assesses whether the physical-chemical and sensory parameters fall within the limits set by the current legislation. It also identifies if the product has been modified or adulterated, it helps reduce fraud and last but not least, it identifies authenticity.

After an organoleptic examination, physical and chemical analyses are carried out, which determine the content and structure of compound whose characteristics vary depending on the geographical area, such as amino-acids, flavour substances, mineral substances and so on. Some of the most recent technologies available for honey authentication are mass spectroscopy and nuclear magnetic resonance (NMR) that determine the content and value of stable isotope ratios (D, ¹³C, ¹⁸O and so on) and the value of isotopic ratios (D/H, C¹²/C¹³, O¹⁶/O¹⁸).

The microscopic examination of pollen also identifies the region where the honey was produced. However, notable results are only registered with plants which have a more restricted growing area (Bulancea, 2002).

The most numerous pollen grains in a sample are of importance but minor pollens are also important, as well as the combination and ratio of all grains (honey type).

Ten varieties of acacia honey samples sold by various companies were used for analysis.

Tab. 4 Acacia honey varieties used in the experiment

Cr. No.	Code	Commercial name	Stated quality	Producer
1	P ₁	Acacia honey	1st	Apis Prod SRL, 1/21 A. Mureşan street, Blaj
2	P ₂	Acacia honey Orsolino	-	Honeyland Orsolino, 1 G. Topîrceanu street, Câmpulung Muscel – Argeş
3	P ₃	Acacia honey	-	S.C. Apisalecom SRL, 38 Nufărului street, Comăneşti, Bacău county
4	P ₄	Acacia honey Hofimel	-	Hofigal, 2 Intrarea Serelor street, sector 4, Bucharest
5	P ₅	Magic Honey Acacia	-	Flomir Prod SRL, 21 Dunării street, Tulcea
6	P ₆	Acacia honey Albina Carpatică	-	S.C. Albina Carpatică, 3 Lacului street, Braşov
7	P ₇	Acacia honey Gold Honey	-	Gold Honey Prod, packed by Apis Prod SRL, 1/21 A. Mureşan street, Blaj
8	P ₈	Acacia honey	-	Vita Naturalis, 2 Tomis street, Constanţa
9	P ₉	Acacia honey	-	S.C. Pastoral SRL
10	P ₁₀	Acacia honey	-	S.C. Apicola Georgescu SRL

A microscopic analysis of the acacia honey

By identifying and counting the microscopic components of honey sediments, of pollen and starch grains respectively, we are able to formulate conclusions related to the plant habitat where the honey bees produced the honey, and implicitly we can identify the geographical and botanical source of the honey.

The most certain indices are pollen grains. The most numerous pollen grains in a sample are of importance but minor pollens are also important, as well as the combination and ratio of all grains (honey type).

Depending on the climate, geographical, botanical and agricultural conditions in a region, sometimes in a small area, several types of honey are collected each presenting types with a microscopic image which can be characteristic enough to allow identifying the geographic origin of the honey.

Qualitative pollen analysis

An important role in establishing the authenticity, the origin and quality of honey is held by the microscopic analysis of pollen at the origin of each honey variety.

There are several criteria that help identify pollen grains and therefore find the plant of origin:

1. The exine structure and markings;
2. The shape of pollen grains;
3. The colour of pollen grains;
4. The size of pollen grains;
5. The density of pollen grains;

6. The percentage of pollen grains specific to monofloral honey.

The pollen grains obtained after the extraction of acacia honey were analyzed under the microscope. In general, honey contains pollen grains with specific morphology for each melliferous plant species. The pollen samples were photographed and used as an indicator in establishing honey sample authenticity.

Three types of pollen grains were identified in the analyzed samples, according to figure no. 1.



In profile (a), the exine examination showed that it was thin, had a compact structure and was sculptured in the shape of rain drops.

In profile (b), the exine showed a compact granulated structure and many pores.

In profile (c), the exine examination showed that it was thin, had a compact structure and was sculptured in the shape of glove fingers.

As noticed in figure 1, **the shape of pollen grains** identified in the acacia honey samples analyzed is:

1. Round as in profile (a);
2. Triangle as in profile (b);
3. Oval as in profile (c).

The colour of pollen grains in the acacia honey samples analyzed range from grey white in the case of profile (a), to grey yellow in the case of profile (b), and orange yellow in the case of profile (c).

Quantitative pollen analysis

Pollen density varies from one honey variety to another. Acacia honey is among the lowest density honeys. Pollen density is expressed as an average number of pollen grains on a microscopic field (the average of at least 30 fields examined their oculars and with the objective 40X) from the preparation with the sediment obtained after centrifugalizing a solution containing 10g of honey. The values of pollen density for the investigated samples are shown in table no. 5

Table 5. Pollen density

Cr. No.	Sample	Pollen density (average number of pollen grains/microscopic field)
1	P ₁	43
2	P ₂	53
3	P ₃	32
4	P ₄	37
5	P ₅	38

6	P ₆	44
7	P ₇	47
8	P ₈	48
9	P ₉	-
10	P ₁₀	-

The percentage of pollen grains specific in monofloral honey is determined by the separate counting of grains belonging to the acacia species and of grains belonging to other species on the same microscopic fields. The percentage of pollen grains from the dominant species was determined with the equation:

$$\%Gp = \frac{n_1}{n_t} 100$$

n₁ – number of pollen grains from the dominant species;

n_t – number of total pollen grains.

The results of counting pollen grains are shown in table no. 6.

Table 6. Determining the percentage of pollen grains from the dominant species

No. Cr.	Honey code	No. of pollen grains with profile (a)	No. of pollen grains with profile (b)	No. of pollen grains with profile (c)	Total number of pollen grains	% pollen grains from the dominant species
1	P ₁	27	1	1	29	93.10
2	P ₂	20	1	1	22	90.90
3	P ₃	28	2	1	31	90.32
4	P ₄	40	2	2	44	90.90
5	P ₅	26	1	1	28	92.85
6	P ₆	29	2	1	32	90.62
7	P ₇	25	1	1	27	92.59
8	P ₈	30	1	2	33	90.90
9	P ₉	-	-	-	-	-
10	P ₁₀	-	-	-	-	-

Conclusions:

Following the pollen grain content study, we concluded that:

- the highest percentage of pollen grains in the dominant species, profile (a) respectively, is present in sample P₁, and the lowest is present in sample P₃;
- samples P₁-P₈, are monofloral honeys as the pollen in the dominant species represents more than 90% of the total number of identified pollen grains;
- samples P₉ and P₁₀ do not contain natural honey because the pollen is missing and consequently, they cannot be called monofloral bee honey.
- samples P₉ and P₁₀ are not authentic because the physical and chemical indicators do not fall within the provisions of STAS 784/3 – 1989 and do not contain pollen and starch grains.

- samples P₁-P₈ are authentic because the percentage of pollen grains from the dominant species represent more than 90% from the total number of pollen grains identified and the percentage of starch grains is less than 10% of the number of identified microscopic formations.

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THE USE OF MULTIFACTOR MATRIX FOR HUMAN RESOURCES MANAGEMENT ASSESSMENT

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Summary: The multifactor matrix is often used in order to analyze and improve the general management system. This method is also successfully used in order to carry out the human resources management analysis. The present paper shows the way in which the multifactor matrix method may be used with a view to carrying out the human resources management, having as starting point the model supported by Shingo Konomoto⁸⁴. The case study was conducted at the Valeo Electrical Connective Systems company; the company carries out international activities and it was created based on French capital; the analysis performed focuses on two factors: strategic vitality and organizational vitality.

Keywords: Strategic Vitality, Organizational Vitality, Multifactor Matrix

Strategic vitality depends on the company's results. It points out the features corresponding to the company's long-term policy in the human resources field. Companies with a high strategic vitality in the human resources are those that undertake an active policy with respect to their employees. This human resources policy is based on concrete permanent concerns and actions that aim at recruiting, employing, motivating and improving the employees, consequently rendering them fit to carry out their activity according to a coordinate manner, in conformity with management objectives and with the organizational and hierarchical system, thus contributing to the improvement of the company's performances. In their turn, employees make efforts in order to duly execute their tasks.

Organizational vitality seen from the point of view of human resources points out whether employees have initiative and whether communication is adequately performed within the company. As far as companies with high organizational vitality are concerned, the employees thereof show initiative, the communication and information flows go in both ways, from top to bottom (hierarchically) and from bottom to top, while the decision-making system is decentralized. All these facts enable the respective companies to react in a flexible manner to conditions displayed by the internal and external environment.

The “**strategic vitality**” index is connected to the above-mentioned factor, resulting on the basis of the following subindexes:

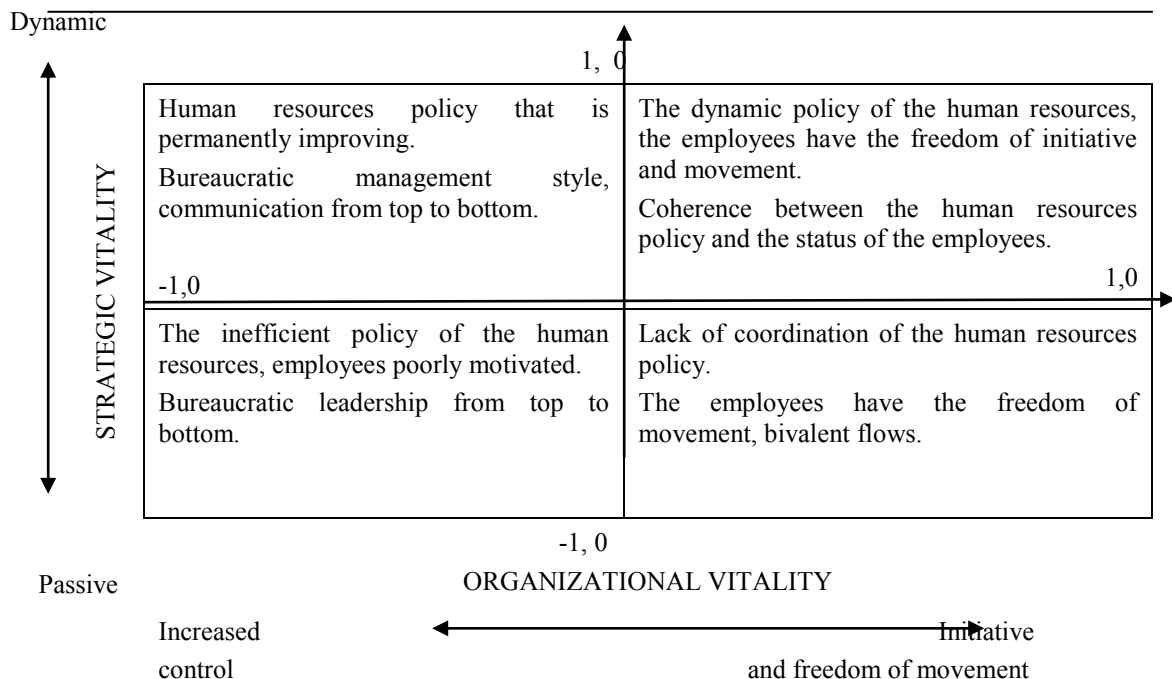
- Human resources recruitment and selection system;
- The degree of initiative of the employees;
- The range of the incentives / rewards used to motivate the employees;
- The employee training and improvement system;
- The skill levels range;
- The system of acknowledgement of professional performances and promotion possibilities;
- Establishment of relationships, respectively the need of affiliation;
- The general satisfaction of the employees;
- The staff fluctuation;
- The absenteeism rate.

The index “**organizational vitality**” is also connected to the above-mentioned factor, based on the following indexes:

⁸⁴ Shingo Konomoto, „Problems of Japanese Companies in East and Southeast Asia”, NRI Papers, No. 18 November 1, 2000, p.3

- The number of authority levels ;
- The degree of centralization of the decision-making process ;
- Leadership and relationships;
- Communication system used in the company;
- Promotion of the dialogue;
- Delegation of authority;
- Presentation of the company's objectives to all the employees;
- The level of formalization of the rules of discipline, of work tasks etc;
- Criteria of distribution of the organization's incomes;
- The degree of consideration, respect, shown by the management;

The two indexes are used to create a matrix with four fields, where there are emphasized four types of Human Resources management, as may be seen in Picture no.1.



The multifactor matrix of the human resources management types.

(Source: adaptation after Shingo Konomoto, "Problems of Japanese Companies in East and Southeast Asia", NRI Papers, No. 18 November 1, 2000, p.3)

In the right field of the picture, where both types of the company's vitality, as far as the human resources are concerned, have positive goals, the companies which have an optimal human resources management are placed. The companies which find themselves in this field have an increased dynamics of the human resources improvement, given by the insurance of number, structure and professional qualities on the best coordinates. The staff fluctuation, although relatively reduced, is compensated by corresponding employment, the structure of jobs is ensured by skilled persons, with a continuous improvement system. The employees have the freedom of movement, they are encouraged to take initiative, they are given decision-making powers according to the job description. The motivation system is well established, being based on precisely specified incentives in terms of type, number, value, granting cases, which confers it the feature of a transparent motivation system.

The companies from the upper left field have also a positive score for the strategic vitality, but the management style is bureaucratic, from top to bottom. However they find themselves in a good position to improve their performances.

The companies listed in the lower right field have a negative score of strategic vitality since human resources management has no coordination whatsoever. Human resources policy is not based on a constant interest in providing human resources, seen from a structural and qualitative point of view according to parameters necessary to a great performance. In the organization chart, vacancies or jobs held by underskilled staff may appear. Motivation and improvement are not part of a coherent and transparent system. The employee enthusiasm is low, time is wasted and efficiency is low. But these companies have a favorable score of organizational vitality, as a result of the fact that the employees benefit from quite a high freedom of movement, and the style of leadership - which is sometimes informal, and with little bureaucratic input, helps them state their point of view.

The companies listed in the lower left field suffer a double disadvantage. On the one hand, they undertake an inefficient policy of human resources, and on the other hand internal communication is faulty.

Assessment of current situation of Human Resources Management by means of multifactor matrix corresponding to Valeo Electrical Connective Systems S.R.L. company

A. Strategic vitality: situation analysis carried out by means of the following table:

Index	Specific weight (-1 → 1)	Level (1-10)	Score
1. Human resources recruitment and selection system	0.6	5	3
2. Degree of initiative corresponding to employees when certain changes of the company's activity are needed	0.8	7	5.6
3. Range of incentives / rewards used to motivate employees	0.2	9	1.8
4. Employee training and improving system (on the job training, job rotation, theoretical training etc)	0.6	10	6
5. Skill levels range (skill level required for the job)	0.2	2	0.4
6. System of acknowledgment of professional performances and of promotion possibilities (communication of feedback, performance assessment)	0.2	8	1.6
7. Establishment of relationships, the wish that the individual experiences to establish and develop friendship relationships with others	0.6	4	2.4
8. General satisfaction, the extent to which the employee is satisfied with the work carried out, both from the point of view of the organization and from the point of view of rewards he receives	0.2	6	1.2
9. Staff fluctuation	-0,2	3	-0.6
10. Absenteeism rate	-0.4	1	-0.4
General score (average value of index)	0.28	-	21

Strategic vitality of Valeo Electrical Connective Systems S.R.L. company in the field of human resources

Source: author's contribution

As may be seen in the previous table, the Valeo company has an average strategic vitality, amounting to a value of **0.28**, thus it is part of the dynamic strategic vitality area. **Specific weight** was identified following application of standard questionnaires to Valeo employees, and the assessment was carried out according to the multifactor matrix shown in picture that displays values ranging from -1 and 1.

The level establishes the importance of each index: 10 – great importance, 1 – little importance, and the score results following multiplication of the level of importance by the specific weight that results on the basis of analysis, leading to a final score of **21** out of 55.

B. Organizational vitality: situation analysis carried out by means of the following table:

Organizational vitality of Valeo Electrical Connetive Systems S.R.L. company in the field of Human Resources

Index	Specific weight (-1 \longrightarrow 1)	Level (1-10)	Score
1. Number of levels of authority (6 levels of authority, great distance from the power)	-0.4	4	-1.6
2. The degree of centralization of the decision-making process (highly centralized decision-making process)	-0.6	7	-4.2
3. Leadership and interpersonal relationships, satisfaction and dissatisfaction respectively regarding the social climate and work relationships	0.4	5	2
4. The communication system used within the company: hierarchical, at the same level of hierarchy, formal-informal, from top to bottom, from bottom to top)	0.4	9	3.6
5. Promotion of dialogue: formal and informal communication frequency between managers and operators (communication carried out on a daily basis, during 5-minute meetings, carried out on weekly, monthly and semestrial basis)	0.6	3	1.8
6. Delegation of authority: extension of delegation of authority in order to comprise the subordinate staff	0.4	6	2.4
7. Presentation of company's objectives to all employees: the capacity to set forth clear objectives for the subordinate staff in accordance with the company's objectives	0.4	10	4
8. Formal rule (Internal Rules and Regulations, Organization and Functioning Regulations, Work Instructions etc)	0.8	8	6.4
9. Criteria of distribution of organization's incomes	-0.4	1	-0.4
10. Degree of consideration, respect, shown by the management: the capacity to understand the problems and wishes of subordinate staff	0.2	2	0.4
General score (average value of index)	0.18		14.4

The organizational vitality analysis pointed out that Valeo company presents a positive value of **organizational vitality** amounting to **0.18**, thus it is part of the organizational vitality area characterized by

initiative and freedom of movement. **Specific weight and level of importance were identified** in the same way as in the case of strategic vitality.

Conclusions:

- as may be seen from the two tables, Valeo company corresponds to the upper right quadrant of the multifactorial matrix **(0.18,0.28)**.
- if with respect to certain indexes negative values resulted, the final scores, both for the strategic value and for the organizational value, yielded positive values. The final scores are used in order to carry out the human resources management assessment from a qualitative point of view.
- the management style of Valeo company tends to adopt a more bureaucratic feature, to the detriment of the freedom of movement, as may be seen from the assessment of the two indexes used to perform the organizational vitality analysis.

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MULTICULTURAL LEADERSHIP

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The paper presents the necessity for a more profound understanding of the leader's relationship on a cultural and national stage, while considering several factors: globalising economies, internationalising businesses, the existence of work teams that contain people of various cultures. The personality, efforts and style of a leader can result or be in conflict with the working environment. Therefore, a leader belonging to a certain culture should adopt various attitudes and behaviours so as to generate a range of influences, adequate for achieving the organizations objectives. Leaders must know the culture, history and expectations of the working environment in order to develop a style of leadership suitable for each unique and complex context.

Keywords: Organizational culture, national culture, heterogeneous workforce, multicultural leadership.

A leader's relationship is not only an essential part of the management process, but also, it is an integrant part of the social and cultural structure of an organization. A good manager must support the forming of an organizational culture that comes to the employee's aid.

For example, Brown believes that: "An efficient leadership, a working organization or a development programme must have the same sensitivity and understanding toward culture at their core. A very good leader is not only aware of the main characteristics of an organization, he simultaneously knows how to act so as to shape and improve them."

Another important variable that influences the choice in leadership type is national culture. McGregor believes that the social, economic and political environments influence the leadership relation in the same degree it does the attitudes and needs of subordinates. Moreover, Tannenbaum and Schmidt identify the fact that the leaders system of values is a factor that influences his choice in style. Also, they underline the fact that the need for independence or tolerance is relevant variable in the choice of style. This factors range depending on the cultural context in which the leadership relationship manifests.

The behaviour of leaders or subordinates must not be considered a stereotype. There have already formed several myths regarding the German discipline, the English obstruction, the Italian indiscipline etc. Even so, there are motifs that point to the fact that cultural differences are relevant in understanding certain forms of leadership. A characteristic that can be used to classify organizations is the distance imposed by power. It would appear that this influences the limit to which subordinates accept inequality and which, consequently, influences the degree of power that leaders can exercise.

For this reason, it is to be expected that an autocrat style of leadership is characteristic to organizations from different countries, such as France, Spain, China, Iran, where the distance imposed by power is large. In contrast, there are countries like England, Italy, Holland, U.S.A., where the distance imposed is small and where a participating style of leadership is preferred. It should also be specified that whichever the preferred style is, a managers that operate in a certain country are obliged to respect the legal measures specific to that country. Within the European Union, all members, except Great Britain, have agreed to respect the content of the Social Carta from 1989 and that of the Maastricht Treaty of 1991. These agreements regard employees' rights to information, consultation and participation. It is quite possible that, for this reason, British managers have higher prerogatives in coordinating people at the workplace. In most part of the post-war period, under a statutory policy of common consultancy, German managers had to work with both workers' representatives in the executive board and with work committees. Lawrence, for example, described how personnel managers from West Germany where required to work with staff representatives in problems of employment, training and remuneration.

From the late past century, the rapid development of science and technique in companies from the developed countries almost astonish imagination. As a result, these companies have become dynamic organizations, industrial, with a high educational level and standards hard to imagine in the past. This

phenomenon is the beginning of a noticeable effect over most of the workforce utilized. Today, the majority of employees enjoy a high life standard and aspire to being much better educated and sophisticated than they have ever been. Consequently, an employee's potential has grown with self control and direction. In Maslow's terms, according to these changes in receptivity, most of the population in the U.S. and other developed countries now have a basic psychology and their needs for safety and security are better satisfied. Management cannot depend any longer on satisfying these needs – through salaries, stimulatory plans, encouragement, medical services and others – the main motivational factors that influence the industrial workforce. Today, the American society and that of other developed countries consider that their expectations regarding psychology and security will be naturally fulfilled. Actually, most people do not concern themselves with the issue of an everyday meal or with that of welfare. Their attention is currently oriented to other needs: people want to belong to a group, they want their capabilities to be recognised, and they desire respect and the opportunity to utilize their talents to the maximum. As William H. Haney used to say: "Therefore, the managerial practice should be subordinate to the actual level of receptivity; the purpose is to help a person adjust so that he may surpass his current state and thus requiring less and less external control and awarding him increasing self-control. And why would someone wish for something of this sort? Because through fulfilling these requirements he earns satisfaction from his work, specific to the level of self-realisation achieved, a level at which he is highly motivated."

American theorists tend to support participating management. This is also a conclusion of Geert Hofstede. He considered, that the American theories that discuss management cannot be applied outside the U.S.

Let's, for example, consider the idea that a manager allows his employees to participate in executive matters. This would be compatible with the American view over power in institutions and organizations, where authority is distributed unequally. On the other hand, there are countries like Germany, Sweden, Norway, and Israel where power has a more equal distribution. Examples of this kind can be located in the German codetermination and the management style of some Scandinavian countries. Ironically, even though these ideas were first presented by W. Edward Norton and other American theorists, they were ignored for many years. Several American companies tried implementing this sort of practises, like the Swedish participatory management and other successful methods applied in Japan, "the quality circles". The reality was that most of these attempts were doomed to fail from the begging; the blame falls mainly on the fact that American managers did not accept the idea of sharing power with their subordinates.

Hofstede concludes that managers cannot choose the leading style they desire. Moreover, they must try to understand the culture of the area, they must understand their subordinates and realise how the relation employer-employee should be shaped. The concept of multicultural leadership has been formulated along with the tendency of globalising economies, internationalising businesses and the birth of teams with people of various cultures and beliefs. As a result, in the age of global communications, employees from all compartments and from every hierarchical level can come in contact with colleagues and clients from all around the world. International business plans are important for the long-term success of many companies and that is why it is vital that the management establishes and sustains cordial relations regardless the cultures involved. Early and Singh (1995) underline the need for a more profound understanding of the management's relationship on a cultural and national stage. The personality, efforts and style of a leader may conflict with the environment within it manifests. A manager belonging to a certain culture should adopt attitudes and behaviours that generate a suitable influence for achieving satisfying results.

Mead defines the organizational culture as a series of learning experiences, a collection of beliefs, traditions and habits, shared by a group of people and learned one a time by all those that enter the organization. Geert Hofstede defines culture as a collective programme by which the organization functions and which differentiates the members of a group from those of another. Both researchers support the idea that any culture is learned and not inherited. If we believe this statement to be true then we must also accept that new cultural characteristics can be thought and that there are strategies which adopted allow a leader to overcome the difference in this area of expertise. Specialists have established a series of elements that form a cultural programme and these are:

- language (verbal or non-verbal);
- economy;
- religion;
- politics;

- social institutions, social classes, family structure;
- spiritual and morale values;
- attitudes;
- manners;
- habits;
- material objects;
- aesthetics;
- education.

Therefore, by knowing the values and behaviours of other cultural groups and by having a profound understanding of one's own values and beliefs, a leader can develop a capacity of integration. By gaining self-awareness and awareness of others a leader can choose those behavioural adjustments that increase his capacity of obtaining success by leading people belonging to different cultures.

Many researchers support the notion of cultural compatibility in the leadership style. For example, employees that hold leading position in areas such as India, Eastern Africa or Indonesia, are expected to adopt an autocratic style, with a clear distinction between leader and subordinate. Unlike them, managers from Austria or Finland adopt a participatory leading style. Only by knowing the general defining elements of a geographical and cultural area, relevant to the flow of global economy, can we understand and resolve the adaptation and communication issues that occur in management-staff relationships.

Enterprising managers from the new democracies seek methods to modernise the overfulfilled technobureaucrat management styles. According to reports, most new owners and investors in Central and Eastern Europe await the benefits of capitalism: a sure and noticeable profit, without having to experiment the declines provoked by losses and risks. Another group of businesspeople have belonged to the old nomenclature and are, therefore, loyal to a way of thinking that seeks gaining power and winnings rapidly and, frequently, unfair. As a result, Central-European management has been characterised as being "collective" and with a bureaucratic approach. The defining elements are: motivation through group unity, avoidance of personal conflicts, repetitive behaviour, aversion towards risks and the setting of objectives by a manager, without the agreement of employees, shareholders and clients. On this note, it becomes necessary that ex-communist countries adopt a management based on western values: individualism, innovative behaviour, opportunity detection and focusing on the client. Such values reflect pragmatism along with flexibility and show a realistic concern toward increasing productivity, autonomy, assuming responsibilities, long term strategies etc. For Est-European mentalities the main accusation is bureaucracy. Its hold, however, is lessened by a certain type of pragmatism that forms from the customised laws, of rules in general and, under a certain conditions, on the management's dependency for politics. Also, implementing West-European concepts has proven quite difficult because of the conflict between dependency, obedience, blocking ones own personality, characteristics of collective societies and the unbalancing of authority, autonomy, courage to face insecurity, a strong individualism, specific to pragmatic societies.

In Romania the main deficiency of leading act is the exaggerated concern of manager to keep this status instead of preoccupation for increase the turnover and for create a proper work environment. This generate an organizational culture based on control, motivation based on basic needs for safety and security, the absence of delegation and of teamwork.

The standards and performances imposed by American organization have even greater importance since they are achieved in the country with the most heterogenic ethnic groups. The differences and disputes are eliminated to form a stable ground of respect towards efficiency, cooperation, communication and profit. The United States has been tagged for its lack of cultural originality, the non-existence of a national portrait; the only stable symbols it holds are money, power, pragmatism and free-speech. Generally, American management constantly introduces innovative ideas through which they reduce costs, increase quality and market presence. Intense efforts are being made with the intent of improving client service, information technology and human resource management.

In the past decades, countries like Singapore, Hong Kong, Taiwan, South Korea, has shown remarkable progress. From a cultural point of view, the above mention states, along with the true Asian miracle – Japan, belong to Confucianism. Societies based on this philosophical system cherish intense effort,

temperance, perseverance, hierarchical order in educational and interpersonal relations. Beside the Confucian teachings, managerial practice has been influenced by Taoism and the papers of military strategists.

Though apparently, the East-Asian management resembles the American or West-European one, they differ on some levels: interpersonal relations, competition approach, cooperation and business strategy. As Fujisawa, one of the founders of the Honda corporation, pointed out: “the Japanese manager and the American one resembles about 95%, but differs in all the important aspects.” Asian economies that are expanding have shown how businesses can combine the respect for traditional values (hierarchy and social status) with the pragmatic flexibility of decision taking.

After research conducted in many national cultures, Bass identified seven factors that influence directly the efficiency of a leadership style:

- desired conscience (the desire to be aware of other people feelings);
- real conscience (effective understanding of others and of one’s self);
- obedience (to rules and authority);
- the favouring of adopting team decisions;
- preoccupation for inter-human relationships;
- collaboration in terms of equality.

Di Stefano and Lane concluded that globally efficient managers are those who have the capacity to:

- develop and use abilities of global strategy;
- respond successfully to changes and transformations;
- rule over cultural diversity;
- project and function in flexible organizational structures;
- work with others and in a team;
- communicate;
- learn and transfer their knowledge within the organization.

They maintain that these capacities grow unequally through-out a person’s entire life. Most scientists, however, are sceptical whether an efficient leadership, that crosses national and cultural borders, is a general concept. Consequently, because of the often reduced transferability of leading practices, managers are advised to search for themselves or take consultations in developing a style of leadership that is appropriate for each work context. A universal culture, one which has the same grounds and which could lead to a unique way of integration, would remain a utopia if it were to be understood from uniform culture’s point of view. This represents the image of a world where differences are accepted and appreciated. Cultural resemblances can become the foundation for stability, collaboration and mutual respect for new elements, elements that will, eventually, award a leader more options of how to approach problems.

Due to global demographic changes (especially on the North-American and West-European continent) and, also, because of the internationalization of businesses, structural differences between employees will continue to increase. In addition, managers will be forced to supervise socialising with greater attention and to intervene in order to obtain maximum benefits from the growingly diversified workforce employed.

Microsoft is one of the firms that puts a large price on diversity and has created a culture that reflects the value of difference among people. Microsoft’s management believes that the company’s evolution was possible because of an active diversity programme. The company’s philosophy is to make both clients and employees feel welcomed. A diversified personnel requires the implementing of training programmes regarding diversity and upgrading policies that involve benefits and which investigate any case of discrimination or harassment.

Orientation committees for diversity at Microsoft include representatives of African, Hispanic, Jewish, Asian, European etc. employee groups and are permanently widening with new representatives from other groups. The committee helps the company formulate its policies, identify problems and create an adequate working atmosphere.

Ortho Pharmaceutical initiated a programme for diversity “management” which supervises the process of cultural transition taking place within the organisation. Therefore, a “comrade” type system (or the “buddy system”) has been created at the Ore-Ida company. The comrade represents an English speaker that will help a new employee (whose native tongue is not English) with communication issues.

Through organizational understanding of culture and nationality, the process of socialising and diversity has become an important requirement toward achieving the company’s objectives. Competition, market and people have become such complex notions that the effective usage of every employees talents and aptitudes have come to form a valuable characteristic for the leaders of organization in present time.

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L'INTERESSEMENT DU PERSONNEL EN TANT QUE MOBILE PSYCHOSOCIAL DE L'ACCROISSEMENT DE L'EFFICACITE ECONOMIQUE

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Resumé : L'organisation reçoit, formule et résout les intérêts collectifs et se préoccupe de ceux personnels. Elle représente le laboratoire où est produite l'analyse, jusqu'à l'élément individuel et personnel du travail, et la synthèse, jusqu'au complexe social, humanitaire et universel des deux catégories d'intérêts humains sociaux et individuels.

Efficacite economique, organisation, sisteme

Ce n'est pas par hasard qu'on accorde un espace de plus en plus vaste aux études concernant la corrélation entre les intérêts et l'efficacité dans la littérature de spécialité. Malheureusement, ces études n'approchent pas dans une mesure suffisante la liaison et la manipulation entre le système d'intérêts et l'efficacité économique. De cette façon, les économistes insistent sur l'aspect économique des intérêts et s'engagent sur ce chemin dans l'étude de la corrélation qui existe entre les intérêts et l'efficacité. A leur tour, les psychologues, les psychosociologues ou les sociologues accentuent seulement le contenu psychologique, psychosocial des interdépendances tellement complexes et permanentes existant entre le système d'intérêts et l'efficacité économique. C'est pour cela qu'on essayera par la suite à relever quelques composants psychosocioéconomiques dans la corrélation entre le système d'intérêts et l'efficacité économique dans l'organisation. Quelques uns de ces composants sont présentés dans la figure 1.

Instrumentalement, le système des corrélations entre les intérêts et l'efficacité économique consistent en des moyens économiques et financiers, mais son fondement est social-psychologique, car il est motivé par les intérêts des hommes, par leur désir de hausser leur niveau de vie matériellement et culturellement.

Par une connexion judicieuse des intérêts collectifs avec ceux personnels on peut arriver à l'entraînement, sur des fondements psychosociaux, de l'entier personnel pour l'action d'accroissement de l'efficacité économique ayant des effets amples et significatifs pour l'organisation, pour son développement economico-social, aussi bien que pour les employés qui, par une adaptation psychique aux demandes imposées par les exigences résultées de la corrélation intérêts-efficacité, éliminent de leur activité la passivité et la routine et s'engagent dans l'effort général d'accroissement de l'efficacité économique, ce qui représente de nouvelles possibilités de gain pour eux et pour leurs familles. Il en résulte donc, que l'intérêt économique génère l'acte de prise de conscience du personnel en connexion avec ses besoins et son action afin de les satisfaire. L'acquisition par les hommes de la conscience de leurs intérêts fait des intérêts économiques un motif, un but et une impulsion de l'action, de l'activité afin de réaliser les intérêts respectifs.

Dans l'économie de marché, la décentralisation et l'autonomisation déterminent, joint à l'utilisation adéquate de la stimulation, une nouvelle attitude face au travail pour tous les niveaux d'administration et d'exécution, concrétisée dans l'intérêt pour le travail développé, dans l'attitude participative, active dans les collectifs de travail, dans le désir effectif d'assomption de quelques responsabilités accrues, dans le sens de la responsabilité pour les résultats obtenus.

Dans ce contexte, a lieu l'entremêlement rationnel et équitable des intérêts sociaux avec les intérêts individuels, la compréhension de l'intérêt comme motivation essentielle des activités et des relations humaines qui apparaissent et se développent dans le processus d'accroissement de l'efficacité économique, la prise de conscience des besoins individuels et d'accroissement de l'efficacité économique. Dans toute organisation, les résultats dans ce domaine dépendent du degré de compréhension et d'utilisation des

intérêts économiques, de ceux collectifs et individuels. Les principaux composants de l'intérêt collectif consistent en:

- la préoccupation d'assurer la main-d'oeuvre adéquate du point de vue quantitatif et qualitatif ;
- l'exercice du contrôle afin de réaliser la concordance entre le volume et la qualité du travail fourni par chaque ouvrier et le contenu du salaire ;
- l'assurance de la concordance entre la mesure des possibilités de consommation et la mesure du travail effectué par chaque employé.

A son tour, l'intérêt personnel est composé de deux traits essentiels :

- l'intérêt pour la consommation personnelle;
- l'intérêt pour la production, c'est à dire pour occuper la position la plus favorable et efficace dans la division sociale du travail.

Entre les deux aspects il y a la possibilité de l'existence, en fait, de la concordance avec des effets positifs sur l'entier processus général d'accroissement de l'efficacité économique, mais aussi du désaccord - situations où l'employé traite son intérêt de production, de travail, à travers le prisme de son intérêt de consommation, arrivant parfois à sacrifier son intérêt personnel de production en faveur de celui personnel de consommation.

En même temps, des contradictions apparaissent aussi entre les organisations, particulièrement dans le processus de l'échange d'activité, c'est-à-dire la violation des dispositions contractuelles, la contradiction entre le temps individuel de travail et le temps individuel des autres unités dans le processus de la formation des prix.

Étant données les conséquences négatives des contradictions antérieurement exposées, on considère en tant que principale nécessité la préoccupation pour l'intégration des activités personnelles ou relatives au groupe dans l'ensemble des activités de l'organisation. N'oublions pas qu'un chef de section ou de service qui est préoccupé seulement par le bon déroulement de l'activité de la section ou du service qu'il tient en administration, sans tenir compte de l'influence de cette activité sur d'autres sections ou services, sur l'activité générale de l'organisation, est considéré adéquat seulement en apparence et arrivera tôt ou tard à être empêché dans sa propre efficacité par le manque d'efficacité économique et sociale des autres.

La connaissance du mécanisme du système d'intérêts, des propres contradictions présente une importance particulière dans le processus d'accroissement de l'efficacité économique. Justement pour cette raison, dans l'élaboration de la ligne générale et des modalités d'entraînement à l'action d'accroissement de l'efficacité économique on doit tenir compte du système d'intérêts, on doit prévenir les désintérêts et la routine, on doit éduquer l'intérêt pour l'efficacité de toute activité dans la production de base ou auxiliaire, dans l'assurance technico-matérielle du processus de production ou dans l'écoulement des produits pour l'intérieur ou pour l'export.

Pour obtenir des réalisations plus importantes, l'intéressement du personnel doit former l'objet des efforts systématiques de l'organisation. Une telle préoccupation est fondée sur l'expérience des organisations et sur les confirmations psychosociologiques économiques, qui mettent en évidence le fait qu'un réel intéressement peut avoir en tant que résultat l'obtention d'une augmentation de l'efficacité économique sans investissements ou avec les moindres investissements. Les principaux éléments de caractérisation de l'intéressement, comme mobile psychosocial d'augmentation de l'efficacité économique, sont inclus dans la fig. 2.

Dans les organisations, l'intéressement matériel représente un rapport de plus en plus approché entre les besoins matériaux-spirituels et la satisfaction effective. Dans la perspective des sciences sociales-humaines, le problème de l'intéressement coïncide avec le problème des mobiles des activités ou, en s'exprimant par un terme moderne, de la motivation.

Bien que complémentaire en rapport avec celle matérielle, la stimulation morale représente un levier principal à l'entremise duquel on contribue à son autorégulation afin d'accroître la production et pour le perfectionnement des relations sociales.

Du point de vue du problème qui nous préoccupe - la corrélation entre le système d'intéressement et l'efficacité économique, traitée sous l'aspect du côté psychosocial - les stimuli moraux relèvent la complexité des besoins humains et se constituent en des facteurs générateurs de satisfaction qui

déterminent une participation consciente et motivée, orientée et concrète au processus d'accroissement de l'efficacité économique.

Dans l'application des stimuli matériels et moraux on doit avoir en vue quelques règles essentielles:

- le degré de participation à l'action d'accroissement de l'efficacité économique est déterminé par la participation avec laquelle on met en évidence les résultats obtenus et on fait les nominations dans la catégorie de ceux méritants;
- dans l'administration des stimulants on doit assurer la prépondérance de ceux matériels et une connexion rationnelle avec ceux moraux, car, à présent, les stimuli matériels ont une plus grande capacité de mobilisation pour le travail orienté vers l'augmentation de l'efficacité économique que les stimuli moraux ;
- l'accroissement de l'attachement face à l'organisation et le développement de l'attitude active de participation au processus d'augmentation de l'efficacité économique peuvent être transformés dans des composants de la stimulation morale ;
- la stimulation matérielle et celle morale doivent être complétées par le comportement civilisé, dicté par des principes et digne.

Dans le processus d'accroissement de l'efficacité économique la sanction et la récompense ne sont pas toujours comprises et utilisées de manière adéquate. On sait que la récompense consolide le comportement positif, et la sanction prévient celui négatif. Cela veut dire que ces deux mesures permettent que la personne soit tenue entre les limites déterminées par la morale et par les lois. Dans ce cadre, la sanction doit agir non seulement comme force coercitive mais elle doit aussi remplir la fonction de prévention des erreurs et des insuccès dans les actions d'accroissement de l'efficacité économique. En même temps, elle sert de moyen d'augmentation de la responsabilité de chaque personne pour les attributions confiées dans le processus d'accroissement de l'efficacité économique. D'après la loi de l'action parallèle, la sanction ou la récompense de la personne influence celui sanctionné ou récompensé aussi bien que l'entier collectif de travail.

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PURCHASING MANAGEMENT OF NON-PRODUCT-RELATED (NPR) GOODS AND SERVICES

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This paper investigates the current practice with regard to the involvement of the purchasing department in NPR purchasing. First we review the literature about NPR purchasing, and especially the major benefits and challenges of involving purchasing department in NPR purchasing. In order to see how are things in practice we conducted an empirical study. The findings of the empirical research are presented at the end of the paper. The main conclusion is that top management – at least in theory – could improve its grip on NPR-purchasing by more clearly creating the conditions for a self-regulating ‘economic system’ within the firm which offers internal departments different possibilities for organizing their respective purchasing activities. These conditions must allow for letting the internal customer be in charge of purchasing themselves, but also offer the possibility of buying purchasing assistance on a ‘market’ and/or developing co-operative relationships with a purchasing specialist.

Key words: purchasing management, control, NPR goods and services.

Introduction

Until recently, academic interest in purchasing was very manufacturing oriented with an emphasis on production buying. The purchasing of non-product related goods and services (NPR) has only gained limited attention from management and researchers (Fearon and Bales, 1995; Telgen and de Boer, 1995; Plăiaș, 2006).

NPR goods and services are known by many names: indirect goods and services, goods not for resale, non-bill of materials. No matter how they are called, the NPR purchases include all goods and services other than raw materials, production items, and MRO supplies, such as: capital equipment (e.g. vehicles, lathes, etc); services (e.g. health care plans, insurance, advertising, legal assistance, and telecommunications).

The obvious characteristic of NPR goods and services is that they are not used in the primary production processes. They are purchased in order to support and facilitate all other activities within the organization. Non-product related purchases have a number of characteristics:

- they comprise a wide range of goods and services, which are often purchased from an even larger number of suppliers;
- they are often time consuming as many are non-standardized items which are usually purchased in small orders;
- they show high end user involvement in the tactical purchasing phase which leads the NPR purchasing process to be spread out all over the company;
- in total there is a lot of money involved in NPR purchasing; however NPR typically receives limited management attention.

A dominant factor to be considered with regard to the importance of NPR purchasing is the yearly amount of money involved. In many services and government organizations such as banks, accounting firms, and hospitals, the total purchase volume can be regarded as purchasing expenditures on non-product related goods and services. In industrial and retail organizations this will naturally not be the case because a considerable part of the total purchase volume consists of purchasing for primary process. However, in the purchasing of NPR goods and services huge amounts of money are involved.

Another typical factor regarding NPR purchasing is the low attention from top management. NPR purchasing is not seen by managers as a necessity, compared to the purchasing of items and services for the primary process. As a consequence, structural attention and management of purchasing of NPR goods and services is not considered as a tool for improving effectiveness and reducing expenditures. Because of the lack of clear and direct insight in the size and contents of the purchasing volume of non-production items and services, managers are missing out opportunities for adding value to their organizations. Is top management sufficiently aware of what is going on in the company? Who buys what? Where? With what frequency? Etc.

Obviously, top management cannot and should not want to know about every purchasing transaction. On the other hand, leave it completely to the departments seems a too costly strategy, given the time and money involved.

Therefore, the question arises: what is the optimal control approach for top management regarding NPR purchasing? What do they need to know and how do they get this information? One of the obvious control tools would be to involve one or more purchasing professionals (e.g. a professional purchasing department). However, there appears to be very little research on this topic.

The main objective of our paper is to investigate the current management control practice with regard to the involvement of purchasing department in NPR purchasing. In a later stage we hope to draw further on this and formulate and design rules for improved management and control.

Literature review

A number of previous studies (U.S. Bureau of the Census, 1991; Fearon and Bales, 1995) indicate that the role of the Purchasing Department is much smaller in the purchase of nontraditional (non-product related) goods and services than commonly believed. These ‘nontraditional’ (non-product related) areas, such as insurance, utilities, consultancy, travel and advertising, are likely to be purchased without the involvement of professional buying practice and skills. For example, the Center for Advanced Purchasing Studies (CAPS) in a study in 1993 (Fearon and Bales, 1993) found that in a surprisingly large percentage of firms, the Purchasing Department had no input to the purchase of nontraditional goods and services (e.g. in 39% of the firms, there was no involvement in the purchasing of services, in 55% of the firms there was no involvement in the purchasing of utilities).

In Michels’ view (1996), a purchasing department can be involved in three different ways: (1) purchasing can be directly involved in NPR purchasing; (2) purchasing can act as an internal consultant/advisor for NPR purchase buyers; (3) purchasing can act as a cross functional team member dealing with nontraditional expenditures.

Results of a recent Purchasing Magazine survey of 1000 corporate buyers nationwide show that purchasing departments take on many activities for service procurement that were once left to the using departments. From a total of 1000 respondents: 70 percent were involved in contract negotiations; 63 percent were involved in supplier selection; 58 percent were involved in contract management; and 5 percent were involved in setting specifications.

As the study shows, the purchasing department has become more involve in the tactical procurement of NPR goods and services. Apparently, these purchasing departments have started to realize that there are numerous opportunities in the NPR procurement and that they have the skills and expertise to ensure that the company receives the best value. In the following table we have tried to synthesize the major reported benefits of involving the purchasing department in the NPR purchasing process.

Major benefits of involving PD in the NPR purchasing	Major challenges of involving PD in the NPR purchasing
cost savings service and quality improvement improving product position in the marketplace	gaining the acceptance, confidence and cooperation of the using department capturing attention of top management developing a value proposition for key customers and management

reducing product or service cycle time	limited availability of NPR purchasing data and information
improved process efficiency	difficulty to assemble teams and other resources needed to control NPR spending
greater compliance to pre-negotiating contracts	rivalries among separate business units or managers
controlled costs	being comfortable with doing things in certain ways
legal protection	
a better informed and prepared supplier	

Table 1: Major benefits and challenges of involving PD in the NPR purchasing

Source: C. Nowikow (1999); W. Atkinson (2000); A. Porter (1999)

While benefits of involving purchasing department in the NPR purchasing process may be numerous there are also several major challenges of involving purchasing department in the NPR procurement (see table 1).

Summarizing, the literature suggests that:

- purchasing's involvement in NPR is still very limited and problematic;
- involvement could offer many advantages, including offering increased control to topmanagement;
- purchasing involvement is subject to horizontal resistance and vertical ignorance.

Some empirical examples

We conducted three focussed interviews with (former) purchasing managers of three different organisations: (1) a former purchasing manager in a worldwide producer of electronic and domestic appliances (2) a purchasing manager in a hospital and (3) a former purchasing manager in a producer of complex navigation systems. Due to space restrictions we only show the summarised results of these interviews, see table 2.

Discussion and conclusions

Relating the findings from the interviews to the theoretical model and literature review, we arrive at the following conclusions.

- If top management does not clearly communicate the different possibilities for professional (specialised) purchasing involvement, effective involvement from an internal purchasing department will remain problematic. The examples suggest that internal customers may refrain from involving the internal department, not so much because they believe the purchasing department has little value to offer but because they fear that involving the purchasing department will necessarily imply involvement from other internal customers. Another problem that becomes apparent from the interviews is that the lack of a clear structure for possible specialized purchasing involvement seriously harms topmanagement's credibility regarding future policies on NPR-purchasing.
- Reasons for not – or no longer – involving the internal purchasing department may include:
 1. political considerations on behalf of the internal customer which have not so much to do with the purchasing department perse;
 2. gradual development within the internal customer's organisation of those purchasing skills which the purchasing department provided thus far;
 3. the internal customer's conviction that the required purchasing skills are not sufficiently dissimilar from his present skills;
 4. the internal customer's conviction that outside help may indeed be beneficial but that the internal purchasing department does not have enough skills to be that 'outside' help and that a specialist consultant from outside the firm is required.

- Reasons for inviting – or allowing – the internal purchasing department to become involved in NPR categories which were previously outside their domain include (1) the internal customer’s conviction that the internal purchasing department can add value by bundling demand from several internal customers and (2) turning to the purchasing department as some kind of last resort after the internal customer’s own efforts have failed. The first reason points to NPR items and services which are not too closely locked into the various internal operations.
- The internal purchasing department may also have to more consciously rethink its approach towards the internal customers in terms of the value they could add. In many cases, for examples regarding the purchasing of energy and ingredients for catering, the purchasing activities are closely complementary to the internal operations and/or require very specific (dissimilar) knowledge regarding the content. This suggests that the internal purchasing department would add most value by developing a dedicated co-operation relationship to this particular internal customer and/or facilitate the process of bringing in outside specialists. As mentioned before, given the wide variety of NPR items and services, the interna
- demand for specialist involvement in each individual item or service will simply be too small and infrequent to justify such an internal specialist.
- 1

Electronics

Complex systems manufacturer

Hospital

	Building s	IT	Labor	Travel Managem ent	Lease cars	Office supplies	ICT support	Interior decoratio n	Techni cal service s
Formal policy	No formal policy	No formal policy	No formal policy	No formal policy	No formal policy	No formal policy	No formal policy	No formal policy	No formal policy
Loss of control - reasons - initiators	-the power play -changes in organizat ion structure Technica l and maintena nce dep.	- organizat ion changes - the polder model Corporat e PD		No loss of control	No loss of contro l	No loss of control	- internal customer was not satisfied with the support from system administr ator Internal customer		

Gain of control - reasons - initiators -who else was involved - Management support - Benefits - Challenges			Increase d leverage power Purchasing Manager Chief of Personnel Yes Cost savings Rivalries among separate BU	PD was feeling responsible for the large amounts of moneys involved Purchasing Department Finance Department Only after several attempts Cost savings, legal protection Capturing attention of top management Limited availability of inf. over current contracts		PD wanted to arrange general contracts Purchasing Department 'Buyers' from all over the company Yes Cost savings Limited availability of data about purchasing spend		Incapacity Conflicts with supplier Board of Management Legal Management Yes	
Attempts - successful -reasons why they didn't succeed	No attempts	No attempts	No attempts		No Top management convince PD that Fin. Dep. is doing a good job				

Table 2: Summarized results of the interviews

All in all, we conclude that top management – at least in theory – could improve its grip on NPR-purchasing by more clearly creating the conditions for a self-regulating ‘economic system’ within the firm which offers internal departments different possibilities for organizing their respective purchasing activities. These conditions must allow for letting internal customer being in charge of purchasing themselves, but also offer the possibility of buying purchasing assistance on a ‘market’ and/or developing co-operative relationships with a purchasing specialist. The lack of such conditions discourages internal customers to involve an internal purchasing department, even if the department could in fact add value. By the same token, the purchasing department is confined to being involved in a (often limited) number of cases where it is clear that bundling of demand will pay off for all parties involved. In addition to these obvious cases, the internal purchasing department could play a useful role as a liaison between the internal customers with their very specific requirements in terms of knowledge and skills and outside-specialists who can offer this specific assistance.

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LA SORTIE DE L'IGNORANCE DES PETITES ET MOYENNES ENTREPRISES

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Faced with the new challenges of the contemporary economy such as the discovery of new production methods, intense competition, rapid economic, social and political changes, companies need to improve their economic performance by increasing their competitiveness. The human resources represents one of the most important investments of a company. This investment, whose results becomes clear once the time passed, is the best way to ensure the enterprise competitiveness and success. To this end, the managers may use three main tools : projects and coherent strategies of action , enterprise organisation, and human resources motivation.

Organisation, motivation, strategy, small and medium enterprises, competitiveness

Une caractéristique propre à la nouvelle économie qui est envisagée à présent, l'économie qui repose sur le savoir, est le fait d'être soutenue par les entreprises de petites dimensions, lesquelles représentent un cadre propice au développement des performances des salariés sûrs de leurs connaissances ; ces entreprises s'adaptent beaucoup mieux à l'élasticité et à la diversité de la demande, assurant ainsi le microdynamisme de l'économie moderne.

Considerations generales sur les P.M.E.

Une cause importante du dynamisme des petites et moyennes entreprises (des P.M.E.) est représentée par le développement de nouvelles activités dans le secteur des services : l'interprétation des informations, l'élaboration des programmes informatiques, les prospections de marchés, les activités juridiques, les activités sportives et récréatives.

Les P.M.E. contribuent pleinement à la résolution de certains problèmes d'ordre social tels que la diminution du chômage et par l'absorption de la force de travail, trois quarts des ressources humaines disponibles étant englobées par ces entreprises.

Les caractéristiques principales de ces P.M.E. sont mises en évidence par Julien [1] :

- la dimension réduite, les contacts directs, les relations de travail informelles ;
- la structure organisationnelle est centralisée, la direction se trouve à la portée de l'entrepreneur, étant fortement influencée par la personnalité de celui-ci;
- la spécialisation est faible et s'adapte aux spécificités des employés ou des équipements disponibles. Les salariés doivent avoir la capacité de changer de poste de travail ou de fonction, les équipements permettre la flexibilité de la production et être à même de produire à des prix compétitifs une grande variété de produits ;
- la stratégie est intuitive et très peu formelle. L'entrepreneur est suffisamment proche de ses collaborateurs et salariés pour leur expliquer verbalement les changements qui s'imposent dans l'activité de la firme, sans qu'il y ait une stratégie écrite, formelle.

La création des ces P.M.E. est un processus hétérogène, éphémère, difficile à repérer dans le temps, processus qui correspond à diverses motivations. Marshall [2] fait une analogie bien inspirée entre une forêt et ce processus de création, de survie et de développement d'une P.M.E. : « la foule des entreprises pourrait être comparée avec une forêt où de petits arbres et des arbres de grandes dimensions, d'espèces diverses coexistent. Il y en a qui apparaissent, d'autres qui arrêtent de pousser, il y en a qui meurent, de telle manière que seuls certains d'entre eux touchent à une dimension appréciable. Certaines espèces végétales coexistent en symbiose, d'autre luttent pour obtenir un espace propre à s'y développer. Certains

arbres vivent une longue période arrivant à la maturité au bout de plusieurs décennies, d'autres ne résistent que quelques années.

Au cours du temps, la forêt se reboise, croît ou bien décroît selon sa dynamique intérieure ou selon les circonstances liées au milieu naturel (changement climatique, incendies, interventions des hommes). Pour que la forêt atteigne un équilibre écologique, fait toujours difficile, il est besoin d'une longue période, certaines espèces n'ayant la possibilité de s'y développer qu'à l'aide d'autres espèces qui ont déjà colonisé le sol, bien du temps en avance ».

Cette analogie met en évidence la forte dépendance de l'évolution des P.M.E. de l'environnement et de la nécessité objective d'adaptation des firmes aux contraintes et aux opportunités spécifiques au contexte où celles-ci déploient leur activité.

En ce qui concerne la direction des P.M.E., il y a trois facteurs négatifs qui l'affectent [3]:

- les patrons cherchent des avantages à court terme qui assurent leur pérennité, la survie de l'affaire et une autonomie confortable, tout en contredisant la théorie classique du management qui suppose obtenir le maximum de profit dans les conditions des évolutions ascendantes de l'entreprise ;
- il est rare que les entrepreneurs aient une formation complète en management. Généralement ils ont une compétence technique insuffisante pour diriger une affaire de manière efficace ;
- les entrepreneurs sont soumis aux pressions des problèmes immédiats ; ils ne consacrent donc pas le temps nécessaire aux réflexions à long terme concernant l'évolution de l'entreprise ;
- les stratégies spécifiques à ces entreprises sont peu formelles, les décisions ont à la base, pour la plupart, l'intuition, le flair, l'expérience des entrepreneurs.

A mesure que la fréquence des changements croît, les entreprises doivent faire croître leur souplesse et leur capacité de réagir, faisant appel à la gestion stratégique. L'application d'un management stratégique permet à la firme d'identifier et de développer un avantage compétitif, permet également aux salariés de s'impliquer dans l'activité de planification, de telle manière qu'ils comprendront mieux les objectifs établis et agiront en accord avec ces objectifs.

La planification, en tant que processus par lequel on élabore la stratégie des firmes, doit s'appuyer sur une rigueur scientifique même si son succès ne dépend pas entièrement des instruments offerts par la science. Elle dépend des bonnes idées, de la créativité, de l'enthousiasme, donc des qualités difficiles à quantifier. Une forte implication dans l'élaboration d'une stratégie intensifie le flux vital des idées et la motivation des individus pour le travail.

Le vingt et unième siècle impose de profondes transformations dans la pensée des entreprises, les artisans principaux des P.M.E. La flexibilité des entreprises, l'interactivité, l'entretien des relations plus humaines avec les partenaires, relations basées sur une collaboration continue entre les stakeholder de la firme en vue d'obtenir et de valoriser les connaissances pour un développement futur, représentent les priorités des entrepreneurs modernes.

Le développement des compétences des ressources humaines – une nécessité objective pour les P.M.E.

La ressource humaine est le capital principal d'une entreprise. Les ressources humaines représentent un des investissements les plus importants d'une firme, investissements dont les résultats deviennent de plus en plus évidents dans le temps. L'investissement dans la ressource humaine est le meilleur moyen d'assurer la compétitivité et l'avenir de celle-ci. Pour chaque entreprise, se battre pour le développement des compétences de chaque salariés semble être devenu une nécessité absolue ; l'entreprise doit être compétente pour devenir ou pour rester compétitive [4]

Les compétences de l'entreprise [5] représentent des combinaisons pertinentes des connaissances et des capacités édifiées le long du temps, combinaisons que l'entreprise détient par les salariés qui la constituent.

L'entrepreneur doit absolument assurer l'acquisition, la stimulation et le développement des compétences de chaque individu, en vue de l'optimisation de la performance des ressources humaines, la performance étant définie comme une fonction de la forme suivante [6]:

Performance = f(compétences x motivation)

Le développement des compétences est un processus qui met en évidence les 3 dimensions de la compétence : le savoir, le savoir-faire et le savoir-être.

Les entrepreneurs ont à leur disposition 3 instruments [7] qui leur permettent le développement des compétences au niveau de ces 3 dimensions : l'élaboration des projets, des stratégies cohérentes d'action, l'organisation de l'entreprise et la motivation des ressources humaines (voir figure 1) .

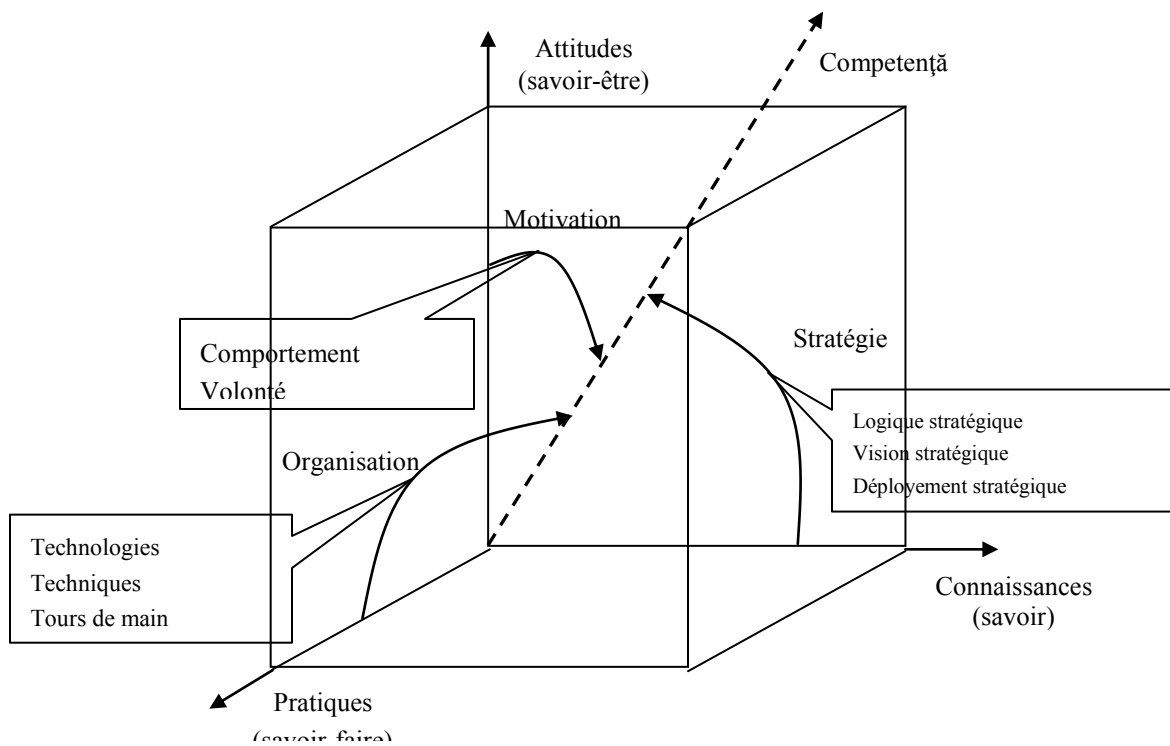


Figure 1 – Les trois leviers d'action du management (adaptation apres Durand [7]).

La planification, le processus par lequel on élabore la stratégie de la firme, établit les objectifs de l'organisation et indique la voie par laquelle on peut atteindre ces objectifs.

Steiner [8] présentait la planification comme un processus où les managers doivent décider « ce qu'il faut faire, quand il faut le faire, comment il faut le faire et qui devrait le faire ». La planification se relève en tant qu'instrument de navigation sur une carte qui indique la destination vers un objectif placé dans le futur.

C'est seulement par la détermination des objectifs concrets, en estimant correctement les ressources nécessaires et les résultats obtenus en chaque étape, que l'entreprise a la possibilité d'obtenir l'avantage compétitif, possédant ainsi un instrument important dans la lutte concurrentielle.

Daft considère que la stratégie a 4 composantes [9]:

- le but – se rapporte aux produits et aux services par lesquels l'organisation entre en corrélation avec le milieu.
- les ressources – se réfèrent au niveau des ressources et à la distribution de celles-ci en vue de la réalisation des objectifs stratégiques.
- les compétences distinctives témoignent de la position qu'une entreprise établit par rapport à ses concurrents (concurrents).
- la synergie définit les conditions qui se font voir lorsque les composantes d'une firme interagissent produisant un effet plus grand que celui qui était obtenu par l'action séparée des parties.

Les objectifs proposés dans la stratégie sont réalisés dans le cadre d'une structure bien définie, là, où la ressource humaine apprend ou développe des pratiques, des habiletés (savoir-faire), en utilisant des techniques et des technologies spécifiques. Tout cela fait l'objet de l'organisation. L'organisation est un centre de coordination collective, un espace où il y a une certaine division du travail, là où les activités sont accomplies et les rôles sont attribués.

Morgan décrit l'organisation par l'intermédiaire de certaines images et métaphores qui dévoilent une nouvelle facette de ce concept complexe, de l'organisation comme [10]:

- un mécanisme technique et administratif ayant des effets sur l'augmentation du rendement, du contrôle et de l'amélioration de la direction dans les entreprises industrielles.
- un organisme vivant : l'organisation est un système ouvert à l'environnement, système se trouvant en continuelle adaptation à cet environnement.
- un cerveau : elle met l'accent sur l'importance de la manière dans laquelle on traite l'information et la décision dans le cadre de la firme.
- une culture : elle souligne l'importance des normes, des règles et des valeurs, des mythes et des rituels dans un système.
- un système politique : l'organisation est un cadre de manifestation du pouvoir organisationnel, de l'influence, de la coalition.
- un espace psychique : c'est l'endroit où le psychisme humain s'exprime, d'une manière consciente ou non, c'est un lieu du plaisir et de la souffrance, un générateur (facteur) de stress et de motivation pour le travail.

Les gens essaient de réaliser certains objectifs ou buts, lesquels, une fois atteints, satisferont, à leur tour, les besoins de ceux-ci.

Tous les membres d'une organisation participent à la réalisation des objectifs de celle-ci, mais la participation se réalise à des intensités différentes d'un individu à un autre. Par le fait de motiver convenablement les ressources humaines, leur comportement facilitera une haute productivité, des performances accrues, une augmentation de l'attachement des individus envers la firme à laquelle ils déroulent leur activité.

Pour avoir du succès dans l'activité qu'ils déploient, les managers doivent connaître les facteurs qui se trouvent à la base du comportement des individus de l'organisation. Un manager, autant il comprend mieux le comportement des subordonnés, autant il sera capable d'influencer ce comportement dans la direction de l'accomplissement avec succès des objectifs proposés par la stratégie de la firme.

Etant donné que la productivité est le résultat du comportement de tous les membres de l'organisation, la motivation de ceux-ci est l'élément essentiel pour l'accomplissement des objectifs de l'organisation.

Dans les entreprises modernes, les managers doivent faire preuve de flexibilité pour l'amélioration de la motivation. Ils doivent accepter le fait que les individus ont des besoins différents, essayant de satisfaire leurs besoins personnels pour la réalisation des tâches de service.

Il est nécessaire que les managers développent diverses formes de motivation pour répondre aux besoins des salariés et pour leur assurer des possibilités de formation et évaluation professionnelle pour les salariés de l'organisation.

Le haut degré d'autonomie des salariés représente un instrument motivationnel très important. Les processus décisionnels participatifs et la délégation permettent aux salariés d'exploiter leur créativité, leur imagination, leurs connaissances et compétences pour des objectifs de haute efficacité.

Cette flexibilité, on pourrait la traduire par une augmentation significative de la productivité, par l'amélioration de la qualité des produits et des services et également, de la satisfaction des clients, éléments qui s'appuient sur une motivation adéquate de l'individu.

Tous ces instruments : la stratégies, l'organisation et la motivation qui permettent le développement de la compétence sur ses trois axes (savoir, savoir-faire et savoir-être) sont interdépendants, se conditionnent de manière réciproque, l'efficacité du système étant conditionnée par l'interaction entre eux et par le fait de se compléter mutuellement.

Conclusions

Toute économie nationale saine s'appuie sur un segment fort des P.M.E. qui viennent sur le marché avec une offre de produits et services à la rencontre de la demande de plus en plus diversifiée et exigeante à présent. Les P.M.E. représenteront pour le proche avenir le vecteur principal du progrès économique, les caractéristiques spécifiques de ces firmes les situant au premier plan du développement économique.

Les P.M.E. constituent une importante source d'emplois, contribuant à l'équilibre entre l'offre et la demande sur le marché du travail. Les P.M.E ont un rôle tout particulier dans l'implémentation des politiques économiques régionales et locales, en assurant un développement équilibré et harmonieux d'un pays [11].

Le nombre réduit de niveaux hiérarchiques contribue à favoriser le climat harmonieux dans les P.M.E, lequel offre un cadre favorable pour y appliquer le management scientifique et pour envisager des méthodes et procédés propres et bénéfiques à l'activité managériale.

L'état roumain, par les leviers à sa disposition, doit créer un cadre adéquat de la réglementation, fiscal et administratif qui puisse stimuler l'activité entrepreneuriale, l'amélioration du statut d'entrepreneur, l'accès plus facile des P.M.E. aux technologies modernes, à la recherche, au financement, pour que ces entreprises de petites dimensions aient la possibilité de se développer et de pénétrer sur de nouveaux marchés avec leurs produits et services compétitifs sur le plan interne et international.

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AN EFFICIENT PACKAGING WASTE MANAGEMENT SYSTEM- A PATHWAY TO EUROPEAN ECONOMIC INTEGRATION

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Our research focuses on the challenging subject of package management, including here the main possibilities of capitalising on, recovering and recycling package waste. A current trend ascertained by experts is connected to the increase of the volume of waste correlated with economic growth. The package industry experiences an increase in the competitive environment. There is a real need of all organizations for increased package management.. Undertakings must conduct a process of change to move to a future culture based on continuous improvement and, to really understand what their customers are worth. Through the functions fulfilled and the way it was made, the package satisfies the highest demands of the consumers, goods producers and transporters but equally becomes an active pollution source for large urban centres and the environment.

Keywords : package management ; environmental challenge ; efficient packaging waste management system ; cost competitive solutions ; consumer safety ; consumer behaviour ; continuous improvement.

Package management and the progress towards a sustainable development; European approach of considering the position of the package in the post-consuming stage

The package has become an active pollution source. There is a real increase of the volume of waste correlated with economic growth. Through the functions fulfilled and the way it was made, the package satisfies the highest demands of the consumers, goods producers and transporters but equally becomes for large urban centres and the environment an active pollution source. This permanently feeds the formation of true mountains of residue which attack the lives of the consumers both directly as well as through the decomposing substances.

Regardless to their origin, the continuously growing quantities of waste are hard to manage, especially in the great urban agglomerations having a negative impact over the environment. In this context, the European countries have resorted to the promotion of a rigorous ambient policy, which treats the environment as being a composing part of the companies' strategy. This strategy named by specialists as *proactive* combines the three aspects specific to the lasting development: economical, which proposes an efficient management of resources; social, by warning the people, the community about the direction which must be followed; ambient, because of the fact that the environment in which the company is operating is taken into consideration.

The package is a product whose role ends in the moment when the product of content has started to be used. The crossing from the stage of a product to a stage of waste is fast and imposes taking important decisions regarding the environment. For the adequate choosing of a package it is also necessary to analyse its position in the post- consuming stage, specifically the possibility that the waste products can be valued or eliminated without endangering human health and without using procedures or methods which could affect the environment, it would present risks for the pollution of the air, water, flora, or fauna, it would cause phonic pollution or an unpleasant smell.

European Union and the fundamental stages in the building of a package waste management system

At a regional level waste managing is based on strict principles, which have followed the assuring of a good functioning of the Single European Market. Thus, regarding the Direction proposed in 1992 by the European Commission and voted for in 1994, regarding packages and waste packages, it must be mentioned that specialists considered that certain specific criteria are imposed which must be met by the national economic instruments in order to avoid the limiting of commerce and the distortion of the competition, criteria regarding efficiency, the scientific base and the cost benefit ratio, ensuring at the same time the compatibility of the economic instruments with the “Single Market.”

The foundation of the Directive regarding packaging and package waste, approved in 1994, was article 100A of the Treaty from Rome. The main objective of this directive was thus the harmonisation of the national regulations to avoid the distortion of competition. The first priority is the prevention of the production of package waste, setting three main objectives in this sense: reduction at the source; elimination of toxic substances that can enter into the production of packaging and, especially, of heavy metals; the capitalisation on packaging throughout the recycling of materials, the incineration with energy recovery, obliteration and profitability. The present direction concerns all waste packages, whether they come from industry, commerce, offices, workshops, services or households, regardless of the material they are made of, whether they are packages to sell, to transport or for extra packaging. The member states of the European Union must include the objectives of the direction in the Plans for waste management which they must establish, according to article 7 of the 75/442/CEE direction, dating July 1975, whose 1992 change enabled the creation of the national “ECO-EMBALLAGES”.

The legislations of some communitarian countries have indirectly imposed economical instruments, soliciting the companies to recover and recycle the waste packages and regarding the establishment of private waste packages management systems. Thus, the legislation of Germany, as well as France’s, includes laws which impose the recovering and the recycling of waste packages and, in certain conditions, allow private waste management organisations to collect, sort the waste and to ship them for recycling. As a result of these laws, the two underlined systems, respectively “Duales System Deutschland” (D.S.D.) and “Eco-Emballages” (E.E.) have been founded for the managing of waste packages.

Individual companies are obliged to join these organisations. In change for paying the licence, the companies can sign on their own packages, the sign of these organisations (“The green dot”). The package marked with the green dot is handled by the D.S.D and, respectively, E.E. and here the licensed companies end their legal obligations. In these conditions, the fees received by the private companies for waste management should undergo the same criteria – applied to economical instruments by a member state.

However, the European Directive dating December 1994 concerning packages and waste packages stipulates that the sign, applied on the package or on its label, must allow the consumers to distinguish the reusable packages or the ones that can be refilled, from the recyclable packages. Thus, the nature or the used packaging materials must be indicated in order to facilitate their return, re-utilisation or capitalisation.

In the European Environmental Policy, waste management is included in a global approach, respecting security, health and the environment, being contained in an integral system of operation management. This policy is based on the application of the methods, which should allow the reducing of the quantity of produced waste. Among waste management methods, the reduction of the source is found, for this purpose, procedures or specific operation conditions are adopted. Most of the times information regarding waste engendering and their distribution cannot be compared because national settlements and waste classifying systems differ from one country to another. The European Union, through its settlements, has created a common context for the approach to this problem.

In order to limit the spreading of irrecoverable packages it has been proposed that these should be taxed, the resulting funds following to be used to buy and exploit collecting and treatment measures of waste produced by lost packages. Efforts have been focused on three objectives: assuring waste transportation till the final eliminating point (stimulating a minimum of “attacks” against the environment); avoiding or reducing waste production; development of waste recovery, re-using and recycling. In order to achieve these objectives it was necessary that evacuation standards and rigorous applicable prescriptions should be adopted by those who incinerate waste.

The stage of implementing European Directive 94/62/CE amended through Directive 2004/12/CE; legal framework of packaging waste management in our country

In Romania, the qualified authority which has attributes and responsibilities in waste management is the Environment Ministry. The latter compiled the *National Waste Management Strategy*, aiming at the implementation of an integrated system for the management of all types of waste, efficient from an ecological and economical viewpoint. The National Commission for Material Recycling aims, through its program *completing the legal framework characteristic for this field, the increase of the weight of reusable materials* used in the paper, plastics or rubber industries, etc.

The activity of managing packaging and packaging waste is based on the principles provided in Emergency Government Ordinance no. 78/2000 regarding the regime of waste, completed with Law no. 426/2001. In 2002, the Romanian Government issued *G.D. no. 349, on April 11, 2002, regarding the management of packaging and packaging waste which regulates management in view of preventing or reducing the impact on the environment.*

The principles specific to the activity of packaging waste management, included in G.D. no. 349/2002 regarding packages, are: the prevention of the production of packaging waste; reusing packaging; recycling of packaging waste; other forms of capitalisation of packaging waste which leads to the reduction in the quantities eliminated through final depositing. Economic agents, producers of packaging and/or packaged products, which use a marking and identifying system for the packaging in order to improve the activities of recovery and recycling of packaging waste, are obligated to apply the marking and identifying systems provided by the legislation which is applied right on the packaging or on the label, which must be readable and durable even if the packaging is opened.

The implementation of the provisions of the European Directive involves substantial investments for the building of processing installations for packaging waste as well as for the development of the market of secondary raw materials originating from recycled waste. The largest part of capitalised industrial waste (approximately 55%), is recycled within generating units (reuse, recovery) representing a minimisation action. Only 5% of the waste was capitalised through sale to companies which use them as secondary raw materials in the production process. Over 6% of the waste was capitalised through its sale to the population. Due to the fact that in Romania there is no separate collection of household waste, it can be stated that approximately 36% of the elements, representing recyclable materials (paper, cardboard, plastic, glass, metals), are not recovered, but eliminated through depositing. Thus, large quantities of secondary raw materials and energy sources are lost. The current legislation provides that until 2010, a recovery index of 50% will be achieved of the total quantity and a material reusability index of 25%, with a minimum recovery proportion of 15% for each type of material. In Romania, in this context, the Public Sanitation Service has an important role. Establishing the framework for the organisation, management, regulation and monitoring of the public sanitation service in towns is done with the observance of the provisions within the national strategy regarding solid waste, as well as those found in the directives of European Union. The specific issues taken into consideration are: the introduction of specific regulations, including measures of implementation and control and their observance; the diversification of economic instruments; the improvement of the statistics of waste; the compilation of the sector and regional plans for waste management; ensuring ecological transport conditions, as well as the monitoring of the transport of waste from the production point to final elimination.

Organisations with concerns in the area of packaging waste management in Romania

Romania must implement a credible, transparent and efficient packaging waste management system. The existence of such a packaging waste management system is a condition for integration to the European Union. The Eco-Rom Ambalaje SA organisation, a non-profit organisation, operates according to Romanian and European legislation and aims at managing all its resources in order to fulfil the objectives connected to implementing in Romania European Directive no. 94/62/EC regarding packaging and packaging waste. Eco-Rom Ambalaje SA promotes efficient solutions of packaging waste management. This packaging waste recovery organisation was founded at the end of 2003 and is similar to that of European Union member states: Eco – Emballages in France, FOST Plus in Belgium, ARA – Austria,

Duales System Deutschland in Germany. Eco-Rom Ambalaje SA, as the named organisation, is not profit oriented, but oriented to the promotion of an efficient and sustainable solution for the process of packaging management.

Eco-Rom Ambalaje SA officially represents in Romania the European “Green Dot” packaging management system, Romania thus joining the 26 states from Europe and America where this system operates. The license was granted to the organisation Eco-Rom Ambalaje SA, for Romania, by the European Organisation PRO Europe, which owns the rights to the “Green Dot” brand. Through the “Green Dot” system, economic agents who have the obligation to capitalise and recycle packaging waste can transfer, through a contract, the responsibility of capitalisation and recycling of packaging waste to the organisation Eco-Rom Ambalaje SA, which in turn signs partnerships with local authorities, with sanitation and transport companies and with companies specialised in recycling. Economic agents who adhere to the “Green Dot” system will be able to apply the “Green Dot” symbol on the packaging of their product. Thus, the buyer will know that the producing or importing company of the respective products is a socially responsible company because it has committed to having the packaging from its products, collected from the population in separate containers, recycled or capitalised.

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Venture Capital Strategies for Innovative SME's

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We analyze the venture capital strategies for optimizing the financing of SME's, considering that this aspect might contribute to the innovation process. We analyze the special role of VC finance in influencing innovation strategies. VC can push towards building absorptive capacity and towards more permanent in-house R&D efforts. Public funding relaxes financial constraints, but does not lead to a build-up of absorptive capacity. Our focus is on the special role of VCF's venture capital in shaping companies' innovation strategies and the company's ability to attract VC investors. There is also a strong contribution on the role of VC in the commercialization stage of innovations.

Keywords: venture capital (VC), VC funds (VCF), innovative SME, foreign direct investment (FDI)

1. Introduction in VC financing strategies

The problem of investment options according to the financing possibilities is critical in the case of SMEs which operate in emerging economies. The limited access to finance of SME's in developing countries influence the investment options and the overall strategies. The timing of investments is very important for small companies, with a chronic lack of access to finance and because of the moral hazard implications. The capital markets overlook small business opportunities because of high information and transaction costs (capital gap problem, Smith - 2002) and this problem is even more critical in emerging markets.

Venture capital (VC) is a specialized form of financial intermediation whose success in supporting innovative companies through the provision of finance and monitoring and advice services has generated much research. VC- sophisticated investors, whose partners have *extensive knowledge* of the industry and often previous *managerial experience*, strong commitment to *generate high returns* in the medium term makes them active investors (Bottazzi, Da Rin, and Hellmann- 2007).

Venture capital (VC) could provide a strong support to innovative companies. VC entrepreneurship and innovation are closely connected. Entrepreneurs, have innovative ideas that require substantial capital, but lacked the funds to finance (Gompers, Lerner 2002). VC evolved as a response to this critical need. VC represents a robust solution to finance the high risk, potentially high-reward projects (Gompers and Lerner 2002). VC can only exist when there is a constant flow of opportunities. Venture capital pushes towards *building absorptive capacity* and towards *more permanent in-house R&D efforts*. Beyond the financing role, there exist also a strong support provided by the venture funds to innovative firms which consist of *providing market linkages* and *sharpening the business plan*.

Emerging countries spend large amounts of public money on promoting VC (Da Rin, Nicodano, and Sembenelli (2006), Di Giacomo (2004)). Helping the creation of national VC- increase the amount of innovative R&D and contributes to economic growth through the creation of knowledge spillovers (Keuschnigg, Nielsen -2003).

2. R&D firms- a key driver of economic growth

There is a focus on understanding whether the increasingly high-powered incentives of central corporate research leaders are related to the innovation process

The concept of the *centralized laboratory* (campus-like facilities employed many thousands of researchers, many of whom were free to pursue fundamental science with little direct commercial applicability) was refreshed in the early of 1990s when corporations began fundamentally rethinking the role of these centralized research facilities. There was a different perception regarding the disappointing commercial returns and intensified competitive pressures. R&D firms undertook a variety of changes to these facilities: paring the size of central research facilities in favor of divisional laboratories and more tightly linking the compensation of central research personnel to the economic objectives of the corporation. There are *long-run implications of these changes*: the decline of centralized research facilities to "risk minimization" on the part

of corporations and an inappropriate emphasis on "the needs of today's customers" instead of longer-run objectives.

Kortum, Lerner (2000) demonstrates that *venture-backed firms* are approximately three times as efficient in generating innovations as *corporate research*. Holmstrom, Milgrom (1997) proposed "multi-tasking" concept. When an agent has multiple tasks to perform, only some of which can be measured with precision, it may make sense to offer compensation schemes with flat or very limited sensitivity to performance. Otherwise, the agent may neglect the activities that cannot be precisely measured. The effect of different types of performance pay -compensation in the form of option holdings was considered together with the riskier behavior induced by *increased volatility/ option value* (Smith, Stulz -1985, Hirshleifer, Suh - 1992).

Scientists and engineers in research facilities are likely to have a portfolio of projects that they can work on, with varying degree of observability. As the incentives offered by the corporation increase, researchers may be led to spurn riskier but important long-run projects in favor of straightforward efforts (Holmstrom, 1989). As a result, it may make sense to offer weaker incentives in these settings (Lazear, 1989).

Another branch of the literature examined the *relationship between innovation and the shifting compensation of the managers responsible for corporate R&D*. The sensitivity of compensation to performance is positively related to performance, but declines with the volatility of performance (Aggarwal, Samwick-1999). The negative risk-incentive relationship holds in firms with a centralized R&D organization and R&D-intensive firms, with higher effects on firm value. Stronger incentives are associated with more innovations; we cannot distinguish between whether *the effect of performance pay* is due to *better project selection or better people selection*.

In the accounting literature, R&D choices related to the incentives of top management: Dechow, Sloan (1991)- examined R&D expenditures of firms with chief executive officers (CEOs) in their final years of office spend less on R&D during the CEOs' final years. Eng, Shackell (2001) demonstrated no evidence that the adoption of long-term performance plans for senior management has implications for R&D spending.

Related to the organizational structure of R&D to innovation, Cockburn, Henderson, and Stern (1999) examined *the intensity of research workers' incentives for the distinct tasks of basic and applied research*. Argyres and Silverman (2004) demonstrated that in particular, firms with centralized R&D organizations generate innovations that are more cited, than do firms with decentralized R&D organizations.

3. The development of VC strategies in emerging economies

In *the initial phase*, there is a focus on the acceptance of VC. The VC funding firms should meet the following criteria: technology involved should be new, promoters/ entrepreneurs using the technology should be relatively new, professionally qualified, with inadequate resources to finance the project, the minimum size of VC, prohibited investment by VC funds in the equity shares of any institution providing financial services to promote early stage financing.

In *the growth phase of VC*, is essentially to attract high quality foreign investors. The focus is on institutional investors, but this category prefers portfolio investments. Foreign direct investing (FDI) in R&D has enormous spill-over effects. The main critical success factors for the growth of VC are: the regulatory, tax and legal environment –structural flexibility, fiscal neutrality and operational adaptability; resource raising, investment, management and exit should be simple and flexible and driven by global trends; VC- should become an institutionalized industry that protects investors, operate in an environment suitable for raising the large amounts of risk capital needed and for spurring innovation through start-up firms in a wide range of high growth areas; VC funds as well as venture finance enterprises are able to have global exposure and investment opportunities; R&D infrastructure in the form of incubators- promoted by governmental support and private management- for faster conversion of R&D and technological innovation into commercial products. Nearly all VCs are hesitant to invest in startups with inexperienced business personal or in firms with unclear scalable business model, especially in emerging economies.

The main recommendations in the stimulation of the VC industry are:

- to eliminate multiplicity of regulations relating to VC;
- VC funds tax pass paradigm (VCFs- treated as pass through vehicles);

- the pool of domestic VC needs to be augmented by increasing the list of sophisticated institutional investors permitted to invest in venture capital funds (funds available for VC is limited and is predominantly contributed by foreign funds);
- flexibility in investment and exit, as a condition of liquidity;
- economic situation and innovation have a strong correlation;
- the gap between better off states and poor states are increasing;
- innovation funds- clustered, distribution of R&D centers of global firms and innovative small firms are clustered;
- to stimulate FDI in R&D because of their enormous spill-over effects;
- locational decisions are mostly based on cluster advantages and specialization;
- the relationship between VC and clustering is intensifying and local linkages are becoming important.

The earlier policies of deliberate dispersal are likely to be ineffective. Local factors and specialization is becoming important for innovation.

Till recently, VCFs did not provide any of the following types of assistance to industrial enterprises namely: expansion capital, buy-out finance in the form of management buy out or leverage buy-out, acquisition finance and sick company rehabilitation finance.

A specialized investment fund for VC's (SIF-VC is in fact a fund of VCF's) could be an innovative but also efficient solution for supporting innovations and high opportunity projects by providing equity or loan. SIF-VC represents an revolving fund that invests in equity capital or gives soft loan. The success rate should be more than 80% as the selection is based on both commercial and technical feasibility.

There are different views of VC's role in shaping portfolio companies' innovation strategy: a) good timing of investment processes, including VC exit (Gompers -2007, Michelacci, Suarez- 2004); b) the 'company builders' role and the double moral hazard model of venture capital (Holmstrom, Tirole, 1997); c) the concept of absorptive capacity which exploit new knowledge (Cohen, Levinthal- 1989, Kamien, Zang-2002). R&D activities have two different effects: a) to directly generate new innovations; b) to provide the ability to identify, evaluate, and absorb internally different forms of know-how which has been generated outside the firm. B investing in the build-up of absorptive capacity through in-house R&D, companies may therefore increase their ability to generate future innovations by remaining actively tuned on what others are doing and ready to exploit the opportunities that scientific and technological advances create. From a management perspective, absorptive capacity is the ability to combine external sources of knowledge for the production of innovative products. The combination of internal and external sources of knowledge is an important factor in explaining many successful innovations (Cockburn, Henderson-1998, Freeman -1991, Mowery, Oxley, Silverman-1996). Internal know-how is important both for screening external know-how and for incorporating it into innovations. The ability to incorporate external know-how further increases the level of internal R&D. Neary (2007) proposed a new model of the innovation process with an evaluation of the effectiveness of alternative public policies. The absorptive capacity makes subsidies to R&D more efficient than those to research joint ventures.

4. Conclusions

There were presented new insights into the positive contribution of VC to building successful companies. Relevant for management, as venture investors will affect SME's strategy at an even earlier stage than at the product commercialization phase. Relevant for a more complete evaluation of public policy towards innovating firms, may be socially more efficient than providing purely monetary support for these SME's.

The VC industry has started with the creation of innovative firms. Venture capital (VC) strategies will reduce the capital gap for entrepreneurial firms. The main observations are the following:

1. VC-is becoming a major mechanism for stimulating innovation and entrepreneurial growth. There is a need to enhance availability of VC in developing countries/ emerging sectors and systematic initiatives for simulating entrepreneurship through use of venture funds. The distortions in the capital market due to over regulations and multiple controls are also a problem that is hindering the growth of VCs.

2. In emerging economies there is a strong expertise needed for managing new ventures and managing VCF's. Most of the off-shore VCF's have a strong experiential base and provide support and business contacts. VC's brings the balance between business and technology so that innovation becomes a commercial success.
3. Most of the new ventures have benefited from venture capital, especially those supported by the off-shore funds. Aspects of support provided by VCF that adds value are: monitoring the business plans, support for getting business contacts from other countries and bringing an external perspective in the business plan.
4. VC growth and industrial clustering have a strong positive correlation. FDI, starting of R&D centers, availability of VC and growth of entrepreneurial firms are getting concentrated in clusters. The cost of monitoring and the cost of skill acquisition are lower in clusters, especially for innovation. Entry costs are also lower in clusters. Creating entrepreneurship and stimulating innovation in clusters have to become a major concern of public policy makers. This is essential because only when the cultural context is conducive for risk management venture capital will take-off. Clusters support innovation and facilitate risk bearing. VCs prefer clusters because the information costs are lower. Policies for promoting dispersion of industries are becoming redundant after the economic liberalization.
5. An analysis of venture assisted firms clearly shows that the factors contributing to the success of innovative firms are essentially: strong experiential base, vision and urge to achieve something and a realistic business plan.
6. Bank operated venture capital funds are relatively risk averse and they have a weak experiential base. Local funds are focusing on software services and retail business but not innovative products. The real growth of venture capital in emerging markets is conditioned by the entry of off-shore venture funds.
7. The presence of academic research institutions is a prerequisite for the success of venture firms.
8. One of the untraded externalities that stimulate venture growth is idea that moves faster and evolves quickly in clusters.
9. In developing countries venture funds are not fully evolved and, it may be necessary to start public venture funds. Public venture funds can act as seeds of entrepreneurship. Special attention may be essential for this so that commercial and technical perspectives are integrated. In developing countries public policy should support and evolve institutional systems for stimulating public venture funds. The government supported quasi-venture fund- effective in stimulating innovations. Good corporate governance of venture funds is one of the critical success factors that have helped to select and support innovations.

Developing countries have to harmonize the capital market requirements and venture capital needs so that they can stimulate entrepreneurial firms that focus on high-tech innovations. Though most of venture funds state that high technology is their priority only firms started by experienced persons find support by VCFs. Capability for assessing venture projects continues to be a weak area in the case of developing countries.

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THE MANAGEMENT OF THE PROJECT CONCERNING THE INITIAL AND CONTINUOUS FORMATION OF HUMAN RESOURCES THROUGH THE ANALYSIS AND THE DEVELOPMENT OF VIRTUAL ORGANIZATIONS

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The project harmonizes with the general objective of Program 4 „Partnerships in priority fields” – and might contribute to the enhancement of the CD competitiveness, through the stimulation of partnerships in priority fields, and is applicable for the initial and the continuous formation of human resources, from the point of view of quality and the creative potential, and the formation of the Simulation Laboratory of a Virtual Organization, as means of implementing the project.

It also applies to the specific objectives in the field of „Socio-economic and humanistic” research, since it identifies and provides solutions for one of the main drawbacks of the Romanian society: „THE ABSENCE OF EFFICIENCY IN THE FORMATION OF HUMAN RESOURCES, FROM THE PERSPECTIVE OF EDUCATION AND THE CREATIVE POTENTIAL”, directly connected to education and the initial and continuous formation of resources. The project also connects with the aim of Program 4 - „Partnerships in priority fields” – since it creates the conditions for an efficient collaboration between partners and participants to the project of CDI development, having in view to find a solution to the problem: „THE ABSENCE OF EFFICIENCY IN THE FORMATION OF HUMAN RESOURCES, FROM THE PERSPECTIVE OF EDUCATION AND THE CREATIVE POTENTIAL”.

Key words: REFORM; PARTNERSHIPS; QUALITY; HUMAN RESOURCES; RESEARCH

Chapter 1: Starting the Project

Project: THE INITIAL AND THE CONTINUOUS FORMATION OF HUMAN RESOURCES THROUGH THE ANALYSIS AND THE DEVELOPMENT OF VIRTUAL ORGANIZATIONS can be attached to Program 4 – Partnerships in priority fields – part of the National Plan for Research, Development and Innovation II.

The Problem we have identified is: “THE INEFFICIENCY OF HUMAN RESOURCES FORMATION, FROM THE PERSPECTIVE OF EDUCATION AND THE CREATIVE POTENTIAL” being **caused** by the following:

1. The absence of laboratories for the research and the simulation of virtual organizations;
2. The absence of coherent programs, aimed at the initial and the continuous formation of human resources;
3. The professorial staff is insufficiently trained in order to be able to make an actual presentation of the economic activities of organizations;
4. The difficulty of the large scale dissemination of different studies and research materials, concerning the activity of organizations, by communicating or publishing them both in Romania and abroad;
5. The absence of participation, on the part of the professorial staff and the undergraduate, Master of Science or doctoral students to the conferences and meetings having a technical and scientific

- character, in the fields related to the initial and the continuous formation of human resources (round tables, workshops, national or international symposia, national/international fairs);
6. The impossibility to connect to the national and the international research networks, which concern the initial and the continuous formation of human resources;
 7. The absence of programs for the professorial staff, the undergraduate, Master of Science or doctoral students, concerning the periods of service, probation or practice, and **their effects**;
 8. The professorial staff, the undergraduate, Master of Science or doctoral students have no direct connection to the practical reality and do not manage to fully integrate the humans resources into the economic field of activity;
 9. Human resources are formed neither on the initial stages, nor continuously, from the perspective of a type of education based on research and the stimulation of the creative potential;
 10. The professorial staff, the undergraduate, Master of Science or doctoral students have little information about the new discoveries achieved by means of research, presented at the manifestations with a technical and scientific character, in fields that are related to the initial and the continuous formation of human resources (round tables, workshops, national/international symposia, national/international fairs);
 11. The human resources do not benefit from the method of the initial and the continuous formation, by means of the large scale dissemination of materials that present the outcomes of studies, research activities, developments and innovation conducted at both the national and the international level;
 12. The human resources, with regards to the initial formation, and even less to the continuous one, do not benefit from a practical initiation concerning the economic activities of different organizations.
 13. The initial and the continuous formation of human resources, in the absence of coherent programs, is inefficient;
 14. The initial and the continuous formation of human resources can be achieved provided that there exist some laboratories for the analysis and the simulation of virtual organizations.

The aim of the project is: THE INITIAL AND THE CONTINUOUS FORMATION OF HUMAN RESOURCES, THROUGH THE ANALYSIS AND THE DEVELOPMENT OF VIRTUAL ORGANIZATIONS (FICRUCDOV), having the following objectives:

1. The development of laboratories for the analysis and the simulation of virtual organizations;
2. The elaboration of coherent programs for the initial and the continuous formation of human resources;
3. The organization of courses and training sessions for the professorial staff, in order to enable them to practically present the economic activities of organizations;
4. Organizing the interception of the dissemination - and at the same time the large-scale dissemination of our own outcomes, through the publication of studies and pieces of research concerning the activity of organizations, in national papers and abroad;
5. Ensuring the participation of the professorial staff, the undergraduate, Master of Science or doctoral students to the manifestations with a technical and scientific character, in fields that are related to the initial and the continuous formation of human resources (round tables, workshops, national/international symposia, national/international fairs);
6. Providing connection with the national and the international research networks that concern the initial and the continuous formation of human resources;
7. Elaborating schedules for work/practice sessions for the professorial staff, the undergraduate, Master of Science or doctoral students which **aim** at the following;
8. The professorial staff, the undergraduate, Master of Science or doctoral students will have connections with the practical reality and will manage a full integration of human resources in the economic field of activity;

9. The resources will be formed both on initial stages and continuously, from the perspective of a system of education based on research and the stimulation of the creative potential, through the connection with the national and the international research networks;
10. The professorial staff, the undergraduate, Master of Science or doctoral students will be aware of the new developments, achieved as a result of research activities, that are presented at conferences with a technical and scientific character, in fields that are related to the initial and the continuous formation of human resources (round tables, workshops, national/international symposia, national/international fairs), and the participation to such manifestations;
11. The human resources will benefit from the method of the initial and the continuous formation, by internalizing materials and ideas that are being disseminated, and will learn, at the same time, how to disseminate the different outcomes of their studies, research, development or innovation, making use of communication through the national and the international papers;
12. Human resources in the process of initial and continuous formation will have the possibility to benefit from a concrete, practical formation with regards to the economic activities of the organizations;
13. The enhancement of the efficiency in terms of initial and continuous formation of human resources, starting from a range of coherent programs;
14. The initial and the continuous formation of human resources will be achieved in laboratories aimed at the analysis and the simulation of virtual organizations.

The project can be included in the priority domain of research 9 - The socio/economic and humanistic research 9.2 – The quality of education; The research theme – The initial and the continuous formation of human resources, from the perspective of quality education and the stimulation of the creative potential.

The project was designed in conformity with the Package of information for Program 4 – „Partnerships in priority fields”, The 2008 Competition of the National Center for Management Programs.

tru Programul 4 – „Parteneriate în domenii prioritare, Competiția 2008 al Centrului Național de Management program.

Chapter 2: Describing the project from a scientific and technical point of view, including the degree of novelty involved and the possibility to put into practice the result of research activities

The stage of the S/T achievements in the field, at the European level, concerning the initial and the continuous formation of human resources, resonates with the desiderate of creating a common European space, as concerns the higher education. The achievements are directed towards the re-configuration of an „academy-without-frontiers” tradition, while focusing on the type of education process that is adequate for the knowledge society. Projects concerning the work force with high qualifications in the academic field; the unbounded mobility of the workforce; the existence of a common European framework for qualifications, in which each national framework of qualification can register, with the aim of preparing people for professions that are recognized and accepted everywhere on the job market. The most appreciated project, concerning the structural reform of higher education systems in European countries is that which includes three successive and cumulative cycles: the first stage, or Bachelor, with a length of study of three or four years; the second stage, lasting for one or two years, expressed in credits that are accepted in the entire space of European higher education, albeit a few exceptions; the third stage, regarding the doctoral studies, lasts for three years and is completed with the doctoral thesis. For the time being, the national institutions and systems of higher education do not use different criteria and procedures for the admission in each stage of education.

The stages of S/T achievements in the field, at the national level, concerning the initial and the continuous formation of human resources, as presented in the European Project Report, Trends IV, (ENQA, 2005), are confronted with a series of problems, most of them concerning the efficiency of the first stage, and the difficulties professors and students are confronted with, due to the re-organization and the adaptation of the curriculum at the new structures. The first cycle is being questioned on a large scale, since it is too short to ensure a qualification that is accepted on the job market. The reform interferes, at a certain extent, with the students’ program of study. The professors need to re-organize their courses and way of working, as well

as the system of evaluation, in other words they need to concentrate their efforts on a process of professional formation.

The project contributes to the development of knowledge in the field, having in view the politics of economic and social cohesion, establishing connections between the initial and the continuous formation of human resources, from the perspective of education quality and the creative potential, as well as the demands on the job market.

The novelty and the originality of the project lies in the creation of a background for the initial and the continuous formation of human resources, related to the European criteria and standards for the professional and academic formation. The mechanism for the implementation of the project is conceived as a Laboratory for the Simulation of a Virtual Organization, generated by the high technologies of development.

The complexity of the proposed solutions is directly related to the dimension of ensuring the quality of higher education learning, which might constitute a starting point for the dialogue between European universities, governments and organizations, with the view of creating the EHEA (The European Space for Higher Education Area).

The general and the specific objectives of the project are the following:

- The identification and finding solutions for the main social problems, related to education and the stimulation of the creative potential of human resources, with the view of development at the local, regional and national levels;
- The development of laboratories for the analysis and the simulation of virtual organizations;
- The elaboration of coherent programs for the initial and the continuous development of human resources;
- The organization of courses for the formation and the training of university professorial staff, so that they might practically present the economic activities of organizations;
- Ensuring the participation of the professorial staff, the undergraduate, Master of Science or doctoral students at the conferences with a technical and scientific character, in fields that are related to the initial and the continuous formation of human resources (round tables, workshops, national/international symposia, national/international fairs);
- Ensuring the connection to the networks of national and international research centres that have in view the initial and the continuous formation of human resources;
- Elaborating the programmes for the participation of the professorial staff, the undergraduate, Master of Science or doctoral students at the work/practice stages, that have the following aims:
 - The achievement of the project has in view ethical aspects based on the group of moral principles and procedures applied in the activity of scientific research, technological development and innovation. It is in conformity with the Law no. 206/2004, the Law 64/1991, re-published, and the Law 8/1996. The international regulations in the field, as well as the specific European legislation of the European Community, concerning the CDI activities, will be observed.
 - The activities related to the objectives we have in view will be achieved in VIII stages:
- Stage I. The creation of the laboratory for the simulation of the virtual organization, needed for the initial and the continuous formation of human resources, which represents a necessary mechanism for the implementation of the project:
- Stage II. Elaborating the curriculum for the Bachelor cycle of education, involving the laboratory for the simulation of the virtual organization:
- Stage III. Configuring the curriculum for the Master of Science students, using the laboratory for the simulation of the virtual organization:
- Stage IV. The curricular formation of the doctoral student, using the laboratory for the simulation of a virtual organization:

- Stage V. Presenting the research activity in a doctoral thesis with a double orientation, towards the remarkable results in the field on the one hand, and towards a development of the type: leadership, innovation in complex contexts, making strategic decisions, understanding the learning processes, acting towards the improvement of social norms and the interpersonal relationships, social progress and ethical motivation, on the other hand
- Stage VI. Planning the study programs as means of getting beyond rethorics, in favor of a reality centered on the student, with the help of the laboratory for the simulation of the virtual organization:
- Stage VII. The program of initial and continuous formation of human resources, shifting from magister courses to the interactive teaching process, in the laboratory for the simulation of the virtual organization:
- Stage VIII. The large-scale dissemination, by means of communicating and publishing the results of the project, at both the national, and the international level:
- The estimated S/T results, corresponding to the activities performed during each stage are:
- Stage I: The Laboratory for the Simulation of the Virtual Organization, a mechanism for the implementation of the project (LSVO)
- Stage II: The curriculum for the Bachelor level of study, using LSVO
- Stage III: The curriculum for the master of science level, using LSVO
- Stage IV: The curriculum for the doctoral level, using LSVO
- Stage V: The research project, materialized into the doctoral thesis, using LSVO
- Stage VI: Study programs focusing on students and the usage of LSVO
- Stage VII: The program for the initial and the continuous formation of human resources, using LSVO
- Stage VIII: Reports; Presentations; Publications; Technologies; Patents; Studies

The viability of the project is ensured by the fact that, by means of international projects and as a result of some international initiatives (The European Council, The European Commission), the necessity of establishing common aims, procedures and methodologies at the European level emerged as essential, as far as the quality of academic studies is concerned. The achievement of the common background will bring about the problem of meta-accreditation, which might become a mechanism for ensuring quality, as a result of the development of institutional activities among academic educational institutions in several European countries. At the European level, some common conceptual, reference and guiding frameworks will become functional. At the national level, the authorities bring their contribution by creating the legal context and the necessary authorizations in the field, as well as by providing the financial support.

The risks related to the completion of the project are of minor importance and can be due to the fact that the efficient ways of motivating the main persons involved in the process are still unclear, since the institutional motivation is very important for the evaluation to be an efficient one and taken into consideration afterwards.

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THE RE-ENGINEERING OF MANAGERIAL PROCESS IN PUBLIC ADMINISTRATION

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The base of this research was a comparative analyse of the international practices in the field, in order to identify the most important tendencies in public services management. Considering the results of this research, there were identified the fundamental principles of an intelligent management model for public management (subsidiarity, public value and deliberative governance). Starting from this point, we proposed a new intelligent management model applicable in romanian public sector, which can be structured into three major components: top management component (executive and deliberative), operational management component (back office) and communication component (front level). As a case study, we focused in particulare on the water supply public service and we developed a methodology for projecting the front-office component starting from the necessity of optimising stakeholder satisfaction.

Key words: public management, intelligent services, intelligent public organizations, top management, back and front office

1. International theories and practices concerning the implementation of management models in public administration

In the theory of management, a definition of management models can be related with the concept of “model” which can be defined, in the vision of Karl Deutsch, as a *representation of a real system in order to reveal the actual characteristics of the analysed situation, the selective operations by which these characteristics can be experienced, and the system of symbols by which this data can be presented*. Applying this definition at the level of public administration system, we can consider that a public management model must integrate functions for organising, explaining, understanding and predicting the behaviors of the public administration system, which can be identified as administrative and political practices. The public administration system must be approached as a depended field, strongly conditioned by the influence and implication of stakeholders. In the evolution of public administration we have identified practices specific to different management models. The most important are the following ones:

1. The “public realm” management model, which is a creation of the nineteenth century and was developed because private markets were either bad at fulfilling social purposes or produced effects that were socially unacceptable.
2. The “orthodox” management model, which has some critical elements like: careers open to talents, consistency and predictability delivered through a rules based framework and limited scope for innovation below the highest levels of management. While successful for a long period, the “orthodox” model failed to adapt successfully to growing affluence. It was argued that public services had fallen behind the differentiation of tastes that was taking place in private markets. Bureaucracy was seen as an impediment to successful service delivery and “one size fits all” solutions were said to be incompatible with rising citizen expectations.
3. The “public choice” management model that offered a ready made philosophical foundation for scepticism about the role of the public sector. It suggested that self-interest motivates public

managers just as much as it motivates entrepreneurs in the private sector. The correct policy response must be to privatise where possible and open services up to competition.

4. The „new public management (NPM)” management model which is characterised by markets, competition, and targets. This type of model was adopted with enthusiasm in New Zealand and United Kingdom. However, this management model was criticised because it is considered to give more attention to outputs rather than outcomes and it doesn't support the traditional values of public service, personal responsibility and professionalism.
5. The “third way (reinventing government)” management model, which is an evolved form of NPM. It still has a focus on markets and competition above all else and gives a very weak account of citizenship – suggesting that users of public services should be defined as customers.
6. The “public value” management model is the most recent approach that correlates the shareholders value in the private sector by implementing corporative governance principles in the public services. The principal advantages of this management model are: improving efficiency, effectiveness or fairness in service delivery, introducing new programmes to respond to meet a new political aspiration or a new challenge facing the organisation, Recasting the mission of the organisation so that its old capabilities can be used more effectively and responsively, reducing the claims that government organisations make on taxpayers and reclaiming these resources for private uses.

Modern **intelligent management models** for public administration, has the quality to capture the notion of deliberative governance – the idea that citizens are more than consumers and ought to be able to influence the design and delivery of services. Public managers have to develop a continuous dialogue with their “authorising environment”, which helps to create pressure for continuous improvement. Furthermore, the involvement of citizens can allow managers to develop targets that relate to outcomes that the public genuinely value. It is also possible to use the management techniques to develop metrics and assess the quality of engagement with citizens.

2. A conceptual approach of an intelligent management model for romanian public administration

The starting point for developing an intelligent model for public management, applicable for romanian public administration system, is a diagnostic analyse of the operating mode for the public services, including modes of reforming, and also the relationship between the public services and the most significant stakeholders in its environment: central and local public administration authorities, citizens, public services operations, NGOs, international boards etc. There is necessary for this analyse to took place at a macro level. but the study must capture also the varieties of micro-level practices. The diagnostic of the romanian public administration system has revelead some major **disfunctions** regarding the managerial practices, that were reflected in a low degree of citizen satisfaction, generated by:

- a) birocracy;
- b) big costs and low productivity;
- c) a great level of politisation of public management;
- d) low transparency;
- e) the lack of qualification of human resources;
- f) unflexible and unstable structural organisation;
- g) deficiencies regarding the organisational culture and leadership;
- h) lack of effiience and efficacy;
- i) inexistence of an integrated information system for local public administration.

The conclusions of the diagnostic were that the public system needs a new type of leaders and a new kind of management practices, which are oriented for delivering quality public services to citizens and economic agents. Practically, the **fundamental objectives** of such a model can be resumed as: increasing the satisfaction level for the public administration stakeholders (citizens, businesses etc.), increasing managerial performances in local public administration by transforming the classical public management

system in an **intelligent** one, based on electronic administration principles. The principal **characteristics** of the proposed intelligent model are the following ones:

- a) The system is developed on a WEB platform with interoperable applications, and the interface with the beneficiaries is principally based on an complex set of e-services and mobile services solutions.
- b) The interface of the system has a great level of interactivity with the users and also flexibility, because his applicability must be both at central and local public administration levels.
- c) The systems is structured on three components: top management component (executive and deliberative), operational management component (back office) and communication component (front level) (Figure no. 1).
- d) A big level a subsidiarity which means that the decisional system of public management must be reprojected in order to increase the participation of citizens at decision processes. This also means promoting the concepts of e-Democracy and e-Participation.
- e) The armonization of public services with the necessities and requests of the different stakeholders (citizens, businesses, public institutions and NGOs).
- f) A big rate of reaction to different internals and externals stimul.
- g) Maximum transparency.
- h) Informations rationality.
- i) Effiience and efficacy regarding the usage of management functions.

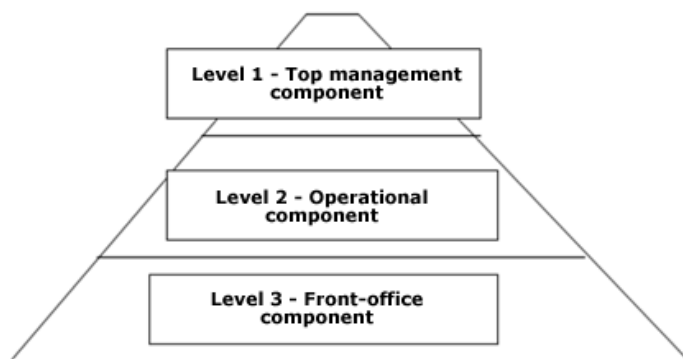


Figure no. 1 The levels of an conceptual intelligent model for public managemment

As it is shown in Table no. 1, the three components of the proposed management model corresponds to the three decision levels in public administration. Considering the subsidiarity which is the basic principle of the model, the most important decision level is the third one. Actually, the front office is the one that delivers “public value” to citizens and businesses and has a major influence on the quality of public services. Also, this component is in charge of obtaining feedback from the stakeholders, in refining public preferences and transmitting them to strategical and tactical levels. This is a model of deliberative governance, which creates pressure for countinuous improvement and innovation, based on the market reaction.

Level	Component	Structure	Area of responsibility	Methods	Instruments
1	Top	Executive and deliberative	Strategical and tactical decisions	Management by objectives, previsional management, management by exceptions, change management	Group and individual decision support systems, IT dedicated solutions
2	Operational	Organisational structures from	Operationalisation of tactical decisions;	Project management, management by budgets,	Workflow management, digital

		inside the public institutions	current decisions; integrating, analysing and transmitting decisions	management by costs	signature, ERP, distributed information systems, internal networks (Intranet, LAN etc.)
3	Front office	Components specialized in PR	Communication between public institution and external medium	Case management, electronic information of citizens, research techniques, customer relationship management, workflow management	Information and communication technologies integrated on Internet platforms

Table no. 1 Intelligent model components

3. Case Study: Front-office component optimisation: a stakeholder-oriented management model for romanian water supply public services

The performances of water supply public service are influenced by a large number of organisations from public or private sector, of different importances and sizes. The actions of those “actors”, defined in the context of this paper as “stakeholders”, have a great impact on the key performance indicators related to the water supply market. This impact can be splitted in three categories:

1. *Technical impact:*

- the quality of the service;
- the rehabilitation of the supply network;
- restructuring and reorganisation process;
- the usage of modern technologies for water treatment, its distribution monitoring, and for the losses reduction;
- the setting-up of purifying stations.

2. *Economical impact:*

- the correct determination of the investments efficiency within external financing programs;
- the promotion the economical analysis, according to the European standards;
- a scientific base for the determination of the two-part tariff structure for water supply public services;
- establishing the organisational and functional structure necessary for the external payment of public services taxes and the introduction of the unique bill;
- setting-up possibilities for the implementation of specific management methods and techniques regarding the competition conditions or the natural monopoly;
- introduction of unique indicators of benchmarking in order to monitor the operators activity efficiency.

3. *Social impact:*

- the correlation of the population affordability level for these public services with their economic costs;
- the reorientation of the operators activities in order to satisfy the needs of the consumers/beneficiaries;
- conditions for economical water consumes, environment and limited natural resources protection.

Considering the fact that the public water system is used by most of the inhabitants and private companies, the water supply service must fulfill certain standards and quality criteria. For this reason, when we refer to the stakeholder problem, we must consider that in this category can be included many other organisations, not just water supply operators, which play different roles in planning, controlling, informing the consumers, and taking decisions in the areas covered by operators. Generally, we can

identify *seven stakeholder categories*: operators, consumers, public administration authorities, governmental agencies and authorities, professional associations, research and development organizations and financing institutions. We consider that the principal management technique that can be used in the analyse of the stakeholder sector for water supply services is the **stakeholder matrix**. In order to define the importance and influence of each stakeholder, we can consider the following **criteria**:

- The *capacity* of the stakeholder to influence positively or negatively the performances of the service, that can be quantified by using an international benchmarking system such like the benchmarks developed by IWA (International Water Association) and IBNET (International Benchmarking Network for Water and Sanitation Utilities) or the ones promoted by World Bank. The capacity of the stakeholder is determined by the power to promote and sustain his interests on the market, by controlling important resources or key informations.
- The *influence area* of the stakeholder, which is determined by the number of inhabitants that are affected by his decisions, and by the covered geographical area of the service.
- The *economic power* of the stakeholder, described by the principal techniques and financial indicators of his activity, by the quantity and quality of the controlled resources, and by his capacity to attract financing institutions.
- The *interest* manifested by the stakeholder regarding the achievement of a high efficiency and efficacy level for the management and quality of the service.
- The *social position* of the stakeholder, which is given by his visibility and credibility at local, regional, national or international level.

Considering this criteria, we can promote a classifying system for the stakeholders of water supply public service that groups them in 4 categories (A,B,C,D) and 16 subgroups (Figure no. 1).

		Stakeholder Importance			
		Unknown	Little/ No Importance	Some importance	Significant Importance
Stakeholder Influence	Significant Influence	C		A	
	Some Influence	C		A	
	Little/ No Influence	D		B	
	Unknown	D		B	

Figure no. 2 Water supply service stakeholder matrix

The first area (A) includes the most powerful stakeholders from the water supply market, who have the greatest influence on the service performances. This means that any strategic action (legislative modifications, operators regionalisation, implementation of the binom tariff etc.) must satisfy their interests. In the A category we can identify the following „actors“:

- The most important water supply operators* in the region, that covers a large geographical area and many beneficiaries. Generally, those stakeholders operates in big cities and has operating licences (from class I to III) from the National Regulatory Authority for Municipal Services). Also, they have a much greater financial capability then the other operators in the region.
- Regional Council*, that administrate the public and private domain and is responsible to develop strategies, forecasts and economical development programs. This stakeholder can influence decisively the management of the service at tactical and strategical level, by increasing the cooperation between the local councils of the region, especially the small ones.

- c) *A serie of operatos with moderate influence and importance*, that operates in medium towns with more than 30.000 inhabitants. Their influence is limited to the covered area. Ussually about 15-20% of the region's population is supplied by operators from this category.
- d) *Local Councils*, whith moderate influence which is given by their lack of capability to attract external financial resources. This is why European Union recomends their association in order to obtain finances to sustain regional development projects. Presently, in most of Romania's small towns, local councils are also water supply service providers.
- e) The *Ministry of Administration and Interior*, with moderate influence because of his responsibility to analyse the legal situations of the water supply public services.
- f) *Other ministeries, authorities and governamntal agencies* (ANRSC- National Regulatory Authority for Municipal Services, Ministry of Environment and Water). ANRSC has a direct influence on the service performace by licensing the operators from the market, and the Ministry of Environment and Water is one of the principal organizations that can accelerate the process of infrastructure and service quality development by promoting european financing programs like FEDR (European Fond for Regional Development).
- g) *Representative international financial institutions* (European Bank of Reconstruction and Development, European Investment Bank, World Bank, Council of Europe Development Bank etc.), with medium influence on the market considering the fact they control a large ammount of financial resources, but their influence does not affect directly the quality of the service. In this context, a priority that operators must consider in order to increase the interest of these stakeholders is the use of some specific techniques such as: masterplans, cost reduction programs, post-fesability studies, mathematical models for forecasting evolution of the tariff etc.

The second area (B) includes the stakeholders that are very important for the continuity of the service, but with small influence on the service performance. Although, considering their significative importance, there is a strong need to protect their interests. In this category we can identify the following stakeholders:

- a) *Consumers* (population and companies), which represents the beneficiaries of the service. These stakeholders are affected first of all because of the monopolistic character of the service. Also, their actions are limited because of the lack of visibility and preoccupation of the organisations responsible for promoting the interests of the consumers, such as the Office for Consumer Protection, the Regional Directions of Public Health, some research&development organisations and the representants of civil society.
- b) *National Administration of Romanian Water*, represented by regional departments, who has the quality of unique operator for the surface and subsurface water resources. This stakeholder has a direct influence because of his responsibility to approve the regional water management strategic plan.
- c) *Federations and professional associations* (Romanian Water Association and Romanian Local Authorities Federation). The influence of this stakeholders is insignificant and hard to be quantified, but their importance is high because they can accelerate the transfer of knowhow, disseminate best practices and increase the operators visibility. Those are premises for an intensification of investments in research and development and training of operators personell.
- d) **The third area (C)** includes stakeholders with moderate influence on the market. Also, these stakeholders doesn't have a direct interest to increase the managerial performance and the quality of the service. For this reason, they can be considered a significant source of risk. Zone C includes:
 - e) *A group of medium sized operators* with small importance and influence because they cover a small part of ther market (cities between 10.000 and 30.000 inhabitants).
 - f) *The Prefecture* of the region, that cannot be considered a stakeholder with significant importance, but that strongly influence the performance of the service. This stakeholder monitorise the implementation of projects which are financed by international institutions and verify the legality of the local public authorities decisions in the field of water supply service.
 - g) *National Authority for Consumer Protection*, represented by her regional offices, who monitorise the way operators respects the rights of the water supply service consumers.

- h) Finally, *the fourth area (D)* includes the stakeholders with limited or unknown influence and importance. Even so, their interests must be considered in the regional development strategy. The stakeholders includes *the rest of the water supply operators*, who operates in small sized villages, with less than 10.000 inhabitants. Even their influence and importance is very limited, if they are grouped in associations, they can become a powerful decision unit. Generally, about 30-40% of the region's population are supplied by this type of stakeholders.

By identifying the connections between the importance and influence of the key stakeholders, on the one part, and the management performance and service quality, on the other part, we can evaluate the efficiency and the potential risks of the current organisational and functional framework of the supply system. This analysis can be used to identify way of action in order to implement european directives regarding the operators regionalisation and the promotion of local council associations in order to access the financial resources needed to sustain regional development projects.

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EDUCATIONAL COMMUNICATION IN THE ROMANIAN SOCIAL SPACE

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Communication in a psycho-pedagogical context is influenced by three major factors: similarity, proximity and group integration. Educational communication lies at the junction between a scientific discourse and an artistic one, because the teacher is also an actor who plays his part so well, that spectators are interested in his performance not only during the ongoing course, but also during the ones that are to follow. Wherever he comes from, the Romanian person can be kind and gentle, hospitable, faithful, and so in love with the nature to the point that the two cannot be separated. Predisposed to meditate, to philosophize, faithful, bold and courageous, silent sometimes, but voluble other times, able to overcome many obstacles, with an extraordinary sense of humour, any Romanian listens with great pleasure to a story and immediately looks for its meanings, respects other people and likes to be respected, and is also endowed by nature with the ability of building beauty.

Key words: education, communication, the Romanian social space, the Romanian culture

Intercultural educational communication

Culture, in any of its meanings, as a **process, product or behaviour**, fulfils important functions in the formation of man and mankind itself. In this paper, our goal is to present two of them: the function of **acquisition of socially useful information**, on one side, and the function of **communication**, on the other side, both within the educational system.

Looking at the educational phenomenon from the perspective of interculture leads to its finality: *the free, complete and harmonious development of human individuality, the formation of autonomous and creative personality* (The Law of Education, no.84/1995).

If the subject of knowledge interacts with the values of the cultural patrimonium such as knowledge, capacity, competence, and if the performance of the social factor from the teacher's side is influenced directly by the subject's cultural level, it follows that the educational level can not be separated from the cultural level, just as education forms the individual for himself within social relations systems. Thus, the educational curriculum is permanently configured by general beliefs, norms, activities, institutions and communicational patterns, generally reunited under the name of culture.

Intercultural education has the goal of making educated people sensitive to respecting diversity, tolerance, solidarity, all of this with a generous purpose: the harmonious life of (present or future) citizens in multicultural societies. This form of education is not to not be mistaken for the amelioration of emigrants'

integration, or for the courses which consist of presenting their cultures and language exercise. In other words, it does not imply the positive discrimination of minorities.

Moreover, intercultural education has two major objectives:

- promoting and developing respect for cultural diversity and
- making the educational institution an intercultural one.

Strategies or ways of materializing intercultural education in educational institutions have been developed, among which the professor's adhesion to the values of interculturality plays a central part. Such values are: acceptance of cultural diversity, freedom of choice, praising what one does, implication in action, tolerance, non-violence, self-respect and respect for others alike, empathy, negotiation, cooperation, ability to overcome preconceptions and stereotypes, equality of chances.

Why is it so difficult to accept cultural diversity?

Social psychology may have an answer. Because of the fact that sometimes cultures differ a lot, it becomes difficult for an individual to completely understand foreign cultural aspects, since he lies under the influence of his own cultural identity. This presents *unique culture-specific models of behaviour, which are foreign to people from other cultural environments* (Giddens, 2000, p.32).

The individual defines himself as a factor of belonging or reference to a given social category and acknowledges its stereotypes, his social identity being a part of his self-conception. The feeling of identity and the self-perception as being different from other members of society lies at the foundation of this difficult tolerance for other people. As if being different one from another as individuals wouldn't be enough, people are also different as groups of individuals.

Communication in a psycho-pedagogical context is influenced by three major factors:

- **similarity** (persons who find themselves in similar social-educational situations, who share the same interests, activities etc, stand a higher and more acute communicational probability);
- **group integration** (intercommunication is easier within the group than between groups, especially because, within a certain group, the status and parts are more clearly outlined);
- **proximity** (the possibility of interconnection and communication in the case of persons who are close to one another increases, as compared to them being separated).

Social communication plays a fundamental part in the exchanges and interactions which prefigure the setting-up of a consensus-based universe. It represents, in its interindividual, institutional and mediational aspects, *a condition of representation and outlining of social thinking*.⁸⁵

Educational communication lies at the junction between a scientific discourse and an artistical one, because the teacher is also an actor who plays his role so well, that spectators are interested in both the ongoing performance as well as the ones that are to follow.

A teacher's communicational competence is an essential benchmark, very often neglected in validating a fruitful communication. It represents a grafting of linguistic competence overlapping social competence, and it is based on the capacity to establish competent and efficient communication relationships with the students, but also on efficient teaching and evaluation methods.

We can easily assimilate the group of students and the teacher with a team, educational communication with an organizational one, especially during seminar activity. There is an obvious similarity between the leader of an academical group and the formal organizational one. It has been known for a long time that the stimulation of the cooperation between members of a group will lead to its cohesion, with integration and acceptance effects on all other members. We can not expect intercultural values to be implemented by limiting ourselves to theoretical presentations. The teachers' active implication in their activity at seminars is necessary for stimulating the students' active integration and participation to building a genuine team.

⁸⁵ Jodelet D., 1995, *Reprezentările sociale, un domeniu în expansiune*, în *Psihologia câmpului social: reprezentările sociale*, București, Societatea Știință și Tehnică

Productive discussions are necessary for efficient meetings, which are themselves necessary for the teams with special results. Each meeting of the team should include measures to facilitate the unfolding and progress of discussions. Obviously, the leader of the team should use his skills in order to generate fruitful discussions; the team will be more successful if every member of the team learns and uses these measures.

The Romanian Social Space

Social space movement is ensured by a big number of dependant variables, which stimulate adaptive behaviour and innovative aspiration of any social action agent. It is a movement which depends on the social-cultural evolution of the community, of social experience accumulation and of the system of norms and values which ground communal life on a certain step of its historical development.

Researchers of this wide field of social study (H. Garfinkel, P. Berger, T. Lukmann, A. Mucchielli, A. Schutz)⁸⁶ have discovered that *reality from the perspective of active social subjects is given by all of the social representations which give meaning and consistency to the components of human life.*

The social environment forecasts an anticipation discourse on any child: long before the subject exists, the place it is assumed he will occupy is pre-invested by a group with the hope the social-cultural model will be ideally transmitted. The subject, on his part, searches and must find in this discourse benchmarks which can allow him to project himself into the future.

The ideological verb does not offer to the individual a range of possibilities he can chose from, but a **moral truth** which it would be disgraceful and unworthy to avoid.

In a deified universe, **society** becomes a system of different roles and social classes, whose members are intrinsically unequal. *Only professional competence generates their degree of implication, of participation according to merit, the right of functioning.* Switching roles is a way of acquiring competence or of isolating oneself. Within the system, the individual is confronted with pre-established organizations, each with its own rules, settlements and obligations and the feeling that these rules are immutable. *There is a proper behaviour for every circumstance, a linguistic formula for every confrontation and right information for any given context*⁸⁷.

The relationship between the living dimension and the reflexive one of social ontology is looked upon from new angles, now that functional amelioration of traditional tools and qualitative diversification of the modern ones have been generated by the current technico-scientific revolution.

The status **of the tool as a general social relationship** has been reanalyzed, beyond the limit of pragmatism and instrumentalism, because industrialization induces shifts even in the quality of human relationships.

Technological rationality receives a status of being praxilogically complementary in the sense of humanizing behavioural patterns initiated by the increase in weight the technique in the social space itself.

The man of electronic times seeks salvation in order to escape anonymity, mediocrity and to be able to make himself heard **from within a group.**

The need for selective adhesion to the environment, as well as that of cooperation, is amplified by the alienation through isolation, so specific to modern man. As Octavian Paler said, the paradox of our times in history is that *„we have more accessories, but less time; we have more functions, but less mind, more knowledge, but less judgement; more experts and still more problems... we have increased our fortune, but reduced our values. We have learnt how to make end's meat, but not how to live a life. We have added years to life and not life to years. We have even reached the moon and returned, but we face problems when we need to cross the street, to meet a neighbour. We have conquered outer space, but not the inner one. We have conquered the atom, but not our prejudices. We have built more computers: to store more information, to produce more copies than ever, but we communicate less and less.”*

⁸⁶ apud Cristea D., 2001, *Tratat de psihologie socială*, Ed. ProTransilvania

⁸⁷ Moscovici S., 1995, *Fenomenul reprezentărilor sociale*, în *Psihologia câmpului social: Reprezentările sociale 1995*, București, Societatea Știință și Tehnică

Technological civilization has the task to *axiologically discover the people who seek themselves in the complexity of their time*, when technology must remain a means for rediscovering the inner self, an attitude towards existence.⁸⁸

The movement of social systems on all levels and compartments of communal life implies the existence of functional structures, which:

- should objectivize the axiological, normative and teleological imperatives of social institutions and
- should assure people's and groups' engagement and training in activities leading to achieving the objectives of the respective institutions.

The most recent shape of the social space is generated by **the virtual component**⁸⁹, which is generated by the proliferation of ways to produce and administrate **information, the most recent tool as a form of interpersonal, communal and institutional networking**, endowed with the potentially infinite capacity of amplifying the socializing background.

Romanian cultural features have been extensively studied by researchers, who have also identified several peculiarities. C.Radulescu-Motru considers that Romanian soul is welcoming, tolerant, lover of justice, religious; for him, a Romanian is courageous, preoccupied by what the others have to say about him and has a joyous soul.⁹⁰

Doina and Alexandru Catana have tried to draw up a *cultural matrix of Romanians*⁹¹ and have identified positive cultural traits, of which we have decided to mention the following: *patience, fatalism, heroism, rapid assimilation of foreign influences, intelligence, adaptability*, but also negative features, such as: *indifference, indiscipline, lack of courage etc.*

In a wide on the field study made in 1994, Ilie Puiu Vasilescu⁹² reveals some features of the self-perception that Romanians belonging to the different geographical regions have. Thus, Romanians from all over the country characterize themselves as being *open, communicative and energetic people*, have a *warm and understanding, careful and delicate* interpersonal style, although significant scores have been reached with regard to *a strong state of stress, anxiety* and overwhelming worries; also, more than half of the tested Romanians place themselves *in the category of those who are very dedicated to labour*.

Although the Romanian nation, *stricto sensum*, has only existed for 87 years, since the Great Union of 1918, the Romanian ethnical identity has preserved itself in all geographical regions where they have lived. While some consider themselves to be Europeans, others see themselves as Romanians, but most of them identify themselves, in fact, with the geographical region they come from and consider themselves as "banateni, ardeleni, olteni, moldoveni, regateni, dobrogeni or bucuresteni".

All have noticed, empirically, that there are significant differences among them, that in everyday life people ask one another *where they are from* and that it is enough to deny belonging to one region or another to be immediately labelled, placed in rigid cognitive schemes, whose owner immediately launches the appropriate adaptation behaviour. Maybe this could also be explained by the fact that, for many hundreds of years, *the outsider* has meant *danger* or *enemy*.

Wherever he comes from, the Romanian person can be kind and gentle, hospitable, faithful, and so in love with the nature to the point that the two cannot be separated. Predisposed to meditate, to philosophize, faithful, bold and courageous, silent sometimes, but voluble other times, able to overcome many obstacles, with an extraordinary sense of humour, any Romanian listens with great pleasure to a story and immediately looks for its meanings, respects other people and likes to be respected, and is also endowed by nature with the ability of building beauty. Finally, *a man among men*, artist and philosopher, the Romanian

⁸⁸ Buzărnescu Șt., 2003, Sociologia Conducerii, Timișoara, Ed. de Vest

⁸⁹ Buzărnescu Șt., 2003, Sociologia Conducerii, Timișoara, Ed. de Vest

⁹⁰ Rădulescu-Motru C., 2001, Psihologia poporului român, București, Ed. Paideia

⁹¹ Catană Al., Catană D., 1996, Matricea culturală a românilor din perspectiva managementului modern, în tribuna Economică nr. 42

⁹² Vasilescu I.P., 1997, Români despre ei înșiși. Studiu de teren, în Psihologia vieții cotidiene, Iași, Ed.Polirom

person surprises with calm and patience when facing the difficulties of life. Romanians love nature, good life and above all, God.

Suggestions for further research

We think that further research should focus on:

- intercultural education
- Influence of organizational university culture on students' performances
- Peculiarities of communication (including didactic communication) in Romanian university culture
- Implementing ethics principles in Romanian university life
- Causes and effects of organizational change in the Romanian university field

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PARTICULARITÉS DU MANAGEMENT DES SERVICES DANS LE COMMERCE DES PRODUITS NON ALIMENTAIRES

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Together with the products` high degree of quality, the performed services and their high degree of quality, can significantly contribute to orienting the commercial companies towards their clients. This aspect has been emphasized in the last years, especially in those fields where there is a limited freedom of action upon production programmes of the product or types of products, as at this stage, interventions were performed in terms of subsidiary service range enlargement. An extremely dynamic field of Commerce – non-alimentary trade, presents certain particularities regarding not only the system of service performance, but especially the management of these services. Throughout the scientific paper, we have focused on the particularities of service management within non-alimentary trade.

Mots clé: management des services, orientation vers les clients, services complémentaires, qualité des services.

Simultanément avec la croissance de l'importance des services dans la différenciation de l'offre et dans l'établissement d'un avantage concurrentiel, ont été créés les prémisses pour l'opérationnalisation et le mesurage de la qualité des services dans la pratique des entreprises, notamment des entreprises commerciales. Par l'utilisation des concepts de Value Added Services et de qualité des services, ainsi que par l'application de ceux-ci dans la pratique commerciale, on a en vue l'accentuation de l'orientation vers les clients et l'attachement des clients actuels à l'entreprise analysée, par la prestation de services qualité, innovateurs. Le management des services mise tant sur la dimension de l'offre, que sur celle d'interaction de l'orientation vers les clients (figure 1). La stratégie économique et les tactiques de toute entreprise commerciale doivent partir de quelques principes centraux de management desquels il faut tenir compte dans la concurrence du marché. Toute activité qui implique des décisions doit se baser sur la connaissance des réalités (demande, possibilités d'offre, perspectives) et des objectifs poursuivis. Une place importante dans ce contexte est détenu par la demande, l'orientation vers les clients et l'optique de marketing.

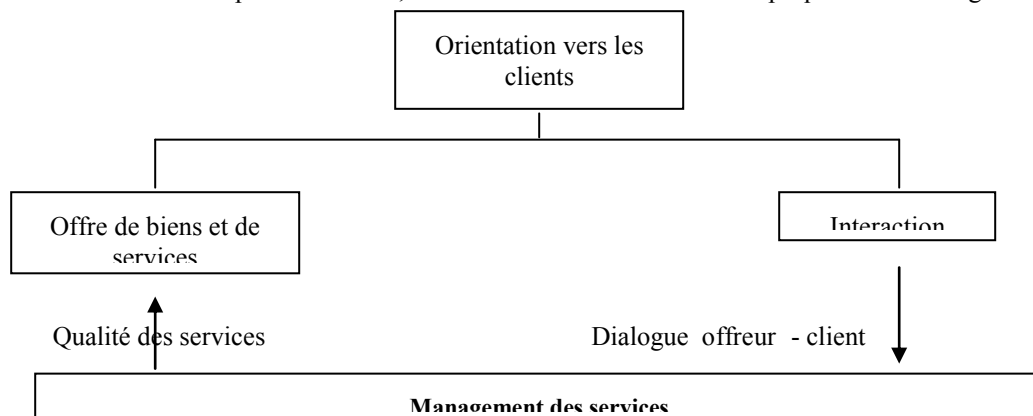


Fig. 1. L'orientation vers les clients et le management des services

Source: Bruhn Manfred, „L'orientation vers les clients. Le fondement de l'affaire de succès”, Éd. Économique, București, 2001, p. 70.

Le management des services consiste [3] dans une «*somme de décisions et d'actions concernant l'ensemble des processus déroulés, en mettant l'accent sur la répartition, la structuration et l'ordination des prestations en conformité avec les exigences et les attentes des clients, tout cela dans les conditions d'un coût aussi bas que possible, entrevu à long terme*». Le management doit assurer la mise en corrélation adéquate dans le cadre de l'entreprise, des composantes, des unités et des différentes catégories de personnel, ainsi que la coordination entre ceux-ci et le système de moyens et d'installations existants, nécessaires pour les prestations de services ; dans ce but, le manager est celui qui doit assurer la gestion des capacités desquelles dispose l'entreprise, ainsi que de tous les fonds de l'entreprise.

En vue de réaliser les aspects mentionnés ci-dessus, le management accomplit deux groupes de décisions et d'actions : la projection du système fonctionnel de l'entreprise et l'adoption des décisions concernant l'équipement technologique et le personnel de l'entreprise ; l'organisation opérative, l'exploitation et le contrôle de la fonctionnalité de l'entreprise et de ses sous-systèmes (l'activité qui vise en général à une période de temps plus courte que dans le cas du premier groupe de décisions et d'actions), respectivement la programmation et le contrôle de toutes les activités du point de vue quantitatif et qualitatif, en vertu de l'encadrement dans certains niveaux de coûts.

La projection d'un management adéquat aux services propose la résolution [2] de certains problèmes au niveau de l'entreprise, tels que:

- L'organisation adéquate de l'entreprise, par la constitution de structures organisationnelles adéquates, qui prennent en considération tant les exigences du milieu interne, que celles du milieu externe;
- La projection de systèmes informationnels de marketing, adéquats pour la structure organisationnelle adoptée;
- La modification du système décisionnel de sorte à refléter en totalité l'optique de marketing, respectivement l'orientation vers les clients.

Pour pouvoir résoudre tous ces problèmes, il faudra tenir compte des aspects suivants [4]:

- La reconnaissance de l'avantage que reçoit le consommateur pendant l'utilisation d'un service de l'entreprise, respectivement la compréhension du mode dans lequel la qualité totale est perçue dans les relations avec les consommateurs, sans se modifier dans le temps;
- La connaissance du mode dans lequel l'entreprise, par l'intermédiaire du personnel, de la technologie ou d'autres catégories de ressources, est capable de produire et de livrer cet avantage;
- La prévision et le tracement du mode dans lequel l'entreprise respective devrait être organisée et dirigée pour réussir à fournir des services de la meilleure qualité;
- L'organisation des activités de l'entreprise de sorte que les services offerts correspondent aux objectifs des parties impliquées (personnel, consommateurs, société), si ces objectifs sont eux aussi atteints.

Les particularités et le contenu des *principes du management des services* peuvent être synthétisés comme il suit [2]:

1. L'équation du profit

Ce principe peut être défini par le fait que la compréhension par le consommateur de la qualité du service pourra générer du profit à l'entreprise, si les décisions concernant l'efficacité externe (la satisfaction des consommateurs) et les décisions concernant l'efficacité interne (la productivité du travail) sont parfaitement mises en corrélation. Il est impérieusement nécessaire que dans la direction de l'activité d'une entreprise qui fournit des services aussi, l'efficacité interne soit intégrée à celle externe et aux relations avec les consommateurs, parce que les préoccupations prépondérantes de la direction pour les coûts et la productivité du travail mènent finalement à la diminution des préoccupations liées à la qualité des services fournis.

2. L'autorité décisionnelle

C'est le principe conformément auquel les décisions doivent être décentralisées vers la zone d'interaction consommateur prestataire, vu que les décisions stratégiques doivent être prises à un niveau supérieur. Il serait idéal que le personnel de contact ait l'autorité de prendre certaines décisions sur place, de sorte que les occasions de vente et les possibilités de corriger ou d'éviter certaines erreurs soient fructifiées au maximum. Pour que ce personnel ait la compétence de prendre des décisions et d'agir dans un délai utile, en vue de dérouler une activité de qualité, il doit être préparé à reconnaître les diverses situations qui peuvent apparaître dans les relations avec les consommateurs, pouvoir résoudre tous les problèmes (même ceux à caractère privé) qui apparaissent comme une transgression de la prestation standard du service, de sorte que le bénéficiaire de ce service soit pleinement satisfait. Même si les décisions d'importance stratégique pour l'entreprise sont prises par la direction supérieure, les connaissances et l'expérience du personnel de la première ligne sont utiles dans ce cas aussi, grâce à l'expérience dans la prestation du service et grâce aux relations permanentes avec les consommateurs. Il est digne à remarquer dans ce contexte le fait que la participation et/ou la consultation du personnel dans la prise des décisions créera un attachement envers l'entreprise de celui-ci et peut être considéré ultérieurement comme un élément motivateur dans le déroulement des activités.

3. La structure organisationnelle

Ce principe envisage le fait que l'entreprise doit être organisée et que les activités doivent être structurées de sorte à assurer la mobilisation des ressources pour réaliser les activités du personnel de la ligne de contact avec les consommateurs, ce qui suppose l'élimination des structures inutiles. L'efficacité d'une entreprise qui fournit des services est beaucoup plus élevée quand la direction ne s'implique pas directement dans les décisions opérationnelles quotidiennes (sauf dans des cas exceptionnels), au niveau prestataire – consommateur, mais elle accorde son appui stratégique et les ressources nécessaires pour accomplir les objectifs de l'entreprise. Les changements qui sont intervenus dans l'organisation des entreprises qui s'occupent de la prestation de services aussi sont en fait le résultat de changements intervenus dans ses stratégies et ont à la base les principes du management des services. Le niveau de la direction centrale n'est plus positionné au sommet de la pyramide et il ne représente même plus l'élément déterminant pour le succès ou pour l'échec d'une entreprise prestataire de services ; mais en revanche apparaît le personnel de contact, comme étant un élément central de la structure organisationnelle, qui établira si l'entreprise sera ou non profitable. Cette nouvelle structure organisationnelle met en évidence le fait que les relations horizontales sont plus développées que celles verticales, c'est-à-dire qu'a lieu un « aplatissement » de la pyramide, par le transfert des tâches et de l'autorité du personnel administratif et de la direction au personnel ayant des fonctions opératives.

4. Le contrôle des activités de l'entreprise

C'est le principe conformément auquel la direction doit concentrer son attention vers l'encouragement et le soutien du personnel, mais en présence de certaines réglementations qui visent à l'activité de celui-ci. Vu que les services ne peuvent pas être standardisés (du moins pas en totalité, mais éventuellement dans certaines activités composantes), le personnel prestataire a besoin d'un certain degré de flexibilité pour pouvoir fournir des services de qualité, qui soient à même de satisfaire les exigences des consommateurs, ou même en cas de situations imprévues. Dans cette situation il est préférable de tracer des lignes directrices en ce qui concerne le déroulement de l'activité de prestation, à la place de certains standards rigides, ce qui fait que le contrôle soit dirigé vers l'encouragement et l'appui du personnel (autrement dit, un changement d'attitude).

5. L'évaluation de l'activité du personnel

Ce principe régleme le fait que la satisfaction des consommateurs par rapport aux services de l'entreprise est et doit être au centre de l'attention dans le processus d'évaluation de l'activité. Ce qui fait que, lorsqu'il est possible, il se réalise une évaluation de la productivité du travail et de l'efficacité interne. Bien que les critères d'efficacité externe aient priorité dans l'évaluation de l'efficacité, il ne faut pas négliger ceux qui visent à l'efficacité interne.

6. Le système de récompense

L'utilisation d'un principe concernant le système de récompense a en vue le fait que l'établissement d'un certain système de récompense est l'une des attributions de la direction des entreprises ; le principe stipule le fait que le système de récompense doit être basé sur des prestations de qualité, tenant compte de toutes les composantes de la qualité d'un service.

La plupart des entreprises commerciales recourent au moment présent aux services qu'elles peuvent offrir aux clients, pour les gains qu'ils peuvent obtenir de la part de ceux-ci. Par exemple, actuellement les vendeurs d'automobiles obtiennent la plupart de leur profit non pas de la vente effective des produits, mais de la fourniture en vertu de contrats des divers services liés au financement, à l'assurance et à la réparation des automobiles. Il y a même des entreprises qui créent un secteur distinct pour les prestations de services, qui pendant le temps peut devenir très profitable comparativement à la commercialisation effective.

L'attention particulière accordée au management des services dans le commerce avec des produits non alimentaires est due à des prémisses qui ont été à la base du développement de ces services, parmi lesquels nous rappelons :

- La préoccupation continue des producteurs et des commerçants de satisfaire les besoins socio-culturels des consommateurs, par l'intermédiaire d'une offre qui corresponde autant mieux que possible au pouvoir matériel et spirituel de ceux-ci, pour assurer finalement la croissance du niveau de la qualité de la vie, ont eu comme effet l'assurance d'un « service » dans l'usage des consommateurs, service qui peut être interprété comme étant la satisfaction supérieure des exigences toujours plus diversifiées des consommateurs ;
- La super personnalisation des produits – respectivement le pouvoir d'un seul produit de « maîtriser » un certain segment du marché ou d'assurer un service de base aux consommateurs d'un certain segment. Cet aspect a eu des implications profondes dans le domaine des relations avec les consommateurs, la communication avec eux acquérant des valences particulières, pour une meilleure connaissance de ceux-ci et de l'image sur le produit dans la conscience des consommateurs.
- L'accent mis sur le management de la qualité totale, qui a marqué une nouvelle époque de la civilisation de la qualité.
- Les permanents renouvellements dans le domaine des biens d'usage prolongé, les produits sur lesquels sont concentrés de préférence les services post-vente, parce que les consommateurs seront préoccupés en permanence d'acquérir les produits les plus performants, les appareils et les articles de cette catégorie, ayant en vue la facilitation du travail et le confort augmenté qu'ils peuvent assurer dans l'utilisation.

Tenant compte de toutes ces manifestations, les commerçants ont été et sont en permanence préoccupés de la création d'une politique efficace de servir les clients, d'assurer des services optimaux avant, pendant et après la vente. Aucune entreprise commerciale qui désire le succès sur le marché ne peut pas négliger ces services, justement parce qu'elle est consciente de leurs buts, qui soutiennent les objectifs généraux de l'entreprise. Il est à mettre en évidence dans ce contexte le fait que l'opérationnalisation des objectifs dans le domaine des services est une composante importante de la planification stratégique du management des services, en absence de laquelle on ne peut pas mesurer et contrôler l'orientation vers les clients et le positionnement par rapport aux concurrents. On utilise dans ce but le groupage des objectifs en économiques et psychologiques, comme il suit [1] :

- Les objectifs économiques sont directement liés au but d'obtenir un gain, comme par exemple : le degré de couverture des coûts par les revenus, le quota du marché, le volume physique et la valeur des ventes / des prestations de services. Dans la formulation des objectifs économiques du management des services il est particulièrement important d'établir les mesures et/ou les indicateurs par lesquels on peut exprimer le volume (la quantité) des services vendus.
- Les objectifs d'ordre psychologique se réfèrent, en essence, aux processus mentaux des acheteurs et ils ont une importance particulière parce que leur atteinte contribue indirectement à la réalisation des objectifs économiques. Pour le management des services dans le commerce avec des produits non alimentaires (et non seulement dans cette branche du commerce) il est important de suivre les objectifs suivants :

1. L'amélioration de la qualité des services ;
2. La croissance du degré de satisfaction des clients ;
3. L'accentuation de l'attachement des clients envers l'entreprise ;
4. L'amélioration de l'image de l'entreprise ;
5. La croissance de la satisfaction et de la motivation des salariés

Grâce à l'interaction entre le client et le prestataire de services, tout comme grâce à l'interdépendance entre la motivation des salariés – la qualité du service – la satisfaction du client – le succès économique, les objectifs concernant le personnel acquièrent des valences particulières dans le management des services. Par exemple, pour un dealer auto, les objectifs liés au personnel sont les suivants : la création d'un milieu de travail favorable, l'assurance de toutes les conditions nécessaires en vue de dérouler une activités efficiente, pour que chaque employé puisse dire que son entreprise est le meilleur employeur.

Certains services pour les clients se développent dans le temps et deviennent prestations indépendantes, qui peuvent être commercialisées par des départements spécialisés dans le cadre des entreprises commerciales et indépendamment – tout comme, par exemple, les contrats d'entretien pour les photocopieuses offertes par certaines entreprises qui commercialisent ce produit. Dans ce sens, il est impérieusement nécessaire que ces départements de services pour les clients soient vus comme des centres de profit et aucunement comme des centres de coût. Cela arrive parce que la plupart des fois, ces offres de services post-vente peuvent constituer une offre pour les produits de la concurrence aussi, non seulement pour les produits propres. Dans cette situation apparaît comme nécessaire la définition du service pour les clients par un nom indépendant et la nécessité de positionner la prestation comme marque, l'organisation en tant que telle du management de l'entreprise prestataire, ainsi que la prise en considération des aspects suivants[1] :

- L'établissement d'un programme de service pour les clients, notamment en ce qui concerne le type et le volume des prestations offertes, ainsi que l'établissement de la qualité des services pour les clients ;
- La réalisation d'un système uniforme d'établissement des tarifs, l'établissement des conditions d'exécution, l'établissement des mensualités contractuelles et des conditions contractuelles de la prestation ;
- L'attraction de divers prestataires de services pour les clients dans le système d'ensemble, l'organisation de la logistique du service pour les clients, notamment en ce qui concerne l'approvisionnement avec des pièces de rechange, l'organisation et l'orientation des techniciens impliqués dans la réalisation des prestations respectives ;
- La présentation de ces services pour les clients dans le cadre de la publicité classique, le développement de certains programmes bien mis en œuvre afin d'attirer les acheteurs pour les services fournis, la diffusion de prestations de services pour la clientèle incluses dans les ventes personnelles, la présentation de ces services dans le cadre des foires, dans le cadre des rencontres publiques ou avec la presse.

En général, en vue de choisir les solutions les plus convenables du point de vue organisationnel concernant les services post-vente, le management de l'entreprise partira de l'analyse des aspects suivants:

- Les caractéristiques de chaque segment du marché abordé, respectivement : les caractéristiques géographiques, de climat, les caractéristiques technico-économiques dans lesquelles fonctionneront les produits commercialisés, l'intensité à laquelle le produit sera utilisé, les caractéristiques de l'infrastructure, le degré de nouveauté des produits sur les marchés respectifs, le niveau d'instruction/de qualification des utilisateurs et les éventuels décalages qui puissent apparaître dans ce sens, l'élasticité de la demande du produit respectif en fonction du volume, de la structure et de la qualité des services complémentaires au produit physique;
- Les caractéristiques technico-économiques, fonctionnelles, de maintenance, de fiabilité et de disponibilité des produits commercialisés;

- Le contenu et la structure de chaque type de service post-vente possible à être offert ;
- Les fonctions que l'entreprise commerciale désire exercer par l'intermédiaire du réseau de services organisé.

Les services post-vente constituent le principaux services offerts aux acheteurs de produits non alimentaires, même si dans les dernières années se sont développés extrêmement rapidement les services financiers aussi, le financement à mensualités ou en système leasing (ceux-ci étant offerts directement par le commerçant).

Dans la littérature de spécialité [5] sont présentées quelques tendances majeures dans le domaine des services d'entretien des produits:

- les producteurs fabriquent des produits plus fiables et beaucoup plus facilement à réparer, d'un côté à cause du passage de la production d'équipement électro-mécanique à celle d'équipement électronique qui est plus sûr dans le fonctionnement et plus rapide à remettre en fonctionnement, et d'autre côté à cause de la croissance du nombre et de l'importance des produits structurés de manière modulaire, ce qui permet en une certaine mesure qu'ils soient entretenus et réparés par le propriétaire;
- les acheteurs acceptent toujours plus difficilement les paniers de services standard pour acheter un produit physique, sollicitant toujours plus fréquemment des services séparés, le paiement distinct de chacun et la possibilité d'acheter seulement les services qu'ils désirent;
- a augmenté toujours davantage le nombre des entreprises indépendantes prestataires de services d'entretien et de réparation ;
- a augmenté la fiabilité des produits et la période de grâce accordée, ce qui fait que les contrats de service offerts au moment de l'achat du produit soient moins attractifs pour les acheteurs, qu'ils perdent de l'importance ;
- la croissance du nombre d'offres de services d'entretien et de réparations a déterminé la diminution des prix et implicitement des profits des entreprises prestataires.

En conclusion, le management des services spécifique à la commercialisation des produits non alimentaires doit prendre des décisions et ensuite agir, en ce qui concerne la mixtion des services offerts, la qualité et la source de ces services liés ; la clé d'une stratégie réussie notamment en ce qui concerne les services de réparation et d'entretien est représentée par la projection des services de sorte qu'ils se détériorent le plus rarement possible, et si une certaine défection intervient, le produit doit être facilement et rapidement réparé, avec des frais autant réduits que possible.

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EMPLOYEES' SATISFACTION, CENTRAL ELEMENT OF THE STRATEGY OF COMPETITIVE ORGANIZATION

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In the more and more competitive environment, managers are concerned with employees' satisfaction, as a key factor for organizational effectiveness, efficiency, and development, and for the successful implementation of corporate strategy. In this paper, we analyzed the relation motivation-performance-satisfaction, and the importance that intrinsic and extrinsic rewards have for increasing employees' satisfaction. The individual is satisfied if he is intrinsically and extrinsically rewarded. On the one hand, the employee perceives that own performance that results from the effort he expended, and that was enhanced by personal competence and commitment, is important, interesting, challenging, stretching. On the other hand, the employee feels that peers and superiors recognize (praise) and fairly reward (pay, promote) his contribution to organizational effectiveness, efficiency and development. Different studies showed that employees' motivation to achieve good performance increases when they have a positive perception on managers, company, and coworkers. Statistics demonstrate that top 100 employers in Europe and The United States of America enjoy annual growth rates bigger than 20%, and receive each year six times more job applications than the number of employees. Most of the employees in these companies show commitment, reporting that they would stay with their organization for more than five years. Research performed in Romania by GFK, starting with 2005, confirm the results released by the international studies. Romanian employees appreciated respect, recognition, challenging work as more important than fair payment. Research showed that job satisfaction leads to defensive behavior, sabotage, absenteeism, turnover. Dissatisfied employees will not perform at peak level, even if they do not leave the organization, which has negative consequences on organizational performance. That is why we presented in the paper a program meant to maintain and increase employees' satisfaction within organizations.

Key words: strategy, performance, motivation, satisfaction, reward

Managers' Tasks in Successfully Implementing and Executing Strategy, in an Increasingly Competitive Environment

In dealing with continuously increasing competition, managers in the global business world have two major, interconnected tasks, both very important for competitive advantage: to develop strategy and to build organizational performance in order to implement and execute it successfully. Strategy involves performing different activities than rivals', or performing similar activities in a different way, defining a unique position, making clear trade-offs and tightening fit⁷. Achieving organizational performance is a necessary part of management, which means performing similar activities better than rivals, involves change, flexibility and relentless efforts to achieve best practices. Through good performance, strategy is implemented in a manner which satisfies the needs of its stakeholders. Organizational performance includes effectiveness, efficiency, sustainable growth, and last, but not least, employees' satisfaction. Thus, it involves understanding and shaping organizational behavior. It is difficult to understand and influence the behavior of one person or a small group; understanding and managing the behavior of people in larger organizations numbering in the tens of thousands spread across many locations and national cultures is extremely complex. It, therefore, represents one of the most difficult challenges faced by general managers today².

Employees' Satisfaction – Key Factor of Organizational Performance

Employees' satisfaction or morale refers to their positive emotional response to their job and to their work performed individually and/or as part of a group. Morale frequently has more of a group or organizational connotation than satisfaction.

Ignoring employees' satisfaction is to risk some highly negative consequences, such as inability to retain valuable employees or to recruit desired talent. Job satisfaction manifests itself in different ways in different people. Whether job satisfaction is high or low depends on a number of factors including: how well a person's needs and wishes are met through work, working conditions, the way in which an individual defines himself or herself through work, and individual personality.

The Relationship Motivation – Performance - Satisfaction

Job satisfaction has been an important part of Human Resources Management since 1924, when researchers at Hawthorne Plant in Chicago, part of the Western Electric Company began to study the impact of lighting on labor productivity. Then, they discovered that human interaction, affecting morale and motivation, was much more clearly influencing work outcomes than lighting. Further experimentation led researchers to the conclusion that productivity depended at least in part of cooperation and enthusiasm in team work. These were related to the interest that the supervisor had for the work group, lack of coercion or force, and the extent to which workers participated in making decisions and changes that would affect them⁹. At that time, high satisfaction was thought to be a cause for high performance. It was assumed that managers could improve performance by satisfying workers through pleasant working conditions, adequate rewards, and the like. Nowadays, however it is generally accepted that this cause-effect relationship is an incorrect view of the connection between satisfaction and performance. Modern research suggests that the relationship must be the other way around: high performance may cause high job satisfaction, which is reinforced by the rewards that accompany performance⁶. Figure 1 presents the relationship between motivation, involvement, performance, and satisfaction⁸.

The individual is satisfied if he is intrinsically and extrinsically rewarded. The employee is intrinsically rewarded if he perceives that individual performance resulted from the effort expended is important, interesting, challenging, stretching. The employee is extrinsically rewarded if he feels that the colleagues and superiors recognize (praise) and fairly reward (pay, promote) his contribution to organizational effectiveness, efficiency and development. Two factors influence individual performance or achievement: competence and commitment.

- The first factor, competence, is a function of knowledge and skills, which can be gained from education, training, or/and experience. Competence is different from ability. Ability, or potential, is something people are born with, and can easily do. Competence, on the other hand, can be developed with appropriate direction (mentoring, coaching, education, and training) and organizational support.
- The second factor, commitment, is a combination of confidence, and motivation. Confidence is the measure of a person's self assuredness, a feeling of being able to do a task well, whereas motivation is a person's interest in and enthusiasm for doing all the efforts to perform a task well. When Herzberg researched the sources of employees' motivation during the 1950s, and 1960s, he discovered that the things that make people motivated and satisfied on the job are different from those that make them dissatisfied. Managed badly, environmental (hygiene) factors such as low salary, uncomfortable work space, bad rules, make people unhappy. But even if managed brilliantly, they don't motivate employees to work harder or smarter. People are motivated, instead, by factors that feed their need for growth and achievement: interesting work, challenge, and increasing responsibility⁴. Realistic expectations that effort will lead to desired performance, and consequently to desired outcomes, appropriate group norms, support, intergroup behavior, and human resources policies and practices, as well as appropriate leadership style will develop and maintain employees' motivation. There are four combinations of competence and commitment that call for four different leadership styles³.
 - Directing style, for people who lack competence but are enthusiastic and committed, who need direction and frequent feedback to get them started.

- Coaching style, for people who have some competence but lack commitment, who need direction and feedback because they are still relatively inexperienced, who also need support and praise to build their self-esteem, and involvement in decision making to restore their commitment.
- Supporting style, for people who have competence but lack confidence and motivation, who do not need much direction because of their skills, but support is necessary to bolster their commitment.
- Delegating style, for people who have both competence and commitment, who are able and willing to work on a project by themselves with little supervision and support.



Figure 1. The motivation-performance-satisfaction model

Employees' motivation to achieve good performance increases when their perceptions on managers, company, and coworkers is positive. These perceptions enhance satisfaction, and pride. These positive emotions drive motivation, which fuels creativity, productivity, commitment to work, and team cohesiveness. That is why, companies that are considered very good employers enjoy outstanding performance. Statistics show that top 100 employers in Europe and The United States of America enjoy annual growth rates bigger than 20%, and receive each year six times more job applications than the number of employees¹¹. Most of the employees in these companies show commitment, reporting that they would stay with their organization for more than five years.

Hay Group compared half a million committed and uncommitted employees from more than 300 companies¹². Of the 50-plus satisfaction criteria analyzed, pay was the least important. Of all factors in employee satisfaction and retention studied by Hay Group, the most important was the opportunity to learn new skills. Dissatisfied employees, ready to leave within a year, reported: „I'm in a job that does not allow me to learn and use new skills". Another top factor uncovered by Hay Group was coaching and feedback from supervisors. High performers are the employees most interested in receiving feedback. If they don't get it, they think: „This company doesn't care about me". Hay Group proved again that employees do not leave companies, they usually leave bosses. If manager does not treat direct report right, none of the other criteria matters. In a Kepner Tregoe survey¹³, 16% of respondents identified conflict with the boss as one of the three most common reasons for the departure of top-performing employees. What to do with bad bosses? Kepner-Tregoe lists „a stairstepping process for conflict resolution". Among seven practices it found at companies effective in retaining employees: „A common practice for retention that leaders

employ is to offer legitimate alternative avenues that allow employees to circumvent their immediate supervisor, if necessary, and get their problem resolved". Motorola, for example, allows workers to take grievances to senior executives.

When asked which events caused by managers increased their satisfaction, employees also think of interpersonal events, for example circumstances in which managers praise them, work collaboratively with them as peers, create a relaxing atmosphere, provide emotional support. However, research showed that the most important managerial behaviors that increase employee satisfaction are: *enabling their progress* and *treating them decently*, as human beings¹.

- *Being able to make progress* in the work is very important for employees' satisfaction. That is why providing direct help, providing adequate resources and time, and reacting to success and failure with a learning orientation, versus an evaluating one, are the appropriate managerial behaviors. One of the most important managerial behaviors is setting of clear goals. People make more progress when managers clarify where the work is heading and why it matters. When goals are not clear, work proceeds in wrong directions and performance suffers, lowering motivation. When managers do not do their best to facilitate progress, people draw their own conclusions: they either imagine that their superiors consider their work unimportant and willingly undermine it, or they consider them as being incompetent.
- *Interpersonal relations* have to be in tandem with progress. Praise without real work progress or at least solid efforts towards progress, has little impact on satisfaction, and can even lead to cynicism. On the other hand, good work progress without any recognition, or worse, with criticism about trivial issues, lead to sadness or anger. The best situation is when people are aware that they did a good job, and managers appropriately recognize it.

Employee Satisfaction in Companies that Operate in Romania

Since 2005, GFK Romania¹¹, together with *Capital Magazine*, carried out surveys regarding the employee satisfaction, for creating "The top of the best 100 companies to work for".

In all these three years when the survey was carried out, it was demonstrated that the employees in the top companies - where it is assumed that the physiologic basic needs are satisfied - praise most to be respected, to have their merits acknowledged, to work in a constructive environment. These are thus the motivating factors, according to Herzberg's theory. It should be noticed the fact that the salary importance decreased, descending from the second position, where it was in 2005, to the fifth position in 2006 and 2007. The hygiene factors are in Romania on the last positions in the hierarchy of the employees' preferences, too. The meal tickets, the relaxation and sport facilities are on the last three positions of the 37 satisfaction criteria analyzed by the participants to the survey. The survey showed that the Romanian employees appreciate, besides the salary, the degree of adaptation of the compensation package to the individual specific needs. They consider this supplementary effort a proof of respect and appreciation.

Ways to Improve Organizational Performance, through Increased Employees Satisfaction

Research showed that job satisfaction does not necessarily lead to better job performance. However, defensive behavior, sabotage, absenteeism, turnover were reported as certain behavioral consequences of frustrated employees. Dissatisfied employees will not perform at peak level, even if they do not leave the organization, which has negative consequences on organizational performance. Studies show that in organizations exist more types of employees: enthusiastic for their whole stay in the company; enthusiastic for approx. six month; disappointed after a short while; allergic to work.

Managers in good organizations are consistently acting in order to maintain at high levels employees' enthusiasm, and minimize the level of disappointment. Factors that lead to these positive results are:

- A proper orientation process, in which supervisors show respect to new entrants;
- Support for new employees to achieve as soon as possible the necessary level of competence, and to maintain it in time. Training, coaching, mentoring are very helpful in this respect;
- Stimulating work conditions, that enhance performance;
- Interesting, challenging, significant work;

- Involvement in the decision process;
- Effective managerial process, characterized by constructive feedback, empowerment;
- Discharge of the employees that are allergic to work,

Top management would be wise to assess satisfaction levels in their organizations – by business unit, and by job category. One way to do this is to use climate or satisfaction surveys at intervals.

Such surveys lead to an understanding of what should be changed in the organization, and what topics should be kept and enhanced, in order to increase satisfaction. To be useful, the questions should be relevant, and the response rate high enough to lead to a relevant aggregated satisfaction indicator. It is important that the evolution in time of the satisfaction indicators is tracked, and that indicators are computed for and compared among the various business units of the same organization at a certain point in time. Comparisons with other companies are extremely important.

- *The questions* should address issues related to different factors that influence employee satisfaction such as: career, leadership, collaboration, communication, work conditions, etc. Key employees should be involved in developing the questionnaires, which should be relevant to the organization and not too long. To make the process more useful, it is important to create a method through which factors of satisfactions are ranked according to their perceived importance.
- More factors lead to satisfactory *response rates*:
 - *Good communication* is extremely important in order to make employees aware that they have to fill in questionnaires and convinced that this process is beneficial for them;
 - The *period of the year* when the questionnaires are handed to employees is extremely important: periods with high workload, or holiday periods are not appropriate;
 - The trust that confidentiality is protected is crucial;
 - *Employees' confidence in the worthiness of their effort* has to be built in order that they maintain their commitment in time.

Towards this end, participants in the survey should be informed about the results obtained. More than these, they should be involved in the process of developing actions meant to increase their satisfaction, and let know how these actions were implemented, and with what results.

So, if well managed, such surveys lead to increased satisfaction, on the one hand because they detect things to be improved in the organization, on the other hand because employees feel that they are part of the decision making process, proof that top managers respect them and believe they are significant for the organization.

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THE ORGANIZATIONAL CULTURE AND THE FACTORS OF ITS FORMATION

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Abstract : Organizational culture is defined as an assembly of traditions, values, procedures, conceptions and attitudes which creates the context of activities in the organization (McLean and Marshall).

The elements of organizational culture, in opinion of many authors, are structured on many levels, depending on more criteria such as:

from point of view of behavior, these elements are structured in three levels: trust and beliefs imprinted in consciousness of staff ; values and attitude for which employed made an option; individual and group behavior inside the organization.

concerning the content, the elements of organizational culture can be structured in three levels (D. Roberts): surface level – behaviors, slogans; second level – values and standards regarding of good and wicked in organization, development of organization and employed; deep level – believes, convictions of staff.

considering the action area and his characteristics, inside of organizational culture we distinguished: institutional subculture – at the level of the component parts of organization; professional subculture – concerning the professions inside the organization.

The main factors who determine the organizational culture are presented in this paper and they are: founders and owners; managers; group of work; characteristics of organization; the environment (juridical, economic, cultural, technologic).

Key-words: organizational culture, levels of the organizational culture, the factors of the organizational culture

1. Definition of the organizational culture

Each organization represents a multitude of personalities who, in time, as consequence of the relationships that appear, confers to the organization a distinct character, unique. That is why, we cannot talk about the existence of two enterprises with absolutely identical features; each enterprise has specific problems and certain solutions of solving them.

The organizational culture constitutes a field of management, with a history relatively recent, which started to gain a general acceptance barely in the second decade of the 20th century.

Defining the organizational culture McLean and Marshall showed that this represents “an ensemble of traditions, values, procedures, conceptions and attitudes that create the context of the activity within the organization”.

In the opinion of the famous Dutch professor Geert Hofstede, the organizational culture is:

- holistic, in the sense that it represents more than the sum of the component parts;
- historically determined, because it reflects the evolution in time of the organization;
- connected to the elements of anthropological nature;

- socially founded, because it is created and kept by the group of persons who form the organization;
- difficult to change due to the complexes of the implied human elements.

The companies have ‘cultures’, as people have ‘personalities’. The culture of a company is its collection of beliefs and organic reactions almost instinctive, of heroes and negative characters, of realizations, interdictions and commandments. Some of these, as the neurosis of some people, are so deeply rooted, that their origin is lost in the darkness of the passed events, while others have living causes, visible.

The important aspect regarding the culture of a company is that people can familiarize better with the organization or even to anticipate the way of behavior, if they succeed to understand ‘the chemistry’ of its content. A commandment of the type ‘know yourself’ is pretty difficult for an individual. The company rarely knows what it needs to know about itself. To an individual, the way it is perceived his/her behavior can be shown by his/her best friend, the family’s doctor or by one of his/her colleagues from the study group. For a company, the observer who has the objectiveness and the interest to discover the mechanisms that lead to the functioning of the culture can be someone from the outside: an investor, a journalist, an analyst or a client.

The nature of the culture of an organization can be understood and viewed better if it is seen through the eyes of a foreign visitor. When someone sees the organization from a new angle, can perceive that intangible ‘social putty’ that holds everything together: the way in which the language, norms, values, rituals, myths, anecdotes and routine create that ‘coherent reality’ that molds the work of the people and the attitude they have towards it.

All the processes that take place within an enterprise, irrespective of their nature, are influenced by the organizational culture. Practically, in each organization there can be differentiated a formal and an informal organization, that cannot be separated. If the formal organization functions according the rules, politics and procedures, the informal organization develops spontaneously and can include individuals from different organizational levels. The informal organization implies relationships and human interactions within the organization, which are not officially prescribed, and has a dynamic character. It helps to the reduction of the tensions and is due to the needs of people of affiliation, friendship, security.

Within it, there can be distinguished the informal network of communication. Sometimes, this helps to the supplementation of the formal communication and often transmits the information more rapidly than through the official channels of communication. There are also disadvantages; thus, there can be transmitted erroneous information, suspicions, and half truths.

2. Levels of the organizational culture

Williams, Dobson and Walters structure the elements of the organizational culture on three levels:

- of beliefs and convictions, registered in the consciousness of the personnel of whom often is not aware of;
- of values and attitudes, which the employees of the organization choose and display;
- of the individual and group behavior within the organization, that can be perceived through spontaneous and systematic observations.

D. Roberts decelerates within the organizational culture other three levels:

- the exterior level, of surface – behaviors, slogans;
- the second level – values and norms partied by the employees of the organization regarding to what is good and bad, assuming the risks, the development of the organization and the employees;
- the tertiary level or profound level – beliefs, convictions of the employees.

Within the organizational culture of a company there can be differentiated, through the characteristics, more organizational sub-cultures:

- institutional sub-cultures – are shaped at the level of the main organizational sub-divisions of the company;

- professional sub-cultures – reflect the specific of the main categories of employees according to their profession.

3. The factors of formation of the organizational culture

The factors that influence the formation of the organizational culture, in general, and of the organizational culture of business, are numerous. From these we have stopped upon the most important.

The working group. The working groups appear in organizations in different forms. The working force is created by a formal authority, the organizations being networks of working groups. The variables that determine the formation of the group can be delimited into the personal characteristics (personality, experience, training, attitudes), situational variables (the tasks to fulfill, available space, the way of granting the awards – respectively the group as a whole or the individual). Groups appear due to the need of affiliation, the necessity to reach the goals, physical approach, compatibility between the personalities, the attitudes and values of the individuals. The nature of the group and the number of members affect the perceptions regarding the nature of the organizational culture. Each employee brings into the organization convictions, attitudes, behaviors, from whose intertwining results the organizational culture.

The implication regarding the mission of the group influences the cultural perceptions. At the same time, the relationships within the group are decisive for the process of creation of the organization's culture.

The general existent attitudes towards the risk and the existence of conflict, the types of relationships of communication will have a considerable impact upon the working group. They affect, at the same time, the amplitude of the innovation and organizational creativeness. According these factors, the members of the organization will develop an impression about 'what kind of working place is that'.

The style of leadership of the managers. This has a considerable effect upon the culture of a group. If the manager is distant towards his/her subordinates, this attitude can have a negative impact upon the culture. The trust in the manager, the embodiment of the chief in a positive example can influence favorably the efficacy of the group.

The managers always influence, substantially, the organizational culture, their influence being proportional to the hierarchical level. At the same hierarchical level, the influence differs from one manager to another, because the level of training and the leading style are not the same.

The organizational characteristics. They can affect, also, the type of culture that it is developed. The organizations differ according attributes as measure and complexity. Between the complexity of the organization's culture and the size of the company (that can be expressed through the business figure, capital, number of employees) there is a direct proportional report. Moreover, the big organizations tend to higher degrees of specialization and towards a bigger impersonal character.

Usually, in the small companies the culture is more homogenous, while in the big companies are clearly shaped the sub-cultures. The organizations, also, differ according the degree of formalization (expressed in rules, politics, norms) and after the degree of decentralization and autonomy.

The history of the company represents a factor with profound influence upon the organizational culture with tradition; at the same time, it differentiates the cultures of these organizations from the cultures of the new enterprises. The stage of the life cycle of the company can constitute an important factor rarely taken into consideration.

The economic situation of the company influences the organizational culture by its restrictions and economic facilities.

The founders and owners. In many cases, the founders create the philosophy of the company and determine the basic values. The owners of the company can exert their influence from more points of view: of the type of owner (natural and/or juridical persons); the number of owners. When there are a reduced number of owners, their influence can be more profound

The environment (juridical, economic, cultural, technological). The juridical environment can influence the organizational culture positively or negatively. When it includes contradictory elements its influence upon the organizational culture is negative. The economic environment of the company reflects the status of the national economy. Thus, the economic crisis is also reflected at the organizational level. The individual who enter or are within an organization of businesses are 'impregnated' with the values, beliefs, attitudes that come from the national culture. The economic culture is derived from the national culture and

presents particularities for each country, which manifests upon other variables – owners, employees, managers. The technique and technology used refer to the degree of technical endowment and the type of technologies used, which have implications over the organizational culture. Thus, the amplification of the degree of technical endowment of the companies has implications over the content of the organizational culture, after the reduction of the frequency and intensity of human contacts.

4. Short conclusions.

The cultural elements that are defined by Edgar Schein as ‘solutions learned of the problems’ identify two types of learning situations, which in practice intertwine.

In case of positive solution of the problem, the group tries different answers until the problem is solved. On the contrary, in case of avoidance of anxiety, once an answer is learned because it avoids successfully the anxiety, it will probably be repeated by an undefined number of times. Thus, all the rituals, the models of thinking and the behaviors can be initially motivated by the need of avoiding a situation of anxiety.

The cultural elements based on the reduction of anxiety will be more stable than those based upon the positive solving of the problem, due to the nature of the mechanism of reduction of anxiety and the fact that the human systems require certain stability for avoiding anxiety.

The majority of the cultural solutions within the new organizations come from early founders or leaders of these. The founders have the biggest influence, but, while the group is consolidated, its members will find their own cultural solutions.

There is a certain ‘force’ of the culture, which can be defined according to: homogeneity and stability of the members of the group; the dimension and intensity of the experience shared by the group. If a group has a long and prosperous history, succeeding to defeat more difficult problems of survival, it will have a strong culture.

If the group is characterized by a fragile stability, by its members who were together for short time and did not confront with no difficult problem, the group will have a weak culture, even if the individuals within the group may have very strong individual presumptions. There must be sufficient experiences shared by the group, in order to have defined a culture. From this point of view, the companies with tradition can be considered as having strong cultures, while the very young companies can be considered as having weak cultures. There can be stated that the individual is subject to a process of socialization to which it is subjected any member of the society.

The organizational socialization is the process through which the new members learn the basic goals of the organization, the preferred means by which can be reached the goals, the responsibilities, the models of behavior, the rules and the principles that allow the maintenance of the identity and integrity of the enterprise.

The socialization can be collective and individual, formal (attributions in this respect revert to the managers and the departments of human resources) or informal. Irrespective of its type, we remark two features:

- it is continuous;
- often, the members are not conscious of its existence.

Because the culture serves to the function of stability of the external and internal environment of an organization, there must be ‘handed in’ to the new members, who must perceive it as correct. We cannot forget the following aspect: some new members bring new ideas and can thus contribute to the changing of the culture, especially if the ideas are brought to the highest levels of the organization.

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THE EVOLUTION OF LOHN AS A MANAGEMENT TECHNIQUE FOR THE INTERNATIONAL AFFAIRS OF ROMANIA

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Abstract: Businesses in lohn evolve differently, according to the partner country and to the activity sector. In certain cases they go all the way to consolidate partnership relationships between foreign and native companies. In other cases they delay the adaptation of local companies to environment changes. In conclusion, business contribution in lohn to the dynamics of regional integration is very much diversified.

Keyboard: businesses in lohn, evolution of the lohn, the lohn in European Union states

In Romania, during 1960-1970 intense efforts were made to industrialise the country and large production capacities were set up both in the heavy industry and in the consumer goods industry (furniture, clothing, footwear, marble, faience, ceramics etc.). However a discrepancy was created between the financial and human effort for production on the one hand, and for marketing, especially for the external trade on the other hand. There are many causes for this, among which:

1. product creation was not encouraged, as many engineers were oriented towards productive sections; product creation sectors didn't have the proper quantitative and qualitative labour force;
2. training of economists for external trade was strangled.

In the last decade of the 20th century and currently, the offer of labour force qualified in external trade has developed, however changes in passing to own-brand trade did not occur, because the Romanian economy has been corrupted on a larger scale: production, finance, external trade etc.

In order to perform direct exports, an innovating management-marketing activity is necessary within companies, but most of the Romanian company managers do not intend to develop own brand production or to promote modern management and marketing. This is how in the last decade of the 20th century and in the beginning of the first decade of the 21st century, lohn has come to represent the main method of export for the Romanian companies producing consumption goods, especially clothing and footwear.

Textile-clothing industry held in the last years about 25% of Romanian exports and 17% of the population employed in industry. The number of factories from this branch increased from about 800, as there were in 1989, to about 8.600 in 2002. Currently, more than 80% of the exports of clothing factories are made by means of lohn, Romania being seen as “a tailor of Europe”.

It is suggestive that in 2000-2002 our country was classified on the sixth place in the EU import of clothing and clothing accessories, holding in the same time the first place among the countries of Central and Eastern Europe as a supplier of clothing items. Romania has also taken the seventh place in the EU export of clothing and accessories, being classified on the first place among the Central and Eastern Europe countries as a commodity market for these products.

The footwear industry represents another branch in which production in lohn holds an important weight. In 2000 unlike 1990, the number of companies increased from 202 to 1.807, production decreased from 1 billion dollars 856 million dollars, and the volume of sales on the internal market reduced from almost 700 million dollars to only 19 million dollars. The greatest part of the footwear industry is exported by lohn but in certain cases there is the following situation: Romanian factories supply the shoe faces which imply greater technological exigencies in manufacturing than soles; the latter are brought by foreign partners and are marked with the origin country and company, therefore the trade mark. As in the case of clothing, the footwear produced and exported in lohn by Romanian companies returns to the Romanian producer with a

very high price.

The consequences of lohn generalization in Romanian industry are contradictory. On the one hand, it has contributed to employment and obviously to obtaining currency contribution for the Romanian entrepreneurs. On the other hand, the capitalization of Romanian companies is slow and modest, and the profit obtained by lohn export is small. Moreover, the sector producing threads, fibres and fabric has been deteriorated, a traditional sector of Romanian industry with an economic history of almost 200 years.

Another shortcoming of the lohn is that the Romanian companies, even those which had or still have an own brand, lost their identity because the manufactured products are sold with the sequencer's brand. Similarly, lohn remains uncertain in the future because sequencers shift easily where the costs are more reduced hence profits are bigger. Therefore it is required that Romanian managers reconsider their position towards long-term extension of the economic businesses in lohn, orienting themselves towards selling quality products on the internal market and passing to own-brand exports.

In other countries too, such as Poland or the former Czechoslovakia, the proportion of businesses in lohn in textile industry reaches high levels with significant increases ever since 1991. In these countries the lohn took the place of direct trade, its dynamism compensating for the absolute decrease of direct trade. In other sectors specific evolutions appear. In Hungary for example, in the sector of mechanical industry the weight of lohn decreased within the context of dynamic growth of direct trade. This would mean that Hungarian companies are about to gain autonomy. In the Czech Republic, in this sector there are possibilities to make partnerships with companies from Germany.

In the Czech Republic as well, the footwear manufacturing and the electrical sectors are characterized by a combination between businesses in lohn and direct trade. This means that foreign companies, mainly the German ones are consistent in their relationships with local partners, while also promoting independent exchanges. In other words, within these two sectors the German lohn with the companies from the former Czechoslovakia determined a consolidation of the local capacities. This could be the first step in creating transnational production networks.

However businesses in lohn are not always beneficial. Withdrawal of German partners from the footwear industry in Hungary had devastating effects that the growth of direct trade could not overcome. In the Czech Republic, in the leather goods and printing industry and especially in the food products sector, businesses in lohn had a continuous growth, without a significant increase of direct exports.

Currently, Romanian footwear manufacturers are orienting themselves towards the internal market. For years, most of them preferred to produce for the export under labels such as Pierre Cardin, Hugo Boss or Gianfranco Ferre.

For example: All the two million clothing items issued each year from the Vesti-Ro plants used to hang until the last year on the hangers of some occidental shops such as H&M, Steilmann or Christian Dior. But starting with this year Vesti-Ro decided to sell a small amount of the production on the internal market under own label: Senso. In five years it plans to cover the local market with these products. All the five Vesti-Ro plants will produce then only for the local market. Change in orientation of the manufacturer from Focsani - a reference company in the field, with annual income of over 10 million dollars - marks a new trend in the Romanian textile industry. More and more clothing factories which so far made profit almost exclusively from the production in lohn are now attempting to launch and enforce own clothing brands on the internal market.

The main motivation of this trend is the fear that the accession of Romania to the EU will lead to wage increase, forcing Western companies to look for cheap labour in other countries, from East. Western manufacturers might even reorient themselves towards China, once this country is free to export as much as it wants as from 2005 when the "Multi-Fiber Agreement" expired, agreement which enforced export quotas to the member countries of the World Trade Organization (WTO). In the absence of export limitations, China will control 50% of the textile world market, according to the estimations of the future European trade inspector, Peter Mandelson, unlike 28% as it is controlling now and 19% as it used to control in 1995.

It is estimated that the Lohn in Romania will survive for at most 4-5 years, referring to the labour system where over 85% of the clothing industry operates. The alternative - that is own brand launch - is not a simple business. First of all, because it has to compete with famous international companies, then, because Romanians' purchasing power is still low. Last but not least, the competition caused by the invasion in

proportion of 75% of the market with cheap forged products, adding the high costs involved by launching a brand and opening own shops will not bring immediate profits.

The advantages of companies with own brands are for the future and not for the present and it is possible for them to have a smaller profit than those working in lohn, she says. The idea of those investing in their own brands is to try to gain average income customers. That is those who are not satisfied with cheap products but do not have sufficient income to invest in expensive foreign brands such as Steilmann, Marks and Spencer or Benetton. This segment will increase with the purchasing power and we can say there is enough room on the market. Romanian purchasers, so the manufacturers say, are more and more educated and place an increasing importance to the quality of products. This general trend will push a part of the consumers of cheap Chinese products dominating the market, towards the Romanian production, superior in quality and not very expensive.

The occurrence and consolidation of Romanian brands offering competitive products more expensive than the current Chinese products but cheaper than the foreign brands will gradually orientate consumers towards superior quality products. However, purchasers must be first of all accustomed to local brands. This is more and more difficult to achieve since the Romanian market becomes increasingly interesting for the western manufacturers. ,,

But Romanian factories get a reduced income quota, being paid only for the manual labour of the tens of thousands employees. The lohn system implies that all the necessary raw materials are supplied by the foreign company and the Romanian company delivers the finished good in the requested amount, therefore ensuring a profit of 0.7-1 euro per piece. Those marketing brand clothing all around the world are the great fashion houses which conclude execution agreements with native garment workers. The lohn will decrease, therefore from now on less and less brand products will be produced in Romania.

Thus, even if our country has acceded EU with the most powerful clothing industry, compared to the other European states, 3.000-4.000 micro enterprises, about 40% of the native companies, risk closing their doors because of an unfavourable concourse of factors:

- the existence of a great number of vulnerable enterprises without own brand and without implemented quality standards,
- pressure to raise workers' wages
- high credit costs.

It is estimated that a third of the Romanian clothing factories might disappear after accession, as a consequence of lohn delocalization (loss of agreements by the Romanian factories and their winning by countries with cheaper labour force, such as Ukraine or Moldavia).

It is well-known that the volume of the Romanian production in lohn has already decreased from 80% to 60%. Of the 5.000 clothing manufacturing companies existent in Southeast Europe (3.500 in Romania, 1.500 in Bulgaria and 300 in the Republic of Moldavia), 3.800 are clothing exporters in lohn, of which about 3.200 only in our country. In the last three years the Romanian lohn reduced its weight in the total of exports with about seven percentage points, reaching 45% in 2006. Theoretically, less lohn means more stable exports and in the same time, more products 100% "made in Romania". Similarly, the lohn tends to shift in the sectors where the labour force is much better paid. The part which is not so good but is anticipated is that the clothing and textile industry, where a great part of the lohn agreements are concluded, reduced its speed.

Although it reduced its weight in Romanian exports, the lohn continued to increase its value in the last three years, from ten billion euros in 2004, to almost 11.6 billions last year. "The lohn is a necessary evil for each economy in formation. It offers market and it sets performant labour regulations, even though it is not always well paid. Instead of closing your factory it is preferable to accept lohn agreements, especially if your partner is also providing the equipment to make the ordered products.

By means of outsourcing operations, developing nations such as Romania received both raw materials, materials, semi products and the technological documentation and the know-how necessary to perform the products and services contracted. Therefore, the offer of developed nations to the emerging economies represented an opportunity for the latter, contributing in the same time to a more efficient use of the labour force and to the increase in living standards of these countries.

Has Romania got to be too dependent on outsourcing? This dependence is generally related to the level of wages and therefore of the labour cost. In our country it is a greater dependence than in countries like Hungary, Poland or the Czech Republic, but smaller than in the case of Bulgaria or Ukraine.

Maintaining the tendency of diminution of lohn contribution, both in the total export and in the total import can be seen as a maturity sign of the Romanian economy. To this positive factor is also added the trend to shift the lohn from the sectors with a small added value to those involving more sophisticated technologies and labour force than in textiles, for example. As proof, the lohn in the trade with products of machine-building industry has speeded up lately. This industry has gained from the outsourcing process an income of about two billion euros only last year, according to the National Commission on Prognosis. In the same time, the light industry, although it holds the first place in outsourcing, gained 1.8 billion euros from lohn. Wood products, including furniture brought 0.3 billion euros.

Moreover, according to the National Commission on Prognosis, textiles and garments recorded in the last years a reduction of competitiveness as a consequence of wage rising, of national currency appreciation but also of the strong international competition.

The lack of labour force had consequences in the decline of this sector too. Last year in Light industry the number of employees diminished with 6%, compared to 2005, and the lohn orders decreased with almost 5%. It is expected that this trend continues in the following years as well.

The accelerated decrease of lohn volume, although alarming for the companies in the field, does not represent another national danger because it is compensated by the development of other sectors. No country can remain dependent on lohn if it wants to resist on long term in the world economy. To be the tailor, the shoemaker or even the electrician of the West is short and average term solution that needs to be replaced with own brands. Otherwise one remains a colony of the great economic powers with market and technology. "The chance of Romania, for the moment, is that losses in the lohn of light industry were compensated and even overcome in volume by the one in the other sectors".

The European Union states are the main recipients of the lohn in our country. Last year almost 86% of the lohn export of Romania went to these countries. In the case of Light industry, over 97% of sales went to the Union. There are high values in other branches too: the machine-building industry (84.5%), articles from concrete, stone or glass (94.9%), wood products, including furniture (74.8%). The most important partners in the case of lohn trade are Italy and Germany, countries to which exports in amounts of 3.1 billion euros and 2.5 billion euros went last year.

A partner that becomes more and more interested in sending outsourcing in Romania is Hungary. If the amount of lohn export to the neighbour country was of 264 billion euros in 2003, last year it reached 640 billion euros. There is a slight tendency for certain companies that produced until now in Hungary to place a part of the production in Romania, because the labour force is cheaper than in our country. According to the Hungarian official, especially the branch offices of multinational companies that wish to optimize their costs appeal to this practice. Almost 80-85% of the Romanian-Hungarian trade is carried out between big multinational companies with production in both countries.

But not only the branch offices of the multinationals present in Hungary send their production to our country, There are more and more West-European companies that renounce their lohn agreements with Hungarian partners in the favour of Romanian ones or even partners from countries where costs are even smaller. Hungary is less and less interested in the lohn production because the labour force costs increased very much in our country. Romania is still attractive for this type of agreements, but as wages rise here too, the lohn will diminish.

Important changes as concerns the lohn take place not only among states, but also on the level of economic branches in our country. If in some industries with small added value it began to lose outsourcing agreements in favour of countries such as India and China, in other sectors in which the added value is big our country will still be able to remain attractive in the following years. Recently, the great world actors in the area of IT - IBM, Oracle, Microsoft - have opened in Romania regional supporting centres in which they employed or intend to employ an impressive number of specialists. A great number of products will be externalized to these centres.

Currently over 90% of the Romanian software trade is made of outsourcing; however the actors in this industry estimate that the situation will change in the following years. The competitiveness of the Romanian companies will diminish compared to the one in India, China or Russia, because of the great rise

in wages. Outsourcing was essential for the development of Romanian software industry, but it is time we passed to services with bigger added value in order to maintain our competitiveness on the international level.

For a time horizon between three and five years, Romania is still going to be a destination for the outsourcing projects in software. After this period of time, although the wages of Romanian programmers will continue to be smaller than the Western ones, the difference in cost will not be big enough in order to account for the inherent risk arising from the management of this type of projects.

In general, the outsourcing phenomenon presented for Romania a series of advantages, the clearest one being the maintenance of jobs in the sectors that received such agreements. However there were other benefits too, such as the technology transfer that accompanied foreign investments, the growth of the level of labour force qualification and managerial ability, including in the marketing field. Hereto are added the increase of competitiveness, the connection to quality and control standards, specific to the external markets. In the same time it permanently helped to diminish the trade deficit and the current account deficit of our country.

Despite this favourable contribution, the evolution of the External trade of Romania has become increasingly alarming. While exports increased last year with only 37% compared to 2004, imports raised to over 55%, and the trade balance deficit has doubled. This situation became more prominent in the first months of this year. 44.9% of the Romanian export for 2006 was made from lohn agreements. Their amount rose to about 11.6 billion euros.

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DETERMINATION OF THE BEST MAINTENANCE METHOD BASED ON THE TOTAL MEDIUM MAINTENANCE COST

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Abstract When approaching the maintenance activity, cost represents a complex element due to the fact that the performance parameters of the operation of the equipments are fundamented on statistical basis. This paper presents different cost categories, depending on the applied maintenance method, fact that allows the department Manager adopt the best decision for extending the lifetime of the equipment or replacing it.

The exemplifications in the present study case confirm the fact that the preventive maintenance policy is the most profitable one, the corrective one being extremely costly. The conclusions given at the end of the study case serve the elaboration of the maintenance amelioration plans.. The most convenient cost will be obtained if we replace the equipment at the MTBF moment, but this fact will lead to extremely high investment expenses.

Keywords: maintenance, cost, repair, disturbance.

INTRODUCTION

The economic criteria that help the decision taking when choosing the best maintenance method are bound up with costs, with the efficient determination of their level. The economic efficiency principle, set at the basis of the leading process aims the knowing of the economic effects of the expenses needed for the maintenance activity [1].

The informations regarding the maintenance activity expenses and costs are improved along all the stages of the leading process, beginning with the palnning activity and ending with the reception of the works. The calculation of the maintenance activity costs fulfils the role of a binding element between two components: the material and the technical one, on one hand, and the value one, on the other hand, being an alignment factor in the operative leading. The costs prominence can be made based on the maintenance types or on the equipment [2].

THEORETICAL BASIS

The determination of the maintenance systems costs will be accomplished with the help of the total medium maintenance cost per time unit. Regarding the fact that the main applied types of maintenance systems are the corrective and the preventive maintenance, we distinguish the following costs categories:

- The total medium corrective maintenance cost per time unit (C_1 , in lei/t.u.).
- The total medium preventive maintenance cost per time unit (C_2 , in lei/t.u.)

Regarding the existent corrective maintenance systems we distinguish the following costs categories [3]:

- The total medium curative maintenance cost per time unit (C_{11}).

$$C_{11} = \frac{p + P}{MTBF} \cdot \left[\frac{\text{lei}}{\text{hour}} \right] \quad (1)$$

where:

p = cost of one preventive intervention (lei);

P = cost due to the fall of the equipment (lei);

MTBF = mean time between failure, respectively average of the interval of time between two successive falls, being expressed in hours. This indicator is statistically determined.

- The total medium palliative maintenance cost per time unit (C_{12})

This cost type distinguishes itself from the previous one through its p , P and $MTBF$ values and, as a consequence, we have:

$$C_{12} = \frac{p + P'}{MTBF'} \cdot \left[\frac{lei}{hour} \right] \quad (2)$$

where:

P' = additional cost paid in case the equipment falls;

$MTBF'$ = mean time between failure after the standardized period, being expressed in hours. This indicator is smaller than the initial value of $MTBF$.

- The total medium preventive maintenance cost per time unit (C_2)

For dimensioning the preventive maintenance activity there can be used the following costs categories:

- The total medium systematic maintenance cost per time unit (C_{21}):

$$C_{21} = \frac{p + P \times F(t)}{m(t)} \cdot \left[\frac{lei}{hour} \right] \quad (3)$$

where:

$F(t)$ = disturbance probability of the critical element considered in the t service period. At the end of this period a corrective intervention will be necessary.

$m(t)$ = the medium using period of the critical element considered (in hours).

In case of a systematic preventive replacement at the end of the T period, $m(t)$ may be expressed as being:

$$m(t) = \int_0^T [1 - F(t)] dt \quad (4)$$

Out of (4) results that the $m(t)$ period is inferior to T period of systematic preventive replacement.

If it gets to a damage, we place it in the situation of a corrective maintenance, where $m(t) = MTBF$.

- The total medium conditional maintenance cost per time unit (C_{22}):

$$C_{22} = \frac{p + g}{K_c \cdot MTBF} \cdot \left[\frac{lei}{hour} \right] \quad (5)$$

where:

g = the conditional maintenance application cost expressed as the sum of the acquisition expenses for the necessary collectors and sensors.

K_c = the conditional intervention coefficient that, as a rule, increases $MTBF$

- The total medium forecasting maintenance cost per time unit (C_{23}):

$$C_{23} = \frac{p + g}{K_p \cdot MTBF} \cdot \left[\frac{lei}{hour} \right] \quad (6)$$

where:

K_p = the forecasting intervention coefficient that will substantially increase $MTBF$.

STUDY CASE

The object of the study is the comparative analysis of the costs of different policies that may be applied in case of the maintenance of Adller machines for sewing leather faces, from one section that is specialized in footwear production.

The used data have been extracted from the functioning norms of the equipment, the technical book of the sewing machine, and, those regarding the costs, have been furnished by the bookkeeping service and the production manager:

- The cost of a preventive intervention at this equipment is 20 lei,
- In case the machine would get out of order (a medium complexity disturbance), according to the maintenance costs register there results that its repair would get to a medium cost of 250 lei,
- At a standardized functioning period of 10.000 h, MTBF is 250 h,
- In case of applying a systematic maintenance, the disturbance probability $F(t)$ would be 0,35, corresponding to a medium using period $m(t)$ of 320 h,
- For the maintenance of this type of equipment there can also be used a controlling device for the technological functioning parameters for the main sub-assemblies that costs 400 lei at a guaranteed functioning period of 2.500 h,
- A conditional intervention costs 40 lei, getting to a K_c coefficient K_c of 1,5.
- The last types of devices used for the general control of the functioning parameters cost 1000 lei and the producer guarantees for 5.000 functioning hours, a K_p coefficient of 2,5, at the same application cost of the method,
- One part of the sewing machines has an outdated standardized functioning period and, consequently, one is not able to obtain a MTBF' smaller than 50 h, by any means,
- The new machines are guaranteed for a functioning period of 1.000 h.

According to the formula (1), we obtain a total medium corrective maintenance cost per time unit:

$$C_{11} = \frac{20 + 250}{250} = 1,08 \left[\frac{\text{lei}}{\text{hour}} \right]$$

If the machine is used over the standardized functioning period, the medium palliative maintenance cost on time unit would be:

$$C_{12} = \frac{20 + 250}{50} = 5,4 \left[\frac{\text{lei}}{\text{hour}} \right]$$

If we use a systematic maintenance, then the total medium systematic maintenance cost (C_2) would become according to (3):

$$C_{21} = \frac{20 + 250 \times 0,35}{320} = 0,34 = \left[\frac{\text{lei}}{\text{hour}} \right]$$

If we choose the acquisition of a measuring and controlling apparatus, then the cost applied for the conditional maintenance g becomes:

$$g = \frac{400}{2500} \times 250 + 40 = 80 \text{ lei}$$

Accordingly, the total medium C_{22} conditional maintenance cost becomes according to relation (5):

$$C_{22} = \frac{20 + 80}{1,5 \times 250} = 0,27 = \left[\frac{\text{lei}}{\text{hour}} \right]$$

The application of the forecasting maintenance methods will lead to g' expenses calculated as being:

$$g' = \frac{1000}{5000} \times 250 + 40 = 90 \text{ lei}$$

The medium forecasting maintenance cost per time unit C_{23} will become:

$$C_{23} = \frac{20 + 90}{2,5 \times 250} = 0,16 \left[\frac{\text{lei}}{\text{hour}} \right]$$

4. CONCLUSIONS

Analysing the obtained results we can draw the following conclusions that allow us choose the best alternative regarding the maintenance system that should be applied:

- the most economical maintenance policy is the forecasting one, representing 0,16 lei/hour. But, this implies the acquisition of an A.M.C. that is costly, even if it proves its efficiency in time. In addition, this facilitates the avoidance of the non-quality costs of the obtained products;
- but, with a less costly investition one can choose the conditional maintenance that will also lead to reduced costs, close to those of the forecasting maintenance;
- if there are no funds for applying the conditional maintenance, then the systematic maintenance is the most convenient from the point of view of the hour-cost (0,34 lei/hour);
- the corrective maintenance is extremely costly, leading to a total medium maintenance cost of 1,08 lei/hour;
- if we want to use the sewing machine only during the guarantee period (when we have no corrective maintenance expenses and MTBF can be considered 1.000 hours) and then replace it, then, the most convenient alternative is the corrective maintenance, the medium cost per time unit being in this case:

$$C'_{11} = \frac{p}{MTBF} = \frac{20}{1000} = 0,02 \left[\frac{\text{lei}}{\text{hour}} \right]$$

- the most convenient cost (0,02 lei / hour) will be obtained if we replace the equipment at the MTBF moment, but this fact will lead to extremely high investment expenses. But, this strategy presents the advantage of the possibility to permanently have last generation equipmet, the unit costs of production being maintained at an acceptable level considering the productivity increase.

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THE PROQUALITY NATIONAL PROGRAMME – THE MAIN APPROACH TO IMPROVEMENTS IN COMPETITIVENESS ON THE GLOBAL MARKET, TO REDUCING THE GAPS AND TO INSURING A LASTING

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The Japanese miracle is not a miracle. The outstanding evolution of the Japanese economy after the Second World War owes to both the cult for labour present in the Japanese society and to the influx of knowledge on quality passed on by the two American scientists, Deming și Juran in the 1950s. The postwar economic recovery programme of Japan focussed mainly on the high quality of products.

Based on the realities of the Romanian economy, we thought it mandatory for a person preoccupied and dedicated to the field of quality to conceive a project for promoting the cult of quality in the Romanian society, aimed at improving the individual, organisational and national performance in this respect, for the ultimate increase in general welfare.

Key words: quality, The National Proquality Programme, mission, objectives, strategic model, specific projects and activities

From our point of view, **The National Proquality Programme (PNP)** should be managed by the Romanian Government, by the Ministry of Economy and Finance to be more exact, involving all interest groups: associations and NGOs that are concerned with quality (e. g.: ASRO – The Romanian Standards Association; ARC – The Romanian Association for Quality; FRPC – The Romanian Foundation for Quality Promotion; FRPC Juran – The “Joseph M. Juran” Romanian Quality Award Foundation, SRAC – The Romanian Society for Quality Assurance; RENAR – The Romanian Accreditation Association), the business environment represented by the Employer’s Association, the top management and the quality managers, the academic environment, the local public administration institutions and other state institutions, the mass-media and the consumers. The programme could be transferred to the responsibility of an NGO, but we encourage the first alternative, due to the decision-making powers, the available resources and the authority typical of a government.

The Proquality National Programme Mission:

- The improvement of the Romanian economy’s competitiveness by promoting the quality-specific managerial philosophy and practices, all aimed at the final result, EXCELLENCE;
- The improvement of the quality of life for the citizens by promoting the cult of quality and the quality products on the market.

The Proquality National Programme Objectives:

- a) The top management awareness of the importance of quality as strategic business element in the context of business globalisation;
- b) The training of all-level personnel in the organisation in the spirit of quality (the cult of quality and use of quality management-specific methods and instruments);
- c) The promotion and the support for the implementation of quality standards. International standards play a key role on international markets;
- d) The support for the efforts of certification (of products or systems) made by organisations in accordance with national and international standards;
- e) The harmonisation of the Romanian legislation with the EU law;

- f) The facilitation of access to domestic and foreign information in the field of quality;
- g) The facilitation of co-operation between the academic and business environments in quality-related projects;
- h) The adaption of the efforts towards preparing the workforce on high-school and graduate levels for the workforce market needs by including certain quality-specific fields of study in the curricula;
- i) The development of the quality-specific institutional infrastructure;
- j) The facilitation of foreign assistance through the co-operation with international organisations in the field;
- k) The promotion of the J. M. Juran Romanian quality award;
- l) The promotion of “quality brands” for the products manufactured or sold on the Romanian market;
- m) The education of consumers in the spirit of quality.

The Proquality National Programme Strategic Model:

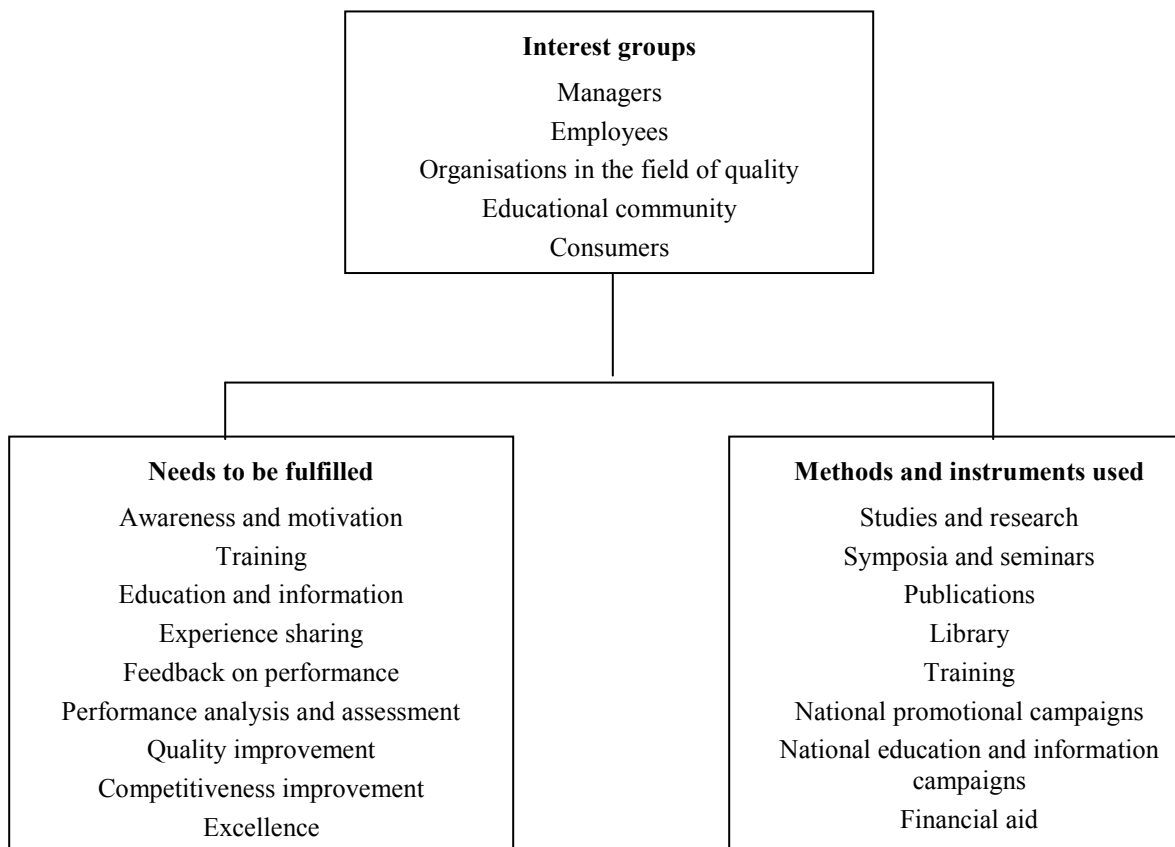


Fig. 7 - The Proquality National Programme Strategic Model⁹³

The Proquality National Programme - Specific Projects and Activities

All projects and activities initiated within the Proquality National Programme are aimed at achieving the objectives laid above and at fulfilling the mission for which it was created. They can be grouped in:

1. Infrastructure projects;

⁹³ Adaptation after the FUNDECE strategic model – The Argentinian Business Foundation for Quality and Excellence

2. Training projects;
3. Educational and information projects;
4. Quality promotion projects;
5. Financial aid projects;
6. Projects for rewarding outstanding performance in the field of quality.

1. Infrastructure projects are aimed at creating an infrastructure, a system through which the central-level initiatives should flow and the local-level ideas should easily reach the central level and the creative potential of certain target groups should be made available. The most important infrastructure projects are:

- a) The county-level development of a PNP cell, within the Prefect's Office or the Chamber of Commerce. They will have the role of implementing initiatives on the local level, central-level projects and will insure the necessary feedback. The PNP cell network will insure the uniform distribution of information in the field of quality on the national level, to avoid neglecting the countryside. Thus, an impulse for improving the competitiveness of the entire economy will be generated and not only that of the capital city, an aspect which should not be ignored socially;
- b) The creation of quality circles⁹⁴ within high-school and university educational establishments, made up of teaching staff and pupils and students, respectively. The PNP cell in every county will assist these circles. Their purpose will be: the improvement of the quality of the teaching process; stimulating the "educator – educated" partnerships; the distribution of quality-related information, promoting the principle "Do something right from the beginning and every time". Thus, the aim is to introduce and promote quality as a lifestyle for the new generations, vital for the economic and social future of the country.

2. The training projects will have two target groups: the top management and the other quality managers within the organisation. Regarding the firýt group, the objectives are:

- The awareness of the importance of quality as strategic business element in the context of business globalisation;
- Highlighting the top management responsibilities in implementing a quality management system: communicating the importance of quality within the organisation, defining the policies and objectives in the field of quality, insuring the necessary resources for their achievement, using the creative potential of employees by practicing an active management and implementing the system of suggestions, periodic assessment of organisation capabilities in offering quality and initiation of appropriate preventive and corrective actions;
- Highlighting the importance of the quality management system certification within the organisation, according to standards from the ISO 9000 family, this representing a premise: that of improving the quality of the obtained products; of foreign partnership;
- Presenting the SR EN ISO 9001:2001 quality standard and its main scopes;
- Presenting the TQM-specific modern management methods and techniques that allow the achievement of EXCELLENCE.
- The training programmes for quality managers within the organisation aim at:
 - Presenting the SR EN ISO 9001:2001 quality standard and its main scopes;
 - Achieving the internal quality auditor certificate;
 - Presenting the most used instruments in quality management.

3. Educational and information projects shall be given a central place within the PNP, based on the premise that quality is mostly a matter of culture, of values (personal, organisational and national). The most important educational and information projects refer to:

- a) Publishing a bulletin with national and international information on quality. It will also include a virtual copy;

⁹⁴ We add that the notion of "quality circle" is not given the classical meaning in the field-specific literature

- b) Creating a library with field-specific literature. An important place within it will be represented by a collection of “case studies” from managerial practice. Thus, Romanian managers will be encouraged to share their experiences. The library will gather quality-specific publications from Romania and abroad;
- c) Publishing DVDs with quality-specific themes;
- d) The project “Appreciate quality”. It aims at informing and educating consumers in the spirit of quality, highlighting the benefits of purchasing quality products, the rights consumers have and the possibility of filing complaints in case of dissatisfaction;
- e) The project “The month of quality” shall have a strong educational and information purpose. The month of November will be declared the month of quality on a national level, organising various activities dedicated to this theme;
- f) Organising a round table where all the actors from the field of quality will be invited, for the purpose of facilitating the exchange of information and experience;
- g) The introduction of quality-specific fields of study in the curriculum, so that every high-school or university graduate should study at least the basic aspects of the quality theme. An important role in this respect will be played by the Ministry of Education, Research and Youth, who will have to understand the importance of such a project;
- h) Organising seminars with the participation of international specialists who share their experience from developed countries, presenting the models to follow;
- i) The introduction of the Romanian barometer of client satisfaction. Its main role will be that of monitoring the client satisfaction on certain product markets (material goods or services). The barometer-specific objectives will be: comparison of the performances of various fields and industries regarding the client satisfaction; comparison of individual performances of organisations with the industry average; reflection of the evolution of performance over time; forecasting regarding the evolution of performance. The barometer will represent a guide for consumers and a representative feedback, conclusive for the bidders on the market.

4. Quality promotion projects are aimed at raising the awareness of the Romanian citizens, both as employees and consumers, regarding the importance of quality and their motivation towards achieving it. The main promotional projects will consist of:

- Presenting and promoting the Proquality National Programme in all environments of the Romanian society. Its importance and the need of involvement from the part of the entire society will be underlined. The most important promotional instruments used will be: e-marketing and public relations;
- Broadcasting cleverly made TV and radio ads in order to sensitise the society in the matter of quality viewed in its entire complexity;
- The annual selection of a number of companies within which PNP representatives will promote quality by holding seminars in front of the employees;
- Promoting of a quality brand for the products sold on the Romanian market, labelled “Q”, to allow consumers to easily identify quality products. The management of a quality brand implies rigour and transparency.

5. Financial aid projects refer to:

- Granting scholarships on graduate and postgraduate levels for those persons willing to refine their knowledge in the field and showing outstanding interest and skills;
- Granting financial aid to organisations willing to achieve a certification according to the standards from the ISO 9000 family or other international standards. In our opinion, priority should be given to organisations who export at least part of their production.

6. Projects for rewarding performance in the field of quality regard the persons and organisations with outstanding performance in the field. In this respect, the “Joseph M. Juran” Romanian Quality Award will be managed. It will consist of two sections: companies and personalities, respectively.

The chances of success for the **Proquality National Programme** are influenced decisively by the following factors:

- The degree of involvement of the government;
- The programme-level leadership;
- The quantitative and qualitative resources;
- The degree of receptivity of the Romanian society towards such an initiative;
- The programme-specific organisational structure. The model we propose is presented in annex four.

We estimate that the first effects of the implementation of the Proquality National Programme will appear after at least three years. We consider the PNP to be of vital importance to the Romanian society and economy. They need a new type of leadership, a new system of values that centres around quality and performance, regardless of the level of analysis (individual, organisational, national). The Proquality National Programme represents a premise to speak about the “**Romanian miracle**” in the not so distant future.

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THE MANAGERIAL CHANGE – A PERFORMANCE PREREQUISITE IN CONTEMPORARY MANAGEMENT

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Abstract: The change has become a fundamental indicator for contemporary economy, from society to organization, every component being submitted to a continuous modification process of constructive and functional parameters. The current market economy is chiefly marked by the globalization tendency of the competition, by major and rapid changes of technologies and human resources.

Adapting organizations to the changes emerged in the external environment represents one of the managers' constant preoccupations focused on maintaining the organization's effectiveness as well as on increasing its performance.

The organizational change aims at some aspects extremely different from the point of view of its complexity, starting from the reorganization of the working teams to the elaboration of some new strategies or the improvement of the organizational structure.

Key words: managerial change, organizational development, models of change

Motto: "Give me the serenity to accept the things that I cannot change, the courage to change the things that can be changes and the wisdom to distinguish one from the other." Reinhold Niebuhr

Updating organizations to the changes emerged in the external environment represents one of the managers' constant preoccupations. In many circumstances, adaptation actually demands an organizational development by improving the strategies and the organizational structure in order to increase activity effectiveness. Management specialists pay special attention to the organizational structure.

R. Richard, used to consider in one of his papers that "the organizational development represents a planned effort, coordinated by the top level management which aims at the entire organization and is intended to increase effectiveness, to improve the working conditions by modifying processes and using the information of the science of behavior."

This presentation of the concept displays some **features** of the organizational development:

- - The improvement may be addressed to the entire management system or only to a part of it;
- - The process is based on a large variety of methods and techniques specific to the entire management system or only to a part of it;
- - These measures seek to make some changes mostly in the employees' behavior;
- - Managers pursue both to implement these changes and to maintain and improve them;
- - The organizational development is meant to increase effectiveness that is a rational usage of resources and an increase in the quality of products and/or services, in the work productivity and a permanent improvement of the working environment within the organization.

We must underline the difference between the concepts of organizational development and organizational change. The organizational development refers to the conception, design and implementation of some changes that indulge the efficient usage of resources and the increase of economic effectiveness. The organizational change aims at some aspects extremely different from the point of view of its complexity, starting from the reorganization of the working teams to the elaboration of some new strategies or the improvement of the organizational structure. As a matter of fact, the change represents, generally speaking,

*“the activity of replacing a thing with another or someone with someone else: granting a thing a different shape, aspect, modifying, transforming, adapting, enriching and improving”*⁹⁵.

Today we discuss a lot about **change management** which consists of *“the totality of new concepts and methods with direct or indirect applicability upon organizations and people in order to survive and flourish in a generally very mobile environment”*⁹⁶.

We can also say that **organizational change management** consists of *“the totality of processes of anticipation, organization, coordination, training and control, of some measures meant to replace, modify, transform or reform the organization’s shape and content in order to increase its efficiency and competitiveness”*⁹⁷.

Change management is a complex process which regularly goes through several **stages**: *establish the factors that initiate change; recognize the need for change; diagnose the issue/issues; determine the methods and the alternatives for change; identify the factual conditions; selecting the most adequate methods for change; surmount the resistance to change; implement and coordinate change.*

In our opinion, organizational change and development are extremely important processes in adapting the company to the environment where it operates in order to increase performance and competitiveness. If they are well known and correctly implemented they may represent modalities of assisting the process of emphasizing the organization out of the competition.

According to some specialists, the organizational transformation is successful if we respect the following **prerequisites**:

- - managers must be willing to operate changes within the organization;
- - employees must analyze the organization’s values and classify them into good or bad ones;
- - changes must be accepted by most part of the employees and managers;
- - agents of change must deal with the problem in case they face resistance to change;
- - changes must be associated with study in order to comprehend the new thing and its implications upon the organization;
- - most employees must recognize the necessity of making the respective changes;
- - the organization must be responsive to turn to specialized people inside or outside the organization in order to analyze the current situation and to recommend solutions in order to resolve the issues;
- - employees must be permanently informed about the stage of change and its effects on short, medium and long term.
-

In some circumstances, the change is accompanied to a certain extent by risk and incertitude⁹⁸. There are organizational cultures where people reject the change and try to stand against it. These objections hinder its implementation. In other organizational cultures, with an environment open to study and communication, changes are welcome. To surpass these problems that hold a clearly opposing position to the change, in general, we need to choose carefully the personnel responsible for the implementation of the process of organizational change.

The activities for the organizational change are regularly done with the help of three **categories of personnel**:

⁹⁵ Puiu Al., “Management-analyses and comparative studies”, Economic Independence Publishing House, Pitești, 2004, p. 281

⁹⁶ Puiu Al., “Management-analyses and comparative studies”, Economic Independence Publishing House, Pitești, 2004, p. 282

⁹⁷ Burduș E., Căprărescu G., Androniceanu A., Miles M., “Management of organizational change”, Economic Publishing House, Bucharest, 2003, p. 23

⁹⁸ Lynch R., “Corporal strategy”, ARC Publishing House, Bucharest, 2002, p. 838

- *Specialists inside or outside of the organization*, people with experience in the organizational processes and having qualities that allow them to carry out an audit of the organization and put changes into practice;
- *Specialists in different fields regarding the organizational development* (rewarding system, quality control, informatics, organizational design);
- *Manages that have a certain experience, certain knowledge and qualities in designing and implementing change*. They play the most important role in managing change as they are deeper involved than the consultants.

The separation between the three categories of personnel involved in improvement is, most times, difficult as their roles are sometimes switched.

The research made in the field of organizational change has demonstrated that the specialists that obtain remarkable results in this domain have a series of **qualities and knowledge** such as: ability to diagnose a problem, knowledge of inter-human communication and human behavior, capacity to set up goals, ability to solve problems, imagination, fairness, impartiality, flexibility, awareness, self-confidence, trust in people. In a word, they have the qualities of leaders that permit them to provide everyone with the necessity of change implementation. The persons involved in an organizational change process must be intelligent, well-prepared from a professional point of view, must act in good faith and be ethical. Many important companies such as Levi-Straus, Intel, Procter&Gamble have created their own consultants in organizational development and change. Usually, it is necessary to make mixed teams of specialists inside and outside the organization. As the organizational performance issue is a delicate one, the changes proposed by the specialists must be assimilated and accepted by the employees, not imposed.

The instruction of the specialists in change is made, according to the American research, through training programs, workshops inside and outside various training specialized institutions (universities, labs), Master's programs or even doctorate programs. These training programs must be accompanied by many hours of practice that allow the specialists to know as many companies and circumstances as possible. The activities of change consultants are oriented to increase the company's profitability, its competitiveness on the market where it functions. They must also solve the interest conflicts that may arise between employees and company. They must demonstrate integrity in their relations with the organization's members in order to anticipate any possible communication problems.

Generally, there could be various **problems**⁹⁹ that specialists must solve tactfully so that the change implementation becomes possible: *the misunderstanding, the wrong usage of data and information, the employees' forced usage in the change process, the conflict between values and purposes, the faulty techniques*.

The misunderstanding is the situation when the two parts, the specialist in organizational improvement and the employees work together in unclear conditions. The changes that the specialist intends to make are in contradiction with the managers or the other employees' deeds.

The wrong usage of data and information is possible when there is no agreement between the employees and the agents of change. If the information provided is used to blame the organization's members, they do not present the real one, but they twist reality.

The employees' forced usage in the change process may lead to the emergence of some disagreements or conflicts that practically hinder the change process. That is why, it is necessary that the agents of change inform the employees about the change process in order to provide their participation.

The conflict between values and purposes comes forth when the objectives set by the change process are not clear and they contradict the modalities of achieving the respective objectives.

The faulty techniques are those habits which the specialists in change apply and which are not adapted to the specific of the organization or are not sufficiently known to be implemented.

⁹⁹ Burduș E., Căprărescu G., Androniceanu A., Miles M., "Management of organizational change", Economic Publishing House, Bucharest, 2003, p. 31

The change becomes difficult even under favorable circumstances. First of all, the change is determined by fear: the fear to lose market, the fear to lose jobs, the fear of cutting off profits and the fear of failing. Some strong organizations faced problems before taking the change into consideration. For example, Xerox and General Motors lost more than 30% of their market; IBM registered record-breaker financial losses.

An efficient model of organizational change¹⁰⁰ could be the following:

- Everyone must assimilate the necessity of change.
- There must be a common conception regarding the way in which the change will affect the organization.
- Everyone must have the feeling of being involved in the improvement process.
- Top management must be the first to undertake change and be a model for the rest of the organization.
- Management must eliminate barriers.
- Every employee must be informed about the impact of change.
- Everyone must undertake a training program in order to obtain high performance in the new environment.
- An evaluation and feedback system must be introduced.
- A proper environment for taking risks must be provided.
- Command management must be replaced by persuasive power management.
- Exemplary behavior must be rewarded.

The models or the theories for change represent those conceptions regarding change planning and implementation in the organization and describe the specific activities imposed by the initiation and development of change in an organization. The most important models for change enumerated by specialists are: Edgar Schein's model, Kurt Lewin's model, the model for research, the model for contemporary adaptations to research, the model for systematic approach, the general model for change planning.

In some regions, especially in the Scandinavian countries, a series of models for change are being applied. For example, the LOM program involving 100 companies was applied in Sweden. This program was centered on the idea that the development of communicational abilities and structures using an overall and profound approach of the organization determines, on the basis of a strategy, different changes in the company's performance. Similar to this program, the JOY Program was applied in Finland and was finalized with appreciable positive results.

In order to simplify the process of change, competitive organizations regularly formulate ideas that synthesize the conception regarding activity development. For example, the **American Bankers Insurance Group** from the United States of America has created an informal behavior guide, carved into stone and placed at the entrance of its headquarters.

This guide is made up of ten commands:

- You will never get into trouble because you enterprised something, but for not doing it. You have the right to say: I was wrong!
- Stay away from the central area of the competition and be proficient in products innovation and marketing.
- To get profit you must follow the ABC rule: Adequate motivation system, Better solutions to complaints and financing based on Common sense.

¹⁰⁰ Harrington H.J., Harrington J.S., "Total management in the 21st century company", Teora Publishing House, Bucharest, 2000, p. 101

- The most important person in a company is the one that succeeds in selling all products.
- The executive management has the duty and the responsibility to put questions about everything and to everyone.
- When you are in a business you must wonder: Why am I so lucky?
- If you reach a managerial position you do not receive authority but responsibility.
- To accomplish your objectives you need highly trained and strongly motivated employees.
- The most important personal qualities integrity and perseverance.
- Never offer your support to an unfair person.

Creating an organizational culture suitable to change means promoting change on the internal market and involving employees in the external market issues and environment realities. The more stimulated is the employees' self-confidence, the greater availability they will display in taking the risk of change.

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THE NECESSITY TO PROMOVION THE MANAGEMENT BASED ON KNOWLEDGE

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***Abstract:** Taking into consideration the current conditions, in which “information is often assimilated with power” the major interest for most organizations stands in collecting the necessary knowledge at a high qualitative level and using it with maximum efficiency, through its materialization into adequate managerial conducts, actions and decisions. Together with the assurance of the material, human resources, both international and financial, the performing organizations are more and more preoccupied by the production, transmitting, usage, depositing and protection of knowledge, especially of the strategic ones, essential for the companies’ development. The information became more and more a resource, a major asset, a main product and at the same time a strategic advantage for organizations, fact that has a significant influence over the content and the way of manifestation of the management, imposing with acuteness the promotion of the management based on knowledge.*

***Key-words:** management based on knowledge, information, culture of knowledge, a learning organization.*

From Michael Lester’s point of view, the management based upon knowledge is a key process, that through the capitalization of changes determined by both digital technologies and internet, contributes to the obtaining of economic performance in the countries, companies and the involved industrial branches, thus determining an increase of the life standard of the population. This approach shows the vision of the IT staff and gives a great importance to knowledge and innovation, the analysis of the managerial problems being tightly connected to the top information technologies.

From the management specialists’ point of view, one can notice the remarks belonging to Christina Rollo and Thomas Clarke that state the fact that management based upon knowledge is not a goal in itself but derives from the actual interests of the organizations in developing the field of production and the knowledge flow with the purpose of adding economic value.

The functionality and efficiency of management based on knowledge derive from its characteristics, namely: acting like an organization that is willing to learn; creating a tradition in knowledge; using data bases that include knowledge; mapping knowledge; dividing knowledge between employees and the other stakeholders; developing communication based on knowledge; leadership manifestation; using team work; learning from negative and positive practice.

In order to carry out some competitive activities it is necessary that the companies should maintain and develop continuously their knowledge portfolio that is they should be transformed into **organizations that are collecting information all the time**. The success of this step is conditioned by the fact that all the employees should become aware of the necessity of transforming the knowledge into the main resource of the company, as an intensive involvement of the managers within this process. Knowledge accumulation and the efficient usage of these are achieved either through the process of individual learning, at the level of each employee, or through the organizational teaching, achieved through a great scale of methods: allotting consultancy and specialty assistance, special programs of perfecting outside the organization, training courses inside the organization, etc.

The organization involved in the process of learning is characterized mainly through:

- supports the process of learning, research and communication with the purpose of achieving the organizational objectives;
- provides all the time opportunities of learning for all its components, because the organization that is involved in this process of learning means first of all employees that are studying;
- assures the mixture between individual and organizational performance;
- considers the generated tension as a source of energy and renaissance;
- the process of knowledge and taking into consideration the factors that influence the organizational learning: the environment, the organizational culture and structure, the company's strategy, the employees, etc.

Within the successful implementation of the management based on knowledge, a decisive role has the organizational culture that according to Adam Flor, can represent "either the greatest enemy or the greatest ally". That's why it is necessary the "**construction of a knowledge culture**" whose definitive elements should be as it follows:

- is receptive at new things, at the innovation within all the activities of the organization;
- situates in the first line people and knowledge and not material things or elements;
- is focused on the individual and organizational learning and the intensive participation of the employees at taking decisions;
- is motivating in taking risks, actions and performance and tolerant in front of failures and errors, especially within the innovation process;
- lays the accent on the development of agreement, collaboration and cooperation among specialists based on knowledge;
- is open for both internal and external stakeholders, the relations among these being based on mutual respect and correctness.

As in the current context knowledge exerts a significant impact upon the performance and functionality of the organizations, it is necessary the **usage of data bases that include knowledge**. These include the assembly of knowledge within a company, structured according to the way they are obtained, the form of presentation and the domains of usage. As a rule, the knowledge used within a company is divided into two main categories, namely: external and internal, which in their turn are individual and organizational. The structure of knowledge is necessary because the costs of identification, getting, integration, usage, protection and capitalization are sensitively different.

Within the companies that use an impressive volume of complex and diverse knowledge, that have a crucial impact upon the obtained performance, there is often used the **mapping of knowledge**. This stands for a process that has as a goal the identification of the main resources of the existing knowledge and their usage among the stakeholders of the organization.

The success of the promotion of management based upon knowledge is conditioned by the induction to the staff of the organization of the conception and conducts according to which **the parting and usage of knowledge between employees and the other stakeholders** is a normal and efficient approach both individually and organizationally. For this thing it is necessary the existence of a strong material and moral motivation, that should make the knowledge possessors share others as well and help them to use it. They should be convinced that after this process, through feed-back and other generated connections there can be obtained the amplification of the initial knowledge value, simultaneously with the increase of prestige and the development of the initial possessors of knowledge. This process is influenced by the existence of an organizational culture that promotes the sharing of knowledge among employees.

Altogether with the increase of dynamism and the complexity of the socio-economic phenomena, with the increasing tendency of change in all the domains of activity, it is more and more obvious the fact that the obtained results are influenced directly by quantity, quality and opportunity of the available information, provided through communication. The increase of complexity of the managerial process, the appearance and the usage of some perfected means of communication and decision make that the technology of information be viewed as an indispensable instrument for management, because as Robert Heller stated,

the manager should be “excellently informed”. The intensification of the organizations’ interests for the promotion of management based on knowledge determines ***the development of the communication based on knowledge***, because one of the “keys” of the efficiency in management is the achievement of good communication at all hierarchical levels.

In order to put into value the multiple features of the management based on knowledge it is necessary the existence of a strong ***leadership***, more intensive and stronger than the one exerted within classic organizations. This derives from its accent laid upon knowledge and innovation and at the same time from its role of putting into value the silent knowledge of the stakeholders. *The main parameters of the leadership of the organizations and of the management based upon knowledge* are:

- directing the leadership towards a daring vision, that is simultaneously dynamic, creative and communicational;
- focusing on ideas, on knowledge value and the promotion of the “new”;
- paying an increased attention to the harmonization of the roles, responsibilities, rewards and the estimation of the other stakeholders of the organization;
- using on a large scale the “populist” communication at the level of the whole organization and at all hierarchical levels;
- possessing a great capacity of work and a permanent curiosity every time for everything that is around;
- the leader’s possession of knowledge, multiple abilities and capacities, fact that will permit him/her to encourage diversity, creativity and initiative among the members of the organization.

Another important characteristic of the management based on knowledge is ***the usage of the work in team***. Team activity favors the dynamic effects that keep alive the continuous development, stimulates the individual qualities favorable for cooperation and interdependence and the active communication is favorable as far as some pre-established targets are settled, strengthening the cohesion inside the organization.

From the analysis of the functionality and performance of the organizations based on knowledge there came out several pragmatic conclusions, ***some major errors in putting into application the new type of management as well as some key aspects in perfecting and increasing the managerial efficiency***. These elements with a general character that appeared from the experience of the organizations that promote management based upon knowledge represent extremely useful reference points for the managers of the organizations, for consultants, trainers and examiners in specific domains.

The studies made by specialists in domain has shown a series of *errors* within the implementation of the management based upon knowledge namely: focusing with priority on the stocks of knowledge in the disadvantage of the flows of knowledge; the consideration that human beings are not rational all the time and from here the consequence reflected in neglecting the process of thinking; replacing the human nature contacts and the direct communication with contacts and communication based on technologies; the approach stressing the systematic leading of the place of work just as simple as a car is driven; the separation of knowledge from its usage and asking for measurements and direct estimations of these, etc.

In a similar way, *the major aspects with a determinant role in the efficiency of the management based on knowledge* are: identifying the knowledge and information that people need and providing it on time; integrating the creation and usage of knowledge within the economic process both inside and outside the organization; creating communities based on knowledge within the key area of the economic process; connecting people to the process of treating information with the purpose of achieving economic performance, etc.

All the characteristics presented above state the increased complexity of the management based on knowledge and the decisive role of the human factor in creating, implementing and exerting it efficiently. Through implied logistics, used specialists and permanent process of actualization, development, usage and protection of knowledge it attracts considerable costs, being a very expansive management. Although not practicing the management based upon knowledge is even more expansive having negative effects upon the obtained results, on a long period of time determining even the collapse of the organization.

The decisive role held by knowledge in all domains of economic activity through the impact exerted upon the functionality and performance of the organization, asks for the promotion of the management based upon knowledge. The characteristics of the management based upon knowledge show its increased complexity and the significant role of the human factor in creating, implementing and exerting it efficiently.

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THE RECRUITION AND SELECTION OF THE COMMUNITARY OF THE CIVIL SERVANTS

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This article analyzes all the aspects about the career of the public administration personnel, specifically: the recruiting, time of probation, the public functionary probation.

A public servant must be judged by what he does not do as a professional in his own sphere C. Towards this end, a system to judge the qualitative and quantitative output of an employee has to be devised.

One of the sectors of public administration reform in Eastern and Central Europe is the development of human resources as well as improvement of it. Though the new EU countries are rich in educated and well-qualified public servants, imperfect legislation and currently existing training system impede the progress of public administration.

Key words: career, human resources, public administration

The recruitment is the activity of the human resource management which identifies the sources of qualified candidates in order to occupy a job and determines them to apply for occupying some new or vacant jobs within an organization.

1.Considerations regarding the activity of recruiting within the European organizations

Within the employment policy of the human resources within the states of the European Union, certain aspects are the most representative. One of them is the role of initial forming which is considered to be crucial in Great Britain. Most of the European organizations began to develop forms of original flexibility. The functional mobility and the management of the European career of the human resources, along with the standardized evaluation systems, allow the creation of authentic ways of promoting the young human resources.

In Great Britain, there isn't a cvasimonopoly of occupying the human resources, just exactly A.N.P.E owns it in France, the used methods of recruiting being:

a) The small advertisings made in media

In this respect, the daily "Times" created a special supplement, "Times Higher Education Supplement" which is similar to the daily "Campus" of the newspaper "Le Monde" from France.

b)The private recruiting agencies are to be found either under the shape of the recruiting agencies-selection, or with consultants specialized in recruitment "head hunters" for the high level managers. The recruitment and selection agencies can offer even temporary jobs.

c) Job centers

These are the British equivalents of the A.N.P.E and depend on the governmental organization "Manpower Services Commission". Destined to those who seek for a job, this job centers offer their services freely in all the sectors of the industry and in trade.

d) Professional and Executive Recruitment –PER

The mission of this agency of recruiting the specialists and the executive managers and consists in the connections between the organizations which recruit and the persons which are searching a working place. One of the means used by PER consists in publishing the work offers in the magazine "Executive Post", publication which circulation exceeds 200000 copies as well as in "Graduate Post", publication reserved to owners of University diplomas who are in search of a working place.

e)The British organizations put a very remarkable stress on the formation of the new employees and practise the reconversion of the employees and the internal promotion¹⁰¹. Practices as decreasing the importance of the age conditions and flexible work programmes (especially for the feminine population) are more and more often used inside the British organizations, even more than in the European ones.

Inside the British organizations, the balance of the ages is assured by recruiting young people for less qualified jobs, the internal promotion allowing them the access to the superior jobs.

In terms of mobility , the British feature stands in the disjunction between the basic education (school and highschool) and the professional route.

In the other European states, the used methods of recruitment don't differ very much.

We can observe that both the advertisings published in mass-media and the spontaneous candidatures are the most preferred in the recruiting activities. We also observe¹⁰² in the olandophone Belgium, the importance of orientation and positioning services for the human resources. Being very active,these services dispose of a various and wide range of support mechanisms in the main universities.In the francophone Belgium, the professional contacts established by the didactic staff, the relationships of the family and of the friends occupies an important place. In Denmark, since 1980, the great universities created special courses for counselling and forming the young people with a regard to finding a working place. In Ireland, the orientation services are very active and, within them are organized visits inside the enterprises.

Recruiting and selection programmes made by a specialized recruiting agency

Step 1: The analysis of the organizational context

- **Analysis of the organization strategy and of the vacant job:**
 - analysis of the general context of the organizational strategy;
 - ◆ the definition of the job (the main responsibilities, the ierarchical position in which it is function, wage payment, general conditions for work etc);
 - ◆ making out the profile for the ideal candidate.
 - analysis of the job and of the general conditions of framing by the specialists of the recruiting agency;
 - ◆ the proposal of the profile for the ideal candidate;
 - ◆ evaluating the dimension of the recruiting activity.

Launching the mission

- - finalizing the analysis of the job and adopting the final decision together with the representatives of the organization,regarding the ideal profile of the new employee;
- accepting the ways and of conditions for intervention of the specialists at the recruiting agency ;
- launching the mission.

Step 2: Recruiting and selecting the candidates

- ***Studying the place of developping the activity for the future recruited person***
- - paying a visit to the place where this one will work;
- - analysing the management of the professional career and of personalities belonging to the potential colleagues,superiors,subordinates;
- - getting other information specific to the future activity of the newly employed.

Investigation and preselection

- consulting the agency card index;
- locating the potential employees;

¹⁰¹ L'Agence Nationale pour L'Employ, Magazine Enterprise et Carriere, March, 1999

¹⁰² Iulia Chivu - Dimensiunea Europeană n managementului resurselor umane, Editura Luceafărul, București, 2003, p.113

- collecting the general preliminary regarding the potential candidates;
- contacting the candidates;
- making the preselection, evaluating the candidates and making their classification
- obtaining the supplementary information regarding the candidates.

Final selection

- drawing up the preliminary report for the client; analyzing the candidate; their comparative evaluation and prefiguring the final directions of action;
- detailed discussions with the selected candidates ,analyzing their psychological profile;
- checking the references and obtaining the complete information about the candidates.

Step 3: Adopting the decision of employment

- detailed examination of the candidates' files , along with the representatives of the organization and selecting the persons which corresponds to the requirements of the job ;
- organizing an interview with the selected persons;
- assuring the assistance of the decidents in order to adopt the final decision and the negotiation of the employment proposal.

Step 4: Integration of the new employee

Following the integration in job and organization of the new employee:

- approaching the new employee and the organization during the testing period of time;
- having an interview with the new employee at the end of the testing period of time;
- finalizing the file for the organization.

Recruitment of the communitary civil servants

In the member-states of the European Union, the legislation has general and specific conditions of occupying certain positions from the public administration ¹⁰³;

There are 4 distinct models regarding the recruitment and selection of the civil servants in the following way:

- the model of a common minimum of formalities which implies the obligation of publishing the vacant jobs, model valid in Holland and Denmark;
- the German model characterized by selection in steps and the free recruitment also assumed by Luxembourg ;
- the British model characterized by a recruitment made through an independent commission, also assumed by Ireland;
- the French model characterized by organizing the competitions and preparations in schools of professional instructions of the civil servants which are responsible for the preoccupation of professionalism ¹⁰⁴.

In the European democracies, the recruitment of the civil servants, impartial and having a high qualification is one of the essential roles of the state, the recruiting being basically made on the ground of two principles:

a) The principle of the equality at the access

¹⁰³ Ilie Gorjan - Administrative Law , Lumina Lex Publishing House, Bucharest ,2005, page 195.

¹⁰⁴ Dana Apostol Tofan- Discretionary power and the power excess of public authorities , All Beck Publishing House, Bucharest, 1999, p. 292

This principle is present in the Declaration for the Human and Citizen Rights since 1789, and it is resumed in the article number 21 of the Universal Declaration for the Human Rights with the following wording: "all the persons have the right to accede, in conditions of equality, to public positions in their own countries". In this way, restrictions and discriminations formulated on sex, religion, race, opinions¹⁰⁵.

The only accepted limitations are those regarding the nationality, morality, age conditions and psychic abilities.

b) The principle of the public competition

France and Spain are countries which proceed like that in recruiting for almost all the jobs within the public administration except ones that are the object of a political nominalization.

In France there is the prestigious school of instructing the high civil servants "Ecole National d'Administration", which assures the selection of the professionals and then their solid instruction in order to be integrated in key-positions of civil servants. The admission at this institution as well as the subsequent selection of them in order to occupy high positions in the French Administration is very tough. By the system of the competition, two major objectives are being fulfilled:

- the correct evaluation of the candidate's capacity ;
- guaranteeing the independence of the authority which have the task to select ;
- Italy also admits, this principle, but this applies in a reduced number of fields, among which the diplomacy and magistracy .

In Great Britain and Belgium, the evaluation of the candidates' capacity is done through independent organisms.

In Germany, the candidates must follow a formation course before they apply for a job within public positions. Both in France and in Germany, the public position is considered an independent force which assures "the continuity of the state". This act like a mediator between the state and society and guarantees the respect of the public interest.

In Great Britain, the civil servants are considered faithful assistants of the government chosen in a democratic way. Of course, the ministers have a certain discretionary power in naming the high servants directly subordinated to them.

The first chapter of the third title from the statute dedicated to "the officeman career" ,has as a regulation object " the recruitment " of the communitary officemen.

We find the dominant principle in this matter according to which "the staff's recruitment" is done by competitions "with oral and written tests" organized by each institution (there are, in the same time interinstitutional".

After analyzing the dispositions of this chapter, we detach the following principles which governs the recruitment of this category of civil servants:

- a).the recruitment must assure the selection of the most competent persons, of those which, by their qualities, by education and instruction, can determine remarkable capacities;
- b). the recruitment must assure the selection of the persons which corresponds from the viewpoint of their integrity to the attaining the statute of an officeman for a communitary organism;
- c).the recruitment must be done on sufficiently large geographical basis, so that it can assure the access to the communitary functions of as many representatives from the member-states of the EU.(art.29).

Therefore, it is necessary that " the recruitment should take into consideration, beyond the competence criteria and job interest, the necessity that a certain geographical balance should be assured between various nationalities.... "

Article 29, by paragraph number 3 statutes that "no public function can't be reserved to the departmental representatives of an established member-state".

¹⁰⁵ J. Rideau – Droit institutionnel de l'Union Europeene, 6e ed. Montchristien, 1997, p. 391

This aspect acquires an even larger importance within the direction functions.

d) the recruited person should meet those necessary conditions in order to acquire the position of community officeman¹⁰⁶.

e) the recruitment is done with a competition, which is the rule¹⁰⁷.

We therefore detach the conclusion that the recruitment of the community officemen is dominated by the competition principle, which admits certain exceptions, in the cases purposely and limitatively stipulated by article 29(2) from the Statute.

By the regulations adopted by the Community, by practice and jurisprudence of the Court, there have been followed up making a policy in the matter of the European public function in order to allow the access and maintenance of certain capable persons to face the complex problems which are attributed to the invested ones.

The difficulty to achieve such a desideratum was underlined in the specialized literature: "No juridic rule, no matter how well it is conceived, won't hinder the clientage, nepotism and all the other forms of corruption¹⁰⁸".

The juridic rules reside in the elimination at the maximum of the practice to name in a discretionary way, of the policies and practices by which it is followed the deviation of the goal and the significance of this extremely important institution for the theory and practice of the EU.

2. Required conditions for the community officemen

Initially, the European organizations adopted the system according to which the office workers are recruited and appointed by the hierarchic boss, who, at his turn is elected by the delegates of the states. The system was also adopted by ONU which allows complete liberty to the general chancellor in order to recruit the staff, in the conditions fixed by the General Assembly.

At the recruitment of a future European officeman, two categories of conditions are taken into consideration:

Fixed conditions, which are the same for all the candidates, namely:

a) Nationality which imposes that the respective person should be a departmental representative for a member-state of the Union.

Article 28, paragraph(1) stipulates this condition at its first letter in the way that "it can't be an office-worker the person which is not a departmental representative in a member-state of the Communities...". In the continuity of the text it is accepted the possibility of a waiver given by the authority invested with the power of appointment".

b) The condition regarding the exercise of the civil rights

This condition is stipulated by the same text as the previous one, which forbids the acquiring of the office worker statute by the person who doesn't enjoy the exercise of the civil rights.

c) The condition to satisfy the obligation stipulated by the recruiting laws in the military field, more exactly performing the military service for men (article 28, letter "b").

d) The guarantees of morality, which are deduced from the rap sheet and from presentation of some references and recommendations.

¹⁰⁶ These conditions are deduced from the interpretation of the article 28 from the statute which establishes "who can't be appointed an office worker", resulting, per a contrario, which are the conditions which have to be fulfilled in order to acquire such a quality ".

¹⁰⁷ We say this, because it is admitted by article number 29, paragraph (2) from the statute that another procedure of recruiting that the one belonging to the competition can be adopted by the authority invested with the power of appointment...". This other procedure can't refer to anything else but the recruitment of the office workers from the grades A1 and A2 or, in exceptional cases can refer to those positions which involve a special qualification.

¹⁰⁸ Jean -Luc Bodiquel - La fonction publique europeene, in Revue Internationale des Sciences Administratives, vol.61, no.3, September 1995, page 506

Such a condition is supported, according to Lassale, by the argument that “An individual who is not moral in his country of origin ...can't be part of a supranational community,in which the main object is ,in the end, serving the interests of the departmental countries”.

e) Physical abilities which excludes the existence of some infirmities or diseases which can hamper the exercise of the function. Article 28, letter “e” imposes the condition that the future office worker “should satisfy the conditions of physical abilities demanded for the exercise of his functions”.

f)The condition that the respective person should prove the profound knowledge one of the languages of the Communities and of a satisfactory knowledge of one of the Community language,in the necessary measure of exercising the function which he/she is summoned to do. (“art.28.”f” letter).

We consider that the statute imposes the knowledge of two languages of the Communities, among which one in a profound way ,while the other in a satisfactory manner.

g) Other conditions :

Variable conditions:

To this category usually belong: titles, diplomas, level of experience. The positions from a superior category denote a superior professional background.

All the international institutions have as a dominant tendency as an appointment that “to assure the organization the services of the persons which possess the highest work ability, of competence and integrity”,such as is stipulated,for instance in art.4 from ONU statute.

There are 2 criteria at the base of the selection:

a)The criterion of the merit which is established according to the nature, the grades obtained by the office workers, this being governed by similar principles to those from the national legislation. This criterion deals with the classical difficulty of making distinction between the very good, good and the worse office workers .

b)Besides the merit, in the selection of the European agents there are other objective elements, too , such as age, work age, age in a certain grade etc.

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THE IMPORTANCE OF THE CIVIL SERVANT'S DEONTOLOGY IN ACHIEVING THE CAREER

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In order to have a career, the two basic conditions must be concomitantly fulfilled, namely stability and continuity. A professional civil servant will know that, besides the two conditions, will also have to prove a dignified behaviour inside the organization. He will have to know the legislation which rightens the professional deontology and to appropriate it, both theoretically and practically.

The reason for which we opted to present this theme lies in the acknowledgement of the fact that, no matter how competent and professionally performant a civil servant would be, if he hasn't got an ethic behaviour, everything is useless.

Key words: career, legislation, ethic behaviour

1. The ethics (deontology) of the civil servant

The criticism regarding the existent corruption in certain administrative sectors can't be ignored in defining the objectives of the administrative units. It is absolutely necessary to pay a special attention to the ethics in exercising the public function as an essential characteristics of the office workers who are under the service of the administrative unit.

The study of the problem regarding the ethics in exercising the public function became a basic element in order to succeed that the units of the public administration in Romania should be able to integrate the principles of efficiency, of the market economy and the efficaciousness which the Constitution provides such as serving the general interests.

The described phenomena don't constitute an originality of our society, nor of our administrative system. They are also found in occidental countries with well-defined market economies. Nevertheless, the intensity which it should attain –in this way it is fundamentally conditioned the efficaciousness of our administrative system, it will depend, to a great extent on its incorporation as a remarkable aspect in an ample formulation of the objectives for the fiscal unity. The consideration of the external environment is considered like a basic element in a proper orientation of public politics.

The administrative- territorial unity is, more than other organisms, an institution of human resources. This means that any strategical action which would want to make will have to be put into practice, in a 100% proportion by the civil servants who are subordinated to it.

The administrative unit, unlike other institutions is based on human resources which represents distinct characteristic features:

- from the viewpoint of their training, they are very qualified persons;
- they work in structures of administrative services with a high level of identity;
- in great part, they are owners of a culture and value system specific to the service they belong to.

These characteristics make that the relation of the institution with the internal environment should be fundamental in order to carry out the strategic objectives. This is the other environment in which there must be done a jump from a policy of simple administration of the human resources to a more strategic relation which should assure their involving into the policy of the administrative unit. In this environment, the main task which the administrative unit should carry out would be the identification of the human resources with its objectives and their involving in the idea of public policy.

The human resources must become active agents of the administrative unit policy, surpassing an attitude which, traditionally, was more passive. The system of incentives and the ways of organizing the work must be oriented in this direction. There has to be a motivation in the direction of involving the human

resources, into the conglomerate of values, principles and objectives which were enounced. It also has to be stimulated their participation in the process of taking decisions. In this way, the triangle incentives-motivation-participation represents the fundamental element in the process of transforming the of the territorial-administrative unit towards an effective public policy.

It is obvious that the participation is unequivocally conditioned by motivation which must find a natural finality in those incentives. Existing relations of interconditioning, it mustn't be forgotten and neglected that motivation has a coherent system of incentives which stimulates the staff to a more active and efficient participation in attaining the required objectives for any administrative unit.

1.1 The notion of deontology for the civil servant

The notion of "deontology"¹⁰⁹ can be defined both from etymological point of view and as its object of research. From etymological point of view, the word "deontology" comes from the Greek language, from the Greek words "deon" , "deontos" which means "what is due" and "logos" which means "science".

We can define the deontology as a complex system of rules which outlines a certain professional and private behaviour. And because deontology contains both rules which sanction the behaviour of the various professional categories (as a result of committing a misbehaviour or violating a rule at the working place) and rules which aim the private behaviour and which are not sanctioned by juridical norms, it was asserted that it is at the limit between law and moral.

Consequently, we can define the deontology of the civil servant as being the complex of the norms which governs the professional and private behaviour of the civil servant.

The deontology should find itself in all the forms of expressing of the individual ¹¹⁰. Such as it was expressed in the doctrine of the administrative law , "the deontology of the national civil servants presents the characteristics that they act in the name of the public authority, that they represent the authority's instrument of willing and acting"¹¹¹.

1.2 The sources of the civil servant's deontology

They can be classified in two big categories:

- written sources;
- unwritten sources.

The main source by right of the civil servant's deontology is the Constitution of Romania which establishes the principles underlie the professional behaviour of the civil servant as well as the conditions of access in a public function ¹¹².

The Constitution of Romania establishes the following:

- the principle of equality for all the citizens in front of the law completed with the principle according to which no one is above the law(art. 16,paragraph 1 and 2);
- the principle of trustiness towards the country ,which practically represents a consequence of the article 16 from the basic law,according to which "the public.civil and military functions and dignities can be occupied just by persons which have exclusively Romanian citizenship and the stable residence in the country" (article 16, paragraph 3);
- the principle of discharging the duties, with a whole-heartedness, by the citizens entrusted with public functions,in which scope they will be sworn in ,what is required by law (article 54, paragraph 2);
- the principle of non-dissemination at the occupation of a public function ,case in which the state guarantees the equality of chances between women and men (article 16,paragraph 3);

¹⁰⁹ The collocation was used for the first time by the English lawyer Jeremy Bentham in the work entitled "Deontology or the science of moral"

¹¹⁰ Nicolae Cochinescu "Introduction into juridical deontology",Magazine "The law" no.4/1995

¹¹¹ Paul Negulescu "Handbook of administrative law" ,second edition, Bucharest , 1943,page 52

¹¹² Doina Popescu, Andreea Drăghici – „The deontology of the civil servant”, Paralela 45 Publishing House, Pitești 2005, p. 26

- the principle of obeying the Constitution and the law;

The law is also another source of the civil servant's deontology. We refer here, first of all, at the law regarding the conduct code of the civil servants which settles the norms of professional conduct for the civil servants and also to the organic law regarding the statute of the civil servant and other laws by which it settles various categories of civil servants.

The conduct code of the civil servants enacts the principles which govern the behaviour of the civil servants:

- a) the supremacy of the Constitution and law, principle which is also found in the fundamental law, according to which the civil servants have the obligation to obey the Constitution and the laws of the country. Consequently, like any citizen of the Romanian state, the civil servant has the obligation to obey the laws of the country, and the inobservancy of these obligations as a principle implies the liability of the civil servants in a deep relation with the grossness of the committed deeds
- b) the priority of the public interest¹¹³, principle according to which the civil servants have the duty to consider the public interest above their personal interest, in exercising the public function. This principle must compulsory govern the activity of the local and central administrative structures. Denying the application of this principle in public administration means denying the existence of an efficient administration in the citizen's service, fact which directly determines the occurrence of corruption and bureaucracy, which lead to an administration with a lack of transparency and difficult;
- c) assuring the equality of treatment of the citizens in front of the authorities and public institutions principle according to which the civil servants have the duty to apply the same juridical regimen in identical or similar situations. The treatment which the civil servants apply to the beneficiaries of the public services must be the same, without being influenced by subjective factors in order to disturb the developing of the public activity in normal conditions¹¹⁴;
- d) professionalism, principle according to which the civil servants have the obligation to fulfil his/her job duties with responsibility, competence, efficiency, correctness and conscientiousness. The professionalism is a ground rule which governs both the professional conduct of the civil servant and his/her moral conduct.
- e) the impartiality and independence, principle according to which the civil servants are obliged to have an objective attitude, neuter towards any political, economical, religious or other interest in exercising the public function. Impartiality represents that abstinence to discriminate in favour of a person within the job relations;
- f) moral integrity, principle according to which the civil servants are forbidden to require or accept, directly or indirectly, for themselves or for others, any benefit or advantage in considering the public function they hold or to abuse in some kind of way of this function. This principle tries to regulate a situation which, unfortunately, appeared after 1989, namely the corruption at the level of local and central administration, as well as ultra vires action. Regarding the last aspect, Law no. 7/2004 stipulates in article 3, letter „f” an interdiction, in the sense that „the civil servants are forbidden...to abuse in any way of the public function”. In order to avoid the corruption and the power abuse, the law provides the obligativity of the the form of return both at appointing in the public function and at the dismissing from it;
- g) the freedom of expressing and thinking, principle according to which the civil servants can express and underlie their opinions, obeying of the juridical order and good manners;
- h) the honesty and correctness, principle according to which in exercising the public function as well as in discharging their job duties, the civil servants must be of good will;

¹¹³ The public interest is defined as that interest which implies the guaranteeing and obeying by the public institutions and authorities, of the rights, liberties and legitimate interests of the citizens, admitted by Constitution, internal legislation and the international agreements to which Romania belongs.

¹¹⁴ In the specialized literature it was asserted that as long as in the public function there is an individual, these problems of subjective nature can't disappear, because the man himself is a subjective element

- i) opening and transparency, principle according to which the activities carried out by the civil servants in exercising their function are public and can be subjected to the monitoring of the citizens. Transparency implies to carry away the citizens in the activity developed by the public authorities, providing by the civil servants of some information which regards the good progress of the activity within the respective collectivity.

The governmental resolutions and orders¹¹⁵, the regulations of internal order which contains norms by which a certain professional and private conduct of the civil servant is established from certain authorities or public institutions also represents sources of the civil servants' deontology.

A very important source of the civil servant's deontology is represented by the international regulations (the international agreement) which, inasmuch as they are approved by Romania, they become integrant of the internal law.

The common law, as an unwritten source, represents a source of the civil servant's deontology only regarding certain categories of civil servants (for example in the domain of diplomacy). Even the jurisprudence could be enumerated in the category of the sources for the civil servant's deontology for the reason that the administrative law is a branch of the law which doesn't benefit from a proper code.

1.3 The ground rules of the civil servant's deontology

By the ground rules of the civil servants' deontology are understood those guiding ideas which should find themselves at the base of all the activities developed by the civil servant and which have the role to determine the efficient functioning of the service or institution to which they belong. These can result either from the fundamental law or by their particular statute.

1. The principle of the Constitution supremacy and the obedience to the law

This principle is stipulated in article 51 from the Constitution of Romania, being compulsory to all the citizens of the country and moreover, to the civil servants as owners of the public authority. As a consequence, in the developing of their activity as well as outside their job, the civil servants are held by this fundamental duty.

11. The equality of treatment towards all the beneficiaries of the public service

This principle gets the foundation in article 16 from the Constitution of Romania which obliges the civil servant to a non-discriminating conduct and to an equal treatment towards all the beneficiaries of his services.

12. Transparency
13. Efficiency and effectiveness
14. Responsibility according to the legal provisions
15. Orientation towards the citizen
16. Stability in exercising the public function
17. Hierarchical subordination

2. The conduct and discipline of the public function/contractual function

As most of the jobs, both the public function and the contractual one are regulated by conduct codes including norms regarding the ethic and discipline of the function, the main objectives of these codes being those of assuring the growth of the public service quality, a better administration in achieving the public interest and the contribution to the elimination of the bureaucracy and corruption from the public administration in general. The applying of the conduct codes requires, first of all, knowing and understanding of these norms.

¹¹⁵ For example, the governmental resolution (GR) no. 1083 regarding the organizing and functioning of the disciplinary commissions within the public authorities and institutions.; governmental resolution no. 1084 regarding the methodology of evaluation of the individual professional performances of the civil servants, as well as litigating the grades which were granted. GR no. 667 /1991 regarding some measures in order to assure the social prestige of the civil servants (published in the Official Monitor no. 205 since 8 October 1991), the governmental decree (GD) no. 82/2000, GD no. 284/2000, GD no. 291/2000 etc.

General norms of conduct for the civil servants:

- assuring a qualitative public service;
- loiality towards Constitution and law;
- loiality towards the public authorities and institutions;
- the freedom of opinions;
- norms regarding public activity of the civil servants;
- norms regarding the political activity in exercising the public function;
- norms regarding the usage of the personal image in considering the public function which he/she holds;
- norms regarding the frame of the relations in exercising the public function;
- norms regarding the conduct within the international relations;
- interdiction regarding the acceptance of gifts, services and other advantages;
- norms regarding the participation at the process of taking decisions;
- observing the principle of the objectivity in evaluation;
- norms regarding the usage of the prerogatives for public authority;
- norms regarding the utilization of the public resources;
- norms regarding the limitation of taking part to acquisitions, grantings or rents;

General norms of professional conduct of the contractual staff

- assuring a qualitative public service;
- observing the Constitution and laws ;
- loiality towards the public authorities and institutions;
- the freedom of opinions;
- norms regarding public activity of the contractual staff;
- norms regarding the political activity of the contractual staff;
- norms regarding the usage of the personal image in considering the public function which he/she holds;
- norms regarding the frame of the relations in exercising the duties specific to the function;
- norms regarding the conduct within the international relations;
- interdiction regarding the acceptance of gifts, services and other advantages;
- norms regarding the participation at the process of taking decisions;
- the objectives in evaluation;
- norms regarding the hindrance of the abusive usage of the duties related to the function they hold;
- norms regarding the utilization of the public resources;
- norms regarding the limitation of taking part to acquisitions, grantings or rents;

At present, the coordination and control of applying the conduct norms is in the task of the National Agency of Civil Servants – for the civil servants, respectively in the task of the Ministry of Administration and Home Affairs, the Foreign Office and the Ministry of National Control Authority- for the contractual staff ; it is not stipulated the existence of a distinct structure at the level of the local public institutions which should deal with the popularization and implicitly, the monitorization of these provisions.

Considering the importance of the internalization of these norms by all the civil servants and the contractual staff , we recommend that inside each department of human resources, especially at the level of the County Councils, the chief of the department should assume the responsibility of adviser on ethical problem thus avoiding the violation of the conduct codes on the reason of law ignorance.

For a real efficient application of the law, it is desirable that the conduct standards should be assimilated as a natural conduct and not to be imposed by disciplinary sanctions.

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FROM TQM TO GQM – A NEW SHIFT IN A GLOBALIZED WORLD

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We witness today a tremendous intensification of global competition that turns to be and to become an obvious reality for new and old businesses, for the companies that meet complex challenges in every phase of corporate management. Among the management areas that should come under a careful examination, quality management is one of those that must be examined afresh when economies, markets and industries operations become global.

As practice proved, quality management concept evolved from the engineering and statistical concepts, centered on the statistical quality control, to the large view of the concept that encompasses broad organizational issues and scopes. Today, the quality concepts are under the domination of Total Quality Management (TQM). Concepts standing out as main factors in TQM implementation are these days well established and used: customer value satisfaction, continuous improvement, total organizational involvement.

Though TQM is successfully used by many firms, many conceptual and practical questions remain unanswered while global markets and industries are a fact of economic reality.

In this context, Global Quality Management (GQM) is a new and emerging area of quality management practice but, despite its frequent use, it is not yet defined, analysed and researched. This paper makes GQM its research focus in order to contribute to the understanding of the concept, and to establish a track for new and future research.

Keywords: quality, management, total quality management, global quality management

A new vision over TQM

Many authors noticed that it has become something of a cliché to say that organizations have gone through a lot of changes in recent years. Although, it is obviously that the changes at business environment level are common for all times, the last transformations have something significantly different.

Since the 1960-1970s the development of the economies, societies and world gained new features. During these years, three different but interacting processes took place. The rapid development of information technologies, that exceeded all forecasts; then it was the globalization, which highlighted the significance of the environment as of global unifying connection, and the last process was formation and increased pressures of different non-governmental movements and stakeholders' groups. These processes and reaction influenced by them stipulated development of the new social structure - net society, new kind of economics, and new virtual culture.

Nowadays, most of the transformations are associated with *external* pressures. External pressures may be understood as pressures for change, associated with a number of global phenomena.

In this new given environment, it is obviously that management shifts from a situation where the future was controlled by focusing on internal forces, to a situation where any company must deal with lot of external pressures.

In this context, Total Quality Management (TQM) was one of the most commonly used change management tools. At first sight, the traditional approach of the evolution of quality management concept from inspection to control, assurance, and, finally, total quality management, does not build a visible link between

quality function and external pressures. On this ground, the changes in quality management concept are to be underlined:

- Quality as a quantitative aspect, emphasizing qualitative factors.
- The reactive function of control changing to a preventative function of assurance, and to a proactive vision of quality.
- Moving from focus on the final product, to quality on tasks and processes.
- A global perspective of the organization has emerged as a result of the increasing integration of different aspects of quality, as so the social and environmental aspects are now added to commercial dimensions of organization.

During the last years, the purpose of quality movement, as part of quality management evolution, is achieving business excellence. Many researchers notice that most of current business excellence models focus predominantly on a single bottom line of financial results rather than also attending to the social and environmental impact of businesses. However, the top most common and widely used quality management tools for measuring business excellence, The Malcolm Baldrige National Quality Award and the European Quality Award, are using wider approach. Principles of business excellence are linked with corporate social responsibility goals, i.e. these business excellence models are measuring, and therefore are promoting methods of managing external pressures. Society results, along with people results, partnership and resources, and customer results are among the key evaluation criteria. This is a true evidence of the quality management movement extending its scope to include social and environmental responsibility to address the changed demands of today's business.

TQM is today seen as an organization-wide effort that emphasizes three core principles:

- Customer orientation.
- Process orientation.
- Continuous improvement.

The concept of customer focus is developing into meeting the needs of a broader group of customers including human stakeholders, environmental stakeholders and other interested parties in societal sustainability.

TQM, as a management philosophy, has elevated the implementation of quality management practices from operational to strategic level. Sustainability cannot be separated from evolution of TQM, since sustainability itself should be defined as the ability of organization to adapt to change in the business environment, to capture contemporary best practices, and to achieve and maintain competitive performance. The evolution of TQM therefore always evolves along with the changes in the business environment.

It is widely believed among scientist of TQM field, that TQM approaches may be applied to the future business environment; just the boundary conditions of TQM should be assessed and understood. In stable environment, the TQM approach for continuous improvement is appropriate and effective. In the context of a recent uncertain global environment, agility becomes a core competence for organization that must develop capabilities to adapt quickly to the changing environment. Therefore TQM theory should reconsider conception of continuous improvement as a contrary or supplement to innovation.

Many researchers had a vision of TQM development in the future as integrated system of four basic pillars:

- TTM - total transformation management
- TCM - total customer management
- TIM - total information management
- TRM - total resource management

There exists lack of the literature and empirical evidence of focus on the relationship between TQM and a corporate strategy. It was emphasized that strategic quality management is seen as the key to being competitive; however, the philosophy needs to emphasize integrity, environmental issues and social responsibilities as key elements.

Summarizing the above said, it is assumed that TQM will evolve to strategic TQM and sustainable TQM, both of which may contribute to successful organization management and coping with emerging changes of global business environment.

In this context, it is required the movement beyond TQM to develop a quality concept that reflects the nature of global corporations and their markets. In the last years, this concept was called "Global Quality Management" (GQM). From the several definitions allocated to the concept, one seems to be appropriate to the changing global business environment:

The strategic planning and integration of products and processes to achieve high customer acceptance and low organizational disfunctionality across country markets.

The definition incorporates the basic philosophy of TQM, but recognizes the challenges for quality management when the organization's business is worldwide. As the number of country markets in the global network increases, the diversity of quality environments across country markets requires that the organization balance local customer requirements with realistic supply-chain capabilities within and across markets.

GQM overview

GQM is a significant extension of the TQM concept. Although it has in common with TQM a highly customer-oriented philosophy, the expanded geographical and cultural boundaries of quality-related activities require a more dynamic and integrative approach.

TQM marked a major conceptual and managerial advance in its linkage of production with marketing, as well as other quality-related functions. Still, in the context of a single country organization, the organizational implications of TQM are relatively straightforward. Even when multiple countries are involved, such as a company importing raw materials from abroad, the organizational requirements can be coordinated from a home headquarters. In a complex network of quality chain activities, coordination from a single headquarters becomes untenable. GQM entails organizational adjustment.

Spurred on by regional economic integration in Europe and North America, and the high economic growth of Asian countries, large international companies are building globalized production networks with regionalized systems in several locations.

The varied vertical and horizontal linkages of subsidiaries have not been formed by centrally controlled mechanisms but, rather, according to each subsidiary's individual situational needs. Situational factors include availability and access to raw materials and components, capabilities and technology access of the subsidiary, and the subsidiary's access to local markets and market channels. The result is that the constellation of quality-related activities becomes region-specific. In some subsidiaries the quality chain may be fully integrated; in others, it may be appropriately partial.

A key characteristic of GQM is the networking of activities within and outside the firm, along with other elements of the overall supply chain. The diversity of markets across countries introduces constraints such as differentiated customer requirements, but also offers opportunities such as greater economies of scope. In this context, there is a high premium on GQM, which enables great flexibility. Because of the great number of configuration possibilities for networking, corporate control of GQM cannot be centralized at a home headquarters. Instead, a combination of regional headquarters coupled with global coordination appear to be a hybrid mechanism that allows adaptation to regional differences while enabling cross-fertilization among the corporation's subsidiaries. In the age of multiple headquarters, GQM is the appropriate quality management concept.

Viewed from an upper level, the next evolutionary stage, GQM can be linked to TQM through a set of key comparisons.

Objective

Comparing TQM with GQM, the main concepts behind TQM are maintained, but GQM enlarges the objective to encompass the concerns of multiple functions across multiple countries. A domestic firm attempting to apply TQM in an environment with multiple markets and manufacturing sites is beginning to engage the issues that are raised with global markets and manufacturing. GQM expands the concepts and issues even further to include national sovereignty, language and cultural distinctions, geography, and tax, tariff and currency considerations. The level of complexity in objective is importantly increased.

Market Focus

TQM and GQM are similar in focus on the market, but the number and diversity of customer requirements across markets implies that customer satisfaction may be more difficult to achieve, especially if resources are limited. As the notes on the expansion in objective underline, customers' perceptions of value are likely to differ widely, much more widely than is possible in varied sites within a single country. On the other hand, a wise market research coupled with creative multi-national design may make it possible to generate and meet demand for global products, particularly where new technology is involved.

Cultural sensitivity is a particularly problematic aspect of perceived customer value. The well-worn axiom "Think global, act local" puts the matter succinctly. The objective is products and services that are locally acceptable, yet are designed, developed, manufactured and distributed under a global environment, which embraces intelligent strategies that fit together.

Production Focus

TQM and GQM are similar in their production focuses, but GQM involves extending TQM to the point where disfunctionalities begin to appear. Involving all functions and all levels in all countries, which is the case in a complete global extension of TQM, naturally entails a seemingly endless set of possible configurations. Not all functions may be located in a particular country. If a business unit finds that domestic suppliers are not price-competitive or that technologies are incompatible, it may be forced to link up with suppliers abroad. Likewise, a need for familiarity with local markets may motivate linkages with foreign distributors.

In this expanded multinational "supply chain," a new perspective is called for that is beyond functional integration in the context of a single country. Therefore, the resulting organization of production likely will have to be based on a linkage among organizations across country boundaries. Consistent with this is the fact that production decisions cannot be centralized in a home country headquarters, as may be possible in the simpler TQM environment. Responsiveness to diverse market needs is likely to require maintaining a network of multiple headquarters. The key capability that enables companies to minimize potential disfunctionalities in a global context is flexibility. Production processes that simultaneously allow low volumes, high variety and low cost can offset the disadvantages of diverse marketing requirements.

Information Systems

The technological advances provide the information systems support for effective global operations, including GQM. However, in most instances, it is not the hardware or software part of the system that poses the challenges. It is more likely to be the information infrastructure that is locked into architectures and organizational designs based around earlier technologies.

Ideally, the existence of TQM variants throughout a global organization should offer such benefits as internal benchmarking and transfer of the lessons from successful TQM applications. Capturing such potential advantages requires sound and timely information moving freely throughout the global organization. Information networking among manufacturing units becomes instrumental. GQM should, therefore, not be viewed as simply "connected" TQM units. It is imperative that a global company establish an effective quality audit system that can routinely measure and transfer quality management "know-how" across TQM units. Given the rapid pace of technological development and change, GQM requires an integrative effort that links subunits across countries.

Technology Network

Since the factors and competitive situations across countries can be expected to be quite different, networking can consist of any combination of technology, supplier, production, distribution and marketing activities across markets. Sometimes, not all of these functions and activities can be satisfied within an intra-company network. For example, emerging technologies may have to be acquired from outside the firm and/or from abroad. The concept of networking has to include outside or foreign firms and science and technology organizations.

An important trend in global management is the formation of strategic alliances whereby companies strive to share complementary assets. While the concept is deceptively simple, its implications for GQM certainly are not. An integrated and harmonious quality management and improvement system are difficult to achieve in alliances that are a merger of companies with different histories and styles of TQM. In practice, there are many obstacles within strategic alliances that inhibit organizational learning and transfer of "know-how." If managers can recognize and reduce these expected obstacles, the result should be increased GQM effectiveness. Clearly, inter-company compatibility of quality systems is a consideration when selecting alliance partners.

Conclusions

This paper focus on GQM tried to define the boundaries of an emerging quality concept and practice. The most of the recent transformations in organizations' business environment are associated with external pressures at the global level. External pressures are understood as pressures for change, associated with a number of global phenomena. In order to be successful in the future knowledge-based environment, companies will need to implement strategies and new tools for simultaneously creating economic, social and environmental values.

Total quality management philosophy needs to be rethought and recreated in the context of recent global transformations that make the shift to global quality management. The most likely and reasonable developments for contemporary total quality management should be made by incorporating approaches of sustainability and strategy to the concept of total quality management turning it into a more complex and large concept, global quality management.

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SOCIAL INNOVATION – MODERN INSTRUMENT FOR SOLVING THE PROBLEMS OF LOCAL COMUNITIES

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In present there is a certain perception along free time of the young. Messenger, internet and television are the new recreation and amusement ways that favours sedentary life, in the detriment of tourism and fresh air walks.

The counteract of the phenomenon can be materialized through social innovation principles, concepts that suppose a new vision upon sustainable development of local communities.

The elaboration of Suceava city development strategy has to take into account the potential problems of the community. The green spaces that are insufficient and the complete detach of the young from nature can be the strategic points of the new strategy. This work wants to offer possible solutions regarding sedentary life problems of the „Messenger Generation” and the lack of green entertainment areas.

Keywords: social innovation, development strategies, local authorities, Messenger Generation, Active Park

Social Innovation – the Changing Vector

The concept of the social innovation supposes a new perception on the continuous development of the local communities. The social innovation produces interest because it can solve some esthetical-administrative problems, reducing the negative economic impact on the green areas. It is referring to the social needs, concomitant unparalleled with the developing of new products, services and organizations that activates in solving the contradictory aspects.

Innovative societies (local authorities) are those whom, in one moment of their evolution, should respond to some challenges, being in the situation to innovate. Either it was about the integration of the socio-cultural disparities, assimilating the results of a scientific revolution or economic development, the administration of some regions or populations, those societies should manifest receptivity in front of the market needs, trying to bring a surplus of novelty and originality to the area.

In this way it was proved that: societies that are opened on the knowledge exchanges with other averages, implementing of the modern technologies, know-how and those whom manifest a special sensibility on the new elements and concepts, insufficient thoroughly, are more innovative, developing an efficient and complex politic establishment. On the other hand, ethnocentric and autarchic closed societies are not innovative and, un-disposing of a differential political establishment; lose the collation with averages much more dynamic and much well organized.

The sophistication of the life way and the diversification of the cultural models, creation, imposing and acceptance of new rules means the birth of the social innovation as system of transformative collective activity. Civic spirit supposes the capacity of the imaginative anticipation and so, of the original adapting on the average and unknown situations. Multilateral life style of the human groups with the social innovation also meant the apparition and development of the social systems interactions – biosocial, ecosocial, economical, cultural, communicational, political – and also, setting up the comprehensive durable texture inside the global society.

The identity crises and the indifference on the contemporaneous socio-technologic evolution, on the background of their inadaptability to the modern times tasks, do not allow the harmonious development of all the Romanian social averages. For example, it is eloquent the North-East Developing Euroregion situation, known on the media plan, as being the poorest region of the European Union. Even if an improvement is observed of the life stile in Romania north-east area, locally, the discrepancy are more and more evident, and this, on the background of the missing coherence and weakly managerial initiative.

Starting from here, the hypothesis as per the dispatch between social innovation and a comprehensive model of the politic helps the society in understanding, proving to be an IQ test and collective cohabitation.

The three E, base directions (empower, educate, enhance) that fundament the power of the local authorities follow on the implementation and realization of the social innovation principles. Local authorities represent the community and, as following, taken decisions, have to be in the citizen service. Also, town halls must take all measures needed to educating and inoculating the responsible spirit in citizen's line and not finally, the society must be encouraged to identify the responsible measures dispatch with natural frame, on the preventing environment pollution and the autochthon sustainability potential, concomitant with socio-cultural inheritance dissemination to the next generations.



Pylons of the Social Innovation

Source: <http://www.socialinnovationpark.org/>

All categories of stakeholders can be involved in actions of social innovation; from the big international actors, to little economic agents, from the enterprising interested on their own image, ONG, to the local authorities or large public. Most of the times, social innovation is the best solution in maintain the biodiversity in the areas affected by human activity.

Messenger Generation

Climatic modifications conditioned, mainly by the ingravescence of the greenery effect, will have a special impact regarding the future perception of children on nature. Natural environment loses more and more land and people are totally emotionless, hypnotized by the technological liveliness and caught up with open eyes in the modern world traps.

The big guilty people of the false valuable scale of our children: television and internet, are easy to identify just to a superficial analyze of the environment. Epochal discoveries of the last 50 years, facilities that in the Romanian society, from the absence of an alive option, became the traps flaws, making the human idiotically, to not think anymore, to not actuate anymore, are double edged weapons. Those two modern information averages can satisfy the unusual thirsty of knowledge of today young's but, many times this valuable informational springboards seems to generate a lot of adverse reactions. Messenger Generation mix up the internet discussion carried with friends with that addressed to a stranger. Unfortunately, the reading absence it is observed to young people from our days in their way of expressing. The wrong use of different terms, semantic incoherence, propositions without subject or predicate and suburb expressions dominate in the communicational language of children and adults. The internet and the television that monopolize almost all the time are the main factors that influence them the language transformation.

School is the one that must find methods and means to attenuate the harmful effects of television and internet, with assuming the educational management. To come to the long-expected behaviour changes, it is needed that the main educational factors: family and school to action convergent upon child. As like, influenced by own life experience, family has the trend to consider that it is enough to take care only to

satisfy the primary needs of the child (food, clothes, daily expenses), ignoring the importance of the affective communication and of the development of belong feeling, at school comes the hard task to form and educate the child.

Unfortunately, at school and kindergarden it is studied much less than sufficient „The knowledge of the environment” but, very trendy are foreign languages, mainly English, and computer skills. The contact with the environment is for the young people from town a real adventure or, worse, a punishment that they had to execute during the summer vacation.

In these conditions, shouldn't surprise anyone the fact that in many children's conception: cows are pink, rabbits eat just carrots, mouses scare cats, the fruit of the beech is acorn or that tamagotchi are some very cute animals.

The association: grass, water and forest are synonym for most of the young people with fun. The interference of those three elements represents the place where in weekend music is listened, “mici” are served (traditional Romanian food made with meat) and specially, they can enjoy themselves with a lost of bear. The beauty of some of these places does not raise very much the interest because the reason that for the trees shadow, grass freshness and water coolness are searched is based on the space need to organize parties with friends. At apartment house you can not organize something like this because there isn't enough space and neighbours forbid you to manifest like a “rebel”.

The Green Areas Crises in Suceava

The air pollution in the urban area with exhaust gas, massive land clearings, growing urbanization, restraint of the green areas and vegetal protection chains, the stress, the phonic pollution, the unemployment and the high temperatures during the summer are specific elements in the urban area. The relation between the climacteric changes and the interest manifested towards the nature is in inverse proportion. We are living in a hostile environment where the nature is a simple piece of scenery, strongly anthropized.

The vegetation, fundamental element of the natural environment, is an important factor in the self purification of the atmosphere, this being the reason why we cannot conceive its lack in the urban arrangements. So, the main purpose of the green spaces arrangement in the urban zone is the improvement of the environment status. It also must not be neglected the esthetical and social contribution of the vegetation, which supposes the disconnecting and the relaxation of the citizens.

The Suceava city does not have very much green area, parks and pleasure zones. According to the data supplied by the County Statistics Department, the Suceava city had in 2005, 29,79 square meter of green space/inhabitant, much under the 50 square meters/inhabitant recommended by the World Organization of Health.

Only in three years, the measures of green spaces expansion, actions initiated by the local authorities of Suceava, supposed the allocation of over one million lei for planting 130.000 trees, most of them on the houseful associations domain. Such initiatives are welcomed, but unfortunately the involvement of the citizens in this action was not very deep. Most of the young people are impassive and totally not interested of the natural environment or the quality of the breathable air from Suceava city.

In these conditions, the application of some strategic policies with innovative character must be done, measures which to pursue the creation of a free green zone, sheltered from the restrictive human economic actions, even in the centre zone of the city. It is in view, in a first phase, The Şipote Dendrology Park located between the ultra central zone „22 December – House of Culture of The Syndicates and The Reign Citadel of Suceava. By actions like: „*The nature protest against The Internet*” or „*The secrets of green therapy*”, „the Messenger Generation” is especially aimed, together with the population segment between 25 and 40 years. The main purpose is the return of the young people and adults in the middle of the nature, realizing about the importance of the parks, the intensification of the civic spirit and special respect towards the environment. If the initiative will be a successful one, such actions could be directed also towards The Zamca Forest, planning to be expanded in the future for other green areas from the meadow of the Suceava River or the ICAR zone.

The Şipote Dendrology Park and its extension – The Park of The Citadel, are under the direct administration of The Forest Department Suceava. Although the City Hall of Suceava initiated all the necessary steps for this forest in order to go from the public domain of the state in the local public domain, The Suceava Local Council did not really manage to take in custody this green area. The uncertain statute

of this forest is to be seen in the cleanliness and the negligent aspect of this green area. In the future, a long term strategy: 30-50 years, of development of the Suceava City must be conceived, which to include also the durable development of the Șipote area.

Nature Rediscovery

For the walks lovers, this forest-park has immeasurable sentimental value. The beauty of the zone is incontestable, but the lack of lanes, banks and the presence of the nettles and PETs discourage the entertaining actions. So, some solutions with social character must be found, solutions to permit the town inhabitants, and especially young people, the spending of the spare time in the middle of the nature.

How can the Suceava young people be convinced that the plants and animals species are menaced with disappearance, when they still exist, and especially how we sensitize the people in this respect? Since we do not have the support of the public, but only declaratively it is very difficult to offer an incentive to the citizen in this respect. We are going in this way to the situations on the territory of the communicational marketing, of the social responsibility and of innovation.

Starting from the lack of time allocated for walks, continuing with brainless questions at first sight such as „do I have internet access there?” and continuing with the superficial perception of the nature, seen only as a scenery object – most of times the people going for a walk with the dog in the park without observing the nature -, all these strongly impose the social innovation.

What if the Șipote Dendrology Park would have the aspect of a zoo in the air, with deer, stags, wild rabbits, foxes and squirrels protected by law? What if the modern technology would be combined with the nature charm and the practical utility of a park? What if we would adopt a tree? What if we would stay and talk with that tree? It would be weird, but I think that it would be very thrilling. The concept of *Active Park* would be probably the most adequate for this forest.

The transformation of the forest from the centre of the city into a zoo park would be a novelty for Romania. What can be more pleasant than to walk your lover around some deer, to look around for squirrels or to admire bored little rabbits that run from here to there? All these under the discreet, but attentive observation, of a closed circuit video system. The persons which make an attempt on the silence and the liberty of the animals will be severely amended, being liable of prison if they do not respect ad-litteram the regulation of the park.

The idea of a tree adoption seems not only roty, but also attractive, even interactive. Starting from the premise that the number of the trees is limited and their value is immeasurable, the people that want, especially young people, from Suceava, but also from other areas, can adopt for a reasonable sum around 20 lei, one, maximum two trees from the park. The relation of kindred is valid for 2 years, with the possibility of prolongation for a year more, if the Suceava adoptive parents visit the „child” tree at least two times a month talking and caressing it. The adoptive parents from other localities have the moral obligation to visit their „son” at least two times a year. The tree will have a name, will have its own birthday and will be easy to identify using a code given by the geographical localization with the help of the GPS. At the park entrance, the ones interested can hire for 3 hours (tariff 5 lei) a GPS which can be used at the identification of the adopted tree location, the establishment of the geographical coordinates and will facilitate the transmission of the visit confirmation signal to a command centre. In case that the ritual is not respected, the parents will be degenerated from the parental rights.

By introducing a personal code the custodian will have free access to wireless internet 15 meters around the adopted tree. An IT platform connected to the internet will also exist, and will show online the list of the adoptive parents, its photo, the identification dates of the tree in keeping and the stage of the bilateral meetings. At the end of every year, from the most devoted parents will be nominated, the father, respectively, the mother of the year. The happy model parent will be promoted by the mass-media and, if he/she wants, can keep the „son” for the rest of his/her life, but with the respect of the ritual.

Conclusions

All these can be possible only after the preliminary arrangement of the park, organizing which supposes the realization of lanes and tracks for cyclists, the planting of the turf, the securization of the zone, the promotion of such a project and the declaration of this area as natural interest protected zone. Starting from

this social innovation, the marketing strategy is to try the transformation of the park into the city symbol together with the Reign Citadel.

Grace to the social innovation principles such ideas will get to new relating and interaction concepts between man and nature. The respect towards the nature will be priority and the presence of such oases, green and quiet, in the urban centres can bring the young people in the middle of the nature. Only in this way the perception of nature will be different and the social innovation will not miss from the regional development strategies.

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THE DECENTRALIZATION OF DECISION MAKING IN THE ROMANIAN PRE-UNIVERSITY EDUCATION SYSTEM

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Intuitively, we understand that a problem is a difference between an existing situation and a desired one. We will issue the solution of the problem, according to the current legislation framework and to some education arguments strongly anchored in the social and economic reality of present and future. Regarding the psychological aspect of the problem, we point out the fact that its formulation requires clear determination in time and space to the related components of the decisional situation. Therefore, within the structure of a decisional situation we will distinguish: action options or possibilities to solve the given problem and nature conditions reflecting the framework where the analyzed process goes on, being detached from the problem body by the analyst or decision maker.

Key words: decision, centralization, education system, research, strategy.

The Decentralization of Decision Making in Education - A Problem which Requires a Quick Solution

A “problem” is generally understood as a difficulty which, without being able to be passed automatically, presupposes an empirical or a conceptual research. Within the structure of a problem, we distinguish three components: the body, the generator and the solution (if it exists). The body of a problem is represented by previous knowledge related to the field where the problem is formulated. This can appear as various statements within the problem content, but these are not questionable and neither are they a subject of research. The genesis of this problem - for which we intend to find a solution- has many causes that have influenced its appearance. Among these, the main cause is represented by the hyper-centralization which described the management of the educational system before 1989, the rest having a secondary role.

Frequently, two aspects of the concept of “problem” are analyzed: the psychological content of the problem (well-known as the decisional situation) and the structure of the linguistic formulation of the problem. The two aspects refer to the question act (psychological aspect) and the modality of expressing a question into a language (linguistic aspect).

The decentralization of decision making is a variable which cannot be controlled, but its probability of performing can be known. We can include the prediction of nature conditions (possibilities of uncontrolled variables to perform) and actions’ consequences (forecasted results of implementing identified strategies into various hypostasis of nature conditions development) into the structure of a decisional situation. These can be shown in a decisional matrix, which entirely reflects the decisional situation. Matrix rows represent strategies, columns – nature conditions, and matrix elements – consequences.

The decision criteria include the rules according to which one of the action strategies will be chosen. The correct formulation of the problem to be solved and its delimitation from other sets of problems with which it interacts determine most of the accuracy of the decision made. It is often said that a well formulated problem is half solved. A problem will be well formulated only if it is well conceived and well stated. For a problem to be well conceived, none of the assumptions should be false, and to be well stated, it should obey some rules, such as: the number of generator variables should be equal to the number of unknown quantities; if there is only one variable, it should be elementary, if it is non-elementary it should be the result of a mixture of well stated problems. In practice, the statement of a problem should detail the basis at

the level of knowledge and perception of the one which has to solve it. Detailed statement of a problem will be the one in which the entire body is described, in its complexity.

The concept of complexity, as well as its role in the solving problems process, was a topic of many research papers, reaching the conclusion that this represents an attribute or a property of a problem which can exist for some of them, and which cannot exist for others. This attribute is independent of the human will, giving an objective character to complexity. At the same time, complexity can be defined as a relation between the observer and the observed, between the knowing subject and the known object (subject). This type of defining gives a subjective character to complexity. The report between observer and the observed object is dynamic; therefore, as its degree of knowledge grows an initially complex problem tends to become simple. In this case, the main cause of complexity is represented by the individual (decision maker) who, in the problem formulation process, represents an entity which manipulates information relating to the decisional situation. This process involves a set of physiological, cognitive and intellectual factors, which, together with the psychological assumption of the decision maker, determine correctness in formulating problems.

All these factors determine decision makers to differently expose information about the decisional situation and to associate various degrees of complexity to the problem. When we speak about problem complexity, we especially refer to elements of the decisional situation. The primacy is not held by its number, but by the nature of their relationship and performance obtained through its interaction.

In our researched situation, one and the same problem will have different dimensions (as number of variables and the relationship between them) and, probably, other degrees of complexity, because it will refer to different hierarchical levels of the organization of education units. Accepting the complex character of some problems, we will notice that some of the complexity sources are represented by uncertainty. Generally, through uncertainty we will understand the absence of some relative knowledge about present and future consequences of an action, lack of certainty in demonstrating truth or difference between what is known and what should be known in order to make the right decision. Therefore, uncertainty can be complementary to knowledge, having one of the two shapes: total or partial.

We see that this concept depends on the degree of knowledge of future evolution of processes, decreasing during accumulation of knowledge and information. Like the concept of complexity, uncertainty can be an attribute of a process or event (it is about accidental events) and exists, in an objective manner, independently of our will. The concept of uncertainty is frequently followed by the one about risk without being confounded with it. Configuration of problems is possible also by applying some methods for reduction of complexity degree. The problem which makes our research topic is the decentralization of decision making from the level of the Ministry of Education and Scholar Inspectorate to the level of schools with corporate body.

The Necessity and Opportunity of Decision Making Decentralization in Pre-university Education in Romania

Throughout history, Romania has known periods in which local power existed and was manifested at administrative-territorial units' level. Of course, those periods did not have fully democratic connotations, such power being carried out especially by economic power holders. During the period when Romania was lead by the communist regime, all state power was concentrated in central institutions and their decisions were made by local institutions. During the communist period, local institutions decisions had to respond to some reasons for making central decisions. After 1989, when a democratic regime was installed in Romania, a regime based on political pluralism and separation of state powers, a turn was made towards establishing and completing economic and social reforms. These reforms aimed especially at the relieve of the economic power from the state, power which used to be held by a unique owner, and to decentralize it towards structures organized according to the private property principle. Due to this fact, private Romanian education did not develop enough as to compete to the state education.

Therefore, a situation has appeared whose anti-educational effects constantly aggravated and generated a very critical status that was also seen by political actors. It is about contradictions between the need for education requested as seriously as possible by the community area from which Romania takes part and the possibilities of the Romanian educational system to satisfy it. The obligatory segment of education is the one in which main educational processes are involved.

If in occidental European countries - members or non-members of the EU- the basic education system is always a local community responsibility, in former communist states this system continues to be centralized and entirely financed by the state budget. This situation, where the education unit -the basic cell of the educational system- is controlled from a distance through decisions of some administration institutions, such as scholar inspectorates and the Ministry of Education, without taking into consideration the organizational culture within each school partly, is compromising to the system's good development.

Decisional factors from education constantly admitted that the actual managing system of the education system in Romania is old and negatively affects society. Nevertheless, adequate measures for the organization alignment at least to the situations in occidental European countries have not been taken yet. The restraints showed by Romanian governors lead to the increase of the damage of education system, which nowadays does not have coherence in achieving its goals, with a poor and unclear management who produces much hard solving confusion.

From the previously stated diagnosis, we see that Romanian pre-university education system is negatively influenced by certain internal and external factors which decrease its potential and place it in an area with many problems. In our opinion, also confirmed by the research papers already written about the Romanian pre-university education system, its bad operation is especially caused by the fact that units are managed from a distance and not by a proper management which to act as a team in performing some centralized directives from the ministry and scholar inspectorates. To eradicate this situation it is necessary and appropriate to have a decentralization of decision making at the school level, as it is in the school area where education and training goals are being accomplished.

The possibilities which Organizational Structures in Education Have in Order to Accomplish the Objective of Decentralization

Any organized activity is characterized by the existence of some precise goals, by a more precise definition of status and roles, by reference to objectives, tasks and competences, by a strict delimitation of activity fields (work segmentation).

Emil Păun (1999) considers that the appearance and development of some communication networks, as well as some hierarchical structures has gradually led to the transformation of the organized activity into organizational structures.

Raymond Boudon (coord.), Edhard Freidberg (1999) appreciate that an organization is a social object and a social process living in the core of human action. In society, there are many types of organizations which evolve in their own fields, obeying their own rules. The major part of our activity is done in these kinds of organizations. At an early age, we are in pre-scholar and scholar organizations and afterwards we depend on professional organizations. Organizations exist thanks to people, and people do organized activities because they are a part of these organizations.

Emil Păun (1999) defines organization as a system of activities structured around some results (purposes, goals) precisely formulated, which involve a large number of individuals who have well established statuses and roles within a differential structure, with positions of management and coordination of activities.

Organizational culture was defined in many ways, but common elements of these definitions are: beliefs, faiths, values, norms and regulations, member's attitudes and behaviours. The organization is identified by its culture. Each organization expresses in its own way the above mentioned common elements. Therefore, faiths, beliefs and values represent subjective interpretations of organization members to some life aspects; norms and regulations are accepted by organization members, and member attitudes and behaviours assure its functioning.

Luise Stall, Dean Fink (1985) give some interpretation to scholar culture, to be the observed behavioural regularities, including language and rituals; norms which develop within working groups; dominant values supported by the organization; guiding philosophy of organization policy; game rules in order to have a good relationship with others within the organization; emotions or climate within organization.

Even if Schein agrees with the fact that these meanings reflect the organization culture, he does not consider them as its essence. He sustains that we start to know a school culture when we break its unwritten rules, and a manager should create and organize the organization culture.

Professor Emil Păun sets the following values of the scholar organization development: the orientation towards action, based on purposes, goals and priorities; the orientation towards the actors of the education act, professors and students; the consolidation of the cooperation between organization members; the development of competition; the stimulation of self-improvement and self-development; the increase of members' responsibility for the quality of results; participative management and value of social partners.

The culture of the organization is governed by norms, which represent members' position towards the value and usage of objects, opinions, activities, life styles, etc. Values appeared as an expression of ideas, to which an outsider does not have access, because, being clear to everyone, they are rarely stated in words. Outsiders listen and follow carefully the accepted modalities of speech and behaviour within the scholar organization. Afterwards, it is demonstrated that they have availability and capacity to integrate, to understand rules which should be followed, principles on which these rules were created. Culture defines reality for those inside the organization, gives them support and identity and creates a framework for learning.

Emil Păun (1999) considers that "school is an organization which produces learning". With this description, there are other organizational aspects as well. Scholar culture plays an important role in changing our schools.

Luise Stall, Dean Fink (1985) said that "while a school focuses on efficiency of formal and organizational structures, it tends to neglect cultural and informal dimension".

According to Rosenholtz (1989), "among main conceptual problems there is the fact that students' learning process was associated with some scholar characteristics without empirical support about the way in which these characteristics come to affect the internal dynamics of school". In the scholar organization, change cannot take place if the cultural dimension is neglected and if this culture is operating against the organization. Changes are determined by understanding school culture. The school organization culture can be also influenced by political, social and economic powers. Changes in the education policy at national or local level can produce changes in the organization culture. In order to resist, school has to be prepared to handle society challenges. There are authors who consider that once formed, an organization culture can remain unmodified.

Bolman and Deal (1991) consider culture as both a product and a process; as a product, it represents the wisdom of our ancestors who were part of it, and as process, it is constantly updated and re-created when new members see the wheels go round and they become professors. If organization members are not open for change, and if new members cannot influence culture, and they just learn it, then this organization culture does not change, does not develop. Since culture is created by organization members, it changes together with them.

Changes in school culture can be also provided by the manager. Between organization culture and structure there is interdependence. Culture can be indirectly affected, but structure cannot be modified. If structure modifies without producing changes to culture, these changes can be superficial.

In the scholar organization there are also some subcultures. These subcultures can appear around the interests of some groups and can pull the school in various directions. They have a certain autonomy which is manifested into assertion of their own values. In school, a dominant culture can exist, represented by the manager's actions, and also cultures which represent more groups, each one with its own norms. Managerial culture is different across countries. In an educational system in which the director is a real manager, its influence is bigger because he makes decisions. In the Romanian education system, the director executes more than he decides, because decision comes from high levels or it is made by a managerial team. In this situation, a managerial culture cannot be structured yet.

Teaching staff culture is the most powerful within the scholar organization, but also divergent. Within this culture some subcultures may develop with a different evolution. Some of them are in potential status, others are dominant, and control. These subcultures vary depending on: sex, learning age, studies, interests, type of framing etc. Even if in schools politics is not an issue, some subcultures related to some political ideas may appear.

Students' culture is manifested in the relationships among them. The main type of organization of this one is the class. Student culture is also influenced by their relationships with their professors, with the school manager and external environment. Students' culture covers values from family culture or influence groups (musical, artistic, sports etc). Norms from students' culture are also related to norms of education unit. In a

scholar organization, school climate has a strong influence on organization activity and, implicitly, on the results obtained by professors and students. School climate is formed by relationships professor-professor, professor-director, professor-student, student-student; managerial style of the manager; quality of human resources management etc. The manager can influence school climate, because he can mediate relationships between organization members and he can create a climate in school community.

Thus, we conclude that changes which take place within the Romanian educational system are strongly influenced by the culture of scholar organizations. Therefore, decentralization of decision making in education is a tough process, but possible to be done because Romania's adherence to the EU and its gradual integration in the European structures also involves the alignment of education process to European standards.

The Change of Education Management - Necessity of Change

Stan Kossen (1975) said that in order to observe the necessity for change and innovation promoting, it is enough to imagine that we had a sleep of some dozen of years, a sleep synonymous with stagnation, while in the world many changes took place in habits, behaviours, values, language, resource availability, structure and organization of industrial activities, hobbies, (...), music styles etc. Peter F. Drucker (1986) said that "not to innovate, that is to defend the day of yesterday, is more dangerous than to make the day of tomorrow". Taking into consideration this statement, as well as the fact that we live in a world of a continuous and stunning change, it is obvious that the problem of a change in education represents a necessity. Change is necessary especially because, unfortunately, often changes take place only after field management recognize the crisis status, be it a crisis about education policy, about knowledge, self-knowledge, human resources, management, financing etc. Innovation in education can be done through an education reform and pedagogical change. The first one refers to a type of structural and systematic innovation or systematic and structural innovation, which affects functioning and structural relations on entire educational system, having, therewith, an intersystem reference.

Lazăr Vlăsceanu (1979) said that "second type of accomplishment intends to improve or modernize the educational practice, according to the pre-established objectives". In the author's vision, both can correlate within a planned process of innovation. The same author mentions that change has the size of reform "because it proposes innovations and re-dimensioning at the structure level, combining methods of teaching-learning with evaluation". Education is a subsystem of social system. Changes in education are a social process which affects structure and functionality of the educational system in the following directions: impoverishment and decline of structure and functionality of system, so, regression; enrichment of structure and its functionality, so, development. The first direction leads to crisis. It can manifest by decreasing social control upon school, by abandoning the old system of norms and values without installing a new one, by normative crisis, by not recognizing authority. The second direction takes the shape of innovation and supposes its application and production of positive effects.

Stan Kesen (1975) appreciated that, unfortunately, change take place more often after the manager identifies crisis characteristics, underlining therewith that a more rational approach and less expensive is the one according to which managers try to anticipate the need for change and to design innovative measures before serious problems appear. Prediction and forecasting in managerial activity are needed in order to produce innovation. Prediction identifies the most probable status of the educational system in a certain moment of future. Forecasting takes into consideration a large range of possible results in order to open the way for more options of success than prediction can achieve. Prediction and forecasting, together with imagination and creativity, can play an essential role in coordinating change in the education field.

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FEE SETTING OPTIONS

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Water supply and sewerage providers usually operate as natural monopolies. A natural monopoly occurs on a specific market if a single company can provide services to that market at lower costs than any combination of two or several companies. The present article deals with methods of setting fees for water supply services.

Keywords: water supply, monopoly, full recovery of a cost, fee setting policies.

General remarks

A natural monopoly occurs when a company has efficient technology, often associated to market needs, not as a consequence of government or competition activities. As a rule, natural monopolies have sharply descending average and marginal cost curves, on long periods, so that the market has room for only one company that fully benefits from the available economies of scale and provides services to the market. This is why natural monopolies are often a typical object for government regulation in terms of price, quality and conditions for entering the market. Natural monopolies essentially exist due to economies of scale and range, being significant in relation to market demand. The main feature of such a monopoly is the very high difference between fixed and variable costs.

A local or regional monopoly situation offers greater flexibility in setting fees. In a competitive environment, competition sets the limits of fees that can be asked for a product. In the case of local water supply and sewerage monopolies, these limits are set depending on the cost of self-provision of the service (which is usually rather expensive and inconvenient) and any additional economical regulation existing at local or national level. To consider fee reform, one should consider the policies and institutions that regulate services provided as part of natural monopolies.

Requirements for setting a fee

Fee setting policies are governed by the attempt to generate enough revenue to at least cover the cost of providing the service. A common characteristic for meeting financial requirements is “average cost assessment” – meaning that fees are calculated by dividing the total cost of services by the total quantity of water which was supplied.

Fees for public water supply and sewerage services are set using the formula:

$$P = \frac{V}{Q}, \text{ where:}$$

P = the price or fee;

V = planned value of activity in the calculation year;

Q = planned quantity in the calculation year;

In principle, the following criteria are taken into account when setting fees:

- a) raw water, electricity and materials expenses are determined taking into account current purchase prices and annual projected quantities;
- b) specific consumption of energy and materials will be taken into account at levels reflecting the actual operation and functioning situation;

- c) personnel expenses will be based on the current legislation, keeping in mind the principle of economic efficiency;
- d) depreciation and/or charges will be taken into account, in compliance with legal regulations;
- e) the delivery price of water will include losses occurred in production, transportation and the distribution system, as approved by the local public administration authorities;
- f) the quantity of water and sewage will be projected on an annual basis;
- g) prices and fees will include a profit share and the *IID* (Maintenance, Replacement and Development) Fund, calculated according to legal provisions.

There are also other ways of setting fees so that they can adequately cover costs. These are usually based on evaluations of average costs.

Cross-subsidizing in favour of household consumers

Shifting the burden of paying for the municipal water system towards non-households is a common and frequent practice. Although it is not a very viable economic policy, household consumers have gotten used to this. This involves a reduction of costs for household consumers to much less than the assessed average cost and a rise of costs for industrial consumers much above the average. Financial requirements will thus be met by rising fees to non-households, this way balancing the loss resulting from the lower fees paid by households and residential areas. There are of course limits for this sort of cross-subsidizing: industrial consumers threaten – and rightly so – to set up their own water supply and sewerage systems – in which case cross-subsidies to households will be reduced.

Conditions for ensuring the necessary revenue and controlling costs

An important aspect for any publicly regulated monopoly, in particular for providers of water supply and sewerage services, is cost control. In the case of inelastic demand¹¹⁶, rising fees cover costs without affecting too much the inflow of revenue – which lifts pressure off the cost reduction aim. The management of a public company is usually reluctant to take employment or salary decisions that will bring about criticism and negative popularity. It would be easy for them to hire people and/or rise wages, and then these costs would be covered by consumers by paying higher fees. These pressures apply to most cases when a fee is set, but in the case of other types of products it is necessary to collect more information regarding the source and type of the cost for the various customers and for various services, for instance, than in the case of setting fees based on average costs. A simple rule for setting fees based on average costs does not require detailed cost-centre tracking or detailed bookkeeping – which makes it easier to hide excessive and unjustified costs.

Efficiency

Full recovery of a cost

Full recovery of a cost (setting the fee on the basis of the full cost) is a fee setting principle that is usually upheld by qualified economists and experts of international organisations such as the EU (according to the Water Framework Directive). They argue that as a rule these services should **not** be cross-subsidized by transfer from other programmes or budgets which reduce fees. Fees should equal (marginally) the cost of providing services to paying users. On the basis of this principle, the EU Water Framework Directive encourages “full cost recovery” fees. The efficiency of fees makes the usage of rare and limited resources more efficient and the effect of inelastic demand will surely lead to the conservation and, very likely, the reduction of water pollution levels.

¹¹⁶ Goods with low sensitivity to price are said to have inelastic or rigid demand. In the case of these goods, prices can vary a lot without consumers changing the quantities they demand. The elasticity of demand is measured by calculating the percentage by which demanded quantity varies when its price varies by one per cent. If the result is higher than one, then demand is elastic; if demand is between zero and one, then

$$E_{x,y} = \frac{\partial \ln(x)}{\partial \ln(y)} = \frac{\partial x}{\partial y} \cdot \frac{y}{x}$$

demand is inelastic. The general formula of elasticity is:

A provider of water supply and sewerage services can set different fees for different customers. This can rely on a variety of reasons, such as preference for a type of customers over another type. Economists encourage the setting of fees based on costs associated to providing services to a certain group of customers. It is simply an application of the “full cost recovery” principle in a slightly more refined way. In this context, this means that a certain group of customers is not responsible for paying or cross-subsidizing the services provided to other customers. The EU Water Framework Directive equally encourages fee discrimination based on the costs that various categories of users generate for the service provider. Unfortunately, the efficient distribution of shared costs to users cannot be made on the basis of sound economic arguments alone (Hall, 1973; Lau 1978). Sometimes this transfer of costs seems plausible, but it ultimately lacks a sound economic justification. For instance, overheads cannot be assigned to users proportionally to the cost they individually generate, because this generalized activity is a common one – all customers do this simultaneously. A few suggestions regarding the allocation of shared costs are to make a distribution that is proportional to:

the number of customers in the system (in a system with 100 customers, each of them pays 1/100 of overheads);

the quantity of water used by each customer; or

the size of sub-system connecting the user to the system.

None of these criteria is backed by an adequate economic justification for allotting shared costs. None is clearly more efficient than the others, although it is obvious that consumption-based allocation is also completely inefficient.

2. Using marginal costs

“Marginal cost assessment” is another principle used for setting fees which is encouraged by economists and international organizations (such as OECD). In other words, a socially-efficient assessment occurs when fees are set to match the marginal cost (rather than the average cost) of providing the service. By definition, in industries with “constant costs” – often associated to technologically optimal production, which has a low volume compared to the size of the market – marginal and average costs are the same. However, in a natural monopoly, such as water supply, average costs often tend to go down in the short term and marginal costs remain the same (or even go slightly up) in the short term.

These are shown in Figure 1 below. A practical explanation of this evolution of average costs in the short term is the large, fluctuating volume of infrastructure costs underlying production. At the other end, any infrastructure is in place before water and sewerage services can be provided. The marginal cost (MC), after the infrastructure is built, is the sum of operation costs, such as costs associated to energy, labour and chemical compounds used for producing a cubic meter of water. The MC axis shows that the constant cost of each water unit is roughly constant. As more water is being produced, the average cost (AC) of production goes down, because the fixed infrastructure costs can be spread over more units. However, in these conditions marginal cost is below the average cost at all production levels which ensure the optimal usage of the production capacity.

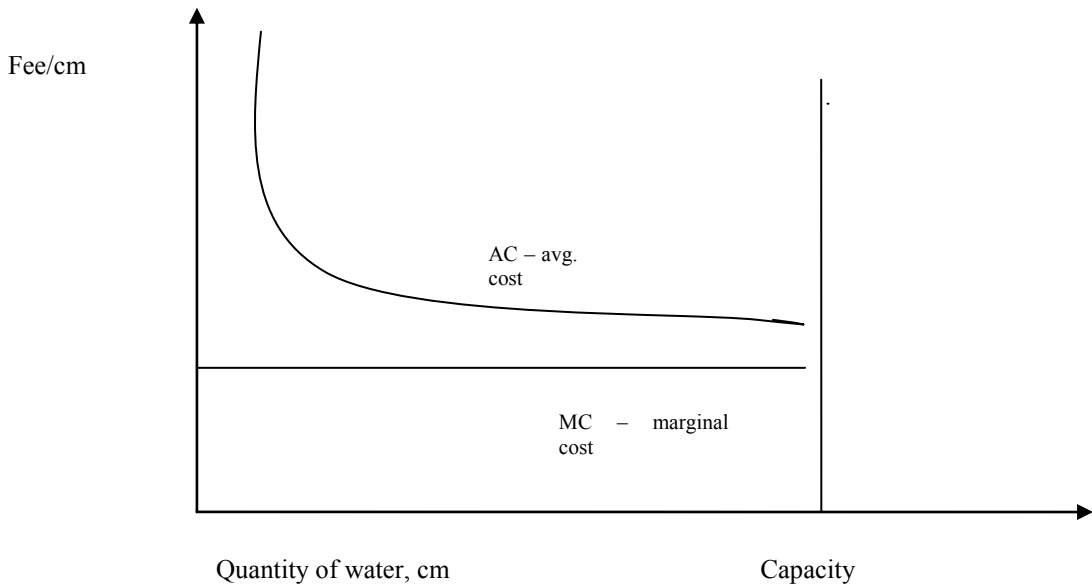


Figure 1 Short-term costs of the water supply service: decrease of average cost

From the point of view of social efficiency, the use of infrastructure does not cost anything once it is operational; all the fixed infrastructure costs are sunk costs. The efficient level of providing the service is the one equalling demand and marginal costs. Thus, efficient fees should be set to match the level of the marginal cost, and the customer should be able to buy as much water as it wishes, so long as the capacity of the system is sufficient. From a social point of view, any other fee setting method would lead to the water supply system being underused.

This policy could however create financial problems for operators, because the product cost, set to match the MC (marginal cost) is lower than the AC (average cost). Figure 2 shows an example of situation in which demand (D) of water supply services crosses MC and AC below the current capacity. When product fees are set at MC (F_{MC} – MC fee), demand for the service is Q_0 . This is the efficient marginal cost based on the provision of the service in these circumstances.

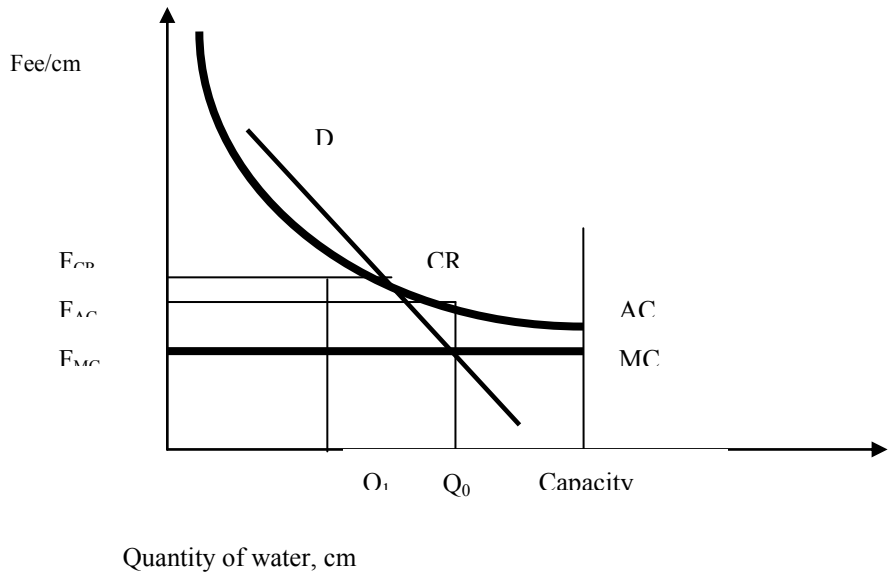


Figure 2. Setting the fee to match the marginal cost in the short term

One of the problems generated by this example of marginal cost assessment is the fact that generated revenue ($F_{MC} \cdot Q_0$) is lower than the cost of providing the service at that level ($F_{AC} \cdot Q_0$). Setting fees at MC level results in a short-term budget deficit for water supply operators. Moreover, this deficit could last for years if the operator has built a system whose capacity is large compared to demand.

Setting efficient fees in cases where there is significant capacity excess is a problem currently faced by water supply providers. Due to economic restructuring, water demand from industrial users has gone down dramatically, which resulted in a significant capacity excess. In most cases, the result was a reduction of revenue for the water provider. Efforts to compensate this financial loss included the rise of fees for residential users. But most often the result of this action was a further reduction of water demand. As it can be seen in Figure 2, above the point where D (demand) crosses AC (average cost) fees are sufficiently high to cover costs. This is F_{CR} , the fee level at which costs are recovered.

However, a large part of the capacity excess has been financed by government subsidies, so that the MC function is probably not much higher than the AC function. On the other hand, demand for water supply and sewerage services may be less elastic than presented above, especially if fees rise and conservation becomes more difficult. Even so, many managers argue that fees should be based on average costs. This will ensure that total revenue covers total costs. Although the short-term result will also be an inefficiently low level of demand for water supply services, they think that the disadvantage of losing efficiency is small compared to the advantage of financial stability brought about by the average fee/average cost ratio.

Another fee setting strategy is combining the marginal cost in the form of product taxation strictly linked to operation costs with a fixed fee per customer meant to compensate the lack of revenue. The fixed fee is a fixed amount with no significant influence on the efficiency advantages of the use of the marginal cost principle for setting the other part of the fee. This option also has the advantage that it can be set and allotted to customer using practically any criterion, except for the level of service used up by the customer (volume of consumed water). On the other hand, the importance of a fixed fee could be very high. In cases such as the one described by Figure 2, the fixed fee can be as high as the average cost of the good. This is why finding a means of adopting the usage of MC combined with a fixed fee that is acceptable for providers of water supply and sewerage services can prove difficult.

Consumers' paying capacity is not an observable criterion, which is why there are several operational options. A more common option is the "two-part assessment", in which two fees are set. Such a method is presented in Figure 3. The first fee – a product fee, is set at a lower value than the average price and it applies only to the initial consumption levels, e.g. the first 2 cubic meters of water per month in a

household. The second fee is higher, in many cases much higher than the average price, and it represents a product fee applied to any consumption exceeding 2 cubic meters per month.

Figur

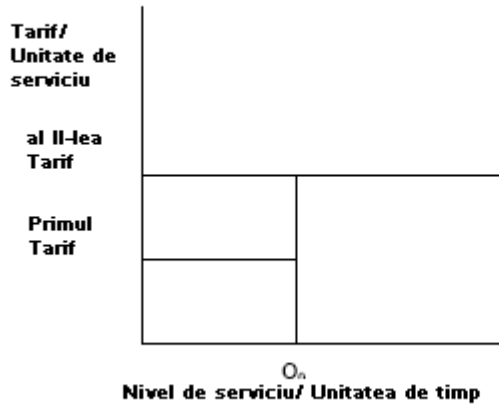


Figure 3. The two-component fee, the second part being set at Q_0 .

The two-component fee is considered by many a compromise between efficiency and performance objectives. The underlying assumption in this case is that consumers who lack the ability to pay are even less willing to pay. They are going to use the service very little, at levels below Q_0 . It is assumed that other customers are more capable (and willing) to pay, and therefore will use water services intensely, above the Q_0 level. If most consumers consume above Q_0 , then the second component of the fee is roughly equal to the marginal cost, and this way a socially correct message will be sent to customers who account for demand. In these circumstances, revenue might go down.

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THE REENGINEERING OF ORGANIZATIONS WITH ERP IMPLEMENTATION

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Abstract. The use of the reengineering, as a technique of "strategic self-improvement," within the competitive and financial context, needs to be qualified by organization culture as a key contingency. A lot of organizations have significantly changed their business processes in order to remain competitive in the global market. Such process improvements were obtained mainly by business process reengineering (BPR or BPRE) efforts. The objective of reengineering is to eliminate non- value-added activities and administrative barriers. The hostility of the context, made by multiples changes that occur, has forced decision makers to undertake strategies of reengineering, restructuring, delayering and downsizing, also with the adoption of Enterprise Resource Planning (ERP) systems whose implementation projects seek to streamline an organization's processes by integrating the information flow into a single system.

Keywords: reengineering, information, technology, change, manager.

The reengineering of organizations and ERP concepts

Hammer and Champy¹¹⁷ define reengineering (BPR or BPRE) as "the fundamental rethinking and radical redesign of business processes to achieve dramatic improvements in critical, contemporary measures of performance such as cost, quality, service and speed" (p. 32). Parnaby¹¹⁸ defines a business process as a seamlessly linked and integrated natural group of skills and competences that has a clear interface with other processes. This business process has a set of inputs. It processes these inputs in an integrated manner to add value and to produce a completed identifiable set of outputs. In many cases these processes are likely to "cut across a traditional vertical functional organization"².

Enterprise Resource Planning (ERP) systems attempt to integrate several data sources and processes of an organization into a unified system. A typical ERP system will use multiple components of computer software and hardware to achieve the integration. An ERP system has two key components: a common database- the system that allows the departments of a company to store and retrieve information in real-time and a modular software design- a variety of programs that can be added on an individual basis to improve the efficiency of the business. The modular software designs link into the common database, so that all of the information between the departments is accessible and real-time.

A lot of organizations have significantly changed their business processes in order to remain competitive in the global market. Such process improvements were obtained mainly by combining business process reengineering (BPR) efforts with the adoption of Enterprise Resource Planning (ERP) systems. While the objective of BPR is to eliminate non- value-added activities and administrative barriers, ERP implementation projects seek to streamline an organization's processes by integrating the information flow into a single system. Benefits related to both BPR and ERP implementation projects result from the capability to efficiently combine organizational changes with information technology^{119 120}.

The concept of "doing more with less" described above has typically come to imply an attempt to achieve significant increases in asset utilization and labor productivity; that is, to generate more value with fewer resources and fewer staff. That is the fundamental reengineering objective.

The hostility of the context, made by multiples changes that occur, has forced decision makers to undertake strategies of reengineering, restructuring, delayering and downsizing. According to this argument, BPR and

¹¹⁷ Hammer, M. and Champy, J., *Re-engineering the Corporation*, Nicholas Brealey, London, pg 32, 1993

¹¹⁸ Parnaby, J., "Business process systems engineering", *International Journal of Technology Management*, Vol. 9 Nos 3/4, 1994.

¹¹⁹ Davenport, T., *Process Innovation: Reengineering Work through Information Technology*, Harvard School Press: Boston, 1993

¹²⁰ Esteves, J., Pastor, J., and Casanovas, J., "Monitoring Business Process Redesign in ERP Implementation Projects", *Proceedings of the Americas Conference on Information*, 2002

restructuring are the inevitable (and logical) consequence of external exigencies. BPR and restructuring are therefore forced strategies associated with asset utilization rates and cost reduction.

The reengineering cannot be done without competent, well-trained and properly motivated managers. Therefore, they are a key strategic asset to the enterprise. In that way, they may be any or all of the following: reservoirs of knowledge and experience; thinkers and planners; leaders; agents of change and, also, sources of continuity and stability in times of change; visionaries; competitors; entrepreneurs; cultural exemplars; managers of quality and service; resource managers; centers of individual, personal excellence; mentors and coaches; arbitrators and disciplinarians; controllers and stewards; guardians of standards and ethics, bastions against abuse and defenders against corruption.

In performing these roles within the specific culture and context of the organization, managers on an individual and a collective basis can add value to customer and enterprise in a manner which is unique to that enterprise, and which cannot be copied by competitors. Many of these roles cannot be performed by ordinary employees, no matter how well trained and motivated they are and no matter how much they have been empowered. In any case, it can be argued that the retention of strength in management and specialist depth is an essential defense against unpredictable market and technological conditions; and the risk-management and problem-solving needs to which they give rise. It will be important to avoid "burning out" an experienced and critical group of staff on whose judgement and problem-solving capability the enterprise depends for long-term survival.

In these respects, therefore, the possession of management quality and depth is a critical success factor. There is no effective substitute for an experienced management team. Organizations with competent and well-resourced managements are likely to be at a consistent and long-term advantage over those who do not possess such a capability. They are likely to be at an even greater long-term advantage over those organizations that have followed short-term fashions for delayering and the elimination of managerial and relational experience that may be impossible to replace quickly in the longer term, and whose dispersal may give rise to competitive advantage elsewhere.

Dr. Raymond Manganelli, Chief Executive Operating of New York-based Gateway Management Consulting and coauthor of *The Reengineering Handbook* (AMACOM, 1994), is the originator of Rapid Re, a five-stage, 54-step modular approach to reengineering. The winner of five teaching excellence awards, he leads the American Management Assn.'s seminars on process reengineering and serves as a visiting faculty member at Columbia University Business School's Executive Program in Business Administration.

Dr. Manganelli has a refreshingly democratic view of reengineering. He believes that most companies can quickly learn the process-improvement strategy for themselves and that small companies have as good a chance of reengineering success as their larger brethren. The name of his favorite "reengineer" should come as a surprise to those who think of reengineering as a new idea. He says that the only way to learn doing reengineering and the only way to gain freedom from consultants is by having a road map. He emphasizes the distinction between a road map which can give the best route for the company and a blueprint, on the other hand which doesn't give lots of choices. He considers that if two different companies apply reengineering in the same way, the outcome will be different and that is the way it should be.

Only 15 to 30 % of a company's work adds value. That means that 70 to 85 % of all the work is of no value. Baring this in mind, it is very important to understand when the company's activity has departed from the optimal path. As an answer of the question "Why should small companies bother with reengineering at all?" Dr. Manganelli emphasizes that the "Reengineering principles and concepts are ways of building and rebuilding to facilitate growth. Small companies should be looking at this as a way to step up. The organizations that embrace this are the ones that will survive and thrive in the 21st century".

Also, Robert Pellerin and Pierre Hadaya ¹²¹proposed a framework for teaching BDP and EPR concepts, framework which can be used and taken into consideration by any company which is interested in maintaining its market position in spite of the changes which occur. The proposed framework was developed to center the organization transformation process on business process redesign and not on the ERP solution itself. The framework was developed in three steps: first, a literature review on BPR

¹²¹ Pellerin, R., Hadaya, P., "Proposing a New Framework and an Innovative Approach to Teaching Reengineering and ERP Implementation Concepts", *Journal of Information Systems Education* West Lafayette, pg 65, 2008

methodologies led them to adopt Kettinger¹²² work as the foundation for their new framework. This was the first step. Then, the AcceleratedSAP® methodology was selected, so that they could compare BPR activities to those conducted during an ERP implementation project. This was the second step. Finally, the similarities, redundancies and disparities between the two methodologies were identified, resulting in the development of an integrated framework for conducting business process redesign during ERP implementation projects. Reengineering requires process and organization change activities, but an ERP implementation requires the transformation of a larger number of business processes. This wider scope justifies firms' decisions to choose a more rigorous planning methodology when implementing ERP systems. AcceleratedSAP® is one of the most popular and well-documented methodologies¹²³. The AcceleratedSAP® ERP implementation methodology is composed of five phases, each subdivided into major activities. During the first phase, named Project Preparation, initial project planning and preparation are conducted to define the major objectives, the implementation strategy and the organization of the project. In the second phase - Business Blueprint - the company's business process requirements are documented and the original project goals, objectives, and overall schedule are improved. In the next step of Realization the new processes are developed through a system configuration; the Final Preparation finalized the system's preparation, including testing. The fifth phase - Go Live and Support - moves the project from a pre-production environment to live operation. This final step monitors system transactions and optimizes system performance.

Robert Pellerin and Pierre Hadaya identified this very structured and rigorous methodology for teaching BPR and ERP implementation concepts which can be exposed and known not only for the students, but also for the organizations which can obtain a support for the newly reengineering production planning. This framework allows the firms to assess team performance throughout the project as well as taking the necessary corrective actions, through the use of various techniques such as performance measurements and variance analysis.

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¹²² Kettinger, W., Teng, J., and Guha, S., "Business Process Change: A Study of Methodologies, Techniques, and Tools", *MIS Quarterly*, Vol. 21, No. 1, pp. 55-80, 1997

¹²³ Brand, H., *SAP R/3 Implementation with ASAP: The Official SAP Guide*, Sybex: Hartford, 1998

CHANGE MANAGEMENT – RESISTANCE TO THE CHANGE

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Changing the way employers operate is hard, but all signs indicate that innovation and transformation are here to stay. Success in the workplace of the future will heavily depend on the ability to anticipate change, understand its impact and apply practical methods to turn chaotic situations into opportunities for growth. Efforts naturally center on the problem, measurement and analysis, and potential solutions, but they often fail to consider factors affecting how improvements will be permanently integrated into daily work. Making the quality system operable was chaotic. The key to coping with resistance is to understand the needs of people who are affected by change. There are practical steps to follow for successful navigation through the uncertainty: 1. Seek accurate information to avoid needless worry. 2. Express concerns to a trusted few. 3. Remember your value. Focused, organizational change management is the prescription that leads to successful programs.

Keywords: management of change, strategy, resistance to the change, processes, technology

Adoption of change management

Changing the way employers operate is hard, but all signs indicate that innovation and transformation are here to stay. Success in the workplace of the future will heavily depend on the ability to anticipate change, understand its impact and apply practical methods to turn chaotic situations into opportunities for growth. Ready or not, a major change is in future. When it happens, there are practical steps to follow for successful navigation through the uncertainty: 1. Seeking accurate information to avoid needless worry. 2. Expressing concerns to a trusted few. 3. Remembering one's value. The organization will reflect the leader's attitude, so it is crucial to rapidly come to grips with the change and identify the opportunity it offers.

Improvement projects, although well intentioned and defined, often slow down in their latter stages because team members and sponsors can lose focus once a solution is found. Efforts naturally center on the problem, measurement and analysis, and potential solutions, but they often fail to consider factors affecting how improvements will be permanently integrated into daily work. Making the quality system operable was chaotic. The key to coping with resistance is to understand the needs of people who are affected by change and actively take steps to address their issues. Here are some phases to sustain change: 1. Define the need and necessity for making improvements. 2. Create and communicate a unifying purpose. 3. Identify formal and informal work alliances and ensure their participation. 4. Create a plan for action. 5. Empower people to take action. 6. Create opportunities for small, meaningful accomplishments. 7. Expand the accomplishments and complete the unfinished change activities. 8. Reinforce the new approach.

The government has been studying and publishing best practices in the public and private sector for more than 15 years. These practices have generated many appropriate recommendations. Despite a desire to improve, however, change efforts often achieve insufficient results. Simply inserting a few best practices will not achieve enduring results. What's missing in most cases is an understanding of how to apply life-cycle principles to each unique program or environment.

Managing change, whether to fix a problem or to improve the environment, is the domain of the change-management process. Request for changes can be created by a customer or user by means of a change-management-supplied interface. Furthermore, other service-support processes can compose a request for change and submit it directly. Once submitted, a request for change is routed to the appropriate personnel to be accepted and categorized. If accepted, the categorized request for change is handled by a process that is customized based on request for change key attributes, such as its category, group, type, and priority. The handle - request for change process manages the life cycle of a change. The five steps that can compose a sample best-practice process for handling a change are: (1) Assess change, (2) approve and schedule change, (3) coordinate change implementation, (4) prepare, distribute, and implement change, and (5) review and close change.

Change initiatives often fail because they focus on only one or two dimensions. Successful programs cross functional boundaries-people, processes, technology and physical infrastructure. Technology is an important consideration, but so are the people who operate the new system, the business processes it supports, and the work locations.

Resistance to the change

While some business strategies analyze the effects of change, management of change focuses on people and how they resist, cope with, and ultimately accept this in the workplace. People resist change for many reasons. They may not understand the objectives driving the change or they may not agree with the organization's new direction. Or, they may simply be anxious about how the changes will affect their jobs. Executive teams that acknowledge the human tendency to fight change-even when change is necessary for business success-take an important first step toward a positive outcome. They use change-management strategies to create a culture that embraces change, and often find that these strategies make the difference between the success and failure of new management processes and system implementations. There are three critical steps that executives must follow to implement change in the workplace: focus on people, communicate strategic messages and combine communication and training. Action learning creates a laboratory where staff and managers work together as they learn new processes and solve problems.

Another key to complex change is a life-cycle approach. Initiatives in each dimension progress in stages. Integration is vital because each dimension affects another, but each has its own requirements and timing. Work should address people, processes, technology and infrastructure.

Concerning people, employees need to be part of the process and they need to be heard. Change-management experts recommend that managers start at the top and speak to every level of the organization about the factors driving change, and how jobs will be different before, during, and after the change occurs. Staff will be much more likely to accept and support the new process if they know what to expect at each phase. An added benefit of this process is that staff members are able to contribute ideas drawn from their varied experience that improve planned processes, save money, and avoid potential obstacles. Corporate communications play a major role in any change-management strategy. Once employees understand the reason for the change, managers must reinforce cooperation with timely, practical, and even inspirational messages.

Resistance to the change was divided along generational lines. Newer, more tech-savvy employees welcomed the change while the older employees did not cope. The company brought specialists who prescribed instructor-led training as a way to introduce changes into the work process. The training started with an overview of how many more orders an individual could place in a given period with the new system and highlighted the reduced time spent on redundant paperwork.

The process depicted is appropriate for a major nonurgent change. A minor urgent change could be handled effectively with a small subset of the tasks shown. The attributes of a request for change may impact which activities are required to handle the request for change. For example, urgent request for changes are handled differently from regular request for changes. Other attributes of the change (customer) may also factor into deciding which activities are included. In a multicustomer environment, the customer may have unique business requirements, such as regulatory requirements, that need to be accommodated in the handle- request for change process. For complex changes that would benefit from release management, the coordinate-change-implementation and prepare-distribute-and-implement-change activities can invoke the release management processes. Overall control of a change, even if release management is employed, remains with change management.

Each customer has a unique organization and unique control procedures. These factors significantly influence the process reference models used by a customer. A readymade process can provide a good start, but it rarely meets all customer requirements. If a company had a complete process reference model for change and release management the readymade process models had to be significantly customized in the field before the company could meet this customer's requirements. Some customers do not have a documented and approved change-management process. For these customers, creating new process reference models and gaining the approval of the IT staff can take a significant amount of time.

As regards technology, a group should not design its business processes without taking into account available technology, organizational structure and work locations-and vice versa. It is not enough to proceed along each dimension at the same time and at the same pace. They have to be combined to produce

a business and technical solution that can be implemented with effective program management and ownership, so employees will accept and adopt the changes.

No single set of instructions can produce enduring transformation in all instances, but with a lifecycle approach, any organization can develop a roadmap for its unique situation. Whether the transformation is large scale or applies to one particular organization or work group, the same universal precepts apply. New company management, systems, and processes affect how people perform on the job so it makes sense to incorporate training with the change management strategy. With the contract adoption program mentioned earlier, a key element was specific training in a variety of media directed toward teams in different business units and geographic locations. The training included online self-help, e-learning, and local experts to provide group or individual assistance as needed. This training ensured that the sales force knew how to implement the new process so that the transition from understanding the "why" to implementing the "how" was seamless.

The cost of change-management programs depends on the size of the organization, its corporate culture, geography, and other business factors.

At the beginning, this may seem overwhelming, but taking into consideration the cost of a failed implementation and the cost of refusing changes, it is much better to assimilate change as a need for each organization, so that it can maintain its position on the market.

Focused, organizational change management is the prescription that leads to successful programs. Executive teams must understand the organization's needs and budget resources, and must address these as part of their plan for change.

To track metrics throughout the program, executive teams need a value and a goal that measure what the process costs, how long it takes, what results are achieved currently, and the expectations after adoption.

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THE EFQM MODEL OF ACADEMIC ORGANIZATIONAL EXCELLENCE

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The higher education quality assurance system in our country is not completely developed yet. That is why higher education institutions must take the responsibility of assuring the quality of all of their activities, at all levels, according to the standards.

In order for this process to take place in all higher education institutions, an internal system of quality management was created, or is being developed. The quality management system in a higher education institution focuses on quality assurance and self assessment at all levels according to the standard, but also to the requirements of the external systems of quality evaluation. The implementation of the quality management system in higher education institutions involves both an internal institutional development and an external one, that is, certain mechanisms of institutional control that can somehow guarantee for the quality of the educational process.

Quality, leadership, client, university

According to the ISO 8402-95 standard, quality management system: “guarantees the scientific leadership of the university, the understanding of the tasks and responsibilities by all employees, and the continuous improvement of all activities. The quality systems contribute to maintaining the control, stability and capability of the university in order to determine it to continually improve its overall performance.”¹²⁴

The quality systems in a higher education institution are, in the case of external evaluation, based upon the existence of a model of reference or of a system of criteria (the quality assurance function) and of an internal organization guide (the quality management function). The reference model is chosen exclusively by the higher education institution, by its top management. When implementing such a reference model the university must consider “the objectives set, the government regulations and the experience it has in the field.”¹²⁵

From the structural models mentioned, ISO 9000:2000 is the one easiest to apply as its requirements can be extrapolated to the higher education establishments. It can also constitute the first development stage of a culture of quality. In what follows we shall present the EFQM system of organizational excellence introduced in 1991 and revised in 1997 and 1999 by the European Foundation for Quality Management (EFQM). This model aims at helping European organizations improve their performance. The analysis of the EFQM model should begin, in my opinion, with the presentation of its eight fundamental principles¹²⁶:

¹²⁴ Standardul ISO 8402-1995

¹²⁵ Popescu,S., Rusu,C., Calitatea în învățământul superior – concepte de bază și particularități, p.21, în Popescu,S, Brătianu,C., autori Atanasiu, G., Rusu,C., Oprean,C., Curaj,A., Buzănescu,Șt., - Ghidul Calității în învățământul superior –proiectul Calisro-director Pânzaru,I., Editura Universității din București, 2004;

¹²⁶ Popescu,S., Rusu,C., Calitatea în învățământul superior – concepte de bază și particularități, p.21, în Popescu,S, Brătianu,C., autori Atanasiu, G., Rusu,C., Oprean,C., Curaj,A., Buzănescu,Șt., - Ghidul Calității în învățământul superior –proiectul Calisro-director Pânzaru,I., Editura Universității din București, 2004;

results orientation; customer satisfaction; competitive business leadership; constant purpose and objectives; management by processes and facts; people development and involvement; continuous improvement and innovation; partnership development based on shared advantage; corporate social responsibility.

Fig. 1.1 illustrates the EFQM model criteria applied to the higher education facilities. The system was suggested in 1999 by Expert Group HBO, associate member of EFQM.

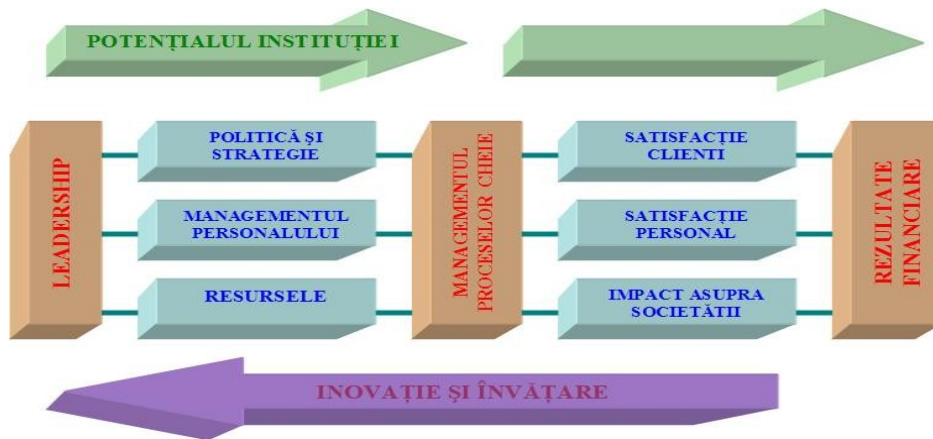


Fig. 1.1. The EFQM Model of Organizational Excellence¹²⁷

After analyzing the model, the following conclusions can be drawn:

- a) Leadership - reflects the attitude and resolutions in which the university management choose to sustain excellence;
- b) Policy and Strategy – reflects the set objectives and how they are accomplished with the help of strategy;
- c) Staff management - the university policy regarding staff planning, development, involvement and motivation;
- d) Resources – it refers to the way in which the university manages its resources for optimal results;
- e) Key Process Management - in the case of education, the following processes are considered: planning-developing, executing-implementing and study programs support. The processes corresponding to research and assistance – consulting can also be added to the model.
- f) Financial results – it refers to the results measurable in terms of: net and gross profits, cash, and costs per student. Other operational indicators that can complete the model are: the medium studies' duration, the abandon rates, students-professors ratio, etc.
- g) Customer Satisfaction - involves defining the various categories of clients, their importance and setting up questionnaires in order to establish their level of satisfaction;
- h) Staff Satisfaction – involves identifying the various categories of university staff, their demands and expectations, and an adequate method of measuring their level of satisfaction
- i) Impact on society – involves identifying the opinions of third parties regarding the relevant contribution of the university to social development

The implementation of a SMQ after the EFQM model and its evaluation are not easy tasks. The criteria mentioned above are not equally important when it comes to the general evaluation. There are also a great number of descriptors. The share of the criteria mentioned as well as the corresponding descriptors differ depending on the maturity stage reached.

¹²⁷ Popescu,S., Brătianu ,C., autori Atanasiu,G., Rusu,C., Oprean ,C., Curaj,C., Burzănescu,St., Ghidul calității în învățământul superior – proiectul Calisro, Ed. Universității din București, 2004, p.37;

The implementation of the quality assurance system in universities will pose a great challenge since the cultural change required is incredibly hard to reach. We hold as extremely important the creation of a so called work culture, of a quality culture in universities so that all actors on this stage understand how important the quality of their work is to the overall performance of the organization.

The EFQM model of organizational excellence applied to universities illustrated below was adopted by Romanian universities in a form specific to the internal organizational environment. Nevertheless, it undergoes constant changing and improving processes in order to adjust to their external environment.

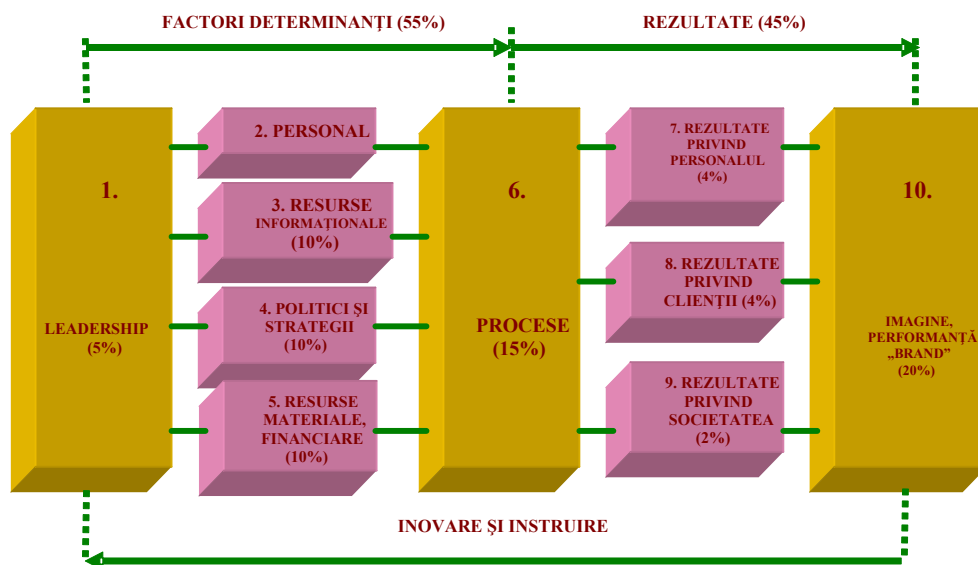


Fig. 1.2 The EFQM model applied to universities¹²⁸

What is characteristic of the model illustrated in fig. 1.2, compared to the excellence model criteria for the European Quality Award, is the importance of leadership that drops from 10% to 5%. The idea is that the election system of the academic top management generates interruptions and changes of policy and strategy depending on the new leadership.

What we like about this model is that the main factor in obtaining quality performance in the case of higher education is the organizational culture, the quality culture (50%). It consists of: human resources (20%), information resources (10%), policy and strategy (10%) and material and financial resources (10%). Another aspect we would like to deal with is Results, which is the image of the university in the academic and business worlds in both internal and external contexts, image that resulted from the performance the university managed to produce.

In any given organization, quality management implementation generates an essential cultural change that, like any other cultural change, faces strong resistance from the part of the staff and of the existent structures. Specialists appreciate that this resistance to change is not specific to the higher education institutions and that it can be encountered in all organizations, but what needs to be highlighted is the force with which universities resist to change. The conservatism specific to universities “has a positive aspect since universities are also the keepers of a nation’s long lasting values, and a negative one that resides from the need for these institutions to generate change and adapt to the dynamic society.”¹²⁹

¹²⁸ Popescu, S., Brătianu, C., autori Atanasiu, G., Rusu, C., Oprean, C., Curaj, C., Burzănescu, St., Ghidul calității în învățământul superior – proiectul Calisro, Ed. Universității din București, 2004, p.37;

¹²⁹ Popescu, S., Brătianu, C., autori Atanasiu, G., Rusu, C., Oprean, C., Curaj, A., Buzănescu, Șt., - Ghidul Calității în învățământul superior – proiectul Calisro - director Pânzaru, I., Editura Universității din București, 2004, p.192;

The approach to the educational quality issues was possible by means of processing and transferring concepts from the economic sector to the public sector. This transfer presented a few difficulties, but most important thing is that the educational environment has some distinct¹³⁰ features:

- a) It is impossible to make a distinction between all that elements and activities that have an impact on the quality system and to quantify their contribution, due to the fact that there has not been reached a consensus over which methods are efficient and which are not;
- b) Academic management and the decision-making processes vary from university to university and are established by the top management
- c) The formative processes that take place within a university are considered to be complex, non-sequential or dependent, non-linear. They can be frequently encountered in situations in which certain people or programs within the same university compete against each other for the same customer, which makes the management of resources, ideas or information even more intricate;
- d) In higher education institutions the delegation of authority is extremely rigid. “The delegation of prerogatives within faculties and departments is inviolable when it comes to teaching and research. If academic freedom were not protected, the very notion of university would decay and disappear.”¹³¹
- e) Faulty communication, the lack of transparency, the absence of useful and correct information concerning the academic activity, lead in turn to low performance. “The university is the one that creates stores and conveys knowledge, but at the same time lacks a coherent informational system regarding its status.”¹³²

All these features make the implementation of a quality management system in universities more difficult and differentiate it from the implementation of such a system in the economic sector. Still, all universities are conscious that the quality management system is necessary, and acknowledge the advantages it offers them when it comes to competitiveness on the educational market.

The development of collaboration between the Romanian higher education and the European and international academic environments requires an adequate structure of the offer and a certain quality. European integration in the field of education and research obviously involves the implementation in universities of certain quality assurance systems in order to achieve a “compatible academic quality, common values and practices that can increase the level of confidence between the organizations that collaborate in order to achieve some purpose, and that can also provide a context for loyal competition.”¹³³

The importance of education in general and of higher education, in particular, for the future of a nation, is common knowledge. Higher education institutions are “the main generators of cultural diffusion nuclei.” The university of the 21st century must conceive a quality management that takes into account all opportunities “continuous, temporary and incidental.” The university has to deal with numerous challenges related to quality thus becoming a University of Total Quality.

Juran believes that quality oriented behavior is the “vital element in attaining a thriving economy. It is also a an essential requirement of Romania’s European integration process and it is in agreement with the declaration of the meeting of the European Ministers in charge of Higher Education that took place in Berlin on September 19, 2003.

We can say that universities have completed their mission (of meeting the specific educational and individual professional development, and the social and economic development needs of the community) only when manage to satisfy these needs to a high quality standard that can allow the individual and the society to achieve performance in an environment dominated by globalization and competition. These quality standards can only be established and maintained when higher education is performance oriented.

¹³⁰ Idem, p. 24;

¹³¹ Idem, p. 24;

¹³² Idem, p. 24;

¹³³ Idem, p. 24;

We can say that a higher education institution is “performance oriented when it constantly improves its offer and results and the staff adopts a responsible attitude”¹³⁴.

The European Ministers in charge of higher education decided in September 2003 at the conference from Berlin that until the following meeting which was to take place in May 2005 in Bergen introduce in their countries a series of reforms. One of these reforms was the implementation of a higher education quality management system. In all documents related to realizing the European Higher Education Area quality assurance plays an essential part. when we analyze the position of the European Union towards this issue we notice that its importance increases constantly. While the Bologna Declaration of 1999 states that “the promotion of European co-operation in quality assurance with a view to developing comparable criteria and methodologies is necessary,” the Berlin Declaration of 2003 says that “The quality of higher education has proven to be at the heart of the setting up of a European Higher Education Area. Ministers commit themselves to supporting further development of quality assurance at institutional, national and European level. They stress the need to develop mutually shared criteria and methodologies on quality assurance... Therefore, they agree that by 2005 national quality assurance systems should include: a definition of the responsibilities of the bodies and institutions involved; evaluation of programs or institutions, including internal assessment, external review, participation of students and the publication of results; a system of accreditation, certification or comparable procedures; international participation, co-operation and networking.”¹³⁵

Thus, as I have already highlighted in this chapter, thinking out and implementing the quality assurance systems is one of the main objectives for European integration, not only for the academic communities within the EU, but also for the countries that are still in pre-adheration stage. Under academic autonomy, the quality issue is a problem that has to do with strategic management as the university is the one who should decide which road to take, which place it intends to occupy at national level, what measures it should adopt in order to achieve its objectives. Out of these measures, the ones referring to quality management are among the most important. Quality management has as starting point “the standards set by the university itself to develop towards applying the best practices, and then towards comparing the various standards which existen at international level.”¹³⁶

We are all aware of the fact that higher education is not a simple service. Specialists say it is a “nursery for creativity and critical sense, the source for renewing society with all of its services.” The increased competition, market expansion and globalization made higher education quality assurance become a major objective of the European University Association (EUA). This objective was expressed in all of the European declarations and treaties: The Sorbonne Declaration (1998), The Bologna Declaration (1999), The Salamanca Statement (2001), The Berlin Declaration (2003), The Bergen Declaration (2005) and has become an important criterion in determining the competitiveness and attractiveness of any given European university. Nowadays, quality assurance is therefore fundamental to the EUA and to the great majority of European universities.

Romanian universities through their latest activities demonstrate they have fully understood the new trends and requirements in the European area and that they have realized that the universities with a saying in international competitions of scientific research, which have earned numerous qualifications and served the environment, began long ago developing internal mechanisms of evaluation and quality promotion.

Beginning with the importance of quality and quality management in higher education institutions we considered that a SWOT analysis of quality management in universities would be very useful. Then, based on the strengths, weaknesses, opportunities and constraints identified we outlined the general and specific

¹³⁴ Popescu,S.,Rusu,C.,Calitatea în învățământul superior-concepte de bază și particularități, p.23, în Popescu,S, Brătianu,C., autori Atanasiu,G., Rusu,C., Oprean,C., Curaj,A., Buzănescu,Șt.,-Ghidul Calității în învățământul superior –proiectul Calisro-director Pânzaru,I., Editura Universității din București, 2004;

¹³⁵ Realising the European Higher Education Area, Berlin 18-19 september 2003, <http://www.bologna-berlin2003>, accesat octombrie,2006;

¹³⁶ Popescu,S.,Rusu,C.,Calitatea în învățământul superior-concepte de bază și particularități, p.22, în Popescu,S., Brătianu,C., autori Atanasiu,G., Rusu,C., Oprean,C., Curaj,A., Buzănescu,Șt., - Ghidul Calității în învățământul superior –proiectul Calisro-director Pânzaru,I., Editura Universității din București, 2004;

objectives of the Romanian universities on half-term and the strategies that can be adopted to meet these objectives.

Strengths: the B.A., M.A. and Ph.D. degrees and faculty staff promotion regulations, the enforcement of the ECTS regulations; the generous offer for study programs; the implementation of a new method of academic training; orientation towards activities specific to various groups of clients; the decreased exodus of university teachers to private universities; the development of the teaching methodology evaluation; the didactic laboratories' equipment; various foreign student and teachers exchange programs.

Weaknesses: the quality assurance policy is not shared by all members of the staff; medium-level managers did not include the entire staff in the quality assurance strategy; bad communication and low feedback regarding quality assurance; reduced interest towards new teaching and learning methods; the ECTS is less functional in the case of intra-institutional mobility; the student evaluation system must be improved by introducing evaluations all along the semester through projects, papers, etc. and not only through questions that involve simple reproductions of information.

Opportunities: universities should depend less on the central government, financially speaking; decisions should be taken by each faculty and each department; international evaluations; implicating the university in quality assurance projects.

Threats: the absence of a coherent quality management strategy at national level; the education bill is going to affect seriously the academic autonomy and the higher education institutions will be less proactive. Following this SWOT analysis of academic quality management the general and specific objectives of the higher education institutions regarding quality management and the suggested strategies can be outlined.

General outlines

Romanian universities aim at accomplishing the following objectives regarding quality assurance:

- Developing the Quality Assurance System in all universities and its implementation in faculties and departments;
- Change in the institutional culture that encourages the involvement of the entire faculty and administrative staff and taking on the continuous quality improvement ethics;
- Continuous infrastructure developing;
- Evaluating quality by participating in projects and joining international networks of quality assurance in the field of higher education;
- Continuous improvement of teaching capabilities by faculty staff;

Specific objectives

- The development of a suite of internal procedures for quality assurance, that are precise and easy to apply to all faculties, departments
- Developing a program of internal audit
- Keeping track of and rewarding quality and excellence in teaching, scientific research and services brought to the society
- The creation of structures specialized in quality assurance at all levels and establishing the responsibilities of each structure
- Constant feedback by students and other client groups (employers, community)
- Changing the institutional culture so that quality self assessment become part of the organizational culture
- Training and certifying internal auditors and specialists in quality management
- Personnel training
- Adding on the web page a series of good practices (e-forum) regarding teaching quality

Suggested strategies

- The use of all available resources (departments, services) for the quality assurance of the activities organized by the university
- Continuing the investments in laboratory equipment

- Developing training courses for persons in charge with quality management and for the other employees (administrative and teaching staff) and developing support materials
- Evaluating students' knowledge at regular intervals
- Adapting the educational offer to the market requirements (employers, students)
- Adopting quality oriented programs and making them public

In conclusion we can say that quality higher education can only be achieved in an environment in which all parties take up full responsibility for the quality of their contribution.

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QUALITY IN HIGHER EDUCATION – A CONTINUOUS REVOLUTION

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“A system of management of quality does not guarantee you the winning of the race, but its absence can make you lose it.”

Dr. H. James Harrington

Quality is nowadays a frequently used term in a society in which the competition of products and services on the market has very much increased.

Quality is, without a doubt, not a new, unknown notion. Our ancestors knew, as well as we know, how important quality is. However, the twentieth century has induced major changes in the production of goods and services, extending the area of the quality notion, and, thus, a series of new concepts appeared, like for instance: quality planning, quality control, management of quality, the continuous improving of quality, quality audit etc.

Quality, competition, client, educational services

Experts think that two important forces had a particular impact on quality:

- the Japanese Revolution on quality – generated by the world’s perception about the low quality of Japanese products and which urged the Japanese to adopt a series of measures in order to ensure competitiveness of their products on the market;
- the fact that customers realized the importance of products’ quality (product warranty, environment protection).

Together with other galvanic tendencies, these two major forces have generated for many organizations “the change of a business’ development conditions into symbiosis with the parameter called quality”.¹³⁷

Experts judge that the most important of these conditions that have **encouraged the development of the quality concept** are:

- a) *“Competition*: if formerly quality was perceived as being synonym with higher price, nowadays customers can enjoy quality and a low price at the same time;
- b) *Customer change*: market internationalization determined the rise of customers’ quality requirement, situation which calls for the implementation of a quality system according to the standards in effect.
- c) *The change of the products’ features combination*: every product or service is characterized by price and certain technical functional features, between which it should be a balance;
- d) *The complexity of the product*: progress in all branches determined the reliability demand to the supplier to become more urgent and more accurate.
- e) *The ever higher levels of customers’ expectations forced suppliers up to find different solutions to meet these expectations”*.¹³⁸

Within these conditions, the notion of quality becomes more and more complex, and the concern for its definition becomes considerable. This gradually requires different definitions, though, without reaching a common point of view.

¹³⁷ Pruteanu O., (coord.), Managementul calității, Ed. Junimea, Iași, 1998, p.9;

¹³⁸ Idem;

Many experts assert that the concept of quality, as well as that of “freedom” or “justice”, is a concept very difficult to define, due to its high degree of relativity. The term “quality” is loaded with value and is usually associated, very subjectively, with something very good; in spite of this, each and every person has a different understanding of what quality means. Many well known experts’ preoccupation for quality emerged in a large number of definitions of this concept.

The definitions given by the following qualitytians are worth being mentioned: **J.M. Juran**¹³⁹ “*the quality of a product means its fitness for use*”; **P.B. Crosby**¹⁴⁰, the one who introduces the notion of *compliance* and the concept of “*no faults*”; **Samuel Certo**¹⁴¹ “*how well a product manages to fulfill the purposes it was designed for. In a larger sense, quality is the degree of perfection according to which products and services can be created on the basis of certain characteristic features. This hierarchy is determined by customers, whereas customers define quality from the point of view of aspect, performance, reserve, flexibility and safety. Quality of a product or service influences the organization’s reputation*”; **G. Taguchi**¹⁴² defines quality as being “*the minimum loss imparted by the product to the society from the time the product is shipped*”.

We insist on this definition as it is extremely relevant from the viewpoint of higher education. Thus, the higher education state financed institutions face an alarming peculiarity: both the internal costs of non-quality mirrored in an ineffective usage of the allocated resources, and the external costs (reflected in unemployment, in primary and middle school teachers’ incompetence, in researchers’ and analysts’ incapacity of creating a relevant value) are completely supported by the society.

All these require recognizing and clearly defining the society’s demands and expectations from the higher education institutions, and deciding upon a set of regulations by means of which it can make sure that the university activity points to meet the mentioned demands and expectations.

Dictionaries give many definitions for quality. But there are also **synthetic definitions**: quality means “*customer satisfaction*” or quality means “*fitness for use*”. Actually, quality means solely meeting the customer’s demands and answering their exigencies; basically, it is the extent to which a product fulfils the purposes it was designed for. A reference moment in the evolution of the quality concept was the emergence of the **ISO 8402** standard, which leads to a consensus regarding the definitions, terms and concepts applied to quality.

The **ISO 8402 Quality Vocabulary** standard defines quality as being “the totality of features and characteristics of a product or service that bear on its ability to satisfy stated or implied needs”¹⁴³.

According to this definition, “quality may be expressed by a set of specific features, it exists only in relationship to customers’ needs and refers only to a product as such. Theoretically, quality is defined as a continuous and not a discreet variance. From this point of view we consider that in the Romanian educational system there is a wrong tendency, noted by experts, that of reducing the quality of a university program to the accrediting process, respectively, reducing the continuous nature of the quality function to a set of discreet values under conditions when not only stated, but also implied needs should be satisfied by quality”¹⁴⁴.

Subsequently, the **ISO 2000:2000** standard creates a new vision of the quality concepts, quality being regarded as “*the extent to which a set of implied features satisfies the needs*”¹⁴⁵.

In this context, experts estimate that, if we analyze the case of higher education institutions, on the education segment for instance, the customers’ demands can be expressed in terms like “*what should a graduate from a certain field now and be able to do?*” Nowadays, in their opinion, these are implied demands that are not subject matters of a contract. Identifying and defining them is not only the task of

¹³⁹ Rusu, C., Proceduri de asigurare a calității în învățământul superior din România, Ed. Economică, București, 2000, vol.1, p.12;

¹⁴⁰ Idem;

¹⁴¹ Certo, S., Managementul modern - diversitatea, calitatea, etica și mediul global, Ed. Teora, București, 2002;

¹⁴² Idem;

¹⁴³ Oprean, C., Țâțu, M., Managementul calității, Ed. ULBS, Sibiu, 2002, p.21;

¹⁴⁴ Oprean, C., Kifor, C., Managementul calității, Ed. ULBS, Sibiu, 2002, p. 24;

¹⁴⁵ idem;

higher education institution, but it must be fulfilled together with customers' representatives from that particular field (employers, unions etc.). Defining the demands may also be the fruits of a larger context. It is well known that setting a "qualifications frame" is a major concern at European level and the moment such a frame is defined and ruled by a form of regulation, the relative demands of the necessary skills for a certain qualification of graduates becomes *explicit*.

Major changes in the economic and social environment in the past years determined the passing from the simplistic approaches to quality, that no longer suit current conditions, to a completely different approach on behalf of the organizations in order to survive the competition on the world's markets.

A special concern for quality is noticeable during the past years, a **legitimate** concern in the context of new changes in our country: "*the general interest for ever better public utilities; the fast upswing of competition for attracting resources and students on the educational market; the pressure between efficiency and quality, pressure that becomes more and more intense in higher education*"¹⁴⁶.

On the background of the reorganization of higher education in our country, "the decrease of the dispersion of specializations, the outlining of priorities, cost cutting, performance encouragement focused on quality"¹⁴⁷ are actual corrective measures in the relationship between education and society.

The requirements for our country's education and research integration in the European space of higher education and research, the passing to the economy based on knowledge, innovation and development call for moving to a qualitative stage in the education and research reform process.

Both in Europe, and in the whole world, promoting the concept of quality in higher education represents a complex and very current issue. In European Union member countries this topic has had a constant evolution during the last two decades, being identified several strategies regarding education quality, and simultaneously a series of adequate control techniques and procedures. Tertiary education, and its quality, is, as experts note, strongly influenced at the beginning of the third millennium by the globalization phenomenon with implications of university traditions, endeavors and practices, as well as on the universities' development perspectives in this millennium. In their opinion, Romanian higher education is twice exposed, both to the challenges of the beginning of the twentieth century, and to the challenges that are typical of this transition period our country is running through.

The very fast changes in economy, in information technology, part and parcel of globalization, influenced the emergence of **new terms**¹⁴⁸ in university actors' vocabulary: *market mechanism; educational services; customer; supplier; consumption; decentralization; entrepreneurship*, terms that require a very clear definition.

Although we are aware of the fact that education will never become "*a free market*" in the true sense, its behavior changes under the pressure of contemporary market forces, emphasizing the competition for resources and students, competition in which quality is decisive.

We must underline the fact that debating the aspect regarding quality in educational context was inextricably related to the feasibility of transferring, of taking the concepts over from the economic field into the public sector, even though there are major differences between the two fields in terms of conditions of financing, goals and the method of reference to the exogenous environment.

Bearing in mind the differences between the two fields, it is natural that the transposition of certain practices and techniques from the business environment into the university environment faces a series of difficulties. Despite this, one can perceive at the moment the special interest shown by the university environment towards marketing techniques – subject developed in the next chapter of this work – in order to attract both students and additional resources that are absolutely necessary to an efficient educational process.

The quality of a higher education institution depends "definitely upon the professor's value and bases on all its members' responsibility for their own service at different hierarchic levels, by promoting quality consciousness and discipline of behavior. In order to continuously strengthen and better up the reputation

¹⁴⁶ Popescu,S., Rusu,C., Calitatea în învățământul superior-concepte de bază și particularități, p.14, în Popescu,S,Brătianu,C., autori Atanasiu,G.,Rusu, C.,Oprean, C.,Curaj, A.,Buzănescu,Șt.,-Ghidul Calității în învățământul superior –proiectul Calisro-director Pânzaru,I., Editura Universității din București,2004;

¹⁴⁷ Idem;

¹⁴⁸ Idem;

of the higher education institution and its performances as a quality service provider, it is required that each and every member of the organization endorse the quality policy and procedures of the university, the whole educational system being focusing on excellence and quality in order to become efficient and capable to obtain long-term benefits”¹⁴⁹.

Being a new topic for universities, quality and quality management raises a series of **conceptual** and **practical issues**, like:

- “What means quality for higher education?”
- What is the product of a higher education institution?
- Who are the customers of a university?
- What does quality management for a university mean and how does it act on the main dimensions of university action?
- What is to be done in order to introduce quality management in a higher education institution?
- Which will be the most appropriate criteria for estimating a university’s performances?
- What is the quality management system model adequate for the university institution?¹⁵⁰

In deciding upon the policy, the goals and the strategy that needs to be followed in order to introduce the quality management and insurance systems in higher education institutions, the conceptual statements above are of a major importance.

The new economic and social context related to Romania’s aspirations regarding its European integration implies superior performances in all fields of work. Starting off with its distinct contribution as a long-term investment, the bettering of the education quality will have a clear impact on the quality of life and work. Finally, “the quality of education is a basic condition for the improvement of employment, of social cohesion and economic competition”¹⁵¹.

Studies at national, European and international level regarding higher education quality offer very different perspectives. In Romanian higher education, experts note that, besides the mentioned qualitative improvements and the relative success on international level, there is a parallel process of qualitative decline of the formative and educational activities, process that tends to become dominant in relation to the qualitative improvements in some institutions or of some study programs.

The intensification of the institutional, national and international concern regarding quality insurance, concerns that are visible in all states, including the more developed ones, means the recognizing of the issues regarding quality in higher education. Of course, the question rises: why is a quality approach in universities necessary now? The right answer given by experts is: at least, because of the following **reasons**:

- a) “Nowadays the quality approach in Romanian universities is a *requirement of the society in which universities are active*. Universities need to take the responsibility for the quality of their own activity, this being the only way they can gain the society’s trust in their ability to satisfy its needs and least but not last its expectations.
- b) Secondly, it is a *requirement of modern universities’ orientation towards performance and competitiveness increase*. Experts in university management unanimously agree that the quality system is the only one that **assures**: the efficient control of individual and collective performance, the continuous bettering of processes and activities; the prevention of possible deficiencies; the increase in responsibility and in the involvement degree of the entire academic community.

¹⁴⁹ Popescu,S., Rusu,C., Calitatea în învățământul superior-concepte de bază și particularități, p.14, în Popescu,S,Brătianu,C., autori Atanasiu,G.,Rusu, C.,Oprean, C.,Curaj, A.,Buzănescu,Șt.,-Ghidul Calității în învățământul superior –proiectul Calisro-director Pânzaru,I., Editura Universității din București,2004;

¹⁵⁰ Popescu,S., Rusu,C., Calitatea în învățământul superior-concepte de bază și particularități, p.14, în Popescu,S,Brătianu,C., autori Atanasiu,G.,Rusu, C.,Oprean, C.,Curaj, A.,Buzănescu,Șt.,-Ghidul Calității în învățământul superior –proiectul Calisro-director Pânzaru,I., Editura Universității din București, 2004;

¹⁵¹ Idem;

- c) The quality approach in Romanian higher education institutions is *an express requirement for Romania's EU integration*. As mentioned before, in September 2003 in **Berlin**, the Ministers of Education in the EU member countries decided that both the EU member countries and especially the countries that run for the adhering elaborate and implement until 2005 a national quality assurance system in higher education. These countries' universities need to suit their offer's structure and content, their results evaluation standards, criteria and procedures in order to cooperate in European research programs and professor and students mobility programs, so that their issued diplomas gain international acknowledgement"¹⁵².

Becoming aware of the role of quality as a decisive factor of the educational process, *universities need to set up a mission and a strategy to allow* "the establishment of an efficient strategic management and an efficient planning process; the assuming of the quality principle – vital for the university activity and the insurance of effective quality assurance and evaluation processes; the global and balanced development of the university; the insurance of the balance between collective contribution, democracy, and transparency on the one hand, and substantiation and efficiency on the other hand when taking decisions"¹⁵³.

The analysis of the international and national tendencies in universities evolution underlined a common and relevant element, i.e. *the inclination to performance of the entire university activity from all points of view*: managerial, structural, financial, from the viewpoint of offer and service quality, of the dimension and, therefore, of the competitiveness increase on the market.

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¹⁵³ Muscalu, E., Strategii universitare, Ed. Eficient, București, 2001, p.15;

MANAGERIAL REENGINEERING – NECESSITY, OPPORTUNITY AND CHANGE

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Abstract. Re-engineering, a new conceptual and functioning pattern in the dynamic and diverse world of business, is an answer or for some reluctant specialists, an attempt to answer to an obvious reality of our times, the deeper and deeper sometimes radical and sped up alterations that mark the evolution of the society. These alterations have a tremendous impact upon the business world and firm management, yet cannot find correspondances in similar actions, as deep and radical. Speeding and rapid diffusion of alterations yields at the firm management level, deep and multiple effects that imposes increasing the decisional reaction speed and all the more for adjusting the firm to alterations.

Key words :reengineering, change, business, management ,development .

1. Concept

The elements that impose the managerial alterations concerning the essence that can only be accomplished through managerial re-design are mainly the following:

- a) Numerous errors manifested within management and its components. In this category the most significant are:
 - ◆ Insufficient and inexistent prevision;
 - ◆ Lack of objectives at the firm level and divided on process and structural components; this shortcoming is manifested in the conditions of lacking a strategy and a realistic policy, centred on market research, diagnosis research and prognosis research;
 - ◆ Insufficient delimitation and dimensioning of some process components (functions, activities, attributions and tasks), which are extremely important in accomplishing the objectives. Concurrently the structural and organizational components (positions, functions, attributions and tasks) incoherent defined, a situation which generates similarities in accomplishing attributions and tasks, narrowing the responsibility and other organizational shortcomings;
 - ◆ The existence of some organizational structure insufficiently flexible, dynamic or efficient that would allow and challenge an aggressive behaviour of a firm towards the national and international environment;
 - ◆ Utilizing the basic organizational documents of the firm – the organizational and functioning regulation, the organizational structure, position requirements – as priority bureaucratic administrative instruments;
 - ◆ Insufficient structuring of authority and responsibility on hierarchical levels of the organization;
 - ◆ Running the decisional processes in an empirical manner, on the one hand without taking into consideration the multitude of information characterizing a certain decisional problem and on the other hand due to adopting the decisions based on the manager's experience, intuition and skill, neglecting the decisional instruments recommended by science, the quality of decisions being low in this case;
 - ◆ The predominantly current character of manager's activity of superior rank, generated by numerous pressures on them presently. Thus they are involved in solving some routine problems because of some deficits concerning the economic relations among firms, of the existent economic financial crash and so on.

Unfortunately the situations when not only the economic manager but also the general manager are after money are frequent enough and these situations are great consumers of time for cashing the money for the sold economic goods, and thus saving the existence and functioning of the firm they run. In this way the strategic problems that have an impact on long term functioning and efficiency of the firm are neglected;

- ◆ The lack of a clear conception, of a systemic vision concerning conceiving and functioning of the informational system;
- ◆ Visible un-correlations between the volume and structure of information driven in the vertical of the management system and the hierarchical position of their beneficiaries – managers and performers – a situation which often bring about a “suffocation” of the managers, especially those of superior rank with useless information and with low degree of aggravation;
- ◆ The number still reduced of management methods and techniques utilized: meeting, delegation, auto dashboard or elements of diagnosis, the management through objectives and the management through budgets;
- ◆ The insufficient methodological elements, absolutely compulsory in utilizing these methods and managerial techniques, a situation which nourish and amplify the empiricism in exerting the management processes.

b) Multiplying the influences exerted by the national and international environment;

c) Multiplying and diversifying the problems with which the firms are confronted and which need a preferment management, generating competitive advantages on the market.

The alterations yielded in the activity area of the firms and under their impact and within them have always constituted a constant of the economic activity evolution, of business world. The actual alterations much more complex, frequent and rapid are a natural carrying on of the old ones, their amplifying of those concurrent with the new realities of the contemporary world.

Drawing a conclusion, the managerial modernization is not only a fashion of the period we pass through, but a necessity to ensure some qualitative parameters superior to microeconomic systems of management. The ample strategic approach answering to such a necessity is represented by the re-design of the management of the firm.

The basic principle is the deep essential exchanges where all the components of the management system should be involved, alterations generating multiple positive effects such as:

- Modernizing the management systems, ensuring the alteration of their structural and functional characteristics in order to meet the requirements of endogenous and exogenous evolutions of the firms;
- Limitation of discrepancies between the technical and technological potential of the firm and the innovational capacity of its management with multiple beneficial effects upon the activity of the organization’s rhythm and efficiency renewal;
- Ensuring the concordance between the dynamics of the firm management characteristics and the requirements of the environment, linking them with the recent evolutions within the theory and practice of management;
- Orchestration of the system functionality to a higher rank with the condition and evolution of the firm’s necessities and possibilities in all the processes;
- Imprinting an emphasized dynamic movement to the activities and outcomes of firms enabling to obtain superior economic performances;
- Favoring the accomplishment of organizational hollonic architecture characterized through the division of the firm in modules with a prominent operational autonomy and developing some operational relations both between subdivision groups and at the organization level. A firm organized in modules is concurrently centralized and decentralized; approached from bottom to top and from top to bottom; autonomous and integrated; ordered and ambiguous; based on management and leadership.

- Developing a state of mind and an organizational culture favorable to obtaining performances by the organization;
- Amplifying the leadership of all the managers categories, superior motivation of the employees to take and accomplish the tasks, thus favoring team work and increase the audience the managers have to subordinates as well as their receptivity for the decisions and actions that the managers make;
- Intensifying the work both at the level of managers and laborers to ensure a larger participation to initiation, preparing and performing the tasks required by an efficient firm strategy and policies;
- Substantial increase of work productivity both physical and intellectual, of goods and services quality, reflecting directly and positively the economic outcome of the firm (turnover, costs, profit and so on).

Re-engineering does not stop in the moment of re-designing the business processes. The radical alterations brought to internal products penetrate the entire organization, referring to positions, people, management and the organization culture. M. Hammer and J. Champy have schematized the system of business as a rhombus presented in Figure 1, having in the corners four main elements in a closed interdependence.

8. Business processes
 1. Positions and structures
 2. Values and persuasion
 3. Systems of management and measurement

2. The interdependency of business elements

S. Beuachemin appreciates that through re-engineering the organizations aim at extremely ambitious objectives implying deep alterations of the organization among which the most important are:

- Reduction of the number of hierarchical levels;
- Diminishing the dimension of administrative units in order to apply the principle “no more papers”;
- Decentralizing the management towards the employees that are closer to the clients by entrusting all the activities performed for the client to a most dedicated person or team;
- The permanent drive towards re-grouping of simple tasks and suppressing the activities without added value tax;
- Implementing an informational system supported by a database easy accessible by all the performers of the process, for instance an application of CRM type to integrate information on clients and suppliers.
- After the radical re-design through re-engineering M. Hammer and J. Champy [Reengineering the Corporation: A Manifesto for Business Revolution] have identified the following types of major changes:
 - Passing from functional departments to process teams. Through re-engineering the division of work from traditional organizations is integrated in a new process greatly simplified. The people that perform the process are naturally grouped in a team that replaces the old structure based on functional departments.
 - Passing from simple operations to complex activities. By creating the process teams, the employees are responsible collectively by the results of the process as an assembly and are not responsible individually for the devised, simple and repetitive operation, which they performed before as specialists. Team work is improved and the abilities, competences, creativity and the individual satisfactions increase. The employees perform as generalists now a variety of operations, their activity being widened and multidimensional.
 - The evolution of employees from subordinates to decisions-making. As a consequence of re-engineering, the employees are no longer simple performers, subordinates to the hierarchical chiefs. They will be entrusted with an increased responsibility within a process team which is

self-led without expecting for the superiors' indications. The essential attributes of the employees become thus: creativity, self-discipline, team work and especially client-oriented activity. Nonetheless some researchers refer to delegation of attribution as to "a false charity act: charity because it follows to present the greater power of decision-making and commitment as a gift and false because it is motivated only to increase the performances and profit and not to improve the structure" [Wilmott H., Business Reengineering and Human Resource Management].

- Changing the training of employees from qualified to educate. Through qualification the employees gain abilities and skills, learning how to work better. On the other hand education opens their perspectives, gives them the opportunity to understand, what they perform and also teaches them why they do this. The employees should not behave as robots, but they have to be educated and creative in order to make the best decisions by themselves to perform their work and obtain the best results.
- Evaluation and motivation is based on results and not on activity. In a traditional organization, the wages of the employees depend on the worked time and not of the real value which can be measured and which is created for the firm and for the client. On the other hand after reengineering, work is performed based on processes, whose outgoing have a certain value whereas the performances can be consequently measured and repaid. The reengineering also changes radically the classic principles for wages. The basic wages have a greater stability and they are not influenced by the seniority or hierarchical position while performances are generously rewarded as bonuses.
- Promotion is based on abilities and not on performances. Since performance is rewarded through bonuses, it would be a mistake to promote an employee only on his performances, without it being obvious that in his new position he could be as efficient without possessing the necessary abilities.
- Transforming the managers from supervisors into counselors. The process team has to show the capacity of self-leading, because it holds the responsibility and the results of the process. That is why it does not need bosses to supervise, but a trainer, a counselor to help it to solve the problems more efficiently. As it happens in every sport, the trainer has to mobilize the people, help them to develop and especially to keep the team working. For this reason, the managers have to be part of the team of process having a leading role in stimulating and amplifying its value.
- Blunting of organizational structure. The autonomy of the process team, its increased decisional power ensures the favorable framework to diminish the role of the managers and of the importance of hierarchy. Thus the organizational structure is blunted, and the number of subordinates for each manager trainer increases significantly. After an ample effort of reengineering carried on in a period of three years, Toyota blunted its pyramid to only 5 hierarchical levels comparatively to the vertical structure of 17 levels it had in 1998 [Bratianu C., The Management of Public Institutions].
- Transforming the managers from evaluators of results in leaders. After the reengineering, the performances and the results of a process depend more on its performers that have increased decisional powers than on the functional-hierarchical bosses that are oriented only towards operations. The main responsibility of the managers is transferred towards design and implementing some viable processes. After the reengineering, the supervisors and managers move closer to the real work, the distance between them and employees or clients is significantly diminished.

Running the way from the manager to the leader suppose showing priority to subconscious, utilizing the intuition and imagination to generate such ideas like those resulted from rationalizing and objective analyses. It is critical the passing from "administration" to innovation, from "competence" to "excellence", from the activity led by the "vision of the firm" to "the personal vision". The leader emphasizes the creativity and the power of the persons around and has time to relaxing, meditation and imagination. The leader is not satisfied any longer with its status, he searches for new challenges, development opportunities, he is flexible, open to new ideas and gives a chance to those ideas that seem an utopia at first sight. Last but not least, the leader has the ability to present to his team members the objectives simply and concisely

and motivationally, too so that he should obtain their enthusiasm and commitment towards the objective. In other words “it is like the conductor whose function is to create coordinated sounds and a tempo adequate through the integrated efforts of the members of the orchestra. Depending on the leadership of the conductor the orchestra will respond.

- The radical transformation of values within the organization. The most important change in the firm culture is the employees’ awareness that they work for the clients and not for the bosses. Nevertheless it is obvious the fact that their activity should be based on an adequate managerial system where the laborers should be motivated correspondingly for their work and for the values they impart, respectively for their orientation towards the client, for their team work, self-discipline, self-education, creativity and responsibility.

Otherwise most of the specialists appreciates that the most spectacular alterations after the reengineering are at the level of organizational culture as it follows in the table 1.

Table 1.

Element	Previous condition	New culture
Mission	Maximum profit for each investment, management through objectives	Ethic behavior, client oriented activity, permanent improvement
Clients requirements	Incomplete understanding of clients’ requirements	Systemic approach for satisfying the internal and international clients
Suppliers	Unidirectional relation	Partnership
Objectives	On short term with limited perspective on long term	On long term
Improvement	Accepting the variable	Understanding and permanent improvement of the process
Solving the problems and making the decisions	On individual basis without a specific structure	Participative and inter-functional
Management style	Objectives that are not always clear	Open style, clear objectives, encouragement of team work
Role of the manager	Plans, coordinates, decides and controls	Communicate, consults, teaches, authorizes, removes barriers
Rewards and recognition	Payment after work; few incentives for the team	Recognition and individual and group rewards
Measurement	Orientation towards collection of data or problems identification	Utilizing the data for understanding and permanent improvement of the process

3. Changing of the organizational culture after the reengineering

Re-engineering, a new conceptual and functioning pattern in the dynamic and diverse world of business, is an answer or for some reluctant specialists, an attempt to answer to an obvious reality of our times, the deeper and deeper sometimes radical and sped up alterations that mark the evolution of the society.

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ORGANIZATIONAL CHANGE IN A ROMANIAN COMPANY. LESSONS FROM CFR SA

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After the fall of the communist regime, Romania entered in the transition phase from a planned economy to a market economy. As former state-owned enterprises have been transformed in private companies, organizational change has become a subject of interest in the management studies. Our paper aims to contribute to the increasing European debate regarding the organizational change in ex-communist countries, to demonstrate that organizational change faces higher resistance in transitional countries from Eastern and Central Europe and to propose a four stages model of organizational change in a Romanian railways company. The objectives of the paper were achieved by reviewing the literature, and by using a study case. The company that is the subject of our research is a large, complex organization which is in transition from a state-owned enterprise to a private one.

Keywords: organizational change, management, Romania, railways, CFR

Introduction

In the last decades, organizational change has become increasingly prominent in the management studies and business literature, due to the emergence and spreading of globalization. After the fall of the communist regimes in Eastern and Central European countries the transition to capitalism was a difficult attempt. During the transition process, former state-owned enterprises have been transformed in private companies.

Our paper aims to highlight that organizational change in European post-communist countries copes with a higher opposition than in the capitalist countries. Romania is one example among many others. Our case study has focused on a Romanian railways company facing the challenges of a change process in a highly competitive business environment.

Change in the Romanian economy after 1989

After the fall of the Berlin Wall, the transition from planned economy to market economy that took place in the former Eastern and Central European communist countries changed fundamentally the relationships between the state and the companies. Step by step, almost all these countries eliminated the dependence of their companies on the state budget.

The transition to capitalism in these countries was and still is a historically unique process. Creating capitalism without capitalists represented a difficult task for all European post-communist countries. That is why the need to create a group of private owners became one of the priorities of the transition (King, 1997: 2).

The conditions inherited from the communist regime were different in these countries. Taking into account the huge number of loss-making companies in European ex-communist countries, no previous comparable experience exists to provide viable models for governments in the world economic history. However, some of the most prominent European and American experts argued in the 1990s that “stabilization, price liberalization, and privatization must proceed rapidly, whereas restructuring will take a decade or more” (Blanchard et al., 1991: VIII). In their opinion, most Eastern European countries embraced the market economy system. They concluded that:

- Stabilization and price liberalization were painful for an ex-communist country, as they were in Poland.
- Privatization had to be based on fairness and efficiency, taking place before companies have been restructured.

From the 1908s, privatization was widely considered to be the principal method to improve the economic performance. Some of the conditions needed for a successful privatization were:

- An appropriate legal, regulatory and institutional framework.
- A clear, transparent, and comprehensive strategy.
- Knowledge, expertise and skills.
- An elaborate sales plan (Chang, 2007: p. 21).

After 1989, the privatization of state-owned enterprises has constituted a key point of the Romanian economic reform.

With an excessively centralized economy and in the name of the communist egalitarianism, the private sector was practically absent and the private property was strictly limited before 1989. The economic system was based on the state monopoly. Officially, the rate of unemployment was zero, and everyone enjoyed the benefits of the social system.

The Revolution of December 1989 brought a radical change in all the main aspects of the Romanian society: political, cultural, economic and social. In the beginning of the 1990s many new political parties appeared, claiming anti-communist ideologies. The business landscape has changed dramatically with the collapse of the communist regime. Large-scale privatization took place in all economic domains. Waves of entrepreneurs emerged slowly in a turbulent environment. The creation of entrepreneurship in Romania has been people's answer to the challenges of poverty, corruption, uncertainty, and insecurity.

In the first years after the fall of the Iron Curtain, the economy entered in a long recession phase. Romania experienced unprecedented high rates of inflation and unemployment. The restructuring of the economy involved a "massive reallocation of the labour across many dimensions, including ownership sectors, economic branches, geographic regions, occupations, firms, particular jobs, and a wide variety of activities" (Commander and Coricelli, 1995: 285). After losing their de facto job security workers feared the consequences of the radical socio-economic change occurred in Romania. The social system collapsed and the country was thrown into a period of turmoil. In spite of the fact that market mechanisms have promoted economic development, they failed to produce social justice in Romania.

The adoption of the capitalist system implied not only a major change of the old institutions and social relationships, but also the emergence of new institutions. Also, the cultural dimension of the transition process has to be emphasized. The end of the "egalitarian" communist ideology and the spread of market values into all areas of life have changed the people's behaviour in the last decades. In a Romanian poor and collectivist society the democratic construction of a capitalist society has been rather an unlikely attempt (Chiribuca, 2004: 167).

A transition process began both in Romania and in the world economy. It was a simultaneous global transition toward a fully borderless world economy. In Romania which pursued reforms less rigorously than other countries, government financed for a longer period of time the losses of many large state-owned enterprises (Djankov and Ilayperuma, 1997: 2). Under the pressures of the International Monetary Fund (IMF) and the World Bank (WB), an economic reorganization program was designed and implemented to cover large loss-making state-owned companies. Its fundamental components were the following:

- Macroeconomic stabilization.
- Price and trade liberalization.
- Large-scale privatization.
- Market economy legislation.
- New institutions' creation.

Government has also played a major role in macroeconomic policy, "in investment in basic social services, education, training, and infrastructure, and in creating and maintaining a strong social safety net in order to prevent disastrous social side effects for the most vulnerable members of society" (Berend, 2000: 51).

In the late 1990s, European Union (EU) criticized the lack of coherence of policy making on economic issues, but in the beginning of the 2000s, signs of economic recovery were visible, especially in the services and industry sectors. After 2003, Romania experienced economic growth rates of 5 and 6 %. Starting with 2007, Romania has become member of the European Union.

In sum, Romania faced serious difficulties to cope with change from the communist regime to the capitalist system. The transition process towards a market economy proved to be a painful attempt at both levels (macroeconomic and microeconomic). Pursuing systematic change under the pressure of the international financial institutions and EU, Romania has finally reached the stage of a functioning market economy.

Organizational change in Romania. The case of CFR SA

Initially people expressed naïve optimism by considering that a market economy could be readily achieved in Romania by the privatization of the state owned-enterprises. In time, the transition process was not identified only with the privatization, but also with organizational reforms and increasing competition.

A fundamental change occurred at the microeconomic level. The most spectacular effect of privatization and domestic capital accumulation was the rise of an entrepreneurial attitude and consequently, the creation of many new private enterprises, mostly small and medium ones. On the other hand, state-owned enterprises became private companies. In the communist regime, the enterprises had only one customer: the state. The state planned the distribution and the selling of the goods produced by all enterprises. The Romanian Communist Party (RCP), the central and local authorities took charge of the future of the enterprises. That is why managers could not design and implement economic strategies for their enterprises. They had to obey the rules imposed by the communist regime. Without having autonomy, the Romanian managers only accomplished and put in practice the directives of RCP.

In the first years of transition, the Romanian companies faced a combination of significant weaknesses and threats such as: shrunk markets, lack of distribution systems, diseconomies of scale, insufficient resources, outdated technology, low quality products, costs increase, lack of managerial, financial and marketing skills. Due to deregulation, privatization, corporatization and the appearance of new market opportunities, few companies began to develop and grow. Successful companies owed their good performance largely to management. In post-transition years, the enterprise ownership structure has been established and organizational change is easier to implement (Table I).

No.	The communist regime	The transition process	The post-transition regime
1.	All enterprises are state-owned enterprises, and their continuity is at the discretion of the state.	All enterprises become companies/corporations (corporatization), but their ownership structures are in the process of being defined.	The corporate governance structure has been well defined for each enterprise and the share ownership structure has become relatively stable.
2.	The management (directors) of the enterprises is appointed only by the RCP.	The state has lost the discretionary power to appoint and dismiss the managers of enterprises, yet no definite power to do has emerged.	The management of enterprises is chosen through due process, defined by the corporate law.

Table I- Comparison between different regimes in Romania (adapted from Aoki and Hyung-Ki,1995: 6)

After almost half a century of dictatorship, organizational change faced higher resistance in Romania than in other European ex-communist country. It is highly influenced by new societal values that have emerged as the transition process has taken place. Researchers highlighted the differences in attitudes and values between the workers in post-communist countries and traditional capitalist countries (Alas and Rees, 2006: 187-188). When considering issues like job satisfaction or commitment to the organization differences were found in respect of context-related and job-related attitudes (Table II).

Workers in post-communist countries focus on:	Workers in traditional capitalist countries focus on:
Job security Welfare Standard of living Social order and peace Payment Fringe benefits	Competence of managers Co-operation Social equality and opportunities for development

Table II- Differences between workers in different regimes

The Romanian transport sector has been one of the most dynamic in the transition process. The Romanian National Railways Society (SNCFR) was and still is the subject of a radical organizational change. SNCFR is a big and complex organization which is in transition from a state owned enterprise to a private one.

After the Second World War, Romania had a fairly well-developed and distributed transport network in the communist regime. During all this period, the railway was a major factor in technical and economic progress of the Romanian society, and a factor of stability that could not have been influenced by political events. The transport system was run by the Ministry of Transport and Communication. The structure of the ministry comprised:

- The Board of Management, the Minister and the Deputy Ministers.
- The General Directorate of Post and Telecommunications, the Directorate of Highways, the Department of Railways, the Department of Sea and River Transport, and several other Directorates.

The role of the staff of the Ministry's headquarters was limited to planning, coordination, design, administration, and budgeting. Four Directorates (Planning, Performance and Accounts, Lines and Installations, Traction and Rolling Stock, Operations and Traffic) and seven regional centrals were the components of the Department of Railways. Each of them was responsible for railway operations in seven Romanian regions of the railway network. The Romanian national railways enterprise CFR was one of the biggest state-owned enterprises in Romania, having more than 150,000 employees.

After the Revolution of 1989, CFR became SNCFR, a national railways society. Traffic on railways decreased sharply. The volume of rail freight diminished continuously from 17,854 millions tonnes-km (1999) to 16,401 millions (2000) and 12,926 millions (2005). In 2005, the number of passengers was 92 millions. Nowadays, the length of the railway network is 11,400 km. In accordance with the Directive 440/1991 of the European Council, SNCFR has to ensure the national railway infrastructure with the technical and operating parameters at European standard in order to make it a compatible and interoperable part of the future trans-European railway network.

The reorganization of SNCFR started in 1995 when a WB's loan Railway Rehabilitation project was being prepared. The project aimed mainly to restructure SNCFR, which at that time had more than 140,000 employees. Also, due to the EU Directives, SNCFR was split into five companies. The Governmental Decision (GD) No. 581/1998 represented the document of the setting up of the following railways companies:

1. the infrastructure company CFR SA (Infrastructure business unit),
4. the freight operations company Marfa (Freight business unit),
5. the passenger operations company Calatori (Passenger business unit),
6. the rail management services company SMF,
7. the rail asset management company SAAF.

According to article 12 of this GD, CFR "shall make available the railway infrastructure to the railway undertakings, in non-discriminatory manner, on the basis of the access contract". This was the first legal context to explain the position of CFR SA within the transport sector. CFR provides services to the operation companies (Marfa and Calatori). Through this organizational change of SNCFR, three business units have appeared and are currently operating under the Romanian governmental control. All these units are stock companies, but government owns 100% of the shares. Romanian government decides access charge and provides subsidies for CFR SA and Calatori.

As a state-owned company, CFR's top management assumes that government would cover every deficit with responsibility. Actually, CFR has a very limited flexibility and liberty in corporate management. Decisions related to ticket fare, budgeting, investments and business plan belong to the Romanian government. Top management of CFR can do nothing without government authority in such critical business decisions. As in the past, top management is appointed by the Romanian government. CFR is a stock company, but government owns 100% of the stock. Due to this situation, ownership and management have not been separated as it has to be in a market economy. In order to carry out the separation between ownership and management at CFR, we have designed a four stages model of organizational change. It proposes an incremental, continuous change process that leads to the emergence of a private company (Figure 1).

Restructuring is a key element of the change process. CFR has already started the organizational change process by drastically reducing the number of employees and slimming down the company through the separation of some business units from the main corporate body. It is rather the result of the international pressures on the Romanian government and CFR.

Conclusions

In Romania, taking into account the CFR's concern for a total integration in the European railways system, the privatization is strictly correlated with the EU objectives in the transport sector. The restructuring of the Romanian railways has been a substantial undertaking. Without any doubt, organizational change is necessary for a viable privatization. The importance of our paper lies on the 4 stages model designed for a successful organizational change in a railways company acting in a highly competitive environment.

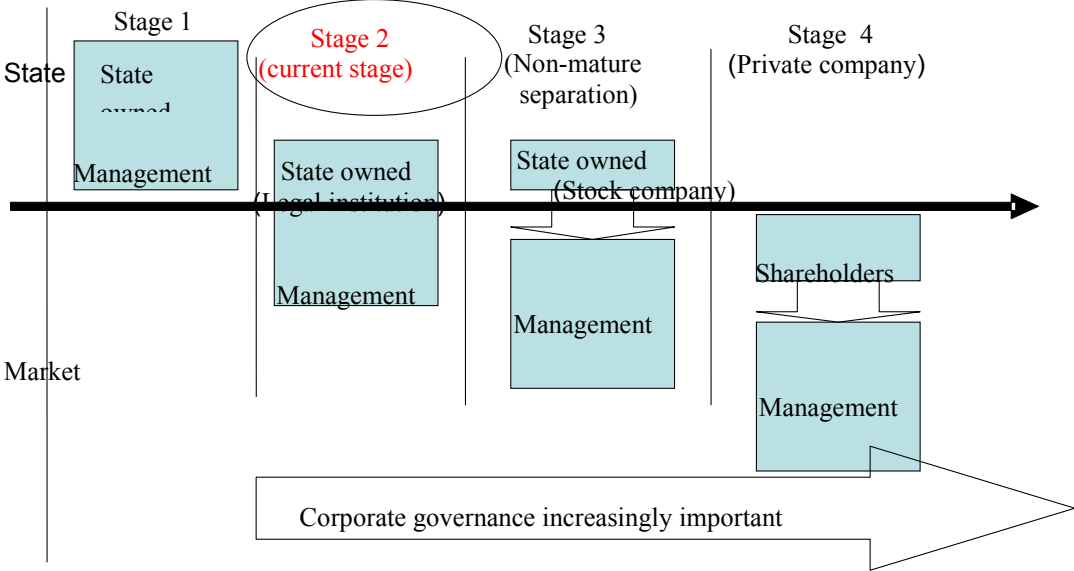


Fig. 1- The 4 stages model of organizational change at CFR

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SOME REFLECTIONS UPON MANAGEMENT CONSULTING AS PROFESSIONAL SERVICES

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Management consulting helping organizations improve their performance, primarily through the thorough analysis of existing business problems and development of plans for improvement. There is probably no activity about which the opinions are so divided as management consulting. The purpose of this paper is to make some reflections upon what role play the consulting management services as professional service to the firms and how offering these services affects the offering and delivery of other services of the firms. The study is based on an office documentation research within consulting firms and resources. The approach tries to be critical and reflective, examines different consulting roles by developing a typology. The purpose is to aware of these professional services young business people. The FAQ of this service are: "How to choose the best consultant?" and "Why did fail consultant?"

Key words: management consulting, performance, plans of improvement, type of consultancy

1. Generalities

We consider that the benefice of Romania accession to European Union, within the increasing competition framework, can only be accomplished through a superior performance. This is achievable by quality instruments of management that is adapted to the new requirements of the economic environment.

It is getting more and more obvious that for the Romanian reality, management is "the main way towards the economic growth" (Peter Drucker, 1990) and that "management knowledge import may be more productive than technology import" (Richard Farmer, 1992).

The improvement of management practices, so necessary for present Romania, can be accomplished with the help of management consultancy, worldwide recognized as a professional job supporting managers to detect, analyze and solve problems their companies have to cope with in an unrecorded turbulent situation of the environment they activate in. Management consultancy may be approached in two ways: a. as a method (to improve the management practices) and b. as a profession ("job performed by independent, and thus objective specialists that support the enterprise and institution management to reach their objectives and to develop activities in a rational and balanced way" – The Association of Consultancy Management of Enterprises in the USA - ACME). The present paper is meant to be a plea for management consultancy as professional job and as method of offering real support in business, seen as a possible solution to the problems of the Romanian society. In order to fulfil this goal, it has to offer adequate recommendations and solutions, adapted to the specificity and development stage and culture of the respective organization if accepted by its beneficiaries.

Being at the beginning, management consultancy in Romania is still rejected by less experimented economic operators. There are plenty of reasons, the most important ones having to do with the previous experience embodied in "precious advice and indications" offered by "dilettantes". In our view, management consultancy depends on changing this mentality through professional serviced provided by consultants that think and behave as entrepreneurs as we live in a world where the customer's needs are rapidly changing and new opportunities for consultancy appear. A consultant, could be a person or firm, sells its time and competence, in fact it sells a promise, that is a help that satisfies the client's requirements. As any other service firm, the result of management consultancy a tangible product, in fact the recommendation of the client or better said the change that occurred within the client's company if we think of the wished finality. Such a finite product is difficult to define, to measure and to assess and that's why the consultant has to define its service as a distinct product and to offer the client a real, detailed description of this product which can be either a pattern, a methodology that can be applied to certain real problem, or a management system.

As the customers' needs are rather similar, a certain standardization degree of management consultancy services is feasible and desired. The delicate problem is that of designing the product that is to be offered, of standardization-personalization mix, while creating and maintaining a relationship with the client, based on trust, element that greatly influences both the effectiveness of the process and the results.

2. Types of consultancy

Management consultancy is a process, an activity both of the consultant and of the beneficiary likewise, meant to solve a certain problem and to introduce the desired changes within the beneficiary's company. Its objective is obtaining performance, the key to success in business.

Obtaining performance is the result of a sum of factors that are endlessly changing that is why the management of a business needs an approach based on elaboration and implementation of adequate strategies. The theory of management does not offer generally valid solutions; it rather refers to a whole range of practical models and results of the experience of different organisations. It is the consultant's duty to choose the most adequate ones and to implement them together with the beneficiary. When consultancy management refers to the basic objectives, to the organisational policy and strategy, to planning, structuring and to its general control we can say that we talk about *consultancy for the general management*. When it is about a special or functional problem, we say it is about *consultancy for different domains of management*: financial; survey; marketing and distribution; production management; human resources; IT; organizational development; quality management; project management etc. There are some situations when a problem that originally looks like a functional issue, e.g. inadequate promotional methods, in the end turns to be a more profound and extended general management problem.

In fact, a management consultant who performs his activity in the general management area is, actually a specialist whose part is to combine different specialities and turn them into a balanced, coherent, multifunctional and interdisciplinary method. When necessary, he has to have the ability to use his competence and specialist recommendations so as to help his client to do the same. It is the outcome of an evolved attitude, and the paradox is that very often, even those managers especially interested in introducing changes, do not realise what is really means, how to handle it or do not understand that they should start by changing themselves. In these circumstances, the management consultant is required to discover the actual causes of the lack of meeting the social-economic environment, of the reduced openness towards innovation, dealing with factors like being stuck in routine, incapacity to understand the market mechanisms, fear of being considered incompetent, fear of losing control etc.

3. Why should we use consultancy?

Generally, an organisation requires management consultancy when its management feels the need for help to solve the problems it faces. In developed countries to appoint outside consultants to do short-term projects is common in business. More and more frequently, as in-house resources become scarcer and impartiality is required, organizations and municipalities are turning to consultants to get the job done. It is very important to establish if it is really needed this kind of professional service (it is known how cost effective/expensive it is).

The consultant is asked to provoke a change, nevertheless not any change, but one perceived as an improvement. This is far from being a simple thing, as many managers of organisations are still being dominated by the ideal organisation myth promoted by the classical school of management and they perceive the change as being something exterior, standing for a passing from one state to another that is the desired one. Yet, at present, as D. Genlot stated "we have to move from the vague concept of change towards that one of permanent evolution", as the change is integrated to the functioning of organisation and to the seeking for excellence at all levels: product and service quality, productivity, adaptability to the clients' ever changing needs etc. There is one fact: the changing pace is going to increase in the future and the successful management of the change is directly connected to the ability of the managers to understand the everyday reality, to thoroughly plan the changing process, to accept and to professionally conduct this process. Can they do all this on their own when they also have to manage two organisations at the same time: the present one with its current and urgent problems and the organisation of tomorrow which does not press but punishes any delay, causes the loss of opportunities, the unsuccessful accomplishment of greater performances and, eventually stagnation, which actually means being left behind? The answer is no and the practical grounds for making use of consultancy can thus being synthesised as follows:

- Organisation does not dispose of the knowledge or the competences to solve a certain problem having the same chances for success as a consultant who disposes of special knowledge and techniques;
- Organisation does not afford to release managers or consultants from the task they are responsible with so as to perform a sustained and detailed activity for a project or to take advantage of opportunities;
- Routine and habitude prevent even the best managers from properly approaching a problem and seeing it in its real light. They need a “resonance box”, a compass on their way to performance. Independent from the beneficiary’s organisation and not affected by its culture, consultants can answer this imperative;
- Any organisation management needs a report coming from outside in order to justify its decisions. We do not intend to justify here “the political game”, we rather want to underline the constructive and useful role, such as that of reducing the massive resistance to change;
- Through consultancy, organisations learn how to help themselves. They acquire new knowledge and get used with methods adequate for identifying problems and initialising changes.

Issued by the linkage among performance, success and consultancy activities a series of strategic frameworks have been promoted over the years, some of the well known ones are the following:

Table 1 Strategic frameworks promoted over the years and most popular concepts [8]

Concept	year	Consultant	Organization
Portofolio Analysis	1976	Henderson	The Boston Consulting Company
Five Forces	1980	Porter	Monitor Company/Harvard
Value Chain Analysis	1985	Porter	Monitor Company/Harvard
Core Copetences	1990	Hamel&Pralhad	Harvard/Michigan/Strategos
Customer Retention	1990	Rechheld	Bain&Company
Cycle Time Reduction	1990	Stalk	The Boston Consulting Company
Mass Customization	1992	Pine	Strategic Horizonts
Reengineering	1993	Hammer&Champy	CSC
Shareholder Value Analysis/Economic Value Added (EVA)	1993	Stewart	Stern Stewart
Value Migration	1996	Slywotsky	Mercer Management Consulting
Value Net	1996	Brandenburger& Nalebuff	Harvard & Yale
Profit Zone	1998	Slywotsky& Morrison	Mercer Management Consulting

4. Relationship – the premise for success in consultancy

The consultancy process implies two partners: the consultant and his beneficiary (client). Theoretically, the two of them with equal perseverance seek to attain the same objective. Practically, the situation is far more complex as the consultant is a person from outside the organisation who has to achieve a result valid for the organisation without being part of its administrative and human system. In our view the key problem is to create and maintain an effective and constructive relationship based on trust between these two partners. Only having this support can the consultant’s recommendations be understood and more important accepted by beneficiaries. How can such a relationship come into being in reality? Through a special effort expressed by:

- defining the problem together;

- stating the expected results;
- settling the way in which the consultancy mission will occur;
- involving the beneficiary in all the action phases of the consultancy so as to understand and perceive the finality of solutions as being their own;
- demonstrating the competence by understanding and interpreting the real phenomena of organisation at a technical, economic and human level.

In this domain we can remark that the standards for success are usually not clear, because of the width of the problems meet in consultancy, it often goes unnoticed by others and unremarked by insiders. A lot of businesses can increase their success (or turn more or less hard times) by hiring a consultant with full knowledge of constrains, problems and traps.

As recommendation: before thinking about hiring a consultant from the outside, explore resources, skills, and knowledge of your own staff. The organization own employees may be able to contribute with ideas and information that make a consultant unnecessary, and the organization may also be able to use a consultant only for "value-added" services.

5. Conclusion

The changes that occur within the Romanian society in the context of the European accession induce the development of management consultancy action, and we think that the demand for consultancy services provided by specialists is about to increase in the future as the managerial teams become ever more aware of opportunities and effectiveness of management consultancy actions.

Consequently, the management consultancy job is one full of perspective, and the success is given by the close collaboration with the beneficiary. Basically, the aim of consultancy is to stimulate and activate the beneficiary, to contribute to the formation of the organisation "that learns" and moves in the correct direction where successes and failures are just mere episodes.

The behaviour that assures the perpetuation of successes is based on a trust culture, supported by responsibility, initiative and collaboration. It is what professional management consultancy services promote and prove.

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DECISION – A KEY ELEMENT IN THE MANAGERIAL SYSTEM OF THE COMPANY

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The management, as a central social function, following the words of Peter Drucker, concentrates its concepts and instruments around the phenomenon of change, a trend that, evidently, gets the size of a managerial revolution in the entire world.

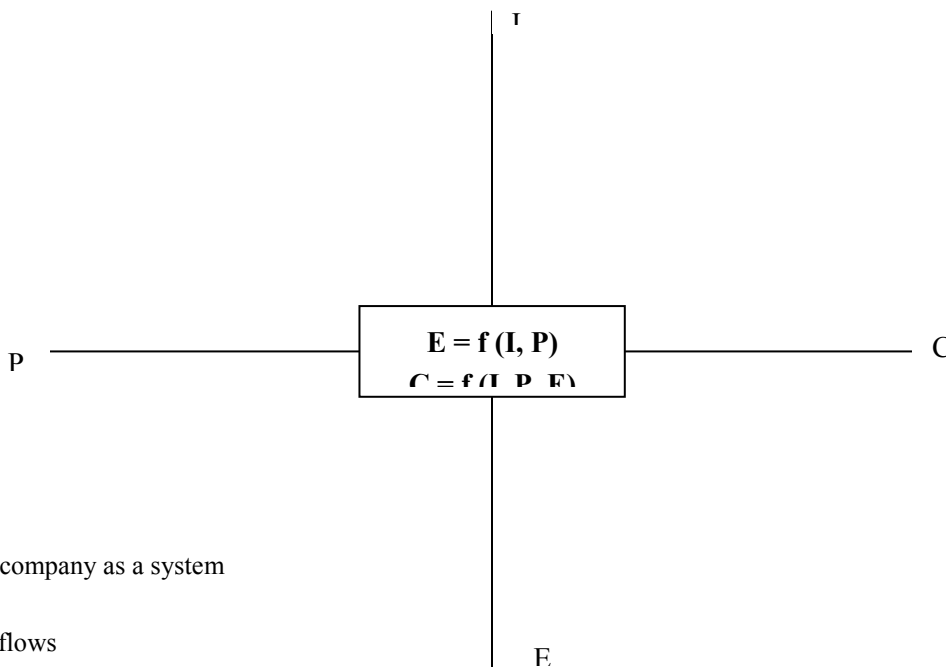
The company is a subsystem of a wider complex system – its environment.

The main management function in a company consists in the adjustment of its way of functioning and of the relations between the organization and the environment as well as between different parts of the organization. Nowadays, management theory and practice are based upon the concept of „ Total Quality Management” (TQM)

Key-words: Decision, managerial system, TQM

The management, as a central social function, following the words of Peter Drucker, concentrates its concepts and instruments around the phenomenon of change, a trend that, evidently, gets the size of a managerial revolution in the entire world.

The company is a subsystem of a wider complex system – its environment. The „company” system can be described as it follows:



The company as a system

I- inflows

E-outflows

P- endogenous and exogenous variables that influence the way of functioning and structuring of the system

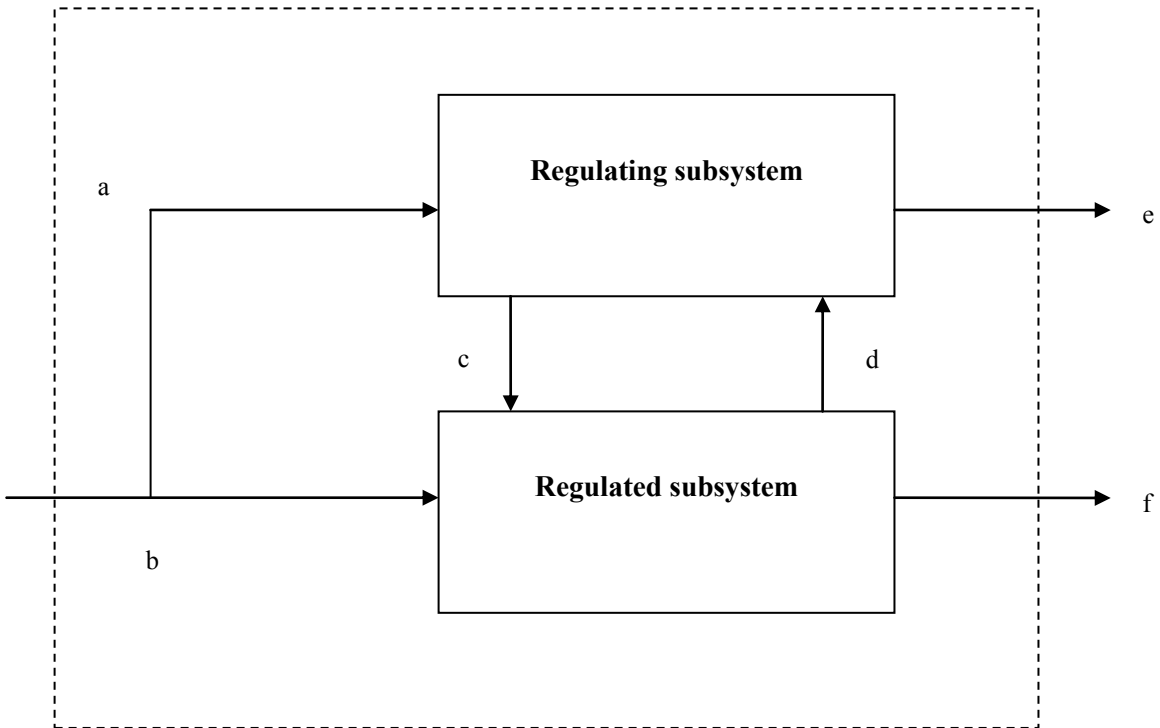
C- the system quality evaluation criteria (expenses, profit, sales figure)

The main management function in a company consists in the adjustment of its way of functioning and of the relations between the organization and the environment as well as between different parts of the organization. Thus, the organization had two types of functions:

performing functions consisting in the physical processes of turning the inflows into outflows whose ensemble forms the regulated or controlled subsystem.

controlling functions that refer to the designing of the operational programs for the performing functions, to the supervising of these programs progress, to the identification of breaches and the application of necessary adjustments for a permanent orientation of the company activities and of its structural parts towards the global organizational objectives.

The functions with decisional competences form the regulated subsystem. This way of organization has a systemic nature. The cybernetic system of the management appears as it follows:

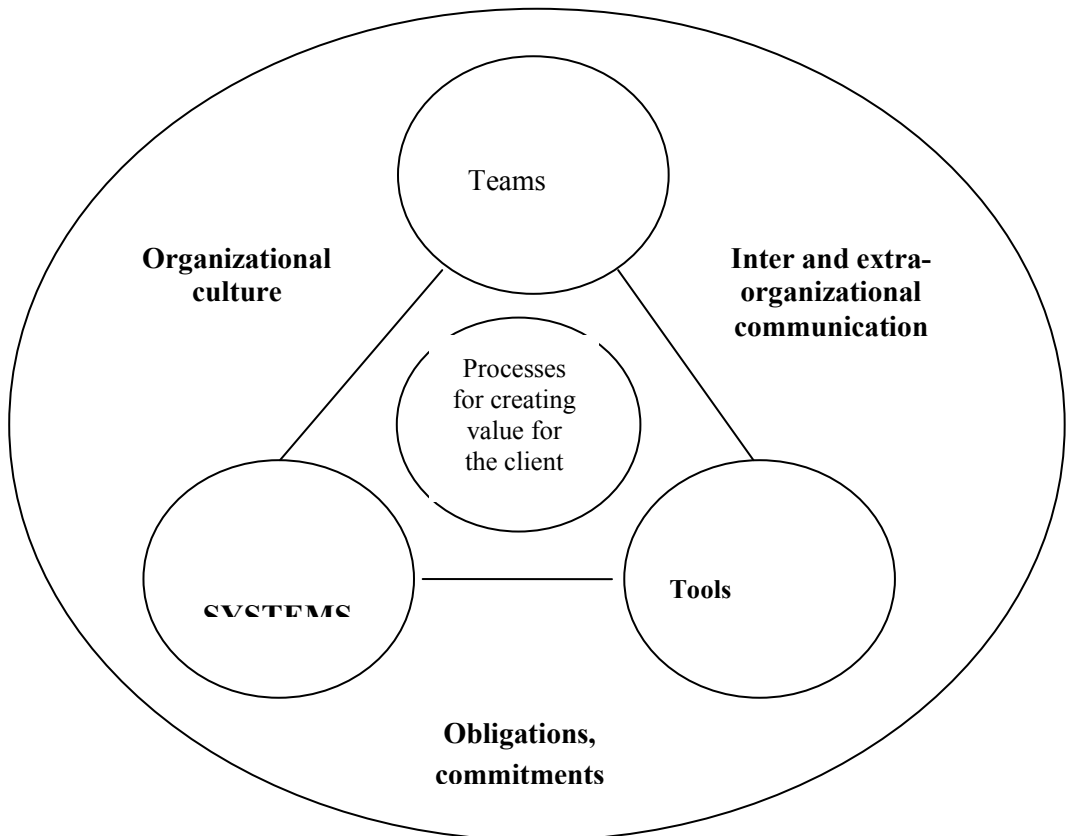


The company, as any other social system, is characterized by the following features:

- It tends to a dynamic, progressive equilibrium
- It has a probabilistic conduct
- It can avoid disorganization
- An increased capability of reaction, auto-regulation and auto-organization
- It contributes to the whole system efficiency development
- Its objectives depend on the contributor factors – individuals.
- It behaves as complex, adaptive entities with a minimal external control.
- The company – system idea is developed so far as to consider the company as a „living system”, part of an „ecosystem” and to go into competition with „other organisms” for surviving.
- The systemic management has the following advantages:

- It allows the deep understanding of internal and external company realities. It offers tools and efficient concepts to deconstruct structures and systems in order to analyze them.
- It allows a holistic, integrative vision.
- It makes easy the informational technologies assimilation.
- It makes possible the evaluation of the social processes as points of reference for management.
- It ensures an adequate conduct.

Nowadays, management theory and practice are based upon the concept of „ Total Quality Management” (TQM)



Each part of an organization has its users, from the interior or from the exterior, thus resulting the necessity for identification of their needs. TQM means quality integration in all the aspects of the management process in order to get lasting performances following the adequate fulfillment of clients needs.

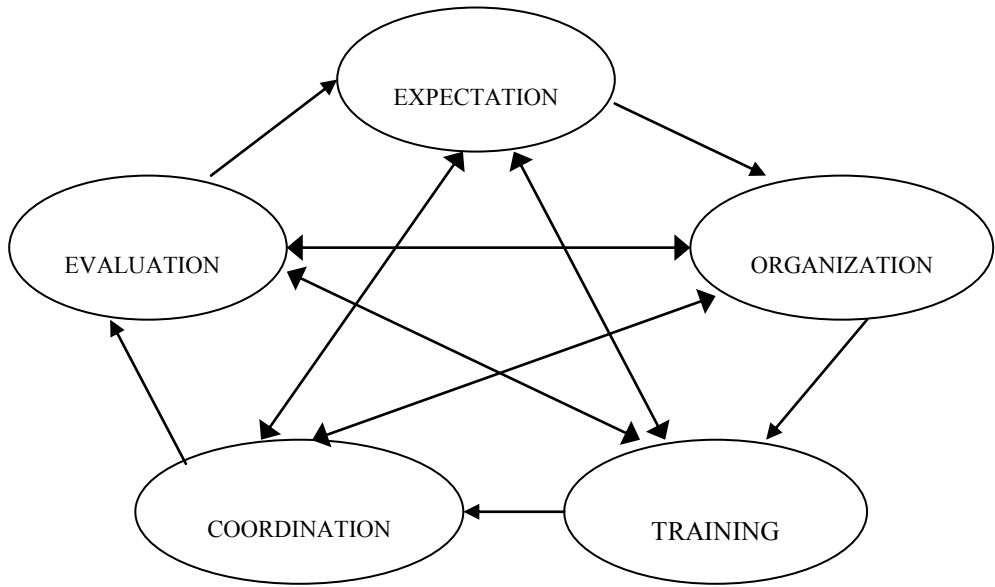
Knowing the consumers needs and the integration in the products quality represent the basis for decision making

Therefore, TQM means implicitly the extension of the systemic vision and it stands at the basis of integrated decisions. The company management develops on two dimensions:

- a developing one;
- a relational one.

The management process can be divided into five functions: expectation, organization, coordination, training and control – evaluation.

At a higher level, expectation and organization are to be found and at lower levels the training, coordination and control functions prevail.



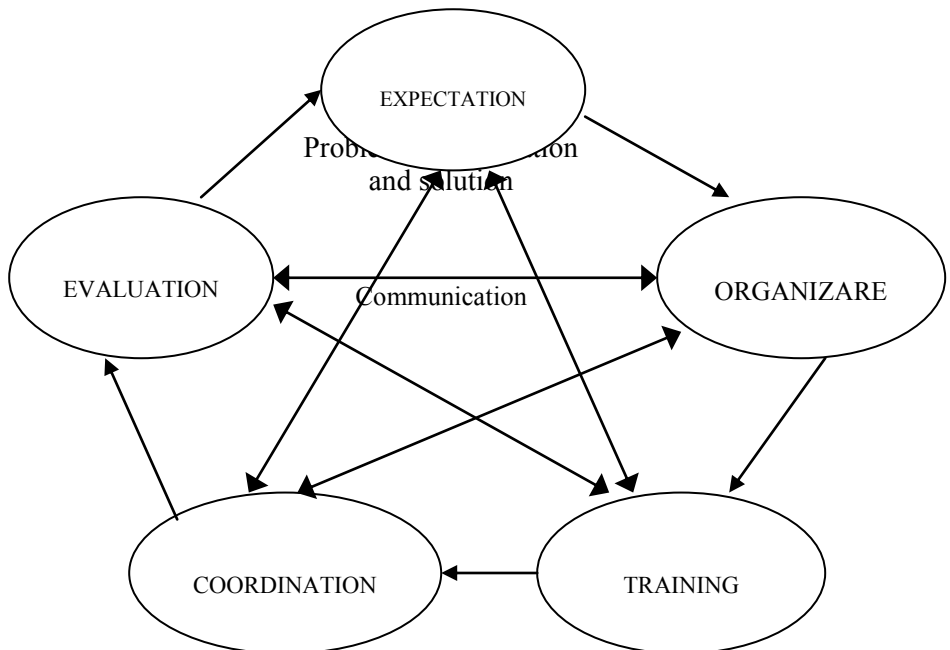
The management sequence

For each stage of the sequence, the manager has three essential tasks:

Working out the problems

Decision making

Communication, as it follows:



The complete management process

The stages of a management system are:

- Determination with accuracy of the objectives system for the company on long term and the way of implementing them, i.e. the company strategy.
- Evaluation of resources required for the company efficient functioning and development, according to the purposes.
- Establishment of sub-objectives and determination of activities and tasks requires for fulfilling the global strategic objectives.
- Inter-correlated designing of the structural – organizational, decisional, informational, motivational and methodological systems.

The efficiency of the decisional system improvement cannot be approached without taking into account the main trends that show at the level of this important company management sub-system. They come as an obvious result to the complexity development of the decisional problems that are to be solved by company management, to the impact exerted by the new structural and functional conditions of economic systems at any level upon the decisional sub-system.

Managerial decision – an integrated approach

In specialized literature a sum of definitions for decision can be found. Thus, O. Nicolescu thinks that decision is „the course of action chosen for the fulfillment of one or several goals”. E. Mihuleac defines decision as being „the choice of one possibility among several ones, the rational option for a way of acting from a number of formulated variants.” A.F. Stones considers that decision is „the process of identification and selection of a course of action in order to solve a certain problem”. Smith thinks that decision is „any action or sequence of actions implying alternatives that must be analyzed”.

According to these definitions, it becomes clear that the decisional act implies the existence of one or several goals, of several alternatives for achieving a goal, the decisional agent having the responsibility to select the best alternative for the given situation by means of analysis, deduction and intuition.

Decision represents a social, deliberate, act of an individual or a group individuals by means of which the goal and the objectives of an action, the directions and the ways of realizing them are set. They are chosen according to a certain need, on the basis of a process of information, thinking and evaluation of the necessary means and of the consequences deriving from the action development.

As it is an act of important social responsibility, the decision reflects:

- A necessity of the socio–economic life and the recommended ways to satisfy it.
- The decision maker will.

An integrated decision means matching present and future decisions taking into account the company strategy and policies. Promoting decision integration must be realized horizontally as well as vertically. Therefore, we can state that the essential elements of a decision are:

- A fundamental view with clearly determined goals
- Designing a precise strategy of action
- The improvement of the pair of values „functional autonomy – unitary coordination”
- Expressing the system correlation of the activities.
- The responsible conclusion of each decision.

Internal and external factors can affect the decision. Here are some internal factors:

- Explaining the objectives and the performance standards
- Knowledge and capacity
- The managers and the employees ability
- The difficulty of the tasks to accomplish
- The staff motivation
- Breaches in information

- Human resources
- Working conditions

Some of the external factors:

- The level, the course and the rate of change in branch or in the activity field.
- Functional or structural legal restrictions
- The importance of the decisions determines the level of management at which they are made and it is appreciated according to the following criteria:
- The size or the period of the engagement following the respective decision.
- The flexibility of plans established on the basis of the decision
- The degree of certainty when taking into consideration the achieving of the objectives
- The human impact

The structure of the decisional process

The decisions that must be made in a company led to their classification into three categories: current, tactical and strategic. **Current decisions** are made at all hierarchical levels and refer to actions aiming at the realization of immediate tasks and obligations. **Tactical decisions** are made at top and middle managers level and refer to definite, immediate actions with some degree of repetition, in conditions of certainty and for an extent of time up to one year. **Strategic decisions** are the most important ones, they raise the most of the problems and any analysis of the decisional process is referred to. These are **specific managerial decisions** and they refer to the ability of discovering, formulating and analyzing a problem in order to find the best solution for it, respectively the best course of action for implementing it.

A decisional process is divided into four distinct stages:

1. Definition and analysis of the problem
 8. Formulation and evaluation of alternative solutions
 9. The choice of the best solution
 10. The implementation of the decision regarding the course of action that is to be followed.

The first two stages can be considered as pre-decisional ones, the third one is decisional and the last one in post-decisional.

According to the certainty of the achieving of the objectives we can have another classification for decisions:

- **Certain decisions** that are usually made at middle and low levels, under well known conditions that may be checked and for objectives with high probability of accomplishment.
- **Uncertain decisions** that are made at high levels and that are conditioned by unpredictable natural and social factors that are hard to control.
- **Risky decisions** that are made by top managers and the probability to achieve the objectives is reduced due to conditions in which they are made and which are hard to anticipate but who depend on a succession of controllable variables.

The quality of the decisional process depends on the way they understand and accept it as being „their own decision”.

The decisional dilemma: centralization – decentralization

The criteria that must be taken into consideration when deciding if a company is centralized or decentralized are:

- The number of decisions taken at low levels of hierarchy in the company
- The importance of these decisions
- The degree of control exerted by top-management upon decisions taken by the employees

This dilemma has both advantages and disadvantages:

Advantages

Centralization	Decentralization
- It ensures uniformity in the way of functioning of the company structural sub-units	- It assigns duties and responsibility from the company top level to component units
- The management performs a coordination and a direct control upon the company units	- It encourages the involvement and participation of several individuals in the decisional process with positive effects upon their motivation
- It ensures the uniformity of decisions	- It makes communication easy
- It eliminates the possibilities of superposition of different activities	- It spreads power and authority in the whole company

Disadvantages

Centralization	Decentralization
- as it isn't distributive, the responsibility will belong to a small number of individuals	- It allows a low degree of uniformity with regard to standards of organizational subunits functioning
- It overwhelms top managers as they must have a global perspective upon the company	- It forces decisional responsibility of some individuals that are not interested in and that do not want to get involved
- It concentrates authority and power at the disposal of a small number of individuals	- It can raise problems concerning the coordination of different elements in the company
- It limits the participation of the organization majority	- It can lead to rivalry and competition between the company sub-units with negative effects upon rationality and general efficiency of the company
	- It needs training programs for the staff, that usually take a lot of time and money

THE DIAGNOSIS IN MANAGEMENT SYSTEM

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This article is about an introspection that combines the two theoretical aspects of intern and extern diagnosis concluding in an analysis that offer us a vision of the company competition and perfecting the management system. The global diagnostic has a special importance because it allows the evidence and structuring of those problems that need one or more strategic answers. The SWOT model and the other study methods of positioning the company on the market remain the starting point of any action regarding competition context analysis.

Keywords: diagnosis, SWOT analysis, economical performance, competition environment, market, competitive advantage, strategy.

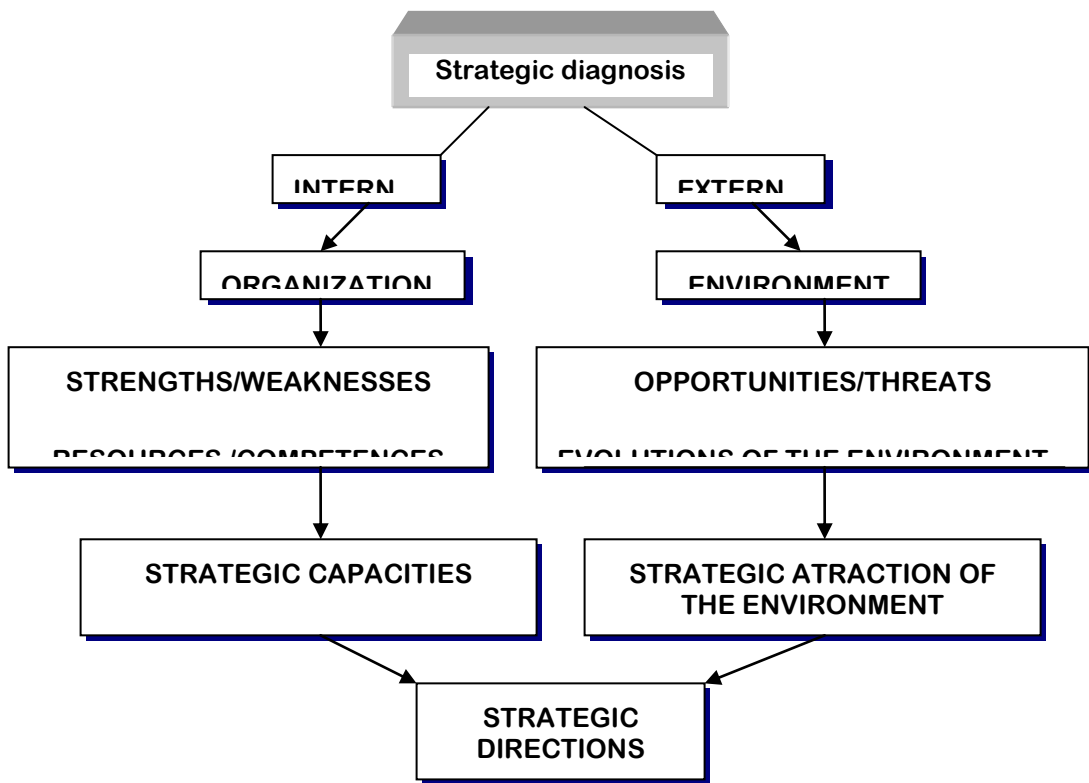
The phases of the strategic march that has to be completed are taken under consideration in competition positioning:

- The analysis of the company’s diagnostic and its competition context;
- The strategic decision, defined by the developing objectives;
- Choosing strategies and implementing them;
- Evaluation and comparison of the results obtained and adjusting the line of the strategy that is adopted.

Formulating strategies is based on the strategic concordance concept between resources and the company’s potential including the external scene. The whole management system, with all its components will follow the combination of the best solutions for achieving and maintaining a high competition level. The environment analysis begins with the factors and the influence investigations which have an important impact for the organization position on the market. The strategic diagnosis is composed by two complementary issues, the intern and extern diagnosis of the organization:

1. The internal diagnosis defines the strategic potential of the company: strengths, weaknesses, by which combination are defined the strategic options.
2. The external diagnosis has as an objective the discovering of the actual situation and the evolutions of the environment of the company, the opportunities and the threats.

Following the results from the combination of the intern and extern diagnosis we can establish the strategic orientations of the company depending on its objectives.



Two direction of the strategic diagnosis

1. The intern diagnosis

To situate the organization in the competition environment it is necessary to realize the matrix of the intern factors in order to determine the internal global power of the company. To diagnose the company potential, we use “the evaluating matrix of the internal factors”. In this matrix, each factor is evaluate through a subunit coefficient (K_i) and a mark (N_i) from 1 to 4.

Strategic domains			
	K_i	N_i	$K_i \times N_i$
A. COMERCIAL CAPACITIES			
Market quota	0,1	4	0,4
The products quality	0,2	2	0,4
The sector image	0,2	4	0,8
Price policy	0,2	3	0,6
Contractual stipulation	0,15	3	0,45
Network distribution	0,05	3	0,15
Products promotion	0,05	3	0,15
Ecological regulation	0,05	2	0,1

	1		3,1
B. FINANCIAL CAPACITIES			
Framing calculated costs	0,2	2	0,4
Efficiency	0,2	2	0,4
Cash flow	0,25	3	0,75
Rate of credit	0,1	3	0,3
Financial balance	0,15	3	0,45
Self financing	0,1	2	0,2
	1		2,5
C.PRODUCTIVIY CAPCITIES			
Technologies	0,15	4	0,6
Production capacities	0,15	2	0,3
The use of production capacities	0,1	3	0,3
Automation	0,15	4	0,6
The production organization level	0,05	3	0,15
Working skills	0,1	3	0,3
Employment qualifications	0,1	3	0,3
Organization of perfection activities	0,05	2	0,1
Products scale	0,15	2	0,3
	1		3
D. MANAGERIAL CAPCITIES			
Structural organization	0,2	2	0,4
Procedural methods	0,2	2	0,4
Decision system	0,25	3	0,75
Informational system	0,1	3	0,3
The motivation capacity	0,15	3	0,45
The innovation capacity	0,1	2	0,2
	1		2,5

Table 1 The evaluating matrix of the internal factors

Analyzing the demand, offer and competition is decisive to establish the external potential of the company and for the competitive profile. It is necessary an external analyze of the company activities: the offer, the demand, the competition. The results of the questions regarding these indicators have to point out the need of the costumers and the market place. The diagnose of the concurrence has to determine: the concurrence strategies, the concepts, the capacities and then to evaluate the concurrence weaknesses and threats. All these information about the competitors give the company resorts to plan its own strategies. The concurrence represents a motivating factor for the company.

2. The external diagnose

For the external evaluation there are some points to mentioning: the products, the quality, the price, the distribution, the variation of the offer and demand. To diagnose the external potential, we use “the evaluating matrix of the external factors”.

External factors	K_i	N_i	$K_i \times N_i$
A. Environment opprotunities	1,00		3,3
The growth of the demand	0,20	3	0,60
Extension of the market	0,20	4	0,80
Using new distribution networks	0,25	3	0,75
Products diversification	0,10	4	0,40
More exports possibilities	0,25	3	0,75
B. Environment threats	1,00		3,5
High cost of row materials	0,20	3	0,60
Insufficient row materials	0,25	5	1,25
Disasters and calamities	0,20	4	0,80
High competition	0,15	3	0,45
Promotional activities of the concurrence	0,20	2	0,40

Table 2 The evaluating matrix of the external factors

From the matrix we can see that the environment offers to the companies opportunities equal with threats. To realize a complete image about the company it is necessary to analyze its market position in comparison with the others competitors from the same sectors of activity. For this, it is used the competitive profile matrix. In a competitive economy, the diagnose is realized in a strategic vision, which consist in recognition of the strengths and weakness of the company with the threats and opportunities from the environment in order to keep its market position and obtain competitive advantage.

The competition is a potential characterized by market advantage. The productivity and its quality are just a part of the circle that outlines competition. To obtain an advantage in a competition it is necessary to analyze every aspect of the corporation using the two techniques, the value chain and the value system. Competition advantage is determined by many factors of influence: the type of organization, the form of competition, the field of activity, the level of knowledge about the competition's information. The way competition has changed during time. Static competition, in which success or failure are determined by the

amount of production factors, transformed in a dynamic competition, that has the following motor factors: technical progress, new market openings and modern management methods, modifies or even overuses the advantages of the competition.

The essence of applying a diagnostic consists in analyzing cause and effect in finding and examining the strong and weak points and also in formulating recommendations. Another important point of this part is the SWOT analysis. It is known the fact that for this the analysis of the strong points and the weak points of the internal resources of the organization is needed also the analysis of opportunities and threats offered by the competitors from the industrial scene. After closing the analysis of the external environment and the internal resources, observing the matching or mismatching between opportunities and threats becomes possible and strong and weak points. Integrating internal and external analysis (comparing the analysis) allows managers to preview existing strategy results or future strategies.

Competition strategy represents opting for a certain chain of activities different from the competitors' or for a different method of execution of the same chain of activities similar with the competitors and integrating constituent activities for achieving a unique and sustainable position in the sector. Trying to make the strategy perfect by making the management system perfect creates a analysis of the strategy through the eyes of the management system. The changes in the management system influence the company's strategy. This way perfecting the four management subsystems leaves its mark on the strategy of action that the company has. Perfecting the strategy through innovation is another important direction. Knowledge has the tendency to get old. For this reason innovation doesn't have to be a unitary appearance, but an interminable reaction to changing situations. Entrepreneurs see the change as a norm and something healthy, they are always on the look out for new changes, and they react to them.

I strongly believe that applying new methods and management techniques, throwing away the negative aspects, we will succeed in a near future to talk about a more performing management system. At the base of the competitor's management system we can find a complex of principles, rules, demands that assure its form. No matter what the organization's characteristics are, the management system holds a number of components that are different from each other depending on the nature, on the characteristics of the instrument that is being used. It's important for managers, for specialists to identify the most significant aspects that implies perfecting the management system, as complex, as difficult to realize, if we keep in mind the number of dysfunctions triggered at the level of every management component and the manifestation of more blocking elements in this field. The starting point and at the same time , the first step of perfecting management systems is represented by trying to find out the financial economic quality and management of the organization that follows the casual evidence of the main dysfunctions and strong points.

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THE MANAGERIAL CULTURE, VIEWED AS ECONOMIC CATEGORY

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Abstract. The managerial culture, part of the organization culture, is a major form of manifestation of the human factor at the organization level. During their existence, organizations are seen in different ways due to the powerful influence of the top managers’ professional style and personalities on the people forming the organization.

Keywords: organization culture, managerial culture, corporative culture, organizational culture

The organization culture represents one of the management fields of present interest, with a relatively recent history. The concern for this type of culture is mostly due to the performances of the Nippon organization, performances that can be explained through their specific culture.

It is known the fact that there is a relationship between the organization culture and the obtaining of the competitive advantage on the market and, at the same time, the knowledge of this culture’s elements is necessary in practicing the modern management. Due to Nippon firms’ performances, recorded after the second World War (Japan reached the highest rate of economic growth and the lowest level of unemployment after major losses during the war, without two many natural resources and with a numerous population) the American and West-European specialists interpreted the Japanese success from the cultural point of view, presenting culture as a main factor of the organization’s economic development and durability.

Defining the organization culture is difficult to realize and for this reason there is not a unanimously accepted definition in the specialty literature; yet, all attempts to define the organization culture have as a starting point the human resource. People join within the organization, they come from different environments, with ideas, convictions and feelings that are imparted to others, enriched or replaced by means of customs and rules that exit within the organization. The organization culture is the result of the combination of ideas, feelings, convictions, beliefs, norms and rules.

Organizations must know and understand their own culture because it can help them render their activity efficient; owing to this fact, it has been discussed lately about the culture analysis (culture audit). In our country, the first study on culture research at the organization level was done in 1997¹⁵⁴. The findings were influenced by the mentalities, values and attitudes characteristic to the transition situation.

As the organization is an open, self generative three – leveled (corporative, organizational and managerial) system, one can say that, in every organization there are three interdependent types of culture: corporative culture, organizational culture and managerial culture¹⁵⁵.

The corporative culture is created by the organization’s tangible assets: interior decorations, buildings, furniture, technological equipment, the range of products and services, catalogues, leaflets, pennants, banners, abbreviation the staff’s clothes at their work place.

The organizational culture is known by means of visible elements, related to people’s behaviors (rituals, ceremonies, taboos) and their verbal products (myths, stories, legends of the organization’s history usually sent orally, from generation to generation), as well as by means of invisible elements of spiritual nature, of the same people on top of the organization’s chart (beliefs, values and ethical and moral norms).

¹⁵⁴ State, O., *Cultura organizației și managementul*, ASE Publishing House, Bucharest, 2004, pag. 206

¹⁵⁵ Bontas, D., Urban, V., *Cultura firmei, rezultat al propriilor componente sistemice*, The Scientific Bulletin of “George Bacovia” University Bacau, year VII, no. 1/2004, pag. 17

The managerial culture appears in beliefs, the system of values, the behaviors and expectations of the management team members and is reflected in the used management styles, significantly emphasizing the organization's performances¹⁵⁶.

The managerial culture is greatly influenced by the top managers' personality. Managerial culture refers to: the organization's activity domain (products, services, markets); the management style; business ethics: the attitude towards risks, competitions, clients, employees, shareholders and corporate image.

These three components presented above appear simultaneously, they are not strictly delimited; even more, they become interdependent at the organization level.

The managerial culture is "the system of values, beliefs, aspirations, expectations and behaviors of managers of an organization, reflected in the management types and styles used within the organization, sensibly marking the organization culture content of each firm and its performances"¹⁵⁷. Managerial culture is greatly influenced by the organization's general managers; thus one can say it is personalized.

The components of managerial culture (beliefs, values and norms) help managers to shape their basic opinions on the organization environment, to understand and to interpret what is going on; thus, the group's members can act appropriately¹⁵⁸.

Beliefs take shape in convictions, truths, certainties made known by general formulations on the environment they exist in and develop the organization's activity. Example of beliefs: "we share the success and don't let anyone of us suffer a defeat by himself", "we say what we believe and do what we say", "team work is more efficient" (beliefs of "AXA Consulting" firm, taken from the site www.cariereonline.ro).

Values are features of ideas, facts and phenomena of meeting the social needs and ideals generated by them. Values are propagated in the collective desires and attitudes, imposed and accepted in the organizational group. They can be rendered by the social environment, promoted by the national culture (the attitude towards work, honor, honesty, correctness) or by the organization members' experience, especially the top managers' experience. A research on Romanian firms, concerning the cultural values of an organization, has shown the fact that the first ten preferred attitudes, in a decreasing order of their importance, are: earnestness, discipline, the implementation of responsibilities, performance, creativity, participation and involvement, self-accomplishment, autonomy, democracy and quality¹⁵⁹.

Norms take shape in rules, dispositions taken from laws, instructions. The organizations aiming to support the promotion, implementation and acceptance of the new by means of norms, cultivate values such as creativity and innovation. Other organizations are characterized by norms that tolerate, in some degrees, failure, support successes (grant diplomas, medals, rewards of ability, promotions etc). Conservative organizations are not predisposed to change and thus, they encourage norms the lead to the maintenance of traditions, strict discipline etc. fact that implies the centralization of decisions, official communication, the respecting of the hierarchy, the refusal of proposals and suggestions from the subordinates.

The basic concepts are opinions and ideas given by the management persons and by shareholders, employees, partners, competitors, customers. They render the essence of managerial culture, the management type or style and foreshadow the organization and the employee's perspective.

By means of perspectives, the organizational group's members foresee opportunities that will help them build future actions, to meet the different situations. We can speak about organization perspectives and human being's (employee's) perspectives.

The organization perspectives refer to its environment and are reflected in the development power of the organizational group compared to the competitors in a certain time horizon. They are found in the organization's strategies and in the common objectives and purposes of the organizational group's members.

The employee's perspectives refer to the individual professional performances, the criteria and possibilities of promotion within the organizational structure. They are found in: the performances expected from each

¹⁵⁶ Nica, P., s.a., *Managementul firmei*, Condor Publishing House, Chisinau, 1994, pag. 84-85

¹⁵⁷ State, O., *Cultura organizației și managementul*, ASE Publishing House, Bucharest, 2004, pag. 290

¹⁵⁸ Bontas, D., *Managementul general al firmei*, Moldavia Publishing House, 2003, pag. 50-54

¹⁵⁹ Nica, P., s.a., *Managementul firmei*, Condor Publishing House, Chisinau, 1994, pag. 87

and every employee; the criteria and ways of staff's selection, recruitment and promotion, methods of professional improvement.

The performances expected from each employee taken separately represent components of the strategies and policies formulated by the human resources management. For example, some organizations offer a success career to the self-taught persons, predisposed to study; others promote discipline, routine, the strict observance of regulations and instructions, thus foreshadowing a success career for the persons with an economic spirit, passive but capable of making great effort.

The criteria and ways of staff's selection, recruitment and promotion refer to qualities, aptitudes, skills, professional knowledge, experience - elements that are necessary and obligatory for meeting tasks, attributions and responsibilities specific to a certain job. Generally, one takes into consideration: diplomas, academic degrees, letters patents, professional titles, the attended and graduated education institutions; recommendations given by authority and credibility persons (the candidate's or employee's family members, former colleagues, superiors, underlings, teachers etc.); seniority, professional experience, the performances from previous jobs; interview results, selection contest, periodical tests, evaluations etc.

The methods of professional improvement are generally applied in big developed organizations and they consist in seminars, courses, refresher courses (financially supported by the organization).

The main functions of the managerial culture of an organization are¹⁶⁰:

1. Motivation factor in meeting the set objectives and purposes. The managerial culture reflects the personality of founders, managers and leaders. It influences the decisions and actions of managers that can set norms and standards consistent with their values, in accordance to which both managers and the other employees should be assessed;
2. Offer vision and affiliation to a social category particular for managers. The organization cannot meet its objectives unless the elements of culture are known by all managers and unless these managers act in accordance with these objectives. An organization can survive a long time and can develop if its fundamental beliefs and values are known and put into practice;
3. Factor of the organizational change promotion. Owing to the influence of internal and external factors, a change may be necessary at a certain moment so that the organization could survive on the market and develop. The firm's tradition influences the proportion of the assumed risk degree, the depth of the introduced changes;
4. Favors the organizational learning process. Present-day managers have the roles of monitor (obtaining information) and information disseminator (within the organizational environment and the rendering of information in the external environment); thus they can provide a prompt and qualitative circulation of information towards the inferior hierarchical levels, so that employees can increase their knowledge, formally or informally;
5. It assures the harmonization of values within the organization. The staff hiring can lead to the appearance of new values, norms, beliefs that influence positively or negatively the organization's activities. Thus, the managerial culture has to sort out these values, norms and beliefs and keep them and promote only those bringing value to the organization.
6. It realizes the "cultural control" of the organization evolution. The managerial culture has as mission to induce a certain behavior and way of thinking and manifestation of the organization's members both inside and outside it. The cultural control is to be met at more levels and refers to ethical aspects (norms, values, ideologies) and the emotional ones (pride, loyalty, attachment). The cultural control also occurs when certain relationships and processes are ambiguous;
7. It contributes to obtaining the synergy effect in the firm. The managerial culture includes a mixture of beliefs, values, norms, attitudes that it emphasizes through a synergy effect. This fact succeeds in harmonizing a great diversity of values, attitudes and behaviors and thus in directing actions towards the meeting of the set objectives;
8. Determinant in obtaining the competitive advantage. It has been demonstrated the fact that the managerial culture can influence the success and failure of the organization on the market. Managers, except the fact that they create a set of expectations, have to present the ways they can

¹⁶⁰ Năstase, M., *Cultura organizațională și managerială*, ASE Publishing House, Bucharest, 2004, pag. 112-119

be met; thus, one can succeed in motivating the employees and directing their actions in order to meet the set objectives.

Knowing, analyzing and showing to advantage the managerial culture – all these actions are absolutely necessary both for managers and for each and every subordinate.

The development of the appropriate management styles, of the moral management, of a system of values that promotes the balance between ethics and profit, guarantees the long-term strategic orientation, the keeping of a social climate that should allow the harmonization of individual interests with those of the organization and a dynamics adequate to the evolutions of the competitive market environment's factors.

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THE CAREER AND THE MANAGERIAL SUCCESSION

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Abstract

I have began my paper with some of definitions of the term “career” offered by a series of books on this direction. Further on, referring to a career in managing, I have described the four stages undergone by a person which begins his career as a head of a department, head of a section, of an office, etc, and obtain a job in the executive area and later on, a job as a consulting agent or advisor for the younger managers.

At the end of my paper, I have mentioned the planning and the administrating of one’s career, underlying their importance both for the organization and for the individual.

The term “career”, in the way in which it is explained in the Encyclopedic Dictionary, refers to a job, an occupation, a good position in the society.

Keywords: career, managerial career, managerial succession, career planning, career administrating, programs for managerial development

The Dictionary of Human Resource & Personal Management defines career as the job a person has prepared for and expects to perform it for the rest of his/her life.

Along time, the works on this line have found many meanings and definitions for the term “career”.

Thus, considering mobility or ascension in an organization, the term career is seen as a “promotion”. On the other hand, seen as job, it is estimated that many professions are what we call a career and hence, we use terms as the military career, the managing career, the educational career, whereas other professions are seen as mere jobs (e.g. salesman, carpenter, driver, etc).

Another approach presents the career as “a series of jobs all along ones life” or “a series of positions” in the hierarchical order of the positions the employee takes in a successive manner, following a predictable rule.

Gerry Johns describes the career as being “an evolutional sequence of professional activities and positions occupied by a person, same as the attitudes, the information and the abilities he/she improves on in time. In order to understand the term “career”, Gary Johns mentions three aspects that must be paid attention to: a career means mobility in time; it is the interaction between the organizational and individual factors; and it offers an occupational identity.

The way I see it, a career represents a succession of jobs, positions or occupations that a person has all along his/her life, in one or more organizations.

The managing career is described in the books on thins line as being a succession of the managing positions that a person may occupy during his/her life. The managing career supposes four stages: the initial one, the one of acknowledgement, the one of stabilization and the unemployment one. in the initial or exploring phase, the person usually has first line managing positions (head of an office, of a department etc). As time goes by and the person develops skills and abilities in working with people and also competences in strategic orientation and in obtaining real results, the person can move on to the acknowledgement and stabilization phases, occupying managing jobs in medium and superior hierarchic levels, not necessarily for the same organization. The unemployment or the end of the career is the stage when the manager moves from executive to consulting positions, in order to support the executive managers in managing the organization.

We all know that in a competing society, success mostly depends on the activity the managers at all hierarchical levels have. For some time now, in the big, lasting and growing companies a great deal of importance is being given to planning and administrating the managing career, continuous training and managing succession. (General Electric, Motorola, P&G etc) These are methods confirmed by the declarations of some of these companies’ managers: “From now on, choosing my successor is the most

important decision that I have to make. This is a thing that occupies a great deal of my time ,every day” (Jack Welch, Chief Executive Officer, talking about the successional plans, in 1991, nine years before his retirement.) “A responsibility that we consider extremely important is providing continuity for a competent superior management. We have always done our best in having well-prepared candidates, using training programs for the best of them and we have been very open-minded regarding success ional plans. E believes in the crucial importance of continuity.” (Robert Galvin, ex member of the Central Executive Office, Motorola, 1991).

Jim Collins (the one who wrote the best-seller “Excelling in Business”) and Jerry Porras, the authors of “Built to last. Successful Habits of Visionary Companies” say that, after some research that has lasted for six years, the visionary companies carefully develop, promote and select the managing skills educated inside the company in order to preserve the essential. Thus, General Electric is a durable company also due to the fact that, over one hundred years (the company has been established in 1892) the company has had very good managers, all of them coming from their own “managing nursery”.

The process through which the companies develop, promote and select the managers from the inside is considered a process of continuous self-consolidation, “a loop of continuity in managing”.

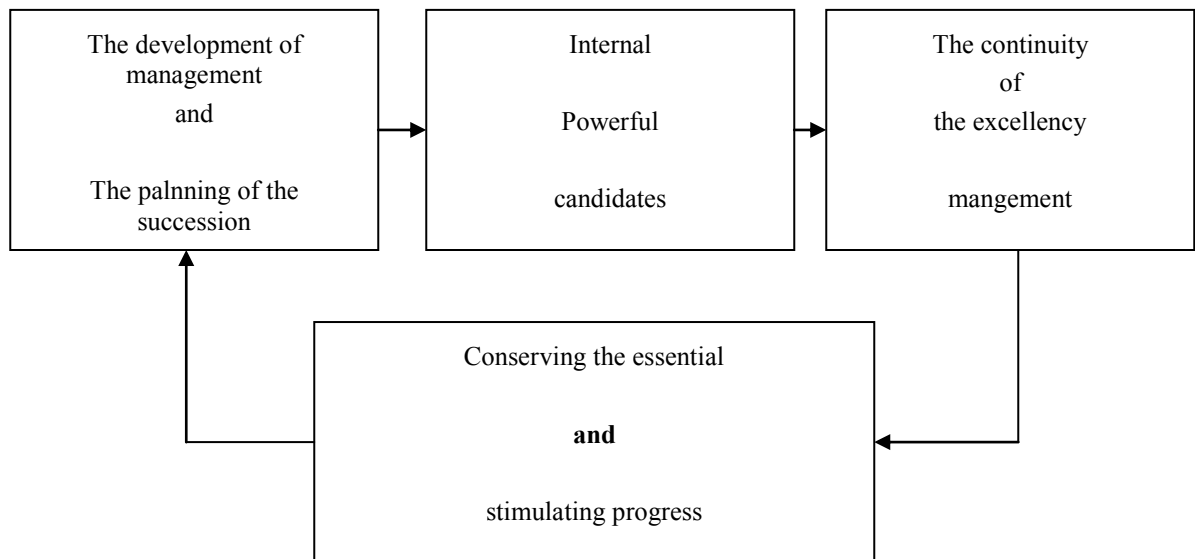


Figure no. 1. The continuity looping of the interior management

If one of the elements presented in figure no.1 is missing, it appears some discontinuities of management which oblige the organization to recruit and select mangers from outside it and thus making a distance from the fundamental ideology. The discontinuities can not lead to progress, the organization „slumps” itself because of the leading deficiencies. Thus, the „curve” of continuity of the leading board becomes the “hole in the leading process and the salvation syndrome”.

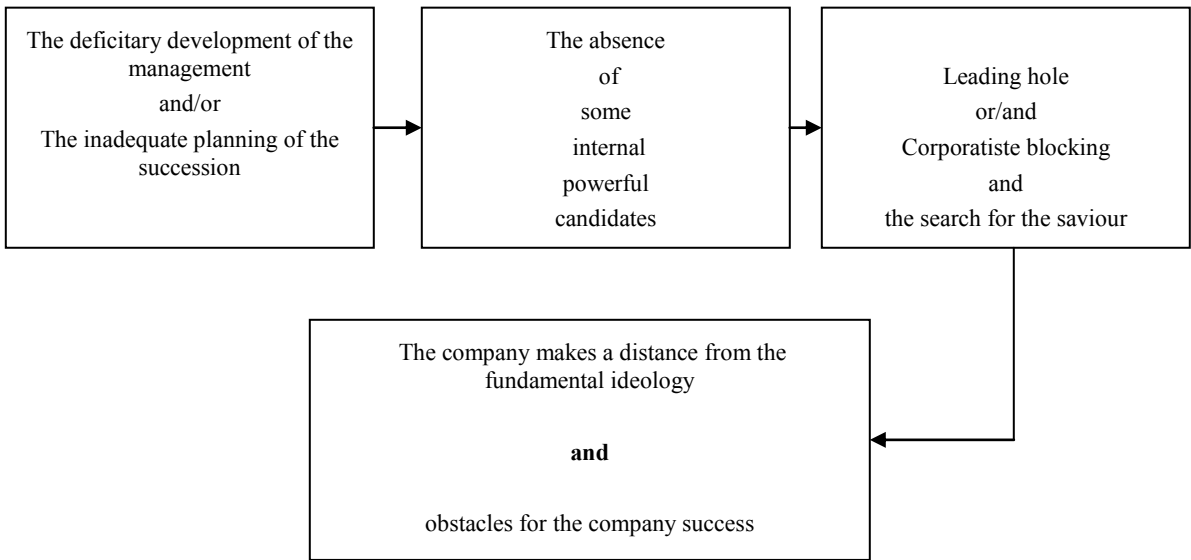


Figure no.2 The hole in the leading process, the corporatist blocking and the savior syndrome

The planning of the career is a very complex and systemic process for establishing the career’s objectives, for the elaboration and the implementation of the strategies necessary to assess the results and the opportunities. The process of career planning engages both the responsibility of the individual and of the organization.

Thus the individual needs and aspirations should harmonize to the needs and opportunities of the organization. The planning should take into consideration the fact that each member of the organization has his/her own needs, desires and that the individuals represent the human capital of the organization and they come from different environments with different backgrounds, experiences, skills knowledge beliefs being capable to change and discover new ways of acting if the opportunities stand very clear or if they are encouraged, supported, guided, motivated. The career management is the result of the interaction between skills and the accomplishment desire of the individual and the opportunities offered by the organization. The individual is much more satisfied of his/her career if the organization can offer him/her the professional environment in which he/she can put unto light his learning experience, skills and capacities.

Much more a company can offer a fit working background for an individual but at the same time, this background can be hostile for another individual. This fact is supported by Jim Collins and Jerry Porras, through the following examples: “if you are ready to adopt with enthusiasm the business pattern Hewlett-Packard, then your place is not at Hewlett-Packard. If you can not easily adopt the fanatic devotion towards clients of those of Wal-Mart, then your place is not at Wal-Mart. If you do not desire to be “procterised”, then your place is not at “Procter and Gamble”. If you do not want to join the crusade for quality (even if you work at the canteen of the company), then you do not have a place at Motorola and it is for sure that you will not become a “motorolan”. If you put under question mark the right of the individual to take his/her own decisions concerning the choice of what he/she can buy (as, for example, cigarettes), then your place is not at Philip Morris. If you can not accept the Mormon influence, the cleanliness and the devotion in serving the others of those working at Marriott, then you would better stay apart. If you can not embrace the idea of integrity, of “magic” and of “cosmic dust” and if you can not transform yourself into a hardworking, well-dressed individual, then you do not like to work at Disneyland.

In order to be more efficient, the planning of a career one should realize an agreement between the goals of an individual career and the personal needs of the organization, between the individual efforts to develop and the training programs elaborated by the organizations. The career developments programs aim to steady harmonize the individual needs and the organization opportunities which are changing permanently. The choice and the development of an individual career should be regarded within the context of life and development of a family and not only as employees of an organization.

Unfortunately, in many organizations in Romania, the detailed plans of the professional career evolution of the employees are not present, and even more, the companies do not have a policy of the career evolution capable to guide the training activity or the development of human resources and motivate the individual performance. Such a policy could be a model to follow for the employees in order to compare their expectations, desires, aspirations and be able to control their efforts towards a self improvement of their activity.

I consider it is useful to develop some programs of initial and permanent formation of the managers at the level of post-gradual, master, doctorate studies and the elaboration of some programs for managerial development and career planning at the level of the organizations.

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CONTEMPORANEOUS IT TRENDS IN THE HUMAN RESOURCES MANAGEMENT

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Resume

ERP System (Enterprise Resources Planning) has a positive impact upon the corporate performance, offering the possibility to adjust the main economic processes already applied by its organizational diagram, so as the decisions are done in real time.

A contemporaneous tendency in area of the market of human resources applications consists in mixturing these ones with the ERP systems among the companies.

The use of ERP systems involves:

- *Identification of needs*
- *Control of data reliability*
- *Control of divisions during implementation*
- *Involvement of a mix of division in the process of implementation*

Key concepts: corporate, performance, systems

The success of corporate units in the markets, is closely link to their capacity to gather information, to select and administrate them according to the activity specific, to analyze the dynamics of performance ratio, and to take optimal decisions under different assumptions. By this way, the corporate activity can be permanently adapted to the new challenges coming from the market and from the competitions.

The human resources is, without doubt, considered as among the most important ones for employer. Efficient use of labor force and the possibility to asses the employees performance, the optimization in the recruitment process, the training of personal - are only few of the elements being the base for a business success.

The new trend in area of human resources is to transform this activity from an administrative one, into a strategic instrument of planning and development the business. The management of human resources generates a major role in profitability increase. So the use of IT System for administrating the human resources is a necessity.

The IT solutions used in the human resources management are supposed to be able to offer dedicated functions for assessing the employees efficiency and to supply an efficient training. Additionally, a dedicated IT application is able to lead to lower costs done by HR departments, and so to preserve the profits.

In the last years, the market of HR software has recorded an important development. The increase of IT business was link to the diversification and quality enhancements of managerial applications including the human being factor. Nevertheless the wage payment software remain the main core available for management decision makers.

Although the market is good enough for exclusive wage payment software applications, the IT companies started to feel the need of diversification their services toward human resources managerial solutions in order to increase the efficiency. It is a common behaviour of progress no matter the area of activity, nor the business dimension, while the focus is done upon the services' quality enhancements, and plus value-creation.

Among medium and big companies there is a higher interest for acquiring the specialized modules for assessing the employees, recording the brief cases and increasing the selection, all these are programs looking for gaining competitive advantages.

Under such market demand, it is no wonder that the share of specialized IT application continues to increase.

Real time decisions

The modern tendency is to generate a IT application that is capable to integrate main economic flows, so a decision is done in real time.

One such system having quite a good success is called FRP (Enterprise Resource Planning).

According to the related definition, an integrated system of management of human resources includes all data and process available into a company under the same umbrella. The users appeal a unique data base in order to save data coming from different modules. Having a module-based structure, there are available decision making processes and data updates in real time upon all main activities a company can have:

- Resources management
- Finance
- Supplying
- Sales
- Planning and monitoring the production, so on.

A modern trend is to develop and then to integrate very complex modules applications into the existing ERP systems. In this way, there were built IT products at high degree of specialization and company dedicated which in the next stages are to be included progressively in to ERP systems. A main demand is in area of wage payment, accounting operations, payments and transfers, maturities and scheduled debts.

The heart of ERP system is the data base. It has to be easily compile by all market programs, and the results should be reliable. Besides, the report obtained by operative actions should required a simple working interface and a decent time consuming.

The diffusion of Internet link to the need of mobility and accessibility to informational resources of data base systems, have lead to worldwide use of client-server architecture even in the area of human resources.

The modern business market imposes the availability of dedicated functions inside each IT module especially in area of human factor. Because, even if the strategy is wrong or good, the final result is due to human resources implications. Under such premises, the main costs are expected to be lowered by an adequate allocation policy of all resources.

More and more companies realize regarding the increasing importance of integrated IT system, the need of a dedicated human resources management module. So the big companies are more and more exigent when asking for IT applications and solutions. There are preferred complex IT solutions offering efficiency in resources management, being avoided the simple programs that cannot be put in interaction with other modules.

Implementation of HR management solution inside of ERP integrated system offers a high degree of interoperability with the other applications and modules, so a better efficiency and coordination. As result, once an information about a person is inserted in the system, it becomes available to all other modules in real time while all data bases are also updated together with the reports using those data.

The dedicated IT solutions in Romania started to become more and more complex, from a simple wage and present application, toward an evolution tracking of employee even from the moment of interview. There are solution that search for certain feature in all administrated data base of a company, looking for example for educational level, or studies participation, or individual career. In the same time the report are more and more complicated. In the present days, a simple wage report is no more sufficient because now it involves statistics applications or other professional data. One of most challenging request is to lower the administrative cost using integrated IT software, related to the incoming process of human resources transformation.

The role of IT system upon the human resources department depends on one side from the degree of development of the subject company, and on the other side from the position of human resources

department in the company structure of decision makers. Thus, an entry level company will almost certainly request simple IT solutions focused especially on the bonus and wages identification and administration. A more complicated IT integrated system is not preferred by small companies because of the simple things it needs: small data back-up data; easy update of reports to any organizational changes. When the company becomes bigger, its human resources activities increase in importance due to: diversifying the wage packages and recruiting methods, training and performance assessing. As a result, there is the moment for the market of IT integrated modules that are able to cover all new needs.

Before making the choice for implementing an integrated IT software there are to be considered the following:

- Identification of company needs

This stage requires identification of data flows for such applications. So, it is necessary to fulfill an overall informational analysis of company as element of success. In the case that the analysis is not complete, the additional cost during exploitation are to be much more important than the savings obtain with IT appeal.

- Control of data integration

The capacity to maintain and develop the coherent data is always an important thing because the rate of error has to be strictly control. In fact, it can vary from one industry to another one. So, the importance of the dedicated specialized solutions will mean the possibility to enhance the safety degree (= good operative results) of activity.

- Implied-divisions implication in the process of implementation

Organizational history and management can be a brake for the integrated IT systems. There are many situations when the management overlooks the boomerang effect of the issues that request for IT integrated software. So the complexity of data implies the use of all divisions using a certain data, not only one divisions because the lack of reliable data will appears. It is not simple, in fact there are complicated flows' modulation, and a high degree of communication it is suggest.

As principle, the human resources management application being integrated inside of a aggregate IT software, will bring thus a high flexibility in order to respond the particular tasks of a certain company, and also will respond the updated legislation for the contractual period. Such a module should be built up in order to allow:

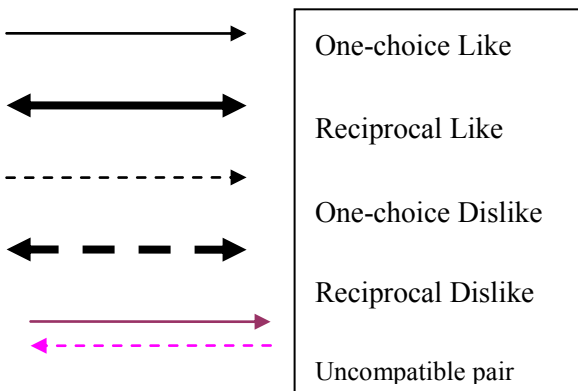
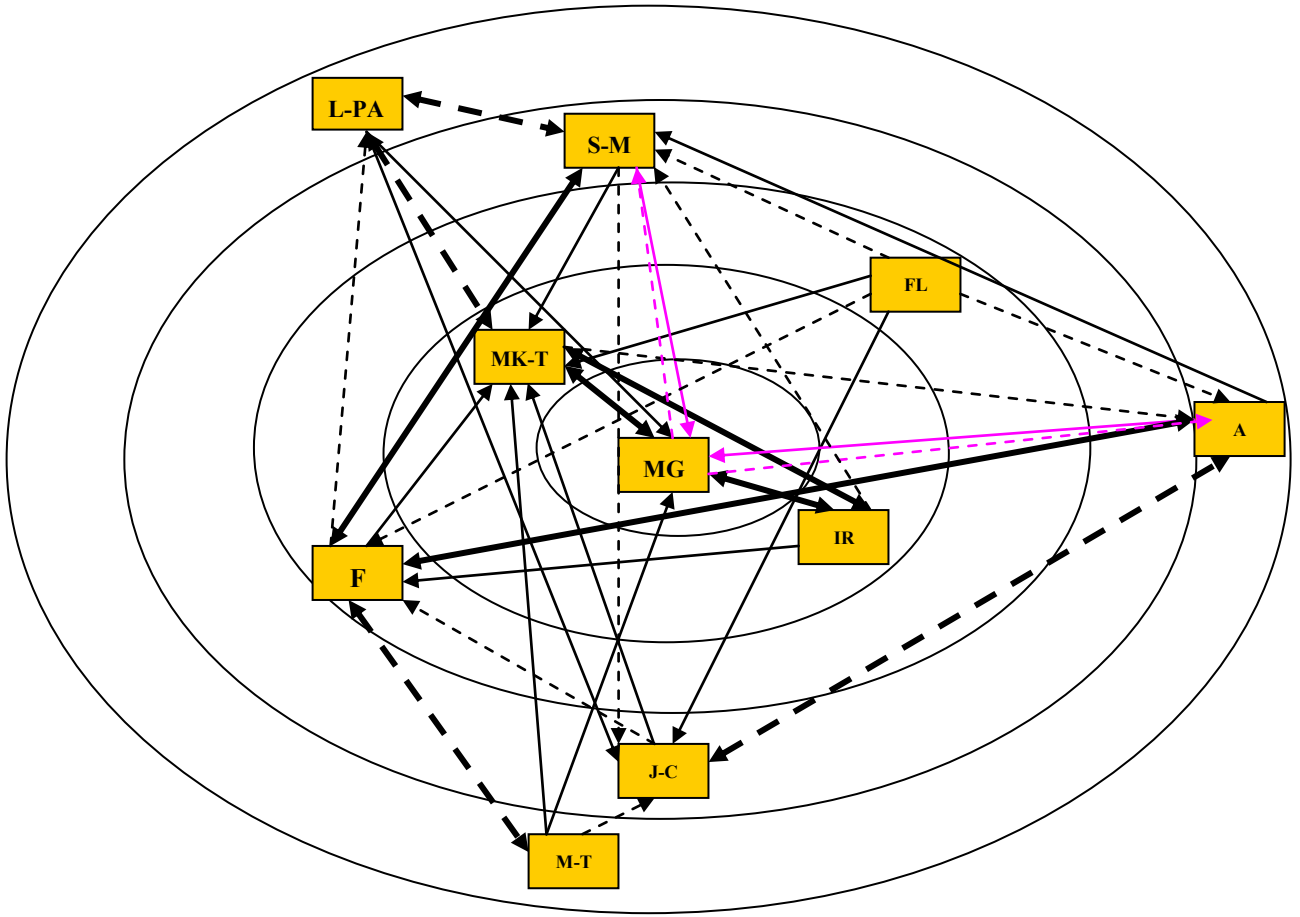
- selection and personal recruitment
- wages administration together personal and professional data
- training and administration of trainings
- computing the efficiency of employees both in quantitative and qualitative area
- tracking the individual career of employee
- reporting statistical indicators
- So, the IT module is to participate actively to
- lowering costs and increase efficiency
- lowering the efforts done in area of human resources management
- performance tracking
- security and data protection
- real time access to different information
- transparent integration among modules
- respect to the law

The contemporaneous practice, has shown that a good created and implemented ERP system has as result a better administration and efficiency of enterprises. In conclusion, the contemporaneous economies are mechanisms that require the company for implementing viable IT solutions in all domains, including human resources. It is a natural process of transforming the old professional function of hr department toward a new one called the business partner.

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APPENDIX. THE SOCIOGRAM (Likes&Dislikes)



FROM TQM TO GQM – A NEW SHIFT IN A GLOBALIZED WORLD

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We witness today a tremendous intensification of global competition that turns to be and to become an obvious reality for new and old businesses, for the companies that meet complex challenges in every phase of corporate management. Among the management areas that should come under a careful examination, quality management is one of those that must be examined afresh when economies, markets and industries operations become global.

As practice proved, quality management concept evolved from the engineering and statistical concepts, centered on the statistical quality control, to the large view of the concept that encompasses broad organizational issues and scopes. Today, the quality concepts are under the domination of Total Quality Management(TQM). Concepts standing out as main factors in TQM implementation are these days well established and used: customer value satisfaction, continuous improvement, total organizational involvement.

Though TQM is successfully used by many firms, many conceptual and practical questions remain unanswered while global markets and industries are a fact of economic reality.

In this context, Global Quality Management (GQM) is a new and emerging area of quality management practice but, despite its frequent use, it is not yet defined, analysed and researched. This paper makes GQM its research focus in order to contribute to the understanding of the concept, and to establish a track for new and future research.

Keywords: quality, management, total quality management, global quality management

A new vision over TQM

Many authors noticed that it has become something of a cliché to say that organizations have gone through a lot of changes in recent years. Although, it is obviously that the changes at business environment level are common for all times, the last transformations have something significantly different.

Since the 1960-1970s the development of the economies, societies and world gained new features. During these years, three different but interacting processes took place. The rapid development of information technologies, that exceeded all forecasts; then it was the globalization, which highlighted the significance of the environment as of global unifying connection, and the last process was formation and increased pressures of different non-governmental movements and stakeholders' groups. These processes and reaction influenced by them stipulated development of the new social structure - net society, new kind of economics, and new virtual culture.

Nowadays, most of the transformations are associated with *external* pressures. External pressures may be understood as pressures for change, associated with a number of global phenomena.

In this new given environment, it is obviously that management shifts from a situation where the future was controlled by focusing on internal forces, to a situation where any company must deal with lot of external pressures.

In this context, Total Quality Management (TQM) was one of the most commonly used change management tools. At first sight, the traditional approach of the evolution of quality management concept from inspection to control, assurance, and, finally, total quality management, does not build a visible link between

quality function and external pressures. On this ground, the changes in quality management concept are to be underlined:

- Quality as a quantitative aspect, emphasizing qualitative factors.
- The reactive function of control changing to a preventative function of assurance, and to a proactive vision of quality.
- Moving from focus on the final product, to quality on tasks and processes.
- A global perspective of the organization has emerged as a result of the increasing integration of different aspects of quality, as so the social and environmental aspects are now added to commercial dimensions of organization.

During the last years, the purpose of quality movement, as part of quality management evolution, is achieving business excellence. Many researchers notice that most of current business excellence models focus predominantly on a single bottom line of financial results rather than also attending to the social and environmental impact of businesses. However, the top most common and widely used quality management tools for measuring business excellence, The Malcolm Baldrige National Quality Award and the European Quality Award, are using wider approach. Principles of business excellence are linked with corporate social responsibility goals, i.e. these business excellence models are measuring, and therefore are promoting methods of managing external pressures. Society results, along with people results, partnership and resources, and customer results are among the key evaluation criteria. This is a true evidence of the quality management movement extending its scope to include social and environmental responsibility to address the changed demands of today's business.

TQM is today seen as an organization-wide effort that emphasizes three core principles:

- Customer orientation.
- Process orientation.
- Continuous improvement.

The concept of customer focus is developing into meeting the needs of a broader group of customers including human stakeholders, environmental stakeholders and other interested parties in societal sustainability.

TQM, as a management philosophy, has elevated the implementation of quality management practices from operational to strategic level. Sustainability cannot be separated from evolution of TQM, since sustainability itself should be defined as the ability of organization to adapt to change in the business environment, to capture contemporary best practices, and to achieve and maintain competitive performance. The evolution of TQM therefore always evolves along with the changes in the business environment.

It is widely believed among scientist of TQM field, that TQM approaches may be applied to the future business environment; just the boundary conditions of TQM should be assessed and understood. In stable environment, the TQM approach for continuous improvement is appropriate and effective. In the context of a recent uncertain global environment, agility becomes a core competence for organization that must develop capabilities to adapt quickly to the changing environment. Therefore TQM theory should reconsider conception of continuous improvement as a contrary or supplement to innovation.

Many researchers had a vision of TQM development in the future as integrated system of four basic pillars:

- TTM - total transformation management
- TCM - total customer management
- TIM - total information management
- TRM - total resource management

There exists lack of the literature and empirical evidence of focus on the relationship between TQM and a corporate strategy. It was emphasized that strategic quality management is seen as the key to being competitive; however, the philosophy needs to emphasize integrity, environmental issues and social responsibilities as key elements.

Summarizing the above said, it is assumed that TQM will evolve to strategic TQM and sustainable TQM, both of which may contribute to successful organization management and coping with emerging changes of global business environment.

In this context, it is required the movement beyond TQM to develop a quality concept that reflects the nature of global corporations and their markets. In the last years, this concept was called "Global Quality Management" (GQM). From the several definitions allocated to the concept, one seems to be appropriate to the changing global business environment:

The strategic planning and integration of products and processes to achieve high customer acceptance and low organizational disfunctionality across country markets.

The definition incorporates the basic philosophy of TQM, but recognizes the challenges for quality management when the organization's business is worldwide. As the number of country markets in the global network increases, the diversity of quality environments across country markets requires that the organization balance local customer requirements with realistic supply-chain capabilities within and across markets.

GQM overview

GQM is a significant extension of the TQM concept. Although it has in common with TQM a highly customer-oriented philosophy, the expanded geographical and cultural boundaries of quality-related activities require a more dynamic and integrative approach.

TQM marked a major conceptual and managerial advance in its linkage of production with marketing, as well as other quality-related functions. Still, in the context of a single country organization, the organizational implications of TQM are relatively straightforward. Even when multiple countries are involved, such as a company importing raw materials from abroad, the organizational requirements can be coordinated from a home headquarters. In a complex network of quality chain activities, coordination from a single headquarters becomes untenable. GQM entails organizational adjustment.

Spurred on by regional economic integration in Europe and North America, and the high economic growth of Asian countries, large international companies are building globalized production networks with regionalized systems in several locations.

The varied vertical and horizontal linkages of subsidiaries have not been formed by centrally controlled mechanisms but, rather, according to each subsidiary's individual situational needs. Situational factors include availability and access to raw materials and components, capabilities and technology access of the subsidiary, and the subsidiary's access to local markets and market channels. The result is that the constellation of quality-related activities becomes region-specific. In some subsidiaries the quality chain may be fully integrated; in others, it may be appropriately partial.

A key characteristic of GQM is the networking of activities within and outside the firm, along with other elements of the overall supply chain. The diversity of markets across countries introduces constraints such as differentiated customer requirements, but also offers opportunities such as greater economies of scope. In this context, there is a high premium on GQM, which enables great flexibility. Because of the great number of configuration possibilities for networking, corporate control of GQM cannot be centralized at a home headquarters. Instead, a combination of regional headquarters coupled with global coordination appear to be a hybrid mechanism that allows adaptation to regional differences while enabling cross-fertilization among the corporation's subsidiaries. In the age of multiple headquarters, GQM is the appropriate quality management concept.

Viewed from an upper level, the next evolutionary stage, GQM can be linked to TQM through a set of key comparisons.

Objective

Comparing TQM with GQM, the main concepts behind TQM are maintained, but GQM enlarges the objective to encompass the concerns of multiple functions across multiple countries. A domestic firm attempting to apply TQM in an environment with multiple markets and manufacturing sites is beginning to engage the issues that are raised with global markets and manufacturing. GQM expands the concepts and issues even further to include national sovereignty, language and cultural distinctions, geography, and tax, tariff and currency considerations. The level of complexity in objective is importantly increased.

Market Focus

TQM and GQM are similar in focus on the market, but the number and diversity of customer requirements across markets implies that customer satisfaction may be more difficult to achieve, especially if resources are limited. As the notes on the expansion in objective underline, customers' perceptions of value are likely to differ widely, much more widely than is possible in varied sites within a single country. On the other hand, a wise market research coupled with creative multi-national design may make it possible to generate and meet demand for global products, particularly where new technology is involved.

Cultural sensitivity is a particularly problematic aspect of perceived customer value. The well-worn axiom "Think global, act local" puts the matter succinctly. The objective is products and services that are locally acceptable, yet are designed, developed, manufactured and distributed under a global environment, which embraces intelligent strategies that fit together.

Production Focus

TQM and GQM are similar in their production focuses, but GQM involves extending TQM to the point where disfunctionalities begin to appear. Involving all functions and all levels in all countries, which is the case in a complete global extension of TQM, naturally entails a seemingly endless set of possible configurations. Not all functions may be located in a particular country. If a business unit finds that domestic suppliers are not price-competitive or that technologies are incompatible, it may be forced to link up with suppliers abroad. Likewise, a need for familiarity with local markets may motivate linkages with foreign distributors.

In this expanded multinational "supply chain," a new perspective is called for that is beyond functional integration in the context of a single country. Therefore, the resulting organization of production likely will have to be based on a linkage among organizations across country boundaries. Consistent with this is the fact that production decisions cannot be centralized in a home country headquarters, as may be possible in the simpler TQM environment. Responsiveness to diverse market needs is likely to require maintaining a network of multiple headquarters. The key capability that enables companies to minimize potential disfunctionalities in a global context is flexibility. Production processes that simultaneously allow low volumes, high variety and low cost can offset the disadvantages of diverse marketing requirements.

Information Systems

The technological advances provide the information systems support for effective global operations, including GQM. However, in most instances, it is not the hardware or software part of the system that poses the challenges. It is more likely to be the information infrastructure that is locked into architectures and organizational designs based around earlier technologies.

Ideally, the existence of TQM variants throughout a global organization should offer such benefits as internal benchmarking and transfer of the lessons from successful TQM applications. Capturing such potential advantages requires sound and timely information moving freely throughout the global organization. Information networking among manufacturing units becomes instrumental. GQM should, therefore, not be viewed as simply "connected" TQM units. It is imperative that a global company establish an effective quality audit system that can routinely measure and transfer quality management "know-how" across TQM units. Given the rapid pace of technological development and change, GQM requires an integrative effort that links subunits across countries.

Technology Network

Since the factors and competitive situations across countries can be expected to be quite different, networking can consist of any combination of technology, supplier, production, distribution and marketing activities across markets. Sometimes, not all of these functions and activities can be satisfied within an intra-company network. For example, emerging technologies may have to be acquired from outside the firm and/or from abroad. The concept of networking has to include outside or foreign firms and science and technology organizations.

An important trend in global management is the formation of strategic alliances whereby companies strive to share complementary assets. While the concept is deceptively simple, its implications for GQM certainly are not. An integrated and harmonious quality management and improvement system are difficult to achieve in alliances that are a merger of companies with different histories and styles of TQM. In

practice, there are many obstacles within strategic alliances that inhibit organizational learning and transfer of "know-how." If managers can recognize and reduce these expected obstacles, the result should be increased GQM effectiveness. Clearly, inter-company compatibility of quality systems is a consideration when selecting alliance partners.

Conclusions

This paper focus on GQM tried to define the boundaries of an emerging quality concept and practice. The most of the recent transformations in organizations' business environment are associated with external pressures at the global level. External pressures are understood as pressures for change, associated with a number of global phenomena. In order to be successful in the future knowledge-based environment, companies will need to implement strategies and new tools for simultaneously creating economic, social and environmental values.

Total quality management philosophy needs to be rethought and recreated in the context of recent global transformations that make the shift to global quality management. The most likely and reasonable developments for contemporary total quality management should be made by incorporating approaches of sustainability and strategy to the concept of total quality management turning it into a more complex and large concept, global quality management.

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REMARKS ON THE IMPORTANCE AND NECESSITY FOR PUBLIC ENTITIES TO ASSOCIATE IN ORDER TO PERFORM EFFICIENT ACTIVITIES OF INTERNAL AUDIT

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Summary. In Romania, due to territorial extend of the audited entities, we deal with a great number of isolated departments for internal audit, consisting of 1 to 2 auditors.

The international audit standards recommend that the number of internal auditors should cover at least the minimum of activities performed by the departments for internal audit. Related to this matter, the first-class international practice recommends that their number should be of three intrrenal auditors at least.

The internal auditors of these departments consisting of 1 to 2 individuals encounter particular problems concerning the documentation, standards acquiring or implementation.

Key-words: internal and public audit, obligatory procedures of internal audit, risk analysis, realizing the function of internal audit through association (employment or office), chief employment or office for internal public audit, the Ministry of Public Finances the Central Unity for Internal and Public Audit Harmonisation (CUIPAH).

The analysis of organizing and functioning of compartments for internal audit in public institution

Apart from the subjective issues mentioned above, the internal auditors of these departments face also objective issues on the sense that they are not able to insure the accomplishment of some compulsory proceedings within an audit action, such as:

- activity of supervising the method used for internal audit tasks, respectively use of all proceedings, assessment of risk analysis, test examination during the on-site intervention, quality of remarks and recommendations, of internal audit reports, supervision of recommendations implementation;
- ensuring a program for quality development and improvement concerning the internal auditors' work.

The situation mentioned above is encountered both in local and public establishments which are chief credit rulers (city halls) and in other central public institutions (agencies, offices, authorities and others) which are not subordinated or they are not under the coordination or authority of other public organizations, but which make circulate annual budgets of 100,000 to 2,000,000 Euro, consecutively, in 3 - year's time and which, according to the Law no.672/2002 on public and internal audit, they are obliged to found departments for internal audit.

To analyze this matter, the Central Unity for Internal and Public Audit Harmonization - C.U.I.P.A.H. set forth *the assessment report for the current status of internal audit organization in small-sized central and local public entities subordinated to another entity*, discussed by the Comitty for Internal and Public Audit - CIPA, in December 2004.

The conclusion of the assessment report was that within the public and local entities, which make circulate an annual budget, the equivalent of 400,000 euro in Romanian currency, it is difficult to make available the position of internal audit by own forces, the reasons being the following:

- reduced amount of allotted funds;
- limited domain for auditing;
- lack of trained personnel;
- management misunderstanding the part that the internal audit plays.

All these objective limits make it necessary to find out some more flexible methods for making available the position of internal audit within these small-sized public entities and to dissolve the departments consisting of 1 to 2 internal auditors, isolated and spread on territory, founding some effective and operational structures.

The assessment report analyzed the possibility that the internal audit structures, within the territorial General Directorate of Public Finance, should generally perform the audit in small-sized public institutions, chief credit rulers which make circulate an annual budget of 100,000 euro, taking into account that in this case there are only 67 public entities in the entire country.

Meanwhile, the assessment report considered also the possibility of increasing the limit for small-sized public entities from 100,000 to 2.000,000 euro whose regular audit should be performed by the Ministry of Public Finance, as well. In this case, the number of small-sized public entities grows from 67 to 735, meaning that the Ministry of Public Finance can not provide it, not even in the farthest future. All these lead to the conclusion that it is necessary to find out a solution of partnership among these small-sized public entities and together may perform the position of internal audit, in accordance with the International Standards provisions.

To this effect, we recommend *to perform the position of internal audit in association, respectively by creating common structures of internal audit providing the position of audit for more entities with compatible activity domains.*

This method could be used in small-sized public entities, especially those which make circulate an annual budget of 100,001 to 2,000,000 euro, its equivalent in Romanian currency.

In these cases, the association is going to build up on geographical criterion, on main means of communication by joining the entities of the larger villages, cities or towns. Generally, it is recommended that by association to be founded departments of minimum 3 internal auditors in order to provide a complete covering, but it is considered that a structure of 5 to 7 individuals working full-time would be more efficient for the internal audit activity in order to be sorted out on performance criteria.

The executives of public and local institutions, which wish to associate for organizing, operating and performing the internal audit, will keep in view, at least for the start, the following aspects:

- grouping up the public institutions on size criteria in order to create the associations;
- setting up the rights and obligations of the associating institutions executives concerning the conception and provision of headquarters, furniture articles, computers etc., for the internal audit departments;
- selection and working frame for internal audit organizing structure with an executive personnel in order to comply with the law conditions related to professional training, integrity and required objectivity;
- provision of juridical assistance on termination of association contracts, of conditions of executive activity development within the internal audit department;
- effectuation of supervision and control proceedings for norms implementations by the territorial General Directorate of Public Finance.

Depending on the amount of activities, as well as on the number of public institutions that form the association, the organizing structure that is under construction -department or office - will include the executive position - departmental manager or head clerk - as well as a suitable number of executives, internal auditors, respecting the legal provisions of the Statute of municipal officers.

The internal audit departments or offices of the associated entities perform internal audit team - work and the resulted reports are presented to inform on and to be approved by the executives of the respective public institutions.

Dependant on the way the activity of the association internal audit department or office goes, the contractual parties could as well anticipate other necessary rules, proceedings and activities, on the basis of the amendments and completions to be set out and mutually agreed on in the document attached to the initial contract of association.

The internal audit department or office of the local and public institutions association subordinates to the executives of the local component institutions, and for the operational management of the internal audit department is empowered, having the mutual consent of the executives of the local and public associated institutions, the executive of the local and public institution where the internal audit department performs its

activity. If the internal audit structures operate within a different headquarters it is essential to be set out an operational executive system for them.

The manager of the internal audit department or office, by the obligation stated by the local and public associated institutions, does not have to get involved in the elaboration of the proceedings for internal control within the local and public associated institutions. Also, the manager is appointed/dismissed by the competent executive of the local institutions, having the approval of the C.U.I.P.A.H.

The internal audit applies to all the activities performed within the local and public associated institutions concerning the foundation and use of the public funds, as well as the administration of the public inheritance, aiming at implementing, according to the law, the internal audit which examines the actions took on the financial effects on the basis of the public funds or inheritance in order to respect the assembly of principles, procedural and methodological regulations which are applicable to them.

Every three years at least, but not restricted to this, within every local and public associated institution, the internal audit department or office of the association audits the following :

- a) the budgetary and legal engagements from where derive directly or indirectly the payment obligations, inclusively the social funds;
- b) the payments took upon by budgetary and legal engagements, inclusively the social funds;
- c) the sale, mortgage, cession or rent of the goods from the private sector of the state or of the territorial and administrative unities;
- d) the cession or rent of the goods from the private sector of the state or of the territorial and administrative unities
- e) the public funds collection, respectively the method used for authorizing and setting up the debt security, as well as for the facilities offered on their cashing;
- f) the budgetary credits allocation;
- g) the accounting system and its liability;
- h) the system of taking decisions;
- i) executive and control systems, as well as the risks associated to such systems;
- j) data processing systems.

The territorial structures of the M.P.F., delegated by the C.U.I.P.A.H., will supervise the implementation of these principles performing together with the executives of the local and public associated institutions periodical analyses on the way the internal audit departments or offices organize and carry out the internal audit tasks stated in the activity programme.

The internal audit departments or offices, on the basis of the statutory tasks, periodically report to the executives of the local and public institutions, as well as to the internal audit structures within the territorial General Directorate of Public Finances and within the one in Bucharest, the accomplishment of the legal tasks and the method of implementation, in time and respecting the general norms concerning the performance of the activities of the scheduled internal audit tasks.

The territorial General Directorates of Public Finances and those from Bucharest periodically inform the Territorial Councils of Public Administration on the methods used for organizing, operating and performing internal audit activities within the local and public associated institutions.

The territorial General Directorates of Public Finances and those from Bucharest present to the C.U.I.P.A.H. annual reports on internal audit structure, operation and performance within the public associated institutions.

The C.U.I.P.A.H. annually brings up to the executives of the Ministry of Public Finances the Report on the internal audit activities performed by association with the public associated institutions.

Conclusions

We consider that the suggestion to perform the association of the small-sized internal audit departments is possible and it will have an influence in complying more strictly with the provisions of the international standards and with the first-class practice recognized in the domain.

The manager of the internal audit department or office within the associated public institutions is responsible for organizing and performing the internal audit activity, ensuring, according to the law, the execution of the following tasks;

- a) elaborates and passes on to be approved by the executives of the associated public institutions the methodological norms of internal audit, norms that are put forward to the C.U.I.P.A.H. to give its notice;
- b) elaborates and passes on the internal audit planning to be approved by the executives of the associated public institutions;
- c) carries out the internal audit assignments aiming at the assessment of the financial management and control system within the associated public institutions, paying attention that these comply with the legal, right, economical, efficient and effective norms and presenting to the executives the respective reports;
- d) informs the C.U.I.P.A.H. on the recommendations unimplemented by the executives of the local and public associated institutions, as well as on their consequences;
- e) periodically reports to the public associated institutions the remarks, conclusions and recommendations resulted from the internal audit activity;
- f) elaborates the annual report on the internal audit activities;
- g) in case it is identified any disorder or possible prejudice, he immediately reports it to the executives of the public associated institutions.

Factually making the association represents a structuring issue which will serve all the public institutions involved in association and will have an influence on the performance of some audit tasks in accordance with the norms of each institution and under the conditions of providing corresponding independence and objectivity as the internal auditors concern.

Also, after association, the costs will lessen due to a higher quality and a greater efficiency of the internal audit activity that may direct to reach some elements of performance.

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HUMAN CAPITAL, INVESTITION IN FORMATION AND REMUNERATION AT ORGANIZATIONAL LEVEL

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Abstract: Work quality depends on intellectual and physical capacities of the employees. The theory of human capital supposes that persons can improve productivity by voluntary activities of investment in education and health and even by migration. Wage differences translated this way the fact that persons are not willing to make investments in the same manner, in formation. Mincer establishes, in 1974, a relationship that can be easily tested between salaries, number of study years and professional experience. Other studies impugns the justification of salaries increase during active life, only by investments in formation, made by the unit, bringing as an example in the increase with ancientness and / or experience. Even so, studies measuring the impact of continuous formation, realized in units, on salaries and productivity, are multiplied. The present article presents these evolutions with their nuances, showing that higher efficiency at ancientness is tightly connected to formation episodes and that the hypothesis of asymmetry can not be permanently invoked in this field.

Key words: human capital, education, continuous formation, productivity, winner title

I. INTRODUCTION

Work quality depends on intellectual and physical abilities of workers. Human capital is presented as an endogenous factor, resulting from investment variants coming from families, employees and of the unit in education, to which will be added the skill (ingenuity), migration and even health. This hypothesis regarding human capital allows emphasizing two conclusions. First of all, using reproducible human capital by formation, accumulating and allowing assimilation of new technologies contributes at economic increase, as theories of the endogenous increase suggests. Secondly, splits of remuneration are explained by the fact that persons agree to interfere in a different manner in necessary formation of occupying some more skilled positions. That is why, salaries distribution taken into account the dispersion of the education levels.

Even if there appeared several complementary theories connected to formation and distribution of salaries, the theory of human capital is situated at the basis of economic problems regarding education and formation. The present study aims to offer information connected to the theory of human capital, being limited to investments in education system and in enterprise. It represents the winning model (Mincer, 1974), that become a reference in determination of wages, but also other econometrical works, which attempted to measure capability of education and experience.

II. HUMAN CAPITAL, CONCEPT AND PARTICULARITIES

The human capital can be defined as skills, knowledge, qualifications that the individuals of an organization has. It is about a capital because it is obtained with a certain cost in rare resources, i.e. time and/or money, in order to generate fluxes of satisfactions, incomes or utilities. The capital is human because it is found at each individual and it cannot be separated from it. Made up of both innate elements and acquired by costs, the human capital is submitted to the same rationality logic, which supposes a comparison between efforts and effects.

Another definition for human capital is an ensemble of competences, qualifications and other abilities held by an individual in productive purposes. It can be innate or obtained during the school, university life

or during the professional experiences, by transmitting knowledge and qualifications. The Human capital takes shapes such as intelligence, physical force, or knowledge given by family. It depends on genetic or family factors and less economic ones and it is supposed to be less shapeable in time. Its purchase cost are low and concern the attention that parents have for their child and the monetary benefits are supposed to be fixed in time. In the theory of the human capital the competences acquired are considered (Becker, 1964), in the same time, a *good that lasts* (it can be learned at any age), a *specific good* (everyone's competence are their property, being limited by their physical and intellectual or unexplored abilities without one's will) and a production good (they determine de productivity of the individual) and it has to be considered this way a *production factor* (just as land or cars owned).

The human capital theory is analogically built with the physical capital theory. Education and training are considered investments that the individual make rationally, with the purpose of making a productive capital inseparable from one's person. Any training action is costly. The relative costs that accompany this action are of two types:

- an opportunity cost, equivalent with the salary that the individual might claim if he would work in the time afferent to this training;
- a direct cost, caused by the expenses used in this investment.

The knowledge acquired by the individual represents a lasting source of incomes if it is used in professional activities. Accumulating human capital contributes to increasing the competences of the individual and its managerial productivity, because when balancing the level of the salary tends to increase. The efficiency in the human capital investment is obtained by the difference between the flux of the salaries that the individual has after the training and the flux of salaries collected by then. It will be profitable to invest if the difference between the updated values of these fluxes is positive and it exceeds the investments costs. The decision to invest depends at the same time of the comparison of the expected profits of the educational investments and the alternative investment (financial or physical). Mincer (1958) explains the first, the differences of salaries by the fact that all individuals are not as willing to train in order to have qualified positions. Schulz (1961) mentions that individuals can improve their productivity by willing to investing in their training, and thus it appears the idea of human investment. Becker (1974) develops the theoretical background and calculates the first, the profit indicators of the educational investment in USA. Ben Porath (1967) offers a rigorous solution to the issue of educational investment in the life cycle and shows that it is profitable to train completely at the beginning of one's life.

With all its simplicity this idea of the analogy between the human capital and the technical one, has limits that justify the restraints that the educational investment concept met in practice. However, the fact that he underlined in time the particularities of the human capital and deduced the necessary consequences among other for his financing and for the genesis of the social inequalities, made Becker's theory to be accepted and frequently used.

The main specific characteristics of the human capital, determined by the fact that it belongs to an individual are its customization, limitation and opacity.

The customization translates the fact that this chapter can't be separated by its holder. Making and using this chapter involves a total participation of the individual that holds it which explains the importance of the time in the cost of one's training. In order to train, an individual must give up remunerated activities. The remuneration level that one can claim depends n the level of training reached. As a result the cost of the investment increases at the same time with the stock of the human capital accumulated. Customization is in the same time a natural protection against risks of fraudulent appropriation by somebody else. Customization can have consequences that determine the limitation of the external financing opportunities in training. The people who decide and the beneficiary of these investments are people different from the investor (an organization), and the fear that the trained employees can leave discourages such a process. Still connected to the human investment it is important to notice that the credit market is less perfect than the one meant for financing the physical or financial investments, which grant higher warranties at a possible insolvency of the customer. This is the reason why the margin cost of the capital financing is superior of equal to the long term interest existent in the financial markets. This cost is increasing when one goes to more and more onerous financing sources (political resources, individual loans etc). It depends on the richness of the mobilized resources by each individual and becomes responsible of the inequality of chances.

Limitation of the human capital supposes that the possibilities of acquiring this capital are up to the physical and intellectual abilities of the individual. Thus, the margin profit of the investment must decrease while the individual effort increases. Moreover the investment in human capital is costly in time, and the period for perceiving benefits is limited by the human life time. Starting from these findings, Ben Porath shows in 1967, that if the margin profit of the investment is decreasing for an individual, it is beneficial to plenary devote to studies at the beginning of life and to continue the investments in trainings in a decreasing rhythm along time. Another interesting conclusion mentions that the choice of training options depends on the ability of individuals to valorize its results and of the importance of the resources that can be mobilized for financing the training. This is why the optimal level of investment in the human capital is powerfully individualized.

Opacity of the human capital. The knowledge and skills of a person are not aimed by a manager from the first meeting. At the beginning of the employment contract the manager doesn't know the real competences of the employees in his organization and may be tempted to offer the same age to different productivities. The signals that come after a period can determine the necessary differences from this point of view. The diploma shows a certain level of investment in education. The orthodox version of the human capital associates to a higher diploma a higher productivity and it is opposed to the signal theory (Aron, Spencer, 1973), according to which the diploma only has the role to select individuals the productive abilities of which are different. In the light of this theory, education does not necessarily increase productivity but it informs managers about the initial qualities of employees and their qualification for the suggested position. It plays the role of a signal for managers who can't observe directly the abilities of eth employees. From this point of view, the educational system simultaneously fulfills two functions: the one of passing knowledge and the one of selections of skills. The theories of human capital and the signal theory can be considered complementary.

III. PATTERNS OF THE RELATION BETWEEN HUMAN CAPITAL AND SALARY

Pattern Ben Porath (1967). Being inseparable of the holder, decisions regarding use will be taken as part of life cycle. It is supposed that each person maximizes the actual value of its human richness. If work market is concurrent and economics is stationary, salary is equal with marginal productivity, which evolutes depending on gathered human capital. Human capital reserve gathered at one moment "t" increases from one year to another depending on human investment that was realized in this interval and will be depreciated in conformity with a certain rhythm. Gross human investment depends on time and personal effort submitted, of the reserve of human capital gathered and of other resources, like didactic material that was used. Its expense is composed of financial costs (school, didactic material) and from an opportunity cost proportional with its productivity from previous period.

Human capital reserve increases as long as the gross investment is superior to already gathered reserve. This is the reason why the level of salary increases as long as net investment remains positive. Gross investment tends to be diminished once with age, as for, on one side, its opportunity cost increases and, on the other side, because the number of years that remain to register supplementary incomes and to consume more will be diminished naturally, alongside age. Also, human capital depreciation increases with age, due to the fact that this can not be separated by its bearer. Net investment will diminish in the same time while age advances, and from here results the fact the salary level increases with age up to a certain point and the decreases.

Winning functions (Mincer, 1974). Porath's patter allows characterization in a rigorous manner of the incomes profit, in time, but its empirical application is not obvious. Numerous concepts (Willis, 1986), like human capital, can not be observed directly. In 1974, Mincer published a material in which combined the theoretical stringency and empirical application. Starting from schooling model, in which it derivates in an analytical manner the effect of the educative investment on incomes, Mincer makes this procedure a general one, by including investments realized during active life. His pattern describes a situation in which gathering human capital does not cease once with formal education, but will be prolonged by successive actions realized during professional life. Marginal profitableness of investments in continuous formation is decreasing, so that the intensity of professional investments diminishes with age. By including in calculus a square form of professional investments, it will be taken into account their marginal profitableness and can

be given to this relation, profiles age - salary. Mincer connects the logarithm of the salary observed during schooling investments (measured by S time, spent in educational system) and pre-school (measured by professional experience, EXP), reachign relations:

$\ln W_{it} = w_0 + r_s S_i + r_e EXP_{it} + r_{ee}(EXP_{it})^2 + uit$, where:

W_{it} – person's salary in „t” period

r_s – efficiency obtained during school;

r_e – efficiency obtained during professional activities;

S_i – years of scholar study;

EXP_{it} – professional experience;

uit – ensemble of random elements that interfere in determining salary

IV. INVESTMENT IN FORMATION, REMUNERATION AND WORK VERSION

In his paper, Becker distinguishes general human capital from the specific human capital. Investment in formation will be considered general, if the employee which takes advantages of this will register an increase of marginal profitableness, the same in all enterprises. The efficiency of the investment will be the same for persons, disregard the enterprise in which he will decide to work as well as the salary received. That is why, other criteria will determine him to elect the company to which will work. In such a situation, the enterprise will avoid financing the formation, because he will not be able to finance the formation, as he will not be able to compare formation costs by future winnings, by increasing productivity, as the employee decides to leave. In case of perfect general formation, cost will be supported by the employee.

Specific investment in formation takes place in an enterprise and offers knowledge of valid competences, only as part of this. The person, taking advantage of such a formation will have an efficiency and higher salary only as part of the enterprise which made this investment. Mobility of the employee on market of work force will be reduced, as a result of loss that he might register. Such a situation determines a separation of cost and advantages of formation between two partners, which is convenient for both parts. Remaining as part of the same company, a person ensures himself a salary superior to the one that might ask for in another part, where will not have the same marginal productivity. The existence of this type of formation can justify the simultaneity of great salaries and existence of great stability in the enterprise that he financed.

Opposition which appears between general formation and specific formation presents to attention the problem of ancientness in the enterprise. If, in the function of earnings will be introduced a variable which measures work ancientness, it can be observed that years spent in the same enterprise have a superior value in comparison with the situation when they might have registered at other companies. In the proportion in which specific capital increases with ancientness, an employee gathers more and more competences that will be used more or less exclusive at his working place will have a salary that will increase with the ancientness and is more and more less susceptible to receive it.

Studies focusing attention on direct measure of formation received in the enterprise have the tendency to multiply. They use given information in which is mentioned time afferent to formation or its nature. A part of this will be interested, on the other side, of the impact of formation received as part of working field and productivity of persons, and on the other side, of the capacity of formation to be transferable from one company to another. Besides these studies, have been realized estimates of informal formation, or of formation at working place, through which was proved to emphasize the diversity of the modalities to obtain productive capacities. In an analyze for the direct measuring of the informal formation, Loewenstein and Speltzer showed, in 1994, that this represents a preponderant part of total formation from an enterprise (96% in case of first three work months). Informal formation can be received by contact with other employees, with superiors, learning by experience, learning by watching, and can not be dissociated of productive activity. The existence of some measurement errors of the variables of formation (formal and/or informal) are repercussions on estimation of efficiency that are associated, as Loewenstein and

Speltzer, showed in 1999. To prevent this aspect, there is an alternant manner which supposes realization of an intercession similar to the ones of Mincer, through which will be measured the effects of informal formation on winning in direct manner, starting from profiles of individual earnings. An extension of this pattern allowed the evaluation, in France of year 1992, at 44, 40 hours annual average on employee of informal formation, which represents about 80% from total information realized in the enterprise.

In which concerns organized formation (formal), majority of researchers evaluates a positive and important beginning of this, on employee. Starting from American information offered by organism PSID, Brown identifies an efficiency of over 11%. His ascertainment goes further, underlining the efficiency of the ancientness which is tightly connected to formation episodes. Brown concludes that effect of ancientness is due, mainly, to capital gathering and not to an asymmetry of information, as concurrent theories of human capital states. Another researcher, Booth (1991), emphasis also a powerful and positive correlation obtained mainly in case of off-the-job-training.

Another problem which might have been the object of several researches regards transfer of formation received in a previous enterprise. Results showed that this formation has an important impact on worker productivity in the actual enterprise. In 1994, Bishop discovers that training received in the previous enterprise increases sensible and essentially the productivity in the enterprise he is working at present moment, after at least one year of ancientness. This discovery completes the ideas of Stankiewicz, according to which general continuous formation develops especially the capacity of workers to adapt to new situations and so, increases future productivity. Other researchers (Baron, Berger and Black, 1993) establish, starting from worker's productivity that formation realized in the enterprise, no matter if formal or informal determines a higher increase of productivity, in comparison with the one of the salary. This way they justify the fact that the powerful mobility of workers in SUA compels them to bear a part of formation costs.

Even though, if training received during active life can be transferred and is essentially general, it can be observed that workers finances it by accepting some leaving salaries (debut) which are smaller.

CONCLUSIONS

Studies realized by several researchers allowed the emphasis of a tight connection between formation and salaries. The difficulty which appears in defining the measurements of investments in human capital prevents precision determination of the effects and evaluation of their dimensions. Using empiric verifications of the theory of the human capital depends on the availability of information which will support detailed information on training episodes.

One of the main critics addressed to the theory of human capital, concerns resources in competition frame. Even studies mentioned in the field of formation did not underlined the hypothesis of an information asymmetry, must be understood the fact that nature itself of the human capital is one of sources of imperfection on work market. As human capital is incorporated to a person, it can not be developed without the person's consent and this influences the nature of exchange relations between employee and employer. The theory of human capital joins theories of research of a working place, of assortment of theory of contracts, which refers implicitly to the power that capital incorporation offers to employee, in exchange relations.

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LE STRESS PROFESSIONNEL DANS LES SECTIONS DE PRODUCTION

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Extrait: La préoccupation pour le stress au lieu de travail est relativement nouvelle pour les Compagnies Roumaines que dans celles de l'Occident. En voyant les résultats, un sur trois employés de UE (40 millions de personnes) est soumis au stress au lieu de travail. A cause de cela, on perd chaque année 1 million de jours de travail. Aproximativement la moitié des employés manquent le travail à cause de la perte d'intérêt. On peut expliquer ça parce que les compagnies imposent des conditions de travail très dures ce qui conduisent à un haut niveau de stress, on constate aussi le taux croissant d'absentéisme au lieu de travail.

Les problèmes créés par le stress dans les conditions industrielles et les grandes dépenses pour maintenir la santé, imposent aux chercheurs du monde entier, l'élaboration des méthodes de combattre les facteurs qui sont des "inducteurs" de stress.

Motes clé: inducteur de stress, le management des changements organisationnelles, réducteur de stress, ergonomie.

LE MANAGEMENT DE STRESS DANS UN MILIEU DE TRAVAIL

L'intérêt augmenté dans l'élaboration et à la réalisation des programmes de management de stress au lieu du travail, pourrait être expliqué comme suit:

1. les employeurs ont commencé à se rendre compte du fait que, le stress au lieu de travail représente un problème majeur, non seulement pour le système de la santé publique mais aussi pour, la production industrielle qui demande la formation d'un fond spécial de dépense.
2. L'augmentation du niveau de compréhension, du mécanisme d'action du stress et ses interactions avec les différentes analyses des maladies, en incluant le dérèglement somatique de l'organisme de l'ouvrier.
3. Dans une mesure considérable on perfectionne la méthodologie d'identification et de l'appréciation du stress au lieu de travail .
4. On élabore les processus de réalisation et de légalisation des méthodes, qui permettent la diminution de la manifestation du stress au lieu de travail.
5. On obtient des témoignages que les programmes de formation qui entrent dans le domaine du management du stress au lieu de travail, influencent d'une manière rapide la situation financière de la corporation, et augmentent le degré de satisfaction des employés pour le travail fournie.

On doit mentionner que, l'opinion de la majorité des chercheurs et des pratiquants, se réduit de plus en plus au fait que la plus importante tâche de nos jours c'est "la production". Pour résoudre ce problème on emploie le système d'appréciation du stress professionnel, qui tient compte de quelques niveaux de manifestation de stress dans la société.

Chacun d'entre eux a un type de stress ou des "inducteurs" d'état de stress, pour chaque type d'inducteur on propose quelques types d'interventions des "réducteurs".

Groupés dans des catégories formelles et informelles, ils permettent la détermination du volume nécessaire aux mesures de contrôle personnelles ou organisationnelles par rapport avec les potentielles réactions d'adaptation.

LE MANAGEMENT DES CHANGEMENTS ORGANISATIONNELS

Il faut préciser qu'on a élaboré une série de mesures d'élaboration consultatives en ce qui concerne la diminution des niveaux d'évolution des situations de stress dans le rang des employés .

Les consultations prévoient l'emploi des méthodes d'identification "des inducteurs" du stress au lieu de travail (une tâche trop grande, des situations de conflit imprévues), des méthodes ergonomiques au lieu de travail qui prévoient la diminution de l'influence ou l'exclusion totale des inducteurs qui identifient le stress. L'avantage de cette approche permet la découverte des sources de stress au lieu de travail. Dans le même temps, les managers sentent le déconfort, parce qu'une telle méthodologie peut amener des changements dans les opérations traditionnelles, avec la modification du système déjà utilisé dans le domaine de la production.

Comme règle, quelques actions faites dans la direction de l'augmentation du niveau de stress au lieu de travail conduisent aux changements organisationnels pour améliorer les conditions de travail. Ces changements prévoient:

- -l'établissement de la tâche pour l'employé en conformité avec ses capacités et ses ressources;
- -la perfection de l'ergonomie au lieu de travail, permet l'assurance de la stimulation et la facilitation de démontrer les capacités;
- -la détermination du rôle de l'employé dans le processus du travail, et l'établissement de ses responsabilités;
- -la possibilité de l'ouvrier de participer aux réunions et à la prise de décisions
- - l'amélioration de la communication, en excluant la méfiance
- -assurer le soutien pour résoudre les rapports sociaux entre collègues
- -l'organisation des cours de réqualification, compatibles avec les possibilités et avec la responsabilité de l'employé.

Même les efforts faits pour améliorer les conditions de travail, ne peuvent pas exclure le stress en totalité. À cause de cela, la méthode la plus efficace est considérée comme une approche combinée.

LE MANAGEMENT COMBINÉ POUR PRÉVENIR LE STRESS AU LIEU DE TRAVAIL

À présent, il manque le management standard, qui doit montrer la manière de prévenir l'état de stress au lieu de travail. L'élaboration d'un tel programme et la prise des décisions correspondantes, sont influencés par quelques facteurs: les dimensions et la complexité de l'organisation, l'accès aux ressources et spécialement l'unicité du problème de stress. Comme règle on mentionne la suprasollicitation de l'employé, le manque de communication et de la flexibilité. Même s'il y a des difficultés dans l'élaboration des mesures universelles sur le stress au lieu de travail, on peut résoudre ça avec un paquet qui doit inclure des principes sur la conduite. Un tel paquet suppose l'emploi d'un programme de management pour combattre le stress, comme suit:

La première étape: Identifier le problème.

À cette étape on étudie les limites des situations de stress et, on analyse aussi, les sources du stress. Dans le même temps, on étudie les dimensions de l'organisation et l'accès aux ressources de travail. Dans les petites compagnies, on discute de ce problème du stress (des discussions entre les managers de la compagnie et les représentants des employés) pour prendre des informations sur les facteurs qui provoquent le stress. Dans des organisations ce type de débat pourrait être utilisé pour apporter des informations sur les conditions qui provoquent le stress.

N'importe quelle méthode employée, l'information doit inclure les caractéristiques de tours de travail, des dates sur le niveau du stress, que les ouvriers confrontent; l'état de leur santé et le degré de satisfaction de travail fourni. Le guide d'orientation des spécialistes dans le domaine du management est constitué par les conditions suivantes de travail, que l'apparition du stress emporte :

- -la nature de la tâche de travail (l'encombrement, une courte pause, le prolongement des heures supplémentaire de travail, l'agitation et la routine dans l'abandon des problèmes ont pour conséquence l'insuffisance du temps pour trouver la solution ce qui n'est pas nécessaire au professionnalisme de l'employé.
- - le style de management (manque de liberté de l'ouvrier à la prise de décision. le manque de communication dans le processus d'organisation du travail)
- -les relations entre ouvriers (l'environnement social défavorable, le manque de soutien le manque de compréhension

- -le facteur de travail (des conflits et l'indétermination (des conflits manque de détermination pour la résolution de leurs problèmes de travail,un haut niveau de responsabilité)
- -le problème de la carrière (des conditions dangereuses de travail,l'aide d'avancement dans leurs carrières)
- -les conditions dans l'environnement de travail (des conditions physiques infavorables et dangereuses , ainsi que l'agglomération dans l'entreprise, la pollution de l'air).

Les résultats issues des enquêtes et des observations doivent être analysés avec la formation de la réponse (dans cette compagnie il ya des problèmes de stress au lieu de travail ,quelle est le degrés d'inclusion a ce problème dans des différents sections de travail .

La deuxième Etape: la réalisation des interventions

Après la découverte du stress au lieu de travail, il faut essayer d'étudier son sphère d'action . Cette étape élabore des stratégies d'intervention pour prévenir les conditions du stress dans les petites entreprises la discussion sur l'identification de problème de stress peut conduire l'idée de liquidation de stress et la prévoyance de son développement.

Dans les grandes entreprises le management de stress peut être formel parce qu'ici il pourrait apparaître la nécessité dans l'élaboration des recommandations basées sur l'analyse effectuée des données de la première étape du management et l'obtention d'une consultation faite par des experts externes.

En dehors de cela,il pourrait apparaître une telle situation:l'un des inducteurs de stress,par exemple l'état de tension dans l'environnement de travail se développe dans tous les companies ,alors,dans ce cas, il est nécessaire d'avoir une large information.

Si un tel facteur est dépisté dans une subdivision séparée,il faut prendre une décision concrète sur la révision du processus de travail.Si l'état de stress est observé,l'intervention se fait sous forme de modification organisationnelle du lieu de travail,pour accorder l'aide psychologique nécessaire.

Il n'est pas nécessaire de prendre beaucoup de temps pour effectuer une série d'interventions,ainsi que,la réalisation des mesures peut être effectuée rapidement.En ce qui concerne ce type d'intervention on peut aussi rapporter le perfectionnement des méthodes de communication,effectuer des formations.

La troisième étape:L'interprétation des résultats des interventions

Une telle appréciation` est pas nécessaire pour établir l'effet des résultats obtenus a la réalisation du programme de management du stress et pour la détermination des lieux inédits,

Pour effectuer cette analyse, on doit établir un temps limite pour la recherche des lieux du travail et de l'enquête des employés parcequ'il ya des interventions qui prévoient d'effectuer des modifications organisationnelles différentes,le recherche doit avoir un caractère de courte où de longue durée.

L'appréciation des résultats de courte durée peut être effectué par trimestre ce qui assurera la dépistation du premier effet a la réalisation du programme de prévention du stress et donnera la possibilité d'effectuer la correction des mesures suivantes sur le management du stress.

Si on tient compte du fait que des types d'interventions ont un effet insignifiantes(les études de longue durée effectués a chaque année) nous permettent d'établir l'efficacité réelle des programmes de prévoyance et l'exclusion du stress au lieu du travail .

Dans ce cas, les recherches doivent être focalisées sur la communication et sur l'analyse des informations similaires.

Les deux (2) premières étapes du programme de management du stress dans ce plan on doit mentionner le fait que les employés ce sont soumis a la mission de prévoyance a l'action du stress: ils sont les premiers a observer les effets de l'intervention .

La détermination des dépenses au niveau de la compagnie peut être utilisé pour renforcer l'intérêt des employés sur le travail et sur le maintien de leur santé.ceci démontre que le stress au lieu du travail occupe petit à petit le droit d'appeler le syndrome du XXI siècle

On suppose que ce problème va aussi continuer dans les entreprises Roumaine .Pour accorder l'attention au problème du stress au lieu de travail, on peut considérer,de justifier et opportuner.Il reste a anticiper la processus de résolution du problème et la fixation du temps raisonable au niveau du seuil et l'effet négatif

commençant avec l'introduction des situations de stress ,nécessiteront l'emploi des différents méthodes de management ,leurs descriptions a été donnée ci dessus.Les interrogations seront a l'ordre du jours pour les manageurs autohtons de haut niveaux :<que faire?>Partialement cette réponse est représentée ci dèssus . Une autre question traditionnelle pour la Roumanie est *qui est coupable?*qui pourra être mise au cas où la mesure préventive ne sera pas prise.,les hopitaux seront pleins d'ouvriers affectés du stress .

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THE EVOLUTION OF LOHN AS A MANAGEMENT TECHNIQUE FOR THE INTERNATIONAL AFFAIRS OF ROMANIA

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Abstract: Businesses in lohn evolve differently, according to the partner country and to the activity sector. In certain cases they go all the way to consolidate partnership relationships between foreign and native companies. In other cases they delay the adaptation of local companies to environment changes. In conclusion, business contribution in lohn to the dynamics of regional integration is very much diversified.

Keyboard: businesses in lohn, evolution of the lohn, the lohn in European Union states

In Romania, during 1960-1970 intense efforts were made to industrialise the country and large production capacities were set up both in the heavy industry and in the consumer goods industry (furniture, clothing, footwear, marble, faience, ceramics etc.). However a discrepancy was created between the financial and human effort for production on the one hand, and for marketing, especially for the external trade on the other hand. There are many causes for this, among which:

1. product creation was not encouraged, as many engineers were oriented towards productive sections; product creation sectors didn't have the proper quantitative and qualitative labour force;
2. training of economists for external trade was strangled.

In the last decade of the 20th century and currently, the offer of labour force qualified in external trade has developed, however changes in passing to own-brand trade did not occur, because the Romanian economy has been corrupted on a larger scale: production, finance, external trade etc.

In order to perform direct exports, an innovating management-marketing activity is necessary within companies, but most of the Romanian company managers do not intend to develop own brand production or to promote modern management and marketing. This is how in the last decade of the 20th century and in the beginning of the first decade of the 21st century, lohn has come to represent the main method of export for the Romanian companies producing consumption goods, especially clothing and footwear.

Textile-clothing industry held in the last years about 25% of Romanian exports and 17% of the population employed in industry. The number of factories from this branch increased from about 800, as there were in 1989, to about 8.600 in 2002. Currently, more than 80% of the exports of clothing factories are made by means of lohn, Romania being seen as “a tailor of Europe”.

It is suggestive that in 2000-2002 our country was classified on the sixth place in the EU import of clothing and clothing accessories, holding in the same time the first place among the countries of Central and Eastern Europe as a supplier of clothing items. Romania has also taken the seventh place in the EU export of clothing and accessories, being classified on the first place among the Central and Eastern Europe countries as a commodity market for these products.

The footwear industry represents another branch in which production in lohn holds an important weight. In 2000 unlike 1990, the number of companies increased from 202 to 1.807, production decreased from 1 billion dollars 856 million dollars, and the volume of sales on the internal market reduced from almost 700 million dollars to only 19 million dollars. The greatest part of the footwear industry is exported by lohn but in certain cases there is the following situation: Romanian factories supply the shoe faces which imply greater technological exigencies in manufacturing than soles; the latter are brought by foreign partners and are marked with the origin country and company, therefore the trade mark. As in the case of clothing, the footwear produced and exported in lohn by Romanian companies returns to the Romanian producer with a

very high price.

The consequences of lohn generalization in Romanian industry are contradictory. On the one hand, it has contributed to employment and obviously to obtaining currency contribution for the Romanian entrepreneurs. On the other hand, the capitalization of Romanian companies is slow and modest, and the profit obtained by lohn export is small. Moreover, the sector producing threads, fibres and fabric has been deteriorated, a traditional sector of Romanian industry with an economic history of almost 200 years.

Another shortcoming of the lohn is that the Romanian companies, even those which had or still have an own brand, lost their identity because the manufactured products are sold with the sequencer's brand. Similarly, lohn remains uncertain in the future because sequencers shift easily where the costs are more reduced hence profits are bigger. Therefore it is required that Romanian managers reconsider their position towards long-term extension of the economic businesses in lohn, orienting themselves towards selling quality products on the internal market and passing to own-brand exports.

In other countries too, such as Poland or the former Czechoslovakia, the proportion of businesses in lohn in textile industry reaches high levels with significant increases ever since 1991. In these countries the lohn took the place of direct trade, its dynamism compensating for the absolute decrease of direct trade. In other sectors specific evolutions appear. In Hungary for example, in the sector of mechanical industry the weight of lohn decreased within the context of dynamic growth of direct trade. This would mean that Hungarian companies are about to gain autonomy. In the Czech Republic, in this sector there are possibilities to make partnerships with companies from Germany.

In the Czech Republic as well, the footwear manufacturing and the electrical sectors are characterized by a combination between businesses in lohn and direct trade. This means that foreign companies, mainly the German ones are consistent in their relationships with local partners, while also promoting independent exchanges. In other words, within these two sectors the German lohn with the companies from the former Czechoslovakia determined a consolidation of the local capacities. This could be the first step in creating transnational production networks.

However businesses in lohn are not always beneficial. Withdrawal of German partners from the footwear industry in Hungary had devastating effects that the growth of direct trade could not overcome. In the Czech Republic, in the leather goods and printing industry and especially in the food products sector, businesses in lohn had a continuous growth, without a significant increase of direct exports.

Currently, Romanian footwear manufacturers are orienting themselves towards the internal market. For years, most of them preferred to produce for the export under labels such as Pierre Cardin, Hugo Boss or Gianfranco Ferre.

For example: All the two million clothing items issued each year from the Vesti-Ro plants used to hang until the last year on the hangers of some occidental shops such as H&M, Steilmann or Christian Dior. But starting with this year Vesti-Ro decided to sell a small amount of the production on the internal market under own label: Senso. In five years it plans to cover the local market with these products. All the five Vesti-Ro plants will produce then only for the local market. Change in orientation of the manufacturer from Focsani - a reference company in the field, with annual income of over 10 million dollars - marks a new trend in the Romanian textile industry. More and more clothing factories which so far made profit almost exclusively from the production in lohn are now attempting to launch and enforce own clothing brands on the internal market.

The main motivation of this trend is the fear that the accession of Romania to the EU will lead to wage increase, forcing Western companies to look for cheap labour in other countries, from East. Western manufacturers might even reorient themselves towards China, once this country is free to export as much as it wants as from 2005 when the "Multi-Fiber Agreement" expired, agreement which enforced export quotas to the member countries of the World Trade Organization (WTO). In the absence of export limitations, China will control 50% of the textile world market, according to the estimations of the future European trade inspector, Peter Mandelson, unlike 28% as it is controlling now and 19% as it used to control in 1995.

It is estimated that the Lohn in Romania will survive for at most 4-5 years, referring to the labour system where over 85% of the clothing industry operates. The alternative - that is own brand launch - is not a simple business. First of all, because it has to compete with famous international companies, then, because Romanians' purchasing power is still low. Last but not least, the competition caused by the invasion in

proportion of 75% of the market with cheap forged products, adding the high costs involved by launching a brand and opening own shops will not bring immediate profits.

The advantages of companies with own brands are for the future and not for the present and it is possible for them to have a smaller profit than those working in lohn, she says. The idea of those investing in their own brands is to try to gain average income customers. That is those who are not satisfied with cheap products but do not have sufficient income to invest in expensive foreign brands such as Steilmann, Marks and Spencer or Benetton. This segment will increase with the purchasing power and we can say there is enough room on the market. Romanian purchasers, so the manufacturers say, are more and more educated and place an increasing importance to the quality of products. This general trend will push a part of the consumers of cheap Chinese products dominating the market, towards the Romanian production, superior in quality and not very expensive.

The occurrence and consolidation of Romanian brands offering competitive products more expensive than the current Chinese products but cheaper than the foreign brands will gradually orientate consumers towards superior quality products. However, purchasers must be first of all accustomed to local brands. This is more and more difficult to achieve since the Romanian market becomes increasingly interesting for the western manufacturers. „

But Romanian factories get a reduced income quota, being paid only for the manual labour of the tens of thousands employees. The lohn system implies that all the necessary raw materials are supplied by the foreign company and the Romanian company delivers the finished good in the requested amount, therefore ensuring a profit of 0.7-1 euro per piece. Those marketing brand clothing all around the world are the great fashion houses which conclude execution agreements with native garment workers. The lohn will decrease, therefore from now on less and less brand products will be produced in Romania.

Thus, even if our country has acceded EU with the most powerful clothing industry, compared to the other European states, 3.000-4.000 micro enterprises, about 40% of the native companies, risk closing their doors because of an unfavourable concourse of factors:

- the existence of a great number of vulnerable enterprises without own brand and without implemented quality standards,
- pressure to raise workers' wages
- high credit costs.
- It is estimated that a third of the Romanian clothing factories might disappear after accession, as a consequence of lohn delocalization (loss of agreements by the Romanian factories and their winning by countries with cheaper labour force, such as Ukraine or Moldavia).
- It is well-known that the volume of the Romanian production in lohn has already decreased from 80% to 60%. Of the 5.000 clothing manufacturing companies existent in Southeast Europe (3.500 in Romania, 1.500 in Bulgaria and 300 in the Republic of Moldavia), 3.800 are clothing exporters in lohn, of which about 3.200 only in our country. In the last three years the Romanian lohn reduced its weight in the total of exports with about seven percentage points, reaching 45% in 2006. Theoretically, less lohn means more stable exports and in the same time, more products 100% "made in Romania". Similarly, the lohn tends to shift in the sectors where the labour force is much better paid. The part which is not so good but is anticipated is that the clothing and textile industry, where a great part of the lohn agreements are concluded, reduced its speed.

Although it reduced its weight in Romanian exports, the lohn continued to increase its value in the last three years, from ten billion euros in 2004, to almost 11.6 billions last year. "The lohn is a necessary evil for each economy in formation. It offers market and it sets performant labour regulations, even though it is not always well paid. Instead of closing your factory it is preferable to accept lohn agreements, especially if your partner is also providing the equipment to make the ordered products.

By means of outsourcing operations, developing nations such as Romania received both raw materials, materials, semi products and the technological documentation and the know-how necessary to perform the products and services contracted. Therefore, the offer of developed nations to the emerging economies represented an opportunity for the latter, contributing in the same time to a more efficient use of the labour force and to the increase in living standards of these countries.

Has Romania got to be too dependent on outsourcing? This dependence is generally related to the level of wages and therefore of the labour cost. In our country it is a greater dependence than in countries like Hungary, Poland or the Czech Republic, but smaller than in the case of Bulgaria or Ukraine.

Maintaining the tendency of diminution of lohn contribution, both in the total export and in the total import can be seen as a maturity sign of the Romanian economy. To this positive factor is also added the trend to shift the lohn from the sectors with a small added value to those involving more sophisticated technologies and labour force than in textiles, for example. As proof, the lohn in the trade with products of machine-building industry has speeded up lately. This industry has gained from the outsourcing process an income of about two billion euros only last year, according to the National Commission on Prognosis. In the same time, the light industry, although it holds the first place in outsourcing, gained 1.8 billion euros from lohn. Wood products, including furniture brought 0.3 billion euros.

Moreover, according to the National Commission on Prognosis, textiles and garments recorded in the last years a reduction of competitiveness as a consequence of wage rising, of national currency appreciation but also of the strong international competition.

The lack of labour force had consequences in the decline of this sector too. Last year in Light industry the number of employees diminished with 6%, compared to 2005, and the lohn orders decreased with almost 5%. It is expected that this trend continues in the following years as well.

The accelerated decrease of lohn volume, although alarming for the companies in the field, does not represent another national danger because it is compensated by the development of other sectors. No country can remain dependent on lohn if it wants to resist on long term in the world economy. To be the tailor, the shoemaker or even the electrician of the West is short and average term solution that needs to be replaced with own brands. Otherwise one remains a colony of the great economic powers with market and technology. "The chance of Romania, for the moment, is that losses in the lohn of light industry were compensated and even overcome in volume by the one in the other sectors".

The European Union states are the main recipients of the lohn in our country. Last year almost 86% of the lohn export of Romania went to these countries. In the case of Light industry, over 97% of sales went to the Union. There are high values in other branches too: the machine-building industry (84.5%), articles from concrete, stone or glass (94.9%), wood products, including furniture (74.8%). The most important partners in the case of lohn trade are Italy and Germany, countries to which exports in amounts of 3.1 billion euros and 2.5 billion euros went last year.

A partner that becomes more and more interested in sending outsourcing in Romania is Hungary. If the amount of lohn export to the neighbour country was of 264 billion euros in 2003, last year it reached 640 billion euros. There is a slight tendency for certain companies that produced until now in Hungary to place a part of the production in Romania, because the labour force is cheaper than in our country. According to the Hungarian official, especially the branch offices of multinational companies that wish to optimize their costs appeal to this practice. Almost 80-85% of the Romanian-Hungarian trade is carried out between big multinational companies with production in both countries.

But not only the branch offices of the multinationals present in Hungary send their production to our country, There are more and more West-European companies that renounce their lohn agreements with Hungarian partners in the favour of Romanian ones or even partners from countries where costs are even smaller. Hungary is less and less interested in the lohn production because the labour force costs increased very much in our country. Romania is still attractive for this type of agreements, but as wages rise here too, the lohn will diminish.

Important changes as concerns the lohn take place not only among states, but also on the level of economic branches in our country. If in some industries with small added value it began to lose outsourcing agreements in favour of countries such as India and China, in other sectors in which the added value is big our country will still be able to remain attractive in the following years. Recently, the great world actors in the area of IT - IBM, Oracle, Microsoft - have opened in Romania regional supporting centres in which they employed or intend to employ an impressive number of specialists. A great number of products will be externalized to these centres.

Currently over 90% of the Romanian software trade is made of outsourcing; however the actors in this industry estimate that the situation will change in the following years. The competitiveness of the Romanian companies will diminish compared to the one in India, China or Russia, because of the great rise

in wages. Outsourcing was essential for the development of Romanian software industry, but it is time we passed to services with bigger added value in order to maintain our competitiveness on the international level.

For a time horizon between three and five years, Romania is still going to be a destination for the outsourcing projects in software. After this period of time, although the wages of Romanian programmers will continue to be smaller than the Western ones, the difference in cost will not be big enough in order to account for the inherent risk arising from the management of this type of projects.

In general, the outsourcing phenomenon presented for Romania a series of advantages, the clearest one being the maintenance of jobs in the sectors that received such agreements. However there were other benefits too, such as the technology transfer that accompanied foreign investments, the growth of the level of labour force qualification and managerial ability, including in the marketing field. Hereto are added the increase of competitiveness, the connection to quality and control standards, specific to the external markets. In the same time it permanently helped to diminish the trade deficit and the current account deficit of our country.

Despite this favourable contribution, the evolution of the External trade of Romania has become increasingly alarming. While exports increased last year with only 37% compared to 2004, imports raised to over 55%, and the trade balance deficit has doubled. This situation became more prominent in the first months of this year. 44.9% of the Romanian export for 2006 was made from lohn agreements. Their amount rose to about 11.6 billion euros.

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COSIDERATIONS REGARDING THE COMPETITION OF IMMS (SMALL-SCALE MANUFACTURING COMPANIES) FROM THE WESTERN PART OF OUR COUNTRY

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*In the present paper we have started from the definition and evolution of the **enterprising** concept, then we defined **competition** and we also presented the conclusions that we had drawn as a result of the analyze and the interpretation of data from he questionnaires that had been debated upon.*

We will approach only 2 domains of study, from the total of 7, those being: 1. The firm and the evolution of business in the last 5 years; 2. The effects that integration in the Unique European Market had upon the competence of the business.

Furthermore, based on the established and studied pattern, we have started by defining one IMM (Small-Scale Manufacturing Companies) and by talking about its evolution, according to present Romanian legislation, which classifies them according to three levels: micro, small and middle – scale manufacturing companies, in accordance with the rate of turnover, net worth and number of employees, issues that have to be analyzed for 2 years one after another.

Key words: enterprising man, competition, earning capacity

1. Enterprising concept – definition and evolution

The term of 'enterprising' comes from the French word "entreprendre" which means to venture, to organize, to begin to do something. During the time, this notion had different semnifications, from which here are presented the following:

Early period. In the past, the typical enterprising man could be found among the military men and merchants. Then, the wars were often waged because of economical reasons. The military leaders could obtain considerable benefits applying a successful strategy, by assuming substantial risks. The merchants of those ages were risking their fortunes as well. Many a time the merchant and the soldier of fortune were the very same person. The soldier/ merchant of fortune was taking the physical and emotional risk of such an action and the capitalist the economical one. At the end of the mission, the latter would receive 75% from the total gain and the merchant, the rest.

Middle Ages. In the Middle Ages, the commerce was seen as an degrading act because of the restrictions imposed by the Church upon the capital bids, the typical enterprising man being a cleric that had as duties the following: the construction of imposing architectural projects, such as castles and fortifications, public buildings, monasteries and cathedrals. Implicated in such projects, the enterpriser was not risking at all, furthermore he was a project leader who was using most of the times the lordship provided resources. The Middle Ages writers, although were more preoccupied with deontology, asserted that a good merchant had to be moderated concerning the risks, to be well informed upon the quality and price of goods, careful at details and prepared for a possible failure.

The 17th century. The enterprising man was a person that would conclude an agreement with the Government in order to carry out services or for achieving a certain product, thus assuming the risk of such a transaction. In England, the earth scalpers and farmers were considered to be enterprising men.

The 18th century. Inside the economical theory, the role of the enterprising man was first recognized during this century. The French economist, Richard Cantillon, associated the undertaking of risks with the enterprising man. He considered the enterprising man the main figure in economy, the person that incurred risks, because “he bought at a doubtless price, but sold at an unsteady price, so he assumed risks.” During the same period, in England, there took place an industrial revolution, process inside which the enterprising man had a significant role in undertaking the risks and transforming the resources. The word “merchant in fortune/ adventurer” was replaced by the term “undertaker” –enterprising man, about which Adam Smith wrote that it became synonym with the common businessman. In this period the enterprising man proved to have a great capitalist spirit.

The 19th century. During this century, the enterprising man was seen more like from an economical perspective. For the first time in economics literature, the employer activity, virtually became synonym with management, in contemporary meaning of the word. The French economist, J. B. Say, stated that the enterprising man should have been able to oversee and manage. Say, underling the main qualities of an enterprising man, said that: “the enterprising man is asked to have a combination of moral and judgment qualities, perseverance, acquaintance of the world and businesses.”

In Germany, there is a difference between enterprising man and manager. The former is liable for the issues specific to business world. On the contrary, the manager, if he worked good enough, can feel no concern as his conscience of an accomplished duty is clean. The enterprising man is considered not only an innovator but also an undertaker of risks, his income being the result of two aspects: one income according to the “entrepreneur risk”, and the other rightful for his “ingenuity”.

Starting with this century, in the U.S.A., there is attached importance to the enterprising man, who was considered to be “the main agent of output”. A successful enterprising man has predictable power, organization and administrative skills, unusual energy and leader qualities.

F. Walker has identified four enterprising man categories:

- Enterprising men are those persons who can be remarked by their natural authority, intelligence, promptitude, and award in their actions;
- Enterprising men are those persons gifted with a great power of prediction, very undoubtedly, they foresee and understand dangers, and do not discourage themselves because of disasters.
- Enterprising men are those who make decent businesses, more due to exertion than to his own essence;
- Enterprising men are considered to be those lucky gainers that sometimes (most of the time they don not) succeed, people that are in business because of the extra estimation of their qualities as they were encouraged by their friends who wanted to entrust them their commercial and banking capital.

The 20th century. During 20th century the enterprising man became synonym or at least associated with merchant company and capitalism, being recognized as an agent of change. He is a creative person, with new business ideas, who does contribute at the evolution and lucrative aspect of the company. J. Schumpeter said that the enterprising man is that person that innovates and realizes “new combination” inside the production. From a psychological point of view, the enterprising man is considered to be the type with personal accomplishments. Security, prestige, the power and the services brought to society are important reasons for the growth of the profit.

Defining the enterprising man. There is no definition unanimously accepted. Some authors consider that the enterprising man is the person that assumes his responsibility in identifying and obtaining the resources of a business, stressing at the same time the moment of initiation of the affair. Other authors consider that the enterprising man is the person that administrates the necessary resources to start or/ and to develop a business, and who also focuses on innovation and elaboration of new products and services. According to this definition the enterprising man not only does he begin a business, but he also has an innovating spirit. At the same time, he is seen as the person that takes the risk of organizing the resources that produce wealth.

The enterprising man may be defined as the person that initiates and develops an action, assuming all the risks in exchange of certain material and personal satisfactions. This definition underlines four important aspect of the enterprising man, those being the following:

- the enterprising man is the person that initiates and develops an action, he is an innovator in his field of activity, the greatest area being then economical one;
- the enterprising man incurs the risks of his actions, which may be: financial, psychological or social;
- the enterprising man is an innovator as he always realizes combinations of already existing things, in some situations he is even the inventor;
- the enterprising man can have satisfactions as a result of his work, satisfactions that may be classified as: material, psychological, moral or social.

Next, we are presented a definition of the enterprising man that puts the accent upon the organizational aspect of his activity and upon the nature of his labor: the enterprising man is the natural person commissioned or a legal person who, individually or in association with other natural authorized persons or together with artificial persons, organizes a merchant company named corporation in order to initiate commercial activities and obtain profit by achieving material assets or by carrying out services selling them on the market on competition conditions (definition regarding the stimulation of the private enterprising man for initiating and developing the small and middle-scale manufacturing companies).

In a more accessible meaning, management was defined as follows: to obtain things for people. But in a more specific sense of the word, management is the process inside which are established the objectives, where the resources are organized in order to accomplish the settled targets and, then, where are evaluated the results in order to determine the future actions, proper definition for the IMMS as well. In the professional literature, especially in English we may find terms like: “*small firm management*” (small-scale companies management), which means small company, in every country, or “*small business management*” (small-scale businesses management). In the Romanian legislation we use the small and middle –scale manufacturing companies (abbreviated IMM) which includes three categories of companies, so we can discuss about one IMM’s management (and we generalize the management concepts for all those three categories of corporations) or we may speak separately about the small/middle-scale manufacturing companies. We can also use the notion of “small business management”, when we refer only to new created businesses by the enterprising men, according to L346/2004, finalized by setting up a company = small-scale company (between 9 an 49 employees).

2.The competition concept

The competition of Romanian IMMS and the impact factors were studied by ANIMMC, the result being published in the annual report of the already named agency and also in its publication.

The competition term associated with a company suggests safety, efficiency, quality, high productivity, adaptability, success of the modern management, high quality products, most favorable prices. Competition is a complex notion which may be defined as the feature of a firm to get through on the market in a competition with similar companies. The competition of a concern is influenced, to a great extent, by the capacity of understanding, of adapting to the environment. To be competitive is an objective phenomenon present in the surrounding world.

In the professional literature of the last decades, competition became a key term, there also existing many opinions concerning this concept through which is in fact explained the position of the organization on the market.

Competition may be defined as being:

- the growth of products quality combined with a minimum level of costs;
- the preservation of quality at a fixed level but having as restrictions the increase of productivity;
- the reduction of the prime cost of products or services, the growth of the use of materials, the importance given to the market researchers and to the tastes of clients;
- gain of technical performances and exploitation economics offered by the market producers in addition to other similar products and services or considered to be standard;
- the capacity of the organization to gain in home and external market competition conditions.

Competition is a complex phenomenon. Thus competition is the capacity of obtaining a high productivity based on an innovative utilization of the human, material and financial resources. Competition may be also defined as being the capacity of creating value with the aid of an innovating process together with the beginning of a technical progress, for more and more sophisticated and over-particular clients who are able to pay big prices for the superior utility that they perceive.

Furthermore, competition is seen as a complex economical phenomenon that undergoes many methods of quantification, that assures the success of the players in the competitive game both in micro and macroeconomics aspect. It also may be defined as the capacity of products/ services to successfully resist to the market test, having as result constant growths of productivity and living standard.

Having the already stated definitions, one may say that competition is the key of a lasting development because it does not produce itself, it has to be planned and to suit itself to the proper context. Competition is an economical agent's, product's or service's, person's or activity's quality to be liable to face the competition. In what a company may concern, one may identify the following competition categories: global, financial, commercial, human, managerial, technical, organizational. The first one presupposes the realization of a critical inventory about its available capacity, meaning the strong and weak points of the company, with special reference to the success and competition factors. As strong features of the company that help at maintaining a high level of competition we name the followings: the productivity of work, the cost of work, the level of satisfaction of the beneficiaries, the quality of products and services.

3.The results

The study regarding the financial performances of the analyzed companies is based on the absolute values of the rate of turnover indicator and clear profit. The rate of turnover of the companies from the sample, as the first indicator of the dimension of their activity and as determiner of the market position, has evaluated, the average value heaving from 1.619.542 RON in the first year of study (2002) to 2.136.864 RON in the last year of study (2006) with an average rate of annual growing of 10% and a multi annual growth rhythm of 1,37) the biggest values existing in the "Productivity" branch.

Also, in comparison to the first year of activity, the growth is significant: the companies presented in the samples have realized a growth of 2,37 the volume of activity in the existence period. The growths refer to an extremely large area, the biggest recorded growth being a multiplication of 230 times of this indicator. The growth rate of the rate of turnover is 8,75% for the next period. The main causes of this growth are presented both in the emergence of the Romanian business environment and in the regional business environment (exogenous causes), and also in the interior of the organization, being perceived as determiners for the evolution of clients' satisfaction, for the improvement of employees' training and for the positive development of organizational capacities of the owner and of the managerial team.

The clear profit is the most relevant indicator for a main category of stakeholders: the entrepreneur/ owner. The evolution of the profit was considerable, the analyzed sample passing from an average loss of -56.571 RON in 2002 to a clear average profit of 57.434 RON in the last year of study, with an annual growth rate of 9,55% and a multi annual growth rate of 1,28 (values comparable to those associated with the rate of turnover which also denotes an evolution of the commercial profit).

The growth in comparison to the first year of activity is significant, the profit growing over 5 times. The growth rate of the clear profit is limited at a superior level by a company that has reported a multiplication of 204 times of the clear profit, the most values being in the multiplication interval of 1,5 – 2,5. As a result, in general the satisfaction of the stockholders is good. The presupposed rate growth of the clear profit is 11,9% for the next interval, bigger than the rate of turnover due to the descending trend of the exploitation costs. The main causes of this positive evolution are found in the improvement of competences and managerial skills with the help of so called "life – long learning", the causes being also present in the improvement of the distribution network and in the reduction of costs, by upgrading the technology and modernizing the plants and productivity capacity (including the growth of the grade of usage of technical utilities) and also by developing the professional competences of the employees.

The output per man-shift reflects the efficiency of employees in order to create the rate of turnover. It shows how many quarters of rate of turnover are created by using a unit from the human resource. In what the studied companies may concern, they pay approximately 1200000 RON /employee, more than in 2002, when the recorded value was 72.000 RON /employee. This evolution means an important increase, having

in particular intensive causes (the growth of utility rate, the technological and professional competence improvement).

The economical lucrativeness reflects the base wages of the invested capital showing how much of the exploitation profit (before interests and taxes) goes to an assets unit (meaning to an invested capital unit). The rate of economical profit for the analyzed companies was approximately 18%, which means that at 100 RON total used assets there are obtained 18 RON exploitation profit. The indicator of value is in a process of growth in the last five years (from 15% in 2002). This shows a better usage of the permanent capital with direct effects upon the companies' efficiencies. The indicator of value was bigger than the inflation rate and than the average rate of interests which permits the manifestation of the so named "financial lever" effect. From the sectors point of view, it is the biggest in the IT&C industry (almost 40%), in industry and services (almost 18- 20%), and not so present in the constructions industry (almost 12,5% and in commerce 16%).

In what the competition of the determined business by its integration in the unique market may concern, we have remarked the followings:

- the positive aspects of the adhesion of Romania to EU upon the business are: the unlimited access to the new market (state 60,4% from those who have been questioned, strongly correlated to those that consider as important the growth of demanding for the products/services offered on external markets) and the unrestricted goods traffic (according to what 55,2% of the questioned people have answered);
- the access opportunities to know-how, technology, management are less appreciated, 61,2% of those asked are doubtful in what the access to these opportunities may concern; the explanation being the easier access to these opportunities, Romania being in the adhesion period to EU. The questioned do not believe either in the access to the informational resources of the European Institutions (only 38.8% having a distinct opinion).
- as a result of the adhesion to EU, the sources of financing are also less considered (only 38,1% appreciating them, a cause may be the fact that people do not know these possibilities of financing or the fact that they are difficult to be accessed). The certitude of the questioned persons that as a result of the adhesion of Romania the profit will be influenced (or the rate of turnover) is big (aspect reflected by the statistics Lambda, Gamma and Kendall that have the values approximately smaller than 0,05), but the adhesion influence upon the profit won't be a strong one (the statistics coefficient value being more towards 1 than to 0).
- the unrestricted goods traffic will affect in proportion of 20% the rate of turnover/ profit, the certitude of those questioned being very big (the value of the same statistic coefficients being under 0,05), the same thing happens with the access to the new markets by adhesion to EU and with the access to the received funds upon the evolution of the profit or rate of turnover.
- the main negative aspect upon businesses is considered to be, in the questioned opinion, (53,7%), the growth of competition on the Romanian market, followed by the growth of wages (43,3%). The growth of legal restrictions imposed by the adhesion mechanism is not considered to be a negative aspect upon the adhesion of Romania to European Union (most of the questioned do not consider the increase of restrictions for the environment safety to be a negative orientation upon businesses – 71,6% in the protection of consumer - 84,3% in the products/ services' quality -88,1% in the protection of labour – and in specific company's domain of activity – 87,3%).
- most of the questioned people do not consider to be a direct link between the apparition of new settlements specific to EU regarding the protection of the environment and the evolution of the rate of turnover/ profit (aspect presented by the statistic coefficients Lambda, Gamma and Kendall that have bigger values than 0,05).

In what the impact of Romania's adhesion to EU upon the profitability of the company (the weight factor of the clear profit inside the rate of turnover) may concern, the asked persons answered:

- 20,9% consider that the share of clear profit inside the rate of turnover will increase with 0-4,99%/ year; the companies' profit of whom representatives indicated this answer has increased in average, in the studied period, with 839,05%.

- 19,4% consider that the profit of the firm will rise with 5 - 9.99% a year after the adhesion of Romania to the European Union; the companies' profit of whom representatives indicated this answer has increased in average, in the studied period, with 701,58%;
- 18,7% have the opinion that the weight of the clear profit inside the rate of turnover will grow over 10% a year as a result of the adhesion; the companies' profit of whom representatives indicated this answer has increased in average, in the studied period, with 210,49%;
- 24,6% consider that the profitability of a firm will stand-by, at least a period, after Romania's adhesion to EU; the companies' profit of whom representatives indicated this answer has increased in average with 138,92%, in the analyzed period;
- 6% consider that the weight of the clear profit inside the rate of turnover will decrease with 0-4.99%/ year after Romania's adhesion to EU; the companies of whom representatives indicated this answer have recorded in the studied period an average loss of 6,78%, fact that may support their statements;
- 4,5% consider that the profitability of the company will decrease with 5 - 9.99% a year after Romania's adhesion to European Union; the companies' profit of whom representatives indicated this answer has increased in average, in the studied period, with 21,77%, not a very significant growth in comparison to the other, recorded by the companies of whom representatives expect at a profitability's development at the same time with the adhesion to EU;
- 3,7% consider that the weight of the clear profit inside the rate of turnover will decrease with over 10%/ year after Romania will have adhered to EU; the companies' profit of whom representatives indicated this answer has increased in average, in the studied period, with 2,20%, not a very big growth in comparison to the other, recorded by the companies of whom representatives expect at a profitability's development at the same time with the adhesion to EU;
- In what the possibility of failure may concern, after Romania's adhesion to European Union, there has not been recorded any answer, which means that there is expected a positive aspect;

The target of this research is a better approach and understanding of the expectations and preoccupations of IMMs from the western part of Romania, taking into consideration, at the same time, the competition conditions. In the professional literature, that treats this issue, there are presented much more modalities of understanding competition companies. There does not exist a unanimously accepted definition of competition and we have to admit that there is a lack of information regarding the definition of this concept, but it is well known that the terminology comes from professional literature. The competition is the main ability of a company to perceive changes in the internal and external environment and also, the capacity of adapting to these changes in order that the obtained profit should assure long term working of the firm. It is a surviving fight (Chikan (2001)).

“The competition among the companies represents one firm's ability to offer products/ services for which the consumers are more willing to pay in comparison to competitive products, in a continuously manner and according to the social responsibilities standards and as long as it assures the company's profitability.” One condition is that the company should detect and be able to adapt to changes of the environment and from inner of the company by satisfying the criteria of competitive market.” (Chikan A., Chako, 2005). Competition is nothing else but a different term for productivity, taking into consideration the rate of growth of a company in comparison to others (Krugman (1994)). Competition is determined by productivity, it depends on the company's strategies, is partially the result of a relationship between the firm and the local business environment and depends upon the social and economical objectives and it is influenced by external factors. (M. Porter). “Country's productivity is finally established by their own companies' productivity. We cannot talk about a competitive economy unless the companies that operate inside of its territory are competitive.” A company that finds itself in a competition knows how to use its strong points in order to exploit the opportunities offered by the environment and to reduce the negative influences of other external factors (Dăniaiață, Bibu, Predișcan, 2006). A small-scale manufacturing company is in competition on the local and regional market if: it survives more than 3 years and its able to

have profit after its launch; the positive growth rate is inbetween 1-5% (we call this firm “competitive company oriented towards surviving”); the increase rate is higher than 5% (“competitive company oriented towards development”). There are several modalities of maintaining the competitiveness on the competitive home market. Companies should have succeeded on home market and, at the same time, orient themselves towards international markets.

It is very important to have and maintain a healthy business environment, at which industry must permanently adapt to. Thus, the companies from the western part of the country will be obliged to implement radical structural changes, to direct the resources to more productive, viable, transparent concerns, as a response to the market signals.

Companies will have to strengthen their competitive characteristic both on home and external market. Thus, if the competition on the home market is correctly implemented, it should increase local (Romanian) and European companies' success.

There is a big discrepancy in the reduced number of successful companies and a great number of enterprising persons with lack of managerial skills, not prepared to survive to this strong competition. The diminution of this discrepancy won't be possible without paying very much attention to the exploitation of creativity and innovation with the help of the development of the entrepreneurship.

Inside an economy based on knowledge, the competition of small and big enterprising men will depend more and more on their capacity to provide products with high adapter amplifier at competitive prices. On the one hand the globalisation and on the other hand the freedom of trade will be the factors that will influence the majority of companies to become competitive on an international level even when they totally operate on the Romanian market. In order to become and maintain themselves competitive, the IMMs need a coherent strategy in business domain, for increasing the efficiency, reducing the prime costs and for improving the quality and image of the products. This strategy should include: investments in development and research, new technologies, improvement of the managerial activity, elaboration of creative and attractive projects, an efficient marketing of the products.

Marketing is a direct selling meaning of the product. IMMs often see marketing as a secondary activity which can be made by a mandatory or even ignored and work basing themselves that they have a product that sells anyway and the only problem would be its enough pervueance. Taking into consideration that marketing is an activity that needs resources, IMMs have limited resources and the internet may play an important role in this field by creating a web page in order to make your company and products/ services popular or with the help of an electronic commerce solution.

IMMs can be presented on the internet with relatively low prices and may compete with big-scale manufacturing companies in equality conditions. Thus, the market study can become more accessible to IMMs and the consumers' opinions and reactions can be analyzed by completing an on-line form where clients may opinion upon the products/ services of that company. The IMMs which adopt this electronic commerce as a development instrument for the business can obtain quality benefits that will reinforce their position on a competitive market. This benefits refer to: the possibility to attract clients as quickly as possible; the possibility to arrive quickly on new outlets; the possibility to create new products and services; a bigger team of enterprising men capable to start a business; higher flexibility to the demands of the market; the possibility to reduce the access time on the market; a shorter period of delivery; better relations with clients and more conditions to keep them; much information and improved communication; a technologically advanced image of the company; the opportunity to use new means to furtherance the company; a certain level of operation – the small-scale manufacturing companies to enter competition both on local and national level.

Electronic trade offers the companies the possibility to develop worldwide and attract clients from all over the world. Thus, with the help of internet, IMMs can enter competition with big-scale companies. Technical and scientific information represent an important strategy resource in assuring IMMs competition because they depend on external sources of information, having a limited capacity to produce technical and scientific information on an internal scale. By being able to localize frequently used resources, the IMMs can identify new resources, can achieve pieces of information regarding new innovating products and technologies, new markets, new providers and potential business partners from the whole wide world. The IMMs can improve the services that they provide to consumers as web pages allow a natural interaction with the clients and the consumers can oversee their online orders. And besides the improvement of the services, the costs will be reduced, too.

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USING MANAGERIAL SIMULATIONS IN THE PROCESS OF TEACHING AND LEARNING MANAGEMENT

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Currently, there is a major interest in economic and managerial education and training because of the knowledge society development. New ways to equip teachers and learners with the competences and skills they need for the knowledge society and economy should therefore be found. Development of the information and communication technologies has opened new perspectives both for the students and teachers. Computer applications, computer games and simulations are often used within the teaching and learning processes. The aim of this paper is to present the managerial simulation used in the process of teaching and learning Management at the Faculty of Management from the Academy of Economic Studies in Bucharest.

Key Words: information and communication technologies, web-based education, management, managerial simulation, PRELEM XXI.

Introduction

This paper explores how the use of computers and managerial simulations could improve the process of teaching and learning Management. I believe that managerial simulations should be used for teaching and learning Management because they could improve the team work, the critical thinking, and the decision making. The study is based on evidence provided by articles, books and personal experiences. The research question was answered by analysing published sources and interpreting evidence. Another way of approaching this question could be collecting and analysing empirical data from the students and teachers and comparing the results with the findings of this study.

Computer games, such as PRELEM XXI, could be used to produce rich educational materials which support collaborative learning. At Faculty of Management from the Academy of Economic Studies in Bucharest we have deployed this game within the context of managerial education. This paper reports on recent research focused on the education of economists specialized in management science. The motivation for this study was justified because business and economics involves a social dimension, meaning that people learn, work and live both as individuals and as teams, as society. Another reason is that PRELEM XXI was designed to produce real situations within the wood industry processing. It supports multi-player interactions as well as individual thinking and learning. All these factors make this game a viable vehicle for the study of Management, providing tools for creating realistic economic and managerial environments.

Background

In the last few years, there has been a growing understanding of the important role of information and communication technologies (ICT) in education. Various new models of education are evolving in response to the new opportunities that are becoming available by integrating Web-based technologies (Barak M., 2007). The interdependence of communicative interaction, new technologies, the development of computer applications, the design of computer-based tasks and focused activity for learners to become critical thinkers and creators of knowledge is a reality of the new educational model. (Kimber K. et al., 2007).

Knowledge-based society needs major changes in the educational programs, being necessary to prepare teachers from all fields, in such way to use the information technologies in computer assisted learning (Pănoiu M. et al., 2006). When teachers are using the ICT in learning activities these become more attractive (Ilomaki L., Rantanen P., 2007), but not all teachers are convinced that ICT should be an integral part of their teaching strategies and this is one of the most difficult barriers for effective ICT integration (Barak M., 2007). However, this resistance to change is more specific to older teachers that were not used to the new technologies.

E-learning services deliver electronic learning materials to distant learners and it is considered to be the new vehicle that would lead education to new learning methods (Vovides Y. et al., 2007). E-learning could be defined today as the technology and the services used within the teaching and learning processes. It is a wide term covering all the range of previous educational applications such as Computer Based Training (CBT) and Web Based Training (WBT), as well as more recent technologies such as Learning Management Systems (LMS), virtual classrooms or labs and digital collaboration (Doukas N., Andreatos A., 2007).

In Web-based learning environments, maintaining interaction is more challenging than in face-to-face learning contexts because of the time and space separation enabled by the technology. In the context of Web-based learning environments, researchers and designers have shifted their focus from learner–content interaction to learner–learner interaction as well as from the quantity of interaction to its quality (Woo Y., Reeves T. C., 2007). Despite advances, more and better research aimed at improving the learning effectiveness of online interaction is nowadays needed. E-learning management systems are used to deliver courses at a distance via the Internet. These systems include sub-systems that present content as well as facilitate student–student and student–teacher interactions (Rovai A. P., 2007). Both online and face-to-face classes could be enhanced with communication technologies and the use of real time interaction in virtual worlds. These innovative tools can extend the content and enhance the effectiveness of instruction. They are free or inexpensive opportunities that support collaborative projects, meetings, and the building of communities based on reality or focused on inventive constructions. Technologies that support faculty/student and student/student interaction, whether real time or asynchronous, promote and support collaboration and discussion (Yoder M., 2008). With the development of the Internet and its communication and sharing affordances such as Email, chat, Web discussion forums, and other technologies, people are being exposed to more varied and frequent interaction opportunities than humans have ever experienced before (Woo Y., Reeves T. C., 2007). This fact could lead to a better learning and teaching process and also to the development of new and attractive methods for teaching and learning.

Universities and other higher education institutions are highly involved into knowledge creation, diffusion and learning. University's competitive ability depends on institution opportunity to share, spread and adapt knowledge as well as it is created. Modern students will require regular updating of their knowledge, skills and competences. (Beleviciute I., Sileikiene I., 2006). Therefore, teachers should conscientiously redesign their courses and adopt new instructional methods and appropriate technologies to fully exploit the benefits of web-based learning environments (Lee T. H. et al., 2007), and computer simulations in education. Flexible and innovative teaching and learning based on computer applications will expand and will change the educational process. Within a knowledge-based society the educators and their organizations have a changing role, but, in the same time, they need to manage the processes associated with the creation of their knowledge assets and to benefit from the use of computer applications. In this respect, the skills and competences needed for the knowledge-based society and the impact of using computer applications to the teaching and learning processes are becoming important issues to analyse.

Use of PRELEM XXI managerial simulation for teaching and learning Management

The process of teaching and learning Management is a very complex one because the students need to develop different skills related to psychology, communication, critical thinking, economic and social thinking, decision making etc. (Zamfir A., 2008). This study is the result of some years of personal experience in teaching Management for Romanian students and using managerial simulation entitled PRELEM XXI in class in order to develop the skills that students need for their further activities in the knowledge-based society.

PRELEM XXI managerial simulation was created and developed by a group of teachers from the Faculty of Management from the Academy of Economic Studies in Bucharest. They also created a forum for the PRELEM XXI managerial simulation (figure 1), where the students and other people interested could find information related to the game. The forum is structured as follows: General Information (general rules, useful documents, the situation of decision introduction for the Faculty of Management from the Academy of Economic Studies in Bucharest), Discussions (supply, production, equipment maintenance and repairs, sales, marketing, human resources, research and development, investments), and Varied other subjects (diverse).

Managerial simulation PRELEM XXI has some characteristics such as (Nicolescu O. et al., 2005):

- PRELEM XXI is a general managerial game which simulates most of the activities of an enterprise in order to achieve the main objectives of that enterprise;
- PRELEM XXI is a team managerial game, because the students work in groups;
- PRELEM XXI is a computational managerial game which processes information using the computer;
- PRELEM XXI is an interactive managerial game, because the actions and decisions adopted by the participants are influencing each other to some extent;
- PRELEM XXI is a medium-superior managerial game, because it simulates management and execution processes within the enterprise made by the medium-level and superior-level managers.



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Forum	Topics	Posts	Last Post
Informatii generale			
Reguli generale	1	1	Thu Mar 06, 2008 1:57 am Florin →□
Documente utile Aici gasiti diverse documente utile pentru simularea manageriala PRELEM: maruabul, formulare decizionale ,rapoartele manageriale pentru perioada de baza.	3	3	Thu Mar 06, 2008 2:06 am Florin →□
Situatia introducerii de cizilor pentru Facultatea de Management din ASE	2	2	Fri Mar 07, 2008 1:50 pm Florin →□
Discutii, clarificari			
Activitatea de aprovizionare	4	4	Mon Apr 14, 2008 4:14 pm BlandalolcaSy →□
Activitea de productie	0	0	No Posts
Activitatea de intretinere si reparatii	0	0	No Posts
Activitatea de vanzare	0	0	No Posts
Activitea de marketing	0	0	No Posts
Activitatea de resurse umane	2	3	Fri Apr 04, 2008 1:24 pm Mika →□
Activitatea de cercetare dezvoltare	0	0	No Posts
Activitatea de investiti	1	2	Tue Mar 25, 2008 3:04 pm Florin →□
Diverse			
Diverse	2	5	Tue Apr 01, 2008 6:02 pm carmen →□

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Figure 1 PRELEM XXI Forum Index

Within managerial or industrial games such as PRELEM XXI each student is a member of a group (virtual company) and the class is split into 4-5 groups (virtual companies). The final decisions are the sum of individual decisions first and group decisions second. The initial data (inputs) are identical for each of the 4-5 companies. However, the big number of decisions adopted (circa 60-65 decisions per simulated month) rapidly differentiates the behaviour of each company. Playing the game is based on decisions obtained from calculations and foundations manually executed, and the final result is obtained through successive processing of these decisions, simulating on P.C. 12 months of industrial activity (figure 2).

INDUSTRIAL ENTERPRISE GAME (MANAGERIAL SIMULATION)

IDENTICAL INITIAL MOMENTS (Listing Reports)

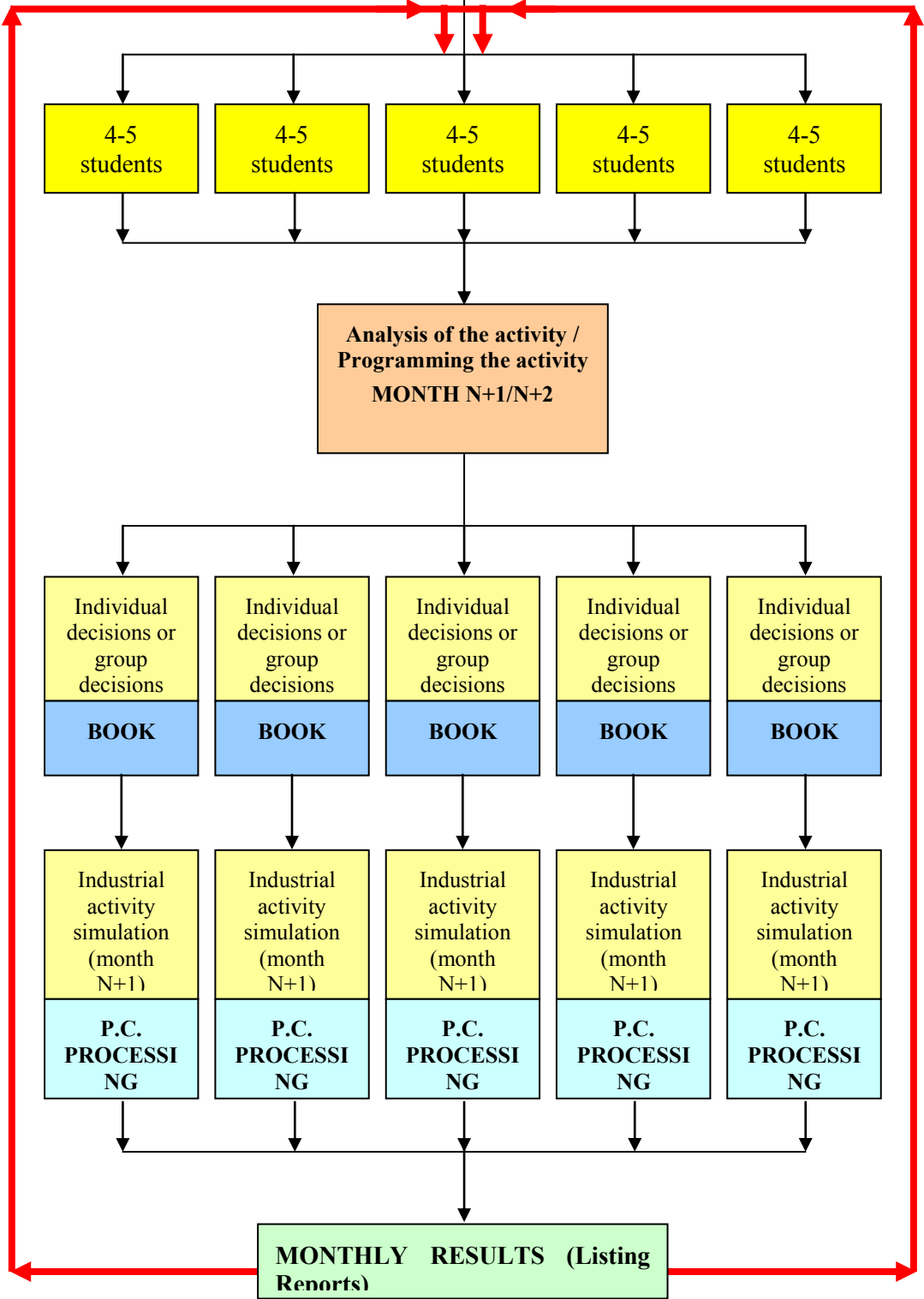


Figure 2 General structure of PRELEM XXI managerial simulation

Simulated activities within PRELEM XXI game are: foresight (prevision), technical conception, investments, supply, production programming, production, equipment maintenance and repairs, sales, products marketing, financial activities, accounting, and human resources. The students take on decisions for each simulated activity, based on the PRELEM XXI book, on their previous learning and on their managerial knowledge. Basically, the students from each simulated company must adopt many decisions, such as: annual forecasting; monthly forecasting; supply decisions; scientific research decisions; new products assimilation decisions; production decisions; marketing and sales decisions; human resources decisions. After taking on the decisions, the students must introduce the data into a computer in order to be processed and wait for the managerial reports with the results of the simulation. The situation of decisions introduction can be found on the PRELEM XXI forum and it is revealed as an illustrating example in figure 3 and figure 4 (<http://www.prelem.cnesmc.ro/viewforum.php?f=2>, <http://www.prelem.cnesmc.ro/viewtopic.php?t=2>).

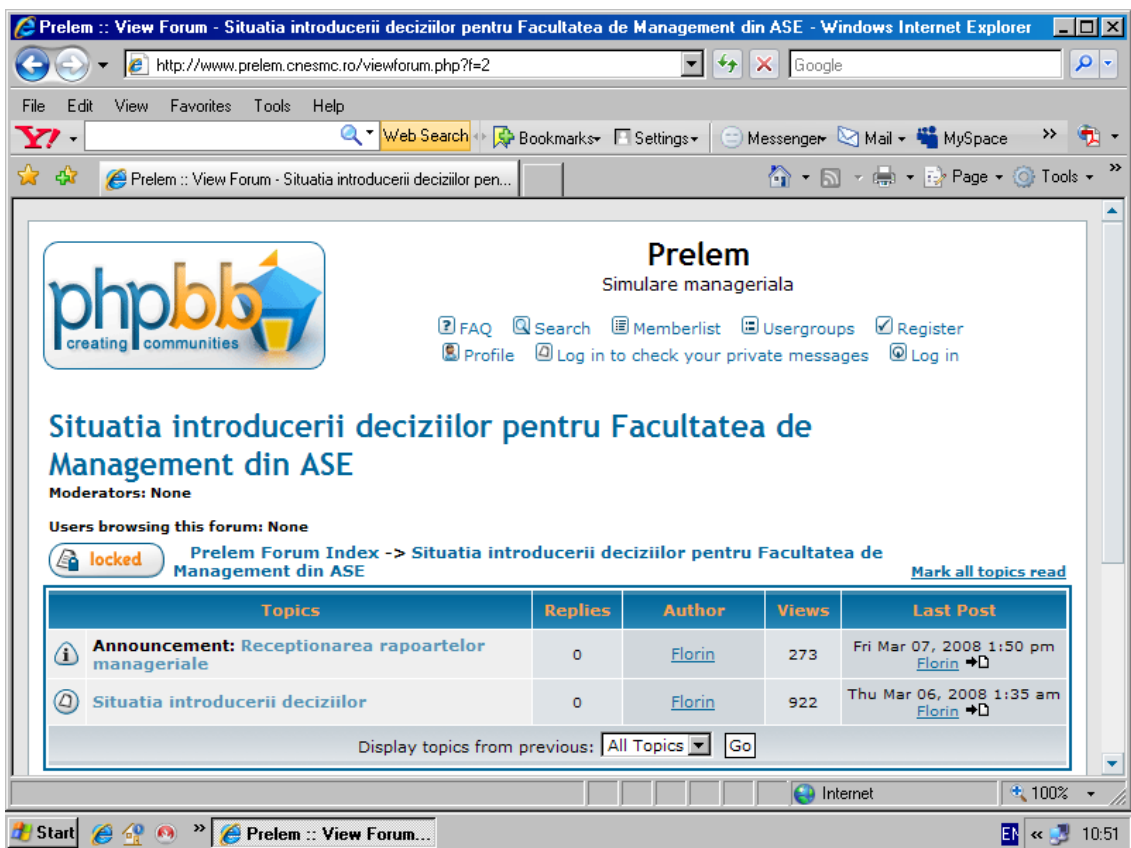


Figure 3 Decisions introduction situation on PRELEM forum

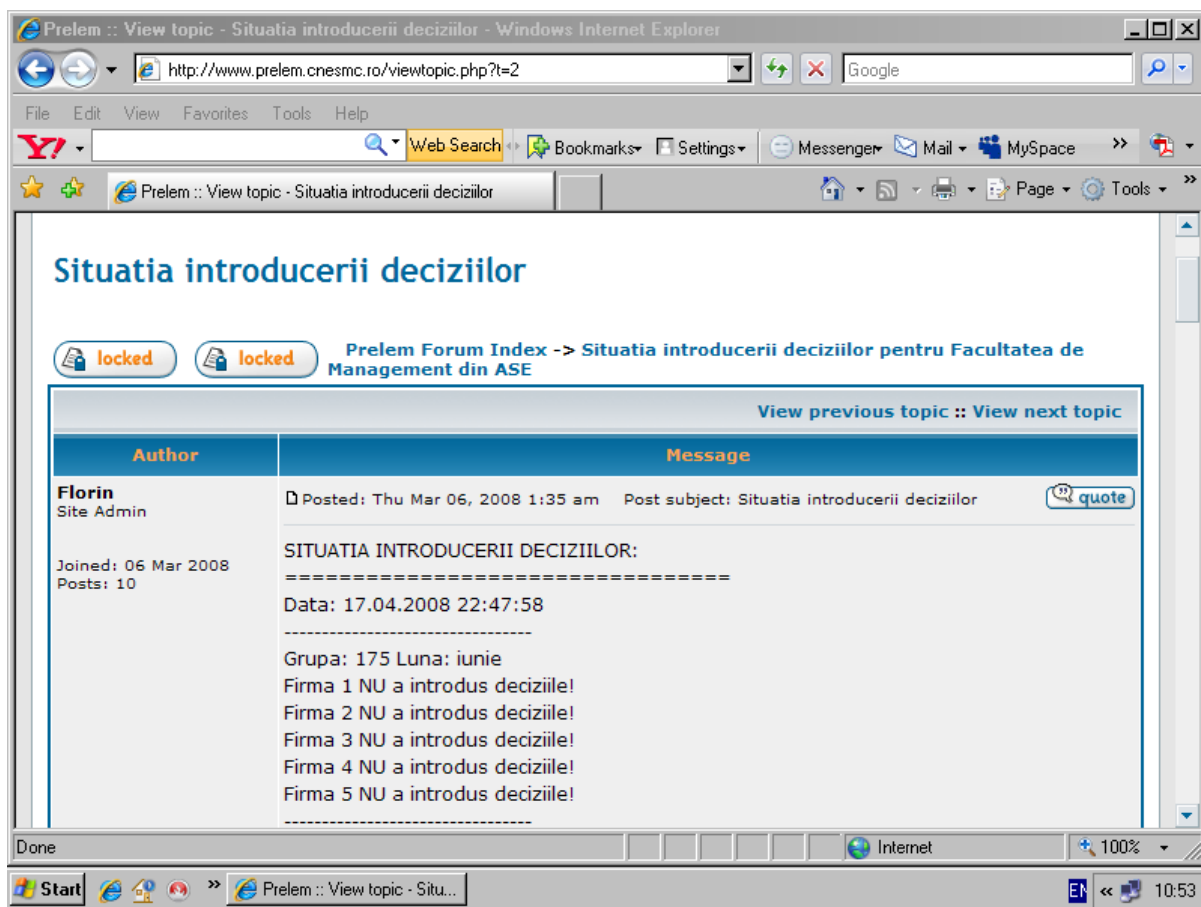


Figure 4 Decisions introduction situation for one group of students

Managerial reports are sent (E-mailed) by the simulation coordinator to each company after the managerial decisions processing. These reports contain the results of the simulation for a simulated month, grouped on the following activities: forecasted objectives situation; validated decisions situation; processed decisions situation; products assimilated in fabrication situation; functioning technologies situation; research activity situation; starting material situation; production situation; human resources use and equipments use situation; selling and products stocks situation; marketing studies situation; costs and profit situation; financial activity situation; achieving forecasted objectives situation.

Conclusion

We can conclude that the simulation is quite important to assimilate the theoretical concepts in Management and to put them in practice. Also, the managerial simulation enhances the teaching and is more attractive for the students. PRELEM XXI is quite simple to use, due to the advantage of not having to learn a new “language”, and because of this the students could concentrate on the analysis and decision making process. The simulation becomes an aid during the teaching-learning process to reinforce the theoretical concepts. The simulation promotes competition between the companies (groups of students), but in the same time, it promotes team work inside the companies.

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MARKETING

ENTROPY AND THE ECONOMIC SCIENCE

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Abstract: The paper presents the evolution of the entropy concept, from its introduction by Clausius, by the particular formulation of the second principle of thermodynamics, to the present theories. Thus, there are emphasized the essential aspects of the second principle that most specialists have agreed upon, which led to particular formulations concerning the existence of entropy and its growth in irreversible processes. The most importance approach concerns the second aspect of the second principle, the one related to the growth of entropy, fact that generated most contradictions in interpreting the concept. There can be identified, within this context, two important tendencies: A. researchers who state that, for development entropy has to decrease or to remain constant, fact that generated a multitude of well-known paradoxes (Maxwell's demon, irreversibility paradox, the universe thermic death etc.); B. researchers who state that entropy, and implicitly the reversible processes cannot be controlled, the evolution having as price, the entropy. This paper does not try to reconceptualize the entropy, nor to diminish the dispute fluctuations, but rather to rearrange in human nature's norms a constraint that we cannot separate yet: entropy and its growth.

Keywords: entropy, isolated system, unbalance processes

At present, it is difficult to grasp a definition as there are a multitude of definitions in the literature of the many sciences using it; these definitions, although they have a clearly stated common point, have each of them a historical conflict between the notion of entropy and evolution. The most recent definitions are:

- A measure of a system's energy incapacity of doing mechanical work; a measure of the disorder degree; the more increased the entropy is, the greater the disorder (Oxford Dictionary of Science);
- Thermodynamic measure reflecting the irreversibility of macroscopic processes (physics); measure that measures the uncertainty of a given message measure as compared to the previous one (the theory of communication); measure that indicates a system organization degree (Romanian Language Dictionary);
- Dissipated heat, spread in irrecoverable heat (J. de Rosnay);
- The number of microstates generating a macro state; Boltzmann's logarithmic formula (R. Baierlein);
- The number of things (particles') freedom degree in system, multiplied with Boltzmann's constant (D.R. Shroeder);
- A function of nonconservative thermodynamic state, measured by the number of microstates a system can have, which correspond to a degradation of useful energy (McGraw-Hill);
- A direct measure of chaos in a system (R. Chang);
- A measure of energy dissipation in certain temperature conditions (P. Atkins, J. de Paula);
- An index of a system tendency for spontaneous modification (D. T. Haynic);
- A measure of a system's partial loss of mechanical work capacity, as a result of irreversible processes (J. Cutnell, K. Johnson);
- A parameter expressing the disorder state of a system at atomic, ionic or molecular level (Essential Dictionary of Science).

The notion of entropy is related to the second principle of thermodynamics, defined in 1850 by Clausius and Kelvin. Entropy was at the beginning a conceptual invention, necessary in explaining some reversible ideal processes. Thus, the term of entropy was invented by Clausius, in 1865, following a study in the period 1856-1864 on reversible ideal thermic machines.

On the second principle of thermodynamics, the specialists have concluded that it has two essential aspects, which have led to two particular enunciations:

- The existence of entropy: there is a state measure called entropy, noted by S , which can be determined mathematically, additive measure, which grows in irreversible adiabatic processes and is constant in reversible adiabatic processes. Here follows the primary formulation of the principle: heat passes only from a warm body to a cold one.
- The growth of entropy: in irreversible adiabatic processes, entropy grows.

Although there have been approaches related to both aspects, by Planck, Caratheodory, Affanasieva, one has to take into consideration the interpretations of the second aspects, especially that given by Clausius. According to him, any activity that is created due to non-uniformities, differentiations in a system, evolves irreversibly to the disappearance of these differences, of the initial conditions, of its own existence conditions. In other words, any activity consuming resources, matter energy is destined to disappearance. The systems, the societies we live in, Universe as a whole is condemned to thermic death.

The starting point, in this erroneous approach of entropy, was a breach in the general theory (the second principle) that was then generalized to the level of reality as a whole. This breach was caused by the interpretation given by Clausius to the physical-chemical activities of matter. But Clausius stated that in some conditions, completely particular, a physical-chemical (isolated) system can have an implacable, irreversible destiny to a thermic balance. Clausius was wrongly understood, even though he maintained this point of view, by generalizing that any activity with entropy growth will undoubtedly lead to disappearance, to states of equilibrium where entropy will have reached its maximum.

The dimensions of anxiety towards this idea were in accordance so that many of the 20th century theories using the concept of entropy were justified to ask it to decrease, adapting, by adjustments and approximations, theoretical formulations that annulled its becoming.

The concept of entropy was most often interpreted in:

- The classical thermodynamics. The interpretation was macroscopic, entropy being just a state function. Clausius, Gibbs
- The statistical thermodynamics. The interpretation is at a microscopic level, where entropy is defined as a number of microstates resulting from the macroscopic observation of the system. Boltzmann, Maxwell
- The theory of information. Entropy has an information nature, being different from the one in thermodynamics. Shannon, Weaver, Draganescu, Onicescu.
- Economics. Entropy is seen as a measure of (economic) evolution. Georgescu-Roegen.
- The thermodynamics of un-balance processes. Entropy is seen as a measure characterizing evolution, irreversible processes being uncontrollable. Prigogine.
- Quantum mechanics. Entropy is related to the intrinsic uncertainty of quantum states. Von Neumann, Stotland, Pomeransky, Bachmat, Cohen.

Most of the above theoretical constructions had as a starting point the entropy seen through the classical determinism, its message being wrongly understood. Thus, there has been defined the principle of entropy decrease, translated by different theoretical attempts to infringe the second principle. All these attempts generated numerous paradoxes: Maxwell's paradox (Maxwell's demon), Gibb's mix paradox, Boltzmann's paradox (theorem H), irreversibility paradox (Zemela and Loschmidt), the paradox of Universe: thermic death, the biological paradox etc.

Boltzmann tries to demonstrate the first aspect of the second principle, the existence of entropy in reversible processes by the classical mechanics determinism where reversibility had two senses:

- In the sense of Poincare cycles, where reversibility is seen at a macroscopic level, like the movement of planets around the Sun. this reversibility introduces a correction, that is it neglects that whole movement of the solar system within Galaxy. This mechanic reversibility is valid only in one point of Universe.
- In the sense of Newton's equation, which contains square time. According to this aspect Boltzmann will obtain two time arrows, one for time τ where the system evolves in a sense,

existing also the possibility of the opposite direction evolution when time is $-\tau$. This fact is related to a temporal reversibility, an extremely complicated one (temporal symmetry).

These two complementary aspects, reversion and inversion were strongly criticised by Prigogine who proved for chaotic systems, which have a temporal horizon measured in time Liapunov, that they cannot come back to an initial state when the reversion time of the system (Poincare time) is greater than Liapunov's time. The system considered by Boltzmann is one with many particles, of the great systems category, which can become very easily unstable.

Boltzmann's demonstration of reversion and inversion, of infringement of the second principle appeals to the well-known H theorem, defined according to molecular speeds distribution. A consequence of this theorem was that H function must always decrease in an isolated system, or, at the most, to remain constant, in the case of the statistic equilibrium. Boltzmann showed that H has to be proportional with the minus sign entropy. This led to the formulation of the principle, that entropy must decrease, Shannon taking the conclusion as such, replacing the proportionality recommended by Boltzmann with the perfect equality (even though there can be stated that there are fundamental differences between the informational entropy and the thermodynamic one).

Prigogine categorically states that irreversibility (in the microscopic processes world) cannot be explained according to the reversible laws of the classical dynamics (the sufficient reason principle). Any attempt to render meaning to irreversibility, evolution of any kind, by means of sufficient reason language is destined to failure.

Boltzmann's partial failure could have been caused by the fact the classical dynamics had evolved without any constraint. In defining the physical systems of the classical dynamics nothing is lost, the reversibility determining their evolution completely. Boltzmann wanted to the same thing in thermodynamics, as well, but failing in doing so, he introduced approximations, setting a precedent. Even though the introduced approximations were more related to the human subject than to the observed one, this precedent is an extraordinary one. The precedent created by the second principle of thermodynamics will be used later by the great conceptual schemes of the 20th century physics, the second principle was still seen as a failure, as a weakness of human nature of maintaining uniformity and predictability.

The inclusion in any scientific law of a constraint related to the impossibility of human nature of having unlimited net information, represents, on a large scale, our becoming ideal. The certainties are elaborated in the whole world of reversible processes, of any nature, where tendencies are conserved, knowledge becoming so high that becoming has no sense any longer, if at least one certainty is not broken. Of course, any science cannot impose itself but by positivism, by what it can confirm in any moment, but its destiny is implacable when its becoming is impossible, when the normative and intuition are no longer revealed. The normative and intuition do not impose apparently strict reference points as compared to the positive which is indissolubly linked to a validation criterion specific to each science. In physics the validation criterion is based on neutral experiences as compared to the social-economic-science, for example, where the criterion for establishing the truths is a direct one, supposing a dialogue between subject and object. Thus, physics-related certainties, where the factual reality is that of microscopic objects, little personal, are very solid and hard to break.

Could we reach the same conclusion for the real world, as well? How would certainties be elaborated in such a world and how stable would they be? How would a reversible process look in the real world and how useful would it be to our evolution?

The answers are given by questions: What could we take from the thermodynamic physics in economic science? How could we understand the entropy of the microscopic world in the real world? What processes would be useful to the individuals' evolution?

I think that for the economic science evolution we have to include the imperfect knowledge constraints. Even though Georgescu-Roegen did not admit the theoretical character of the economic science just because its positivism is a weak one, I do not think that it is absolutely necessary that the economic science should have a clear-cut positive.

If physics were annulled the greatest certainty Heisenberg indetermination principle, then it would definitely not revolutionize just the economy, but the whole science. In the same manner, if the economic science would overcome one of its great indeterminations, the consumer's behaviour, do you think that it would be any revolution? Do you think that the inventory of a machine that would read tastes and thoughts

would be of any use? For us, simple individuals, definitely not. But isn't this already happening? Information systems that gather data on consumers will certainly not be able to make objective specifications, issue certainties, but for information, communication of a certain nature oriented to the simple individuals. Stimuli, of any kind, make us more controllable; preserve certain tendencies so that certainties related to our behaviour can be issued. But this leads to the disappearance of differences between individuals, of different behaviours leading to the uniformization of the mass, to evolutions not far from equilibrium

The idea I want to reach is related to the apparent contradiction between entropy and development, evolution of any kind. Out of the multiple theoretical attempts to break the second principle, it has been stated that in order to separate order and disorder, the entropy has to decrease. Any of these attempts did not practically succeed in surpassing the second principle, which still remained one of the greatest constraints of the real world. Despite this, the entropy was asked to decrease, some of the important theories related to evolution being based on this principle.

But, in order to make entropy decrease, activities, processes have to be irreversible, this fact contradicting the principles of becoming. Entropy decrease can be produced theoretically at equilibrium when the average remaking of differences would remove the equilibrium system, a very improbable situation. Most activities and processes, corresponding to some entropy-growth evolutions cannot be explained by reversible processes. The entropy decrease principle will prove to be an incorrect one.

Reality cannot be dissociated from any entropy growth. The entropic indetermination principle, the modern formulation of the second principles, leaves many degrees of spatial-temporal freedom to (irreversible) processes, being in favour for the creation of the new by a very large sum of combinations (modifications). The entropy (law) principle demands that each combination (modification of the present) should take place with an entropy growth, without indicating the way these combinations take place. There can be no direct action on entropy, but on the entropy cause: the systems' activities and the conditions determining them (resources, energy, and experiences).

Remarkable contributions were brought by Ilya Prigogine and Nicolae Georgescu-Roegen who demonstrated the first by dissipative structures, unbalance complex structures, able of evolving far from equilibrium, the latter by permanent fluctuations, that evolution is not in any kind of contradiction with entropy. The entropy-producing activity is no longer synonymous with degradation, with the disappearance of differences. There are two different approaches of the two: Prigogine's exploration started in the world of physical-chemical processes, the unbalance structures manifesting, for the first time, at macrocosmic level, farther from reality; Roegen's approach is related to the real world.

The extraordinary contribution of Roegen is very subtle; even though the entropy law relates any becoming to a n entropy growth, nobody in the whole science made the necessary correction, on the contrary most of the time entropy was asked to decrease. Any entropy growth represents an evolution, a difference between what was and what is, but without stating a proportionality between the entropy growth and the result of becoming. Thus entropy defines in a very large sense becoming, some adjustments being necessary. As a matter of fact, the entropy indicates the evolution way, not the way in which it takes place. Roegen mentions that becoming should not take place with uncontrolled evolution growths, on the contrary the entropy growths are associated with low entropy that many interpreted as negentropy, negative entropy, a confuse notion, coming from the interpretation of the second principle of thermodynamics through the classical dynamics. Thus, the Romanian scientist makes a distinction between the consumption of resources, energy and entropy production. So, a convenient becoming state, of an enterprise development can be reached with a low entropy production, which can be interpreted by a sustainable transformation of resources and energy.

The production of entropy is an abstract notion, difficult to quantify and calculate. It is directly linked to the degree of transformation (an entrepreneur's skills, competences etc.) but also to the useful activity (of the same entrepreneur). If the degree of transformation is very high and the useful activity reaches a high output, one can say that the entropy production is relatively low, so rational. If, on the contrary, the useful activity has a low output, the entropy production will be high, the entrepreneur dissipating uselessly many resources, energy and experience.

The entropy in the economic field has to be analyzed as marginal entropy, with perceptible growths from one period to another, from one process to another, the total entropy of a system being impossible to define and quantify.

The ideal situation would be that of discreet entropy growths from one period to another. Although these growths are not major, the becoming principle is observed as well as that of a sustainable development that should observe the natural environment by a rational consumption of resources and energy.

As far as natural resources are concerned, they represent the support of any economic activity, but are depleting. In a first stage, this is worrying as together with their depletion, the support of economic activities will be almost impossible. It is prefigured a situation that the theory cannot solve but by an adjustment. If the place of consuming-resources would be taken by the experience of human nature, this can be a solution in the future. But it is just an adjustment that only time will support or not.

In conclusion what could the entropy of thermodynamic physics say to the social-economic science:

- First of all, that the differences present in a complex system, such as the real world, are absolutely necessary for becoming. The differences, the non homogeneities among individuals, present at a social level, will support the opportunities at a macro level. The reversible processes, with no entropy growth represent theoretically the basis on any evolution, without being evolutions in themselves. The reversible processes create certainties that are elaborated when tendencies are preserved and there are no longer differences from one moment to another. For becoming, certainties have to end. The end of certainties has to manifest ordinally. There is, though, a constraint: the denial of certainties must not necessarily determine a breach, denying the way that made it possible. This denial is oriented both towards the past it inherits, and towards the future it suggests. Roegen suggested the use of arithmomorphic, analytical models for the confirmation of reasons, of some certainties. Schrodinger and Roegen noticed that diversity, fluctuations come from the cultural inclinations of the simple individual, making it difficult to analyse with a mathematical model. The errors generated by generalization were not compensated, but on the contrary, were maintained or amplified. The individual's economic actions cannot be dissociated from its cultural inclinations. These things do not simplify the analysis, but on the contrary, the powerful inclinations towards culture indicate an uncontrollable variation of behavioural configurations (patterns).
- Thus, an environment with profound cultural tendencies of individuals evolves unpredictably. The lower the cultural inclinations, the more preserved the tendencies will be; evolution can be described by means of an analytic model, as individuals tend towards a controllable mass, the certainties, the positive of the social-economic science becoming more evident.
- The consideration of analytical, arithmomorphic models for the outlining of the economic science positivism is a necessary condition but not a sufficient one.

Reversible thinking is definitely very useful, having a high output concerning the elaboration of decisions and provisions that are fast and less complicated. There are, though, some elements I consider essential in every science affirmation. They refer to the subtle and keen thinking. By studying the entire science at a subtle and keen level, a very interesting aspect is revealed: affirmations of keen and subtle geniuses become predictions that later are confirmed, becoming certainties even though there was a great period of time between their affirmation and the constraint of some models for their confirmation. These affirmations contradicted each time the order previously established. Their geniality is unique, being based on an intense effort, of regular exercises that involve routine activities, reversible ways of thinking, the basis of mental abilities absolutely intuitive and of keen and subtle thinking.

Newton and Clarke "felt" that concussions represent the occasion of some force losses that produce the new. This enunciation was elaborated long before the formulation of the second principle of thermodynamics.

Boltzmann, even though he introduces a profound confusion, was aware of the evolution of the atom notion, as well as of the entire structure of theoretical physics. Boltzmann has the extraordinary merit of being free, with an undogmatic point of view.

Einstein represents the central point, the most subtle and profound, and he represented models of thought in thought, strongly contested up to their confirmation.

Roegen gave another quality to the new, from other points of view than his colleagues', great economists, giving up to the framing of the economic science in some logic formalism subtly and profoundly indicating that the economic determination is utopian as long as the individual has real liberties of thinking.

- Entropy is a loss, a price paid to evolution. This is exactly what evolution is: the difference between new and old – and this is entropy.

It is very possible, and this is how it should be, that in a short time entropy would be differently outlined and interpreted, going beyond engineers' or economists' necessities, it would observe the evolution principle, relating first of all to the world we try to describe, defining the constraints on which evolution is permanently articulated.

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THE ROLE AND IMPORTANCE OF MARKETING RESEARCH IN RETAIL

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Abstract: The work approaches the features of collecting and using information in retail commerce, as well as the characteristics of the marketing research in this area of activity. In a successful retail distribution field, the information must move freely and efficiently between the three main parts of commerce (supplier, merchant and consumer). The result is a better communication and a better anticipation of the expectations of all three parts. The entrepreneurs who rely on unsystematic or incomplete research, e.g. intuition, increase the failure possibilities. The information system specific to commerce anticipates the data required by the retail managers, collects, organizes and stores, systematically, relevant data and directs the informational flux towards taking the right decisions. This kind of system implies retail marketing research.

Key words: retail, data, research, consumer, profit.

Introduction

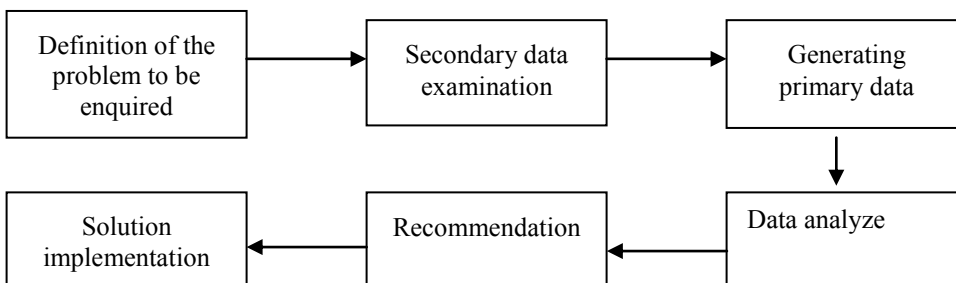
Retail marketing research implies the following steps: the definition of the problem to be enquired, secondary data examination, data examination, solution proposal and solution implementation. If the problem is not correctly defined, applying a secondary data might enlighten the situation, but if secondary data is not available, primary data is the only option. The potential disadvantages might be: costs, limited access, collecting irrelevant data.

Marketing research process

Marketing research process requires a collection of data and its analysis concerning certain problems connected to the retailer. In some companies this kind of research is one of the elements of the data system, as in other companies it may be the only kind of processed and used data. Marketing research implies certain activities, such as [1]:

- The definition of a certain problem to be enquired;
- The examination of the secondary data;
- Generating initial data, if necessary;
- Data analysis;
- Building recommendation;
- Solution implementation.

This process cannot be done in one step, but it is a complex and systematic process. Figure no.1 emphasizes the way the research process is developed. Each activity is sequentially made; secondary data is examined only after the problem is defined; the interrupted line around “primary data” suggests that they are generated only if secondary data is not efficient. The entire process is defined immediately after the following figure:



Retail marketing research [2]

The problem must be clearly defined in order to be solved. What information does the retailer need in order to take a decision? Without the exact knowledge of the problem appears the risk of collecting irrelevant and confuse data. Here are some problem examples for a shoe store . The first problem tries to compare three locations and it is completely structured. Meanwhile, the second one has an “opened ending”:

- Out of three possible stores, which one should I pick?
- How can we increase the sales for men shoes?

When secondary data is involved, the retailer looks upon data picked for other purposes than for solving the current problem. This data can be internal or external. When primary data is used, the retailer stops to information collected especially for the enquired problem. This data can be collected by the means of surveillance, observation, experiment and simulation. It is very important for merchants to take under consideration the following:

- The collected data categories are very diverse (as well as the costs);
- Only the necessary data, referring to the enquired problem, ought to be collected;
- Primary data are usually necessary only when secondary data is inadequate.

The following data should be collected for the problems of the shoe store, mentioned above:

The definition of the problem	Necessary data for solving the problem
1. Store location?	1. Data concerning transport, traffic, consumer profile, rent, store size, government allowed competition, the three locations observation (by the owner).
2. How to improve sales?	2. Sales records for the past five years on each range of goods, consumer surveillance in a neighbor store.

Required data for potential problems [3]

After the data is collected, it must be analyzed in order to establish the information and connect it to the definitive problem.

Alternative solutions must be underlined as well – the following table shows the advantages and the disadvantages of the alternatives of sales growth, as well as of each location:

Problem	Alternative	Advantages and disadvantages	Recommendations
Store location?	Location A	Best transport, traffic and consumer profile. Highest rent, smallest storage, high competition.	From far more advantages than disadvantages.
	Location B	Bad transport conditions, traffic and consumer profile. Large storage, no competition.	
	Location C	Intermediary on all plans.	
	Multiplying the range of goods	It will attract and satisfy more consumers. High costs. High storage level. Reduces the turnover for other goods.	Lower prices and higher addition:

How to improve sales?	Giving up some assortments and specializing on certain products	It will attract and satisfy a certain category of consumers. Excludes many other segments, costs and low stocks.	increasing the number of clients makes up for high costs and small incomes – the combination will determine the company to develop.
	A slight price diminish	Sales increase; unitary profit reduces.	
	Advertising	Will increase the flux as well as the number of clients; high costs.	

Research based recommendations

Secondary data. Advantages and disadvantages. [4]

Secondary data has certain disadvantages:

- Putting together data is not an expensive operation: company records, government publications, business publications, and so on and so forth, all have low cost;
- Data can be collected quite fast: for instance company records, bibliographic sources, web sites, etc., all are easily accessible;
- There are many sources where to collect data from;
- A secondary source may contain information which is not easily accessible to the retailer;
- The result is amazing when data is supplied by trustful sources;
- The retailer may at first have a vague idea about the problem which is to be enquired, and the secondary data will help in defining better the problem.

Except these advantages, there is a range of disadvantages that ought to be mentioned, disadvantages brought by the use of secondary data:

- Data accessible at the specific moment of time might not fit to the problem enquired due to the fact that it was collected for other purposes;

- Secondary data might be incomplete. For instance a service shop wants to know the following data about cars: fabrication year, type, and distance in kilometers. A car office can supply any data but the distance in kilometers;
- Information might be obsolete. Statistics collected each 2-5 years might not be proper in the present day;
- Secondary data correctness must be drastically checked;
- Certain secondary data sources are known for their weak data collecting techniques, therefore they must be avoided. If contradictory data appear, a better data source must be found, with a good reputation.

Secondary data is used in any types of marketing research. It consists in writings, numbers or symbols, previously collected and stored, based on different requests, objectives and hypotheses, other than those had in view when using it. There are many sources and many types of secondary data. The difference between them is that some are internal while others are external.

Internal secondary data is data accessible within the company and it is the first data that must be searched for:

- Company budget and efforts in covering the budget deficits;
- Sales analysis together with the profit and loss account in order to determine the strengths and weakens of the company, for improving the company's activity;
- Keeping the report resulted by using primary data for a future use as secondary data;
- Activity reports.

External secondary data is provided by sources from outside the company. This data might be obtained from governmental or nongovernmental sources. Some of these sources may be libraries, reports of different organizations (both governmental and nongovernmental), magazines, newspapers, academic reports, etc.. Nowadays, the Internet is a common means of collecting external secondary data. Usually it is collected from trustful web sites or by searching in books, magazines, and so on. Using these sources (external) must be done only if the internal sources are insufficient.

Primary data. Advantages and disadvantages.

Primary data refers to any verbal information, written, numerical or symbolical, that reflect behaviors, opinions, evaluations, attitudes, reasons, intentions and preferences, obtained for the first time by using different means of collecting information, from those who possess it (people, institutions, companies, etc.). [5].

Totally unsolved problems may remain after using all secondary data. In this case it resorts to primary data. Here are some of the advantages brought by using primary data:

- Primary data is collected as a response to the exact needs of the merchant;
- The information is actualized;
- The data categories are created only for the enquired problem;
- There is no contradictory data from different sources;
- Primary data is the only possible alternative when secondary data is not enough.

There are also some disadvantages:

- It is harder to obtain;
- Collecting primary data takes more time;
- If collecting only primary data the success odds are limited;
- Irrelevant data might be collected if the problem is incorrectly defined.

The sources in this case might be, just like at secondary data, internal or external. The internal sources are cheaper and more easily to access, but the external data is more relevant and formal.

The most common methods used for collecting primary data are either the experiment or the simulation.

The experiment is a type of research in which one or more elements of the strategy are used under control. These elements might be: price, “shop hours”, and so on. The great advantage of using the experiment is that it can demonstrate the cause and the effect (a lower price leads to higher sales). Experiments can be made both in the laboratories and on the “field”. Laboratory experiments offer the possibility of direct measurement of the effects of the stimulus applied to the subject. Field experiments are realistic, but the measurement is more difficult. The main disadvantages of experiments are high costs and disturbing factors.

The simulation is a kind of experiment in which a computer program is used to manipulate the elements of the strategy. There are two types of simulations: simulation based on mathematic elements and “virtual reality” based simulation. The first kind builds the model of a controllable and uncontrollable retail environment. No consumer cooperation is required. This kind of simulation is more popular due to the advanced software existing nowadays. The second kind of simulation uses interactive software that allows participants to simulate their behavior in the most possible realistic way. Unfortunately there is a low supply for this kind of software.

Conclusions

The information circuit in a commercial system is essential for the well going of the activity. There must be a great communication among all parts of the system in order to avoid conflicts that can weaken the proper functioning. The main key in this “Swiss mechanism” is the merchant, due to his intermediary part between the supplier and the consumer. If this part is held in giving information, then the entire system will “limp”. Even if each part is held in giving information they, must first think that splitting data and afterwards collecting it is in their own interest, in order not to supply information that might affect their activity afterwards.

Not all collected information is correct and complete, therefore there must be avoided marketing strategies based on wrong information. Patience is the strength in collecting data and in creating a marketing strategy. If the retailer is anxious to obtain profit as soon and as fast as possible, the situations discussed above appear.

Creating a data base is important for each company, no matter its size. The information stored must be correct, must have as many documentary sources as possible; data must be well organized, systematically organized, in order to permit a fast usage and access; it must be updated very often. If the retailer considers that he neither has the necessary experience nor the necessary personnel to create the data base by himself, he must contact a specialized company. The cost for such a data base must not exceed 1.5% of the sales in the given area [6].

The companies that have a more complex administration, including more than one data base, must create a data storage/warehouse in which all data bases are gathered together for a better and more facile administration. This storage helps in eliminating redundant data and it must be accessible to all employees, no matter where they access from.

Only after going through all these steps of collecting information, a marketing strategy can be made in order to provide a better satisfaction to the clients’ needs, and in order to achieve a profit growth.

The strategy can be based on secondary data or on primary data (discussed within this work), but to use it, there must be at first a problem to be solved with the help of this information. Marketing research also uses processes as the experiment or the simulation. These two processes can be put into practice with the cooperation of the consumers and by analyzing the consumer behavior in specially created conditions.

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THE NECESSITY OF STUDYING BUYING BEHAVIOR, CONSUMPTION AND USE OF INDIVIDUAL CONSUMPTION GOODS BY COMMERCE FIRMS

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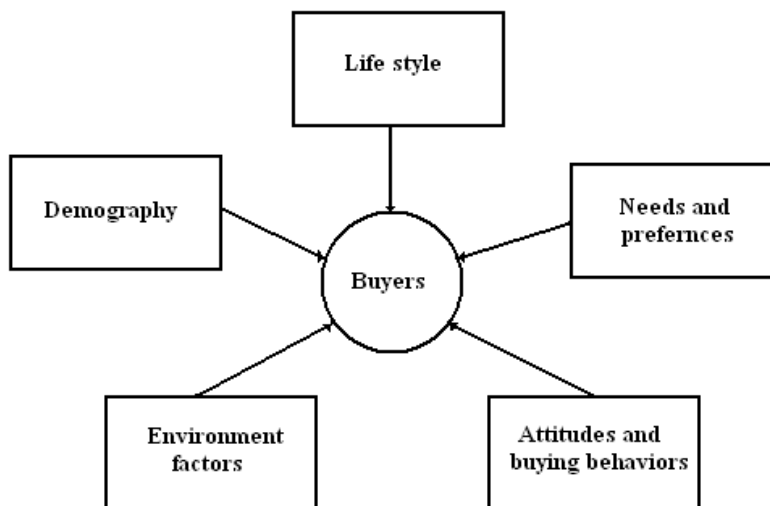
Abstract: The quality of a selling strategy depends on how well a company can identify and understand its clients, and on how well it can make the market strategy mix so that it can be attractive to clients. This leads to the identification of characteristics, needs and attitudes of the consumers, to the acknowledgement of the way people make decisions, and in the end, to the creation of a proper marketing plan. Selling strategy also implies studying the environmental factors that influence buying decisions.

Key words: buying behavior, influence factors, retail, market strategies.

Introduction

A place in which the merchant can interfere so that he can attract as many clients as possible, is the consumers' decision taking process. In any stage of this process it is important that the merchant supports and direct the consumer, making sure that the process ends in an acquisition. The merchant must understand that once the acquisition is completed, his job does not end, post-selling services being just as important as support and guidance provided by the merchant, his connection to the client, enquiring the clients' decision in order to create a further positive image on his company.

Merchants will not be able to satisfy always all the needs of the consumer; nevertheless, those who will be able to foresee chances in needs and preferences of the consumers and adjust their activity to these changes, will survive and prosper. [1]



Factors of influence on buying behavior

The present work discusses the most important aspects regarding these factors of influence on buying behavior and decision of individual consumers.

Demography and lifestyle of consumers

The demographical parameters are objective, measurable data and easily to identify of population. Lifestyle refers to the ways individual consumers and families live and spend their money.

Demography

Consumers can be characterized by certain demographical factors, such as sex, age, population growth rate, average age, alphabetization rate (the percentage of the people who know how to write and read), language, size of household, civil status, income, migration, address, occupation, education, race and so on. These factors affect the way in which shopping is done, as well as merchant actions and activities. Therefore, a merchant ought to have certain knowledge on general tendencies, as well as on demographical aspects of its target market.

Regional data is more useful due to the fact that most merchants are local or regional. Because most merchants are local or they operate only in some regions, they must collect information about people who live in their area of activity, especially about potential clients.

For a business and a given location, the characteristics of the target market can be studied on the basis of the demographical factors, leading to a proper strategy including: [2]

- Market size – how many people does the potential target market has?
- Sex – are there more men or more women on the potential target market? Or their number is equal?
- Age – which are the main age intervals the retailer aims?
- Size of household – which is the average size of a household of potential clients?
- Civil status – are potential clients married or not? Do families have children?
- Income – does the potential target market has low, average or large incomes? Is there any chance for the available income to be used for luxurious acquisitions?
- Retailing – which is the prognosis for regional sales of goods and services?
- Birth rate – what importance does the birth rate have to the offer of goods and services of the retailer?
- Mobility – what is the percentage of the people within the potential target market who move inside and outside the business?
- Where do people live – how wide is the trade area from which potential clients can be attracted?
- Employee level – does the potential target market also include women who work?
- Occupation – what industry do people work and what is their occupation?
- Ethnic and racial history – does the potential target market cover a distinct group, ethnically and racially speaking?

Consumers' lifestyle

Consumers' lifestyle is based on social and psychological factors and it is influenced by demographical factors. Referring to demography, a merchant should first have some knowledge on consumers' perception of lifestyle, and then determine the lifestyle attributes of his own target market.

The following social factors are useful in identification and understanding of the consumers' lifestyle: [3]

- Culture;
- Social class;
- Reference groups.

There are also some psychological factors that are useful in identification and understanding the consumers' lifestyle: [4]

- Personality;
- Social conscience;

- Attitudes / opinions;
- Perceived risk;
- Acquisition importance to consumer.

A merchant can make a profile of the lifestyle of the aimed consumer, by answering to the following questions and using the answers to create a development strategy:

- Culture – which are the most important values, rules and traditions that characterize the potential target market?
- Social class – do the potential clients belong to the inferior, middle or upper class? Are there any social movements?
- Reference group – who do the clients ask for guidance in different acquisitions? How does a company look towards opinion leaders?
- Household / family life cycle – in what stage of the cycle are most clients situated?
- Spare time – how do people spend their time? How do people feel about shopping time?
- Personality – do potential clients have personality features that can be identified?
- Attitudes – what is the opinion of the potential target market on the retailer and his offer, within the context of a specific strategy?
- Perceived risk – do the potential clients feel any risk concerning the retailer? What goods and services have the highest perceived risk?
- Importance of acquisition – how important are the goods and services offered to the potential clients?

Needs and preferences of the consumers

When the profile of a target market is sketched, a merchant should identify the needs and the preferences of the buyers. From the commercial firm point of view, needs are requests of buying accordingly to the present lifestyle and demography, and preferences are arbitrary goals that have an impact on attitudes and behavior.

The merchant who wishes to satisfy both needs and preferences of the consumers, should find answers to the following questions: [5]

- What distance are the clients willing to travel to get to the merchant?
- What are the preferred hours? Is there necessary the presence of a nighttime or weekend schedule?
- What is the desired level of client services?
- How large should the ranges of goods and services be?
- What is the desired level of quality for goods and service?
- What importance does the price have?
- What are the measures the retailer must take in order to reduce the perceived risk?
- Do different market segments have special needs? If yes, what are those needs?

Attitudes and buying behaviors

We shall focus on consumers' attitudes towards shopping, place where they shop and the way they decide to buy.

Shopping directed attitudes:

Many researches were made on these attitudes, due to their importance in retail. Merchants should focus on changing existent negative perceptions. These researches emphasized the following: [6]

- Pleasure for shopping – it is not as important as it used to be. In order to obtain a satisfying experience, a retailer must offer a challenge, like discount hunting, the opportunity to get out of the house or office, or simply spoil clients a bit.
- Shopping time – it is desirable to be as shorter as possible due to the pressures of working and family. This leads to the phenomenon called “exact shopping”, meaning: searching for the goods as quickly as possible;
- Why do clients buy, or don’t buy a certain product – it is essential to know why do buyers leave the selling point without buying something. Ten reasons were found:
 - They cannot find an attractive style;
 - They do not find the proper size or the product is out of stock;
 - Nothing fits;
 - No guidance is provided;
 - Access is difficult in and out the selling point;
 - Very high prices;
 - Stressing experience;
 - They cannot find a good price;
 - The selling point does not provide a convenient merchandise;
 - Merchandise is out of season.
- Attitudes on market segments – the following classification is based on 4 types of clients:
 - Stewards – are interested in prices and convenience;
 - Visionaries – who want a social experience;
 - Speed buyers – want to buy fast;
 - Elites – they are looking for quality brands.

The decisional process of the buyer

Besides identifying target market characteristics, a merchant must also know the way people take decisions. This implies an acknowledgement of the consumer behavior, representing the process through which people determine if, what, when, where, how, whom from, and how often to buy goods and services. Such a behavior is influenced by the peoples’ past and features.

The decisional process must be understood from two different perspectives:

- What good or service does the client wish to buy;
- Where to buy from (is the client decided to buy).

A consumer can take these two decisions together or separately. If he takes the decisions together, the person will ask for guidance for the entire process. If the decisions come separately – “what” to buy vs. “where” to buy from – the person will collect information and advice before visiting a retailer, and he sees the retailer only as a place where to buy from.

In the decision of buying or not a certain good (“what”), the buyer takes into account characteristics as resistance in time, oneness, value, easiness in use, and so on. In the decision of selecting the retailer (“where”), the buyer takes into account the location, variety, credit availability, support personnel, schedule, client services, and so on.

The decisional process has two parts:

- The effective process;
- The factors that influence that process.

There are six steps of the process: [7]

- Stimulus;
- Problem awareness;

- Information search;
- Alternative evaluation;
- Buying and post- buying behavior.

The process is affected by both demography and lifestyle.

Environmental factors that influence buyers

Among the factors that influence the attitudes and behaviors of the buyers, there are the following environmental factors:

- Economic situation;
- Inflation;
- Infrastructure of the place people buy from, like heavy traffic, criminal rate, parking places, and so on;
- Merchants' price war, or the price war between merchants and producers;
- The tendency to more people who work at home;
- Governmental legislation, as well as local legislation, regarding the schedule, new constructions, consumers' protection,
- The evolution of rules and value within the society.

Even though all these elements have an impact on individual consumers, they tend to influence even more the actions of merchants and their marketing strategy. Merchants must take into account the way living standards change. [8]

Conclusions

The commercial firm comes into contact every day with hundreds or thousands of people. Each one of them has needs and preferences and there are never two persons with exactly the same needs and preferences. They can be similar, but not identical.

Nevertheless, certain groups will be characterized by tendencies, preferences, tastes, will be influenced by certain demographic factors (age, sex, education) as well as social factors (culture, social class), which sort of eases the merchant's work that consists in answering as fast and as correct as possible to these needs and preferences of the consumers, so that the business works in an efficient and profitable way.

Demography and consumer lifestyle that form the target market, will help the merchant in understanding consumers and the factors that influence their decisions, factors mentioned above (demographical, psychological and social). The merchant will also pay attention to the impact of these factors on the general tendencies in shopping.

The issues discussed above are not enough. Further more, the merchant will direct his attention towards the needs and the preferences of the consumers, being able to distinguish the two of them – a consumer may wish for a higher quality product, but to afford only a lower quality one because of his financial situation.

As a conclusion, it is vital for a merchant to collect as much information as possible about the features of the target market and conceive a strategy to fit best the needs and preferences of each consumer.

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CONTRIBUTION TO THE DEFINITION OF THE PARTICULARITIES OF CONSUMER GOODS DISTRIBUTION MARKETING

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Abstract: Both producers and consumers are separated within contemporary society by different aspects, such as distance, needs, etc.. These gaps must be filled – therefore results distribution marketing, as intermediary phase between production and consumption, meant to assure the equilibrium on the market, as well as the flow of selling-buying processes. The necessity of distribution marketing is emphasized by competition, the need of integration within the market, solving different problems, and so on. Companies, no matter their nature and size must always know and observe the needs of the market by the means of research, studies and analysis, in order to be efficient. Distribution marketing implies not just market research, but complex studies – technological, economic, demographical, psychological, and so on.

Key words: distribution, marketing mix, policy, market, objectives.

The necessity of distribution marketing

The distribution process, interposed within goods flow, has in view the means and operations that assure goods and services to intermediaries or final consumers, leaving them a numerous range of options of time, place, size, choice, price, etc., according to the needs they manifest on the market.

In the interval of time interposed between production and consumption, space filled by distribution, there is a series of economic activities, such as: merchandise delivery, transportation, depository and storage, en-gross and en-detail selling, material, financial and human resources mobilization, property titles transfer, and so on.

These activities, because they have a double role - the satisfaction of the clients' needs and the growth of the number of the businesses which generate the profits of firms, firms which take part in commercial transactions - involve the necessity to conceive a specialized domain of marketing, to offer both a way of thinking, as well as a direction towards optimization of the two main preoccupations of companies: satisfying consumers and profit. Defining the coordinates of distribution marketing, we have to face the fact that these options can be seen as coordinates of a new marketing mix – distribution mix – concerning the market, the range of goods, commercial services, the price, communication and merchandising.

The Marketing Policy and Strategy in the Distribution Firms

The marketing policy of a distribution firm consists in special components and modalities of leadership of the commercial activities which contribute to the realization of the general policy of the industry. Just as within global marketing policy, the *Centrum* of the distribution marketing policy is the strategy, which concentrates all actions and activities regarding the company management.

Inside the distribution sector the strategy has also a double part: general orientation of the industry activity and the duty establishment in regard of achieving the proposed objectives for each stage, and the adaptation possibilities of the industry activity to the market evolution.

According to this strategy contains two important parts:

- The market definition or market delimitation in which the industry proposes to act;
- The organization of the marketing mix.

Market definition and delimitation are specific to the strategy axis. All concepts, methods and techniques of general marketing are meant to offer companies the possibility to determine and delimitate the area in which they operate, according to their objectives, possibilities and chances. Also through the specific way of presenting the market issue, goods distribution marketing, by the means of its strategies, can set the

basis for sector decisions regarding offer, intermediary price policy, communication system, as well as for other aspects of company management.

When establishing the marketing mix – which combines resources: material, financial and human within some programs that take into account achieving the established goals, specific elements are less visible, emphasizing the necessity of delimitating the new concept.

Product policy in distribution marketing:

The conceptualization of the product policy – component of the marketing mix – in the distribution domain starts with the idea that the offer of goods and services outlines through its combination a well defined product policy in distribution field, given the conditions in which the intermediary works and what he can offer to the consumer. In such case we consider that the delivery man has connections with other producers, fact which will actually lead to a market differentiation, on one hand, and, on the other hand, the delivery man has to confront to a very large and different number of people from area to area, which leads to larger or narrower offer, deeper or less deep, based on the area and the clientele. Within the same product specific policy, distributors must define the way of action concerning commercial duties. The product policy must include the selling point, which is defined by dimensions, departments, assortment, presentation and ambiance.

Price policy in distribution marketing:

The outlining of the price policy inside the distribution marketing must start from the fact that the intermediary generally calculates his own selling prices, having in sight an additional supplement. This supplement is established in percentage, depending on the selling price. Price is the most efficient element that attracts clients. Taking into account the large number of products that are sold at different prices, results a heterogeneity of price strategies, based on the life cycle of the product, competition, costs, “me too” price strategies, etc.. Because of the typical problems that the commercial firm has to confront with, the price policy assortment has to take under consideration the following things:

- The objectives had in view by the commercial firms (sales, profit, investment profitability, etc);
- The chosen strategy (winning a market, consumer loyalty, defeating competition, etc.);
- The in-force settlement for a specific market place on which it works.

Distribution policy in distribution marketing:

Along with the complex problem referring to the product and range, price and promotion, the universe of distribution includes as well a complex system of relationships which offer support to this department. The modern economy generates new requests related to the space which interposes between the producers and the consumers.

This space transforms itself into an action field for many intermediaries: [1]

- Merchandisers (wholesalers, etc.) – buy on their own and resell the merchandise;
- Agents (brokers, representatives) – who prospect clients and makes contracts in the name of the producer;
- Logistics supporters (transporter companies, banks) – facilitate the distribution operations without taking part to the commercial negotiations.

Having all these aspects under consideration, the distribution marketing must do the following:

- Outline specific systems of relations which characterize the content of the economic circuits or the distribution channels;
- Do a continuous prospect and establish effective manipulation systems of the merchandise, the transportation, presentation and the selling, as well as sustaining logistics of the respectively process (all these create the content of the physical distribution).

In specialty dictionaries, distribution policy is seen as a specialized policy of commercial companies, referring to logistics activities, choosing the intermediaries, establishing the selling points, assortment policy, price policy and the promotional activities specific to distribution firms.

Promotional policy in distribution marketing:

The establishment of the promotional policy must be structured in two directions: one that refers to the strategy of communication and another one which refers to the activities of merchandising. The first direction has in view another two objectives: the assuring a positive image of the selling points and the other one consists in substantial and immediate intensification of the buyers' stream. Publicity is the means of achieving the first objective, as well as public relations, increasing personality of own selling points and increasing deliveries to consumers. Achieving the second objective implies fast advertising, publicity at the selling points, persuasiveness of sales agents and promotional activities (demonstrations, presentations, etc.). Merchandising is an activity specific to distribution, and it is the part of distribution that integrates the way goods are presented at the selling point, by the means of any technique that attracts clients, such as: presentation, sorting, packaging, exposure, etc. [2]

Wholesaler marketing decisions

Wholesalers have confronted themselves with new competitors, more selective clients, new technology, and programs for direct buying of the merchandise, institutionalized people and other intermediaries. As a result, wholesalers had to improve strategic decisions on selected markets, positioning and marketing mix – the range of goods and services, prices, publicity and distribution.

When it comes to the marketing mix of the wholesalers, they must decide on goods, services, prices, publicity and distribution. The activity of the wholesalers is sorting the goods and services they offer. Wholesalers are under the pressure of offering a complete range of goods and of supplying them immediately, when the market asks for them. Today's wholesaler reduces the range of products which they offer in order to concentrate only on the profitable ones. The price is another important decision to be taken by the wholesaler. The wholesaler adds usually 20% to the costs of the merchandise. The expenses represent about 17% and the rest of 3% go to the wholesaler. Although the promotion can be essential to the wholesalers' success, most wholesalers are not orientated towards it. Publicity, promotions, PR, etc., are unplanned and irregular. Distribution is essential to wholesalers who have to select positioning and utilities. Wholesalers place their businesses in places with low rents and tend to invest little money in buildings, equipments and systems. Big wholesalers reacted when faced with growing prices, and they invested in technology. Orders are introduced by retailers directly into the computerized system of the wholesaler, and goods are moved by mechanisms and transported straight to the loading platforms. Contemporary wholesalers adapt their services to the needs of the clients and seek for ways of cost control and reduction.

Tendencies in Wholesale

- Wholesalers admit that on long term they want to increase the efficiency of the marketing channel. Therefore, they must constantly improve their services and reduce their costs.
- The consolidation of this sector will diminish in a significant way the number of the existing wholesalers. The firms that will remain will evolve strongly especially through acquisitions, fusions and geographical expansions.
- The difference between large retailers and large wholesales will diminish. Many retailers have warehouses, or they are hypermarkets that have more than one function of wholesales, while many wholesalers practice on their own a lot of retailing activities.
- Wholesalers will continue to increase the services provided to retailers – prices specific to retail, advertising support, etc..
- Globalization lead to an expansion of some wholesalers world wide, being a threat to other companies. [3]

The Decisions of the Retailer

Due to the marketing instruments, came up the necessity of profound meditation on the problems of the commerce companies. Distribution marketing is not an abstract concept, but a very realistic one. Its realism consists in a number of procedures that make both markets and commercial strategies known.

Nevertheless, it also refers to the operational aspects of instruments available to a store manager to satisfy clients.

The internal and external environment of the retail firm

Distribution subordinates itself, more than other economic sectors, to economic conjuncture, fluctuations in the standard of living of consumers, etc.. All these elements can be analyzed by the means of internal and external environment elements.

The elements of the internal environment are as follows:

- Environmental factors that influence the methods and techniques of retail – they must adapt to the changes in economy and competition, standard of living, etc..
- Managerial perception of distribution, which implies 3 fundamental aspects:
 - A real orientation toward consumer, which is possible by taking into account clients' opinions (research).
 - Adaptation or anticipation tendency of social change.
 - Profit analysis – many large markets (super/hypermarkets) considered more important selling objectives than profitability, leading to a lack of financial independence.
- The structure and organization of a commercial company is an integrated part of the distribution marketing. Independence grade of selling points is a key factor: in some cases the strategy is completely independent; otherwise, the strategy of the selling points is subordinated to a decision centre.
- Strategies derive from company preoccupation for relations with an oscillating environment, for defining all possible options from all areas; coherent and complete commercial decisions are written and periodically actualized.
- Tactical variables are what we like to call “retail mix”, or “retail marketing mix”, referring to the organization of the ways of action on targeted market segments, in order to achieve the established goals.

The external environment refers to the uncontrollable factors of the environment. The evolution of society, economy, and technology has a huge impact on distribution firms. The managers of companies or selling points must identify environmental factors that may influence their activity, in order to be more efficient.

Strategic decisions

Regarding the objectives of a commercial company, they must be established in order to obtain efficiency in their activity, and they can be achieved by the means of marketing instruments.

- General objectives – if the firm already exists, general objectives must be established, such as: a better existence on one or more markets, or entering new markets; proceeding with the selling activity or diversifying it towards one or more directions.
- Performance objectives
 - Commercial objectives (having the highest turnover in town, commercial covering of a country or of a region of the world, control over other distribution groups);
 - Financial objectives (reaching a certain profit or turnover, having a certain profitability, keeping costs low);
 - Social objectives (having a certain human productivity within the selling point, improve working conditions, trainings);
 - Communication objectives (improving image, improving weak point of the selling points, exploitation of the strengths).

A strategy is put into practice through a method that implies taking 4 steps:

- A better acknowledgement of the company environment, especially of uncontrollable factors with potential high influence;
- Identifying market segments;

- Taking an original position to impress clients by the means of a better image of the selling point;
- Choosing the marketing mix that better corresponds with the selling point.

The System of Retail Commerce and its Marketing Mix

- The System:

Retail Activity can be represented as a system which activates and develops in an environment that integrates numerous factors because of four controllable elements: price, range, physical distribution and store communication. In the middle, there are the sighted consumers of these 4 elements. Their intensity will depend on the existing resources: financial means, the structure of the company, means to observe the consumers' behavior. Social-economic forces, technological development, government and organizations of consumers work together with the suppliers and competition to restrain the company freedom regarding its means of action.

- The elements of retail activity are:

- Products and services policy - every type of merchandise sold must be carefully defined as well as the services that accompany it. This implies assortment planning, assortment control, buying practices and supplier relationship, inventory, service policy before/at/after selling;
- Price policy – activity costs must be established, as well as the brand price, in order to price the products correctly;
- Distribution policy, which refers to the following elements: location of the store; selling methods; logistics; the system which registers the sales; the battle against losses; decoration of the store.
- Communication policy, which refers to: the staff; the shop window; publicity; public relation policy.

The Distributors' Marketing Mix:

The concept of marketing has been recently introduced in retail distribution and even if its efficiency is already appreciated, there still are firms in which physical distribution dominates marketing functions. This explains why companies, instead of developing specific strategies, they imitate one another. It is necessary to define the marketing policy, which is responsible for choosing the possible targets and methods in order to achieve the goals, and, at the same time they must look after the inside and outside compulsions of the firm. We suggest commercial offers to different segments of clients creating together with different elements of the marketing mix a homogeneous ensemble. M. Charlot noticed the low number of distributors with an explicit marketing policy. The reason is that most of them take instant decisions, without a rational, written plan. To remedy this, planning method is required, such as: data bases analysis, strategy definition, and tactical action. [4]

The Outlined Tendencies in the Evolution of Commerce and Their Implications in Commercial Activities in Romania

- Following the tendency of the acquisitions and merging, we can observe a concentration of the commercial segment;
- We assist to a growing integration of the food merchants and the non-food merchants in the same commercial area;
- The quality and quantity of information asked by the consumer grows; this leads to the growth of the distribution costs;
- The presence of the discount shop-chains will strengthen through a process of label concentration;
- The multi-specialization of large commercial areas and the reorganization of the products ranges continues;

- The number and quality of services offered to the client are increasing, fact which leads to a growth of costs. [5]

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ACQUIRING AND USING INFORMATION STRATEGIES IN RETAIL

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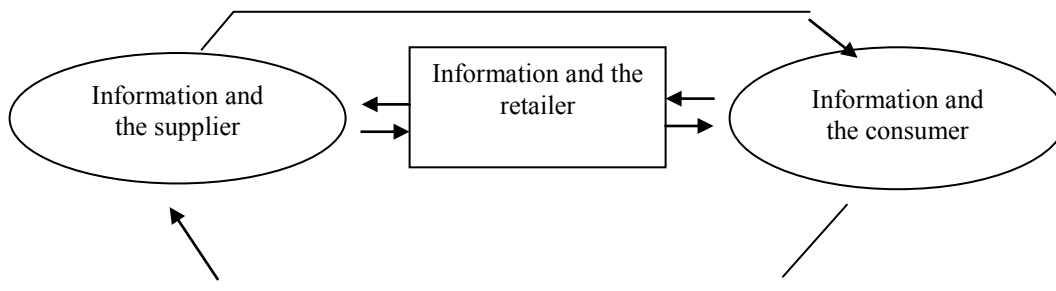
Abstract: In an efficient retail distribution channel, information flows freely and efficiently among the three main parties (supplier, retailer, and consumer). As a result, the parties can better anticipate and address each other's performance expectations. Retailers often have a vital role in collecting data because they are in direct contact to buyers. Either developing a new strategy, or modifying an existing one, good information reduces the risk of taking incorrect decisions. Useful information should be acquired through an ongoing, well-integrated process. A retail information system anticipates the data needs of retail managers; permanently collects, organizes, and stores relevant data; and directs the flow of information to those who take decisions.

Key words: retail, information, distribution channel.

Information Traffic in Retail

The ultimate condition for obtaining an efficient information distribution channel consists in the freedom and efficiency of information movement between the three parts that form the economic system: supplier, retailer and consumer.

The following figure emphasizes the information flow in retail:



Information flow in retail

Further more, we shall see what information is required by the commerce aggregates : [1]

- The supplier requires the following information:
 - from the retailer: sales approximation, stock rotation, competition feedback, “loyal” consumers situation;
 - from the consumer: attitude towards certain styles and models, brand loyalty expansion, the will to pay more for higher quality;
- The retailer requires the following information:
 - from the supplier: notices on the new models and on modifications brought to the models, guidance for use of complex products, sales prognosis, justification for price increases;
 - from the consumer: the reasons why they buy from the retailer, what they like and what they don't like, where else do they buy from;

- The consumer requires the following information:
 - from the supplier: assembling and using instructions, expanding warranty;
 - from the retailer: about warehousing special merchandise, about accepted payment possibilities;

Retailers often play an important part in collecting data for other members from the distribution chain, due to their direct connection to the consumers. For a better information circulation, collaboration and co-operation are imperative – especially between suppliers and retailers. This is not always easy, as a senior executive retailer claims: “Retailers and suppliers, normally, do not like to share information about the supply chain. They have the tendency to keep secret this information even if revealing it may be in their own interest. That’s why there still is a conflict between suppliers and retailers at all levels of the supplying chain. For this reason the supplying chain shows a deficit”[2]. Fortunately many retailers started to improve the traffic of information, due to the fact that they started to realize the importance of transparency of information to their activity.

Retailers fall often into temptation of guiding research strategies on incomplete and inadequate information because of the lack of time and funds, but also because of the lack of experience in marketing research. The consequences can be devastating. Here are some examples:

- Use of intuition: A theatre asks \$10 for a ticket no matter the day or the performance. The manager believes that because the performance is the same, the audience should pay the same price for a ticket for the Monday’s morning performance or for Saturday’s evening performance. If he had analyzed the theatre’s informational system, he would have known that the audience is lower on Mondays, people preferring to go to theatre on Saturdays. Therefore, tickets should be cheaper in weekend so that clients be as many as possible.
- Copying the strategy of a successful competitor. A local independent book shop decides to reduce the price to the best sellers down to the prices of a book shop chain nearby. It has losses and goes bankrupt. The costs are too high to face competition. The firm missed its strengths: personnel service, friendly ambiance for clients and close connection to the local community.
- Low acknowledgement of consumers perception: A florist reduces the price for flowers that have more than two days since they’ve been in his shop from \$17 down to \$5 per dozen, due to the fact that, even if they have a shorter life time, they don’t sell. What the florist didn’t know is that “old” flowers are seen as low qualitative flowers, and customers do associate low price to low quality, and the low price confirms their doubt and determines them not to buy those low price flowers.

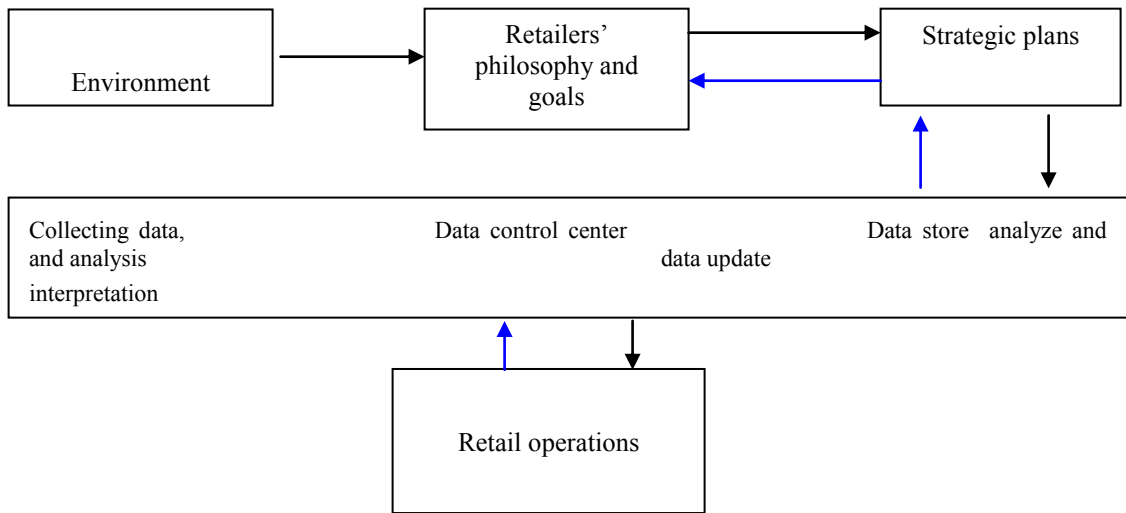
What are the conclusions to be drawn from these examples?

Inadequate information can lead to a bad strategy that will not achieve the desired goals, or even worse, that will have exactly the opposite effect. This can be avoided by marketing researches that set the bases for gathering proper information.

Informational System in Retail

Collecting and analyzing data mustn’t be seen as a quick solution to one problem. It is a part of an integrated ascending process. A Retail Informational System (RIS) anticipates the needed data, organizes and stores relevant data in a continuous data base; it directs the informational flow towards taking the best decisions.

The way an Informational System is built and used is showed in the following figure: [3]



—————> Implementation

—————> Feedback

Informational System in Retail

A good informational system has a few strengths:

- Information is organized and centered on the company;
- Data is stored and verified, so to anticipate opportunities and avoid crisis situations;
- Strategic elements are controllable;
- Making new strategies is faster;
- Quantitative results are obtained and cost-benefit analysis is possible;
- Information is directed towards the right addressee;

RIS – initially requires a lot of effort and time, and setting the basis of such a system takes complex decisions.

Building a RIS requires the following decisions to be taken:

- What active role should it have?
 - The RIS ought to be pro-active and supply any relevant data, and answer any possible question.
- Should the RIS be managed from the inside, or by an external source?
 - Any way is convenient as long as the RIS is guided by the information required by the retailer.
- How much should it cost?
 - Usually, retailers spend between 0.5% up to 1.5% of the income on such a system.
- What kind of technology should the RIS be managed with?
 - Many companies rely lately on technologies meant to lead the informational process (PC, low cost networks, low cost software, etc.).
- How much data is required?

- The purpose of the informational system is to supply enough quantity of information to allow the retailer to build proper strategies. There must be a balance between few information and information overload.
- How should information be stored for future use?
- Storing the information must allow a fast search and finding.

Most retailers hire a CIO – Chief Informational Officer, to supervise the system. Informational System Departments often have annual planning. Computers are used by most companies that have data analysis systems, as well as the Internet for certain functions of the system. 25 years ago most computerized systems in retail were used only to decrease errors from the pay desks, or to improve, fasten and ease inventory. Nowadays, they set the bases for informational systems and are used for monitoring, ordering, and transfers between shops. Such activities can be managed by all retailers.

What is Data Base Management? [4]

Data base management allows retailer to: collect, integrate, apply and store data referring to certain interest areas. It represents a major element in RIS and can be used together with the consumers' data base, with the data base of product ranges, and with the sellers' data base.

Building the data base implies 5 stages:

- Private data base planning and aggregate planning;
- Establishing the required information;
- Finding necessary data;
- Storing the information so that it allows fast usage;
- Updating the data base regularly, to emphasize demographical changes, recent acquisitions, etc.;
- Data analysis, that leads to finding strengths and weak points of the company.

Information can be provided by internal or external sources. A retailer can develop the data base from internal sources by keeping a close record of the data and by a proper arrangement.

Data bases in retail can be:

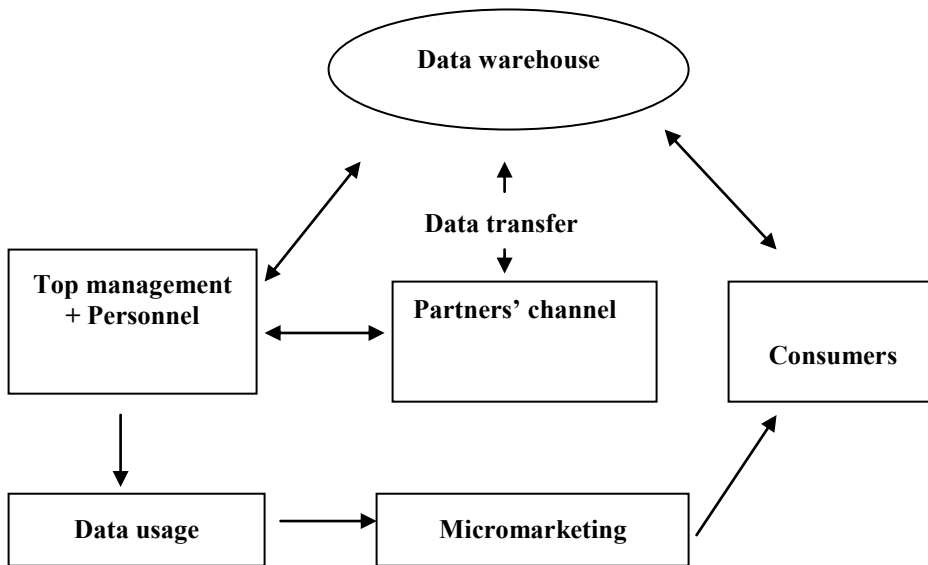
- Consumers' data base – it includes: sales frequency, bought products, total sales, demographical data, payment possibilities;
- Seller's data base – total sales on each period of time, all sales towards consumers on periods of time, best selling products, company profit, marginal profit, delivery time and service quality;
- Data base for product ranges – total sales categories per periods of time, product sales per periods of time, marginal profit of the company, and percentage of products on price reduction.

Developing a data base, externally, can be achieved by contacting specialized firms that supply data base for money. Donnelly Marketing, a subsidiary of infoUSA, owns a data base with information about almost 95% of the companies in the USA. DQI data base is a source of demographical information and life styles.

In order to efficiently manage a data base, the following aspects must be taken under consideration:

- Does the top management know the strategies of data bases and does it know how the data bases are used?
- Are there any persons or departments that monitor the data base?
- Is there any initiative checked to see if it is successful or not?
- Is there any mechanism that signals data about problems or opportunities?
- Are there intersections of client acquisitions and different departments of the company?
- Is the data base actualized any time there is an interaction with a client?
- Are there alternatives for clients who do not wish to appear in the data base?
- Is the data base frequently checked to avoid redundancy?

The following figure shows the way data base management works:



The way of functioning of the data base management

The latest appearance in the data base management is the data warehouse, the place in which copies of all data bases of a company, accessible to all people in the company from any location. Usually, a data warehouse is stored on the company's server PC. It is an appropriate place for all or at least for some of the most important data the company collects in its system. The process of data warehousing emphasizes the data collected from different sources for better usage and accessibility. [5]

The data warehouse has the following structure:

- Data warehouse – where data is physically stored;
- The software – allows multiplying data bases and transfers to the data warehouse;
- Interface – to process requests;
- Guide – for data categories stored;

A data warehouse has some advantages, such as:

- Employees can access quickly, easily and simultaneously data from any location;
- There is more input space for data first stored;
- Redundancy is easily avoided;
- Analyzing and using data is easily because it is stored in only one location.

The data warehouse can be used by all retailers (average and large size), but small ones, because they do not face a large flux of information.

Data is collected by the means of UPC and EDI. In order to be more efficient, many retailers base their activity on UPC (Universal Product Code) and EDI (Electronic Data Interchange). [6]

By the means of UPC, products or labels are marked with a series of vertical compact lines, each of them representing an identification code. The lines are read by scanners at the front desks. Cashiers don't have to write the code manually unless they are forced to. Due to the fact that the code cannot be read by customers, the retailer is forced to add a label containing information about the product (price, size, color).

The advantages of using the UPC are:

- Better information on the product;
- Improving inventories;

- Fasten transactions;
- Increases productivity;
- Avoid redundancy;
- Better information coordination.

Nowadays, there are approximately 5 billion scanning operations per day, meaning that the UPC is used 5 billion times per day.

EDI allows retailers to exchange information permanently, by the means of the computers, regarding: delivery time, unitary sales, etc.

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A NEW CHALLENGE - THE MARKET REPRESENTED BY WOMEN

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Abstract: *This paper tries to explain some reasons why big corporations assign increasingly funds, in order to conquer a billion dollars market: a market represented by women.*

Key words: *marketing to women, publicity, advertising campaign*

Motto: "Excepting for her sex, a woman is a man..."

Jean- Jacques Rousseau

INTRODUCTION

The terms in which Rousseau describes the force reports among men and women are those that will make history during the following centuries, emphasizing the very well known habit of mind according to whom women should rest incarcerated in families, a "natural" organization, while men should have access to the world, in the "labyrinth of culture", permitting the growth of vices and corrupting passions.

Why should we concentrate on women?

- Because women take all financial decisions.
- Because women keep control in everything regarding health.
- Because women have a higher life expectancy than men.
- Because women are the ones who start new businesses.
- Because the income of women increased substantially in the last decades.
- Because women conquer rapidly top management positions.
- Because women are better seller than men.
- Because women buy(almost) everything.

Women and men are different. Very different. Very, very different. Women and men have absolutely nothing in common.

Women buy lots of things. Women buy all things. The market targeted to women represents the number one opportunity in the nowadays economic development. Men are totally hopeless and ignorant when it comes to women desires.

MATERIALS AND METHODS

Statistically talking, women constitute the majority of population (51%). More than that, their buying capacity share exceeds this number. The preferences and women's priorities should be integrated in marketing initiatives of the companies, instead of being marginalized as an isolated program. Women are "leaders" when the family has to take decisions of purchasing something. Hoping that they can determine to buy, or to convince their husbands to buy, advertising companies realized they should impress women creating campaigns according to the wishes of women.

A recent study realized by MERCURY RESEARCH on 10.000 persons, analyses aspects like: consumption of media, consumption of products and trade marks, life style and demographic characteristics of Romanians. Based on the knowledge from TGI, Mercury Research has made a short

evaluation of employed women from Romania, high educated analyzing aspects like: how many women are educated, have a job, what makes them different from the active women, with high education, from men but from the rest of the population from the point of view of style life and attitude.

Every product from the market is well thought to serve a special category of buyers. The same thing happens with publicity campaigns which, for being efficient, they have into account that public who is probably interested in the products they promote. According to a GTI study, 75% from persons who have the biggest power of decisions when it comes about shopping are the women. The fact that women decide when it comes about shopping has attracted the desire of advertising campaigns to orient their messages to this category of publicity. "Being the most accessible and most profitable, consumer goods has known a very fast development in Romania. It's true that recently even the bearers has started to allow a more attention to publicity, but the Romania market has been dominated for many years by the consumer goods publicity.

Active women, high educated are in general young (25-44 years), married, incomes over average, working more that 40 hours a week. Their life style is determined by modern orientation and life rhythm. They are twice more orientated to spend holydays abroad and the major part holds cards. Among them we find more Internet users than the average (21% comparing 11%). Educated women are more concerned about their health; consequently they are life insurance holder, 50% more than the average in the urban area.

According to Eurostat, Romania has the highest percent of women licensed in sciences and engineering in Europe. At the level of 2005 year, 35.8% of Romanian high educated women (ages between 25-64) had a license in sciences and engineering, percent which exceed the average registered in all 25 European Union countries, 12.8%. Romania is followed by Estonia with 21.9% and Bulgaria with 29, 5%. In the same time, 55.9% of persons who graduated an engineering or science university were women. Women "buy" culture, 38% of them were at least twice a year to the theatre, opera, museums, comparing with the 20% average. Also 79% of educated women bought a book, versus 69% of educated men, and 49% against average.

Each product on the market is projected to serve a certain category of consumers. The same thing happens with the advertising companies, which, in order to be efficient, keep on eye that category of potential clients who is more interested in the promoted product. As TGI (Target Group Index) sustains, 75% of the decision making persons are women when we talk about purchasing.

The fact that women have the power in purchasing, publicity campaign started to channel their messages to this publicity share. The first step was made in the fast moving goods field, taking into account that these are very accessible and generate immediate profit. It is true that lately the producers and distributors of durable goods started to give an important role to publicity, but Romanian market was dominated by the fast moving goods advertising.

An analysis made by Graffiti BBDO and Insider based on personal Drive Analysis and TGI, divided women in three categories: the first category includes women with ages between 30-44 years, married, with children, high revenues, named by specialist "sophisticated". This category of women choose the most expensive stores, luxurious ones, the price doesn't have any importance in the decision making. The brands that raise the interest of these clients, besides the international recognition, transmit sophistication.

Another category is formed by "modern women"; it means women aged 25-34 years, with a good financial statement. These women use to satisfy more then basic necessities, choosing premium brands. It was noticed that women belonging to this category are more faithful to brands they use, being emotionally connected.

The third, but not less important category is the family's group, 35-49 years, having an average education and medium revenues.

Although educated active women have few spare times, they spend it mostly together with the family, far from home, because they enjoy trips in week-ends. This type of woman can afford to take dinner in restaurants, and to buy something expensive, especially clothes. From financial point of view, in general, active educated earn less money then active educated men. Comparing the consumer behavior of this category, we can see that a higher percent of women having a job are more dedicated to the budget than men. They prefer shopping in en-gross centers, while men prefer supermarkets and malls.

What men think about women dealing with money?

15% of them consider them being better than women in budgetary control. Only 5% of women agree this idea.

An important channel for sending information to public is the Internet. For a too long period marketers showed attention to male public, 18-35 years old; about them everything is known. Due to the fact that online shopping is exponentially increasing, becomes vital for marketers to understand what women expect from the Internet. The reason for this is that women represent more than 50% of Internet users.

Comscore.com confirm that in 2007 the fastest growth had the so called "women community" share. The unique numbers of visits made by women raised 35%, from mil. 52 to mil. 70. These figures are completed by the increasingly women's blogs at global level.

So, what the online woman wants?

43% of women Internet surfers visited a video provider site (like you tube); a year before the percent was 27%. Unlike men, women visit these sites with a high frequency. Women watch more video news; women prefer new materials instead of old ones; women are more opened to video presentations). They bought decreasingly: tourism, clothes, health, beauty, children clothes, financial products, food. The higher incomes in a family, the higher share of shopping on Internet.

Women have a more powerful impulse of buying than men. For example, in USA, 24% of SUVs are bought by women, at global level, 40-45%; 75% of persons who decide the trends in publicity are women, 95% percent of purchasing decisions happen because of the "veto" right of women. Consequently, we should accept that women have their place in this story. Their place has to be very well designed in the world of 4x4, especially when we talk about children safety.

A campaign launched by Graffiti BBDO and Pepsi Light dedicated to women, shows that "Only a woman can understand that writing an SMS to 'him' may take hours, that advice from girlfriends are not only pleasant, but necessary; that without them ones can't pass through all difficult moments; that shoes are not only for walking to the office or to the gym; that the difference between kaki and brown is huge. That is normal to be upset when he is not calling, and is perfectly ok when women can't help calling him. Only a woman knows how to eat a salad, in the mean time to keep looking to his pizza. Or a bigger size of jeans is a drama. Only a woman can understand all these. And Pepsi Light.", says a statement of the agency. The new Pepsi Light campaign intends to overstep the perfect women stereotype, and to go deeper into the dilemmas and desires of real women. This strategy wanted to make Pepsi Light an emphatic brand with the so complex universe of nowadays woman. A woman waits for a call from her boyfriend. Another is not decided at shopping. Apparent simple situations, not too much action, but full of emotions for a woman. These are the new spots of Pepsi Light, where simple parts of the women's life were captured. Most women prefer true stories, presented in a funny and interesting manner, against the "hot" jokes, according to the biggest agency in USA, JWT Worldwide. The study based on interviews with experts and ordinary people all over the world, tries to find out what makes women laugh. Martin Weigel, global planner for JWT said: "At women, that kind of humor who makes them laugh from all their hearts comes when somebody or something touches the H point- Humor Spot". To find this H point means to understand in what way the feminine humor differs from the male one. While the male humor wants to create a certain atmosphere using jokes, the study discovered that the typical feminine humor appears at a spontaneous conversation level. They tell stories about what could have happened to them, what they noticed, or what other people told them.

To amuse them, women use as raw material everyday life, which they deal with everyday, and they prefer it. They look for something they can compare, put in an original and interesting manner. For this kind of style can be used relationships, private life, children, work, something seen on TV. Because of their nature and education, women tends to put themselves into the others positions, to feel sympathy.

Men's humor starts from the subliminal thought: "thanks God it didn't happen to me"; women start thinking: "What if it could have happened to me?"

The brands who want to touch the H point must understand that feminine humor not means that a continuous laugh should be provoked, and is not necessary to strive to be the funniest by all means. It's about a flash in the eyes, about the capacity of noticing everyday life with humor and sympathy, to have an optimistic vision about life. This is a subtle difference, and, in the same time, essential, between a funny brand and a brand with a really good sense of humor. The second category is the one more valued by women.

The first study on humor in publicity was made in eight countries and was based on numerous discussions with specialists (anthropologists, writers, journalist, and humorists) and with women with ages between 20

and 35. The main conclusion of the study: women appreciate real stories, presented in a fresh and funny way, instead of the classic jokes. Women use humor to create intimacy, publicity should have as basis dialog and spontaneity, while men's humor consists in laughing about the jokes. Women have everyday events, which take almost all their times, so these are their main conversation subjects.

The feminine humor varies in each culture. In Thailand, the noisy laugh is considerate a lack of womanhood, and express vulgarity. In France, as well as in Latin America, the vulgar humor is not compatible with seduction. On the opposite, in Great Britain, women don't hesitate to adopt a male attitude, alcohol consumption.

As a conclusion, the 'subtle' brands with a good sense of humor is desired by woman. Only the special magazines for woman, Bridget Jones novel/ movie, or "Sex and the city", succeeded to evoke the feminine humor, which is unfortunately insufficiently exploited by advertising.

In the planning step, researchers, brand managers, sales and marketing managers, all persons involved in communication with clients, should assure the fact that the marketing strategy won't miss the consumers which represents the biggest opportunity for consolidating sales, the market share and the profit: women.

Among simple things we already knew, but we weren't aware them we can count:

1. She needs care, he needs trust;
2. She needs understanding, he needs acceptance;
3. She needs respect, he needs appreciation;
4. She needs devotion, he needs to be admired;
5. She needs recognition, he needs approval;
6. She needs assurance, he needs to be encouraged.

There are basic things, which transposed into advertising messages, can have a huge impact on the consumer who is very sensitive to the way in which he/she is perceived by the coexistent society.

Women represent a very important segment of the staple goods market, even more important than some retailers admit or even realize. The situation changed as time passed by and feminine standards are also reflected in the offers existent on the market. Nowadays, women buy almost everything, including products which were one thought to be masculine (personal computers, cars, digital apparatuses, etc.) and are not afraid to express their opinions and preferences.

There is a genuine art of the way in which marketing tries to adapt itself to the needs of the women buyers segment. Many retailers are afraid that by addressing women they will lose their potential male clients. Nevertheless, this is a preconceived idea. Reality has proved the exact opposite. The moment you exceed women's expectations you automatically exceed those belonging to men. Women want the same things as men, perhaps even more. But we have to admit that they are more pretentious than male buyers.

However there isn't a women's universal market. According to culture and mentality, each feminine segment has its own, specific characteristics. It is absurd to believe that a single, 25 year old woman at the beginning of her career and a divorced, 45 year old woman, who has owed a business for several years, can have the same needs and worries.

CONCLUSIONS

The marketing that addresses women is in fact an applied marketing, because it has the precise purpose to analyze what really counts for a woman and also to determine the way in which her needs can be fulfilled. Women standards are very high when it comes to the acquisition of a product. Many companies manufacture a product without even consulting the very segment which they address and without paying attention to the characteristics of the product.

It is very difficult to obtain a woman's trust into a certain product. Women remember everything, especially minor details and imperfections. They enjoy being respected and taken into consideration. Many companies treat women as if they were invisible or they pigeonhole them.

Nevertheless quality is essential. However, this does not mean a purposeless adorned object, which has no practical usage. It means a product that corresponds to the woman's expectations and standards and which anticipates her needs. It has to fit and mirror her lifestyle. Not only will she repay with loyalty the products

of a certain company but she will also recommend them to her friends, thus showing her feelings and attitude towards a certain brand.

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THE NEED AND IMPORTANCE OF APPLYING CRM STRATEGIES

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***Abstract:** Customer Relationship Marketing represents a relatively new approach for the companies that wish to create a profitable long term relationship with their clients. CRM applications allow companies to collect and to use information about their customers in order to customize their offer for every client, to increase client's trust in the company and to coordinate their relationship with clients a lot more efficient in all market stages. Every company may take advantage of a relationship marketing approach. In the present work paper we propose to examine the most important strategies necessary for companies to implement relationship marketing and also we would like to expose the benefits for the firms that already use relationship marketing strategies. In some situations, this approach is easier to implement (business to business situations or service industries), in others, such as consumer goods industries, it is more difficult. In conclusion, a relationship marketing strategy is becoming a must for surviving on market.*

***Key words:** customer relationship, management, relational marketing, strategy.*

1. Introduction

The Customer Relationship Management – CRM represents an essential tool for a company desiring to create a long term, profitable relation, with its clients. CRM has developed from a technology uniting a telephone call with an interface offering information to the respective client– CTI or Computer Integrated Telephony. The client felt as being in the center of attention of the company by the customized message it received.

At present, CRM uses the Internet and the potential offered by the data bases. CRM development was possible due to the constantly increasing volume of personal information as well as due to the use of a set of specific characteristics of the client, regardless the way this contacted the company. Thus, one can speak about the transforming of the traditional marketing in a relational marketing.

2. Traditional marketing vs. Relational marketing

The relational marketing may be define as a continuous process used by the company to create „value” for its clients, having as starting point their individual needs. The specific traits of this concept may be the most emphasized by a comparative review with the traits of the traditional marketing, as can be noticed in the following table:

Table no. 1

Traditional marketing vs. Relational marketing

<i>Traditional marketing</i>	<i>Relational marketing</i>
Accent put on a sole transaction	Accent put on assuring a good relationship and the retention of the buyers
Short term thinking and acting	Long term thinking and acting
Directing towards the product characteristics	Directing towards the client's benefits
Moderate contact with the clients	High contact with the clients

Capitalizing the company's resources by directing towards the market	Capitalizing the company's resources by directing towards the clients
Limited engagement towards buyers	High engagement in providing products and services to clients
Short term empathy	Empathy and long term relations
Quality is mainly a concern of the production	Quality is the concern of all employees.
Non existing of a structure to continue the business	Creating a structure to strengthen the partnership relations, creating clubs or groups of members for the frequent buyers.
Focusing on sales	Partnership relations directed towards results
The basis is the result of the sales	Fast, certain and lasting results leading to building relations
Concluding a business means searching for another	One sale means a start, the target being the results and long term business
Non differentiated marketing	Customized marketing (1 to 1)

The main objective of a relational marketing strategy is making loyal the clients and winning their exclusivity. The starting point of this process represents the potential clients, those who would be able to acquire the goods and services of the company. The company hopes that, once bought its products, the satisfied clients will repeatedly come back. The company will further make sustained efforts to transform the repeatedly coming back clients, experiencing a high satisfaction level in relation with the products and its services, in loyal and stable clients. The maximum fidelity level one client may feel towards the company, its products/services or trade marks, represents its exclusivity. The exclusive client is the one appealing to only one of the products/services or only to a certain trade mark to satisfy its needs.

3. CRM STRATEGY

In the context of transgressing towards the relational marketing, the management of the organizations, adopting new vision, needs a data basis containing information about its clients, in order to administrate efficiently the relations with these. Thus has occurred the need to apply a CRM strategy by using Internet and its offered facilities.

At present, there is no unique definition for CRM, due to the fact that there is a large variety of CRM. CRM represents essentially a strategic approach occupied to create an improved value for the shareholders by the development of some relations in accordance with the main clients and the important market shares. CRM unites the IT potential and the potential of the relational marketing strategies to create profitable and lasting relations with the main clients and shareholders. CRM offers increased opportunities to use data and information both for understanding the clients and for creating value together with these. This needs an inter-functional integration of processes, people, operations and marketing capacities, representing a premise through information, technology and applications. Thus, CRM means building and keeping a long term relation with the consumer. This relation is based on the IT technologies and on the use of Internet. A unique data basis of addresses provides the company complete information about all clients and assures the control of the sales.

Main functions of a data basis:

- Administration of existing partners/clients, information and their unique features;
- Collecting data about a certain partner/client using several sources as: operational data, records of the business transactions taking place between the company and the client, offers sent to clients, orders, meetings with clients, their complaints etc.;
- Transforming the data gathered from several sources about a certain client in a coherent information, easy to access, offering a complete image about the respective client.

CRM applications help the companies to collect and use data regarding the clients by 2 mechanisms:

- making possible the collection of information referring to each transaction made by a client;
- further, the information took over is processed and converted in the data base, in knowledge about the consumer.

4. STAGES OF CRM STRATEGY

In order to implement a CRM solid solution, at the level of the company, running through some important stages is required:

- winning the support of all organizational levels;
- identifying and dividing the clients per groups of interests;
- achieving a client structure;
- measuring performances;
- planning.

Stage 1 – winning the support of all organizational levels

In order to implement the CRM strategy it is required, first of all, to accept the concept at the level of the whole organization. It is very important that people understand the CRM concept, the need to use it, the advantages that may be obtained as consequence of its application, the content, functioning, implications for the design of the website.

Stage 2 – identifying and dividing the clients

A viable CRM strategy must be based on establishing a customized relation with the most important among the clients of the company. Each client must be treated with differentiation, because each has specific needs. The Internet offers the possibility to treat in a differentiated manner each person, because each individual is unique and has unique desires and needs.

The achievement of a valuable CRM presumes understanding the needs and desires of each client, as well as the way these desires may be satisfied using the Internet.

In this stage running through 4 sub stages is required :

1. identifying clients, especially the most valuable for the company;
2. differentiating clients, their dividing using a series of criteria such as the value for the company, the needs and their unique desires;
3. interacting with clients, establishing methods of gathering more and more information about the clients of the company, what are they the most interested of, what make them sensitive, etc.;
4. customizing, finding ways of communication adjusted to every and each client which must be based on the knowledge accumulated about these.

An important classification is the one dividing the clients in 3 categories.

MVC: Most Valuable Customers, representing the main value of the company

MGC: Most Growable Customers, clients with a high growing potential

BZ: Below Zero Customers.

Each group may be divided in subgroups, based on demographic data, of the known needs, desires. Thus, the company's strategies must be designed so that to provide:

- retention of those in MVC group;
- transforming MGC in MVC;
- reducing costs in order to serve those form BZ category.

Another classification of the portfolio of clients of an organization may be achieved from the profitability potential and its value viewpoints. Thus, there are four categories of clients: „star” clients, „productive” clients, „question mark” clients and „problematical” clients.

The „star” clients are the clients characterized by a high potential of profitability and by a high value, fact leading to directing the company towards a strategy of their customizing. The „star” clients are represented by persons appealing only to the products and/or services of the company to satisfy their needs.

The „productive” clients are those having a high value, but with a relatively low profitability potential. This category of clients need less important investment from the company, but measure of making them loyal may be practiced, such as customizing client cards.

The „question mark” clients are represented by clients presenting a high profitability level, but a relatively reduced value, the objective of the company being to try to transform them in „star” client.

The „problematical” clients have a low level of profitability and sometimes, do not present real chances of development. Under these conditions, for this category of clients, no measures of customizing are imposed, but there is a trend of excluding them from the company area of interest.

The company will decide, after such a classification those categories of clients to direct to its efforts in a view to winning their fidelity and even of the exclusivity. Thus, as concerns the „question mark” clients, obtaining their loyalty will be tried, for the „productive” clients obtaining their fidelity is recommended and in case of the „star” clients reaching the exclusivity is to be tried.

Stage 3 – achieving a client structure

This stage is very important for the company, because it achieves a profile of the needs and desires of the different groups of clients, as well as of the method they may be better satisfied by means of the Internet. The process of achieving a „Customer Mapping” presumes an interactivity between the company and the client, an „active” listening from the company, as well as an activity of learning the needs, desires of the main clients.

The point of starting in designing a „Customer Map” must be the client itself, and not what the management of the company desires or what makes the competition. A CRM strategy must be based, thus, on what the clients needs and search for, rather than what the company’s management thinks.

Stage 4 – measuring performances (results)

In this stage a set of easy tools allowing the company to measure the traffic recorded on the website had in view, but especially methods to emphasize the impact the CRM strategy had among the clients must be found.

Measuring the efficiency of the investment in CRM is difficult, if classical indicators, such as ROI (Return of Investment) are used. The advantages offered by such a strategy are most of the time qualitative and less measurable from the quantitative viewpoint. Never the less, a series of studies show there is an average ROI of approximately 10 months, which may differ depending on the company or project. The basic idea is that CRM projects should be based less on technology and more on creating and maintaining a relation with the clients and other partners of the company, on selecting the information needed and on training and motivating the employees.

Stage 5 - planning

The last stage in the development of a CRM strategy is represented by establishing a plan. This should include aspects such as: objectives, method of measurement of the performances, methods of changing the attitudes, changes at the organizational level, the design, content, functions and method of interaction, etc.

5.CONCLUSIONS

Creating a profitable and lasting relation with the clients and the employees contributes to a significant increase and to obtaining a profit, fact representing the premise of any business. The staff employed in sales reduces the cycles of sales and increases significantly the indicators of performance (turnover per client, turnover per category of products/services, enlargement of orders etc.), the marketing expenses decrease, creating opportunities and attracting clients are considerably improved. The company achieving all these activities may enhance the productivity and may reach the objective of clients retention, under the conditions where the costs decrease and the promptitude as concerns settling the clients requirements increases.

Implementing a CRM solution brings advantages by optimizing all the processes related to the relation with the clients. These applications are meant to „release” the employees from a series of useless activities related to the potential or existing clients, so that those to become preoccupied to work efficiently and with pleasure and focused on what means the most for the clients: offering high quality products and services.

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THE CONSUMER OF PUBLIC SERVICES. BEHAVIOR AND DECISION

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Abstract: In public services as well as in private services, the clients are given by consumers or users of the respective service and constitute the fundamental element of the firm environment bor of the respective institution. Being a heterogenous variable, diversity gives them a special power on the activity level of the institution, thus the user can, through his decision of buying or not a service; train the institution into a vicious circle. In choosing goods or services, the consumer needs information which allows him to choose the ones offering him a maximum of satisfaction. But the consumer does not always have the necessary operational information to take the respective decision.

Key words: consumer, public services, buying behaviour, decision of buying.

When talking about public production we have to consider a production addressed to the whole community of a society. It has a lot of convergence and divergence points reported to the private production. Mostly, the production is a production of services, namely: information, a regulation, and diverse advice, commercial and administrative services. It has to be accessible, cesionabilă and it has to answer to the needs of the community. Thus, public marketing has to take into consideration the needs of potential users and the way they can meet these.

In public services as well as in private services, the clients are given by consumers or users of the respective service and constitute the fundamental element of the firm environment bor of the respective institution. Being a heterogenous variable, diversity gives them a special power on the activity level of the institution, thus the user can, through his decision of buying or not a service; train the institution into a vicious circle.

The buying behaviour of public services has many classical factors on its basis: psycho-social and sociological factors, personal factors.

Psycho-social and sociological factors like social state, family and services to a great number of clients irrespective of their social state. Consuming public services varies based on the progress reference groups. The purchase of public services realises an equal difusing objective of of family life cycle. The user of public services is influenced when choosing by the groups in which he evolves, groups which can adopt positions favoured by the individual user. There will be chosen, for example a particular type of public transportation instead of another, because the group he is in has special habit of using it. In the same way, the groups can prefer some signs referring to products or services; but not all groups have the same kind of influence on the public user and not all signs amitted by groups are integrated by the user. On the other hand, the public user can be influenced by groups, which he does not join. Still, usually the public user in his quality of consumer receives the influence of individuals at a certain level, since the informational channel, through which peoplke communicate most easily and rapidly is the speech.” This informational channel is more credible if it is activated by opinion leaders. These leaders can be noticeable, imitated or mediatized personalities. With all these, still we cannot exactly say what the influence of these groups upon the behaviour of public service user is.

Personal factors. In choosing a public service the user is pressured by his personality. The main elements forming the personality of the user of public services are: cultural inheritance, endogenous variables related to the user and exogenous variables related to his environment.

The cultural inheritance of the user of public services is determined from childhood, being given by habits related to language, education, consume, relation to the state, being in fact a social inheritance (Linton, 1983)

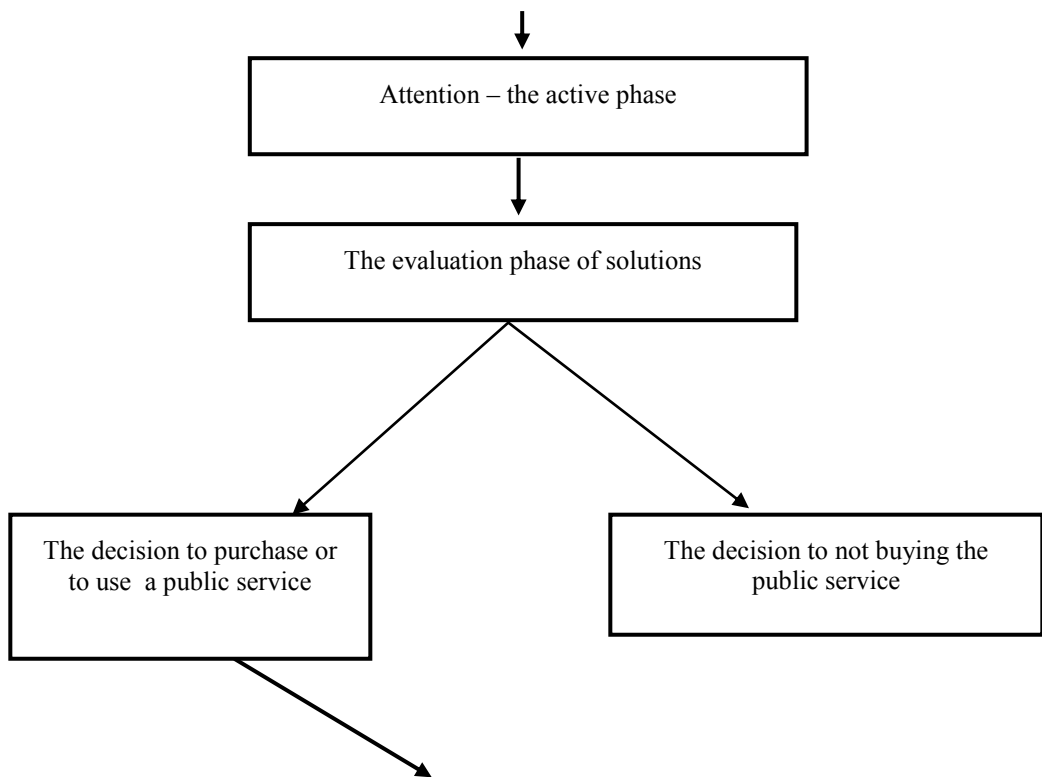
The endogenous variables related to the user are formed by motivation, individual attitude and personality. The nature and intensity of consumer of public services can be presented gradually, starting with the hierarchy of needs proposed by Abraham Maslow. Thus, every need can be hierarchized so that after satisfying one, one can pass to a superior need. Out of the means by which marketing can incite the consumer in finding a consume motivation would be promotion and publicity, by which new types of behaviour are suggested because "...there are people who knowing that their need can be satisfied provokes the birth of a new spontaneous need ...". (Courteline, 1977). The individual attitude has an important role in the convincing process and the behaviour of the public service users, since it constitutes the link between a motivation which was badly evaluated and the active behaviour of the user. The personality as behavioural factor of purchase has no direct relation to the purchase behaviour and the usage of public services but can be expressed through the using behaviour of these services.

The exogenous variables realized by the environment of the user of public services are numerous, graded after importance, namely: profession and economical position. From the point of view of profession, satisfying professional needs of a user of public services refers to satisfying needs of counselling, informing, travel, social protection, health which should be taken into consideration by all public institutions in their projects of developing service offers. The economical position of a person offers the public institution enough elements to allow the knowledge of purchase types and the possibility of use of public services by the consumers. Thus the institution has to define an adequate strategy for their users (patients, contributors or beneficiaries), promoting individual ways of satisfying users and respecting the principle of citizen equality.

In choosing goods or services, the consumer needs information which allows him to choose the ones offering him a maximum of satisfaction. But the consumer does not always have the necessary operational information to take the respective decision. In the public domain the user or the consumer needs precise information. Sometimes, information can be offered by the respective institutions, as it is in case of fiscal, judicial or traffic information, but in other cases the public institution does not offer complete information needed by the consumer to make the choice because of different reasons like: lack of informational means, bureaucracy or due to lack of marketing means. In order not to aggravate the insatisfactory state of the user, institutions should focus their attention to diffusing information and precise recommendations, i.e. they should work on the quality of the public service.

The decision of purchase or choice of a public service is a complex process, having the characteristics of public services. The marketing has to take into consideration the elements which take part in the choice of the consumer of public services. The expectations of the consumer regarding public services are linked to the particularities concerning their accessibility, namely:

- there should be a nearness of the institution to him, an impossible mission due to the numerous administrative structures;
- to simplify access proceedings to services;
- mediation of information and communication channels do not offer satisfying answers to the user of public services .
- In public marketing it is important to find out who the user of the services is? Is there a certain type of user? Are there more types of users? Will there be segments of clients of the public institutions? In most cases an average user has no unidirectional relationship to a public service. In most cases he is a polyvalent user. A decisional model of purchase for the user of public services can be represented in the following way:



Although complex, the process of decision taking in purchase or usage of public services varies based on the existing risk level, the existing interest, growth of purchase or importance of counselling. The process of purchase or usage decision of a public service is not an unthought act. In each phase of the decision phase it can be guessed the possible action of the institution concerning optimization of the result. As the presented figure shows, the purchase process of a public service has more phases. Each phase has its particularities, we are going to try to present in the following paragraphs.

- The appearance of public need can be natural (it is the case of the need for formularies for income declaration or renewing of ID cards, or passports) and in most cases responds to some external and internal stimuli. In this phase the respective institution has to act concretely by putting in function study structures of the market and of the elements, allowing the knowledge of the market.
- Attention – the active phase in which the user of public services starts to look for information regarding his needs, analyses them from the qualitative and quantitative points of view. Thus the public option will be made only if the public service is qualitative. If the public service is not the one wanted or is not of the wanted quality, its user has to find commercial services of better quality. In this case the qualitative difference will be reflected in a higher price of the respective service.
- The evaluation phase of solutions, in which the potential user makes up a hierarchy of the possibilities he has, measures their efficiency, their level of answering his problems. The institutions should integrate this phase and answer to it developing information about goods and public services, which can be done by them.
- The decision to purchase or to use a public service marks the end of the studying and evaluation process of the possible solutions. The individual, in principle, should choose goods or services he really prefers. This is possible, but in most cases can be influenced by different external factors. Thus, the social factor will change the option of the individual, based on the common consumer options of the family or the searched ostentative effects. The factor “risks” attracts the possibility of the appearance of a technical financial risk. Thus we can say that there is non-comprehensible limit of worrying and uncertainty at the potential user.

Taking into consideration this type of behaviour, the institutions should try to meet this type of problems.

- The phase after-purchase, or after-usage reflects the worrying not to ignore the obtained satisfaction of an individual. The measurement of satisfaction, total or partial, or of dissatisfaction determines the institution to make changes, the objective of which is the improvement of the brand image by higher quality of the effected service. It would be indicated if the institutions could anticipate the reclamations and potentially reduce the deceptions. For example institutions could send tank-you letters to users for their choice, suggesting to send proposals and criticism referring to the service they used.

Since the user of goods and services is not a consumer like all others, the public institutions should make up a special way of treating client relationships. Thus, they have to adapt their methods and marketing techniques to the specific of their activity, taking into consideration that mostly the public production is the object of citizen's criticism. This is forced by the idea that in the private sector business is better administered than in the public sector and bureaucracy are easy targets.. For this reason, public institutions have to be ready to fight with efficient methods. On the other hand, the clients of the public institutions have some characteristics regarding the relationship user-production and characteristics regarding the decision for the public service.

The characteristics regarding the relationship user-public production has at its basis the idea that the user of public services acts under the influence of a common consumer having a conception about the public institutions. For the most of the consumers, the phenomenon of birocracy and of negative image of public institutions determines a conditioning more psychological than real against everything that means public service. Thus, when a citizen becomes the user of these public services, he has different behaviour to the user of the private services because of many reasons and namely:

- the problem of meeting the public;
- time and queques of public;
- the problem of birocracy;
- absence of post-selling service;
- problems in public information.

The most criticism of public services is linked to the informative and communication aspects. The criticism brought to the relationship quality/price, distribution problems, characteristics of service are less frequent. Thus, public marketing will become a marketing of infoemation and public relations.

The user of public services has a series of problems regarding the interpretation of the public service notion.. Does the citizen know the public service? The answer to this question represents the mission of public institutions realizing the research of public welfare, respectively that of consumers. But the public institution is more than this, it means an economical ensemble, an ensemble of people,of structures, of budgets, of objectives and administration. The primary idea of public service does not cover the whole of social and economical criticism brought to the institutions. The public institution is part of the national economy, open to administration techniques, financial audits, to human resources administration and to marketing. THsu there will be created a contradiction between the judgement of citizens, generating birocracy and a public institution intending to be odern and rational. Marketing will have the task of clarifying these convinctions and the institution should prove its adaptability and accessibility. The users have to have some privileged targets for public marketing, which will have an essential mission: to change the antibirocratic judgement. This is the idea of public marketing, dedicated to promotion, information, counselling, to public and adaptation.

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THE SEGMENTATION OF THE ROMANIAN CLOTHING MARKET

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Abstract:

The Romanian clothing market is a crowded one with a lot of powerful competitors, especially Asian firms with their cheap products. In order to survive on this market the Romanian clothing companies should adapt their products offer to well defined segments of customers. In this paper we split the Romanian clothing market into segments. We used the chi-square test to find if there is a relation between income, age, sex and education of the Romanian people and the monthly amount spent on clothes.

Key words: Romanian clothing market, segmentation, chi-square test

I. Introduction

The textile and clothing industry is one of the oldest in the world. The oldest known textiles, which date back to about 5000 B.C., are scraps of linen cloth found in Egyptian caves. The industry was primarily a family and domestic one until the early part of the 1500s when the first factory system was established. It wasn't until the Industrial Revolution in England, in the 18th century, that power machines for spinning and weaving were invented.

According to a GfK study made for Wall Street Journal Europe¹⁶¹, four out of five Europeans and Americans buy clothes because they need them. So we can notice that the clothing industry is a very old and important industrial sector all over the world. The clothing industry is a very global industry, with constantly increasing trade flows all over the world. The Romanian clothing industry has a long tradition and experience from the 19th century, as well as a good fame around the world as its products are present in many countries of the world.

Since 1 January 2005, The WTO Agreement on Textile and Clothing no longer exist. There was implemented a measure stipulated for some time, that is the total abolishment of the quota system for the imports of textiles and clothing. Before the Agreement took effect, a large portion of textiles and clothing exports from developing countries to the industrial countries was subject to quotas under a special regime outside normal GATT rules.

The total liberalization of the world trade with textiles and clothing opened the way to the imports from Asia as well as to the interest of the big companies for the cheap workforce in these areas. The Asian firms (Chinese, Indian) and the companies from Turkey became powerful competitors on both domestic and foreign markets. China is the biggest player on the UE-25 market with a share of 31,5% in the European market. China is the most competitive production base for the time being due to an immense oversupply of labor in the rural provinces and young educated workers who make possible the keeping of the wages at very low levels.

¹⁶¹ http://www.gfk.com/group/press_information, "We buy clothes because we need them", 2006

The clothing market is a vast one. The products become, in most of the cases, after the processing, a part of the clothes. Generally, the clothes can be considered products of strict necessity for the clients and the demand for those products appears as soon as the income appears.

II. Material and Method

We used for our investigations exploratory, descriptive and causal research. We obtain primary and secondary data through one personal (face to face) interview based on short questionnaire. The main goal of the conducted study was to identify the attitude of the Romanian people regarding the acquisition of clothes. The questionnaire is structured in two parts: the first one contains eight questions which give us basic information and the second one includes questions for the classification of the respondents.

The information we got was neither sensitive, nor threatening; we used clear, unambiguous, structured and unstructured questions. In order to identify the representative sample we used STATGRAPHICS soft. For a standard error of ± 0.03 the sample was 1068 Romanian people.

First we tried to find which of the classification variables (age, sex, income, education) worth to be used in the segmentation of the Romanian clothing market. We want to find which of these variables have a significant influence in the activity of clothes shopping. So it is important to know if age, sex, income or education influence the amount spent on clothes. We used the chi-square test from the STATGRAPHICS soft to identify the relation between: age and amount spent on clothes, sex and amount spent on clothes, income and amount spent on clothes, education and amount spent on clothes. For the relation we found we will identify its intensity. Taking into account these intensity values we will establish the order of the variables we will use in segmentation.

III. Results and Discussions

The starting point of our investigation was the situation of the Romanian companies involved in the clothing sector after the total liberalization of the world trade with textiles and clothing.

The domestic market seems lost for the Romanian companies in the face of the Asian imports especially after the total liberalization of the world trade with textiles and clothing. There is no market in Romanian at this moment for the domestic products. Too many products are manufactured that the domestic market cannot absorb. The specialists maintain that, unless one has a network of shops, one cannot adapt the price of the products according to the market conditions, cannot withdraw a product that does not sell; all in all, one does not have many chances.

Through the market segmentation we will identify different segments of costumers, with specific needs and wishes. The Romanian companies could adapt their product offer, taking into account these costumers segments.

From the analysis of responses at the question regarding the monthly amount spent on clothes (Figure 1.) it can be seen that most of the Romanians (36%) spend between 50-100 RON. About 35% of the people spend less than 50 RON. The percentage of those who spend between 100 and 150 RON is almost equal with the percentage of the customers who spend over 150 RON. We can also observe that over 70% of the Romanian costumers spend less that 100 RON on clothes per month, which is a small amount.

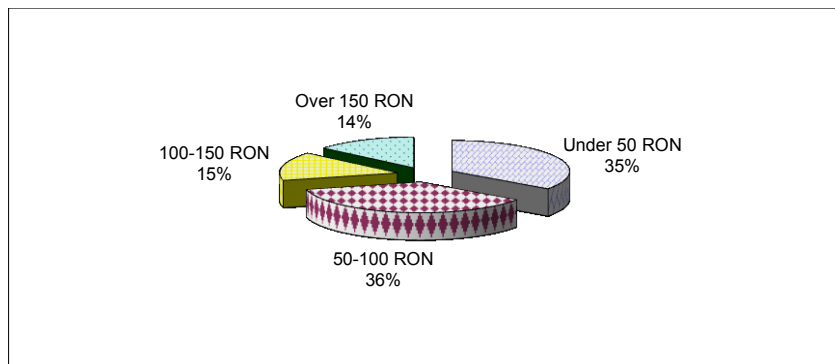


Figure 1. Monthly amount spent on clothes

Regarding the income of the interviewed persons we found out that the biggest segment of the population (40%) earn between 400 and 1000 RON per month. A significant percentage (31%) is of those who made less than 400 RON. For an income between 1000 and 1600 RON we have a percentage of 17% and for over 1600 RON we have only 12%.

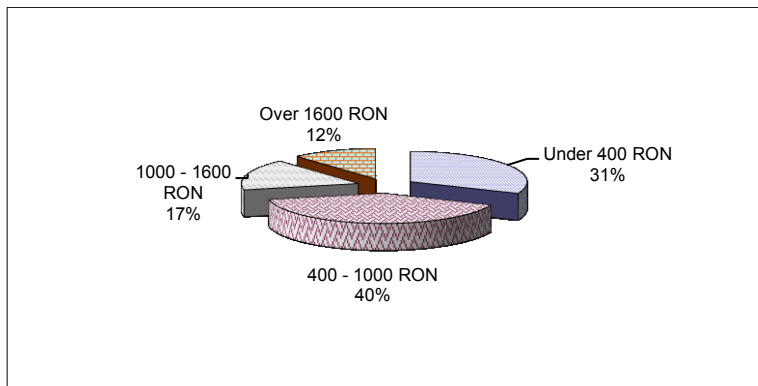


Figure 2. Population monthly income

Concerning the age of the interviewed persons we have: under 20 years (11%), between 20 and 30 (29%), between 30 and 40 (16%), between 40 and 50 (26%), between 50 and 60 (13%) and over 60 (5%).

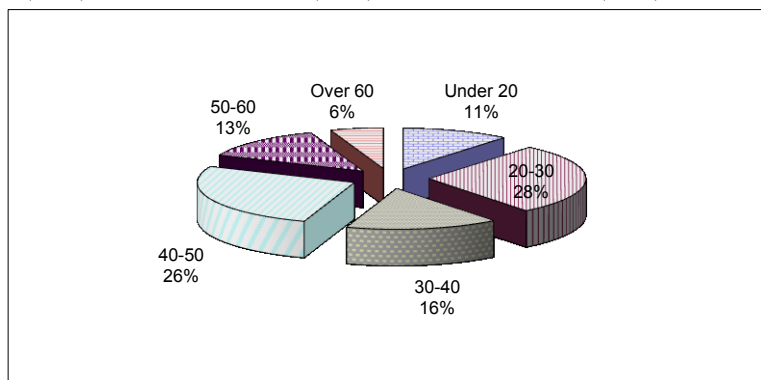


Figure 3. Population age

The number of the men and women who answered the questions was almost equal, in percentage 46 % men and 55 % women.

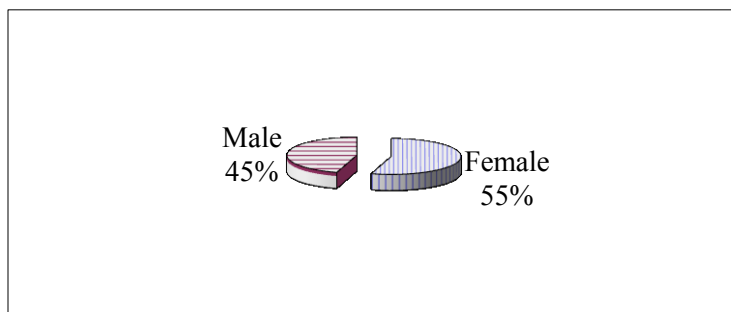


Figure 4. Population sex

As we can see in the Figure, the majority of the interviewed persons (45 %) have attended a high school and the smallest segment (4 %) has a master or a PhD degree. The other segments are represented in as follows: elementary (17 %), college (12 %) and university (22%).

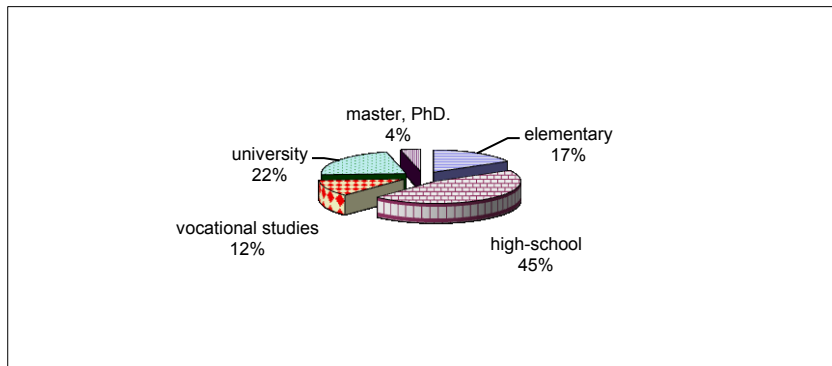


Figure. 5 Population education

3. In order to identify if the age influence the monthly amount spent on clothes we used the chi-square test from the STATGRAPHICS soft. We first obtained the frequency table for age and amount (Table 1.)

		<i>Monthly amount spent (RON)</i>				<i>Total</i>
		<i>Under 50</i>	<i>50 - 100</i>	<i>100 - 150</i>	<i>Over 150</i>	
<i>Age (years)</i>	<i>Under 20</i>	37	45	18	18	118
	<i>20 – 30</i>	92	116	60	35	303
	<i>30 – 40</i>	33	58	29	48	168
	<i>40 – 50</i>	100	103	38	40	281
	<i>50 – 60</i>	67	50	15	8	140
	<i>Over 60</i>	43	15	0	0	58
	<i>Total</i>		372	387	160	149

Table 1. Frequency table for Age and Amount

From the frequency table we can notice that the persons over 60 years old have spent under 100 RON per month for clothes. Probably the low income and the mentality were the causes. For the age categories under 50 years it can be notice that the majority of the people has spent between 50 and 100 RON per month for clothes.

We start with the hypothesis that there is no relation between the age and the amount spent. The chi-square test performs a hypothesis test to determine whether or not we can reject that hypothesis. With 99 % confidence level we can reject the hypothesis that there is no relation between age and amount, so we can say that the age of respondents has a significant influence on the monthly amount spent on clothes.

In Table 2 we have the two dimensional distribution of frequencies for income and amount. We can notice that:

- the majority of the respondents with low income spend less than 50 RON per month for clothes;
- the majority of the people with medium incomes (between 400 and 1600 RON) spend between 50 and 100 RON
- the majority of the costumers with big income spent over 150 RON per month to buying clothes.

		<i>Monthly amount spent (RON)</i>				<i>Total</i>
<i>Monthly Income (RON)</i>		<i>Under 50</i>	<i>50 - 100</i>	<i>100 - 150</i>	<i>Over 150</i>	
	<i>Under 400</i>	168	109	37	21	335
	<i>400 – 1000</i>	150	183	65	41	430
	<i>1000 – 1600</i>	36	65	37	40	178
	<i>Over 1600</i>	18	30	30	47	125
<i>Total</i>		372	387	160	149	1068

Table 2. Frequency table for Income and Amount

To find out if there is a relation between monthly income and the monthly amount spent on clothes we performed the chi-square test. We obtained that with 99 % confidence level the income has a significant influence on the monthly amount spent on clothes.

It can be notice from Table 3. that the persons with higher education spend more many on clothes than the persons with lower education.

		<i>Monthly amount spent (RON)</i>				<i>Total</i>
<i>Education</i>		<i>Under 50</i>	<i>50 - 100</i>	<i>100 - 150</i>	<i>Over 150</i>	
	<i>Elementary</i>	87	58	21	14	180
	<i>High-school</i>	188	178	65	53	484
	<i>Vocational studies</i>	46	50	20	13	129
	<i>University</i>	44	89	47	55	235
	<i>Master, PhD</i>	7	12	7	14	40
<i>Total</i>		372	387	160	149	1068

Table 3. Frequency table for Education and Amount

Performing the chi-square test on the education and the monthly amount spent on clothes we obtained that with 99 % confidence level the education has a significant influence on the monthly amount spent on clothes.

In Table 4 it can be notice that the men and the women spend on clothes between 50 and 100 RON per month. The number of the persons who spend under 50 RON and between 50 and 100 RON is almost equal and has no relation to the sex of the interviews people.

		<i>Monthly amount spent (RON)</i>				<i>Total</i>
<i>Sex</i>		<i>Under 50</i>	<i>50 - 100</i>	<i>100 - 150</i>	<i>Over 150</i>	
	<i>Female</i>	210	217	76	80	583
	<i>Male</i>	162	170	84	69	485
<i>Total</i>		372	387	160	149	1068

Table 4. Frequency table for Sex and Amount

Using the same hypothesis test with 99 % confidence level we cannot reject the hypothesis that there is no relation between sex and monthly amount spent on clothes. We decrease the confidence to 95 %, then to 90% and even for 80% we could not reject the hypothesis. So we cannot say that the sex of interviewed people has a significant influence on the monthly amount spent on clothes.

Using the previous results obtained, we decided to use for the customers' segmentation only the criteria with significant influence on the amount, which are: age, income and education. To establish the order of these variables we analyzed the intensity of the relation between the three variables and the amount spent on clothes.

The intensity of the relation between the variables can be measured by dividing the calculated value of the chi-square to the value found in the distribution table of the chi-square, for the same Df. Taking into account the income, age and education we have obtained the following results:

- $\frac{154.54}{21.67} = 7.13$ for income;
- $\frac{106.35}{30.58} = 3.47$ for age;
- $\frac{77.73}{26.22} = 2.99$ for education.

In conclusion we can say that income is the first variable for segmentation, followed by age and education.

IV. Conclusions

By splitting the populations after the monthly income it can be create for segment. The characteristic of these segments are:

- A half of the population (50%) with low income (under 400 RON) spend under 50 RON per month for clothes;
- The biggest percentage (43%) of the people with an income between 400 and 1000 RON spent buy clothes spending per month between 50 and 100 RON;
- The people with an income between 1000 and 1600 RON, in majority (37%) they are spending between 50 and 100 RON for clothes;
- The majority of the people with big incomes (38%) up to 1600 RON spend more then 150 RON per month for buying clothes.

It can be notice that the Romanians with biggest incomes spend more many on clothes than the others. But the percentage of the Romanians with big incomes is a small one only 12% of the population. In conclusion we can say that the biggest part of the Romanians spend less than 100 RON per month for clothes. It means that they spend between 20% and 25% of the minimal wage in Romania.

Taking into account the age of the persons we found some interesting facts:

- The biggest percentage (38%) of the youngest people (under 20 years old) spends between 50 and 100 RON for clothes. Significant parts of the youngest people (31%) spend less then 50 RON. In conclusion we can say that the 69% of the youngest people spend less that 100 RON per month for clothes;
- The people with the age between 20 and 30 years spend in majority (68%) less than 100 RON per month;
- Concerning the people between 30 and 40 years old we can notice that 35% spend between 50 and 100 RON. An interesting thing is that a big percent of people from this age category spend more than 150 RON;
- The majority (73%) of the people between 40 and 50 years old spend less than 100 RON for clothes;
- 86 % of the people with the age between 50 and 60 years spend less than 100 RON for clothes;
- Almost 75% of the old persons spend less than 50 RON.

So it can be notice that the majority of the Romanians from all the age categories spend less than 100 RON per month for buying clothes.

Regarding the education of the respondents we can split the population into five segments with specific characteristics:

- Almost a half (48 %) of the population with elementary studies spends less than 50 RON per month on clothes;

- Three quarters (38 %+36 %) of the people who attended a high school spend less than 100 RON in a month on clothes;
- The majority (73 %) of the persons who has vocational studies spends less than 100 RON;
- In the segment of the people with university studies the biggest percentage (37 %) spend between 50-100 RON per month;
- 35 % of the people with the highest education (master and PhD) spend more than 150 RON.

We have noticed that the majority of the people from each educational category spend less 100 RON per month for buying clothes, excepting the people with high education, who spend more money for clothes.

Resuming all the analysis it can be noticed that the majority of the Romanians spend less than a quarter of the minimal wage per economy (100 RON) monthly for clothes.

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USING MARKETING RESEARCH IN ORDER TO IMPROVE CRM - A CASE STUDY FOR MOBILE TELEPHONY IN ROMANIA

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Present work is a case study that illustrate how can be used marketing research concrete in order to improve CRM in a company.

Key words: Qualitative marketing research, CRM, loyal customers

CRM, or Customer Relationship Management, is a company-wide business strategy designed to reduce costs and increase profitability by solidifying customer loyalty. True CRM brings together information from all data sources within an organization (and where appropriate, from outside the organization) to give one, holistic view of each customer in real time. This allows customer facing employees in such areas as sales, customer support, and marketing to make quick yet informed decisions on everything from cross-selling and upselling opportunities to target marketing strategies to competitive positioning tactics.

However, effective customer relationship management requires much more than simply tracking buying behaviors. A truly effective CRM strategy requires you to get personal, to understand your customers' preferences and to ensure that these preferences are reflected in how you communicate with your customer, each and every time. The best way to improve CRM is finding more details about their client using best marketing research techniques.

Each project must be approached by a business perspective, not simply from a research perspective that means :

- First understanding the industry and the key players
- Then fitting the research to a bigger context
- Not relayed or “canned” methodologies, but customizing each project to fit its unique needs

Qualitative research resides at the touchy-feely end of the research spectrum. It is an open-ended method of acquiring information about the consumers' product requirements (what they want) or product perceptions (what they think of what you've got). While the variations are limitless, this type of research typically takes the form of focus groups, user testing, or email feedback. Qualitative methods can be useful in all stages of development and tend to be quite popular. These methods are very tangible to marketers and developers because they most often involve sitting a group of people down in a room and actually talking with them about the issues at hand.

Focus groups are very popular because the results they provide are immediate, accessible to the lay person, and often reveal issues that developers and marketers hadn't previously considered. If an interviewee says something of particular interest during a focus group, the interviewer can probe deeper into the topic, uncovering information that might never be gleaned from a dozen brainstorming meetings.

Research scope: Improve CRM loyal clients, personal users (not companies)

Objectives: Evaluate programmes with regards to

- Simplicity / ease of understanding
- Attractiveness: is the reward perceived as attractive?
- Do loyal customers feel appreciated enough?
- Is the offer attractive enough for customers with lower spend and short tenure?
- Are spend possibilities well-balanced and attractive?

- What differentiation in service level according to customer status (value and tenure) is preferred, what other service differentiation is desired?

Methodology: 6 mini-groups with loyal mobile phone users from all major 4 companies 4-6 persons per group, age 25-55, minimum 15 euro per month paid for mobile telephony

Market overview: Romania's top three mobile telephony operators, Orange, Vodafone and Cosmote, had together 22.236 million customers at the end of 2007, exceeding by over half a million the population in the country, of 21.565 million people.

Cosmote Romania, the local unit of Greek mobile network operator Cosmote, attracted 2.386 million new customers in 2007, triple compared to 2006. In 2007, Orange Romania and Vodafone Romania attracted 1.77 million customers (+22% on year) and 1.09 million customers (+14%), respectively.

Other mobile telephony operators on the Romanian market are Telemobil, which operates Zapp Mobile network and RCS&RDS, which started operations on mobile telephony market in October last year.

The Zapp Mobile network had 470,000 customers at the end of 2006, and the figures exceeded half a million customers in July 2007, according to Telemobil data.

Main findings:

- companies care is more oriented to important business clients than to 'very many small users'
- The general perception is that this reward is mainly dedicated to companies, not being accessible to personal users
- Loyalty rewarding is more a communication volume rewarding than a seniority rewarding
- Rewarding is not similarly offered to all, being perceived either proactive or reactive with business customers
- Main elements important in retention of clients :
 - Network coverage
 - Signal quality
 - Tariff plans / calls optimization
 - The number of partners in the same network
 - Keeping the telephone number
 - Convenience
 - Rewarding system

Conclusions and recommendations:

Using this information customer relationship management (CRM) helps businesses to gain an insight into the behaviour of their customers and modify their business operations to ensure that customers are served in the best possible way. In essence, CRM helps a business to recognise the value of its customers and to capitalise on improved customer relations. The better you understand your customers, the more responsive you can be to their needs.

There is a need of differentiation as opposed to individual users in terms of all services that has to be delivered to business customers:

- Dedicated call center and client service
- Higher invoice and seniority reward
- Usage optimization services to be available as a pro-active approach for all business customers (from medium to high profiles)

The following services as *specially designed offers to loyal customers* were needed and suggested by respondents

Optimization plan proposal / subscription change

Special subscriptions or tariffs reductions

Gifts / handsets or discounts

Consistent communication (frequent, constant) of companies offers (current and new services) will show care and respect to the business customers – both constant INFORMATION and proper EXPLANATION should be assured

Special interaction in terms of client service to loyal clients was generally considered a loyalty rewarding payment (direct calls, dedicated client service)

More flexible services should be addressed to business customers that already achieved a special status - Gold and Platinum

- For tariffs negotiations
- For invoice payment postponing situations

Usage of various sources of informations: media, email, papares, short messaging, envelope, direct consultant call.

Personalized communications “*dear mrs/ms X*”

Just as a small group of customers are the most profitable, a small number of complaining customers often take up a disproportionate amount of staff time. If their problems can be identified and resolved quickly, your staff will have more time for other customers.

MARKETING STRATEGY SUBSTANTIATION IN THE AUDIOVISUAL DOMAIN

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The marketing strategy represents the main direction towards which an enterprise focuses its human, material, financial and informational potential in order to fulfill its objectives. The market strategy in the audiovisual domain is a wide one in terms of the nature of its objectives and the proportions of its material and organizational resources. This is the starting point for the other strategies and represents the finality of a television's activity. Regarding the mix marketing for the services in the audiovisual domain, one should take into account both its classic components, namely the product, the price, the placement and the promotion, and modern concepts and the specifics of the audiovisual services, such as: the celebrities and the viewer (the relationship with the audience).

Key-words: marketing strategy, audiovisual domain, market share

Any television, as economic agent, is confronted with a series of problems which impose changes, supplementary efforts for the development of its activity, ensuring supply sources, improving techniques and modifying forms of organization. All these issues can have a positive or a negative effect on its stability. Therefore, a television should have clear policies, efficient strategies and adequate tactics.

Conceptual delimitations regarding the marketing strategy in the audiovisual domain

The marketing strategy represents the main direction towards which an enterprise focuses its human, material, financial and informational potential in order to fulfill its objectives. The marketing strategy expresses "the path chosen by the enterprise towards the fulfillment of the objectives" established in terms of certain processes which are of two types: market strategies and mix marketing strategies¹⁶².

The market strategy in the audiovisual domain is a wide one in terms of the nature of its objectives and the proportions of its material and organizational resources. This is the starting point for the other strategies and represents the finality of a television's activity. Therefore, the success of a market strategy depends primarily on its realism, its level of substantiation and the efficiency of the means that were used. The reference terms that serve for the application of the market strategy are, on the one hand, the enterprise's possibilities which represent endogenous factors and, on the other hand, the external environment of the enterprise's endogenous factors.

The typology of market strategies which can be applied by a television, can be examined, analysed and structured in terms of the television's position with respect to the main dimensions and characteristics of the market, as in the following table:

¹⁶² Olteanu V., Marketingul serviciilor- o abordare managerială, Ed. Ecomar, București, 2003

Supply-demand relation	Content of environmental relations	The position of the enterprise as opposed to competition	The position of the enterprise towards viewers	Market exigency
Differentiated	Partnerships (preferential relationships, tolerance and cooperation)	Differentiation	Attracting, maintaining, recovering	High exigency
				Medium exigency
Undifferentiated or insufficiently differentiated	Competitive relations	Imitation	Indifference	Low exigency

Table no.1: The typology of market strategies specific for audiovisual services¹⁶³

Regarding the mix marketing for the services in the audiovisual domain, one should take into account both its classic components, namely the product, the price, the placement and the promotion, and modern concepts and the specifics of the audiovisual services, such as: the celebrities and the viewer (the relationship with the audience).

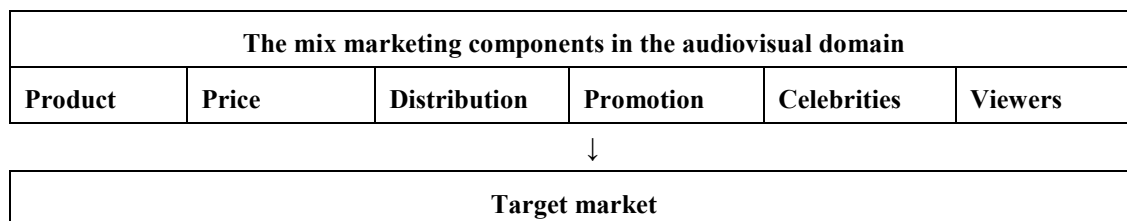


Table no.2: The mix marketing in the audiovisual domain

a) The product

Satisfying the viewers' needs is accomplished through the consumption of services which are created and offered by TV stations through a complex process that involves numerous human, material, financial and informational resources. The set of actions that a TV station takes in order to establish its objectives, choose its strategies, program and develop clear measures, represents the product policy. In practice, it represents the behavior of the TV station in relation with the environment in which its activities take place regarding the dimensions, structure and evolution of the services which are in fact the objective of its activities.

b) The price

Establishing prices, price competition and the way in which consumers perceive the respective prices, represent an important issue. On the Romanian audiovisual market, the price issue is practically inexistent because TV stations do not require taxes for broadcasting their TV shows. In Romania, the only pay-TV station is HBO. Practically, the only price that Romanian viewers pay in order to have access to the TV shows broadcast by TV stations is 30 RON per month.

c) The distribution

According to the classical definition, distribution represents a set of activities which take place in a certain space and time that separate production from consumption¹⁶⁴. The inseparability and intangibility of

¹⁶³ Olteanu V., Marketingul serviciilor- o abordare managerială, Ed. Ecomar, București, 2003 (adaptare)

¹⁶⁴ Florescu C. (coordonator), Marketing, Ed. Marketer, București 1992

services might leave the impression that distribution is almost inexistent in this domain. In reality, the producer and the consumer are often separated in time and space; they may meet because of certain activities. Therefore, distribution represents a set of activities which take place in a certain space and time that separate the producer and the consumer¹⁶⁵. In the case of audiovisual services, the producer and the consumer can meet anytime without restrictions because the material support (the TV set) is present in the consumer's home. However, there are exceptional situations in which the encounter between the demand and the supply on the audiovisual market cannot take place; this may be the case of some cable firms or of the company Electrica. In the case of services offered by TV stations, we cannot talk about the classical fluxes of distribution because here there is no actual sale and, implicitly, there are no negotiations, transactions, etc.

d) The promotion

Given the fact that the offer on the Romanian market increased very much, the services offered by companies in the audiovisual field depend on the promotion activity. The viewers' perception of the TV station and its programs has the most important role in the promotion activity. A television's communication system represents the main focus in order to achieve success on the market and the most important elements are the physical aspects, the other environments and the personnel. The communication realized by a TV station should be conceptually well organized in terms of its two components: internal and external communication. The former refers to communication within the respective television and among its employees. The latter refers to visual symbols, public relations and especially to the media and even to the external architecture.

e) The celebrities

We should take into account the personnel that comes in direct contact with the public, those persons who host TV shows and are considered to be "celebrities". Certainly, the quality of the TV shows does not depend only on the evolution of these celebrities, because, behind the scenes, many others contribute to their success. TV stars are important for a TV station because they usually represent the respective TV show and TV station and because they "sell". A clear and well organized personnel policy is an important element for the success of a TV station. In order to achieve the best results, a television company has to take into account certain aspects such as: selecting and hiring the most competent candidates, permanent training of the staff, forming work teams on the basis of clear criteria, encouraging initiatives and creativity, communication on a formal and on an informal level.

f) The viewers

According to the marketing viewpoint, the whole process of offer realization should be based on the viewers' needs. An anticipative analysis should take into account the following aspects: the consumer's level of satisfaction or dissatisfaction, the consumer's behavior towards the media product, the contact with the product and developing a sense of fidelity towards the TV shows of the respective TV channel. The audiovisual consumer's behavior towards the proposed offer refers to the contact between the viewer and the proposed TV shows. The contact may be direct (the respective person watches a certain TV shows) or indirect (friends, neighbors, media, etc.). Another important aspect is the viewers' fidelity towards TV brands. Nowadays, under the influence of certain factors such as the offer's variety, information about offers, similarities between audiovisual offers and time pressure, the consumer's fidelity towards a certain brand decreased. A viewer is loyal to a certain TV show if he/she watches it repeatedly and he/she is convinced of its value. Brand fidelity in the audiovisual field represents the consumer's inner commitment to watch a certain TV show repeatedly. Fidelity differs from repeated watching; the latter refers to a mere manifestation and lacks motivation.

The stages of the marketing strategy specific for the audiovisual domain

Formulating the marketing strategy should take into account establishing objectives and strategies and choosing the proper mix marketing, which will represent the key to success for a television that obeys the conditions imposed by the market. If attracting viewers is also considered a significant objective in

¹⁶⁵ Olteanu V., Marketingul serviciilor- o abordare managerială, Ed. Ecomar, București, 2003

marketing, then it cannot be done without a proper market-oriented strategy, taking into account both the audiovisual consumers and the competition. Then, the strategies should be applied through marketing tactics, which should be part of the mix marketing projected for each one of the chosen market segments. These tactics will practically lead and give a certain direction to the enterprise's marketing strategy.

The marketing objectives which were established through the marketing strategy should take into account the television's general objectives. Marketing objectives may be quantitative, those which refer to ratings, the level of market coverage and attracting a large number of viewers, but also qualitative, referring to the television's image or the image of a certain brand. In order to establish a marketing strategy, a television should take into account the decisive elements' mix which refers to the following aspects:

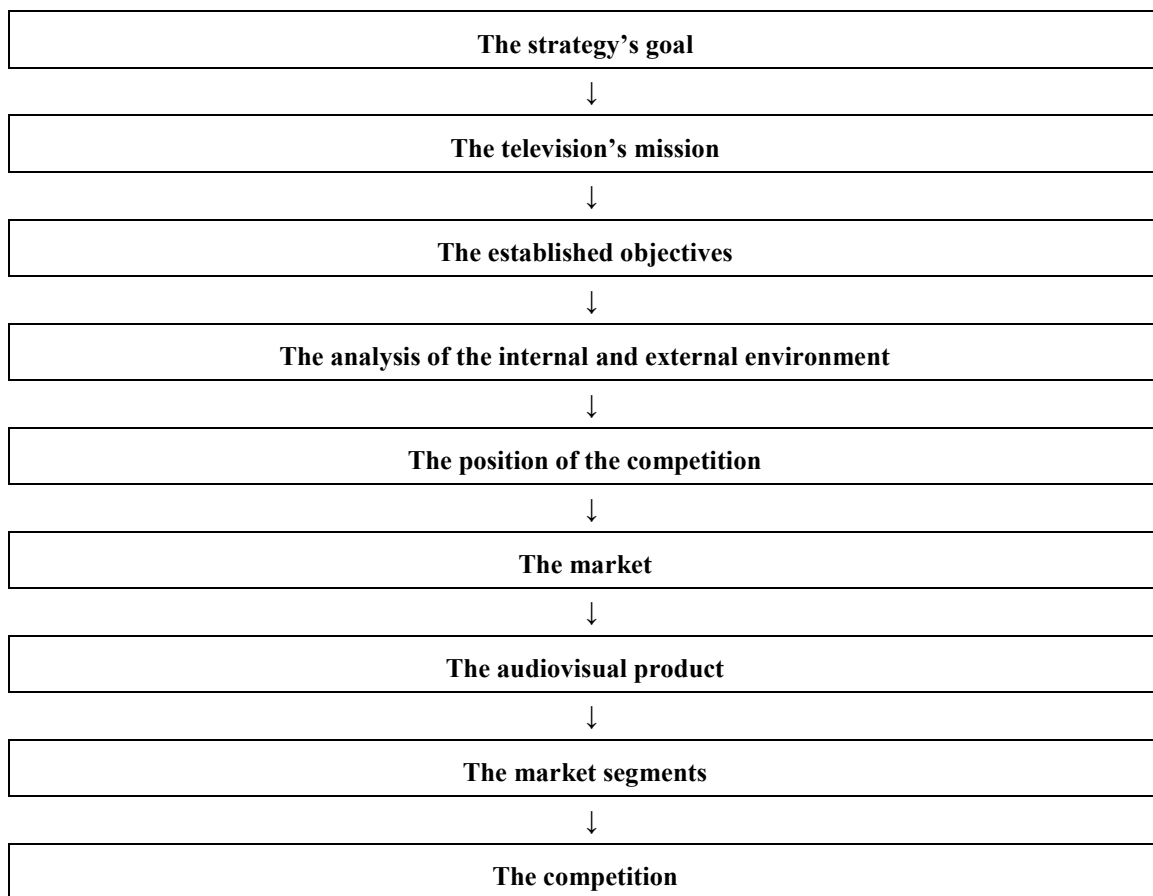


Table no. 3: The stages of the marketing strategy specific for the audiovisual domain

- a) **The strategy's goal.** The goal of the marketing strategy is to “push” the television from its prior position into a more competitive one. In other words, the television should develop a strategy in order to reach and maintain a competitive advantage on the market. This step is part of the strategic vision.
- b) **The television's mission.** The television will project all its market-oriented strategies depending on this major component of the strategic vision.
- c) **The established objectives.** The strategy will be established according to the main objective of the television's activity. The objectives will depend on the television's position on the audiovisual market and on its human, material and financial resources. Hence, the strategic objectives will be chosen after a deep analysis of the environment and the television's resources. The objectives should be coherent, realistic and challenging.

- d) **The analysis of the internal and external environment.** In order to establish its objectives and marketing strategies, the television has to analyze the opportunities and the threats from the external environment as well as its own qualities and flaws, which will lead to choosing the best strategic option.
- e) **The position of the competition.** Identifying this position will allow the television to form a general view of its own position on the market and an orientation of the competitive strategy.
- f) **The market.** The evolution of the market represents an important factor in making a strategic decision. The stages of this evolution are similar to those of the life cycle of a product
- g) **The audiovisual product.** The life cycle of the product indicates its evolution on the market, each stage being characterized by certain features which will determine the television to establish certain strategies accordingly.
- h) **The market segments.** Any marketing strategy should be established in terms of the identified viewers groups, needs and preferences. The level of the demand present at a certain moment in time on the audiovisual market can also be taken into account.
- i) **The competition.** The orientation of the whole marketing activity towards the market forces the television to take into account its direct and indirect rivals. The television should try to choose that marketing strategy which will allow it to obtain a competitive advantage.

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THE ANALYSIS OF THE GREEN PRODUCTS' DEMAND

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Abstract. The current trends on the world market regarding the safety insurance for food are heading towards the consumption of green products. Reaching this option requires to direct the production in accordance with the consumers' preferences on the basis of some thoroughly made market studies. The paper presents aspects regarding the gathering and analysis of market information about the demand of green products.

Keywords: market, green products, dispersion analysis, demand analysis

1. The green products market

Reaching the objectives formulated at European level as part of the legislation regarding the green production (Regulation EC no. 834/2007), namely guiding the production in accordance to the market by respecting the consumers' preferences for green products, puts at the center of the food traders' attention the consumption characteristics which are felt on the green products market.

At European level, the main trend which manifests on long term is the development of the green products' consumption, with a special interest manifested for quality. Growing an ecological conscience makes the European consumer to avoid traditional food products which imply a certain degree risk for the environment or for the health and can make the consumer to manifest growing preoccupation for the identification of the green products from the market supply.

The investigations conducted by the traders in order to know the green products market targets getting the information which will be at the basis of setting adequate production and marketing programs. In order to achieve this, the marketing studies contribute to the adjustment of the green products' offer in accordance with the demand's characteristics, by putting at the disposal of the buyers the wanted supply in the asked quantity and quality, without neglecting to optimize the producers and tradesmen's profit.

Stimulating the green products' demand and developing the specific internal market are closely tied to the consumer's perception over the advantages offered by these products and generally to the volume of knowledge owned by the buyers in the ecological field. Consumers often make a serious confusion between green products, naturist products and diet products and the role of the ecological certification system for food products is not very well known.

Green products are healthy, disease free, without harmful residuals and with a balanced content of bioactive and mineral substances. They result from an ecological technology, a technology which doesn't use chemical fertilizers and pesticides and which contributes to preserving the agricultural ecosystem.

Thus, we can say that the efficient functioning of the green products' internal market depends on the implementation of the principles, norms and methods of ecological production imposed at Community level, which at the end guarantees the setting of a durable system in the agriculture of each European Union member.

Although *the green products market in Romania* is the result of a short forming period (only 7 years) according to the manifested trends it shows perspectives of an important growth in the next period. The grounds behind this statement are:

- the reorganization mechanism of the agricultural sector has had as side effects the abandonment of a large land area or the practicing of some growing systems in an almost traditional manner. Because of the lack of technical equipment and as a consequence of a drop in the use of chemical fertilizers and treatments for the health of the plants (usually very expensive) the agricultural areas need a relatively short conversion period (2-3 years) to be transformed in ploughs destined for green products;

- a growth of the areas used to cultivate green products is estimated to reach 400.000 ha in 2010, a 2.72% increase from the year 2000, which is an important factor in the organic food sector's development;
- there is a legislative, institutional and normative work frame which regulates and stimulates the organic production;
- the recent joining of Romania to the European Union facilitates the free entering on the organic market in conditions of a fair competition, which can be for the Romanian producers an advantageous export opportunity;
- green products ensure for the traders at least similar economic performances to the ones resulted from the conventional production;
- the perception of the Romanian consumers about green products is favorable, they are considered healthier and less harmful for the environment;
- the population's demand is growing (the turnover for the commerce with food products has grown in December 2007 with 162,3% in comparison to the year 2000) and so are the incomes (in January 2008 the real salary grew with 21,9% from January 2007), which can constitute a basis for the development of the green products consumption;
- the certification system for the green products, which was recently introduced, allows an easier identification of these products and contributes to the growth of the consumers' trust in their quality;
- green products start to make their presence felt in more and more stores.

In order to see the way in which the consumers perceive green products it is necessary to approach the entire chain of obtaining, processing and turning into account the agricultural products with an ecological character. The green products' demand is in tight dependency with the perception of the consumers regarding the impact the products have over the quality of life and over the social-economic environment. This is why it is considered that the essential element which allows the orientation of the agricultural producers is the correct determination of the consumers' attitude manifested on different segments of the green products market.

2. Collecting information about the green products' demand

In order to identify the definitive elements of the green products' demand it is necessary to organize a marketing research which has at its base a complex statistical observance program of a representative collectivity. The registered data must refer to a large number of statistical variables, among which: the types of bought products, the size of incomes, the preference for green products, the reasons behind buying green products, the favorite characteristics, the frequency with which the population buys these products, observations and suggestions.

The main formulated objectives for the statistical study refer to identifying the trends manifested on the green products market regarding demand and finding out the degree in which the size of the incomes influences the demand for green products.

Questions	Answers	Responses (%)
1. What food products do you prefer to consume?	conventional products <input type="checkbox"/>	84
	green products <input type="checkbox"/>	16
2. Do you or another member of your family buy green products?	yes <input type="checkbox"/>	5
	no <input type="checkbox"/>	95
3. If no, which are the reasons your family doesn't eat green products?	they are too expensive <input type="checkbox"/>	56
	I don't trust them <input type="checkbox"/>	8
	I don't know which products are green <input type="checkbox"/>	30
	they don't look as good as conventional products <input type="checkbox"/>	6

4. If yes, which are the reasons your family eats green products?	they are healthier <input type="checkbox"/>	77
	they taste better <input type="checkbox"/>	7
	growing them doesn't hurt the environment <input type="checkbox"/>	16
5. How often do you buy green products?	81-120 days	6
	41-80 days	30
	0-40 days	64
6. What type of green products do you buy?	vegetables <input type="checkbox"/>	21
	fruits <input type="checkbox"/>	25
	cheeses <input type="checkbox"/>	15
	milk <input type="checkbox"/>	28
	meat <input type="checkbox"/>	7
7. How do you appreciate the quality of green products?	sausage <input type="checkbox"/>	4
	Very good <input type="checkbox"/>	24
	good <input type="checkbox"/>	30
	satisfying <input type="checkbox"/>	35
	unsatisfying <input type="checkbox"/>	11
8. When buying, how much does it influence you the aspect of the product and its presentation?	a lot <input type="checkbox"/>	68
	a little <input type="checkbox"/>	21
	not at all <input type="checkbox"/>	11
9. Do green products contain alimentary additives, conservations or genetically modified organisms?	yes <input type="checkbox"/>	15
	no <input type="checkbox"/>	20
	I don't know <input type="checkbox"/>	75
10. If you appreciate the green products' quality, do you think it's good to recommend them to other people?	yes <input type="checkbox"/>	89
	no <input type="checkbox"/>	11
11. The incomes of your family can be included in the group of:	reduced incomes <input type="checkbox"/>	7
	medium incomes <input type="checkbox"/>	27
	large incomes <input type="checkbox"/>	65
12. What are your observations regarding green products?	they are hard to identify on the shelf (logo) <input type="checkbox"/>	25
	the advantages of eating green products are not known <input type="checkbox"/>	42
	the absence of advertising <input type="checkbox"/>	25
	they can't be found in small stores <input type="checkbox"/>	13

Table 1. The marketing research answers' centralization

To investigate consumers, a partial statistical observation is organized under the form of a statistical inquest based on a questionnaire. The interviewed persons constitute a representative sample of consumers of 351 randomly selected persons.

The data obtained from the sampling are systematized on various criteria in order to know the characteristics of the green products' demand. The questionnaire's content and the results of the investigation are presented in table 1.

The inquiry shows that food traders target especially the categories of population with big incomes (65%), who frequently buy this type of products at a distance of 40 days the most (64%). Although the consumers' preferences are orientated towards green products too (16%), nevertheless only 5% represent the constant demand for green products, because they are too expensive (56%) or people don't know how to identify the products (30%). The consumers of green products purchase them because they are aware of their benefits for the health (77%), others think green products can preserve the environment (16%) and a smaller number prefers them for their taste.

The demand is orientated mainly towards milk (28%), and the vegetal green products, like fruits and vegetables, represent 46% of the total. The constant consumers generally appreciate their good and very good quality (54%) and most of them think the products should be recommended to other people.

The knowledge degree regarding the green products' characteristics is low; most people don't know if these products contain or not alimentary additives, conservations or genetically modified organisms (75%) and 15% of the buyers give a wrong answer. The consumers' opinion regarding the improvement of the green products' situation is materialized in recommendations like: taking measures to popularize green products in order to know their characteristics, including commercials; popularizing their identification elements, namely the logo which will help to make a quick selection of the products; extending the commercialization system for green products to smaller shops, not just supermarkets.

3. Establishing the influence factors for the green products' demand with the help of the dispersion analysis

The dispersion analysis is a useful instrument in marketing researches and when it's used to study the green products market it facilitates a better knowledge of its characteristics. In the case of a statistical population, the dispersion analysis can be used to highlight the relations between its characteristics (statistical variables) and it can also be useful to evaluate the consequences generated by an independent variable over a dependent variable. If the variables have a numeric expression, the dispersion analysis techniques allow the concrete measurement of the influence an independent characteristic has upon the resulted variable. In the case of statistical characteristics expressed with words, with the help of the dispersion analysis we can find out if there is a determination relation between different definitive elements of the collectivities and the studied phenomenon.

The dispersion analysis patterns known under the name of the *F test* were introduced by the R. A. Fisher and can be single-factorial which ensure the evaluation of the influence a single factor has over the resulted variable; and can be multi-factorial, which allow studying the effect of a least two factors. With the help of the questionnaire regarding the correlation between incomes and the frequency of the demand for green products (table 1) we can establish the existence of the inter-correlation relation among them.

The statistical characteristics that present interest are the X variable, which is the independent characteristic and a grouping factor for the data named "the size of the incomes"; and the Y variable, which is the dependent characteristic represented by the "supply period for the population (number of days)".

The information collected about the statistical collectivity is structured on income and is presented in table 2.

Size of incomes	Supply period (days)											
	0-10	10-20	20-30	30-40	40-50	50-60	60-70	70-80	80-90	90-100	100-110	110-120
Reduced	-	-	-	-	-	-	3	-	7	9	4	2
Medium	-	-	6	-	12	46	23	10	-	-	-	-
Large	91	86	27	15	-	10	-	-	-	-	-	-

Table 2. The consumers' groups of green products based on their incomes and supply frequency (a representative sample with an error margin, 95%, 2008)

Using the dispersion analysis leads to a 723 value of the F function, this has as correspondent a theoretical value of 3.07 at a meaning level of 0.05 and two degrees of freedom. Because the obtained value is much bigger ($F_{calculated} > F_{chart}$) we can say with a 95% probability that the size of the incomes a family has influences the demand for green products and is a determinant factor.

Conclusions

The analysis and interpretation of the results obtained from the marketing research lead to the identification of specific aspects which can be considered current features of the green products market in Romania:

- the buyers of green products are a part of the population with large incomes, this being an essential factor for the demand;
- the internal demand for green products has a small dimension;
- the buyers which are constant have a small weight per ensemble;
- the main reason for the weak sales of green products is their high price;
- there isn't enough knowledge about the differences between conventional and green products;
- green products are not usually found in the regular supermarket networks and to specialized stores have access only the buyers who live in the respective town;
- the stores specialized in green products are not well known;
- most green products' consumers live in big towns where the supermarket network are also placed;
- most green products' consumers buy fruits, vegetables and milk;
- for the green products' consumers the consequences of these products over the health and the environment are important;
- most consumers are poorly informed and are not fully aware about ecological problems;
- buyers don't know the identification logos for green products.

The concerns to know better the demand for green products in our country can be justified with the need to identify and foresee the characteristic elements of the ecological consumer, this way the producers from the food sector can make in time structural changes and reorient the production in accordance with the norms of the ecological production.

In the near future, we expect an improvement of the information level and of the ecological education, the alignment to the concept of ecological production and the embracement of the European consumption model by the Romanian buyers. When these conditions are met the satisfaction degree of the buyers will depend in a large measure on the quantity in which the supply of food products is green and can ensure an improvement regarding the quality of life, and bring benefits for the environment.

Taking into consideration the advantages associated with the ecological production (both by the consumers and the producers) and manifesting a growing interest for the development of this sector are basic elements which will contribute in the next period to the essential transformation of the food sector in Romania.

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THE IMPACT OF GLOBALIZATION ON DISTRIBUTION PROCESS

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Globalization represents a fundamental transformation of the structures, organization and nature of international commerce. The extension of globalization and the emergence of transnational societies has brought along an increased preoccupation for the components of the marketing mix, especially the distribution policy.

Key words: globalization, distribution process, international retailers

Globalization represents one of the most important concepts necessary for understanding the contemporary European reality. The changes this process develops are noticed throughout different fields: social, political and economical. The process of migration and the demographical tendencies influence the movement of work forces in the work market. Some of the involved aspects are women taking part to work, job crisis, unemployment and the risk of own business.

The concept of 'globalization' is used in different types of definitions: analytical (peculiar sides of the social life), realistic and historical. Despite ambiguity in defining it, globalization goes with the dynamics similar to re-conception of some notions such as state-nation, organization and community.

The most obvious signs of economic globalization are the constant acceleration of the increasing rhythm of international commerce and of the trans- frontiers investments, and also the increasing in competition which should result in welfare.

Globalization represents a fundamental transformation of the structures, organization and nature of international commerce. All the industrial sectors undergo deep structural changes which become more obvious in the sectors highly based on advanced technologies (such as car industry, pharmaceutical industry, telecommunications, etc).

Economic globalization can be defined by three peculiar dimensions: discipline in global market, financial contents and economic network. The market discipline refers not only to goods and products but also to work and capital. The financial contents refers to the speed money travels across the borders and the economic networks are founded on the economic information.

Globalization redefines the role and functions of nation state, emphasizing its strategic role in coordination – the form of intelligent competitive state – opposing to the interfering redistributive state, specific to the period after the Second World War.

The extension of globalization and the emergence of transnational societies has brought along an increased preoccupation for the components of the marketing mix, especially the distribution policy.

Starting from the mid '90s, the process of distribution internationalization has intensified; the number of retailers looking for an expansion on foreign markets has grown every year. Thus, large groups of distributors, such as: Wal-Mart (U.S.A.), Carrefour (France), Ahold (Holland), Tesco (England), each of them dominant on their internal market, have extended their distribution activities in a growing number of countries.

According to Deloitte, in 2004, the top 10 world distributors could be characterized as follows:

Table no. 1.

<i>Place</i>	<i>Group</i>	<i>Country</i>	<i>Main activity</i>	<i>Turnover (thousand million usd)</i>	<i>Percent of sales on international market (%)</i>
1.	<i>Wal-Mart</i>	<i>USA</i>	<i>Non food</i>	<i>285,2</i>	<i>20,00</i>
2.	<i>Carrefour</i>	<i>Franța</i>	<i>Food</i>	<i>90,4</i>	<i>50,80</i>
3.	<i>The Home Depot</i>	<i>USA</i>	<i>Shop</i>	<i>73,1</i>	<i>5,70</i>
4.	<i>Metro</i>	<i>Germania</i>	<i>Cash&carry</i>	<i>70,2</i>	<i>49,00</i>
5.	<i>Ahold</i>	<i>Olanda</i>	<i>Food</i>	<i>64,7</i>	<i>80,00</i>
6.	<i>Tesco</i>	<i>Anglia</i>	<i>Food</i>	<i>62,3</i>	<i>15,00</i>
7.	<i>The Koger Co.</i>	<i>USA</i>	<i>Food</i>	<i>56,4</i>	<i>0,00</i>
8.	<i>Sears Holdings Corp</i>	<i>USA</i>	<i>Shop</i>	<i>55,8</i>	<i>22,00</i>
9.	<i>Rewe</i>	<i>Germania</i>	<i>Food</i>	<i>50,7</i>	<i>28,00</i>
10.	<i>Intermarché</i>	<i>Franța</i>	<i>Food</i>	<i>47,3</i>	<i>30,00</i>

First 10 world distributors in 2004

This ranking of the top 10 world distributors shows that European distributors prevail and their main activity is in the food sector, whereas the other distributors, namely the Americans, are mainly activating in non-food fields. Another conclusion of this ranking concerns sales on international markets, and the European distributors clearly stand out in comparison to the American ones.

The increased internationalization of trade was generated by:

- external factors, such as: the saturation of national markets, the restrictive legislation in certain countries, the price fall of transportation, the existence of groups of international consumers having the same homogenous needs regarding trans-cultural products;
- internal factors, such as: the search of superior growth and profitability levels to those in the home countries, the geographical distribution of risks connected with multinational exploitation, the strong belief in an exportable know-how, and the distributor's desire of power growth, both when it comes to sales and the capacity to negotiate with international producers.

The interest of more and more distributors in creating relations with transnational companies is determined by:

- **The power and dependency of relations** – transnational companies are the suppliers having the most important negotiation power in their relations with distributors. The power of transnational companies resides in the products offered on the market and their notoriousness in the relation with distributors. Their power is considered by specialists to be a contribution to the distributor's turnover. The increasing investments of transnational companies in marketing and logistics in order to develop a distributed administration on supplies, marketing or merchandising, have almost succeeded in generating a dependency of distributors, while suppliers benefit from the advantage of being almost indispensable to the latter.
- **Common goals for suppliers and distributors** – common projects are undertaken in marketing, merchandising and logistics.

- **Trust** – Trust is mainly based on competencies awarded to the partner and is basically limited to the technical aspects of a partnership.

The retail European market presently illustrates the fact that many retailers are willing to become members of a group of acquiring in order to increase their purchase power and also to preserve their commercial independency. This fact is determined by the arrival on the Central and Eastern European market of international retailers that have started to bring trouble for the locals. The main groups of acquiring on the market are:

Table no. 2

<i>Groups of acquiring</i>	<i>Members</i>
<i>EMD</i>	<i>ABVassilopoulos (Grecia), Axfood (Suedia), Delhaize Group Europe (Belgia), Delvita (Cehia), ESD Italia (Italia), Euromadi Eberica (Spania), Markant Central European (Cehia), Markant Deutschland (Germania), Markant Slovensko (Slovacia), Mega Image (România), Musgrave Group (Irlanda), Nisa – Today's (Marea Britanie), Super Gros (Danemarca), Superunie (Olanda), Systeme U (Franța), Tuko Logistics (Finlanda), ZEV Markant (Austria)</i>
<i>AMS</i>	<i>Ahold (Olanda), Caprabo (Spania), Dansk Supermarked (Danemarca), ICA (Norvegia, Suedia plus Statele Baltice printr-o alianță cu Kesko), Jeronimo Martins (Portugalia), Kesko (Finlanda plus Statele Baltice printr-o alianță cu ICA), Morrisons (Marea Britanie), Superquinn (Irlanda)</i>
<i>Alidis</i>	<i>Intermarche (Franța), Eroski (Spania), Edeka (Germania)</i>
<i>BIGS (International Group SPAR)</i>	<i>Deținătorii francizei SPAR din următoarele țări: Austria, Belgia, Cehia, Danemarca, Irlanda, Finlanda, Grecia, Ungaria, Italia, Olanda, Slovenia, Elveția, Marea Britanie</i>
<i>Bloc</i>	<i>Cactus (Luxemburg), Cora Louis Delhaize (Belgia), Delberghe (Belgia), Deli XL (Belgia), Distri-Group 21 (Belgia), Francap (Franța), Frost Invest (Belgia), Hanos Nederland (Olanda), HMIJ EUG (Belgia), Huygheart (Belgia), HorecaTotaal (Belgia), Lambrechts (Belgia), La Provencale (Luxemburg), LDIP (Belgia), Maximo (Franța), Theunissen (Belgia). VAC (Belgia)</i>
<i>CBA</i>	<i>Different store of independent retail and wholesalers from Bosnia-Herzegovina, Bulgaria, Croația, Ungaria, Letonia, Lituania, Muntenegru, Polonia, România, Serbia, Slovacia, Slovenia</i>
<i>Coopernic</i>	<i>Colruyt (Belgia), Conad (Italia), Co-op Schweiz (Elveția), Leclerc (Franța), Rewe (Germania)</i>
<i>Crai</i>	<i>Different store of independent retail and wholesalers from: Albania, Italia, Malta, Elveția</i>

Main groups of acquiring in Europe

Strategic alliances consist in starting ad-hoc companies with a local partner in view of administrating the business partners' common initiatives. In the internationalization process, strategic alliances bring the opportunity to overstep strategic, administrative and political boundaries inherent when a company penetrates an external market.

The main advantages of strategic alliances are the following: easier access to new markets, division of costs and risks, knowledge and experience sharing, increased competitiveness, the synergic effect of common resources.

On the other hand, strategic alliances also have a series of disadvantages, such as: incompatibility of partners, access to information, division of profits, the risk of losing one's autonomy, the variation of the initial data.

After 1989, Romania has been subject to a complex process of economic, social, and institutional reform generated by changing the communist political system, becoming a free country and embracing market

economy. This complicated process is developing along with the globalization of world economy and our adhesion to European and Euro Atlantic organizations.

It is very important for Romania, as well as for the other developing countries that their authorities together with the international community, on constructive positions of partnership, come up with a reasonable balance between economic adjustment and developing, between the costs and advantages of globalization.

Romania is only part of production and distribution in multinational companies, lacking for the time being the necessary force to play an active part on international markets.

Although there are several Romanians that have been awarded international prizes for inventions and innovations, Romania is only a beneficiary of these forms of international collaboration.

After the 1990s, large multinational companies have taken the opportunity to enter the Romanian market. A still fragile, economically challenged market did not allow the development anticipated by analysts. After 1996 though, important cities, especially Bucharest, have experienced the first changes.

The first modern retailer to conquer the Romanian market was La Fourmi, a company of Lebanese capital, in 1991. It was followed 5 years afterwards by the first cash&carry store of the German group Metro. This has made it possible for Romanians to envision another type of commerce: quick shopping for superior ranges of products to the usual store, with a different yet practical display.

In 1999, BILLA group opens their first supermarket in Bucharest and a new type of cash&carry store opens as well: Selgros Cash&Carry.

The year 2001 was a premiere for Romania and for the retailing market due to the opening of the first hypermarket, Carrefour.

The largest share held by international retailers in Romania belongs to discount stores (40.9%), followed by supermarkets (28.6%), hypermarkets (18.5%), cash&carry stores holding the smallest share (12%). The large share held by discount stores was determined by the fast expansion of this channel, as well as by the appearance and continuous development of logistic warehouses. This has made it possible for discounters to be the segment having the best and widest spreading across the country, especially to medium-sized and small towns.

At the end of 2006, the position of international retailers in Romania was the following:

Table no.3

<i>Nr. crt.</i>	<i>Name of store</i>	<i>Type of store</i>	<i>Number</i>
1.	<i>Metro</i>	<i>Cash&carry</i>	23
2.	<i>Selgros</i>		16
3.	<i>Carrefour</i>	<i>Hipermarket</i>	8
4.	<i>Cora</i>		3
5.	<i>Auchan</i>		3
6.	<i>Real</i>		9
<i>Nr. crt.</i>	<i>Name of store</i>	<i>Type of store</i>	<i>Number</i>
7.	<i>Kaufland</i>	<i>Hipermarket</i>	31
8.	<i>Interex</i>		10
9.	<i>Spar</i>		1
10.	<i>Billa</i>	<i>Supermarket</i>	25
11.	<i>Artima</i>		20
12.	<i>Mega Image</i>		20
13.	<i>Albinuța</i>		9
14.	<i>La Fourmi</i>		14

15.	<i>G'Market</i>		5
16.	<i>Spar</i>	<i>Discount</i>	10
17.	<i>Profi</i>		35
18.	<i>Plus Discount</i>		46
19.	<i>Penny Market</i>		37
20.	<i>MiniMAX</i>		10
TOTAL			334

International retailers in Romania

According to these data, we could assume that Romania is not only an attraction for food retailers, but also for the new producers and distributors. Thus, merchants will be able to go on strengthening their positions on the market by obtaining a continuously larger market share.

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SEGMENTATION, TARGETING AND POSITIONING OF THE SUPPLIERS . BASIS ELEMENT IN STRATEGIC PLANNING ON BUSINESS TO BUSINESS MARKET IN ROMANIA

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Abstract: In Romania the use of the strategic marketing as a basic element in the relationship to the suppliers by the companies from the B2b market is at an incipient level, sometimes even at the level of the “subconscious”. In order to be able to develop the practice it is necessary to have a theory well organized and adapted to the nowadays requirements of the field of the suppliers relationship marketing on the B2b market. Therefore a need of information about the present degree of implementing the strategic marketing by the companies on the B2b market in their relationship with the suppliers in Romania and especially the identification of the ways in which the organizations use these methods and techniques of segmentation, targeting and positioning in order to develop the relationships with their suppliers appear as necessary. Starting from this premise the following research has as its goal the analysis of the way in which the organizations which are active on the Romanian B2b market use the strategic marketing in the segmentation, targeting and positioning of the suppliers.

Key words: supply – chain management, segmentation of the suppliers, targeting of the suppliers, positioning of the suppliers

Segmentation, Targeting, and Positioning of the Suppliers

In order to integrate the economical and commercial activities at the level of the supply – delivery chain the development of some close partnerships between the client and suppliers is necessary. The development of the supply – delivery chain implies that all the companies are involved in the process to share information about clients, the real level of demand, the level of the transactions at the selling points and strategic corporate plans. In order to develop a good supply-delivery chain is very important the way in which the company from business to business market uses strategic marketing instruments in segmenting, targeting and positioning of the suppliers

Market segmentation represents the process of division of a collectivity into homogenous groups according to one or more criteria. Through segmentation a fragmentation of the relevant market into homogenous units, respectively partial markets is targeted with a view to its differentiated processing of this.

Also for the organizations on the B2b market, considering the importance of the process of supply and the complexity of the supply delivery chain, the acquire of an appropriate segmentation of the deliverers is very important. In the use of the segmentation as a strategic marketing method for the identification of the segments the use of the following criteria is recommended:

1. criteria regarding the supplying company which contain variables like: general coordinates of the company, staff and management of the company, experience of the supplying company, production facilities which it has.

2. criteria regarding the long term vision of the company with the following variables: financial aspects, economical performance and financial stability, organizational strategy and culture, technological aspects, safety of the supplier, business references;
3. criteria regarding the business behavior of the supplier with the following variables: attitude of the selling staff, production and selling equipments which it has, quality and availability of the offered products, behavior of the technical staff, competence of the management

Targeting of the suppliers implies the development of the marketing mix for one or more segments of suppliers identified following the segmentation. Two very important factors must be considered when a segment of suppliers is chosen for being targeted by a company or another.

1. attractiveness of the respective segment of suppliers.
2. compatibility between the respective segment and the acquisition goals, the strategies and the resources of the company.

The attractiveness of the segment of suppliers can be assessed through one of the following aspects: the dimension of the respective segment (number of potential suppliers), growth rate of the respective segment, existent competition in the respective segment, respectively the bigger the competition is the more appropriate it is to target the possibility of the company to obtain better conditions of acquisition being bigger the loyalty towards the company manifested by the respective segment of suppliers, expected levels of profit.

Compatibility is given by the measure in which the suppliers from the respective segment can satisfy the expectations of the company on the B2b market regarding: the availability of the product, the price of the product, the offered services, the possibility of a partnership.

In accordance with the assessment of the two elements the following strategic alternatives of targeting a segment of suppliers can be chosen:

- Non-differentiated strategy of targeting all the segments of potential suppliers;
- Differentiated strategy when it focuses on two or more segments. The optimum variant would be two segments with a division of share between the two of 60/40.
- Concentrated strategy when the company on the B2b market is focused on one single segment of suppliers.

The segmentation strategy offers the totality of the segments that are active on a market as well as the presentation of every type of segment, the presentation of the methods of selection for them to the company. Once the segment is defined the next objective of strategic marketing is the positioning of the company within the chosen segment. The term **positioning** means the way the marketing program of a company is perceived by the buyer regarding the applied marketing strategies by the main competitors, that is the way in which the products are positioned in relation to the competitors in what concerns the marketing mix. Essentially the positioning is defined as the placing of the objects to be sold (products, services, organizations, personalities) in a multidimensional market model with the goal to insure a well defined place in the psychology of the consumer.

One of the most used methods for positioning products on the market is the “perception map” of the consumers. This identifies the differences between the characteristics of the products through the use of multidimensional staging of the perception and preferences. The localization of the characteristics on such a map is performed usually through taking into account of two criteria, such as accessibility of the offer and the relation quality – price. The company will choose from the variants so obtained the group of characteristics which insure the best position for it. Regarding the positioning of the product, there are two theories which lie at the base of the positioning methods in practice: *the theory of the maximization of the position*, which is the attempt to reduce the existent distance between the position of the product and the expectations of the consumer without considering the products of the competitors; *the theory of the maximization of the plurality*, which is the positioning of the product considering the products of the competitors and the distance between them and the expectations of the consumers.

The same basic concepts can be used also in the theory of the positioning of the suppliers by the company on the B2b market but also in the way this is positioned in relation to the other potential suppliers.

The positioning of the suppliers towards the company using the perception map implies following successively two stages:

- a) Which are the main characteristics required by the company from the potential suppliers. These can be: the availability of the product, the quality of the product, the price, the offered services etc.
- b) The intensity of each of these characteristics for each individual supplier.
- c) On the basis of these two variables a “map of perceptions” can be realized for each individual supplier which will lie at the base of the acquisition decision.

The positioning of the company towards the potential suppliers also implies two stages:

- a) The identification by the company of the main advantages looked for by the supplier within a partnership and the importance of each one of these;
- b) The maximization of the position, which is the attempt to reduce the existent distance between the company position and the expectations of the supplier;

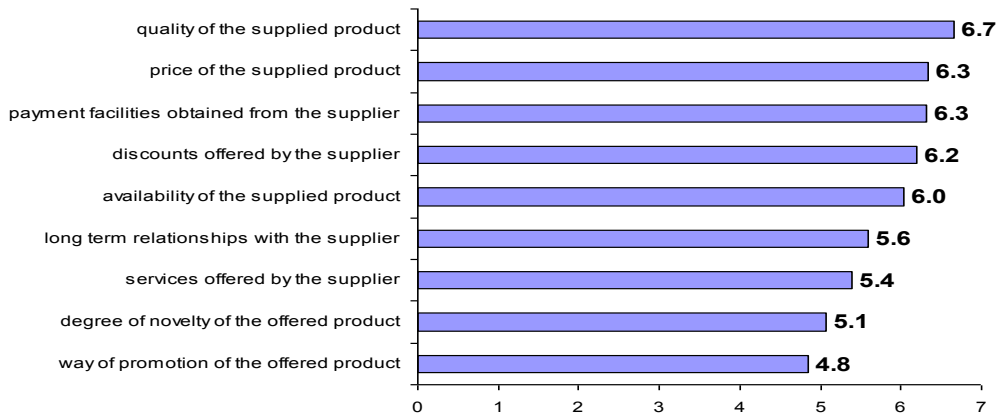
Quantitative research regarding the relationship of the companies in the field business to business in Romania with the suppliers

In Romania the use of the strategic marketing as a basic element in the suppliers relationship marketing by the companies from the B2b market is at an incipient level, sometimes even at the level of the “subconscious”. In order to be able to develop the practice it is necessary to have a theory well organized and adapted to the nowadays requirements of the field of suppliers relationship marketing on the B2b market. So that a need of information about the present degree of implementing the strategic marketing by the companies on the B2b market in the relationship to the suppliers in Romania and especially the identification of the ways the organizations use these methods and techniques of segmentation, targeting and positioning in order to develop the relationships with the suppliers appear as necessary. Starting from the exposed problem the presented research has as its goal the analysis of the way in which the organizations which are active on the Romanian B2b market use the strategic marketing in the segmentation, targeting and positioning of the suppliers. The research has also a secondary goal, and that is to see if the usage of elements from relationship marketing in the development of the relationships with the suppliers by the companies on the B2b market can be identified.

The researched collectivity is represented by the companies which are active on the territory of Romania, in the B2b field in urban spaces (towns of over 50,000 inhabitants), whether they are local or foreign, of any field of activity. In the case of this research the personal “face to face” interview was used as a way to gather information and the questionnaire as an instrument. In order to determine the test sample on which this research was performed, no random method of sampling was used because the researched problem represents a new element in the research studies of marketing in Romania, that is why it was treated as an exploratory research, which offers the information necessary for a subsequent planning of a research on a representative sample. A number of 80 companies in the B2b field in Romania were interviewed.

The analysis and the interpretation of the results of the research showed the following aspects regarding the relationship with the suppliers of the Romanian companies. In what concerns the main criteria used in the assessment of the suppliers taken into account in the management of the suppliers portfolio by the company on the B2b market, these are in the order of importance: quality of the supplied products, price of the products, facilities of payment obtained from the suppliers and the obtained discounts. These results prove that although the most important thing taken into account is quality, the others have as base the price which means that, although the Romanian companies need quality products, they do not afford them and wish to buy at the best prices and with payment on term. It is observable that although worldwide for the companies on the B2b market the most important characteristic taken into account in the assessment of a supplier from the point of view of an acquisition center is the availability of the product, for the companies in Romania this characteristic is only on the 5th place as importance. This fact proves that the supply delivery chain is not very well organized and the companies use big raw materials stocks and not systems of JIT type which may allow them to solve more efficiently the other problems which they have in relation to the availability of liquidities (big stocks of raw materials - > financial immobilizations - > low liquidity- > need advantages related to the price, payment ways). It is also remarkable the fact that in the analysis of the questionnaires for the most important four criteria, the response which was selected most frequently was “totally agree”.

Criteria use in the assessment of the suppliers



The low result obtained by the supplementary services offered by the supplier presents the availability of the companies to give up some supplementary services only to get a better price for the basic product. Still this claim reflects a simplistic way of thinking from the companies on the B2b market in Romania which regard the cost of the supply only through the price of the basic supplied product and not through the integrated logistic cost which contains also the offered services but can generate on the whole savings of scale in the activity of the company. It is also noticeable the low importance in the degree of novelty of the purchased product, thing that can be understood considering that generally a new product is associated with a high price and maybe with a low quality but especially a low safety in exploitation. It is also noticed that the most unimportant criterion used in the assessment of the suppliers is the modality to promote the offered product which confirms strongly once again the minor role between the promoting techniques for advertising or sell promotion on the B2b market.

In what concerns the most important elements taken into account in the selection of the suppliers the safety of the supplier is on the first place, business references which reveal the wish of the companies on the B2b market to have durable relationships with their suppliers. Anyway correlating this characteristic with the importance of long term relationships in the assessment of the suppliers which received mediocre points in the first section of the questionnaire we can say that the leaning towards assessing the suppliers first of all according to their safety rather leads to a kind of an idea of comfort in supplying. It is also noticed the fact that the production facilities of the supplying company are the least important in the selection of the suppliers which proves that although they consider quality as the most important characteristic in the assessment of a supplier this is not assessed on the basis of objective criteria. In support of this affirmation there is also the fact that the production and selling equipments received an inferior score. Analyzing the results from this section we notice that generally the companies do not stress the importance on the human resource of the supplying company as a consequence of low notes obtained by the staff and the management of the company and even by the competence of the technical staff.

Analyzing the third section of the questionnaire, the one through which the opinions of the company are expressed on the B2b market in relation to their main suppliers we notice that generally these consider their relationship to the main suppliers as being one of partnership. Generally they consider that the staff from the supplying company are serious people, they try to fulfill their tasks, in the majority of the cases they negotiate correctly, say the truth, represent a real counterpart, do not try to cheat.

Criteria used in the selection of the suppliers



Going to the last section of the questionnaire we notice that the biggest score is granted to an affirmation which also reveals the partnership between the two companies, more exactly the fact that there is an information and assistance change between the two entities. Anyway it has to be noticed that although there is some opening to the change of information between the parties, this does not apply when we talk about confidential information or access to the patents or inventions although they could be useful in the supply delivery chain.

By connecting the variable “long-term relationships” mentioned in the first section with the variable “we provide confidential information to the supplier” and by comparing the calculated value of hi square it can be noticed that there is a correlation between the two variables. Taking into account the statement according to which “we supply confidential information”, this is a negative statement (one total disagreement, 7 total agreements) and we may assert that although the companies operating in the B2b field tend to lean towards the development of long-term relationships with their main suppliers, they are not willing to provide them confidential information. Also, by comparing the calculated value of hi square (it can be noticed that there is a correlation between the variables “quality of supplied product” and “our supplier is the holder of quality certificates”). Taking into account that generally interviewed companies mentioned the quality of the product as being the most important criterion in assessing the suppliers, the latter maintain their position on account of the fact that most of the main suppliers benefit from quality certificates for supplied products. This correlation may suggest the fact that as far as the product policy adopted by the B2b market with respect to their suppliers a very important element is represented by the implementation of a quality stability strategy, thus one may conclude that the supply of high quality and constant quality products is sought after. It is common knowledge that a quality certificates reasserts the maintaining over time of a constant character of quality corresponding to the products or services provided by a company.

In conclusion, the most important criteria used by the companies operating on the Romanian B2b market in Romania are: quality of the product, price of the product, credit facilities granted, discounts granted, availability of provided supplied, long-term relationships and services provided by the supplier. By making a comparison to the theory that puts emphasis on availability of the product, then on quality, price, provided services and the possibility of developing long-term relationships, thus we may state that as far as Romanian companies are concerned, the decision of the purchasing department is made based on arguments regarding quality and price. The surprising fact is that although price and the other features thereof are very important, companies do not seem to deem as important the availability of the product that generally is equivalent to the liquidity generation. As far as for the elements taken into consideration in the selection, segmentation and targeting of the suppliers are concerned, the security of the supplier company occupies the first place, then the attitude of the sales staff, the experience of the supplier and his economical stability. Generally it was opted for criteria related to the security of the relationship with the suppliers which emphasizes the interest in the development of partnership. As far as for the opinion of the companies on the B2B market is concerned towards the main supplier as well as their reflected attitude towards them a dual relationship can be seen meaning that they consider that the supplier is serious about the business relationship this also being the company’ attitude. At the same time there is a note of

skepticism in the relationship with the supplier, the contract being considered very important, the confidential data exchange is absent, generally the supplier is not helped with issues of quality although these might affect the company.

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MEASURING THE EFFICIENCY OF THE PROSPECTING ACTIVITY

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Abstract: Trade shows and exhibitions are an important marketing instrument, as they help companies in completeing their main objectiv: to obtain profit. As they are expensive for small companis it is very important to be able to measure the result of the prospecting activity and the process strats by establishing specific and measurable goals. We will present also some instruments that companies can use in order to establish if their event was or not a succes.

Key words: prospecting activity, instruments, trade fairs efficiency

Why you should participate in Trade shows?

In a competitive business environment trade shows and exhibitions have become very important all over the world. These are specialist market places that allow exhibitors to promote their products and services, reach new customers and generate new sales while giving the visitors the opportunity to find out about the products and services on display. Trade shows and exhibitions give business people the opportunity to make useful contacts with other people working in their industry and are an important promotional tool. Trade Shows and Exhibitions can be very helpful, as they:

1. Demonstrate the product or service to customers face-to-face interacting with them and get the response and feed back of the product on the spot
2. Test new markets or launch new products and services
3. Give the companies the chance to find out directly from the customers about their exact requirements
4. Are very good opportunities for networking
5. Concentrate many potential customers and suppliers in one place.

Apart from buyers and sellers, trade shows can also attract journalists, media. But, if not organised carefully and if the participants do not know exactly what they want to achieve, trade fairs can be an expensive waste of time. So companies must be sure of what they want to achieve and make the goals *specific and measurable*. Also, an important part is choosing the event and planning it. When it's over, the follow up of the contacts is very important and based on their goals they should evaluate what they got out of the trade show.

It is essential for companies to find the right trade fair. Exhibition organizers must **understand macroeconomic trends**, business models, must know the markets. Mr. Jiri Kulis¹⁶⁶ consideres that exhibition trends in the different sectors have an understandable correlation to the GDP trends and the deductions made from knowledge of economics and markets are prerequisites for exhibition successes. If the area of interest the fair covers is too specialised or too broad, it is unlikely to attract visitors or exhibitors.

¹⁶⁶ Advisor to CEO Velethry Brno (CZ)

If one company is exhibiting some products, then it should start by making a profile of the customers they want to reach, identify their special interests and where they are located. Then they should take a look at the most likely trade fairs for their industry sector and try to match them with these customers. Most established exhibitions will be able to provide a detailed breakdown of the number and type of visitors from previous years. This will give a good indication of whether the types of customers they are targeting are likely to be there.¹⁶⁷

Regarding the effects of the macroeconomic impact of trade shows different elements can be discussed: tangible economic effects and intangible economic effects. *Tangible effects* are quantitative, quantifiable, measurable effects with regard to additional Gross Value of Production (GVP), Gross Domestic Product (GDP), Employment and Taxes. These are normally the basic arguments in case of a decision to invest. *Intangible effects* are usually not measurable: Image, Marketing, Investment, Politics, Tourism. For example, a survey at Brno trade fair shows that total effects indicate that the additional Gross Value Production in Czech Republic was 7.1 times the turnover of Veletrh Brno, while the total employment effect has been 16 times higher than the total workforce of the company. Employment effect is spread almost all over the industries.

Instruments for measuring the efficiency of the prospecting activity

- AUMA Trade Fair Benefit Check - Instrument for calculating trade fair efficiency

More and more exhibitors want to calculate the cost-benefit ratio of their trade fair participations more precisely. However, because most of the companies frequently do not formulate any exact trade fair objectives, the benefits of participations are often not determined; the focus is thus primarily on the costs. As a result, some companies believe that trade fair participations have an unfavourable cost-benefit ratio.

AUMA - The Association of the German Trade Fair Industry has, therefore, in close cooperation with the exhibiting industry and the trade fair organizers, developed the *AUMA Trade Fair Benefit Check*. *Trade fair benefits* represent costs of alternative marketing instruments. The basic idea is that exhibitors should first be clear which objectives they wish to achieve, to what extent they wish to achieve them and how they can measure their achievement. The utility value of quantitative objectives is determined by the costs which would be involved in the use of alternative marketing instruments. Thus, for example, the extremely expensive sales force would have to be employed more intensively if the company wished to achieve a specific number of contacts to new customers by means other than a trade fair participation. The utility values thus calculated for the individual trade fair objectives are added together to arrive at the quantitative utility value of the trade fair participation.

In addition to this, the exhibitor checks what the achievement of qualitative trade fair objectives is worth to him. The value of such objectives is expressed as a percentage of the total expenditure. Subsequently, within the scope of the trade fair check, the costs of the participation are calculated taking into account the desired benefits. These costs are then compared with the total utility value of the quantitative and qualitative objectives.

Trade Fair Benefit Check addresses itself particularly to small and medium-sized companies. The tool should, furthermore, persuade the exhibiting industry, first of all, to consider the benefits and only then the costs of communication. It should contribute to an examination of the entire spectrum of possible trade fair objectives and to the formulation of exact objectives as the precondition for effective monitoring of success¹⁶⁸.

Step 1: Establishing the targets. We will present a list of the quantitative targets and how they can be measured, as they are described by The AUMA "*Trade Fair Benefit Check Model*":

¹⁶⁷ <http://www.upublish.info>

¹⁶⁸ http://www.auma.de/_pages/start_e.aspx

Quantitative objectives

Measurement system

Contact targets

- | | |
|--|---|
| 1. Care of regular customers | - number and importance of the regular customers on the stand |
| 2. Acquisition of new customers | - number and importance of the potential customers on the stand |
| 3. Acquisition of new cooperation partners | - number of new cooperation partners |
| 4. Acquisition of new employees | - number of new employees |
| 5. VIP service | - number of VIP served on the stand |

Communication/information service

- | | |
|---|---|
| 1. Increase awareness | - number of stand visitors
- number of total fair visitors
- number of brochures distributed
- prompted/ unprompted recall after the trade fair |
| 2. Improve the image of the company or individual brands | - judgments and opinions of stand visitors
- changes in attitudes of stand visitors |
| 3. Establishment and cultivation of relations with the media | - number and quality of the contacts with media representatives
- number of participants at press conferences
- number of press folders distributed
- numărul de mențiuni în media |
| 4. Market research: customer behaviour, trends, acceptance of the product | - judgments and opinions of stand visitors
- judgments of staff personnel |
| 5. Qualification of sales staff | - number of participants
- sales training sessions, sales meetings during the trade fair |

Presentation targets

- | | |
|--|---|
| 1. Presentation of products/ services/ technical processes | - number of clients who were effectively informed and attended the presentation |
|--|---|

Sales and distribution targets

- | | |
|---|---|
| 1. Contacts (sales) concluded during and after the trade fair | - level of direct revenues, during and after the trade fair |
| 2. Implementation of new business terms | - value of the improved contractual terms |
| 3. Opening of new markets | - number of inquiries from new sales markets
- number of inquiries from new target groups
- number of new product inquiries |
| 4. Development of new sales channels | - number of new distribution channels |

Source: www.auma-fairs.com

The *qualitative targets* are analysed from the point of view of the relevance from very important to without importance, being expressed as percentage from total costs.

Step 2: consists in establishing a budget control. The total costs of a trade fair participation are made up of the following items: basic costs (stand rent, etc), costs of stand construction and design, as well as depreciation, costs of stand service and communication, costs for transport, handling and waste disposal, personnel and travel costs and other costs.

Step 3: generates the cost-benefit comparison of trade fair participation by adding the benefits (quantitative and qualitative) and decreasing the total participation costs.¹⁶⁹

- CEIR Exhibition Industry Index (CEIR Index)

The tool produced by the Center for Exhibition Industry Research (CEIR) is called the CEIR Exhibition Industry Index (CEIR Index). In addition to the aggregate information on the entire industry, the CEIR Index provides a detailed performance analysis of the American industry divided into 11 industry sectors.

First, they planned to produce the CEIR Index annually, but it is in the best interest of the industry to have a more frequent measurement, so a quarter by quarter analysis will provide a more comparable unit of statistics. In order for CEIR to accomplish this, they needed to increase the pool of participating events, therefore increasing the amount of applicable data. The Center for Exhibition Industry Research (CEIR), with the help of several organizations, created a leading performance indicator that could be applied to the entire exhibition industry called the CEIR Exhibition Industry Index (CEIR Index). The result is reflected in the first publication of the CEIR Index Report.

The CEIR Index measures year-over-year changes in four key elements: net square feet (NSF); attendees, exhibitors and revenue. The information was gathered from data provided from over 250 events. The events were placed into 11 sectors, and the data was aggregated by sector from 2000 to 2003. The year-over-year changes were then translated into an “index value,” using a base value of 100 in the year 2000¹⁷⁰.

Methodology

The CEIR Index is designed to be representative of the universe of exhibitions, which are defined as any event with at least 3,000 net square feet of exhibit space. The basis for this universe was the Exhibition Industry Census, which catalogued over 13,000 events. Of these 13,000 events, approximately 10,000 were business-to-business exhibitions, which comprise (in round numbers):

- NSF – 500 million;
- Attendees – 60 million;
- Exhibitors – 1.5 million; and
- Revenue – \$10.3 billion.

The remaining 3,000 events were business-to-consumer shows.

The CEIR Index is designed to offer a representative sample across 11 industries or sectors, so the universe of 10,000 business-to-business exhibitions breaks down as follows:

Industry Sector	Number of events	% of total
Professional Business Services	1,440	14.4%
Consumer Goods and Retail Trade	580	5.8%
Sports, Travel, Entertainment, Art and Consumer Services	920	9.2%
Food	370	3.7%
Government, Public and Non-Profit Services	1,190	11.9%
Building, Construction, Home & Repair	240	2.4%

¹⁶⁹ http://www.auma.de/_pages/start_e.aspx

¹⁷⁰ CEIR Index Report

Industrial/Heavy Machinery and Finished Business Inputs	440	4.4%
Communications and Information Technology	1,270	12.7%
Medical and Health Care	2,340	23.4%
Raw Materials and Science	810	8.1%
Transportation	390	3.9%
Total Events	10.000	100%

Source: CEIR Index Report

The building blocks for the CEIR Index are the percent change numbers (year-over-year) in each of the four metrics for an individual event. For each “pair” of numbers (the same metric for the same event in two consecutive years), a percent change value was calculated. For example, if an event’s professional attendance went from 12,000 in 2001 to 13,200 in 2002, a percentage change of +10% was recorded. For revenue, the only metric measured in dollars, inflation was taken into account in the percent change calculation.

Each of the 11 industry segment sections provides results that can be compared to the Overall CEIR Index metrics by year, the sections are designed to offer a discussion and analysis:

- **Overview** – discusses broader industry/sector trends;
- **CEIR Index Trends Table** – provides CEIR Index results by metric and year;
- **CEIR Index Trends** – offers year-over-year analysis of the CEIR Index results by metric;
- **CEIR Index Graphs** – displays graphs of the CEIR Index results by metric.

In the CEIR Index Report, the first analysis section is for the overall exhibition industry. The total for the overall exhibition industry declined 2.0% from 2000 to 2003, with the poorest performing category being Revenue, which fell nearly 6.0% over the period. Given the impact of September 11th and the global recession during this period, the declines in exhibition activity were surprisingly modest compared to other industries and other marketing media.

The most Revenue decline is due to the tightening of corporate budgets that began in the spring of 2001. By the end of August 2001, some 77% of businesses had imposed a level of travel restrictions due to the soft economy. Corporate marketing budgets were also trimmed significantly. This was first felt in advertising revenue, but eventually had an impact on discretionary spending that usually accompanies participation in exhibitions. Sponsorships, collateral advertising and registration fees all experienced revenue declines during this time.

Additionally, the exhibition industry was forced even reduce prices because of the lower budgets. This was a sharp blow to the industry, which regularly increased exhibit space rates and sponsorship fees. As the metrics began to show improvement from 2003, revenue continued to decline because the industry operates on an annual cycle lead-time. Since prices and offerings are fixed 12 months in advance, price increases lagged improved industry economic conditions.

Lastly, exhibition companies responded to current market conditions by offering deals and incentives to exhibitors on exhibition space and entry fees to exhibitions. These programs did not generate additional revenue for the exhibition companies, but they did increase net square feet and the number of Exhibitors attending events. As a result, both net square feet and Exhibitors rebounded in 2003.

The main problem now is whether or not this instrument of analysis of the evolution of the trade fair industry, created for the US and Canada markets can be applied also for the European market.

As a conclusion, it is very important for companies to be able to measure the efficiency of participation to events such as fairs and expositions. As many companies consider them only a cost for their marketing budget, they may choose not to attend, the main problem being that they do not know how to measure the benefits, which is very difficult, as most of them do not establish specific and measurable goals. Therefore, the instruments presented can be a very useful aid for less experienced companies.

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COMPETITIVENESS OF ROMANIA AS A TOURIST DESTINATION

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The aim of this paper is to summarize the importance of the competitiveness concept for the Romanian tourism sector, bringing in front of the analysis the last Tourism & Travel competitiveness report of the World Economic Forum.

Key words: competitiveness, competitive advantage, comparative factors, tourism

What is competitiveness?

Competitiveness is a large concept; it can be observed from many perspectives: through products, firms, branches or industries of one economy, countries, regions and continents. Also, it can be analyzed in the short run or in the long run. The definitions presented in the economic literature provide both a micro and macro interpretation of competitiveness. From a macro perspective competitiveness is a national concern and the ultimate goal is to improve the real income of the community; it can be observed a strong connection with the economic growth. From a micro perspective, it is seen as a firm level phenomenon.

At the firm level, competitiveness is the ability to provide products and services more efficiently than its main competitors. For being competitive, any firm must provide products and services, which will satisfy the complex desires and needs of the modern consumer.

At the industry level, competitiveness is the ability of the country's firms to obtain sustained success compared to foreign competitors. Competitiveness at the industry level is a better indicator of the economic health of the country than competitiveness at the firm level.

The indicators for counting the competitiveness at the industry level include:

- overall profitability of the country's firms in that industry,
- the country's trade balance in that industry,
- the balance of outbound and inbound foreign direct investment,
- the measures of cost, price and quality at the industry level.

Competitiveness in international tourism

In the last years, international tourism conditions have changed a lot. For every country, in order to remain competitive in the international tourism market, it has become necessary to address these challenges. In the context of globalization, the number of destinations increases and also the distances among them. In this moment, is considered normally that a Romanian traveler wants to fly thousands kilometers for a holiday far away for Romania, for example in Barbados Isle. Some years ago, this destination seems unreachable. For such products and services, travelers are willing to pay a large price to satisfy their complex needs.

At the tourism level, in order to gain competitiveness, there are two important factors to discuss: competitive and comparative elements.

- a) Competitive advantage refers to tourism infrastructure, the quality of management, the skills of the workforce, the government policy and others. They can be obtained and improved with the help of Government and tourism firms.

- b) Comparative advantage refers to natural, cultural and social attractiveness like: climate, beautiful scenery, attractive beaches, high mountains, country life and others. From a country to other, the natural, cultural and social factors can not be reproduced with the same passion or attractiveness.

While comparative factors are close to primary tourism supply, the competitive factors refer to secondary tourism supply. Without tourism firms and government policies, the tourism destination is not capable to sell natural attractions, while without primary supply the tourism infrastructure is not useful. Both primary and secondary factors are correlated and interdependent in the same time.

Models of competitiveness for the tourism sector

After the specialists Murphy, Pritchard and Smith (2000), at the base of their model of competitiveness for the tourism sector, is the nature of the tourism offering product, which from a destination perspective can be regarded as “an amalgam of individual products and experience opportunities that combine to form a total experience of the area visited”.

A big number of quantitative and qualitative variables can be connected to the notion of destination competitiveness:

- Quantitative variables: the number of tourists, the market share, the tourist expenditure, employment.
- Qualitative variables: the attractiveness of the places, the richness of culture and heritage, the quality of tourism services.
-

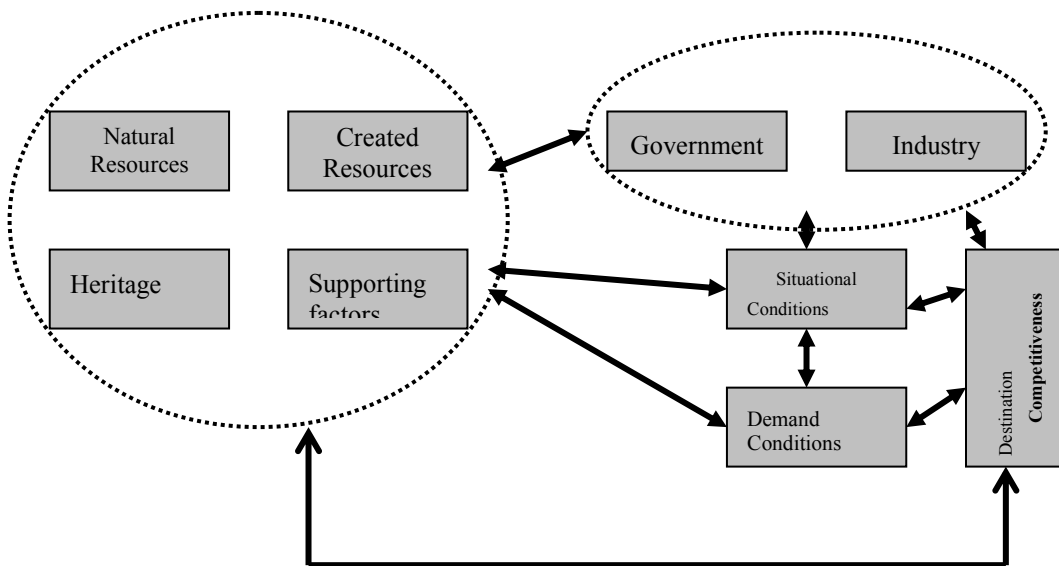
Other specialists have included in their competitiveness model for the tourism sector variables like:

- transport system (Keyser and Vanheove, 1994),
- environment conditions, tourism as a leading sector, distribution channels and the dynamic private sector (Poon, 1993),
- facilities, accessibility, quality of service, overall affordability, location image, attractiveness, climate and environment (Go and Govers, 1999, a study which contains the key factors for measuring a destination’s competitive position relative to other destination)
- Physiography, culture and history, market ties, activities and events (Crouch and Ritchie, 1999)

Dwyer (2003) has composed a model of competitiveness for the tourism sector including seven main categories factors:

- Natural Resources
- Heritage
- Created Resources
- Supporting Factors
- Destination Management (Government and Industry)
- Situational Conditions
- Demand Conditions

The seven determinants of the model only taken together can create the ability of the tourism sector to add value to its products, in order to obtain the competitiveness of this sector.



The Dwyer's model of destination competitiveness

The four elements placed in the same box: natural resources, created resources, heritage and supporting factors generate attractiveness for the places to visit. The four elements include the next factors:

- physiography, climate, flora and fauna,
- history, customs, traditions,
- tourism infrastructure, special events, entertainment, shopping
- general infrastructure, quality of services, hospitality and accessibility of destination.

The factors included in the “situational conditions” can modify or even mitigate the destination competitiveness, through a positive or a negative influence.

The “demand conditions” contains awareness, perception and preferences of the tourists for a special location.

The level of competitiveness for Romania's tourism

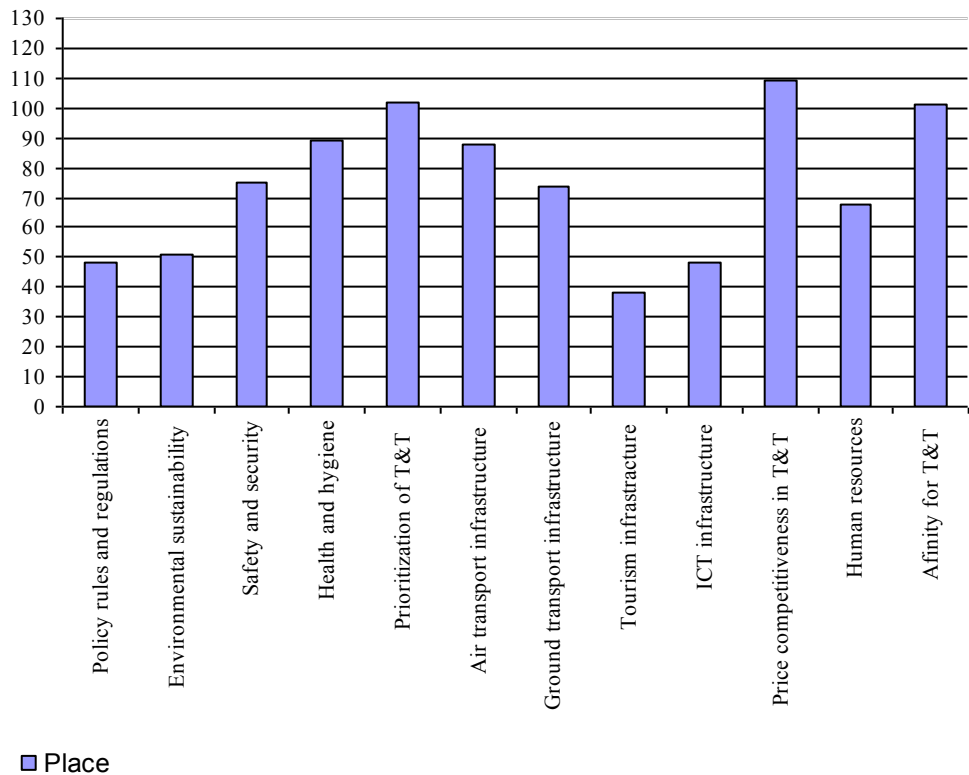
Three years ago, the World Economic Forum embarked on an effort to better understand the determinants of Tourism & Travel competitiveness and the challenges that face the industry at the present time.

In the latest edition, Romania is situated on the sixty-nine place, in a top formed by one hundred thirty countries from entire world.

The determinants of the Tourism & Travel competitiveness are:

- Policy rules and regulations
- Environmental sustainability
- Safety and security
- Health and hygiene
- Prioritization of Travel & Tourism
- Air transport infrastructure
- Ground transport infrastructure
- Tourism infrastructure
- ICT infrastructure

- Price competitiveness in the T&T industry
- Human resources
- Affinity for Travel & Tourism



The determinants of competitiveness for Romania's tourism

The first three countries in this top are occupied by Switzerland, Austria and Germany.

The Romanian tourism is through the least competitive countries in the world because of the air transport infrastructure and ground transport infrastructure.

The Romanian's biggest problems are: the lack of transparency in taking the governmental decisions, the quality of roads, the sustainability of sector development, the marketing efficiency.

However, the strong points of Romania in this report were: the cultural level of people, the history, the presence in the market of the renting cars great companies, the little number of SIDA infestation, the hospitality of the people.

Between the most attractive Romanian destinations for the stranger tourists are: Danube Delta, Bucovina, the Romanian seaside, the Carpathians.

Romania has an enormous tourist potential, but inefficiently exploited. However, the future for Romania's tourism is seeing well, after the opinion of the specialists, as they placed Romania on the seven place from the growing perspectives of tourism industry. They saw a 7.9 percent of annual growing forecast for period 2008-2017.

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SOME ASPECTS REGARDING THE IMPORTANCE OF POINT OF PURCHASE COMMUNICATIONS IN THE MARKETING COMMUNICATIONS MIX

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Abstract: In our days, corporate managers are becoming more and more aware of the important benefits of relationship marketing and integrated marketing communications. Point of purchase communications are a powerful marketing tool, because they reach the consumer at the moment when, and the place where, they taking decision. This paper tries to present some aspects such as objectives, tools and effectiveness of point of purchase communications.

Key words: point of purchase communications, interior displays, store imagine

Introduction

One reason for today's increased focus on consumer sales promotions is the change in TV viewing habits. Advertising audience is more and more fragmented and manufacturers and retailers must turn on to new methods to reach these moving targets. Usual consumer sales promotion techniques include point of purchase materials, coupons, electronic coupons and convenience cards, cents-off promotions, refunds, rebates, premiums, sampling, combination offers, contests, sweepstakes a.s.o. A successful integrated marketing campaign may include several of these techniques along with media advertising, public relation, publicity and direct marketing. Thus, point of purchase communications must reflect what consumers have seen on television or on billboards ads and correspond with public relations efforts or direct marketing. It has been shown that when advertising and point of purchase communications are combined, as compare to using advertising only, sales increase by more than 100%.

In 2004 The Point of Purchase Advertising Institute (POPPI) conducted a consumer buying habits study in several European countries (like UK, France, Italy, Netherlands, Denmark and Belgium). This institute used entry-exit interviews, so the consumers were interviewed twice, once before entering in the store (to measure the planned budget and the planned purchases) and again after leaving the store (to measure the budget spent, the actual purchase and the perception of point-of-purchase materials). The result was that the purchase can be classified in four main categories: *specifically planned purchase* (the consumer has bought the specific product and brand), *generally planned purchase* (the purchase of not specific brand), *substitute product or brand purchase* (the consumer intended to buy a specific product or brand, but actually purchase another product and brand), *unplanned purchase*. In Europe an average of 67,2% of brand purchase decisions are made in the store, witch is comparable to the in-store decision rate of 72% for American consumers. The number of in-store decisions is highest for younger and higher-income consumers, larger households and consumer accompanied by children. This figure may be a little bit exaggerated because all consumers have specific needs, but they did not think of in advance and these are also including as *unplanned*. But, in any case, point of purchase communications can be very effective, with a great impact over the consumers.

Point-of-purchase communication techniques

Point of purchase communications can be defined as any promotional materials placed at the point of purchase such as interior displays, printed materials at shop counters or windows displays. It also includes in-store broadcasts, video screen demonstrations, shopping-trolley advertising, shelf talkers, coupon dispensers, wastepaper baskets and interactive kiosks (device by means of which the consumer can

interactively retrieve information about the shop and the supply). Thus, both retailers and manufacturers make use of in-store media, retailers control the point-of-purchase displays and manufacturers packaging. Recently, static signs have begun to give way to electronic, dynamically updated point-of-purchase displays that present targeted product information, instant coupons, and more. The software used to control these dynamic point of purchase displays typically allows for near-real time content updates, allowing brand managers to run instant marketing experiments, geographically targeted promotions campaigns a.s.o. Dynamic point of purchase displays can vary greatly in size, from a 6" shelf-mounted LCD to 42" (or larger) plasma and projection displays, helping deliver targeted marketing content to shoppers at the point-of-decision.

Besides these specific communications instruments, also very important factors in point of purchase communications are store imagine, store organization, store atmospherics, product presentation and product's package.

Store imagine can be defined as "an individual's cognitions and emotions that are inferred from perception or memory inputs that are attached to a particular store and which represent what that store signifies to an individual", it consists of both affective and cognitive factors. Related to store imagine is "store personality". While store imagine refers to a mental representation of all dimension that are associated with a store, store personality is limited to dimension that reflect human traits. This concept consists in several factors like enthusiasm (welcoming, enthusiastic, lively and dynamic), sophistication (chic, high class, elegant, stylish), unpleasantness (annoying, irritating, loud and superficial), genuineness (honest, sincere, reliable and true) and solidity (hardy, solid, reputable, thriving). Different consumer segments appreciate a different store personality and a different store image.

The way a store is organized can have an impressive implication for marketers. The way that total space of a store is divided into areas or departments can have a great impact on its profitability. In the first place, the retailer should try to maximize the space dedicated to selling activities and minimize the non-selling space. In the second place, the retailer has to decide where to place the different merchandise groupings in the store. The main criteria for merchandise location are the consumer buying behaviour and the merchandise compatibility. Also, studies shows that particular store layouts are very attractive to consumers, consumer seem to walk through the store in a counter-clockwise direction, they usually tried to avoid turns and like to continue to walk in the direction they are going, also, they look and buy products situated on their right-hand side, broad aisles on the walls are most preferred and, are more visited by the majority of the consumer.

The product presentation is not an easy thing; the most aspects that have to be considered are the product assortment, the space allocated to each product and the shelf position. No doubt, the retail assortment has to match consumer (target) needs. A common practice in shelf management is that shelf space is allocated according to the market share or retail margin. On the other hand, space allocation based on market share is an example of circular reasoning, since shelf space depends on market share, which in itself partly depends on shelf space. Recent shelf space allocation models also include product profitability for each item, demand interdependencies (a fixed amount of shelf space requires that an increase in the space of item A may raise the sales of A, but the decreased shelf space of item B may, at the same time, cause a fall in the sales of B) inventory levels and product stock-outs. There are some best options regarding shelf position, like at eye level or to the right of the brand leader.

Atmospherics can be defined as the effort to design buying environments to produce specific emotional effects in the buyers that enhance their purchase probability, since atmosphere is apprehended through the senses. The dimensions of store atmosphere are visual dimension (colour, brightness, size and shapes), aural dimension (volume, dimension), olfactory dimension (scent, freshness) and tactile dimension (softness, smoothness, temperature). The majority of the atmospherics research seems to support the relationship between store atmospherics, emotions and consumer behaviour. A good understanding of store atmospherics and store dynamics is very important, both for the manufacturer and the retailer.

The product's package is a component of the product element and also an exhibitiv medium that can determine the outcome of retail shelf competition. Package designers must make the package exciting, appealing and in the same time functional. A recent research revealed that packaging can influence consumers behavior long time after the actual purchase has been made (for instance, it appears that larger pack sizes encourage greater usage volume per usage occasion, or induce to consume the product more frequently, simply because of the presence of the product in the household inventory).

The objectives, strengths and weaknesses of point of purchase communications

Point of purchase communications involve all the aspects of the store and the store environment that can signal something to customers about the quality, price or product assortment, whether is initiated by the retailer or by the manufacturer.

The primary objective of using in-store communication techniques is to direct attention of shoppers and to stimulate them to make purchase, but point of purchase communications can serve various objectives like

- *Attract consumer attention* and differentiate the store from the competition through an attractive exterior and interior store design, so increasing the likelihood that the consumer will enter the store.
- *Remind* consumers of ongoing or previous advertising or other forms of promotion like public relations, sales promotions, or other previous campaign, reinforcing, thus, the communications message.
- *Inform* consumers about the product, the store a.s.o
- *Persuade* consumers to enter in the store or to buy some specific products, to influence their decision-making at the point of sale and to trigger impulse purchase.
- *Building an image*, point-of-purchase communication also can serve to help with building an image for the retailers and for the manufacturers.

In order to draw some conclusions the point-of-purchase communication are good at attracting attention and providing information. Their ability to persuade is potentially strong, as these displays can highlight particular product attributes at a time when shoppers have devoted their attention to the purchase decision process. From managers point of view, the absolute and relative costs of point-of-purchase communication are low, more than that, management can easily fine tune point-of-purchase communication to reflect changing conditions.

However, these messages are usually directed at the consumers who are already committed, at least partly, to purchasing the product or one from their evoked set. Point-of-purchase communication messages fail to reach those not actively engaged in the shopping activity. Another weakness of point-of-purchase communication is that there can be difficulties maintaining message continuity across a large number of outlets, unless rigorously controlled by store management, the large amount of point-of-purchase communication materials can lead to clutter and deterioration in the perception shoppers have of a retail outlet.

Conclusions

As a push technique, good dealer displays may induce a retailer to carry a certain line or to promote a new product. However, point-of-purchase communication is primarily a pull technique consisting of advertising or display materials at the retail location to build traffic, advertise the product and promote impulse buying. Point-of-purchase communication tools have increased in importance with the trend toward self-service retailing (more and more retailers use this form of sales in Romanian stores). With a fewer and less knowledgeable salespeople available to help them, customers are forced to make purchasing decision on their own. The proliferation of point-of-purchase communication displays has led retailers to be more discriminating in what they actually use. Most of them like hypermarkets (Carrefour, Cora, Real), and other supermarkets or discount markets are beginning to insist on well-designed, attractive materials that will blend nicely with their store atmosphere. In our country, retailers, a great part of them, recognize the importance of point-of-purchase communication, but, unfortunately they experience many shortcomings in current practice.

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THE COMPETITIVE ADVANTAGES OF SMALL AND MEDIUM ENTERPRISES

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The changes in the competitive environment determined the small and medium enterprises to identify new ways to satisfy their clients and to offer them constantly value in a way much more efficient than their competitors. In order to gain competitive advantage, the firms must choose the type of competitive advantage that she is trying to obtain and the field in which she will obtain it. The choice for the competitive field or for the activities of the firm can play an important role in determining the competitive advantage because the firm aims to establish a profitable and sustainable position against the forces that determine the competition in its field of activity. The survival of small and medium enterprises in a highly globalized and competitive environment suggests that these firms have different competences and they use them efficiently.

Keywords: competitive advantage, strategic competitive advantage, small and medium enterprises

1. Small and Medium Enterprises situation and competitive advantage

The changes in the competitive environment determined the small and medium enterprises to identify new ways to satisfy their clients and to offer them constantly value in a way much more efficient than their competitors. In order to achieve these they must be competitive that is to have the capacity to increase their income by raising their sales and / or profit margins on the market they are operating on so they can protect their positions in the next competitive rounds as their products and processes evolve.

According to the European Union classification the small enterprises represent those firms that have less than 50 employees and maximum ten millions Euros revenues; the medium enterprises represent those firms that have less than 250 employees and maximum fifty millions Euros revenues.

OECD (Organisation for Economic Co-operation and Development), in its report regarding Small and Medium Enterprises presented some of their characteristics:

- **Small and Medium Enterprises represent a large part of the economic sector**
 - Small and Medium Enterprises will continue to represent a large part of the economic sector and will generate most of the profit. Even so the sector of Small and Medium Enterprises is characterized by highly dynamism and a powerful entrepreneurial activity, it must be kept in mind that many of them are small mature enterprises that serve the local market, many of them struggling to remain competitive.
- **Small and Medium Enterprises represent an important source of innovations**
 - According to the last researches approximately 30-60% from the small and medium enterprises from the production sector from OCDE countries can be characterized as innovative. Smaller firms tend to be more and more innovative, engaging step by step in efforts for research and development and innovation in fields related to commercialization of

the existing technologies, creation of products and services and the implementation of the flexible working practices. The smaller innovative firms have the agility to answer quickly to the technological changes and customers needs. However, can experience problems in acquiring the resources needed to answer to the rapid changes; some of them solved this problem by joining to the cooperation networks in order to improve their innovative capabilities.

- **In a global market small and medium enterprises are internationalizing progressive**
 - In a global market, the internationalization is vital for small and medium enterprises. Although many of them continue to focus on local market, an important part of them are becoming international and have to design products and services for international market. Market liberalization and deregulations, which contribute to the global trend of restructuring, are exposing small and medium enterprises to a powerful international competition making them to substantially cut the costs. Further more, the increasing of the technological complexity and higher costs related to research and developments are forcing the smaller firms to search for the connections and alliances on the global level. Such arrangements are including partnerships in international strategic alliances, participation (active or as a target) to the international mergers and acquisition; acting as a specialized supplier for the multinational corporations; involvement in the globalized networks informal and/or electronic.

Many small and medium enterprises are not ready for participating to this type of business connections and need assistance to access strategic information and technology, especially IT&C; many small and medium enterprises are also lacking of proper managerial capabilities and well trained employees in order to face the challenges of the global market.

In final years the concept of competitive advantage started to occupy the central place in the firms' strategies. Firms learned to speak more and more about the notion of competitive advantage like something they must have.

In order to gain competitive advantage, the firms must choose the type of competitive advantage that she is trying to obtain and the field in which she will obtain it. The choice for the competitive field or for the activities of the firm can play an important role in determining the competitive advantage because the firm aims to establish a profitable and sustainable position against the forces that determine the competition in its field of activity.

Once gained, the competitive advantages can be eroded, can be copied or counterattacked by competitors, therefore for a company is important to gain these advantages, but more important is keeping them over vast periods of time, allowing the firm to situate itself in front of the competition for a long time. A competitive advantage can be born by implementing a strategy of value creation that hadn't been implemented before by other competitors or can be born by realizing the same strategies by competitors, but in a superior way. Maintaining the competitive advantages over long periods of time transform them in strategic or sustainable competitive advantages.

In order to maintain their strategic competitive advantages firms must to constantly offer superior value for their clients. The strategic competitive advantage allows for a firm to maintain and improve its competitive position on the market. It represents that element that allows firm to survive for a long time in front of the competition.

The base of the long term success of a firm is made by the obtaining and maintaining the strategic competitive advantage. That is why the key element in strategic marketing is represented by the identification of the resources and firm's behavior that can lead to strategic competitive advantage.

2. The sources of obtaining competitive advantage

The sources of the strategic competitive advantages can be found in three categories: the first category contain the competitive advantages seen from the point of view of the industry structure, being enounced by Michael Porter. The second category is based on the resources and the third category is based on relationships.

So, in the vision of Michael Porter the five competitive forces which influence the firm's activity and which put pressure on it, are: the threat coming from the new firms entered on the market; the intensity of

the current competition; the pressure from the replacement products; the negotiation power of the buyers; the negotiation power of the suppliers.

The resource based perspective it is based on exploring strong and weak points of the competition in order to identify the causes for a potential strategic competitive advantage. Barney defines the firms' resources as it follow: "the firm's resources gather all the goods, abilities, organizational process, firms' attributes, information, knowledge etc. controlled by a firm which allow it to conceive and implement strategies that are improving its effective power and efficiency".

The third perspective, the relationship one includes the relations between the firms as a rare, valuable and hard to imitate resource which can be a source of competitive advantage. Firms are participating to various business relationships, over their life cycle, together with the customers, clients, partners and competitors. Unavoidable the firm's performance will be influenced positively or negatively by the business and by the entire network of relations established.

Systematically, the sources of obtaining strategic competitive advantages can be divided in:

- **Characteristic capabilities.** The strategic competitive advantage is obtained by constant development of new capabilities and resources as a response to rapid changes of the market. Among these resources and capabilities, the knowledge represents the most valuable asset.
- **Human resources.** In the modern economy, the competition is a matter of goods and services. A factor that can differentiate an organization by its competitors, producers of goods or services from public or private sector, is represented by its employees that is the way the firm administrates and use its human resources.
- **Radical innovation.** The firm's long term success is related to its capacity of innovation. The firms' investments in products and processes improvement are leading to profit, but the radical innovation is one that will lead the firm on new markets.
- **The externalization of the competitive advantage sources.** Recently, the attention of the researches moved from analyzing the firm alone toward analyzing its supply chain as a whole unit for gaining competitive advantage. The success key for Toyota seems to be the effective integration of the supply process which leads to improvement of the strategic management of the firm as well as the timing of the production process of the firm with the suppliers, creating the system *just-in-time*.
- **Organizational culture.** The power of the organizational culture is another competitive advantage. A firm positioned to success can built and maintain a culture oriented toward innovation, in which employees are following the cause and the mission of the organization.
- **Firm's management.** The manager is the one shaping a group of people into a team, transforming them in a force that allows for a firm to obtain strategic competitive advantages.
- **Knowledge management.** The growth and globalization, combined with the rapidly development of the information technology had enabled firms to create sophisticate systems of knowledge management in order to create strategic competitive advantages.
- **Scale economies** represent an important quantitative factor being obtained according with the production volume, enabling to the firm to significantly reduce costs, especially the fixed ones.
- **The superior value offered to international clients.** The competitive advantages result from the firm's ability to achieve the activities either to lower costs than their competitors either in other ways that create value for the client and allow firms to ask for a higher price.

3. Research on small and medium enterprises from Vâlcea County

The research on small and medium enterprises was part of the project "Identification of the small and medium enterprises' factors determining competitiveness increasing and cluster opportunities. Methods and techniques for an European entrepreneurship", financed by CNCISIS. It was done on 73 small and medium enterprises from various sectors. Among others problems the research was trying to establish the elements used by small and medium enterprises in order to achieve competitive advantages. The research was conducted on two ways: first, we tried to identify the elements that constitute the competitive potential from the firm point of view; second we analyzed the competitive instruments used by firms.

In the research of the elements that constitute the competitive potential from the firm point of view we used 25 elements, as it follows:

1. Possibilities of financing the current activities
2. Possibilities of financing the development from its own funds
3. Possibilities of financing the development using external means
4. The quality of production equipments
5. The advance of the production technologies
6. The flexibility of the production system
7. The technical culture of the employees
8. Research and Development spending
9. The quality of the staff involved in Research and Development
10. Possibilities to acquire modern constructions and technological solutions
11. The quality level of the management system
12. Rank given to quality assurance problems
13. Access to key resources
14. Knowledge of present and future needs of costumers
15. Knowledge of competitors
16. Rank given to marketing activities
17. Rank given to expansion on foreign markets
18. The quality of the staff involved in marketing.
19. The level of marketing spending
20. The quality of the motivational system
21. The employee attitude
22. Professional level of the team.
23. Desire to improve qualifications
24. Knowledge of the firm and its products on the market
25. Reputation (image, good recognition) of the firm

Evaluating the importance of the instrument for the firms it is interestingly to notice that in 2 of the 25 measures of the competitive potential the mean assessment of the weight exceeded 5,00, and in the weight are of bellow 3,00. The highest ranks are attributed to the following factors:

- Reputation (image, good recognition) of the firm (M=5,21),
- Knowledge of the firm and its products on the market (M=5,02),
- Knowledge of present and future needs of costumers (M=4,86),
- Knowledge of competitors (M=4,70),
- Rank given to quality assurance problems (M=4,60).

Regarding the evaluation of the situation of applying the competitive instruments compared with firms' competitors the highest ranks were attributed to the following measures:

- Reputation (image, good recognition) of the firm (M=4,40),
- Knowledge of competitors (M=4,29),
- Knowledge of the firm and its products on the market (M=4,21),
- Rank given to quality assurance problems (M=4,02).

Attention must also be paid to the fact that the assessment of each factor of the competitive potential is bellow the weight of respective factor. Generally, it can be stated that, in opinion of the firms under study, their competitive potential looks good. Only 16 among proposed measures of the competitive potential were obtained an average score of above 3,00, which means that the firms under study are better than their average rival in those areas.

It is also significant that in 4 of the 25 factors the mean assessment of the situation exceeded 3,00, which indicated a slightly higher competitive potential than the average rivals on the markets.

At the same time, we remark that the standard deviation of assessment of each factor is smaller than the standard deviation of respective factor, yet big. This fact shows that the sampling is good, since the firms work in very different terms.

For the competitive instruments used by firms, we used the followings:

1. Price
2. Quality
3. Technological advance
4. Complexity of offer
5. Packing
6. Promptness of deliveries
7. Payment terms
8. Advertising and sales promotion
9. The frequency of launching new products
10. Distribution network adapted to client
11. The range of services
12. Quality of the services
13. Price of the services
14. Warranty terms
15. The brand of the product

Analyzing the instruments of competing, the highest weights were attributed to the following instruments:

- Quality (M=4,93),
- Quality of services (M=4,58),
- Promptness of deliveries (M=4,23),
- Complexity of offer (M=4,21).

It is surprising that the launching new products were assessed as unimportant. This fact proves that the market economy is out of order.

Also, we observe that the conception of managers regarding to weight of instruments of competing diverge, since the values of standard deviation are bigger.

The evaluation of the situation of applying the competitive instruments compared with firms' competitors show that the majority of those instruments (11 of the 15 instruments) were assessed in the interval 3,00 - 4,00. The best situation seems to be in the following areas:

- Quality (M=4,19),
- Promptness of deliveries (M=3,93),
- Quality of services (M=3,93).

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ENTREPRENEURIAL DEVELOPMENT WITHIN THE EUROPEAN CONTEXT

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Motto: “You should always try to go up very high, if you want to see very far...”

Constantin Brancusi

Although many people believe that entrepreneurs are born like this and they cannot be trained, experience has proved that they can be taught, and a positive environment encourages entrepreneurial thinking, improves the innovation concept and leads to a higher level of economic and social support.

Business development involves studies on the desires and choices made by people. Never can be the economic system self sufficient to meet completely people’s needs that is why an efficient system of supplying resources, insufficient related to the unlimited desires of goods and services, has been always asked for.

The present market is characterized by an increased competition, its challenges calling for new solutions and techniques. World competition, taxes, profits, wealth, inflation, recession, jobs, unemployment, abundance, lack of resources, modern devices, all these aspects have a strong impact upon the options and action strategies in business.

Keywords: entrepreneurship, small and medium enterprise, competitiveness

The entrepreneurship concept, through its complex content and the large number of meanings, has not allowed a direct definition that should be accepted by all economists or that should be applied in any economy because it may leave out any valuable element that defines its history. Researchers in the field face the lack of a common notional framework. In its history, researchers in different fields of social science have brought different definitions and interpretations in order to define this notion, considered sometimes, abstract. Thus, entrepreneurship has been identified with uncertainty, the activity of productive resources coordination, innovation, capital supplying.

The entrepreneur has been seen in different ways. Richard Cantillon, J. B Say, Joseph Schumpeter or Peter Drucker define the entrepreneur trying to identify his place and the role in the business field.

The entrepreneur is likely to risk his career, time, and financial safety, to assume risks in the name of an idea, a person that “looks for change, is sensible to change and exploits it as an opportunity.”

“In Romania, Virgil Madgearu is the one who has defined entrepreneurship, explaining the notion of entrepreneur as a result of that of enterprise.” Entrepreneurial business differs according to the organization type and projects typology. Nowadays, there are different organizations that support entrepreneurs: specialized government agencies, business incubators, scientific parks and non-governmental organizations.

Entrepreneurship can be seen as a process of discovering, evaluating and exploiting opportunities, which take the form of a business. Therefore, entrepreneurship is an important concept in the economic theory that each and every stage has adapted in order to meet the innovations and the spirit of those times.

Entrepreneurship is sometimes difficult, many businesses having a short life because of bankruptcy. The community culture has an important influence on entrepreneurship.

The present market is characterized by an increased competition, its challenges calling for new solutions and techniques. World competition, taxes, profits, wealth, inflation, recession, jobs, unemployment, abundance, lack of resources, modern devices, all these aspects have a strong impact upon the options and action strategies in business.

The business operates like an open system, always influenced and moderated by the external environment factors. As a consequence of the received and sent information, the company tries to fit its environment and to influence the external systems it has contact with. Entrepreneurial relations are based on mutual flows of information and responsibilities that exist among entrepreneurs and customers, employees, shareholders and the local community.

Specialists have in view two steps in the process of economic development in developing countries: economic growth and market changes. Within this context, entrepreneurship is considered to be the force that generates both growth and change, being a necessary tool in the economic development process.

Since entrepreneurs are closely related to innovation, new methods of production and new goods in a country are conditioned by their existence, the entrepreneurs being the ones that change the market. In spite of entrepreneurship important role, few countries have developed supporting programs, many of them supporting entrepreneurship only in the form of international companies and less, in the form of a national, specific entrepreneurship.

The entrepreneurs have many qualities required by their desire to achieve the aimed goal: initiative and tenacity, risk involvement, efficiency and quality, following specific goals, tasks specification and their improvement, self confidence, the ability to persuade and to influence partners and employees, knowledge in many fields.

Entrepreneurs have the ability to use different means in order to achieve certain skills, specific and behavioral techniques that can be learned, practiced and perfected. The success in business depends to a large extent on the ones involved in different actions. They should own many native skills, developed through a thorough economic training and underlined through experience and other people's notice.

A business success depends on the people that manage it, on the entrepreneur's skills and abilities. People have tried to make his profile but they have come up to the conclusion that there is no pattern for those who want to belong to the business world. Alfred Marshall suggests that people can be trained to get the necessary abilities. Unfortunately, the opportunities regarding entrepreneurs' improvement are often limited by the economic environment. Although, the entrepreneurs own some common skills, they are completely different, and their success depends on the economic situations in which they operate.

Different researchers have underlined certain features they believe are common to all entrepreneurs. Thus, the latter are considered to be risk bearers, coordinators and organizers, leaders, innovators and creative imitators.

The literature in the field has mentioned the existence of demand and supply theories, regarding the way in which people can become entrepreneurs. According the demand theory, anyone can be convinced by circumstances or opportunities to become an entrepreneur. Researches show that their decision is based on their conviction that they can influence their destiny, their self-confidence determining them to think so.

A more general theory says that the entrepreneurs are the result of a combination between opportunities and people well positioned that can benefit of these opportunities, taking into consideration the way in which the environment factors (capital, competition) influence the entrepreneurs' number.

On the other hand, most successful entrepreneurs are, in their turn, family entrepreneurs, owing to a large extent their success to the training offered by their families.

In Western countries there is a general impression that any entrepreneur belongs to lower social classes, immigrants or people with little education, lead by the strong desire for affirmation. And this is due to the fact that the first studies done in this field describe the entrepreneur's features in social-demographic and motivation terms in order to define his profile. This type of analysis does not take into consideration the environment that is in permanent change, influencing thus the entrepreneur's characteristics. Romanian entrepreneurs, according to statistics, are mainly young men, under 40 years old, high-school and university graduates that had previously worked as unskilled workers (the large number of companies founded between 2000 and 2003 by former unskilled workers can be a consequence of the entrepreneurial

orientation of those who had been made redundant in state-owned companies, benefiting of compensation and support for setting up and developing a business).

The large number of definitions and their content prove that the entrepreneurs' world is a very different and heterogeneous one. Its nature is very much influenced by personality factors, family and professional experience, mainly, by the economic environment.

The economic power, interstate integration, low costs, competition are true mechanisms that emphasize the entrepreneur's vocational elements. The environment elements, that are in permanent change require a permanent adjustment of such mechanisms.

The entrepreneurial activity involves the existence of many categories:

- entrepreneurs that try to impose their own business idea;
- entrepreneurs and team leaders or family business members, interested in other people's experience;
- investors, the ones that bring the capital and at the same time provide the possibilities of supplying or selling the products;
- all those involved in training activities: authorized accountants, specialists, banking staff, etc;
- politicians that set up, on a local or national level, the economic or fiscal policies, encouraging or stopping the business development.

The European Union provides a favorable context for developing the entrepreneurial spirit, an important context for an economy. That is why, the studies identifying the secrets of the entrepreneurs' behavior that have had success seem to be a real necessity. Nobody is born to be an entrepreneur. Success does not rely on the entrepreneur's origin, but his needs and tenacity influence it, the economic and cultural environment. The study of the entrepreneur also requires a psychological analysis of his complex and multidimensional behavior. He should be placed within a team or within an economic system, environments that can influence his behavior.

These elements help him overpass the obstacles in order to take advantage of the opportunities he is offered. The nature of this process is the one that calls for an original way of thinking and initiative spirit. The business development also brings inherent failures, determined by the existence of such notions as risk and innovation.

The entrepreneur can study the changes on the market in order to identify the opportunities that can appear in future. He has to take into consideration the fact that "business moves fast and opportunities move even faster". Innovation is the one that develops such changes.

A successful entrepreneur investigates and analyses the change in order to find opportunities for innovations. Peter Drucker identified seven sources for the new opportunity: the unexpected (success or failure); incompatibility (a difference between what really and what we expect to be); the need; the market and the industry structure; demography; changes of perception; new knowledge. The factor "chance" explains why many entrepreneurs have remained modest people in spite of their success.

The entrepreneur is the one who proposes and achieves a business, a businessman. He should be a credible person, endowed with will and strong motivation, as well as with professional and managerial abilities that determines the orientation towards an optimal satisfaction of customers.

The business success depends on the entrepreneur's qualities and the personality, on: intellectual and behavioral abilities, skill and competence got through learning and experience.

From the behavioral point of view, "the winner is sometimes characterized by a very strong dynamism and by an unchallenging energy that helps him to act, generating as main behavior features, the ambition and the desire to succeed, and especially the behavioral dynamism (personal engagement, self-determination, tenacity).

To all these one can add empathy, a characteristic of human personality, that interferes in any kind of inter-human relations and it involves a clear understanding of the partner's psychology in order to anticipate his/her intentions and behavior and to communicate efficiently and in agreement.

Empathy is very important in activities that involve the partners' understanding and their reaction anticipation in certain situations: education, health, business, and politics.

By analyzing the entrepreneur's personality one can underline the necessity of some compulsory abilities: efficient communication, cooperation, trust, the ability to attract other people, self-control and the controlling of other activities, innovation.

Any entrepreneur should be acquainted with communication and behavior techniques, with will and courage, the competition environment challenges.

The economic system of independent initiative is based on the private property, the price system and competition, profit motivation and the technical application of the knowledge about production and delivery processes.

The entrepreneurial spirit is an optimal combination between innovation, risk and the ability to take decisions in uncertain conditions generated by the market evolution.

Here are three components of any entrepreneur: to identify an opportunity; to follow this opportunity behind the existent resources; to believe that this opportunity can also be achieved. The entrepreneurs can be named the "engines" of change.

The entrepreneur is a person that takes the risk of setting up his own business, is a person that proposes and performs a business, a credible personality, with strong motivation, as well as with professional and managerial competence that determines the orientation towards customers' optimal satisfaction. The existence of some national differences in entrepreneurial activities, the fact that some countries are more entrepreneurial than others generate the profiles of a country in entrepreneurial perspective.

Within national economic systems and the European and the world economy, small and medium size firms are commonly associated with companies of the same size, small and medium size companies.

The entrepreneurs have much the same characteristics as leaders. The former are sometimes compared with managers and administrators that are more methodical and less likely to take the risk. The need of success and the desire to build, pragmatism, the need of independence and achievement, shrewdness, creativity, gumption, education together with professional experience complete an entrepreneur's characteristics. He has to be able to synthesize information from many sources, to be persuasive, to know how to mix shrewdness with honesty.

Nevertheless, psychological and financial satisfactions are strong incentives for taking the risk of setting up an independent business. For those who appreciate independence, free initiative is attractive. However, the entrepreneurs' independence is limited by their responsibilities for the customers, for their employees, for community.

Although many people believe that entrepreneurs are born like this and they cannot be trained, experience has proved that they can be taught, and a positive environment encourages entrepreneurial thinking, improves the innovation concept and leads to a higher level of economic and social support.

The entrepreneur should have a strong desire for the adventure of starting a business.

The philosophy of personal business can be seen in terms of quality and performance whose meaning regarding the present affairs in Romania undergoes a process of re-definition. Within the present context, when Romania is a member of the European Union, the manager of any business should be as much concerned with complying the performed activities to the European standards, aspect that should receive much importance. This is one of the main conditions for success, and in many cases for the business survival. In order to succeed on a market marked by a strong competition, quality products are the main necessity.

Success is not a sudden phenomenon. In order to succeed one has to work very hard and should also have some special qualities. Here are some personality qualities: perseverance, severity, involvement and correctness, permanent informing and entrepreneurial training.

The traditional indices of success, for obtaining the highest profit are differently regarded. Success is closely related to a positive image of the business whose cornerstone is trust, with the need for creative challenge. In order to enter the business field, the entrepreneur needs vocation, opportunities and projects, stimulation and support, freedom to plan his time and activities, freedom to manage the family aspects, personalized working environment, ethical agreement between work and personal values, good human relations, permanent learning and the gain of the customers' respect.

Having an important role in business, the entrepreneurial spirit represents a special resource for free initiative economy. The entrepreneur sacrifices his energy, time, knowledge, and managerial knowledge and takes risks for running a private business, for providing the goods and services required by customers.

The entrepreneur plays a key role in taking the risks resulting from the market evolution, he is willing and able to take the risk of offering new products and services to customers, generating thus new fields of activity and new markets. The entrepreneur has a dynamic role in creating new jobs for obtaining new products and services.

At the same time, the entrepreneurs are motivated by the desire of independence and power, assuming the decision role in organizing the economic resources in order to generate new products and services. The possibility of exercising authority and of deciding upon the economic resources is attractive for many people, as well as the entrepreneurial spirit. One can thus appreciate that the entrepreneurial spirit is a mixture of innovation, risk and the ability to take decisions in uncertain conditions generated by the dynamic evolution of the market.

The reward for this vital production factor is the profit. In Romania there are not few those who had the courage to start a business on their behalves.

Ovidiu Nicolescu, a representative of the National Council of Small and Medium Size Enterprises In Romania, within the latest Convention of the council, in April 2008, mentioned that "in order to keep the pace with the European member states we need ten thousands of new companies, hundred thousands of trained staff... In the last two years, the number of Small and Medium Size Enterprise has gone up to 25.000 yearly, but the growth is still necessary to be increased." Romania has to develop a new generation of entrepreneurs whose personal abilities should be trained as early as the primary school and developed at higher levels, in high schools and universities. The necessary abilities: responsibility, directness, adjustment, initiative and managerial spirit should allow them to identify and implement appropriate strategies for entering on marketing and maintaining their position. Changed from an owner into a manager, the Romanian entrepreneur must find an identity and his own history that will make him distinctive in the European context.

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A MARKETING STRATEGY ON PHOTOVOLTAIC MARKET

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Abstract: Photovoltaic is an increasingly important energy technology. Deriving energy from the sun offers numerous environmental benefits. It is an extremely clean energy source, and few other power-generating technologies have as little environmental impact as photovoltaic. In this article we explored some dimensions of photovoltaic market and suggested a marketing strategy for solar panels manufacturers

Key terms: Photovoltaic Market, Solar Panels, Strategy

Photovoltaic Market

Photovoltaic is an increasingly important energy technology. Deriving energy from the sun offers numerous environmental benefits. It is an extremely clean energy source, and few other power-generating technologies have as little environmental impact as photovoltaics. As it quietly generates electricity from light, photovoltaic produces no air pollution or hazardous waste. Moreover, it does not require liquid or gaseous fuels to be transported or combusted. Also, because its energy source, sunlight, is free and abundant, PV systems can offer virtually guaranteed access to electric power.

There are basically two technologies for producing solar panels:

1. Solar panels with Poly Crystalline silicon based technology. This technology has several characteristics:
 - a) **Is mainly based on silicon as raw material.** The global silicon market is quite restricted and closed. The price of silicon increases constantly. For some years silicon supply (processed silicon) was the bottleneck of the PV industry. Due to the vast expansion of production capacities of known players and the introduction of new capacities by new players, silicon capacities will reach 8-10 GWp by 2010. As silicon is a major raw material for c-Si technologies (93 % in 2006), silicon capacities predefine the upper production limit for the industry.
 - b) **The panel is useful only for one side.**
 - c) **The sun has to be perpendicular on the panel.** In order to be effective, the sun has to be perpendicular on the panel, so a motor is needed for each panel to rotate it after the sun.
 - d) **The shadow effect.** This effect makes the capacity of producing energy to decrease dramatically when there is a cloud or some shadow on the panel.
 - e) **Production of panels it's not environmentally friendly.** There are a lot of chemical substances needed for producing Poly Crystalline silicon panels which makes the production to be contaminating.
 - f) **High prices of the panels.** Prices express the high costs of raw materials and the cost of the production. Estimated production cost increases to 3,5 Euro per W.

2. Thin Film Technology.

Approximately 4 GW of Thin Film capacity is expected to be available by the end of 2010. This would represent 20 % of the overall module production capacity. Although all technologies face high expansion rates, Thin Film capacities are currently expanding at a faster rate than capacities for other technologies.

The TF industry expects to penetrate some of the traditional markets for PV, while creating entirely new applications categories, based on TF PV's cost, weight and flexibility. Integrated building products are particularly attractive to the TF PV maker, because the requirements of this sector fit well with the characteristics of TF PV and the addressable market is large. A potential for TF PV in the mobile and disposable electronics markets has also attracted interest in certain quarters.

Advantages of the Thin Film Technology are:

- **Effective:** This technology thin-film silicon allows reaching the lowest device cost per WP. Estimated cost per WP is 90 cents (EUR).

- Costs, weight and flexibility.
- Future Potential: this technology shows major development potential for the future. Higher energy harvest is enabled by tandem cells and future development
- Less silicon: large area thin-film silicon solar modules require only a fraction of the expensive silicon absorber material. In fact, it requires silene gas which is a waste of silicon factories
- High productivity: The solar cells are deposited directly on large area glass substrates resulting in very high productivity
- Plenty of raw materials: No shortage on any used device materials exists
- Environmentally friendly: The device materials used are all environmentally friendly
- Can be used in future functions of the buildings: By their large size and attractive, uniform appearance thin-film silicon solar modules are also ideally suited for building integrated photovoltaic (BIPV) solutions. Thus, total cost can be reduced by combining photovoltaic power generation with building functions.
- Can be used as glass for windows: As a building material A-Si can be used as glass for windows, can be cut in pieces, doesn't require curtains, better technology than termopan

Actual Market

According to EPIA's study *Global Market Outlook for Photovoltaics until 2012*, the solar PV market has been booming over the last years and it is forecasted to confirm this trend in the coming years. By the end of 2007 the global cumulative capacity exceeded 9 GWp. The European Union contributes to around 50 % of the global cumulative capacity.

PV market deployment is to a large extent dependent on the political framework of any given country. Support mechanisms are denned in national laws. The introduction, modification or fading out of such support schemes can have profound consequences on PV industries. PV Market forecasts therefore depend on a deep understanding of the political framework.

Future Development of the Market

An annual growth rate in excess of 30 percent is anticipated for the coming years.

European Photovoltaic Industry Association has derived 2 representative scenarios for the future development of the PV industry.

The Pessimistic scenario: This scenario is based on the assumptions of a 'business as usual' scenario which does not assume any major enforcement of support mechanisms.

The Policy driven scenario: In this scenario, EPIA expects the follow up and/or introduction of support mechanisms, namely feed-in tariffs, in a large number of countries.

Current developments of European Energy Policy and forecasts on prospective legislation: In January 2007 the European Commission has issued a Communication proposing a comprehensive new Energy Policy for Europe aiming at combating climate change and ensuring security of energy supply in Europe, while boosting its competitiveness. The new strategy includes a legally binding target of a 20% share of renewable energy in European overall energy mix by 2010.

New Renewable Energy Legislation under preparation

The European Commission is working on a Proposal for a new framework Directive for the promotion of renewable energy energy sources. It is expected tht this Directive will impose on Member States the obligation to have a certain amount of internal consumption of energy supplied through renewable energy sources by 2020. The final target of this Directive will be to have 20% of European energy consumption supplied through renewable energy sources by 2020.

Countries

The market for solar panels contains countries in Europe (Germany, Spain, Italy, Greece, France, Portugal) and also USA, China, Japan, South Korea, India.

Europe was the largest regional market for solar photovoltaics (PV) in 2006. The European Major PV markets of Germany, Spain, Italy, Portugal, France and Greece accounted for 1,125 megawatts of PV demand. Dominant among this group was Germany at 968 megawatts in 2006, whose size made it by far the largest in the world. In this market, private individuals in residential applications accounted for 41% of the market. There was a downward trend in system sizes as the share of large PV projects of MW scale fell, mainly due to changing economics for ground-mounted systems and for the customer segment of Investor Groups. The share of thin films in ground-mounted installations grew strongly, with a single manufacturer as the main beneficiary.

Spain secured second place among the European markets as it rapidly grew to 110 megawatts in 2006 from 35 megawatts a year earlier. The Community of Navarra was the largest regional market.

Revisions to feed-in tariff programs during 2006 and early 2007 have provided the platform for rapid demand growth in Spain and Italy, which are now categorized as the "second tier" Major European PV markets. France, Greece, and Portugal remain at an earlier stage of market development, each with their own constraints over their future growth, which mean that these countries will remain third tier markets over the forecast period (2007-2011).

As for the United States and other countries there is a growing international demand. Growing markets include those where factors such as high electricity prices and subsidies or other incentives improve the cost-effectiveness of PV systems. These prices represent those for grid-connected customers.

Germany is expected to remain the market leader and even increase its market size considerably over the next years. The biggest growth is foreseen for the Rest Europe in particular in countries such as Spain, Italy, France and Greece. The USA will also be able to use its vast solar potential and will challenge Germany as the Number 1 PV country. PV development in Japan will, to a large extent, depend on the decision of the Japanese government to reintroduce, or not, a support program. Also the Rest of Asia, in particular India and South Korea, will face increasing demand for PV.

Market Segments

A. On-Grid (Grid-Connected) Customers

- Residential customers: houses, villages and small communities
 - Existing residential homes
 - New home constructions
 - Large buildings

On-Grid Sales Predominate: The markets for solar PV have undergone a dramatic shift in the last 5 years. Prior to 1999 the primarily market for PV was in off-grid applications. However now over 78% of the global market is for grid-connected applications where the power is fed into the electrical distribution network. The advantages of TF panels are that they are cheaper as usual monocrystalline or poly crystalline panels.

- Industrial customers
 - Big Factories using the roofs as a surface for installing solar panels.
 - Stables, farms and farm houses, using roofs for solar panels.
 - Big buildings (offices, halls) designed for using Solar Panels instead of regular windows.

B. Off- Grid Customers

- mid-size industrial:
 - Small Consumers of Electricity
 - Weather Stations
 - Semaphors
 - Water Pumping
 - Rural electrification

- Telecommunications

C. Specialized Producers of Electricity

Solar Farms will be the most important market segment. A 'solar farm' is a grid-connected solar power plant based on several subsystems, each with their own investor. The electricity produced is sold to the local energy utility companies for an attractive feed-in tariff, guaranteed by national laws.

International Targets for Photovoltaic Manufacture

As is in other developing technologies, a critical element in the development and growth of the solar PV industry is the setting of long-term growth targets for the industry. The following table gives examples of targets for PV in other countries.

Figure 1: Examples of National Targets for PV

Source: The Canadian Solar Industries Association, www.cansia.ca

Contry	Target	Agency	Date	Notes
Global	205,000 MW by 2020	Greenpeace & European Photovoltaic Industry Association	2004	Generation PV
Germany	300 MW by 2005	National government	1999	“100,000 solar rooftop program,” 2004 – 794 MW installed
Japan	100,000 MW by 2030	National government	2004	“PV2030”
Japan	5,000 MW by 2010	National government	2002	2004 – 1,100 MW installed
Holland	12.5 MW by 2000 250 MW by 2010 1,500 MW by 2020	National government	1997	2004 – 49 MW installed
California	3,000 MW by 2017	California Public Utilities Commission	2005	“California Solar Initiative”
South Korea	1,300 MW by 2012	National government	2004	
Thailand	250 MW by 2011	National government	2004	
Canada	1,000 MW by 2025	Canada Pollution Probe	2004	A Green Power Vision and Strategy for

Contry	Target	Agency	Date	Notes
				Canada

A Suggested Marketing Strategy

Marketing efforts will be done with the contribution of two separate departments within company:

1. Marketing: Marketing Responsible and externalized consulting company
2. Sales: Sales Responsible

Marketing will have following responsibilities:

- Research and studies on global market: demand, competition, technologies, policies
- Analyze the international environment regarding solar photovoltaic products and technologies
- Identify market segments and choosing the most profitable segments for the company
- Assist in building business strategies and policies
- Know the needs of existing and future clients and collaborating with clients for suggesting the best concepts for using products and technologies
- Promote the usage of the products as a technology to be used in residential and industrial building sectors. Develop relationships with architects and building companies.
- Build and use relevant marketing mixes for different market segments
- Build and maintain the company's image and reputation.
- Develop manufacturer identity and brand.
- Establish the presence of the company on the Internet. Conceive E-marketing strategy, programs and campaigns, identify and use the e-marketing tools.
- Build and maintain the network with suppliers, clients, regulating authorities, professionals, ecologist organizations
- Organize the presence of the company to international seminars and conferences regarding PV products, technologies, green energy and social responsibility.
- Establish the network of sales offices and representatives in target countries.
- Develop social responsibility programs
- Supervise and assist the sales force. Build direct marketing campaigns.
- Coordinate with other departments of the company

Sales will have following responsibilities:

- Identify potential clients
- Establish the offer, communicate and negotiate the terms of the transactions
- Negotiate and sign the contracts
- Report sales, sales trends, market situation
- Manage the sales force: recruit select and train the sales representatives
- Manage the overseas sales representatives

Additional sources of information

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6. www.nrel.gov

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CRAZY ONLINE BUSINESSSS

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Abstract: Online business is an easy way to make money, using the tools of internet sourcing and multinational purchasing. There are many business opportunity review sites on the Internet. The internet business opportunity is also used for global sourcing. The earning potential in an internet business is very high with little investment. To evaluate a business opportunity the first and foremost things to do is to search the internet to get views on the area of business exploration. A Google search will give a number of official forums for any business opportunity. It is also advisable to monitor the website traffic of the website of the business. Prediction market is "new Web tool", which is used to transform the idea pipelines inside their companies.

Key words: online business, e-commerce, business trent

Online Business

Hard work is the key to success in any business opportunity based on internet sourcing. For example, home business exists in music industry for creating and downloading websites to promote music. Internet business is also used extensively by multinational purchasing experts. The online business should be an easy way to understand and start with so that money can be made quickly. For example Adsense program of Google has been very successful as a online business, in which revenue is generated by registering clicks on the relevant ads displayed on the site, as it is presumed that the clicks usually lead to sales.

Email marketing and online Business

Email is a best mode of internet business marketing. An affiliate business opportunity should have an email address. An aggressive business strategy is very important to ensure building up of online business. The email list can be effectively used for directing the traffic to the business opportunity whenever an offer, post or a new article is received. 500 names in the site along with Ad sense Ads can bring more page views and clicks on the Ad sense Ads. When an online business is built, along with an email marketing, opt-in email list with more names will make a good impact on sales of affiliate program products represented by the business and is very useful for global sourcing.

5 Ways for brands and consumers cooperation

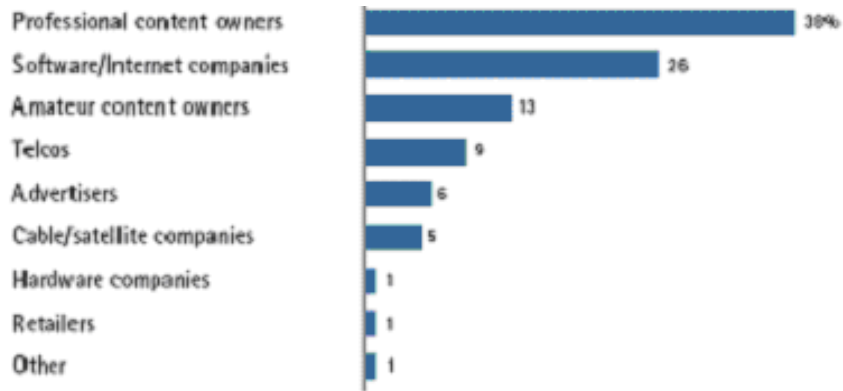
eMarketer has proposed 5 ways to make brands and consumers cooperation work:

- a) **Research:** Companies turn to the public to solve particular problems. For example, Goldsboro, a Canadian gold mining company, published its geological data and offered prize money to prospectors who submitted the best estimates of the value and location of the gold on the company's property.
- b) **Development:** By monitoring community forums and speaking directly with online opinion leaders, consumer brand manufacturers come up with ideas for new products and improvements and enhancements to existing products. For example, Dell Idea Storm is an online community where customers post their ideas on Dell products.

- c) Advertising: Major consumer brands such as American Apparel, Frito-Lay, L’Oreal, Sony and Toyota have used consumer-created ads. Frito-Lay, a division of PepsiCo, drew a lot of publicity when it invited people to create and shoot their own 30-second Doritos commercial for a chance to have it viewed during Super Bowl XLI in February 2007. More than 1,000 submissions were received.
- d) Marketing: Social shopping sites, blogs and Web sites with customer ratings and reviews are all venues for people to review and recommend products and describe how to use them. Caboodle allows retailers to have a profile and interact with site members. ThisNext, another social shopping site, invites Web retailers to submit unique products for community members to discover and promote.
- e) After-Sales Support: Apple and Dell are examples of consumer electronics manufacturers that host community forums on their sites where customers assist other customers with technical problems.

Trend over the next five years business

In a recent survey, Accenture asked more than 100 leaders in media and entertainment sectors from around the world to gauge their view of where the greatest opportunities will come from over the next five years. For the question “which sector along the media value chain is best positioned to take the advantage of growth in content opportunities?” 38% of respondents answer that it’s professional content owners. For the question “what will drive revenue growth in the next five years”, 62% views new platform soar new ways of delivery as the driver. Via Accenture



Which sector along the media value chain is best positioned to take advantage of growth in content opportunities?

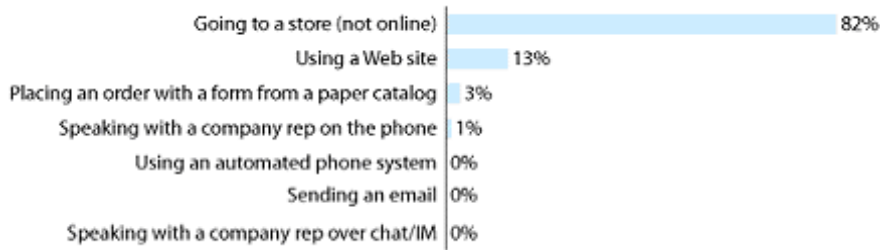


What will drive revenue growth in the next five years?

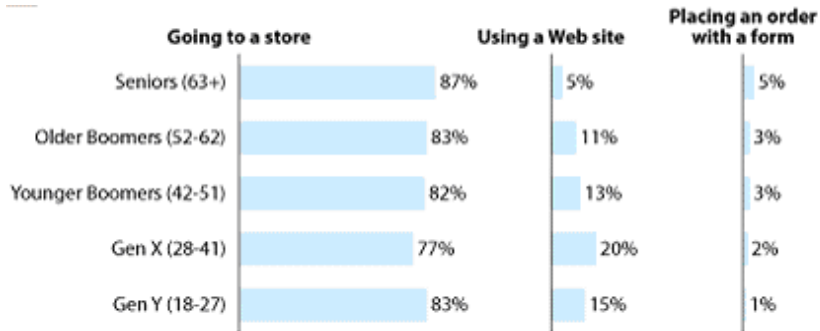
Source: Beyond the hype, Accenture global content study, 2007

Where consumers prefer to buy products

According to Forrester, an overwhelming majority of consumers prefer purchasing products and services in a store. Next on the list: 13% prefer buying on the Web. The most significant difference across generations is that Gen X has the largest percentage of consumers who prefer to make purchases online.



In which of the following ways do you most prefer to buy a product or service?



Channel preferences for buying products or services by generation

Source: Forrester research, Inc., Q4, 2007

Web roundup

Farecast sold!

Seattle PI reports that according to a source with knowledge of the situation, Farecast has been sold in a deal that values the Seattle online travel search startup at more than \$75 million. The buyer was not known but one natural choice is Expedia, asserted John Cook of Seattle PI. Last December, Farecast competitors SideStep and Kayak.com merged.

- a) Limeade: aims to improve employees' health and well being

Limeade today is unveiling a new Web service that it hopes will make corporate workplaces healthier, more productive and more fun. The idea is to radically transform the health assessment programs that corporations operate in order to reduce health care costs, making those programs easier to use and more engaging. At the same time, it has incorporated new questions about workplace issues and employee happiness into its offering.

- b) Zoomf: "genuine" [real estate] search engine aiming to give unbiased and complete results

Zoomf is a real estate search engine that aims to help consumers find property as simple and fast as possible to discover property to buy and let. Zoomf claims that it includes lots of easy to use features including maps so that users can see exactly where properties are located.

- c) Classified site, OLX, raised \$13.5M to compete with Craigslist

OLX allows you to meet others, express yourself, trade products, find jobs, apartments, and much more! According to TechCrunch, The idea behind OLX, in addition to becoming Craigslist for the rest of the world, is to improve on the technology of first generation classified sites. This means OLX tries to fill some missing key features [in traditional classified ad board] to really deliver a proper public service to communities everywhere.

- d) Jiffle™ makes scheduling appointments and meetings quick and simple

Jiffle is a online service that tries to accelerate the process of scheduling meetings. Jiffle's technology allows users to selectively share their Outlook calendar with their contacts and eliminate the time-

consuming back-and-forth process (seven e-mails/voicemails on average) required to set up meetings with colleagues and clients.

e) ModernFeed Wants to Be Web's Remote Control

ModernFeed.com, launched on April 7th, claims to be the Web's remote control for video content. Using framing and clearly expressed links to offsite content, ModernFeed has set out to aggregate virtually all licensed content on the Web, currently from over 500 sources, including ABC, NBC, CBS, Fox, HBO, Showtime, and other networks, plus news outlets such as the The New York Times, as well as niches such as the Boston Pops, the Waikiki Aquarium Channel, Whole Foods Market video and the Midwest Teen Sex Show.

f) Qitera: add the human touch to the intelligent web

Qitera is a next-generation information engine—a semantic web service that connects everything you know to everything you read. You either get the big picture and fresh insights on how everything is related or can organize, remix and search all the data dealing with the companies, business partners, friends or projects you track in a more productive way. Additionally, it lets you share your wisdom with your peers and publish to blogs, websites and cell phones.

g) GitHub: a “social network” for programmers

GitHub is a new hosted Git repository service that's being called a “social network” for programmers and with good reason. It also already has some high profile projects of its own on board: Ruby on Rails, Capistrano, Merb, Prototype and Scriptaculous, among others. Git decentralizes version control by giving each developer a local copy of the development history, and then changes are copied from repository to repository.

h) Edopter: helps to find out the next big trend

Edopter combines early adopter insight and worldwide buzz to predict the next big trend. edopter combines the insight of their users and the buzz building across the internet to track how popular trends are getting around the world. Unlike some other similar sites, you don't necessarily have to choose a side for a given topic, and then battle it out amongst users to prove who's right.

i) Summize: an opinion search engine

Summize is a new way to find and discover products, based upon the sentiments of millions of user reviews and blog discussions. Summize crawlers constantly scour the web to find the latest and most helpful opinions. Then, they crunch and summarize all these sentiments to produce the colorful Summize experience. According to Mashable!, Summize offers a prettier and more feature-rich tool for Twitter searching than its major competitor, Tweetscan.

j) DotHomes adds Google's StreetView to its real estate research

A few days ago Trulia added Google Street Views, and today, DotHomes adds Street Views to its real estate search site as well. Weeks after launching a US version of its real estate search site, DotHomes is moving to further integrate as many useful features into its service as quickly as possible. You'll find the Street view option included for most listings, along with the aerial view from Microsoft's Virtual Earth.

k) A real second life at Erepublik

Erepublik.com is a massive online multiplayer social strategy game a mix between a social network and a strategy game set in virtual version of the real world. At its core, Erepublik is a massive online multiplayer social strategy that aims to be intricate and accelerated enough “to attract a spectrum of both fanatical and casual gamers.” Players can be politicians, soldiers, entrepreneurs or journalists in different countries, and much of the environment is user generated. A key pitch of Erupblik is the time required to play the game: 14 minutes a day.

Conclusions:

There is not a single perfect business recipe which suits all. It varies from business to business and person to person depending upon various circumstances and needs. It is very to find a perfect online business to suit the needs of a business. It is necessary to examine and consider all aspects relating to an online business, on the products sold and training offered for business owners, by gathering necessary information.

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TOWARDS AN ORGANIZATIONAL EXCELLENCE THROUGH COMMUNICATION

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Abstract: The communication searches to take action in each of these concepts, helps to the interrelationship between the different categories of public from the internal organization of the company as well as with the external organization and influences. The organizations use communication in order to promote the interests, but a loyal and reliable message is that which answers to the public's needs and expectations. Thus, the main purpose is to search and realize continuously balance between the interests of each public category in order to know it better and to collaborate with it.

Key words: communication, organizational excellence, transparency

1. Introduction – The organizational excellence

The organizational excellence is a special practice in the modern companies' management and refers to their capacity and ability to apply a series of concepts in order to obtain some exceptional results:

- The trend towards creating value at the level of the company;
- The centering of the effort of the team members in order to satisfy the customer and to add value for the customer;
- A visionary management of the organization;
- The concern for innovation at the level of the organization;
- The continuous improvement of the company's performances;
- The concern from all those inside the organization for a corporative, coherent and sustained communication;
- The development and involvement of the human resources;
- The concern of the management team for an increase of the value understood by the employees The development of partnerships based on reciprocal or mutual advantages;
- The drawing into projects of social responsibility;
- Practising a management directed towards the future.

The communication searches to take action in each of these concepts, helps to the interrelationship between the different categories of public from the internal organization of the company as well as with the external organization and influences. The organizations use communication in order to promote the interests, but a loyal and reliable message is that which answers to the public's needs and expectations. Thus, the main purpose is to search and realize continuously balance between the interests of each public category in order to know it better and to collaborate with it.

Concerning the above-mentioned concepts, each organization must maintain a high and qualitative line of performance by providing a superior balance in order to create value for all the parts involved: shareholders, customers, employees, partners, suppliers, the external community etc. In this way, all the structures of the organization are implied on the one hand in the development of the loyalty of the parts that are interested in the organization, and on the other hand for a real economic increase. But in order to

administrate the potential conflicts between the different trained publics, the organization must use clear requests, expressed by each of them.

However, the organization must be aware of the fact that the final judge of the products quality or the offered services is the customer. Taking into consideration this perspective, the organization must take into consideration all the aspects that contribute to adding value for the customer. The value perceived by the customer represents the prospective evaluation from his part off all the advantages and of all the costs of an offer, as compared to other alternatives perceived or known by the customer. The customer's satisfaction is being associated with the way in which he perceives the level of accomplishment of the product characteristics or the offered service in comparison with what the customer expects.

In order to ensure the customers' loyalty it must be created a higher value for him. Considered from this perspective, there must be developed products and services highly different from those offered by the rivals and with a high degree of innovation, which can foresee and satisfy the needs expressed by the customer as well as the needs that the customer isn't able to perceive yet ("the unexpected quality" that delights and pleases the customer). The innovation must be understood as an important improvement of the products, services and/or processes, as well as under the form of creating new dimensions of the value for all the interested and involved parts. From a technical point of view, the innovation must be seen as being the adoption of a superior solution with the help of which certain aspects of a conflictual nature (on a technical level as well as on a managerial one) are solved without any compromises. The application of innovative ideas and solutions must not refer only to aspects of technical order, but must also be extended at the level of all the key processes of the organization. The innovation must be applied systematically, not at random.

In order to better manage the organization, the process of decision taking must be based on correct and reliable data and information that include the opinions of all the interested parts (shareholders, customers, employees, partners, suppliers etc.) The measurement of performances must arise from the needs and the development strategy of the business and must also include financial aspects as well as aspects connected to the business competitiveness in comparison with the competition. The information must be used as well as for the decisions connected to the current operations as well as for those connected to the continuous improvement process of the business. The gathered information and data must cover all the key processes of the business.

The behaviour of the managerial team contributes to the clarity and unity of the objectives of the organization, as well as a working environment in which the employees excel in. Furthermore, the organization leaders must ascertain and determine the direction of the action, create a working environment focused on the customer, clear and visible values, well-defined objectives and goals that are realistic and measurable. Practically speaking, all these aspects must balance the needs of all the interested parts.

Also, the organization leaders must create strategies and methods of work capable of leading the organization towards excellence, must stimulate the innovation and must support and encourage the development of the intellectual capital of the organization. At the same time they must motivate, inspire and encourage the employees in order to contribute to the business development, to be creative and to continuously improve and specialize.

The innovation is the result of a creative activity that leads to the elaboration of superior engineering or managerial solutions, capable of solving without any compromise a conflict of technical order, economic or mixed, that exists at a certain time between two or more systems that characterize the business. From the consequences point of view, the innovation process leads to the differentiation of the products or services as compared to those of the competition, ensures the present customer's loyalty and attracts the clientele of the competition and is able to increase the level of a business profit at very important values. The organization must be managed and administered in such a way that the innovation should become a component part of the organizational culture and integrated in the daily activities.

The organizational performance is maximized when the business is based on the knowledge dissemination, on an organizational culture oriented towards a permanent learning, on the opportunities identification, on the permanent reduction of the costs, on the processes optimization by using more and more performant methods and instruments, on the improvement of the daily activities by applying preventive solutions, not corrective ones. Attaining the higher levels of performance of the business implies the appliance of some mechanisms and organizational approaches in which the human potential of the organization is fully used. This thing depends upon the way in which are assured opportunities for the continuously improvement of the human resource and then for the effective application of the newly acquired knowledge.

The development and involvement of the human resource can result in the increase of the employees' satisfaction, the decrease of the personnel fluctuation, the harmonization of the organizational capabilities, and the improvement of the work environment for the innovation. Also, we must mention that the development of the human resource must not be directed only towards the realization of better products and services, but in the sense of the efficiency increase, auto-organization, reaction and adaptability capacity etc.

It is well-known the fact that success on a competitive globalized market requires a high quickness from the part of the organization – that is a capacity for a rapid change and a high flexibility. The organization must deal with the permanent reduction of the time interval necessary for the introduction on the market of a new product or service, as well as to answer as quickly and flexibly to the different requests of the customers'. The major improvements in these directions require and imply simplifications of the processes and activities, as well as the capacity of passing quickly from one type of process to another.

The communication activity implies fluxes of information between the organization and its publics, identifies the relevant themes for the audience, the efficient channels and establishes the right terms.⁸³⁷ During this stage the communication means can ensure the frame of efficient dialogue between the organization and the different type of public. In this way, certain organizations in the case of identifying certain deficiencies change the business behaviour by using the communication techniques specific for each public category. The employees who are multidisciplinary trained and authority authorized at the level of organization represent vital elements in order to have success in such an environment.

The different communication techniques that allow the obstacles surpassing that appear between the relationships between the employees represent the basis of the internal communication. These things must be understood as an instrument of strategic management of the company, irrespective of its size. The mission of internal communication represents the creation of the necessary conditions for a good realization of the general objectives of the company. Thus, the main aspects that are being followed are the following¹:

- the staff motivation ;
- the coherence of the actions ;
- the change of the behaviours and mentalities ;
- the improvement of the activities and productivity.

Moreover, success depends very much upon the way in which its employees are motivated to imply as much as they can in solving the daily tasks and in the unwinding of the projects of institutional development. Therefore, the staff motivation is tightly connected to the level of their satisfaction at the job or working place. Among other things, this means performant practices of work, flexible and thought for the particularity of each employee.

In a climate dominated by distrust towards the others, the organizations find it hard to put to the test the environment and social performances. If for a company being responsible is its main purpose, then it is not important that it should prove the fact that it is responsible. Yet, in the majority of cases, the companies consider that being socially responsible is just a way or mean to attain other goals. The companies are socially responsible just to be recognized as that they "do what it must be done". The social responsibility is being considered a strategy to prevent the risks and to create competitive advantages.

The corporatist social responsibility supposes taking into account the following aspects:

- The establishment of objectives that also take into account the interests of the co-interested groups – starting from the shareholders, employees, business partners , as well as suppliers , customers, creditors, dealers, ending up with consumers and community;
- The elaboration of a strategy of social involvement, strategy that is able to integrate on a long and medium term in the development strategy of the company and in the corporative communication strategy and the undertook actions to be integrated in the management and marketing objectives of the company.

Transparency is a condition of an efficient communication between the company and the co-interested groups. More than transparency in communication, credibility supposes an agreement between the statements and the actions of the company.

The interest on a long term of an organization and of its employees is better served by adopting an ethical approach in the business development, by taking measures for the environment protection from the action area of the organization and the public health, by preserving the resources and by ensuring the security of the population and the environment in the area of action. We must mention that the involvement in charity actions leads to the improvement of the organization image among the community.

In the present competitive environment, the orientation towards the future means first and foremost understanding the short and long term elements that affects the business and the outlets.

In this way there must be developed capabilities in order to anticipate the key factors and elements for ensuring the success on the market, such as:

- The customers' expectations;
- Opportunities for new business;
- Opportunities for new partnerships,
- The markets evolution;
- The technological developments,
- The community's expectations;
- The strategic movements of the competition;
- The legislation evolution etc.

The strategic objectives and the resource allocation must be adapted for these influences. The focalization towards the future also includes the development of the human resource, the development of the relationships with the suppliers, the creation of opportunities for innovation and the anticipation of public responsibility.

The organizational excellence implies the accomplishment of a balance between what represents the organization in the interior respectively: skills, managerial team, strategy, politics, marketing, personal management, resource management, processes and what the external public perceives: customer's satisfaction, employees' satisfaction, company's satisfaction, and business performances.

The supervision of these two categories and the pointing out of some discrepancies at their level generates unbalances or lacks of balances that affects the business performance and implicitly lead to difficulties in ensuring a competitive advantage on the market.

Also, the lack of an efficient and operative system of managing all the aspects that define the organization leads to significant internal losses, both of time and of material resources, human, financial and informational, and to difficulties in assuring a high added value at the level of the products and services offer.

An organization that takes possession of the concept and makes efficient communication actions expects three types of advantages: at the level of the brand management, obtaining notoriety and a good image on the market; at the level of human resources, respectively the recruitment and fidelity of the employees; at the marketing level, by investing in the specialized training of the future business partners. Gradually, the organizations become more and more conscious of the fact that through clear and sustained actions of communication they can influence the business environment in which they act and are involved.

Depending upon the management used, the organizations can choose a reactive or pro-active strategic alternative. Thus, in a reactive strategy the organization is going to react just in the moment in which it deals with a problem, trying to diminish the risks to which it is exposed on the market and in a pro-active position, it is going to search and create opportunities in order to prevent risks. The consequence will be obvious, and such an organization will stand out on the market by reducing the impact of its activities upon the community and in addition this strategic option will offer an extra value to its brands and products. In order to earn the consumers' trust, it is necessary that the whole / entire process of communication to be accomplished in both ways, to be transparent and, whenever it is possible, to imply in third organizations, such as ONGs, school institutions or governmental agencies.

To conclude, the organizations must constantly ensure that there is a balance between their actions and the wanted image. This agreement is created by: defining some coherent strategies for all the processes of the organization; the elaboration of certain criteria and references in scale that can lead to the appreciation of the steps and actions made by the employees and by the external public; reporting the performances and the

publication of reports in order to ensure transparency; consulting the co-interested groups; the involvement in programmes and actions that are in accordance with the interests and objectives of the organization and community in which it acts.

2. Organizational excellence through excellence in communication

Nowadays, communication can be mentioned as a strategic resource of an organization, therefore it is important that all the actions that are associated to this complex process to be planned, led by clear objectives, evaluated and standardized according to the general objectives of the organization.

The clear definition of the organization and the environment in which it acts are references for the orientation in the strategic management. These suggest the fact that the organizations must make strategic choices on long term and furthermore, to be able to be accomplished in the environments in which they act. In most of the strategic management theories the idea of environment is general and vaguely defined. The theory of communication helps the managers to give significance to this environment just because a great part of it is composed of publics with whom the managers are familiar with.

Also, the theorizers in strategic management distinguish two categories of environment: the economic environment or oriented towards objectives and the social environment or oriented towards institutions. The economic environment contains groups made up of consumers, competitors, suppliers and creditors. These groups supply the organization certain necessary resources and purchase or use its products and services. The social environment or institutional one is made up of groups that want to contribute to the establishment of a mission of the organization – such as the governments are, certain communities (communities, circles or groups), the co-interested groups, the employees and the activist groups. The attitude of certain managers and the lack of trusts of the public towards the corporative environment determine the specialists in communication to continuously take action to improve and protect the name and reputation of the organization. The managers must understand the necessity of conceiving organizational structures that should promote the information exchange, the dialogue and collaboration, this aspect being compulsory for no matter what organization that wants to deal with challenges regarding the management of the organization and its reputation. Through communication it is created value not only for the organization but also for the society in its totality. According to the organizational theory, an organization is efficient only if it manages to attain its proposed objectives. We must mention the fact that these do not function or work isolated, but in an environment made up and composed of numerous strategic groups.

The organizations develop a series of relationships inside and externally with different strategic partners or what represents for the specialists in public relationships co-interested groups or public groups. These categories of public have different interests towards the organization and try in this way to influence its mission and objectives.

The organizations are efficient only when they choose and attain objectives that follow the interests of the organization as well as the interests of the public categories from the environment. The communication departments build special relations with the public categories that can influence the organization or that can be influenced by its activities, thus supporting the organizations to become more and more efficient.

Although an organization that is on very good terms with these strategic groups will have to integrate in its mission their objectives, on a long term it will be capable of aiming its own objectives in a more efficient way than if it had chosen to ignore or not take into consideration the objectives of such a public category.

To conclude, excellence in communication helps effectively the organization to obtain profit, allowing it to sell products and services to some pleased customers, to obtain funds from investors or donors, to develop new products and to increase and multiply its sales.

Moreover, through a proactive communication strategy big sums of money can be saved up, that in other cases, could be spent by the companies in the case of conflicts with communities, or expensive processes, boycotts or for the training of new employees who replace those who leave their jobs. When the communication department helps the organizations improve and consolidate the relationships with the different public categories, it will offer value as well to the organization but to the society in its totality, too.

The organizations become socially responsible only when they take into consideration the co-interested groups' expectations and manage to put these interests at the same level as theirs. When the organizations

do not manage to do this thing and ignore or are against these interests, the different public categories organize in activist groups that have as aim to face and challenge the organization. The result will be the conflict and the communications bring benefice to the society by trying to create mechanisms of solving these possible conflicts.

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ROLE DE LA FORCE DE VENTE DANS LES ENTREPRISES ROUMAINES

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Résumé.

Cette étude a eu pour but de faire une tour d'horizon du niveau et des formes d'implémentation des forces de vente dans les entreprises roumaines. On a utilisé une recherche directe parmi les entreprises, pour obtenir des informations spécifiques et, puis, le cas échant, on a réalisé une comparaison avec les informations concernant le niveau et les formes d'implémentation des forces de vente dans autres pays. L'étude a couvert une multitude des aspects (organisation, recrutement, motivation, évaluation de la force de vente) et a permis d'identifier quelques particularités intéressantes concernant l'utilisation de la force de vente dans les entreprises roumaines.

Mots-clés: force de vente, marketing, recherche de marketing, entreprises roumaines

Introduction

Dans une définition large, la force (ou les forces) de vente d'une entreprise est composée par le group des personnes qui représente l'entreprise et ont comme tache explicite et principale de vendre ou de faire vendre ses produits et services, par le contact direct avec les acheteurs potentiels (les prospects), les distributeurs et les prescripteurs.

Les vendeurs qui composent la force de vente peuvent avoir plusieurs appellations (agent commercial, agent de vente, représentant commercial, etc.), peuvent être sédentaires ou itinérants, peuvent être salariés de l'entreprise ou collaborateurs externes.

En Roumanie, on peut parler d'utilisation de la force de vente dans les dernières années, dans le système de l'économie de marché. C'est le principal motif pour lequel la problématique de la force de vente est relativement nouvelle et le nombre des études concernant ce sujet et limité. Etant donné l'importance du sujet, nous considérons que toute contribution scientifique est bienvenue.

Méthodologie de la recherche

La méthodologie de la recherche a compris deux parts : une revue de la littérature internationale qui a eu pour but de mettre en évidence les aspect théoriques qui pourrait être utilisé comme repère pour la situation de Roumanie et, la deuxième part, une recherche directe, sur un échantillon de 169 d'entreprises, dont les managers ont été sollicité de répondre a un questionnaire.

Les questionnaires ont été administrés dans la période mai - juillet 2007. Le questionnaire a été composé par 27 questions, dont 20 questions de contenu et 7 questions démographiques. Pour des raisons lies à la dimension maximale de l'article, on va présenter seulement les résultats les plus importantes.

Résultats obtenus

Normalement, la force de vente peut se positionner, par rapport de l'activité de marketing, de point de vue théorique et pratique, en une des modalités suivantes:

- La force de vente est situe en dehors de l'activité de marketing, étant considérée comme un group de personnes qui s'occupe des ventes et qui n'a que des liaisons tangentielles avec le marketing;

- La force de vente est située dans l'intérieur de l'activité de marketing, comme une composante du mix de marketing;
- La force de vente est située dans l'intérieur de l'activité de marketing, comme une composante du sous-mix de distribution;
- La force de vente est située dans l'intérieur de l'activité de marketing, comme une composante du sous-mix de communication;

Toutes les quatre modalités peuvent être utilisées en pratique, mais la théorie du marketing recommande de considérer la force de vente comme une composante du sous-mix de communication.

	Fréquence	Pourcent	Pourcent valide
La force de vente n'a aucune liaison avec l'activité de marketing			
30	17,8	19,0	
La force de vente est une composante du mix de marketing			
91	53,8	57,6	
La force de vente est une composante du sous-mix de distribution			
17	10,1	10,8	
La force de vente est une composante du sous-mix de communication			
20	11,8	12,7	
Total			
158	93,5	100,0	
Non-réponses			
11	6,5		
Total			
169	100,0		

Tableau nr. 1. Position de la force de vente par rapport à l'activité de marketing

On peut constater que, dans les entreprises roumaines, la force de vente est à l'honneur, plus que 50% des répondants considèrent que elle constitue la cinquième composante du mix de marketing. La théorie n'est pas trop respectée (12% seulement situent la force de vente dans la politique de communication), mais la pire situation (aucun lien entre la force de vente et le marketing de l'entreprise) survienne une fois sur cinq cas (19,0%).

La théorie met en évidence plusieurs objectifs accomplis par la force de vente (Zaharia, Cruceru, 2001):

- vendre
- identifier les marchés potentiels
- définir le profil des clients et leur localisation géographique
- récolter des informations concernant les clients et les concurrents
- négocier et conclure des contrats
- dérouler des activités de merchandising et de PLV
- accorder de la consultance technique et commerciale
- prester des services de marketing

Notre étude a identifié la fréquence avec laquelle ces objectifs sont considérés par les entreprises roumaines. Les résultats sont présentés dans le tableau suivant.

	Fréquence	%
Identification des marches potentielles	109	64,5
Vente	152	90,0
Définition du profil des clients et localisation géographique des clients	73	43,2
Collection des informations concernant les clients et les concurrents	102	60,4
Négociation et conclusion des contrats	116	68,7
Actions de merchandising	37	21,9
Consultance technique	58	34,3
Total	169	100,0

Tableau nr. 2. Objectifs de la force de vente dans les entreprises roumaines

Il est un peu surprenant que la force de vente est assez peu utilisée pour de objectifs directement liés a l'activité de marketing, comme la définition du profil des clients, la localisation géographique des clients ou la collection des informations concernant les clients et les concurrents.

Pour organiser l'activité de la force de vente on peut utiliser plusieurs critères. Les critères les plus utilisés sont le critère géographique, le critère des produits, le critère des clients et le critère fonctionnel (Demeure, 1990). Les éléments spécifiques des ces critères sont :

- dans le cas du critère géographique, le vendeur visite tous les clients et les prospects de son secteur, en les offrant toutes les produits.
- dans le cas du critère des produits, le vendeur visite tous les clients et les prospects de son secteur, en les offrant une seule gamme des produits.
- dans le cas du critère des clients, le vendeur visite un seul type des clients, en les offrant toutes les produits.
- dans le cas du critère fonctionnel, les membres de la force de vente sont spécialisés dans une étape du processus de vente (négociation du contrat, suivi de déroulement du contrat, services après-vente etc.)

Le critère idéal est celui qui permette la création des secteurs de vente équivalents en termes du volume de travail et du potentiel d'évolution. De même, les secteurs ainsi créés doivent permettre d'établir facilement les objectifs des vendeurs et d'implémenter un contrôle efficace de l'activité des agents commerciaux. Dans la plupart des cas, la force de vente d'une entreprise est organisée sur le critère géographique (Demeure, 1990).

L'étude démontre que, en Roumanie, seule une entreprise sur cinq utilise le critère géographique pour organiser la force de vente. La plupart des répondants déclarent que la force de vente est organisée sur le critère des clients. On peut soupçonner soit un manque de connaissance en ce qui concerne le contenu des critères d'organisation, soit une particularité qui doit être étudiée plus en profondeur.

	Fréquence	Pourcent	Pourcent valide
Critère géographique	35	20,7	21,6
Critère des clients	73	43,2	43,9
Critère des produits	32	18,9	19,6
Critère fonctionnel	24	14,2	14,9
Total	164	97,0	100,0
Non-réponses	5	3,0	
Total	169	100,0	

Tableau nr. 3. Critères d'organisation de la force de vente utilisés par les entreprises roumaines

Le processus de recrutement est essentiel pour le renouvellement de la force de vente. L'entreprise doit prendre en considération plusieurs sources de recrutement : les propres employés (des autres compartiments), les employés d'autres organisation (surtout, les concurrents et les clients), les institutions d'enseignement (lycées, universités, etc.), les agences de recrutement, les candidatures spontanées.

Notre étude a constaté que les entreprises de Roumanie n'accordent pas de confiance aux instituts d'enseignement, ni au recrutement des agents commerciaux de la concurrence. Par contre, les agences de recrutement et les relations personnelles (recrutement interne, recommandations) jouent un rôle plus important.

	Fréquence	%
Agences de recrutement	83	49,1
Institutions d'enseignement	28	16,6
Recrutement interne (autres départements de la firme)	71	42,0
Forces de vente des firmes concurrentes	37	21,9
Personnes recommandées par les agents commerciaux	75	44,4
Total	169	100,0

Tableau nr. 4. Sources de recrutement des agents commerciaux utilisées par les entreprises roumaines

Une étude réalisée parmi les managers des Etats Unies (Churchill Jr. et al, 1981) a démontré que les plus importantes aptitudes des agents commerciaux sont les suivants:

1. enthousiasme;
2. bonne organisation;
3. ambition;
4. force de persuasion;
5. expérience générale dans le domaine des ventes.

Pour les managers de Roumanie, les principales aptitudes sollicitées aux agents commerciaux sont présentées dans le tableau suivant. On peut voir que deux attributs (l'enthousiasme et la force de persuasion) mentionne par les managers américains sont présents aussi parmi les premiers cinq mentionne par les managers roumains.

<i>Attribut</i>	<i>Score</i>
<i>Force de persuasion</i>	<i>4,79</i>
<i>Connaissances du produit</i>	<i>4,75</i>
<i>Habilité de communiquer</i>	<i>4,64</i>
<i>Enthousiasme</i>	<i>4,52</i>
<i>Habilité de générer confiance</i>	<i>4,50</i>
<i>Energie</i>	<i>4,43</i>
<i>Engagement envers le client</i>	<i>4,29</i>
<i>Confiance en soi</i>	<i>4,24</i>
<i>Créativité pour résoudre les problèmes</i>	<i>4,23</i>
<i>Habilité d'écouter</i>	<i>4,21</i>
<i>Ténacité</i>	<i>4,20</i>
<i>Honnêteté</i>	<i>4,17</i>

<i>Optimisme</i>	4,12
<i>Flexibilité a la modification de la demande</i>	4,02
<i>Apparence agréable</i>	3,79
<i>Equilibre intérieur</i>	3,78

Tableau nr. 5. Importance attribuée aux différentes caractéristiques de la force de vente

Le système de rémunération de la force de vente a certaines particularités, par rapport à la rémunération des autres employés d'une entreprise. On utilise un ou – dans la plupart de cas – plusieurs des éléments suivants : le salaire fixe, le commission, les bonus, les primes, les avantages sociales.

Une étude réalisé aux Etats-Unis en 1989 (Kotler, 1997) prouve que dans 14% des cas la force de vente est rémunère par un salaire fixe, dans 19% des cas on utilise un commission seulement, dans 37% des cas la rémunération est composée par le salaire et le commission, dans 26% des cas – salaire fixe et primes, et dans 10% des cas – salaire fixe + commission + primes.

Dans les entreprises roumaines, le rôle principal en ce qui concerne la motivation de la force de vente est joue par la formule salaire fixe + commission (retrouvé dans 107 réponses – 63,3%), en temps que le salaire fixe este utilisé dans 50 des cas seulement (29,6%). Un rôle important semble a être joué par les primes (96 réponses – 56,8%), les bonus (90 réponses – 53,3%) et par autres avantages (assurances santé, contributions aux fonds des retraites, assistance au formation, voiture d'entreprise, etc.) qui sont présentes en 83 cas (49,1%).

On peut tirer la conclusion que les modalités de rémunérer la force de vente sont assez semblables en Roumanie et aux Etats-Unis. Il serra intéressant de faire une comparaison avec la situation des autres pays de l'Union Européenne.

	Fréquence	Pourcent
Concours de ventes	83	49,1
Convention annuelle des agents commerciaux	21	12,4
Voyage de stimulation	44	26,0
Primes aux catalogues	35	20,7
Promotion dans l'hierarchie de l'entreprise	108	63,9
Attribution des distinctions spéciales	40	23,7
Attribution des diplômes, certificats, médailles, coupes	26	15,4
Total	169	100,0

Tableau nr. 6. Méthodes de stimulation de la force de vente (réponse multiple)

Outre la rémunération, les membres de la force de vente bénéficient d'autres modalités de stimulation, présentées dans le tableau nr. 6. On peut constater que les plus utilisées sont les méthodes « dures », liées au bénéfices matérielles : les promesses de promotion dans l'hierarchie de l'entreprise (63,9%) et les concours de vente (49,1%). Les méthodes qui privilégient les avantages moraux (attribution des diplômes, certificats, médailles, coupes, organisation des conventions annuelles des agents commerciaux) semblent à ne pas être apprécié ni par les entreprises roumaines, ni par les agents commerciaux.

Conclusions

Les principales conclusions de cette étude sont les suivantes :

- La plupart des entreprises roumaines utilisent des forces de vente.
- Dans la majorité des entreprises, on accorde une grande importance aux forces de vente, celles-ci étant considérées comme une composante du mix de marketing.

- Malgré cette position, la force de vente est assez peu utilisée pour de objectifs directement liés a l'activité de marketing, comme la définition du profil des clients, la localisation géographique des clients ou la collection des informations concernant les clients et les concurrents.
- Le plus utilisée critère d'organisation de la force de vente est le critère des clients. Il s'agit d'une différence par rapport a ce qui se passe au niveau mondial, ou le critère géographique est le plus utilisé. Les explications restent a être trouvé par l'intermédiaire d'une prochaine recherche.
- Pour les managers de Roumanie, les principales aptitudes sollicitées aux agents commerciaux sont la force de persuasion, les connaissances du produit, la habilité de communiquer, l'enthousiasme et la habilité de générer confiance.

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THE PROTECTION OF THE ROMANIAN PANIFICATION PRODUCTS CONSUMERS

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ABSTRACT: Consumer protection is one of the most controversially contemporary issue, which became more important in our country in the postaccession period. Beginning with the Romanian integration in the European Union in our country is underlined the relationship between the producers and the consumers for all economical fields, activities that are covered by the Consumer Code. The present paper analyses the problems relating the protection of the bakery products consumer.

KEYWORDS: Consumer protection, panification products, bakery products, hazard

Introduction

It was a pleasant surprise that not a long time ago in Commerce Publication „Economic Tribune” were published in purpose to sustain the campaign „I want a clean bread”, which regard a serial of future actions in Romanian consumer protection for milling and panification products, a field that cannot be ignored due to frequently mistakes and dangers that are hidden and if they are not broadcasted intensely are endangering the consumers health and safety. The plan of the above named campaign is focused in three main directions: consumer protection, authorities support and monitoring, and panification industry support. As a result of this action it will be appropriate to make a short analyze of consumer protection issue for panification and bakery products in our country, proposing in the same time solution for some unpredicted risks that appear day by day in some enterprises.

Beginning with Romanian integration in European Union in our country are underlined the relationships between the producers and the consumers for all economical fields, activities that are covered by the Consumer Code. The Romanian Consumer Code is based on French Consumer Code, on its bases is made its structure. This code is in conformity with Community aquis regarding the common policy for consumer protection, and its juridical terms are found in article 129A disposition from Tile XIV of Amsterdam Treat, which say: „The Community contributes to health, security and economical interest consumers’ protection, alongside with promoting the right for information and education.”

The Romanian industry of bakery products - between legislation and consumer protection

Under the sign of promotion policy for goods / services which are not harming the consumer's health and integrity, in the same time it should be taken in consideration the continuous concerning for quality improving of bakery products on the Romanian market. The problem of consumer protection, for bakery and panification products, should be a national one, and not under the concern of consumer protection organisms only, but even on Agriculture and Health Ministries, including the departments for food administration. The most frequently and the most intensely appreciated as week points of Romanian economical sector is focused on „cleanness and hygiene” and on alimentary additives used during fabrication process, which frequently are harming the human health, alongside with problems like raw

materials poor quality, all of them generating at the end a finite product by the poorest quality, improper for human consume.

The milling and bakery (panification) industry is a branch of Romanian economy well known for its development in the latest years. This extinction and this progress are viewed in the sentimental range that offers a large offer on the Romanian market. But as many other fields of Romanian economy are dealing with problems and insufficiencies, the panification proces is not without potentially events or dangers, witch are named in this analyze as hazards. With other words, the concerns in consumers' protection fields have to focus on the followings problems that are specific for this activity. Hazard, as defined in the Food Code, means a biological, chemical, or physical property that may cause an unacceptable consumer health risk. A food safety hazard is a biological, chemical, or physical property that may cause a food to be unsafe (**Codex Alimentarius Commission** of the Food and Agricultural Organization (FAO) of the United Nations. <http://www.codexalimentarius.net>, p. 44) .All of those could be grouped in three categories.

Biological Hazards

Foodborne biological hazards include bacterial, viral, and parasitic organisms. These organisms are commonly associated with humans and with raw products entering the food establishment. Many of these pathogens occur naturally in the environment where foods are grown. Most are killed or inactivated by adequate cooking and numbers are kept to a minimum by adequate cooling during distribution and storage.

Bacterial pathogens comprise the majority of reported foodborne disease outbreaks and cases. A certain level of the pathogens can be expected with some raw foods. Temperature abuse, such as improper hot or cold holding temperatures, can significantly magnify this number. Cooked food which has been subject to cross-contamination with pathogens often provides a fertile medium for their rapid and progressive growth. Enteric viruses can be foodborne, waterborne, or transmitted from a person or from animals. Unlike bacteria, a virus cannot multiply outside of a living cell.

Chemical Hazards

Chemical hazards in foods should be considered during a hazard analysis. Chemical contaminants may be naturally occurring or may be added during the processing of food. Harmful chemicals at very high levels have been associated with acute cases of foodborne illnesses and can be responsible for chronic illness at lower levels.

Physical Hazards

Illness and injury can result from hard foreign objects in food. These physical hazards can result from contamination and/or poor procedures at many points in the food chain from harvest to consumer, including those within the food establishment.

A closer lecture of Consume Code will give us information on some detailed information regarding Communitarian papers, which were absorbed by Romanian legislation, through a multitude of laws: Law no. 148 from 2000 regarding the promoting, Government Ordinance no. 130 from 2000 is regarding consumer protection, Law no. 245 from 2004 regarding products general safety. By example, in conformity with article 8 of Consume Code: „The economic enterprises are obligatory to commercials safe products/services, which are corresponding to prescribed or declared characteristics, a right attitude to consumers relationships and not to use commercial abusive practices.” This thing is available even for panification fabricatin proces. But between theory and practice is a huge step, impossible to be realized without public authorities' involvement, a set of preventive measures that will be able to eliminate or diminish at an acceptable level the identified hazard. These preventive measures are specifies stages during the entire production process:

- 1. Raw materials acquisition:** water, flour, yeast, salt, additives, and other alimentary components necessary for these bakery product production, and the acquisition will be made on the basis of safety certificate, named conformity certificate that will prove that the supplier accomplish the legal condition for comercialisation.

- 2. Raw materials supplying:** will be made in conformity with their characteristics, labeling demands, temperatures preserving and conform packing.

3. Raw materials preserving: is made in special places that respect the hygiene conditions and humidity / temperature conditions.

4. Dough preparation, yeast preparation, finite product formation till the final product maturity: it will be made in perfect hygiene of equipment, spaces and personnel.

5. Baking and cooling the pastry products are necessary to be done in perfect hygiene conditions and in optimal temperatures. It must avoid the use of unclean furniture and equipments.

6. Slicing the bread and packing the pastries is made in maximal hygienic conditions as much as space and personnel, as slicing and packing equipments.

7. Finite product correct labeling is made by respecting all necessary information for bread and pastries product, for a correct and complete consumer's information.

8. Finite product transport and distribution - is demanded a correct hygienic conditions for the transportation machines, and for the distribution personnel and magazines.

Examples of Records obtained during the operation of the plan:

a. Ingredients

- Supplier certification documenting compliance with establishment's specifications. Establishment audit records verifying supplier compliance.
- Storage temperature record for temperature-sensitive ingredients.
- Storage time records of limited shelf-life ingredients.

b. Preparation

- Records verifying the continued adequacy of the food preparation procedures.

c. Packaging

- Records indicating compliance with specifications of packaging materials.
- Records indicating compliance with sealing specifications.

d. Finished product

- Sufficient data and records to establish the efficacy of barriers in maintaining product safety.
- Sufficient data and records establishing the safe shelf-life of the product; if age of product can affect safety.

e. Storage and distribution

- Temperature records.
- Records showing no product shipped after shelf life date on temperature-sensitive products.

In order to eliminate the hazards that are presents in panification industry some correct measures and needed, alongside the production process. Even more, the ones who are uncharged with the responsibility of surveillance on food safety sector should take this responsibility very seriously and in an objective way, looking up at European standards, because these standards are contributing to our health day by day.

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INTERNATIONAL MARKETING STRATEGY

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International marketing has a wide interest area comparing it with internal marketing. The enterprise that develops international marketing activities has to support some risks that are not common and usual for an enterprise that operates only on national level. The risk level is directly increasing with the investment level. Before the investment is done, the enterprise should understand that the risks that are taken in an international market are not the same than in the internal market. The criteria that are taken into consideration to evaluate this risk, are: political stability, attitude for foreign investments, inflation, balance of payment, economic development, monetary stability, legislation, infrastructure, available financial resources.

KEYWORDS: International marketing, international strategies, investments in external market

Introduction

International marketing has a larger area of interest than internal marketing, because it covers activities from a wider business area that are usually passing over national borders. During time, because the sum of money which are invested in production and in research are higher and higher, the trend is increasing in the area of international marketing, for a better covering of consumer demand all over the world. The level of investments that are necessary for an enterprise in order to cover a larger market quota in the international market has a direct influence on the operational structure of the international marketing strategy. So, there were found three situations which influence the international marketing environment:

1. *a lower investment level on global market*, which demands two modalities for approaching the market, indirect export market and licensing.
2. *an average level of investments on external market*, that use the followings: market entrance ways, direct export, franchise, local subsidies.
3. *a high level of investments on external market*, need access instruments like: business type joint venture, local manufacturing business subvention or acquisition of some external companies.

The enterprise that develops international marketing activities has to sustain some risks that are not common for an enterprise that use to operate on national level. The risk level is increasing proportionally with the level of investment. The enterprises that do not accomplish direct investments on the market will have the lowest risk and the lowest losses if they are in the situation of none succeeding on the market. This is the reason why the enterprises should consider the following major criteria in taking market decisions:

- a possible unfavorable economic conjuncture on internal market
- the avoiding of the intern competitiveness;
- the over- production and the avoiding of the storage of finite product;
- the product, through its characteristics and life cycle will demand the extension on the external market.

International trade: general conditions and characteristics

Before an investment is done, the enterprise should understand that the risks that must be taken into consideration in an international market are not the same than in the domestic market. The criteria's that are taken into consideration to evaluate the amplitude of those risks, are: political stability, attitude for foreign investments, inflation, balance of payment, economic development, monetary stability, legislation, infrastructure, available financial resources.

There are four main categories of elements that use to be traded internationally:

- **Goods:** this covers all types of physical goods, such as food, clothing, raw materials and machinery.
- **Services:** this covers areas like tourism, banking, financial services and telecommunications.
- **Intellectual property:** this covers trade and investment in ideas and creativity, copyright, industrial design, artists' rights, etc.
- **Foreign direct investment (FDI):** this is a company from one country which buys or establishes a company in another country. This is an alternative to trade and an important part of globalization.

The European Union trade policy works on two complementary levels:

- the “multilateral” level refers to the system of trading rules agreed by all World Trade Organisation member countries worldwide;
- the “bilateral and regional” level means trade between the European Union and individual trading partners or with groups of countries that form a single trading block in a particular region of the world (European Commission, Making globalisation work for everyone, The European Union and world trade, Luxembourg: Office for Official Publications of the European Communities, 2003, p. 5 – 7)

A fair and transparent rules-based system to govern world trade is just as important for developing countries as it is for industrialised ones. But as globalisation advances, the World Trade Organisation will inevitably have to update its rules. The European Union pressed successfully for the new round to include issues such as investment, competition, government procurement and measures to simplify trade procedures. The European Union also supports plans to improve World Trade Organisation rules on anti - subsidy measures and anti-dumping procedures.

Protecting the environment within a sustainable development, in an increasingly interdependent world, challenges such as climate change, the protection of the ozone layer and the disposal of toxic waste cannot be solved by one country or even by a group of countries acting alone and need a complex approach and a common strategy. The European Union has long argued that multilateral environmental agreements have to mesh smoothly with agreements in the international trading system, so they become mutually supportive.

Promoting trade and social development due to a cooperation between the World Trade Organisation and the International Labour Organisation (ILO) is made to ensure progress on the social aspects of globalisation, including labour standards.

The EU will encourage the world community to pursue this issue via the ILO, and it will work to make sure that the World Trade Organisation contributes constructively to this process.

The EU already includes social and environmental incentives in its trade relations with developing countries. It grants extra tariff reductions to countries that implement ILO conventions. The EU has been keen to promote a debate within the World Trade Organisation on issues of general public concern. Among these, consumer protection, and in particular food safety, is in the top of the European Unions priorities.

Quality and safety standards must be maintained at a high level. The World Trade Organisation rules already allow countries to take trade measures to protect the health and well-being of their citizens, provided the measures taken are scientifically justified. When scientific proof is not available, countries may take action provisionally on the basis of the precautionary principle, pending the availability of scientific evidence that is being sought. (European Commission, Making globalisation work for everyone, The European Union and world trade, *Europe on the move* series, Luxembourg: Office for Official Publications of the European Communities, 2003, pp. 20 – 21)

The modalities that are choosing for getting into an international market are strategic instruments like:

1. **Indirect export**, the production is made internally and the retailing externally through different modalities of distribution. The export is made indirectly when a buying company from another country offers in a direct way the product to other enterprise on that specified market. The second enterprise will take advantage from that process difference.

A more active modality for indirect export is by using an export company which is an independent organization that is uncharged with all export formalities for many others enterprises too, as an intermediary during the distribution process. The most usual services are: buying, transport, financing and negotiation process with the import trading.

2. **Direct export** means that the producing company is the one that is making the distribution. Even if it is not very expensive, this method offers a higher degree of control and a higher profit comparative with the situation when the intermediary is used.
3. **License utilization** needs a tax to be paid in exchange of trademark using. If license utilization is offering many advantages – low risks and reduced costs in purpose to increase the incomes, little control and long run problems will appear.
4. **Joint-venture** is a cooperation strategy, when a domestic company and a foreign one are joining together their forces. Sometimes this is the only modality for a foreign company to penetrate the market. This type of cooperation has a short life cycle and is functioning in a better way in the sectors where is necessary an adaptation to the local markets.
5. **Direct investments and producing abroad** is a method to get into an external market and to obtain high profits but with the highest risk. This method affords the feel immediately the changes on the local market are coming in an efficient way.

Direct investments need a real involvement into the international marketing strategy, with mutual advantages, for the host country and for the investor too. The factors that should be considered by the direct investors which may affect their decisions are: product, price, quality control, labour expenses, transportation costs, tariff barriers, clients, available capital, political stability, economical stability and market potential.

Conclusions

Strategic instruments implementation needs a close planning. Planning the international market actions is a continuous and a systematic capability to merge the company capacity with external market opportunities. It involves the following steps: definition of the companies objectives, a real analyze of the current position of the enterprise and the establishing of some plants that will accomplish the final business goals of the marketing strategy. Active companies that are placed in the international market should reconsider a more clearly way to achieve their goals and what should be really done to get them.

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ANALYSIS REGARDING THE POPULATION'S PERCEPTION ABOUT PRIVATE HEALTH ASSURANCES

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Abstract: The appearance in 2004 of the law nr. 212 of private health assurance created an alternative to social assurance from which any contributor can benefit. Putting into practice and developing the private health assurance system is an activity form which takes care of health, imposing the implementation of market relationships with all legal regulations characterizing it, being one of the possible ways of improving the health of the population from our country. The...for the market period of more health assurance forms proved to be the most adequate form of organizing the health system. The intervening concurrence in these relationships imposes that medical units offer quality services, determined both by the practice of performing investigation and treatment methods, and by the growth of quality and serving conditions.

Key words: market, private health assurance, medical services, population.

1. Introductions

The profound knowledge of the subject of health assurances, of common and specific aspects to social and private assurances is essential for the Romanian health system in the social-economical conditions characteristic of our country. The health assurances present a segment of the medical management, tightly linked to the economic sciences, studying assurances in general. Because of the interdisciplinary character of health assurances, these haven't constituted a research object for scientists until the present moment.

The improvement of health condition of the population is one of the most important things in every country's economy. In the countries of the UE the costs of the health system represent from 6 to 15% of the GDP and the population working in the health system represent from 5% to 10% the whole volume of work force (Silivestru, 2002). The numbers have a great importance for the services offered by the health system for producing, importing and exporting different goods of medical care.

In the same time, the health care has a great influence upon other domains of the country's economy. It is part of the nations' expenses, having relation to each social category, the health system having also a political connotation in every country. The assurances for payment of medical services represents a facultative voluntary system, supplementary to social health assurance, which covers the medical services in the conditions of organizing and functioning of social assurances (Besley, 1998).

The most countries from the UE practice the mixed type of assurance (social and private) and their experience proves that the private health assurances can be successful only if they are not applied as an alternative but they are supplementary or complementary to social assurances in case of illness. In these conditions the private health assurances assure rapid access to supplementary medical services to the population (Armean, 2005).

2. The market of private health services

The market of private medical services, estimated for approximately 200 millions of Euro yearly is represented in our country by some private clinics and hospitals. On the other hand, the market of private health assurances was estimated to approximately 10 millions of Euro last year, but the potential of growth is great, being able to reach 150 million of Euro until 2010 (Armean, 2005).

On the market of private health assurances in the present moment there are approximately 15 great companies, from which some have partnerships with private hospitals in order to offer exclusive products.

Although the market of private health assurances is just at the beginning, it represents an option for many companies from the most important cities and especially Bucharest. Initially they appeared as offer for the companies wanting to offer benefits for the management position, the situation has changed, and the offers are made to very many employees. The most important obstacles in front of the development of private health assurances are the incomplete legal frame and the level of fiscal deducibility.

Compared to other countries the number of life or asset assurances remains very small, but the statistical numbers show that the number of policies grows from year to year. In these conditions, the assurance companies have created all the possibilities to have health assurances, adapting the offers to the requests of the market, and generally to the individual needs of the client in particular.

The principal advantages of the private health assurances are the following (Minca, 2005):

- The existence of a national network of medical services providers
- Diversity and quality of covered medical services
- Covering pre-existing and severe affections of the assured, and also the period of pregnancy, birth and confinement.

The growth of quality in medical services, and especially that of the services offered in the private medical system is one of the key factors having a positive influence on the material resource economy and the growth of efficiency in the activity of medical units.

Since there are partnerships between providers of medical services and assurance companies and there is a regulated fiscal advantage of deducibility of 200 Euro/employee/year, the private health assurances are developing fast.

3. The perception of the population referring to private health assurances

The study of population perception about private health assurances coming to complete the social ones shows that it creates supplementary financial resources to take care of health and to grow the quality of medical services.

The research was an observational, descriptive study. In the study there were included 780 persons, being 18 years old or more, from urban and rural medium. The study was made in the period of October 2007-March 2008. Based on the study, there can be taken the following conclusions:

1. 98% of the questioned population is registered at a family doctor. Pondereaa of those who do not have a family doctor is 2%, and is relatively equally distributed between rural and urban. (fig.1)

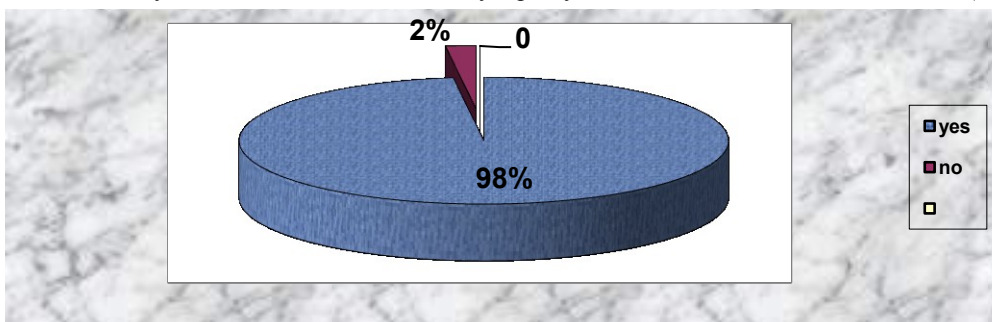


Fig.1. Weighting of persons registered on the list of a family doctor

2. In the rural medium, those who do not live in the same town/village as the doctor is 31%, percentage almost equal to the national average number (29%). (fig.2)

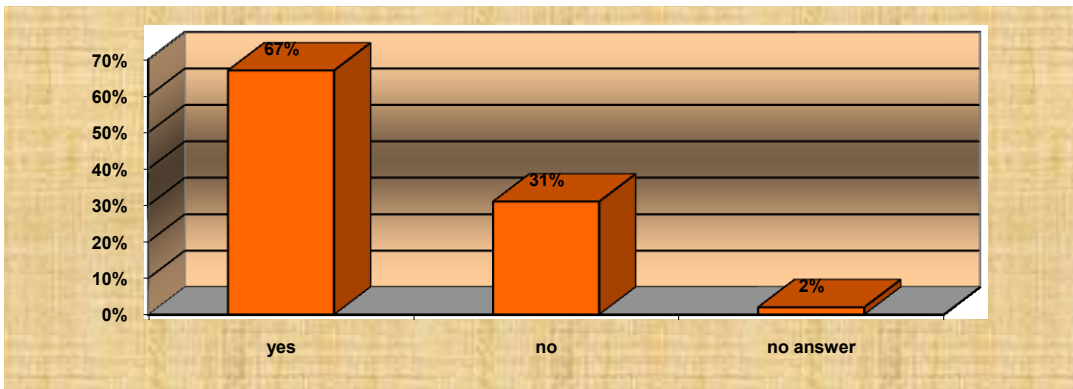


Fig.2. Weighting of the persons not living in the same town/village as the doctor

3. A percentage of 78% of the questioned persons appealed to the family doctor in the last year. (fig.3)

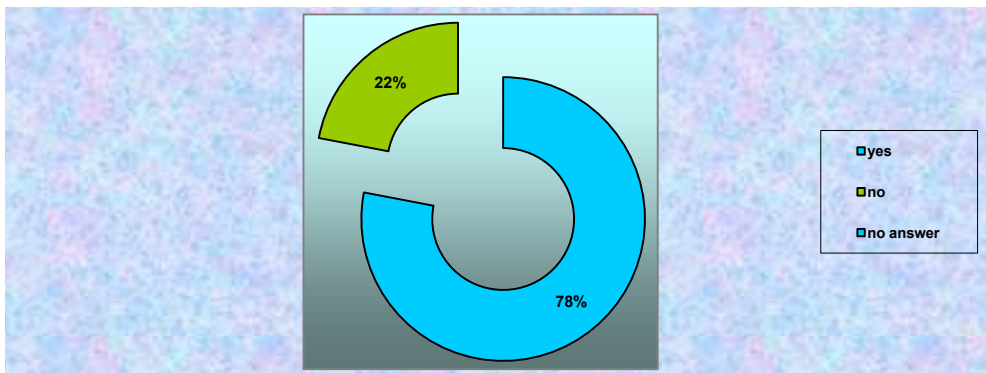


Fig.3. Weighting of persons appealing to the family doctor

4. From the questioned persons 37% appealed to specialized clinics for medical services (fig. 4)

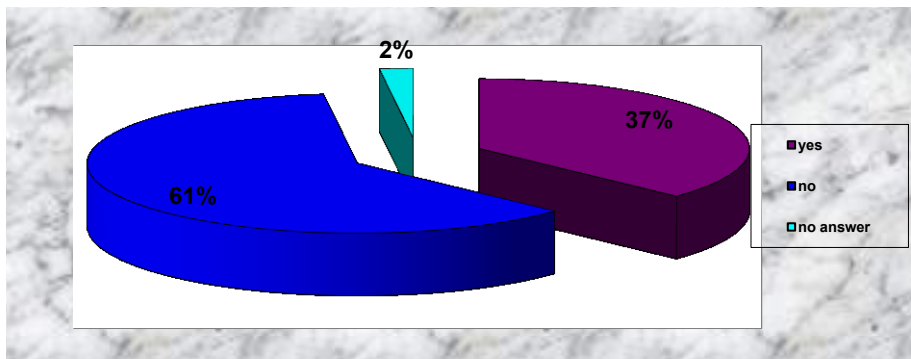


Fig.4. Weighting of persons appealing to specialized clinics for medical services

5. From the persons using medical services at specialized clinics, only 15% appealed to private services (fig.5)

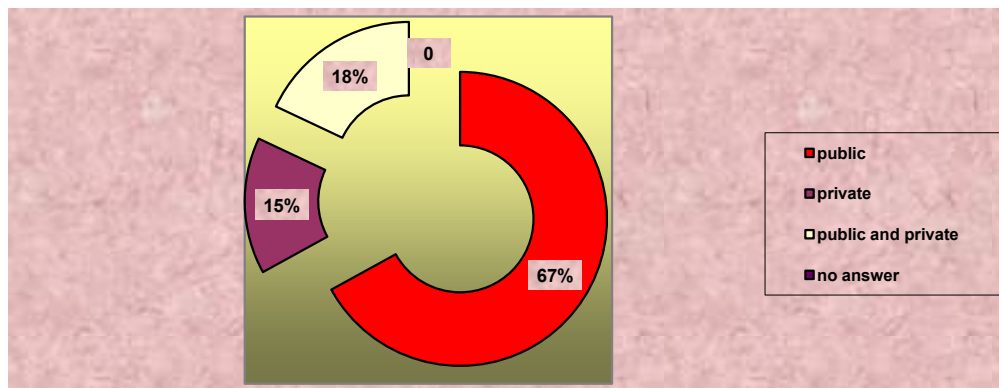


Fig.5. Weighting of persons appealing to private specialized clinics

6. 5% of people who answered have a health assurance with a private firm, the majority not having a private assurance and not being interested to have one in the near future. The persons who have a private assurance are generally men 35-44 year old, from the urban medium, having university studies, having incomes above average.(fig.6)

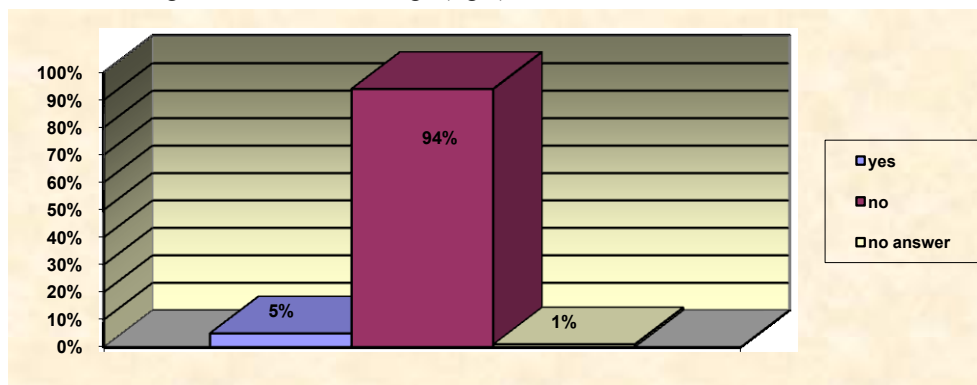


Fig.6. Persons benefiting from private health assurance

7. 10% from those having no private health assurance intend to make one in the near future (three months) (fig.7)

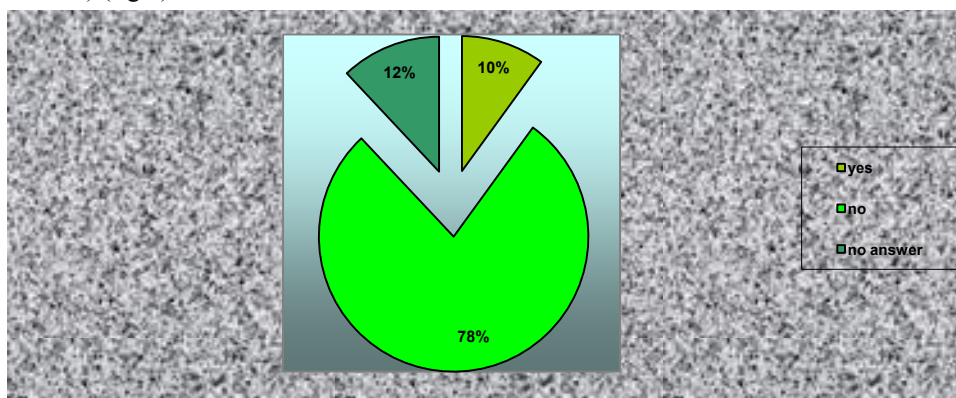


Fig.7. Persons intending to make a private health assurance

8. Out of the reasons of not making a private health assurance we can name the following (fig.8):

- Lack of money
- Not trusting the assurance firms
- Lack of information
- Persons considering themselves healthy

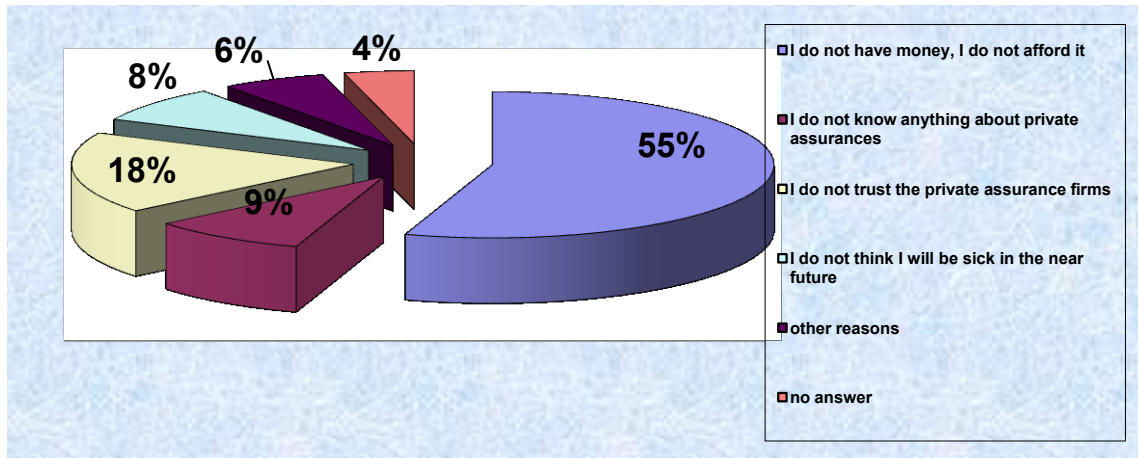


Fig.8. Reasons why patients do not want a private health assurance

Remarkable is that besides social-demographical characteristics mentioned before as determining options for a private assurance, the fact of having worked abroad can also be associated to the categories who want or intend to make a private assurance.

4. Conclusions

The private health assurances represent a form of health care system activity which imposes the creation of market relations respecting all legal regulations characteristic to them.

The study of health care systems of developed countries proved the fact that the cooperation on the market of more forms of health assurance is the most adequate form of organizing the health care system.

A great part of the interviewed persons (78% of the persons) have appealed to the family doctor in the last year, 37% to specialized medical clinics. 5% of the questioned people has a form of private health assurance, most of them not having a private assurance and not intending to make one in the near future, the most important reason being related to financial motives.

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ACCESIBILITY OF SOCIAL TOURISM OFFERS FOR THE POPULATION – STUDY CARRIED OUT FOR BRAILA COUNTY

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Abstract: In the actual Romanian social and economical environment, where for a large part of the people their income can barely fulfill their basic needs and where only 8% of the population can afford a holiday a year, social tourism is the only option to raise the number of tourists. The study of the social tourist services consumer behavior aims to shape a touristy profile of such a person.

The accessibility of the social tourism offers has been studied in this paper, through means of a market survey, basing on a questionnaire, being interviewed 211 persons from the Brăila county.

Among the main targets of the research, we mention: the determination of the degree/frequency of practicing tourism, generally, by the population of the Brăila county; the establishment of the Braila tourists' preferences for the practiced tourism form; the assessment of the tourists' options regarding the travels from the point of view of the season, the duration, the motivation and the chosen traveling destinations, generally; the determination of the degree of knowledge and of information as regards the social tourism offers, etc.

Tourism operators might find this study's results useful by adapting their offer according to the needs of their target consumer.

Key words: social tourism, motivation, market research

1. Initial research stages

In Romania's present economic-social context, where the incomes barely satisfy the basic needs for a big part of the population and under the circumstances where only 8% of the Romanians can afford one holiday per year, **the social tourism** is the sole solution of attracting into the touristic circuit an ever increasing number of people.

The economic activity of the touristic units finalizes into services designed for the market (domestic or external). As services' provider, the touristic company has permanent relations with the market; at the same time, it also intervenes as beneficiary (buyer) for the goods and services necessary for the organization and deployment of its own activity.

The special mobility of the market's phenomenons under the actual circumstances imposes to the touristic companies new ways of involvement into its mechanism, an increased reaction capacity towards the market's demands. In order to discover these demands and analyze them, in the social tourism, like in other fields as well, it is appealed to the market research.

The general goal of the research is to set the degree of accessibility of the social tourism offer, from the perspective of the *fee level, degree of awareness and means of information* on such offers at the level of people in Braila, and having as **objectives**:

1. setting the degree/frequency of tourist practices in general with respect to the population of Braila;
2. setting the preference of Braila tourists for the form of tourism they do;
3. assessing tourists' options for the stays from the point of view of the season, duration, motivation and traveling destinations, in general;
4. setting the degree of awareness and information related to the social tourism offers;

5. setting the percentage that measures the amount of such offers for consumption, as well as the preferred forms of social tourism;
6. setting the options of Braila tourists for the offer of social tourism governmental programs;
7. assessing the satisfaction degree of social tourism offers, including special programs, from the viewpoint of quality, accessibility (fee level), diversity and use;
8. setting the promotional means which the population deems appropriate for the social tourism offer in Romania.

The following hypotheses were set for the objectives that stand at the core of the research:

1. over half of the interviewed people declared that tourism is not among their options to spend their spare time (60% in the urban areas and 70% in the rural areas).
2. for most of those who chose tourism as a means to spend their holidays, this is done with a relatively low frequency (1-2 /year).
3. the form of tourism practiced by Braila tourists is 'on their own'(65%- 70%).
4. for the tourists in the urban area, the duration of stays is mainly short, the preferred season is usually summer, the main motivation is rest and recreation, and the frequent destination is the seaside.
5. for people residing in the countryside, the duration of the stays is average, the preferred season is mostly winter, the motivation is spa treatment and the main destination thermal resorts.
6. the level of awareness with respect to the social tourism offers is low, especially in the rural area (under 20%).
7. the number of persons who resort to, benefit from social tourism offers, respectively, is under 25%.
8. from among the persons who opt for the social tourism offer, most of them chose tickets through state social insurance (60%), and from among the social programs, the one at the seaside 'A week at the seaside' is preferred (over 50%).
9. the tourists' satisfaction level regarded to social tourism offers is low (under 30%).
10. the most appropriate means to promote (inform) the social tourism offer is for residents living in cities, the Internet, and for residents in the rural area, the local institutions (the city hall, the health system, the church).

With respect to **general collectivity**, it was set that it is represented by the persons for whom information is generalized, i.e. the population in Braila County (potential tourists).

The execution of the study also involves setting up the supervision unit and the survey unit, being represented by the persons who were interviewed for the study, **211 persons**, respectively.

The survey represents the **method to gather information**, based on the assisted fill in of a questionnaire made of 27 multiple choice questions, out of which the interviewed selected the variant that represented them to the highest degree. The questions are, most of them, closed. Only two of them required explanations (questions 18 and 16). The questionnaire contains 4 philter questions, 5 identification questions (at the end of the questionnaire) and 18 content questions.

In order to carry out the study, a **prior pilot survey** is necessary. This was executed on a number of 50 persons, who manifested discontent as to the formulation of questions from two points of view:

- they were not familiar with the term of 'social tourism' and asked for its definition or clarification through examples;
- the interviewed had certain difficulties with certain marketing-related terms (promotional techniques), that were subsequently eliminated. A simple and clear manner to ask questions was chosen.

The questionnaire was reformulated, with the respective additions and submitted to the said persons in order to be filled in.

2. Analysis of the accessibility degree of social tourism offers for the population

Study regarding the accessibility degree of social tourism offers from the viewpoint of fees, information and degree of awareness

As is already known, the offer degree of accessibility determines the market evolution through the number of consumers and the consumption intensity. In the tourism field, accessibility must be related to both the geographic position of the tourist offer (access roads, specific regulations etc.) and the level of prices and fees practiced.

Generally, the accessibility of the tourist offer is determined by the complex relations existing among the income levels, practiced prices, quality of tourist products and services, but also the manner to spread the issues related to each offer.

It should be considered here, especially in the case of social tourism offers, the concrete possibilities through which the tourist potential finds out, gets informed and documented with respect to these offers. That is why the aim is to make information as easy and handy as possible for all categories of tourists targeted by these special offers.

In this respect, we have analyzed the accessibility degree, considering these two categories of factors, depending on the market segmentation variable (income).

a) Means of information

Table 1. Answer distribution according to incomes and means of information

Incomes (RON)	Answering variants				Total
	Mass-media	Workplace	Through institutions	Other sources	
under 650	36	0	28	17	81
651– 850	0	3	15	6	24
851– 125	12	10	0	25	47
1.251– 1.650	15	9	0	0	24
1.651 – 1.850	21	0	0	0	21
over 1.850	4	0	0	10	14
Total	88	22	43	58	211

From the table data it can be noticed that, depending on the 'income' variable, which was set to best segment the market, the main information tool for the interviewed is the **mass-media** (*tv, radio, written press*), with a total of 88 answers (approximately **41%**). The following option is made of **the other** sources such as *relatives, friends, the Internet*. This option has a percentage of approximately **28%**, with 58 answers, due, probably, to the Internet, which, lately and especially for persons living in the urban area, has become a very important means of information.

Third within the information possibilities come **institutions** (*CNPAS, education institutions, the general practitioner*), holding **20%** (43 answers) of the total, this means of information acquiring a higher significance especially in the rural area, where the community (due to its dimensions, organization and lifestyle) is often more well-informed this way and less informed through the traditional means (practiced in the city). **The workplace** is less chosen by the interviewed persons, holding only **10.42%** of the answers.

From the viewpoint of distribution depending on the income, those in the first income category prefer **mass-media** information, those with an income between RON 650-850 get informed especially by means of **institutions**. The persons with income between RON 850-1250 and those with income over RON 1850, prefer **other information sources** (among which the Internet). Last, but not least, the persons with incomes between RON 12.5 and 16.5 mil., also prefer **mass-media** information.

b) Fee level

Table 2. Answer distribution according to incomes and fee level

Incomes (ROL)	Answer variants			Total
	Yes	No	I don't know	
under 650	37	12	32	81
651– 850	24	0	0	24
851– 125	28	6	13	47
1.251– 1.650	20	0	4	24
1.651 – 1.850	13	4	4	21
over 1.850	9	0	5	14
Total	131	22	58	211

With respect to the accessibility of social tourism offers, we may notice that they are considered suitable by most persons (131 answers), regardless of the income category.

It is important to notice the situation of the answers registered for the first income category, where we find the majority of them, the Method to collect affirmative information (37), but also the most unformed opinions („I don't know"-32 answers). This may be explained by the fact that persons in the first category are probably mostly retired, used to resorting to social tourism (through the territorial Retirement Houses) and who are well-familiar with the evolution of their fees, and the others may be persons under 18 who, going on vacation with the family, do not know these offers very well.

According to this study, we may **conclude** that the *fees* in the tourism sector are, to a large extent, deemed *accessible* by most tourists (real or potential), *the most suitable means to make them known and to promote them is mass-media*, that counted the highest number of answers, and *the degree of awareness related to such offers is higher* among persons with lower incomes. Therefore, in Braila **social tourism has a satisfactory degree of accessibility**, especially among the persons envisaged by it (target market).

If a **profile of the tourist service consumer** is to be made, both in general and in the case of tourist offers, we notice that, from among the people practicing a form of tourism, the majority are **married**, from the **urban** area, over 50, with an approximate income of **RON 650 /month**, from the category of employed persons (with average and higher education diplomas, for the general tourism offers) and **clerks with average education** followed by **retired** persons, for the social tourism offer.

It is obvious that the two consumer profiles are very much alike, especially with respect to the 'income' category, probably due to the fact that most population in the researched area complies with this income category (since the area has a low degree of economic development, a series of companies being totally or partially closed).

It's also clear that inclination toward tourism is manifested especially in the case of persons over 50, probably due to the fact that many young persons have found jobs in other countries (Italy, Spain), and when they come home with their savings, they are mainly directed towards real estate products and not tourist services.

The situation is synthetically presented in the following table, according to the information gathered during the research:

Table 3. Percentage distribution of persons who practice tourism and those who benefited from the special offer, depending on the tourist service consumer's profile

<i>Tourist service consumer's profile</i>	Persons practicing tourism, in general	Persons who benefited from the social tourism offer
Occupancy	Clerk with average education (23,02%) Employee with higher education (18,87%)	Clerk with average education (28.57%) Retired (19%)
Income	RON 650 (40%)	RON 650 (34.58%)
Marital status	Married (68.30%)	Married (79.69%)
Residence area	Urban (78%)	Urban (80%)
Area	51-60 (18.86%) Over 60 (16.98%)	51-60 (30.07%)

OBSERVATION: All categories with the highest percentage were represented, rendering the image of the consumer of such services.

If this profile of tourist service consumer is considered together with the collected results regarding the means deemed by the interviewed as the most suitable in order to promote social tourism (over 30% chose the written press), the conclusion is that the organization of promotion campaigns should also consider all these information items, and the promotional message should address exactly the envisaged persons (the target market), adjusted to them depending on the five identification criteria (occupation, income etc.) and through the appropriate means.

To conclude, upon setting the means to promote the social tourism offers, the research study should be considered, which, in certain situations, contradicts to a certain extent what was initially believed as to the perception, preference, degree and means of information with respect to such offers.

It is also worth noticing that the seaside has always been deemed as the first option for tourists, which proved to be wrong, since the preferred destination for people in the urban area is the mountain, whereas for those in the rural area, the thermal resorts. In this context, we recommend that these preferences should be considered when promoting tourist offers.

A very significant issue refers to the fact that the research indicates that the season preferred by people in the rural area is winter (as is natural, because of the agricultural works during the summer and which prevent them from leaving their homes), the promotion must adjust so as to encompass this aspect also.

Last, the Internet, increasingly used by those in the urban area in order to get informed, imposes itself as a means of tourist promotion.

This study emphasized certain issues, unknown until now, out of which we have only mentioned a few, that will be considered in the proposals regarding the efficient promotion of social tourism offers.

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LE MARCHE MONDIAL DU VIN ET LES NOUVELLES ORIENTATIONS DU MARKETING

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Le marché mondial du vin est caractérisé par un développement sans précédent en ce qui concerne la production, mais aussi l'aire géographique qu'il comprend. La surproduction qui a tendance à dégénérer en une crise est due premièrement à l'apparition de nouveaux acteurs sur ce marché, c'est-à-dire les pays du nouveau monde du vin: les Etats-Unis, le Chili, l'Afrique de Sud, l'Australie.

Dans ce contexte, les grands producteurs traditionnels de l'Europe sont soumis à une forte pression concurrentielle aussi bien sur leurs marchés qu'à l'extérieur.

Même si en matière d'image et de notoriété les vins de ces pays sont restés encore très connus, les pays du nouveau monde des vins ont réussi, par un marketing «à l'américain», à pénétrer en force sur plusieurs marchés, inclusivement sur les pays qui étaient pas traditionnellement consommateurs de vins (la Russie, la Chine, etc.).

Mots clés Marché, vin, offre, demande, marketing, distribution, marque

1. La production et la consommation de vin au niveau mondial

Si entre 1999-2003 le marché mondial du vin a enregistré une croissance insignifiante (OIV), c'est-à-dire +0,2%, dans l'intervalle 2004-2007, y compris dans les estimations pour 2008, cette croissance est arrivée à 6,4%, ce qui signifie une quantité d'approximativement 16 millions d'hectos (de 258,119 millions à 274,775 millions d'hectos).

Les «acteurs» principaux sur la scène de production de vin restent la France, l'Italie, l'Espagne, pays qui détiennent, en ordre, 18,6%, 22,5%, respectivement 15,6% de la production mondiale. Pour l'année 2008 on estime une stabilisation de la production au niveau de ceux-ci, ce qui se passera aussi dans le cas des Etats-Unis et de l'Australie, au niveau desquels on a enregistré une certaine croissance (6,3%, respectivement 7,3% entre 2004 et 2008). La croissance la plus spectaculaire de la production (+35,8%) a été enregistrée dans l'Afrique de Sud qui monte de trois échelons dans l'hierarchie mondiale des producteurs, de la X^e place à la VII^e place, devançant ainsi des pays tels l'Allemagne, le Chili et le Portugal.

A partir de 2004, le rythme moyen de croissance de la consommation de vin a été de 1% et on estime pendant cette année (2008) une consommation d'environ 237,5 millions d'hectos, ce qui signifie que les marchés du monde absorberont 31,6 bouteilles de vin, la croissance cumulée de la consommation dans l'intervalle 2003-2008 étant de 6,3% pour le vin tranquille et de 6% pour les vins effervescents dont la consommation pourra atteindre le niveau de 16 millions d'hectos en 2008.

2. L'analyse du marché mondial du vin: le chiffre d'affaires

En 2003, le chiffre d'affaires sur le marché du vin a été de 99,7 milliards de dollars, 7,7% de plus par rapport à l'année 1999. Entre 2003 et 2008 on estime une croissance de 14,7%, ce qui conduira à un chiffre d'affaires de 114,4 milliards de dollars.

Par une analyse simultanée, on constate que le chiffre d'affaires a crû 2,5 fois de plus que la consommation, ce décalage étant en fait l'expression de la croissance des prix de détail de 16,8% de plus.

Le plus grand marché pour le vin tranquille est celui des Etats-Unis, marché sur lequel le chiffre d'affaires a crû de 16,77 milliards de dollars en 2003 à 24,2 milliards de dollars (estimation) en 2008, sans y enregistrer aussi le plus grand volume de ventes (IV^e place sur le plan mondial).

En réplique, la France, le plus grand consommateur mondial en matière de volume, se trouve sur la II^e place en ce qui concerne le chiffre d'affaires, mais avec une régression en 2008 par rapport à 2003 (-5,8%), le chiffre d'affaires diminuant de 9,34 milliards de dollars (2003) à 8,8 milliards de dollars (les prévisions pour 2008).

A partir de 2003, le Royaume-Uni a devancé l'Allemagne en matière de vin tranquille, enregistrant un chiffre d'affaires de 7,6 milliards de dollars par rapport à l'Allemagne qui a enregistré 7,35 milliards de dollars. On estime qu'en 2008 les chiffres d'affaires atteindront le niveau de 9,06, respectivement de 8,07 milliards de dollars.

Concernant les quantités consommées, la situation des deux pays est paradoxale, l'Allemagne consommant 21,7 millions d'hectos par rapport au Royaume-Uni qui consomme 10,8 millions d'hectos, donc deux fois de moins.

La croissance du chiffre d'affaires sur le marché mondial du vin est stimulée premièrement par le vin à moins de 5 USD, la pondération de celui-ci évoluant de 17,5% en 2003 à 19,3% en 2008 et la cote de marché des vins à plus de 10 dollars croissant de 5,5% à 5,7% dans le même intervalle.

De ces données, on constate que le vin à moins de 5 USD détient à présent approximativement 75% de la cote de marché au niveau mondial, la quantité prévue pour l'année 2008 (165,9 millions d'hectos) étant en relatif stationnement pendant l'intervalle analysé.

3. L'analyse du marché en termes de volume: concentrations dans un monde changeant

Les marchés historiques ont encore la plus grande pondération concernant la consommation mondiale de vin. Ainsi, la France, l'Italie et l'Espagne détiennent à présent 31,4% au niveau mondial, ce qui signifie une consommation totale de plus de 70 millions d'hectos de vins. Relatif à la consommation per capita, la situation diffère. Ainsi, dans l'intervalle 1999-2008, l'Italie a enregistré une croissance de 58,8 litre per capita à 60,2 litres per capita (on envisage les habitants qui ont plus de 18 ans). En réplique, la France et l'Espagne enregistrent des diminutions de la consommation per capita. En France, la consommation per capita a diminué de 64,3 litres en 2003 à 58 litres à présent, la quantité totale consommée étant de 29,6 millions d'hectos. En Espagne on consomme à présent 30,1 litres per capita (de 33,8 en 2003), respectivement 9,8 millions d'hectos.

La croissance de la consommation sur le plan mondial est concentrée au niveau de trois pays: les Etats-Uni, le Royaume-Uni et l'Allemagne, ceux-ci attirant trois tiers de la croissance respective. Ainsi, d'une pondération de 25,4% de la consommation de vin tranquille détenue en 2003, respectivement 53,8 millions d'hectos, les trois pays ont enregistré une croissance de plus de 9 millions d'hectos, représentant environ 38% de la consommation mondiale de vin tranquille en 2008.

En Allemagne on consomme à présent plus de 40 litres per capita (vs. 38,5 en 2003). Au Royaume-Uni il y a une tendance évidente de croissance, la consommation per capita étant de 28 litres par rapport à 24,8 en 2003 et le volume absolu de 12,4 millions d'hectos.

La Russie, l'Asie et les pays scandinaves sont trois marchés qui présentent un intérêt particulier pour les producteurs et les distributeurs de vins. La Russie et les quatre pays scandinaves (la Suède, la Finlande, la Norvège et la Danemark) ont dépassé l'Espagne en matière de consommation. Les pays scandinaves, avantagés par les mesures fiscales favorables au vin (sauf la Danemark), telle la libéralisation de la distribution, enregistrent des progrès remarquables, les dernières données existantes et les prévisions indiquant une croissance de 21,2% entre 2003 et 2008. Dans la même situation se trouve aussi la Fédération Russe où les consommateurs adoptent d'une manière relativement simple les vins d'importation, la croissance dans l'intervalle 2003-2008 étant de 17%.

En Asie, les évolutions sur le marché du vin sont aussi ascendantes. Le plus grand consommateur asiatique, la Chine, enregistre régulièrement des croissances de la consommation (2,7% entre 2003 et 2008), rythme qui est trois fois plus grand comparativement à celui mondial.

En ce qui concerne les marchés d'exportation, l'Europe réalise 70% des exports avec cinq pays producteurs: la France, l'Italie, l'Espagne, l'Allemagne et le Portugal, même si les situations dans les pays respectifs sont contrastantes.

Ainsi, en 2003, la France a perdu 3,6% des exportations, mais en 2008 elle se trouve sur la première place ayant une cote de 19,5% du volume mondial des exportations de vins. L'Italie a connu une chute dramatique en 2003, quand elle a perdu 38% des exportations et l'Espagne a enregistré des croissances spectaculaires (+39,2%), ce qui lui a apporté une cote de 15% dans le volume des échanges mondiaux.

Les exportations de ces trois pays représentent plus de moitié de la valeur des échanges internationaux, dans le contexte où la France exporte 34% de la production, l'Espagne 26%, l'Italie 24%.

Au niveau mondial, les exportations de vin tranquille sont en croissance permanente. Ainsi, en 1999 les exportations mondiales ont été de 61 millions d'hectos, en 2003 de 70,5 millions d'hectos et en 2008 on estime une quantité de 79,7 millions d'hectos. Sur ce fond, en 2003 la consommation domestique représentait 66,4% de la consommation mondiale, c'est-à-dire 148,2 millions d'hectos, et on estime qu'elle arrivera à 152,14 hl en 2008, donc une croissance de 2,7%.

L'Allemagne, le Royaume-Uni et les Etats-Unis détiennent une cote impressionnante du volume des importations, respectivement 40%, et du point de vue de la valeur ces trois pays détiennent environ 48% du marché mondiale du vin.

En 2008 on estime que ces trois pays auront une cote de 45% de la croissance mondiale de la consommation du vin.

4. Orientations marketing sur le marché mondial du vin

Les principales orientations du marketing des producteurs et des distributeurs présents sur le marché mondial proviennent du dicton même imposé par la globalisation: *pensée globale, action locale*.

Etant donné leur célèbre ethnocentrisme, les Japonais dont la consommation actuelle dépasse à peu près 2 litres per capita préfèrent autre chose que le reste du monde, c'est-à-dire les vins d'autre couleur, à goût et arôme modifiés pour les mêmes dénominations commercialisées traditionnellement au niveau global. Les Chinois se laissent convaincus de renoncer partiellement aux boissons traditionnelles et de devenir buveurs de vins, la consommation per capita triplant pendant les derniers six ans, mais étant extrêmement réduit (*1,1 litres per capita en 2008*).

Grâce à l'intérêt particulier manifesté pour le problème de la vigne et du vin, la Chine deviendra, conformément aux données fournies par OIV, l'un des plus grands pouvoirs (*aussi*) dans ce domaine, mais sa caractéristique essentielle sera celle de consommateur gigantesque.

En Indes, le grand problème est le pouvoir d'achat très faible, mais ce pays reste un marché extrêmement attrayant pour les années à venir, ayant en vue la disponibilité des Indiens de consommer du vin, qui résulte des recherches de marketing et des orientations actuelles des investisseurs.

L'Australie et le Chili auront un ascendant puissant sur le marché mondial grâce aux concentrations économiques formées par fusions et acquisitions. Ainsi, en Australie, quatre grandes compagnies détiennent environ 60% du marché des vins et en Chili c'est une seule compagnie qui détient 40% de la production de vins.

Les stratégies de marketing dans le domaine des vins devront être pensées et appliquées dans le nouveau contexte, ayant en vue les aspects et les variables qui suivent:

a. Au niveau de la distribution:

- La partie la plus importante des ventes ne se fait plus dans le secteur de la restauration et de l'hôtellerie, mais dans le commerce de détail (source: OIV), ceci implique une nécessité d'adaptation des firmes.
- Le rôle stratégique des grossistes et négociants est dû à l'importance croissante des marques privées.

En Angleterre par exemple, 33 % des ventes de vins sont réalisées sous marque de distributeur, dont 45 % des marques privées sont françaises.

- La concurrence s'organise autour des compagnies multinationales.

b. Au niveau de la marque:

- La marque rend de la valeur, elle est un signal pour les consommateurs, distributeurs et détaillants repérant l'identité d'un produit unique, standardisant des qualités sensorielles.
- Qu'est-ce que le consommateur moyen tend à acheter? Le nom d'une firme, d'une variété ou le nom d'un terroir? On achète un vin de Bordeaux, de Sicile, de Toscane, de Malaga, de Porto ou on achète une **marque** ?

Dans le Nouveau Monde, l'approche du consommateur moyen diffère. Il achète une variété, une marque ou le nom d'une firme, pas nécessairement le nom d'une région.

Dans ce contexte, on constate deux approches stratégiques :

- une augmentation certaine de la concentration: les multinationales investissent beaucoup

Exemples en opposition

Dans une petite province du sud de l'Italie, 45 000 ha font vivre 30 000 entreprises. A l'opposé, preuve du phénomène de concentration, en Australie, les quatre plus grosses entreprises dominent 60 % du marché. Au Chili, Concha Y Toro domine un quart du marché.

- les fusions et les alliances stratégiques abondent.

Les fusions, acquisitions et alliances stratégiques sont très dynamiques partout dans le monde, fondant des structures financières solides.

En ce qui concerne les alliances stratégiques, celles-ci peuvent être: horizontales et verticales.

Elles sont passées pour:

- asseoir une présence internationale;
- investir dans la recherche marketing;
- maîtriser le marché;
- investir dans l'image de la marque;
- élargir le portefeuille;
- manager la distribution.

5. Quelles sont les conclusions marketing pour l'Europe?

a. Adaptation

Les entreprises européennes doivent faire face à des stratégies marketing offensives et des choix de vins simples pour les consommateurs (vins de cépages) mis en œuvre par les "nouveaux producteurs".

Il est fortement nécessaire de développer des stratégies de marketing adaptées à l'évolution du marché et aux attentes des "nouveaux consommateurs".

b. Des stratégies marketing offensives

La capacité de consommation des nouveaux membres de l'UE est supérieure à leur capacité de production, ce qui va ouvrir des débouchés. Il faudra des stratégies offensives (et agressives) de marketing pour s'y implanter.

c. Installer des filiales sur place

Même si les volumes sont modestes pour l'instant dans certains pays, il est important d'instaurer un mouvement d'affaires, d'y être présent. Par exemple, la Chine, l'Inde et le Japon sont des marchés naissants, au potentiel extraordinaire.

6. Conclusions générales

Conformément aux résolutions d'OIV, pour les producteurs et les distributeurs de vins du monde on impose les actions suivantes:

- une adaptation de l'offre à la demande, tant au niveau qualitatif qu'au niveau quantitatif.
- encourager le développement de la verticalité (producteur, distributeur, consommateur).

Instruments stratégiques intégrant les plantations, la conduite du vignoble, l'élaboration du vin, la définition de catégories de vins, le marketing et l'étiquetage, tout ceci en vue d'améliorer la compétitivité et la viabilité du secteur.

- le développement d'une « viticulture bidirectionnelle »

- l'une orientée vers la concurrence internationale, une politique offensive de marketing, avec déréglementation (rendement, étiquetage, pratiques œnologiques) fondée notamment sur des marques et sans pour autant perdre les atouts des indications géographiques;
- l'autre serait une viticulture de grande qualité, basée sur le terroir, avec un réglementation adaptée et plus spécifique.

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PRACTICAL EXAMPLES CONCERNING APPLICATION OF THE Q FACTOR ANALYSIS FOR MARKETING DATA

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The Q methodology or the Q factor analysis as it is named in foreign literature, it is a relatively new tool not only driven by its approach but especially driven by a recent discovery of its usefulness in those fields for which the psychometric knowledge of individuals have thorough implications. For marketing, consumers' preferences, opinions, attitudes are subjective and this is the reason why, a Q factor analysis outlines subjective structures or even subjectivity itself. Fields with applicability of the Q factor analysis are many but a better efficiency could be achieved for marketing data as well, where subjectivity plays a major role as a variable that provides important information about consumers.

Key words: Q methodology, marketing data, factor analysis, subjectivity

Introduction

The Q methodology provides a basis for the systematic study of subjectivity and this is a main feature that recommends it to all researchers interested in the quality aspects of human behaviour¹⁷¹ and that, has major importance in marketing, for any company producing goods or supplying services because, from the marketing research point of view, human behaviour both means inter-relationship with a product and the buying behaviour, a consumer's consumption respectively. The Q methodology not with a representative population sample, of consumers, but with a **typical sample of opinions**, and what is more important for the quality of research based on the Q methodology is these opinions should be gathered from that public that has an opinion to express concerning that issue.

Practical examples of applying the Q factor analysis for marketing data

Of the practical examples of applying this methodology, we will emphasize those related to marketing, mentioning once again that, using this methodology is highly useful in **fragmenting attitudes** in marketing research.

Most times, fragmentation in marketing is based either on consumers' demographic data (that are easy to gather and analyse by means of „well-known” methods) either through a direct observation of some „surface' behaviours.

For a marketing specialist, it is difficult not to notice (only with economic knowledge related to marketing) the observable surface of the consumption behaviour of people and for the fact that – using some tools strictly coming from a totally different profession, psychology – are not available, as a result he has to use some standard, phased, innovator tools, such as, the Q methodology, interface can provide it responses to a lot of questions that cannot be obtained with conventional methods. The Q methodology provides the opportunity of some thorough sampling of a consumer's psychic and moreover, it comprises the mathematical accuracy necessary for an objective data processing and its evaluation. In exchange, it has the **disadvantage** (being a very complex method) of being applied by people, experienced and talented specialists, having the skill in transposing some mathematical results into narrations and contextual approaches.

Hence, as Dragoş Iliescu mentioned in his paper, independent variables of psychographic nature¹⁷² that are signally subjective, under the circumstances and regardless the opposition of economists should be the basis of each approach of consumers' fragmentation. The author also considers that subjective, psychographic variables, as being causal, in contrast with demographic variables and the attitudinal ones

¹⁷¹ Iliescu, D. – Metodologia Q, Ed. Comunicare.ro, Bucureşti, 2005, p. 11

¹⁷² Iliescu, D. – Q Methodology Ed. Comunicare.ro, Bucharest, 2005, p. 197

that are descriptive. However, the practice in the field increasingly prefers the use of **psychographic fragmentations**.

The use of subjective variables in consumers' fragmentation is thus very important in marketing because fragmentation of attitudes varies (and has a higher importance) than **fragmentation of needs**.

In the foreign literature, the most standing study based on the Q methodology is that related to the **fragmentation of ATM's users** carried out in the United States of America in 1978 that had as direct consequences, the successful and wide introduction of ATMs and the development of these bank services (it should be mentioned the study was carried out as a necessity of the fact that though they were launched in 1972, the use of ATMs and implicitly the various services provided by them were not successful among the customers of the banks). Thus by means of it, research is entirely based on the Q methodology, two important segments of customers (factors): hasty depositors and interpersonal depositors.

It has been also used successfully in the **fragmentation of opinions related to advertising** aiming to identify groups with common attitudes in this respect.

Of **examples** below it may be easily noticed the diversity of fields and issues possibly to approach by means of this methodology:

- **Testing, identification and modification of the corporate communication factors on-line concerning the marketing of public relations**¹⁷³, identified factors being tested on 20 de communicators and 20 receivers of those who use on-line corporate communication.
- **Study concerning tracking down of priority educational needs within students in order to extend the fields of study**¹⁷⁴ that, by using the Q methodology has improved the implementation process of some fields of study in faculty (and led to tracking down some additional information that couldn't be gathered using conventional research methods), fields of study that were previously introduced in the educational process based on sampling the students' preferences using an e-mail sampling that, based on responses to questions, just set in percentage which are the most „requested” fields of study, without considering the motivations these fields of study are based on. Thus, the use of Q methodology could evaluate the students' current knowledge related to a certain topic and – this is the contribution of using the Q methodology– which are the students' abilities concerning the application of their knowledge.
- **Study concerning the perception of their work within lecturers teaching matters of study in the field agriculture**¹⁷⁵ that, by using 36 items that were describing various educational responsibilities of the professors, the respondents (university men who were teaching matters of study in the field of agriculture) were asked to sort the items in two stages, the first – professors were asked to sort the items based on their own *actual perceptions* related to what they like to their work - and another stage – sorting based on *their perceptions concerning the ideal manner of practicing their work in agricultural higher education*. Forty-six factors have resulted, the first three factors being related to the following types of professors: a *professor working as a trainer, mentor* with a variance of 25%, *academic professor* (14 %) and *educational mentor* (11 %), the results having implications for the professional development of university men. The Q methodology has been used to identify the personal points of view, beliefs, opinions or subjective opinions of university men in order to identify the general types or models of perceptions held by private groups, in that case, professors within the University of Agriculture in California.
- **Study concerning investigation of professor's attitudes in connection with the inclusion of disability students in the groups of students that attend a normal education and to explore the possible diferencies between professors' attitudes concerning inclusion of students,**

¹⁷³ Du Plessis, T. C. – A theoretical framework of corporate online communication: a marketing public relations perspective, University of South Africa, 2005

¹⁷⁴ Waters, R.G., Haskell, L.J. – Identifying staff development needs of cooperative extension faculty using a modified borich needs assessments model, Journal for Agricultural Education, University of Nevada – Reno, 1988

¹⁷⁵ Delnero, J., Montgomery, D. – Perceptions of work among California Agriculture teacher, Journal for Agricultural Education, Volume 42, Issue 2, 2001, p.56 - 67

pupils in the public and special education¹⁷⁶. Items included in the study were related to academic issues concerning inclusion of disability students in regular classes, social aspects and those related to the legal right of including disability students within the other students. Individuals included in the study were ten teachers teaching in the special education and in public education, six were involved in doctoral programs and other four in master programs. The three factors resulted cover 78 % of variance and included legality, environment and conservatism.

- **Emphasizing the social-behavioural–psychologic profile of internet users participating in online discussions about sociological changes, dissemination of ideas and social actions**¹⁷⁷ (these aspects are tracked from the social marketing developed by market leaders, aiming to know the profile of consumers reacting to such online discussions, by the firms concerned) that finally led to the identification of five profiles: *techno- optimistic, techno- realistic, information receiver, anti-policy opportunistic and techno- skeptic*.
- **Research of students’ attitudes concerning objectionable**¹⁷⁸ **advertising** (the study concerned referred to the advertising campaign in 1995 made to products –blue jeans– the Calvin Klein brand concerning pornography of children in advertisings) having as respondents, 39 students with age between 18 and 26 years that outlined the two types of consumers within students, respectively those who will not buy those products whose advertising is based on any kind of pornography and another one that, will take into consideration the brand no matter if product is made an objectionable or aggressive advertising.
- **Investigation study of self-descriptors identity of a group of ex-smokers**¹⁷⁹ resulting factors described by the author as: social independence and maturity, development and personal avoidance, hesitation and nostalgia versus disbelief, health and money.
- **Determination of usefulness concerning the use of Q methodology in order to locate and describe influences of subjectivity concerning ethics in clinical decisions taken in the middle of participants to decisions.**
- **The use of Q methodology in order to study the metaphors of the consumption process (or, found in the literature as *consumption as experience, consumption as integration, consumption as manner of play*) in case of mobile phone users**¹⁸⁰.
- **Tourists’ perceptions concerning a tourist destination as a starting point in the development of a new tourist product**¹⁸¹ that used as items in distributing the respondents, tourists, 44 pictures with possible attractions and activities from a tourist region resulting factors defined as: *outdoor explorations (52 %), boat and shore, observation of environment from the shore, experience of the tourist location concerned, social entertainment, personal experience*.
- **Study concerning perception, photograph and culture in tourism advertising within students**¹⁸² **in universities in Canada and China**, (the group of individuals was made of 27 Canadian students, English speakers, 27 Canadian students within a technical university, and 27 Chinese students) the study having as a starting point the idea that, the photograph of products and

¹⁷⁶ Elhoweris, H., Alsheikh N. - Teachers’ Attitudes Toward Inclusion, United Arab Emirates University Al-Ain, UAE

¹⁷⁷ Previte, J., Hearn, G., Dann S. - Profiling Internet Users’ Participation in Social Change Agendas: An Application of Q-Methodology, Paper presented to the 29th Research Conference on Communication, Information and Internet Policy, Australia, 2001

¹⁷⁸ Gustafson, R., Yssel, J. – Calvin Klein’s ”Kiddie porn” campaign, what the fuss?, paper presented at The proceeding of Conference Chicago, 1997, p. 239 - 254

¹⁷⁹ Kufeld, C. – A Q –methodological study investigating the identity self – descriptions of a group of ex-smokers, Dissertation Research Project, University of Luton

¹⁸⁰ Fitzgerald, L., Drennan, J. – Using Q –methodology to study the methaphors of consumption for mobile phone users

¹⁸¹ Davis, C.H. - Traveler Perceptions of a Destination as a Source of New Product Concepts:Q-Method Study of Summer Visitors to the Bay of Fundy, University of New Brunswick (Saint John),Canada, 2003

¹⁸² Dewar, K., Wen Mei Li, Davies, C. H. - Photographic Images, Culture, and Perception in Tourism Advertising: a Q methodology Study of Canadian and Chinese University Students

tourist destinations is perceived differently by different cultural groups and as a result, they should be promoted differently according to their cultural perception, this issues leading to the making of commercials typical to any typical cultural group. The resulted factors: exotic adventure (specific to Canadian students, English speakers), isolation in nature (typical to technical educated students and Chinese students) and sea, water lovers (typical to Chinese students).

- **Study of customers' orientations, the use of methodology proves that, in the course of time, identification of these orientations was viable by means of this method.**¹⁸³

In Romania, the Q methodology was used in 2000 in a study concerning segmentation of alcohol beverage consumers, on a reference sample at national urban level resulting eight psychographic profiles typical for Romanian market. The Q –sort used 62 items and approached aspects related to the behaviour of consumption, buying, preferences, attitudes and expectations of consumers with emphasis on brandy and votca consumers.

Therefore, in conclusion, *valences of Q methodology are welcome in marketing segmentation, particularly in segmentations having consumers' psychography as a target. The Q methodology and the so versatile segmentation that it makes possible diminishes the chances of extracting some non-representative segments, moreover focusing strongly on qualitative aspects that really matter for investigated consumers.* Results strongly focused on psychography of this method can provide researchers and managerial decision makers in new and extraordinarily influent organizations, tools to coherently understand the consumers and their customers.

In the methodological approach of the Q-sort, important is the fact that it gets out purposeful psychographic segments, and does not depend on demographic variables but depends on the fact that individuals are grouped based on the similitudes and differencies as regards attitudes, reasons, needs and the needs it projects.

Conclusions

As a final conclusion, we can enumerate the **advantages and disadvantages of this methodology.**

ADVANTAGES	DISADVANTAGES
<ul style="list-style-type: none"> • COMPLEMENTING PROCESS TAKES PLACE IN A SHORT TIME • SYSTEMATIC MANNER WHERE PREFERENCES ARE CATEGORIZED • EASY TO IMPLEMENT • IT PROVIDES A MEANS OF THOROUGH STUDY OF SMALL POPULATION SAMPLES • IT CAN BE USED ALONG WITH EXPLORING RESEARCH • IT CATCHES EFFECTIVE SUBJECTIVITY BY MEANS OF SELF-REFERENCES • PARTICIPANTS SHOULD NOT BE SELECTED RANDOMLY • IT CAN BE MANAGED BY INTERNET (THERE IS A SITE ENTIRELY DEDICATED TO THIS METHOD (HTTP://QMETHOD.ORG, IN APPENDIX NO. 1 A PICTURE OF THE SITE CONCERNED 	<ul style="list-style-type: none"> • HIGH NUMBER OF CHOICES REQUIRED BY RESPONDENTS IN A RELATIVELY SHORT TIME. • A CERTAIN INDECISION AS REGARDS FOR EXAMPLE, THE NUMBER OF CARDS (ITEMS, STATEMENTS) INTRODUCED IN PROCESS.

¹⁸³ Wolfe, W. - Assessing Customer Orientation Using Q Methodology, ANZMAC 2000 Visionary Marketing for the 21st Century: Facing the Challenge, 2000

WITH ON-LINE OPERATION WINDOWS OF A Q-SORT IS SHOWN.)

- IT PROTECTS SELF-REFERENCES ISSUED BY RESPONDENTS AGAINST RESEARCHER'S INFLUENCE.¹⁸⁴

Advantages and disadvantages of using the Q factorial analysis

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Q FACTOR ANALYSIS (Q-METHODOLOGY) AS DATA ANALYSIS TECHNIQUE

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Data analyses involves the use of some statistical methods. Q methodology or Q factor analysis as it is named in the foreign literature, is a relatively new tool not only as approach but particularly following the quite recent rediscovery of its usefulness in those fields where psychometric knowledge of individuals have thorough implications. For marketing, consumers' preferences, opinions, attitudes are subjective and this is the reason for which a Q factor analysis outlines subjective structures or even subjectivity itself. The purpose of Q factor analysis is to identify factors and based on them, several individuals can be compared, wherein variables are not grouped but respondents are discriminated among them. The paper shows the technical and methodological aspects of the Q factor analysis.

Key words: Q - methodology, data analyses, subjectivity

Presentation. Advantages of the method. Comparisons. Applicability

Q methodology or Q factor analysis as it is called in the foreign literature is a relatively new tool not only as approach (it was mentioned by *William Stephenson* in 1935 – Charles Spearman's last assistant, inventor of factor analysis – and the parent and advocate of this method) but particularly following the quite recent rediscovery of its usefulness in those fields for which psychometric knowledge of individuals has thorough implications and its results have a higher usefulness by far, compared to other tools that are more standing and easier to use by researchers. *Stephenson's attempt was based on the main idea that individuals never act in social life according as "objectivity" but according to the way they perceive this subjectivity - therefore, according to their own subjectivity*¹⁸⁵. Seventy years ago, the Q methodology proposed itself to use factor analysis as a quantitative analysis technique of some subjective data. For marketing, consumer's preferences, opinions, attitudes are subjective and therefore, a Q – sort outlines subjective structures or even subjectivity itself, *Stephenson's* concept being that of **effective subjectivity**. According to *Stephenson*, the **purpose**¹⁸⁶ of Q factor analysis is to *identify factors based on which several individuals can be compared, wherein variables are not grouped but respondents are discriminated among them*.

This paper will not detail the Q methodology (it is widely approached and sustained by many examples both in foreign literature and by Dragoș Iliescu's own experience in using this method described in the book with the same name), but will only mention the **features that distinguish** it (and recommend it) **as the R factor analysis**, conventional, and the **advantages that marketing research** would have will be outlined, and implicitly **market research if the factor analysis method would be used** (in various types of research).

*Q methodology provides a foundation for the systematic study of subjectivity and this is its main feature that recommends it to all researchers interested in qualitative aspects of human behaviour*¹⁸⁷ and that, in marketing has a major importance for any producer of goods or supplier of services because, from marketing research, human behaviour both means interrelationship with a product and with buying behaviour, a consumer's consumption respectively. The Q methodology does not operate with a type population sample, of consumers, but with a **type opinion sample**, and what is more important for the quality of research based on the Q methodology is these opinions should be gathered from that public that has an opinion to say in that matter.

¹⁸⁵ Iliescu, D. – Q Methodology, Ed. Comunicare.ro, Bucharest, 2005, p. 11

¹⁸⁶ Idem, p.82

¹⁸⁷ Iliescu, D. – Q Methodology, Ed. Comunicare.ro, Bucharest, 2005, p. 7

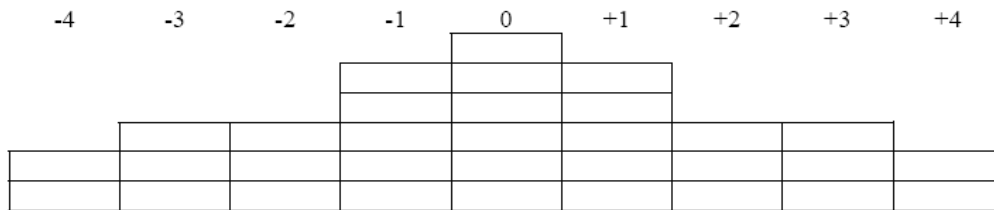


Fig. 1 - Q- sort for 32 items

(Source: **Kramer, B., Hegedus, P., Gravina, V.** - *Evaluating a Dairy Herd Improvement Project in Uruguay to Test and Explain Q Methodology*, Proceedings of the 19th Annual Conference Raleigh, North Carolina, USA, 2003, p. 347)

The principle of methodology consists in *presenting a person a set of statements related to a certain topic, and then he is asked to order them, as usual based on a continuous “agree”- “disagree”, this operation is called Q sorting* (in the foreign literature the most common name of the method is Q-sort), in fact, *statements being not factual expressions but, exclusive, opinion problems*, the topic concerned making ordering based on own preference, and thus implicitly based on its assigned significance from both approach of statement significance and relationship with these. Schematically a Q-sort with 32 items can be thus represented following its application within investigated respondents (**figure 1**)

At the same time, the Q factor analysis is a quantitative and qualitative research method¹⁸⁸. It is considered to be quantitative because it uses the factor analysis as a calculation method, and qualitative because of descriptive approaches that should be done for each factor tracked down.

Q methodology is signally synthetic (and not analytic as R factor analysis) as it does not break the whole in parts but keeps the parts up and evaluates the structure it is part of, a very important issue in marketing, as it is not important to know as thorough as possible, each consumer with his opinions, attitudes and preferences (in fact, a subversive issue for a firm) but to know as thorough as possible the segment of consumers it is part of, and hence those opinions, attitudes and preferences that are common. The basic principle of the R factor analysis is to explain the whole by its reduction into components (for instance, regression, multiple regression, variance analysis and so on) working based on the assumption that the whole is equal with the sum of components plus error. It is important for market survey, for marketing in general, for the study of consumer’s behaviour and factorized identification of variables but, identification of that vital factor will be much more effective (and this is the purpose of Q methodology) that group and segment the consumers, therefore we consider that, in marketing research, the two methods different as methodology (R factor analysis and Q factor analysis) should be used complementarily and not distinctly, and the results of such kind of analyses will be used complementarily, too.

If stages of Q methodology would be represented schematically, it would be presented as in **figure 2**.

¹⁸⁸ Kufeld, C. – A Q –methodological study investigating the identity self – descriptions of a group of ex-smokers, Dissertation Research Project, University of Luton, p. 19

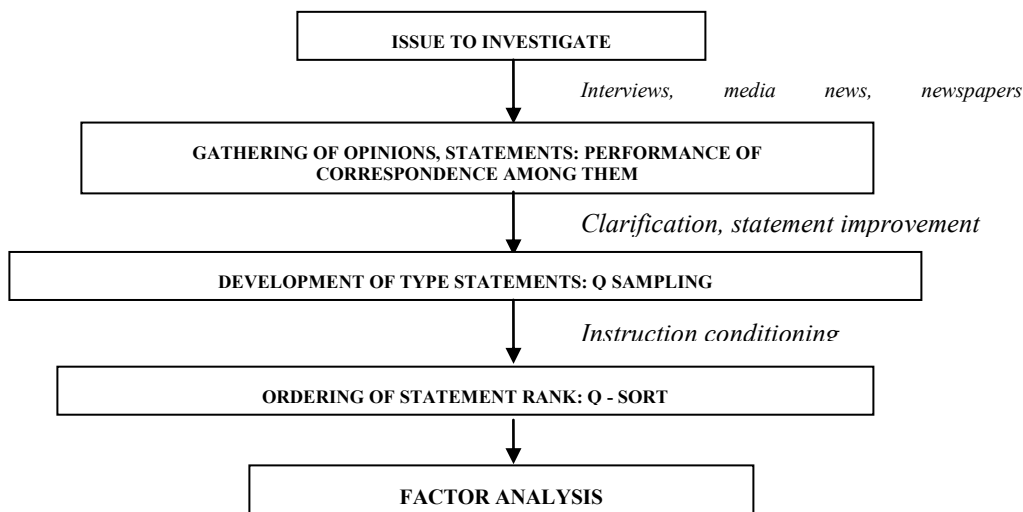


Fig. 2 – Stages of Q factor analysis

The major advantage of this method that recommends it to use, is it uses one of the most powerful statistic technique, with huge exploring valences: **factor analysis**, the approach of the method is that, *structures of subjectivity gathered from individuals are subject to a factor analysis and results in factors that only represent segments of subjectivity.*

Q methodology, based on the correlation of people and not variables has a significant importance for marketing data thanks to the **specific of market surveys and marketing in general, to make and segment the market namely to correlate people according to different variables.**

The main background of factorizing individuals and not variables, hence the entire methodology is the concept of shared opinion. It is not enough to know that a consumer evaluates the brands of a certain category of product based on price, image of simplicity and readiness to find them at the point of sale, but we should also set which of these three dimensions is more important and to what extent is more important. As a result, if we succeed to set that, by far, easiness with which the consumer finds the desired product at the point of sale is most important, this issue will require the generation of a marketing strategy focused on distribution and sale components. If on the contrary, we will set that price is most important, making of a marketing strategy based on perception of price, promotions and price elasticity will be required. **For marketing and market survey, the objective truth related to a product, the trade mark is not important because consumers never buy objectively but they buy or react positively to an advertising, a hitch-hike based on the way they perceive that product, advertising etc.**

For a better vizualization and comparison of the place concerning the Q methodology within the factor analysis methods, we will use **Dragoş Iliescu's** mentions in his paper about this aspect, those related to the *three dimensions* respectively (named "*modes*" in the literature) the **cube of covariations (respondents, variables, occasions)** emphasizing that, though the *factor analysis operates with three modes*¹⁸⁹, it factorizes only one (always considering one of them as being steady and the third as being the module providing a sufficient data rejoin) and quotes another author (**Cattell**) who structured the six types of factor analyses (**table 1**) used in various fields.

Technique	Factorized module	Remarked module	Constant module
O	Occasions	Variables	Respondents
P	Variables	Occasions	Respondents
Q	Respondents	Variables	Occasions
R	Variables	Respondents	Occasions

¹⁸⁹ Iliescu, D. – Q Methodology, Ed. Comunicare.ro, Bucharest, 2005, p. 76

S	Respondents	Occasions	Variables
T	Occasions	Respondents	Variables

Cube of covariations, detailed, according to Cattell

(Source: **Iliescu, D.** – *Q methodology*, Ed. Comunicare.ro, Bucharest, 2005, p. 76)

The above mentioned techniques are related two by two, for example, the R technique (most common) takes into consideration data gathered on the same occasion (steady module), from several individuals (remarked module), that analyse them in connection with involved variables (factorized module). In contrast with R, Q technique, that is its pair, though it has the same steady mode (data gathered on the same occasion) considers several variables (remarked module) and analyses them individually, from where they have been collected (factorized module). Thus, the data matrix used in the Q technique will have individuals on columns and variables on rows, exactly the opposite of data matrix in R.

As opposed to this procedure, in the Q factor analysis, each individual is approached as a different experimental case and represents a factorized entity. Thus, instead of distributing a high number of people with a low number of items to evaluate (R technique), the researcher distributes to a low number of people, a high number of items that should be evaluated (Q technique). Consequently individuals are factorized based on responses to variables, and not to variables based on responses given by individuals.

The Q factor analysis is ideal for that research where the purpose is development of a typology (either consumers or other types of individuals), some authors comparing the Q methodology, in this regard, with the **cluster analysis** when this is carried out on individuals, the analogy consists of the fact that the goal of both techniques is to identify profiles, ideal types, types of individuals that respond similarly to a certain set of variables.

The primary feature of the Q factor analysis is its focus on the correlation and analysis of similitudes among individuals.

As regards the factor design, this technique can be used to evaluate – and eventually to create – **typologies** (a very important issue in marketing). Moreover, except extremely simple designs, wherein each individual meets a single discrete category, the method reveals each individual’s affiliation to several typological factors, to various extents.

In the literature and practice, two types¹⁹⁰ of factor analysis are admitted, namely the **exploring factor analysis** – used to determine *the number or nature of factors responsible for covariations among variables* – and the **endorsing factor analysis** (it has to be mentioned that, one of the most common statistic software, SPSS, cannot operate this type of factor analysis, but only LISREL) – *opposed as methodology to the first one, starts from an assumption that is previous to analysis, set by the researcher, and states exactly which variables will be correlated to generate certain factors and which factors are correlated among them and to what extent.*

Technical aspects of Q factor analysis

As a conclusion to the aspects mentioned in the previous subsection we can state the Q factor analysis is that method that drives existing interrelations and similitudes between a number of respondents, in relation to the common variation on a certain topic, either it is their opinion about a certain product or topic, structure of personality or the psycho-attitudinal model.

Without detailing the mathematic-statistic aspects of the factor analysis methodology, in general, however, we will outline that one of the *main differences between R factor analysis and Q factor analysis*, from the technical point of view, is that, the first uses *analysis on main components* as calculation method, and the **Q methodology uses the method of Thurstone’s centroid analysis**, in his paper, Dragoş Iliescu thoroughly presents the centroid factor extraction algorithm in order to apply a Q-sort of 150 items at an organization in order to investigate the area of organizational psychology in a Romanian firm, correlation matrix comprises respondents included in Q-sort both on rows and columns.

¹⁹⁰ Iliescu, D. – *Q Methodology*, Ed. Comunicare.ro, Bucharest, 2005, p. 78 - 79

Also, related to technical aspects, **to determine the moment of extraction suspension**, the Q methodology uses **two rules**:

- Proper saturation
- Scree test on which scree plot is based

Another important technical aspect in factor analysis is that related to **factor rotation**, and in case of Q factor analysis, the X, Y, Z vectors represent extracted factors and points represent the questioned Q –sort respondents, rotation preferred in Q – sort being the **judgement rotation enabling the researcher to follow his theoretical assumptions, impressions, opinions, beliefs and temporary assumptions**.

Factor rotation in factor analysis used for marketing data and particularly for the Q methodology used in marketing is very important as it helps in setting those **clusters** (groups), **segments** that have attitudes, opinions, **totally** diferent attitudes, totally opposed among them, as it help us very much that, those groups (clusters) that in original centroid extraction seem to be a little neutral compared to other two clusters for instance, after factor rotation affiliation to one of the factors is completed. As a technical comment in carrying out the Q methodology,

1. extraction of factors and rotations should be done independently from the researcher’s working suppositions as regards operation. Then,
2. factor rotation should be determined by the *nature of data* that is available and the *purposes of investigation* that takes place.
3. as factors are extracted and rotated in the preferred manner, they provide the researcher information about similarities or differences of respondents (that are similar and how strong similarity is).

Technical aspects related to the **approach of factor significance** are also important and have characteristics in case of Q factor analysis. The similarity of respondents by using Q methodology reflects exclusively opinion similarities and certainly not demographic regularities what is much more important in order to know the consumer as regards marketing research.

The issue of using the Q methodology consists in measuring significant differencies in statements (items) i.e. to measure how different factor scores of Q-sort statements are, namely to practically set what the relationships among statements and various Q-sort factors (opinion segments, consumers’groups are. **Brown**, quoted by **Dragoş Iliescu**, called them (when he referred to assignment of consensus or differential statements), “*molecular suppositions of Q methodology* ” and represents the most simple manner of testing suppositions, available on Q factor analysis, to identify those statements that distinguish factors among them respectively.

The Q factor analysis assumes that, as a final stage of analysis and technically, the **average category score** for each factor is calculated by means of formula:

$$z_c = \frac{\sum_{i=1}^{nc} |z_i|}{n_c}$$

where z_i = Z score of statement
 c = category
 n_c = number of c category statements

There are **two types**¹⁹¹ of **Q factor analysis**, mentioned in foreign literature:

- **Non-structured Q – sort**, wherein variables are included. These variables are chosen without taking into consideration the basic structures, such items from different sources (or from only one source) are inclined to be representative for a single population of items or a single field, Kerlinger suggesting that basic items can come from measurements of personality and scale of attitudes.

¹⁹¹ Campbell, T.C. – Investigating structures underlying relationships when variables are not the focus: Q – technique and other techniques, paper presented at the Annual Meeting of the American Educational Research Association, San Francisco, April 1995

- **Structured Q – sort**, variables also come from a single field, but are selected to be representative for a certain particular theory issued by the researcher.

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ENHANCEMENT OF THE SOCIAL POLICY IN ROMANIAN COMPANIES WITH INTERNATIONAL ACTIVITY BY IMPLEMENTING SOCIAL RESPONSIBILITY PRINCIPLES

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Today, the horizon of economic affairs is submitted to more and more pressures coming from different pressure groups, a very active one being the society on the whole. To stay competitive, contemporary organizations must face these pressures in an efficient and creative way, by integrating various ecological, ethical and social responsibilities in their organizational culture.

But, taking the new responsibilities must not jeopardize the organization's existence or efficiency; it must integrate the new responsibilities and respect some essential conditions by implementing a new and clearly-defined model of ecological, ethical and social responsibility that can establish the steps and the concrete measures needed to change their organizational culture.

Key words: organizational mission, social responsibility of the company, social audit

In the last decade, the conduit of international organizations, governments and local administrations as well as the conduit of national and international business environment may be synthetically defined by a more and more obvious concern regarding the future of humanity.

This concern was determined by the serious changes that market the history of humanity from an ecological and social point of view and concretized in a change of perspective regarding the essential goal of economic affairs, from directly obtaining a higher and higher yield to getting a superior quality for the quality of life, not only for the present generations but for the future generations.

The change of the fundamentally materialistic principles that have governed the world of economic affairs for centuries was made gradually, mainly in the XXth century, in close connection with the moral, ecological and social conscience of their representatives and the whole society.

Today, affairs are submitted to some pressures coming both from the market, from the control bodies, and from the society.

These pressures impose the reconsideration of the organizational values, principles actions and conduit in the terms of a large responsibility as compared to a more diversified variety of partners interested in their activities and results that could allow them get economic or other categories of results.

These changes represented the factors that led to the elaboration and implementation of some social policies in the economic organizations, by integrating various ethical, ecological and social responsibilities in their organizational culture and including in their strategic plans some categories of non-economic results.

To facilitate the measures taken by some Romanian organizations that want and can integrate ethical, ecological and social responsibilities in their organizational culture, we elaborated a model generated by ethical, ecological and social responsibilities that could be applied in the activity of the companies with national and/or international activity.

This model of social responsibility may be successfully applied, according to our opinion, to a large number of Romanian companies, in various fields of activity, due to the fact that it provides the steps to be taken and, at the same time, some concrete examples of principles and actions of ecological, ethical and social responsibility.

The application of this model would not be efficient unless companies that want to use it adapt it to the particularities of their activity and their environment, respecting, at the same time, the following steps:

Step 1 – Analysis of the economic, natural, legislative, social and cultural environment where the organization develops its activity, as well as the prognosis of its future evolutions.

The best method to identify the problems and the expectations of the environment where the organization operates is the combination between the survey (quantitative research) and focus groups or interviews that lead to the setting of the so-called agenda of the population.

This evaluation permits the organization to identify and understand the perspective needs of the society, taking into account the elaboration of the strategic objectives in order to obtain the support of the community where they operate.

Step 2 – Setting the common ecological, ethical and social values and principles that the owners of the organizational capital and the top management wish to support and promote, in correlation with the predicted evolutions of the organizational environment.

At this stage, they realize the general formulation of the organizational values and principles, at the level of the whole organization, as well as identifying the general principles that should govern the organization's relations with the environment where it operates.

Step 3 – Defining/redefining the general mission of the company and formulating the fundamental values of the organization, in the terms of some economic, ecological, ethical and social responsibilities that take into consideration the legal present and future interests and expectations of all partners interested in its activity.

Defining the mission of the organization leads to actions such as: elaborating a code of ethics, establishing the organization's commitment regarding environment protection, the society welfare, on the whole etc.

The main values of an organization responsible from an ecological, ethical and social point of view could be the following:

- open and reciprocal communication with all partners that the organization interacts with;
- respect and trust in relations with the employees, clients, business partners, public and society, on the whole;
- providing a healthy and safe working environment in conformity with the current legislation;
- respecting and surpassing the legislation regarding the current environment protection not to jeopardize the survival of future generations;
- providing integrity of the organizational actions by setting and spreading some ethical standards for the employees, partners and public;
- sustaining and solving various stressing social problems in order to increase quality of life for the mutual benefit of society and organization;
- respecting the European Union's ecological, ethical and social norms and principles in order to provide organizational competition on the great European market;

Step 4 – Spreading fundamental values and principles, first to the managers and then to the executing personnel.

Spreading organizational values and principles involves more than distributing a presentation brochure and should be realized by organizing some specific actions and events (such as organizing round tables with small groups of employees) meant to facilitate the approval of the new organizational values and principles by the organization's members.

Step 5 – Identifying the employees' perception regarding the organization's values and principles and evaluating the extent to which they were accepted and assimilated by them.

Evaluating the employees' perception can be made by organizing some debates between the managers or higher level and the employees of the other hierarchical levels, by applying a survey that permits the respondents' anonymity.

If the employees did not accepted/assimilated the organizational principles and values, the implementation of the ethical, ecological and social responsibility cannot continue. We must, therefore, restart the process by identifying the reasons of rejecting the values proposed by the employees.

If the reasons are pertinent, it means that the values were incorrectly established and the process must be restarted. If the reasons are formal/superficial, then the process of popularizing the organizational values and principles through new methods must be accepted by the employees.

Step 6 – *Elaborating some programs of ecological and social responsibility and implementing them by respecting the following principles in the development of the organization:*

<i>Principles</i>	<i>Content</i>	<i>Recommended actions</i>
P1 – European added value	It has the role to respond to some strictly local/regional needs and place them into a European context with the collaboration of other institutions with similar activities.	<ul style="list-style-type: none"> • developing some collaboration programs with other similar institutions in the European Union and/or in the country. • harmonizing the systems and the practices in the field with those in the European Union • supporting the management and marketing decisions on the basis of some practices responsible from an ecological, ethical and social point of view
P2 - cooperation	The employees' participation to courses and training stages leads to regional and European projects implementation, to the creation of European networks, making studies and comparative analyses regarding the quality of products and services.	<ul style="list-style-type: none"> • permanent/periodical organization of some study visits in the experienced countries • organization of courses or training stages of the personnel involved in the application of social, ethical and ecological responsibility principles • the students' support in the town where the company operates to apply various practice stages in various compartments of the company • the realization of regional and European cooperation projects in the company activity • making comparative analyses (by their own compartment and specialized neutral bodies) regarding the quality of products and services
P3 – natural environment protection	It will be made by implementing some concrete measures that could reduce the network water wastage, use the environmental-friendly materials and promoting various solutions with reduced impact upon the environment, getting performing equipments with low consumption of energy.	<ul style="list-style-type: none"> • knowing the impact that the company activities have upon the environment by using specific indicators: energy consumption and CO₂ emissions, fuel consumption, recycling degree, low network water wastage etc. • using materials with reduced negative impact upon the environment • purchasing performing equipments, with low energy consumption • monitoring fuel consumption by periodical check-ups of cars, equipments and installations • developing some programs of collecting and recycling wastage resulted from the activity development and the employees' involvement in these programs
	It is made by elaborating a Code of Business Ethics, by formulating some norms of behavior and setting s set of	<ul style="list-style-type: none"> • elaborating a Business Code of Ethics that could underline the fundamental ethical principles that will influence the actions and the decisions of the company employees • elaborating an Internal Regulation Code that emphasize the behavior norms accepted within the

<p>P4 – promoting an ethical behavior</p>	<p>indications that describe and regulate the practices accepted in the company and in its relations with the partners, at the level of managers and executing personnel.</p>	<p>company</p> <ul style="list-style-type: none"> • setting a Set of Indications describing real life situations with ethical character, able to influence the managers' efforts in the activity of adopting various ethical decisions • setting punishments for proven ethical behaviors but also some rewards for the employees that act in conformity with the ethical principles agreed by the company • appointing a person that could counsel the employees on ethical issues
<p>P5 – the employees' volunteer involvement</p>	<p>It is made by donations, actions of environment protection, recycling/ecology, programs of social assistance, support given to the disfavored persons, to the victims of domestic violence or to children.</p>	<ul style="list-style-type: none"> • developing some concrete volunteering campaigns for the employees, campaigns that could support the initiatives of some social or public institutions in choosing managers/employees • orienting 2% of the tax paid by every employee to the state towards specialized social institutions • collecting money donated by the employees on a continuous base (a small amount of money donated from the salary), be it with the occasion of religious or national holidays, sums that can be doubled/increased by the company and orienting them towards social causes that need financial support • realizing some projects that could support the disfavored people or the people with disabilities, by offering various tax deductions
<p>P6 – the employees' and the target public's ecological education</p>	<p>It is made by professional training programs of the personnel with the help of educational programs for pupils, students, teachers, local, regional or national authorities.</p>	<ul style="list-style-type: none"> • realizing annual professional training programs for the personnel that deals with the social responsibility initiatives • educational programs for target groups aiming at environment protection with reference to those components mainly affected by the company activity • eliminating or minimizing the employees' risks that jeopardize their health and work security, associated to the activities developed in the company
<p>P7 – involving the organization in supporting the social statute enhancement</p>	<p>It is made by identifying the stressing social problems and selecting those in which the company can and wishes to get involved.</p>	<ul style="list-style-type: none"> • social prognosis of the company environment to identify current social and potential causes • selecting those social causes that the organization must solve • selecting and training the personnel responsible with the initiatives of social responsibility • elaborating and implementing some social responsibility programs for every social cause selected by the organization • cooperation with other institutions in the same field of activity and/or national or supranational governmental institutions in the effort of enhancing the social statute

<p>P8 – promoting a positive image of the company within the community</p>	<p>It places the company on the local specialized market, then on the national one, it makes the clients be loyal to the products/services offered by the company, it improves the relations with the community (public authorities, clients, suppliers, competitors, public).</p>	<ul style="list-style-type: none"> • promoting in local media the company brand in a commercial (on a local TV station or a national one) or some presentation announcements in the local/central press • Informing the citizens about the company achievements through local/national media • promoting a collaboration system with the clients and suppliers and offering bonuses, facilities • applying a survey to see if, and to what extent the company is known and if the citizens know that the company adopted the social responsibility principles (after a period of time when this Program was promoted to the public and applied for at least 1 year) • participating at various social events organized by local institutions.
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Directing principles for the organization activity

Step 7 – Involving the organization members in the process of implementation of the ethical, ecological and social responsibility programs in order to obtain their support, to build the team spirit and turn them loyal.

This stage implies an adequate training of the organization members with the help of the specialists inside or outside the organization, according to their degree of getting involved in the programs of social and ecological responsibility.

Also, along the process of implementing the ethical, ecological and social responsibility of the organization, the managers' role, as opinion trainers, is essential.

Step 8 – Involving the public, when there is the case, in the process of implementing organizational programs of ecological, ethical and social responsibility.

The motivation for which organizations must involve the public in their initiatives of ethical, ecological and social responsibilities lies in the fact that the public has similar responsibilities towards the society and the natural environment, but also that the results of these actions will be superior if they benefit of a large involvement.

Step 9 – Evaluating the results of the programs of ecological and social responsibility developing some specific audits.

In our vision, auditing the Reports of Ecological, Ethical and Social Responsibility must be made annually by the company specialists or, preferably, by independent companies specialized in audit. This process should include:

- examining the existent processes in order to identify the main partners and their expectations;
- analyzing the organization's motivations to get involved in the effort of enhancement of the social statute;
- interviewing the coordinators of the Ecological/Social Programs;
- analyzing justifying documents (meetings minutes, presentations, surveys and other documents that ensure the implementation of the Social Responsibility Program is real and the program contents is correlated with the activity of the company);
- quantifying the organization's inputs in the social responsibility programs from a financial point of view (allocated financial resources), from a material point of view (products, services and allocated facilities) and from the point of view of the resources allocated by the organization members (hours paid by the organization's employees);

- quantifying the outputs generated by the organization through the developed programs of social responsibility, respectively of the organization's benefits that may be represented by the absenteeism reduction, increasing the retention time, improving reputation etc.;
- reporting the performance indicators;
- evaluating the initiatives' impact of social responsibility developed within the organization after a certain period of time since they were ended.

As a result of the audit analysis, correcting measures will be taken, if there is the case, and enhancement modalities of future results will be proposed.

Step 10 – *Spreading the results of the audits of ecological, ethical and social responsibility to the members of the organization, to its partners and the public.*

This last stage is very important and pretty difficult to manage as it may lead to the idea, in the public's conception, that the company is expected to get boasted for its contribution to the society welfare.

Actually, this should not be the motivation of the organization's social and ecological involvement, but its full understanding that humanity goes on a wrong way that could lead to a collapse, and taking ethical, ecological and social responsibilities by contemporary companies, regardless of their dimensions, may invert this process.

That is why it is important for the companies to identify and keep into account the community real needs and that the communities grant them honesty, trust, patience.

On the other hand, it is fair that the company obtains a series of advantages in what the reputation of its efforts is regarded, that go beyond the law.

The most important aspect that Romanian companies must comprehend is that social responsibility cannot be achieved overnight, but it means their integration in a circuit of continuous development on a long term and that his process does not mean supplementary costs, but also modalities of enhancing competition.

In conclusion, the response to the contemporary managers' dilemmas lies finding the balance between economic and social performance. The economic organization must become the most important fan of a future viable from an economic, social and ecological point of view in the benefit of humanity.

This involves a real partnership between companies, governments, non-governmental organizations, local communities and international economic and social bodies, a partnership that must be subordinated to the principles of a harmonious development of human society as a whole.

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STRATEGIES REGARDING THE TOURISTIC PRODUCTS AT SC INTER TOUR SRL BACAU

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The Romania's geopolitical position reveals the necessity to proper evaluate the attributes of the area that means the natural, human and economic potential, to draw the policy strategies aiming to enlarge a regional or continental cooperation.

INTER TOUR SRL agency has been present on the market, as well as a regional one since 1994, trying to offer quality services and products at a competitive price for the clients. The agency established an important and fruitful collaboration with accommodation units from the area and from abroad. The marketing policy of the enterprise has as a nucleus, the marketing strategy, and as a realizing instrument, the marketing mix. Marketing mix elements are: the product, the price, the distribution and the promotion, which in turns, depend upon other factors.

Keywords: *tourism, marketing strategy, business tourism*

The European integration of the Romanian

At the level of the European Union, tourism represents a catalyzing factor in the relations between states and peoples, and a socio-economic development tool. The result of this process is the development of tourism in all the European countries, at the same time with the preservation of the environment and the increase of the services quality.

Within the plan containing the actions through which we try to realize an integration by means of tourism, and where there are general and specific measures, the harmonious development of the Romanian tourism is correlated with preserving the specific features of the unique geographical and historical area, situated at the border between the Orient and Western part, between the North and the South of the Europe. We also want to support the idea of a unilateral cooperation between and among the countries which pass through the transition period and those having a developed tourism potential and common standards (the construction standards, the technical standards and others) and the promotion of some common actions at the regional level. These are two aspects having a relevance into the present.

The expected results will be obtained at the end of a marketing analysis, synthesis and policy materialized into:

- A sustainable development of tourism planning leading to some clear strategies;
- A tight collaboration between the public and private sectors in order to build up common programs between the national tourism administrators, tour-operators and travel agencies;
- The intensification and the diversification of any form of cooperation.

The Romania's geopolitical position reveals the necessity to proper evaluate the attributes of the area that means the natural, human and economic potential, to draw the policy strategies aiming to enlarge a regional or continental cooperation.

According to the Tourism National Agency, the integration of Romania into the European Community has a positive impact upon this sector, the segment which could have a great profitability being the business tourism. This segment has witnessed an important development lately but up to now has not attracted big international events. The main reasons at this point could be the lack of some conference centers enabling the organization of some big events with thousands of participants, the deficit in infrastructure and the lack of an adequate promotion.

The biggest growth of the Romanian tourism will be registered by the segment dealing with the tourism of events, due to the accelerated growth of the Romanian business market. This aspects needs infrastructure investments and the existence of comfortable hotels.

According to the Tourism National Agency, business tourism will grow in a very short period of time with about 15-20% per year. The short time impact of the Romania adhering to the European Union upon the tourism industry stands in attracting some significant investments both for the hotel and leisure industry. Bucharest could become, during the next years an important destination for some events in the region. Timisoara, Cluj, Iasi, Brasov, Constanta are but some other major places for organizing such events.

The main advantages of adhering for tourism issue from the advantages to access European funds in order to train the human resources, to restore the historical and cultural assets and to improve the accommodation services quality.

At the same time the Romanian tourism will take a benefit from the building up of a new roads and railways infrastructure. Besides the investments and modernizing directions, the tourism sector will have to adept itself to the market competitiveness in the field.

It is necessary to understand that the fidelity of the clients is a very important element and at this point the staff fidelity towards their clients is also important.

By tourist company one may understand the society that sells one and many components of the tourist product. The main categories of firms producing and selling complete tourist products are known throughout the world, and nationally, under the name of tour operators and travel agencies.

Thus the tourism company market may be defined, when thinking of time and space at which the company reports itself, as a provider of services.

INTER TOUR SRL agency has been present on the market, as well as a regional one since 1994, trying to offer quality services and products at a competitive price for the clients. The agency established an important and fruitful collaboration with accommodation units from the area and from abroad.

The marketing mix represents the result of combining the marketing ingredients: product, price, distribution and promotional policy in an integrating system, for a certain period of time. All the above mentioned elements mix together in order to reach the designed objectives with a minimal effort.

The number of possible combinations that the tourist company takes into consideration is very big and among these one should keep in mind the combination corresponding to the resources as its objectives.

Thus a new destination for promotion will expend more in order to attract consumers ; a tour operator may be forced by the circumstances (a competitor which has reduced its price) to adopt a new price strategy; a tourist attraction will have to revise periodically the product as a response to the changes of the market structure; a travel agency can take the decision to enlarge or reduce the number of subsidiaries etc.

Thus, through these examples one may illustrate that the focus upon some different components of the marketing mix vary in time and for different activity sectors.

As a conclusion, the marketing policy of the enterprise has as a nucleus, the marketing strategy, and as a realizing instrument, the marketing mix. Marketing mix elements are: the product, the price , the distribution and the promotion, which in turns, depend upon other factors.

The strategies adopted by a tourism company referring to the dimensions, the structure and the evolution of the range of tourist products making the object of its own activity, reported permanently to the market demands and to the tendencies manifested by the competitors, are called tourist product policy.

There have been registered many definitions attributed to the concept of product. Kotler states that the product is “anything that can be offered to a market in order to attire its attention, acquisition, usage or consume and satisfies a desire or a necessity. It includes physical objects, services, persons, places, enterprises or ideas.(1)

Starting from the product definition and having in mind the elements that composes the marketing mix, one may state that the definition is also valid in the field of tourism, due to the large variety of tangible and intangible elements, respectfully the total amount of goods and services offered to the tourists by an enterprise in the field, or in other words, everything that tourists buy (transport, accommodation, food, leisure etc). From the point of view of the tourist, the tourist product covers the complete experience starting with leaving home, up to coming back travel. In figures, the tourist products are only limited by creativity.

Due to the component elements of the tourist product, respectfully tangible and intangible, within the whole product policy, the marketer should have in mind three levels of supply. According to the theory of Ph. Kotler these levels are:

- a) The essence of the product, which represents in fact what the client buys. It comprises the main advantages that the client identifies under the form of some personal necessities which will be satisfied by the respective product. The task of the marketer is to change the essence of the product (first level) into a tangible product (the following level).
- b) The tangible product also includes the characteristics, brand, style, quality and wrapping. The tangible tourist product comprises the elements of the supply, as they are presented into the brochure: week-end (2 nights) accommodation + breakfast at the price of 164 RON/person, room equipped with bathroom, TV set, TV cable, refrigerator, telephone at the Venus hotel – 2 stars – Slanic Moldova resort (2007 catalogue – INER TOUR SRL agency in Bacau).
- c) The developed product comprises all the services and the additional advantages, extrinsic to the product, which consumer receives and which may influence his decision to buy (delivery, post-sell service, securities etc)

The touristic product development comprises all the component elements of a global experience unique and attractive, supposing a series of advantages offered to the tourist from the very first moment of contact with the accommodation unit and up to the future visits. In this circumstance we have to deal with the opportunities of those offering tourist products and services to differentiate their own products from those offered by their competitors (example, the leisure unit in the proximity). This is the tangible element, but there also exist intangible elements of the developed touristic product, such as psychological advantages (escape from the routine, belonging to a elite), the quality of the delivered tourist activities (the hospitality of the hotel staff, the image of the respective product among its consumers).

In the literature of the domain, the developed tourist product supposes aspects linked to the accessibility (product price, the receiving tourist structure, the time table of the unit); atmosphere (the exterior aspect of the tourist unit, the quality of the decorations, comfort, serving etc); the inter-action between the client and the enterprise offering the services, and the inter-action among tourist consumers (is part of the tourist product).

As a conclusion the tangible product is made up of the first two levels, and the developed product is made up of the all three levels.

Strategies regarding the existent tourist product

As we have illustrated previously, the tourist product is said to be a combination of tangible and intangible elements , having the role to satisfy the needs of the tourist during his/her entire journey. The intangible elements have a main role, being represented by the tourist products and services through which the tangible elements are fulfilled (the tourist assets and the tourist infrastructure of a certain area.

The tourist activities being part of a tourist product are supplied by independent different enterprises with which the company signs agreements and collaborates: welcoming structures, food providers, air transport lines, leisure and treatment units, museums etc. Some additional services should also be provided: tourist assistance (guiding persons), information agents, middlemen for some special reservations, other activities having a special characteristic.

The role of INTER TOUR SRL agency is to manage and coordinate all these kind of activities being always very careful to the needs of the clients.

Elements contributing to realising a good tourist product are:

- a) natural components: geographical position, climate, relief, waters, vegetations, fauna reservations and natural parks, special attractions, such as some nature monuments;

From this point of view Bacau has a very good geographical position, in the very heart of Moldavia region, having a variety of relief (mountains, hills and plateaus and valleys becoming less important when going to the west part of the region. Natural reservations may be illustrated by “The Nemira Rocks”, “The Perchiului Hill near the town of Onesti etc.
- b) General components of the human existence in this area: culture, language, traditions, customs, folk elements, hospitality of the people etc. The cultural past is well illustrated in the area when mentioning the George Enescu’s composer memorial, the writer Costache Negri, the poets George Bacovia and Vasile Alecsandri, the science people Ion Borcea and Ion Ionescu de la Brad. There

are also some historical sights such as Precista church and Borzesti church dating from the middle ages.

- c) The general infrastructure: transport and communication roads, commercial network, water supply and the human concentrations etc.

Bacau region disposes of a good infrastructure being situated at the cross commercial roads coming from the south and going to the north and at the same of those going from the east to the west part of the country . There good connection to all the other parts of the country both on the railways and on national roads. Bacau town is crossed by the European Road E 85 and from here starts the national roads DN11 making a good connection through Ghimes-Faget path to DN12 towards Transilvania. There is an airport in the town of Bacau which is very busy nowadays and a very modern one.

- d) The tourist infrastructure is also very good in Bacau: ITER TOUR SRL being a leader of the market in the field, then ARA TOUR, ELI TOUR etc. There are all kind of tourist services present here: hotels, motels, chalets, agro-tourist units, villas, restaurants, coffee-bars, fast-foods units, leisure network, health resorts, hospitals and policlinics, and a well tourist information network.
- e) the human factor present in developing such tourist activities is also well represented at the level of Bacau area offering a high quality service to the clients.

The participation of the consumer in the delivery of the tourist service may increase the quality standards and may contribute to cost reducing fro the tourist products and services.

Tourist units managers try to impose the brand, which is a combination of characteristics and values aiming to attract more and more clients and to achieve a niche position on the market.

The identity of the brand makes considerable changes in the mind of a client linked to some values added to the product, values which may overpass its physical attributes: Here are some factors generating it:

1. the experience of the persons getting in touch with the brand;
2. the category of persons using it;
3. confidence in the brand;
4. the aspect of the brand;

The Brand plays an important role for the tourism product, because it offer the possibility to differentiate this product physically speaking, especially the hotel and food ones. Such elements such as architecture, design or physical characteristic (modern or traditional), the style of the services (formal or informal), position (central or outside the town) etc.

On a more and more competitive market and under the conditions of a permanent increase of tourism, the tourist destinations adopt more and more brand strategies in order to differentiate their identity and to create singularity for their product.

The way in which a firm is perceived by the consumer is important, leading to the concept of “image” and “identity” of the firm. The image of the firm refers to the impressions that potential consumers have when thinking about their organisation in general. It is significant for the tourism product consumer, assuring them about the quality of the respective products.

The identity of the firm is formed by the perceptions of the external audience referring to the enterprise (employees, services, promotional activities etc).

The basic components that define a tourist product, from a marketing point of view, may be grouped as a-corporate components, corporate components, communications regarding the product and the image of the product.

Due to the complex characteristic of the tourist product, the most important decision in tourist product planning should be the one referring to the product mix which must correspond to the identified business. Product mix represents the product portfolio which a firm offer on a market or other.

There five basic options for the product-market mix:

1. More markets with more products for each, respectively more markets and a set of products for each market (for example the tour operators which offer a large variety of service packages with more destinations or travel agencies offering a large set of vacations for different markets);

2. More markets and a single product for each of them (for example, hotel chain which offer accommodation in hotels of different categories according to the market segments);
3. More markets and a single product for all of them (example, a tour-operator launches for more travel agencies a single destination);
4. A single market for many products, respectively a tourist firm offer a set of products for a single market (example, a tour-operator which offer a variety of destinations for a single market);
5. A single market and a single product (a tourism firm offer a vacation package for a single destination, on a single market).

The decision of the tourist firm to offer one or many products (products mix) on one or many markets depends upon many factors:

- the forecast of the strong point and of the value of the consumers' demand on different markets;
- the competitive advantage upon the products or of their substitutes offered by the competitors;
- the identity of the enterprise, respectively the competence and its image on the reference market;

The starting point in analysing and planning a tourist product is represented by the consumer's demand analysis and of the supply of the competitors in relation with the firm capacity to offer a competitive product. The products which will have a sure success should be conceived taking into account the identification of specific necessities for the corresponding target market, based upon a good position compared to the competitors offers.

The tourist product position is the base of their management and represents the way in which the enterprise is situated by comparing it to the competitive firms and products on different markets.

The services package at SC Inter – Tour Bacau

In most cases one the same firm offer its clients not only one product but a range of products more or less homogeneous. Taking into consideration the common sense of the expression range of tourist products it will be understood an assembly of such products linked together by the fact that they address to the same category of clients, satisfy the same needs, are based upon the same resources, are sold through the same distribution net etc.

In tourism a range of products is constituted by an assembly of products which may be classified into product lines, each line being defined by a certain basic element materialized in a resort, a certain type of tourism (business, cultural, sport or balneary), in a certain type of transport (vehicle, rail-way, airlines or by sea), a certain type of accommodation (hotel, villas, private houses, camping etc).

Compared to the material range of products, the one linked to the tourism products has some particularities:

- If there is only one firm participating to the realising of the products set, then the constituted products are assured by the participation of several firms;
- From the point of view of the content the tourism products range is more heterogeneous, the products being part of a range, are different from the others because of their basic component (accommodation, transport, food etc)
- Passing from a product to another (or from a product to another (or from a range to another) it may be realized in a easier way, the travel agency being entitled to introduce or eliminate from the structure of its services whole categories of voyages without changing the amount of qualification of its staff, means of transport etc.

The development of large range of products permits to the firm to cover a large market area and to more clearly delimitate the main segments of customers to which it addresses.

It is also the case of Inter-Tour which has a large range of tourism services and covers two distinct markets, the domestic and the external one, being well represent from the point of view of the supply.

Within a range , one can find more product lines, one line signifying a homogeneous set of products and services, under the form of the raw material, manufacturing technologies and also under the aspect of coherence, the products and the services entering its structure being in tight connection one another.

Starting from these elements, the dimension of the range of services can be defined following these components;

- *the size of the range* which is given by the total number of product lines composing it, and in the case of the Inter-Tour firm this is very large comprising ten distinctive lines, among which some have a permanent character, and others such as social tourism or students camps depending on the programmes achieved by the corresponding ministry.
- *the variety of the range inside its structure* is given by the number of product lines contained and in the case of the firm this is very high for each product line. For example in the case of domestic outings Iter-Tour disposes 12 tourist directions, the tourist programme for the 2 days trips comprises 6 directions and the programmes of 3 days trips comprises 3 directions. In the case of some organised groups the firm assure on demand accomodation and transport for any other kind of route and licensed guiding persons.
- *The length of the range* represents the sum of all the service lines and in the case of the Inter Tour travel agency this range is large and it is valid from a period to another as the firm adapts its supply according to the existing demand which may differ from apeak period to the extraseason period.

The positioning of the services within the range

For any manager it is necessary to precisely determine the target markets, the objectives, the global strategies and also the particular market programs according to the offered services and products, to the level of the price, to the systems of distribution and promotion. Very utile when analyzing the business portfolio the firm is the pattern BCG (Boston Consulting Group- table 1), where the tourism products may be divided in:

- “stars” type having a market quotation high enough and a market rate in extension, having an influence upon the long term policy of the firm;
- “very productive one” type , for which the market quotation is very high and the market rate growth is reduced, very profitable at the moment, and being taken into account when constituting the investments funds supporting the products belonging to the first category (“stars”) and the third one (“dilemma”);
- “dilemma” type, having low market quotation, and the market growth rate is high, their future being not very secured and supporting them means big investment efforts;
- “mill stones” type having low market development rate and their market quotations should choose between abandoning them or re-launch them.

In the category of “stars” are situated the external trips with individual programs and other facilities due to the free visa circulation within the Schengen Space

In the category “very productive ones” are situated rest and treatment tickets having a good rate of sales throughout the year, being well appreciated by the clients because almost all the units offering such services are private ones.

In the category of the “dilemma” are situated the services offered by the agro cultural-tourism being in full extend but being almost inaccessible for the tourism agents , registering 5% of the turnover. The services for the New Year Night and for Christmas

In the category “Mill stones” there enters internal coach or train trips and the currency exchange services which do not bring benefits to the firm.

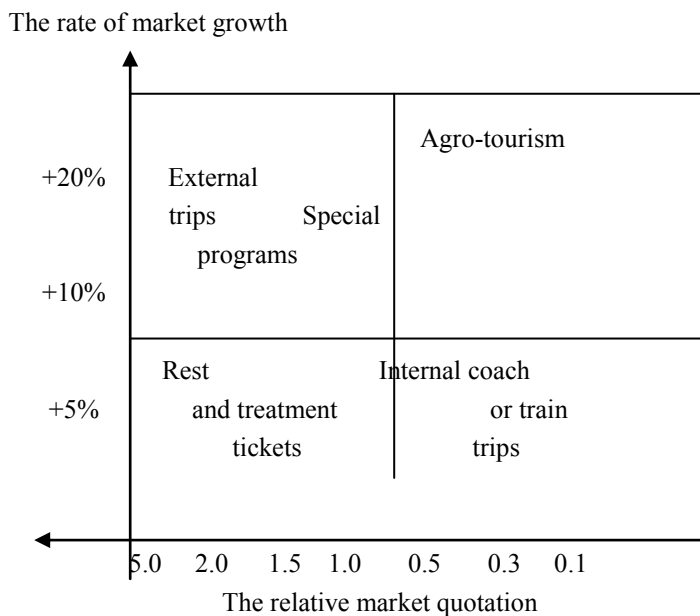


Table 1. BCG Pattern

Most tourist product offered to the firm's clients belong to the existing category, situated in their growth phase, maturity or decline. Fundamenting the strategies referring to the existing products supposes the analysis of their actual position and the evaluation of their future position.

The strategy of remaining for a long period as a market leader imposes to the Inter Tour SRL firm the use of its entire potential and advantages and a further more penetration, sustained by its 'Stars' products otherwise the decline may occur at any time. Practicing high prices correlated with the great demand of the market will enable the company to obtain a maximum profit which may constitute the investment support for the "Stars" products and the development of "Dilemma" ones

The diversification strategy comprising foreign destinations is very varied including hotels of 2-5 stars, coach or plane or even individually supported transportation, series of 7, 10, 12 or 14 nights (Turkey, Spain, Italy, Bulgaria, Croatia, Greece, Egypt, Malta, Thailand, Hawaii), 5-12 days (Budapest, Switzerland, France etc). For the business people or other individual people the travel agency offer accommodation for different destinations (e.g. Paris fro 35 EURO./person/day).

The Romanian tourists, especially those having over average incomes have a tendency to choose external offers as these ones become more and more comparable in price with the internal ones.

The quality exigencies of the tourists have started to grow and under the circumstances offered by the internal tourism which can not ameliorate the quality level of the services they choose the foreign destinations.

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METHODS OF GETTING INFORMATION IN TOURISM

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The information concerning the tourism activity and the kind of tourism services is taken from the so-called secondary sources such as: statistic catalogues, magazines and bulletins published by the national, tourism offices or other organisms, data banks of the professional unions and of the firms specialized in market research and from the records of the tourism firms.

Keywords: information, market research, questionnaire

The information concerning the tourism activity and the kind of tourism services is taken from the so-called *secondary sources* such as: statistic catalogues, magazines and bulletins published by the national, tourism offices or other organisms, data banks of the professional unions and of the firms specialized in market research and from the records of the tourism firms.

Besides the existing information concerning the tourist activity and the kind of tourist services, taken from the so-called *secondary sources* (statistic catalogues, magazines and bulletins published by the national, tourist offices or other organisms, data banks of the professional unions and of the firms specialized in market research, the records of the tourist firms – such as the reception book, the suggestions or complaints book – the video records – or other recorded sources giving information about tourists , old market researches etc.), in market researches one uses mainly the data gathered *directly*, as a consequence of the special observations, experiments or enquiries.

1. **The observation** is a method used for collecting information which supposes a survey done by certified persons, chosen by the company (guides, receptionists, market agents etc.), about the tourists behavior, in order to notice their reactions to different variations of the level of tourism services prices, taking into account the different categories of comfort classes, hotels and restaurants made at their disposal, the physical and social ambient assured during the trips, the accommodation, the entertainment facilities etc., using some specific methods (the tourism audit, the method of mysterious tourists, the mechanic observation etc.). Thus the resulting information is relatively objective (they are not influenced by the goodwill of the investigated subjects), eliminating at the same time the stress caused by the use of other methods.
2. **The experiment** supposes (in addition to the direct observation) the effective intervention of the operator upon some marketing variables (the quality of services, the advertisement formulas, the promotional techniques etc), in order to notice what happens to others (the demand level, the proper market quotation, the tourists satisfaction etc.), being realized within a *natural environment* (directly upon the tourism market) or in the *laboratory* (specially delimited spaces, in which some variables may be maintained under control).

Most of the experiments are made by the help of *tests*, the most common being:

- *Product tests*, through which one aims to identify the clients reaction to different tourism products of the company;
- *Name tests*, done in order to find out some associations that tourists could make between the name given to a tourism product (Futuroscope, Three Fir-Trees Chalet) and the image that it suggests;
- *Advertisement tests*, made in order to discover the way in which tourists understand the various advertisements and their impact upon the demand, the comments which they produce;

- *Market tests*, through which one may observe the reaction, on an extended scale, of the market when there is a change of some variables such as the marketing mix, etc.

The use of the experiment within the tourist marketing, although difficult and expensive, is very useful.

3. The **enquiry** represents best the most applied way to gather information in market researches, being based upon questionnaires containing sets of questions addressed (but very rarely) to all the potential customers of different kinds of tourism products (the case of exhaustible enquiries or global enquiries) or (in many cases) to a sample group of tourists (market survey).

Taking into account the *ways in which the links are realized* between those making the enquiries and the persons that are invited to draw up an answer we may exemplify:

- *Direct contact enquiries* or *face to face*, which, although they are the most expensive, give the advantage of being best checked, the interviewed person being offered further information and details, thus being brought to a stage in which they could give the most correct answers, such as:
 - *confidential answers* or *individual answers*, when every tourist may freely and independently formulate (without being disturbed by the presence of other persons), the answers he appreciate as correct;
 - *group answers*, which, from the desire to minimize the expenses, supposes to address the questions simultaneously to many subjects;
- *By mail*, used when the degree of dissipation into space of the targeted subjects is great and the collection of information is not so urgent, eliminating thus the stress of the direct enquiries and reducing the costs of realizing it (offering in exchange less further details for the more sophisticated questions);
- *By telephone*, recommended in such instances when the number of enquired people is relatively small, and the same is the quantity of questions, the latter method cumulating the advantages of the two preceding methods and also eliminating their disadvantages.
- *By computer terminals* etc.

The instrument through which the information is gathered in the case of enquiries is the **questionnaire**. In order to be very efficient the questionnaire must be not very long but not very short, its dimension being very important in collecting the results. Its dimension is measured taking into account the quantity of the needed information. The questions must be well drawn up having intuition and ability in order to cover all the necessary information. At the same there must be no difficulty in giving the answer, the terms used should be simple and clear, the language and the vocabulary should be accessible to the public.

Before being applied the questionnaire should be *pre-tested*, to check if their able to catch the interest and the desire for collaboration from the part of the interviewed persons. If the questions are too easy to be understood they could lead to some ordinary answers (repeatable to all the persons), or they must lead to a refusal from the part of the interviewed person or some situations may occur when the answers might be incomplete and deliberately vague etc.

In order to avoid *errors*, questionnaires should not contain questions that are usually practiced by the specialists in marketing (as for example: "Which is the ratio of the elasticity of the demand in the case of the services practiced by your hotel during the holiday period taking into consideration your incomes?"). Such kind of questions are not very clear. There are others containing contradictory ideas such as: " Are you intending to travel to Bucovina this year in order to have the Holy Communion to the Moldovita Monastery?" At such kind of question an anti-god person, but being a fresco lover, would answer "Yes" thinking of going there not for a religious purpose but for his desire to admire the mural paintings. One must avoid drawing up question that might force the memory or the capacity of judging of the interviewed person such as: "How many times you have used our restaurant services during the last 12 years?" Undelicate questions should also be avoided as in the example: " Are you an alcohol edict?" etc.

As in all other situations, the questions that might be present in a questionnaire are:

- *Open questions*, to which one might receive an indefinite number of answers ("Which are your favourite entertainment resorts where you usually spend your holidays?");

- *Half-opened questions*, when the subject will choose a single option for the answer from among other possibilities ("Can you exemplify in which of the following tourism resorts have you spent your last vacation: 1-Mangalia; 2-Eforie Sud; 3-Neptun; 4-Mamaia; 5-Navodari.).

Another important thing for a questionnaire is its body and shape. It is recommended that it contains a *preliminary section*, in which the subjects be informed, briefly, about the scope of the questionnaire. They should understand very clearly that the questionnaire aims to improve the existing services and facilities for the complete satisfaction of the clients. The second part of the questionnaire should contain a *list of questions* (closed ones, opened ones, and half-opened ones). The question should follow a logical course. There should be enough gaps after each questions in order to cover the necessity of space to draw up the answer. A questionnaire will be easily accepted if the number of questions, closed or half-closed, is larger because the subjects often find difficult to draw up by themselves the answer. A questionnaire will be easier to be accepted by the addressed subject if this one has a larger number of questions for which the alternatives for an answer is large (closed or half-closed). People find it difficult in drawing up the answers all by themselves. It is easier for them to select the appropriate answer among others. The last part of the questionnaire should be reserved to *systemize the resulting information* contained in the second part, in order to be easier analyzed in future.

In many situations, the alternatives for the answers suggested by the questionnaire may embody *an evaluation scale of the attitudes*. For example, if the enquired person is asked to evaluate the qualitative level of the entertainment services that a tourism company offered him, such a thing may be illustrated as in the scale presented in Example 1.

Very high I-----I-----I-----I-----I-----I Very low

Example 1. *The attitudes scale*

Between the maximum and minimum limits, the subjects of the enquiry may indicate, according to their appreciations, any intermediate level.

For example, if the managers of a hotel **H**, from a Romanian Black-Sea resort want to make a market research to see if the creation of a swimming pool is needed, the questionnaire could be as in Table 1.

Example of questionnaire

Dear client,

The Hotel **H** in Neptun is going to build up a modern swimming pool that will be made at your disposal during the period you will be our guest. In order to take this decision, your opinions about this project would be very useful to us as they will be expressed in the following questionnaire.

Please round up the answer you consider being in conformity with you opinions.

We kindly thank you for your collaboration.

1. Do you usually spend your vacation period at the Romania sea-side?

Yes / No

2. Do you agree with Neptun Resort?

Yes / No

3. Are you familiar with our hotel?

Yes / No

4. Having in mind our present facilities would you agree to become our client?

Yes / No

5. In order to make up your decision of becoming our client in future, would you consider that the creation of a swimming pool would much influence this decision?

Yes / No

6. If you really want the swimming pool, are you willing to pay an extra fee in order to use it?

Yes / No

7. If "Yes" could you specify the limits growth for the accepted tariffs?

Maximum level%

Minimum%

This space should not be completed by you!

The client **is interested** in the idea of the new swimming pool.

The client **is not interested** in the idea of the new swimming pool.

The enquired subject **is not our potential client**.

Table 1.

The enquiries in tourism are attributed the advantage that people in general are willing to talk with pleasure about vacation and different ways of spending free time.

THE STAGES OF THE RESEARCH

As any other research, the market research in tourism supposes to go through some stages, such as:

- Formulating the theme and the work hypotheses;
- Fixing a work schedule;
- Gathering the information;
- Analyzing the information;
- Exposing the results.

1. Formulating the research theme and the work hypotheses is the stage starting the market research.

As much as the *theme of the research* is concerned, it should be chosen and formulated very careful because the utility of the study depends on it and also the effort in doing it. As a consequence the theme should not be very large, in order to convey to the dissipation of forces and to enlarge the costs of the research. At the same time it should not be very small in order to have the potential to cover all the aspects of the research. Elements that may be of real interest should not be omitted. Frequently the elaboration of the theme need some previous analyses.

Formulating the hypotheses should be accomplished with great care because on its quality lies the success or the failure of the research.

2. Fixing the work schedule constitutes a major stage, essential in realizing the whole research. Inside its framework, there exist, very well determined, the moments showing the start and the end of the actions necessary for the entire research and at the same time for each stage of it. There are also mentioned the intermediate stages. The stages of the research should follow a *chronological order* and there are stages that could be ruled *simultaneously* making use of the specific methods of the operational research and those based upon the CPM (the criticizing way) or PERT method.

3. Gathering the information is the stage in which, using the sources, the instruments and the investigation methods presented in the previous sub-chapter, the operators find the necessary, informational support in order to be informed about the aimed aspects of the research, the relevance of the conclusions being important in taking the final decisions.

4. Analyzing the information may be achieved using a series of *description methods*, that means a simple selection of the answers formulated in the questionnaires (or of the data resulting from other sources), in determining some central values of the investigated collectivities (medium, median ones etc.), of the

dispersion indicators (distance type, deviation), in the computation of some indicators and structure values etc., or in some *causal models*, which are in the position to render some relation of determination and subordination that exist among the marketing variables.

5. **Presenting the results** is a stage in which the gathered information is presenting under the form of the conclusions.

Very important for the good execution of the research is the **control**, a device that needs responsibility in its application. Thus there will exist a good information and a precise information and there will be a good image reflecting the costs.

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THE ROLE OF ADVERTISING IN THE PURCHASE DECISION PROCESS

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Abstract: The purchase process is a decision-making process under risk. The selection of one brand over all other brands is a process of optimizing the consumer's utility. This optimization is done under uncertainty, since the buyer does not have perfect information. According to this process, buyers must always choose between making an immediate decision (to buy or not to buy) or delaying this decision to seek additional information, and thus reduce the decision risk. To purchase a product or a brand, buyers need a certain level of information; pre-purchase information-seeking activities depend on four factors: two factors are purchase-situation related, and the two other factors relate to the type of product and market.

Key words: purchase decision, uncertainty, advertising, pre-purchase information-seeking

1. INTRODUCTION

Needs and motivations are the starting points of purchase decisions. For a purchase to take place, buyers must experience sufficiently positive attitudes toward the product and the brand and consciously felt needs. When all the elements of the marketing program are properly designed, a buyer will include the advertised brand in his or her evoked set of brands, which is all the brands that are considered for purchase. These elements of the marketing program include designing the product to have the attributes buyers seek, ensuring that the product is available at conveniently located retail stores, and setting a price that buyers perceive as reasonable. This article describes the process buyers follow to select a brand from within their evoked set. Emphasis is put on elements of the process that advertisers can influence through a well-designed communication program.

2. THE PURCHASE DECISION PROCESS

Social scientists develop many sophisticated theories of consumer behaviour. They give a variety of theoretical models to explain the sequence of behaviours involved in making a purchase decision. The first task in promoting any new product is to create awareness – perception – that the product exists. The second is to provide enough information – learning – about the product for the prospective customer to make an informed decision. Finally, the marketer wants to be persuasive enough to stimulate the customer's desire – motivation – to satisfy his or her needs or wants by purchasing and repurchasing the product. These three personal processes of consumer behaviour – perception, learning, and motivation – are extremely important to advertisers (Arens & Bovée, 2005).

Most purchases imply the decision to buy a product or service. This purchase decision process includes:

1. A goal to be reached (i.e., lessening the tension created by an unsatisfied need or desire).
2. A number of alternatives (i.e., competing products and brands). Products and brands are perceived, evaluated, and compared on the basis of their distinctive attributes and on their ability to satisfy a set of needs. These alternatives also include the non-purchase decision.
3. Some evaluation criteria for choosing the “best” alternative.

4. A state of doubt, arising from the impossibility of possessing all relevant information on the different products and brands. Buyers are also uncertain about how well a given product or brand will satisfy their needs and desires.

When they buy a specific brand, buyers have expectations. This notion of expectation is intimately related to any purchase decision. A consumer who buys a product has developed definite expectations about the consumption of this product. Consumers buy a certain brand because it is preferable to competing brands; they have implicitly or explicitly anticipated that the selected brand will yield more satisfaction than the other brands and that it will respond more appropriately to the relevant set of felt needs. Hence, the amount of satisfaction consumers anticipate they will receive from a certain brand constitutes the *expectations* raised by the selected brand. An overview of consumers' purchase decision process is shown in Figure 1 (Darmon&Laroche, 1991).

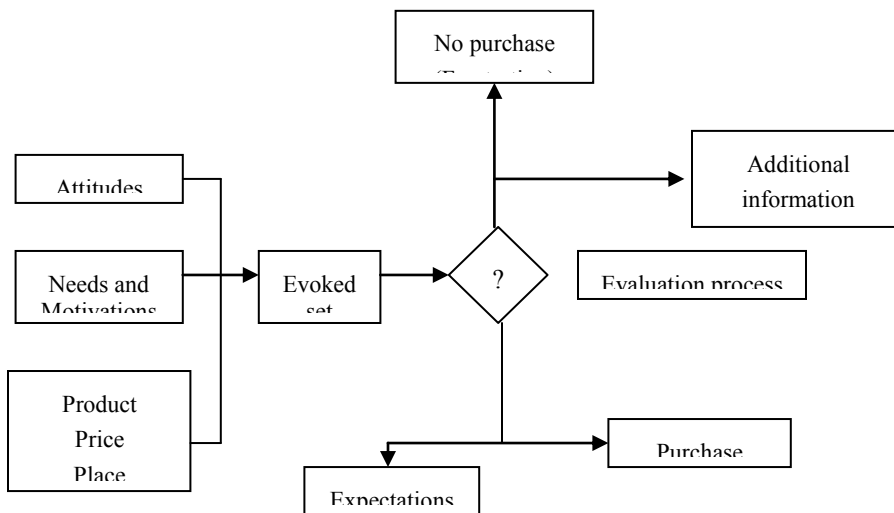


Figure 1. The Purchase Decision Process

The Purchase Decision: An Optimization Process

A purchase decision can be considered as an optimization process through which buyers seek the product or the brand that will yield the greatest satisfaction. In order to find which brand will produce the highest utility, buyers compare these brands along attributes they consider as important. The choice process can be considered as the search for the most satisfying trade-off among brands that possess desirable attributes at different levels.

Assume that a buyer judges – wrongly or rightly – that all the brands of one product on the market have exactly the same level of a given attribute. This attribute does not enable the consumer to differentiate among different brands, since it is present in all of them. This attribute is called an *inherent* attribute. Obviously, in this case, to choose a brand, one would have to compare the different brands along other important attributes. For example, a buyer may perhaps think that all the umbrellas on the market are waterproof, whether or not this opinion is technically well-founded. The consumer who perceives this as a fact cannot use the water-resistance attribute to compare umbrellas, since all the brands are perceived as being equal on this attribute.

A corollary of this observation is that brand comparison is possible only when a consumer considers those attributes on which some differences among brands can be perceived. These attributes are *distinctive* brand attributes. Consumers can compare different brands of umbrellas by their colour, style, or durability if they think these characteristics vary from one brand to another.

The Purchase Decision: A Decision Under Uncertainty

A buyer who experiences the psychological tension caused by an unsatisfied need or desire faces a series of decision problems: What product should I buy? Which brand should I choose? These decisions may be described within decision making under uncertainty framework.

As was shown before, consumers run a certain risk in making a decision based on present information because this imperfect information does not enable them to predict exactly which product will procure the maximum satisfaction sought nor which brand really has the qualities desired (or that should be desired).

A certain number of costs are related to the risks taken by buyers. These costs are, for example, financial losses (if the product does not adequately satisfy all or part of a consumer's need as it was hoped it would). The costs may also be physical (if, for instance, the realization of the risk endangers the consumer's life) or psycho-sociological (if a wrong purchase jeopardizes a consumer's reputation in one of his social groups, for example). These costs are essentially associated with a fast decision (hence with a limited amount of information). They decrease with time, because time has been used by the buyer to gather additional information, thus reducing the risk involved in the purchase.

However, when the buyer waits until more information is gathered before making a decision, costs associated with a delay decision are incurred. This time, two types of cost are involved. First, there are *psychological opportunity* costs experienced by consumers who are deprived of the product they need and are consequently in a state of psychological tension. As time elapses, this psychological tension becomes more acute and eventually develops into a state of frustration. Second, buyers experience costs associated with the information-gathering effort. They must invest time and energy to visit several retailers, seek out and read advertisements, or inquire for other opinions about the best product to buy. These *delayed decision* costs considerably increase as time elapses. The buyer must seek information until it is felt (at least intuitively) that a search for additional information will bring about more costs than benefits.

Advertising Implications of the Purchase Decision Process

This view of the role of additional information in consumer purchase decision has implications for advertising. An advertisement reaching a potential buyer while the buyer is seeking information will have a greater impact, since the buyer is spared the time and effort needed to seek out this information himself and is less likely to turn to competing brand advertisements to obtain the additional information. In other words, buyers are generally more responsive to different brand advertisements while they are seeking information on these brands. This is why they become a choice target for the advertiser, provided the advertiser can identify and locate them. The strategy that consists of asking consumers to return a coupon at the bottom of a print advertisement is often devised along these principles. Thus, a consumer who is interested and is in an information-gathering stage is asked to return a coupon in order to obtain more information on the product or the brand. Then the advertiser takes advantage of the consumer's having identified him or herself to send a series of informative (and persuasive) messages or to send a salesperson who will try to conclude a sale. This strategy is currently used by life-insurance companies.

A second series of implications that this analysis of the buyer decision process has for advertising is that an advertiser must reduce the buyer's uncertainty about the *distinctive* attributes of the brand. Because a buyer takes only these attributes into consideration when comparing and evaluating brands, an advertiser normally tries to give positive information about the brand's performance on the distinctive attributes. An advertisement about the inherent attributes of a brand is bound to be ineffective. At best, it will be primary advertising for the whole product class, which will also promote the competing brands. This is why an advertiser must know which attributes of the relevant product category are perceived as inherent by the buyer, and what are the distinctive attributes on which the advertising effort should be concentrated.

After purchasing the product, the consumer will experience some level of satisfaction or dissatisfaction. The marketer's job does not end when the product is bought but continues into the post-purchase period. A distinction must be drawn between the post-purchase feelings, which are essentially experienced during the period of relative uncertainty about the actual instrumental value of the purchased product, and which concern the occasional important and costly purchase; and between the post-usage feelings, when the consumer has evaluated the degree to which a product has met expectations.

3.THE DYNAMICS OF PURCHASE BEHAVIOUR

The Determinants of Purchase Information-Seeking Activities

As we have seen, the buyer behaviour is not static; rather, buyer behaviour and the information acquisition process can be viewed as a continuous system. To purchase a product or a brand, buyers need a certain level of information about the characteristics and the probable performance of various brands on the market. Pre-purchase information-seeking activities depend on four factors that have an important time dimension (Figure 2). Two factors are purchase-situation related; the urgency of the purchase situation and the level of information the buyer has acquired by the time of the purchase decision. The two other factors relate to the type of product and market: the length and regularity of the purchase cycle for a particular product type and the risk perceived by consumers in the purchase situation (Darmon&Laroche, 1991).

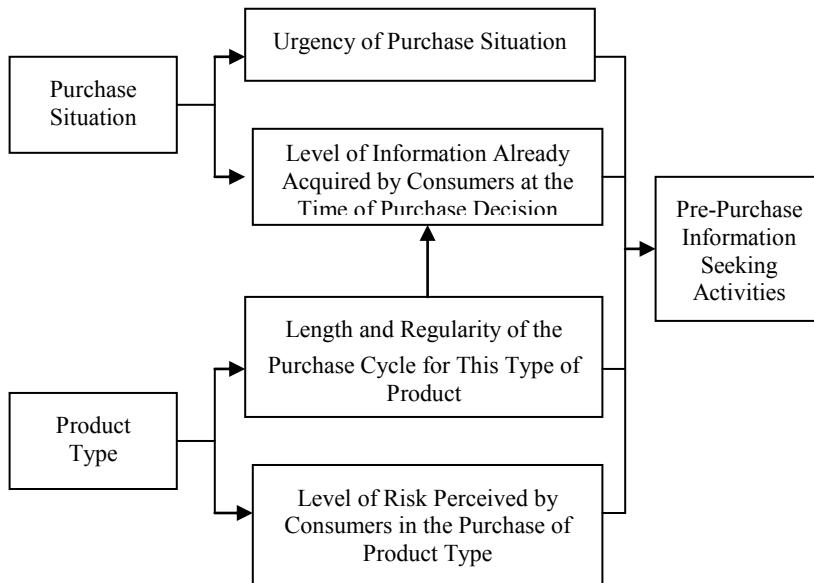


Figure 2. The Determinants of Pre-Purchase Information-Seeking Activities

Urgency of the Purchase Situation. The urgency of the purchase situation affects the quantity and quality of information that a buyer has time to acquire before making a purchase decision. For instance, a consumer who is suffering a severe migraine may go to the nearest drugstore to buy a pain reliever, and thus is acting under great time pressure. Because of this hasty decision, the consumer probably will not buy the same brand he might have if he was seeking a pain reliever for some future headache.

Level of Information Already Acquired. Depending on the extent of market information, a buyer's decision process has differing levels of complexity. A product's characteristic in relation to an individual's past experience determines the level of complexity of the decision process. Three possible cases can be identified: the consumer is familiar with a product category and knows the characteristics of competing brands (*routinized response behaviour*); the consumer knows the product category well but not the particular brand (*limited problem solving*); the consumer does not know either the product category or the brand (*extensive problem solving*). The level of information already acquired is directly affected by the length of the purchase cycle, because the rate of information forgetting depends on how frequently a product is purchased.

Length and Regularity of the Purchase Cycle. Purchase situations related to certain needs and wants occur at various frequencies and paces. Frequency is linked to the type of product and market. Based on the regularity and length of the purchase cycle, three types of markets can be identified: *short purchase cycle markets* are characterized by routine purchase decision processes or by limited problem solving when a new brand is introduced on the market (coffee, sugar, bread, soft drinks, canned vegetables, and household and beauty care products fall into this category); *irregular purchase cycle markets* are characterized by products that are purchased more or less regularly (desserts, cookies, cake mixes, aperitif wines, and deluxe food products); *long or unpredictable purchase cycle markets* include all durable goods, such as cars,

household appliances, and furniture (products for which occasions of purchase cannot be predicted, which most consumers buy only occasionally).

Level of Perceived Risk. In general, the nature of the risk – physical, financial, and/or psychological – as well as the level of the risk depend on the kind of purchase contemplated. Buying a candy bar typically does not involve the same level of risk as buying an expensive second-hand sports car. When buyers perceive a high risk in a purchase situation, they will generally require more information about the brand and the product class before making a decision. The relationship between the size of the risk and the consumer's information research depends, in turn, on the consumer's attitude toward risk.

Brand Loyalty and Brand Switching

The information a buyer has already acquired, the urgency of the purchase, the type of product, and the risk involved interact with one another and determine a buyer's level of pre-purchase information-seeking activities. Once evaluated, this information is used to implicitly rank-order the different brands in the evoked set, and other conditions permitting, the most preferred brand will be purchased.

But for how long will this brand remain the most preferred? Is a buyer likely to switch to another brand at the next purchase? Learning theory may help answer these questions. According to psychologists, learning is the behavioural change resulting from previous behaviour in similar situations. Learning theories postulate a state of tension as soon as a need is felt by an individual, in response to a stimulus in the environment (such as products or ads), which calls for the subject's response (a purchase decision). If the behaviour is rewarded by satisfaction and, by tension reduction, it is repeated when the need occurs again.

Learning is more likely to take place in short purchase cycle and routinized response behaviour situations (Blackwell et al, 2000). During the short time lag between two consecutive purchase occasions, only a fraction of information has been forgotten, and a substantial amount of additional information has been gained through using the selected brand. At the next purchase occasion, a buyer does not need and generally does not deliberately seek additional information. If the previously selected brand resulted in a positive experience, this buyer remains loyal to the brand with no further reassessment of purchase alternatives. Otherwise, if the preceding purchase has led to a negative evaluation of the brand, or if the buyer has been exposed to and accepted new information that changed the order of the brands, then the conditions for *brand switching* are met. The buyer will try the new, most positively evaluated brand at time of the next purchase.

CONCLUSIONS

Because buyers must act on the basis of incomplete information, they automatically and consciously incur a risk in every purchase and non-purchase decision. The size of the risk buyers perceive depends on the importance of the particular purchase and on the quantity of relevant information about the product category and the competing brands. A purchase decision can be considered as an optimization process through which buyers seek the product or the brand that will yield the greatest satisfaction. The choice process can be considered as the search for the most satisfying trade-off among brands that possess desirable attributes at different levels.

Once a purchase is completed, the buyer expects the products or services to provide the satisfaction he or she was seeking and that motivated the purchase. For goods with a short consumption cycle, consumers can judge if the product meets their expectations by using it immediately. But with durable products with long consumption cycles, consumers cannot tell immediately whether the product will meet their expectations. Therefore, a distinction must be drawn between the post-purchase feelings, and the post-usage feelings.

Buyer behaviour and the information acquisition process can be viewed as a continuous system. Pre-purchase information-seeking activities depend on four factors that have an important time dimension: the urgency of the purchase situation; the level of information the buyer has acquired; the length and regularity of the purchase cycle for a particular product type and the risk perceived by consumers in the purchase situation.

Consumers run a certain risk in making a decision based on present information because this imperfect information does not enable them to predict exactly which product will procure the maximum satisfaction sought nor which brand really has the qualities desired. Thus, buyers are generally more responsive to

different brand advertisements while they are seeking information on these brands. This is why they become a choice target for the advertiser, provided the advertiser can identify and locate them.

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STRATEGIC JAPANESE BUSINESS VISIONS – POSSIBLE TRANSPONES IN PUBLIC SERVICES

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Abstract : Frequently, the „Japanese miracle” was a subject of discussion. The book „The Strategist Brain Power – The Business Art in Japan”, by Kenichi Ohmae (Japan, 1975) when the business environment was confronted with serious problems. The book brings, also in Romania (1998), a number of tools that can be used by businessmen in working out strategies ment to lead to performance. Even if the author is declaring himself „an enemy of governments and bureaucrats, and a great supporter of entrepreneurial initiative and private companies”, we believe that the use of the strategist’s comprehenshion can be „a very powerful weapon, comparable with the laser” for the eradication of some problems in the public services sector. The paper aims at transposing some strategic schemes used in business, in public services, especially by the idea of extent of freedom versus constraints.

Key words: strategic vision, Japanese business, transposition, public services

Introduction

„The Japanese miracle” is, lately a subject that many company managers discuss. This is mainly due to the fact, utterly unexpected, determined by the way the Japanese companies have approched and conquered the European and American markets. The surprise comes from the fact that the management and marketing have their roots in America, and those that „take advantage” of them are the Japanese companies.

The Japanese business environment witnessed natural convulsions after the Secound World War. So, they were known as a nation of „imitators” as they made all by „copying” the American patterns. This situation was determined by the appreciation given to those proposing copying as solution, and disfavour incurred by those that ventured their own original ideas.

The book, that we propose as a start for a model, came out in Japan, in 1975, when the business environment was confronted with serious problems. These were the results of the oil crisis and of the general image. Under these circumstances Kenichi Ohmae has the courage to propose in his book „The Strategist Brain Power – The Business Art in Japan”, the use of man’s brain power as a main weapon to fight with, in business. The ideas submitted by him were well received by the young managers, and the book has become one of the reference books in the area of business management. This was afterwards, published in the USA, and in 1998, it was published also in Romania.

The author states, quite from the beginning of the book, that in Japan there is no powerful economic school – the magic stays in the fact that remarkable strategists have a low formal education, probably they have not even the curiosity to read an expert book, but have an exceptional capability to intuit the evolution of the interaction between the company – clients – competitors.

Basic elements of strategic thinking Two of the obstacles that have to be fought against, from the Japanese point of view, are:

- the access to positions of strategist or executive manager at an early age so that enough enthusiasm to be left to design bold and innovative strategies;
- accept the intuition and perspicacity as main elements for planning success strategies.

Although the author defines himself as „a declared enemy of governments and bureaucrats, and a great supporter of entrepreneurship and private companies”, we consider that the use of strategist’s brain power can become „ a very powerful weapon, comparable with the laser” for the eradication of some problems of the public services sector.

Kenichi Ohmae begins his work explaining the different kinds of thinking and especially pointing out the specific elements of the strategic thinking. Three types of thinking process are shown in figure 1. 1.¹⁹²

The author considers the analysis as the starting point for any strategic thinking process. The first thinking type is that based on mechanical systems of reorganizing elements. This is the type particularly used in the

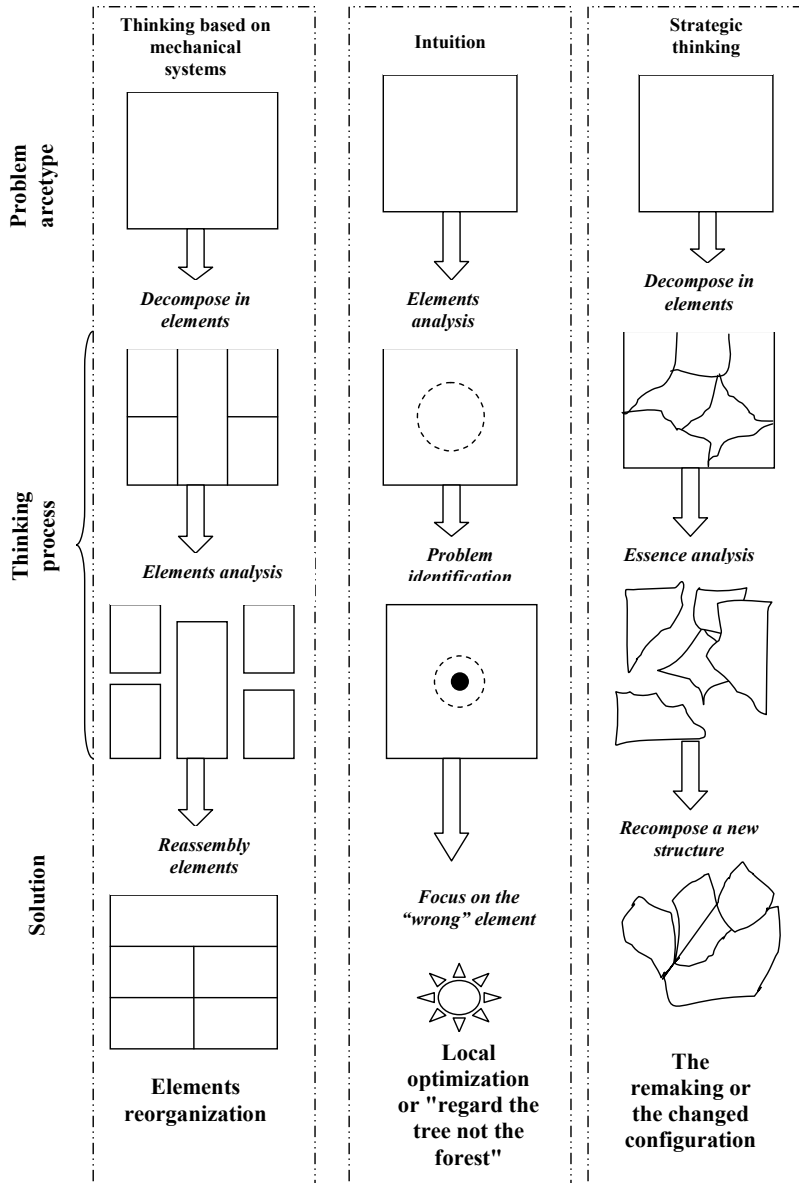


Fig.1.Types of thinking process

public sector, due to the existence and necessity to maintain a certain level of bureaucracy, the natural sluggishness against the total changes.

¹⁹² Undertake of Fig.1-1 Three types of thinking process, Kenichi Ohmae, Inteligența strategului – Arta afacerilor în Japonia (The Strategist Brain Power- Business Art in Japan), Editura Teora, București, 1998, pg. 20, with our supplements

The second type of the shown thinking process uses the intuition as the central mood in the identification of the problem and defining the solution. Although we consider this type of thinking very useful and profitable for business, it can't be successfully used in the public sector as it induces a too high level of risk. The risk is not typical for the public administrative structures. These have as an aim, among others, particularly the protection against risks and the distinctive element of the domain is the stability and the absence or limitation at a low level of potential risks.

The strategic thinking proposed by Kenichi Ohmae starts in identifying the elements forming the studied unit and settling their characteristics, by the strategist. Using the imagination, intuition and the perspicacity of the strategist, this will have to build up a new entity out of the components that he has in hand. With no limitations, he can give up elements that he considers unnecessary in the new structure, or he can bring in new elements.

Regarding the public sector we consider that such an approach could be a reforming variant. In support of this proposal is the up to now experience, focused on partial changes, many welcome and with an important positive impact, but it is regarded that a reform is needed, also that a large number of components has to be dealt with the reformation process and that there is the opposition to change shown by the older public servants in the system, situation similar to that in the Japanese business environment, at the time of launching the theory of „the strategist brain power” impact.

In this way, an interdisciplinary group can be organized, both with experienced and especially young persons, strategists of the business environment, other categories that can allow the follow up of a strategic thinking process in the design of a strategy for the public sector and especially for the public services.

In figure 2¹⁹³ the stages that has to be followed in a strategic thinking process are shown. One can see that there is the possibility of a „short circuit” that shortens the process to three stages. It is true that, the use of the shortcut is welcome, but it will not reach the proposed results as it gives up the core of the problem.

Kenichi Ohmae proposes, in the above mentioned work, four types of strategies, starting from the main objective of a company, that of getting an advantage against the competition. The author points out that „the strategy,, has, as the only aim, to place the company in a higher position in comparison with the competition, and not to solve internal operational, managerial etc. matters of the company.

¹⁹³ version of the figures 1-2 Problem restrict, pg.24 and 1-3 Steps of strategic thinking with pg.26, Kenichi Ohmae, *Inteligența strategului – Arta afacerilor în Japonia (The Strategist Brain Power- Business Art in Japan)*, Editura Teora, București, 1998, with our supplements.

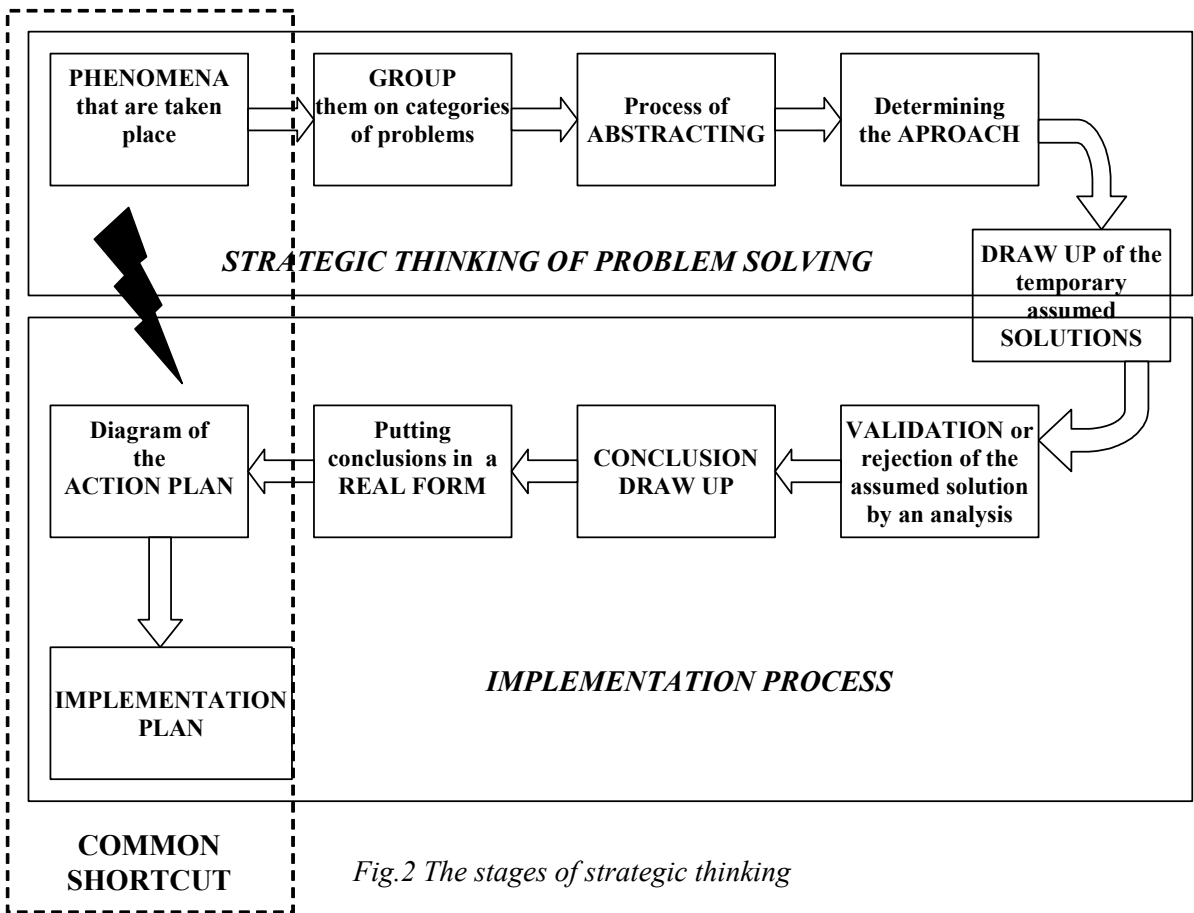


Fig.2 The stages of strategic thinking

He differentiates the company power in the relative and absolute one. The relative power can be low (the inner weaknesses) for a time period as against the absolute power, which is hold as against the competition and whose diminuation can bring about even the company disappearance.

Strategies types

For a better understanding of the differences, the author uses the following comparison : „the difference is equivalent to that which exists between the participation to a battle and the follow of an antifat treatment”.

The four proposed types of strategies, according to tabelle 1 can be grouped in two categories, namely : compete intelligently and avoid to compete.

Table 1

	<i>Business or offered product</i>	
	<i>Old/Existent</i>	<i>New/Creative</i>
<i>Compete</i>	<i>KFS</i> <i>Intensify the functional differences</i>	<i>Agresive initiatives</i> <i>Successive questions as „Why?”</i>
<i>Avoid competition</i>	<i>Relative superiority</i> <i>Exploit the competition weaknesses</i>	<i>Strategic degree of freedom</i> <i>Maximise the beneficiar’s adventageus</i>

The first strategy – this strategy is based on the identification of the key-factors of success and the concentration of the resources in a certain area that gives the possibility to bring about a strategic advantage, as against the competition – the key factors of success KFS strategy.

The second strategy - under the conditions of a very stable and powerful competition, the strategy is that of overthrowing the rules of the game so that to obtain a competitive advantage – the Strategy of the aggressive initiative.

The third strategy – in the absence of an absolute competitive advantage, one can use the relative advantage against the competitors.

The fourth strategy – under the context of a powerful competition, one can find solutions that position the company on favourable places by launching new products, by new markets approach or by creation of new markets – The strategy based on freedom extent.

Opposite the proposed strategies to the business environment, the skeptics could invoke the lack of competition in the public sector and thus their lack of appropriation. In the case we come back to the comparison made by Ohmae, an approach of the type: „antifrat treatment” in the public services, for sure can allow obtaining results in a short time. If the „battle” in the business environment is with the competition, in the public sector we think that it is a two-level battle.

Thus, a first level is that of fighting the system that has to be replaced, reason for which the process is very difficult, because of the immateriality of the counter party. The time is a constraint as it works against the actual structures and on the part of the former system positive recollection.

A second level is determined by the appearance and evolution of the private sector as an alternative to the public services. This performs a bigger and bigger pressure.

The four proposed methods have two general objectives:

- (1) to offer the company a competitive advantage, difficult to obtain by the competitors;
- (2) to allow its consolidation and expansion.

The KFS strategy. Regarding the first type of strategy, that of the key-factors, there is the need to firstly identify them. In table 2 we propose the key-factors for services and point out the way how these vary, depending on the sector.

Table 2

<i>Key factor for...</i>	<i>Types of private / public services</i>		
	<i>...profit increase (price decrease.....)</i>	<i>...increase of market share (...increase the number of beneficiaries)</i>	<i>...increase of customer satisfaction (...increase of citizen satisfaction)</i>
<i>Raw materials</i>	<i>public light</i>		
<i>Capacity of the offered services</i>		<i>health, social assistance, education services</i>	<i>sanitation services</i>
<i>Production technology</i>		<i>health, sanitation services</i>	<i>health services</i>
<i>Services quality</i>		<i>social assistance</i>	<i>health, sanitation, education services</i>
<i>Range of offered services</i>		<i>health, social assistance services</i>	<i>health, sanitation services</i>
<i>Personnel quality</i>	<i>social assistance</i>		<i>health, education services</i>
<i>Personnel number</i>		<i>social assistance, sanitation, education services</i>	<i>health services</i>

<i>Distribution network</i>		<i>health, social assistance, education services</i>	<i>sanitation services</i>
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The profit and market share increase are the objectives of private service companies . These parameters are not interesting for the public services and we considered necessary that they can be replaced by the decrease of the price and, respectively, the increase of the number of beneficiaries. We put, together with these, the increase of the service consumer satisfaction, namely that of the citizen, as for the public services this being the main grievance. One can notice , regarding the shown examples, that for different types of services, the key-factors differ depending on and because of the objective in view.

The strategist has the role to identify the key-factors for the activity area, in study, and has to take into account the whole process for finding all of them. After the key-factors identification it is necessary that the strategist to accept the responsibility of their use, in view of getting the competitive advantages.

The strategy of the aggressive initiative. This type of strategy is based on the questioning performed by the strategist, of different executives, about the way the company works, in view of identifying the strangling, rigid zones that bring about the processes blocking or slowing. The questioning is based on the question „Why,„. Using this method it can be identified the zones which has to be unblocked by radical initiatives. This the reason of the strategy name.

We consider that this type of strategy can be used, with success for the modernization of the public services. It is true that the process of questioning is performed with difficulty, because of the reserve of the decision factors from the public administration system. It is possible even to determine an aggressive position among them, if there is no prior explanation of the aim of the questioning. We can't deny the fact that, the method itself has an aggressive component determined, on one hand, by the pressure of the questions and, by the other hand , the radical solutions that are to be proposed by the strategist.

The relative superiority strategy. It is based on the creation of a relative competitive advantage that places the company on a favourable position in the market. This can be achieved by using of certain low price policies, that have as a base different reasons , of the compatibility with products or services placed up- or downstream, the homogeneity of services etc.

This type of strategy can be applied in public services with greater difficulty and less spectacular outcome, due to the constraints that the public sector has to meet.

The strategy based on freedom extent. The exploration of the freedom extent to build up a strategy for the studied organization, is related to the components on which one can act and the restrictions that should be taken into consideration. The identification of the strategic freedom extent (SFE) is the first stage of the process of drawing up the strategy, the second one being the superpositioning of this assumed freedom extent over the constraints.

In the business environment the constraints come, mainly, from the part of their role and place in the aggregate of services, specific regulation, dependence on the local or central administrative authority etc. The competition, in this case, is not without importance, but it does not exercise a major pressure. On the basis of the strategic freedom extent (SFE) one can establish the sore points on which the strategist should focus.

Conclusions

The secret of the strategic vision is represented, in Kenichi Ohmae's opinion, by some landmarks :

- The dihotomic thinking „all or nothing”;
- Flexibility of thinking;
- The importance of the key-factors;
- The analysis as the starting point in working out strategies;
- Attitude as an element of change .

„In Japan and the West, there have been big companies that failed entirely in the business world. Although, I don't know a company that couldn't change the direction of action before to be too late. In each instance

that I studied, at one moment , the management lost sight of the range of alternatives in their hand , making, by an ever narrower mental vision, for their own destruction”¹⁹⁴ .

We consider that, this judgment comes to endorse the hypothesis that we express, to take over the proposed strategies types and transpose them in the designing of the public services, by using the strategists brain power, with the aim of solving, in a creative manner the problems that face them.

„For the military strategist, the key to success stays in the establishment of how much he has to study for reaching an ideal strategy and to determine the point where the perfection becomes duty. If the strategist is determined to eradicate even the smallest imperfection of his strategy, his officers would have the need of perfect information and unlimited time to achieve such a strategy”¹⁹⁵

These judgments of Kenichi Ohmae from the work „The Strategist Brain Power „, propose to us to think over the aspects that can be taken over from the military technique, this being the one that has established and used frequently the strategy concept, and, on the other hand, to waste no time searching for the perfect solution.

If it is advanced that in business a weak business plan is more than no plan. We consider that we can extend this principle to the strategies level, saying that the lack of a strategy is more unprofitable than the existence of an improvable one.

We judge as a future challenge the possibility to test putting in operation the aggressive initiative strategy and the strategy based on the freedom extent, that we consider convenient to the public sector and possibly, the key-factors strategy, that can be adapted, but for which we have reserves regarding the possible outcome.

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¹⁹⁴ Kenichi Ohmae, Inteligența strategului – Arta afacerilor în Japonia (The Strategist Brain Power-Business Art in Japan), Editura Teora, București, 1998, pg.74

¹⁹⁵ idem, pg.76

TRENDS IN PROMOTING ROMANIAN ECOTOURISM CERTIFICATION PROGRAM

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An ecotourism certification system must create a demand for its services among travel intermediaries and tourists as well as among tourism providers, in order to be successful. As one of the recent certification program, and focusing on multifaceted, worldwide industry, successful marketing will require sustained and dedicated support from a wide variety of stakeholders. This paper provides recommendations for promoting and marketing Romanian ecotourism certification program in order to increase consumer demand for certification and to grow the supply of certified ecotourism businesses.

Key words: Ecotourism, certification, marketing

Introduction

Certification, a voluntary procedure that sets, assesses monitors and gives written assurance that a business, product, process, service, or management system conforms to requirements, is growing rapidly throughout the world. It is commonly used in many professional sectors from academia and nursing to financial investments. Tourism, as the biggest industry in the world, is no unfamiliar to green certification programs which create and monitor sustainability using criteria and standards assessing ecological, economical, and socio-cultural responsibility. To be sustainable in their goals, green certification programs in general, and ecotourism certification program in particular must involve a variety of stakeholders. Education, outreach, promotion, and marketing are not only necessary, but critical.

Necessity and opportunity of ecotourism certification promotion

The topic of defining an obvious ecotourism certification product in order to reduce confusion among users is an essential one that must be addressed to carry out a successful marketing campaign. This is a number one priority and challenge. Secondly, in order to be really successful and produce a “sea change” within the industry – i.e., to develop industry-wide practices in the name of sustainability – certification programs must involve a significant number of service providers as well as consumers of all types.

The first stage is to work with suppliers. Certification proposers must persuade an important group of tourism providers that becoming certified is in their advantage: that it will diminish costs, enhance marketability of a product, reduce risks, and improve company image. They must go out and sell these virtues to a wide range of businesses within the industry. While at first it’s not too complicated to find businesses who split environmental and social responsibility values, to step forward to be the first to go through the certification process, this is not enough. Certification programs must draw businesses that are eager to consider certification but are not sure that it will be worth their time and money to go through the process. Once they do so, a certain momentum develops and the growth of certified products takes on a life of its own.

The second stage is to create sufficient demand among customers and intermediaries to produce a market for increasing numbers of certified products. Customer surveys show a deliquescent interest on the part of tourists in patronizing ecotourism suppliers, but to date, this interest not often translates into actual demand for ecotourism certification programs. The challenge, therefore, becomes a “chicken and egg” issue. For producers to go through the process of becoming certified, they want to be guaranteed that there is consumer demand. Also, a wide range of customers are not likely to pay for certification and are not acquire certified goods, unless there is an enough supply and alternatives to choose from. As a result, novel

certifying organization must keep a balancing act: convincing producers to sign on and become certified even before a conscious and involved market exists, while also rising awareness and marketing certified products even before there are many available.

Other issue that many green certified products and services face is that the label of the certification program is not well understood or easily recognized. Ecotourism certification, which integrates environmental and social standards, is complicated. While many environmental criteria can be evaluated by measuring performance measures or through development of environmental management systems, social and cultural criteria and their assessment are considered uncertain and unreliable.

In adding to the equivoque about what ecotourism certification labels mean, consumers and tourism providers are justifiably confused by the propagation of programs around the world. Each ecotourism certification programs has its own criteria, and often going beyond markets. Without rigorous assessment of the criteria and processes used by each one to evaluate and certify tourism providers, consumers presently have modest assurance that they will receive the services they are looking for. A response to this will be the foundation of the Sustainable Tourism Stewardship Council, a projected international accreditation organization for ecotourism certification programs which will establish and monitor international standards, as well as promoting awareness of ecotourism certification around the world.

Recommendations in marketing Romanian ecotourism certification program

Ecotourism must be developed in Romania because has an attractive natural and rural environment, a potential good business, a high necessitate for nature conservation, a niche tourism capable to bring an affirmative destination image and a growing incoming flow of tourists. Ecotourism is a tool to connected socio-economical value to nature, a tool to sustain local communities, a tool to communicate environmental values and nature conservation to local people and tourists.

Theoretical ideas can meet practical requirements and expectations by elaborating a high quality ecotourism products and communicating to the international market, setting up nature conservation method connected to ecotourism, stimulating socio-economical of local communities, rising a high nature interpretation component and high environmental standards. Ecotourism certification system in Romania is planned as a guiding system: to give credits for best practices. It is based on the international experience like Nature and Ecotourism Accreditation Program (Australia Ecotourism Associations) and Nature's Best (Swedish Ecotourism Association) (Jonasson, 2007) and adapted to the Romanian circumstances. The ecotourism certification system in Romania covers eco-destinations, tours organized by tour-operators or guides, small scale accommodations.

Methods for Ensuring Credibility

Property examinations and audits for new and continuing members are keys to guarantee credibility of the certification program. All new properties should go through an initial on-site inspection in order to obtain certification. These inspections should be kept anonymous and all results should be pending from the property management until the end of inspection. Examinations should be conducted by independent experts of ecotourism and sustainable tourism. It is recommended that more than one specialist should examine each property in order to make the audit less biased. Different inspectors should be in charge of assessing separate standard, based on their field of expertise. For example, criteria of environmental infrastructure should be assessed by a proper expert, while an expert in a different field may be more appropriate to address social and cultural standards. Separating examination responsibilities according to area of expertise will bring more credibility to the inspection process.

The certification criteria and the examination process should be made very clear to both providers and consumers. This can be realized by adding the certification standards and details of the examination process on the certification program's website, and distributing them to providers, who should also share them with customers. If the certification system is affiliated to an organization, details of the criteria and examination process should be sent to all members through either email or a newsletter annually in order to reduce consumer confusion. Credibility in the certification program can also be achieved through alliances with compatible organizations that actively show support for the program. Partnerships with business and organizations that are already well-known and respected by consumers and providers are keys to increasing the visibility of the program.

Marketing Strategies

Romanian ecotourism certification promoters should hire a public relations person once the program is running and there is an adequate amount and diversity of certified products and businesses. They extend positive contacts with the media, are present to conferences, create promotional and advertising materials, and develop marketing and outreach partnerships with other businesses. The results are seen in wide name recognition.

Concentrating on a niche consumer market is appropriate for new programs trying to gain buy-in. As an example, the Romanian ecotourism certification system can begin by concentrating on the educational tourism market. Originally targeting groups that are already eager to participate makes the most sense as a consumer marketing strategy.

Marketing to Consumers

Marketing to those to make distribution - travel agents and tour operators - is a plan to help marketing The Romanian certification program. Suppliers who have confirmed interest in social and environmental responsibility should be courted and educated. Educational travel associations, while not creator of volume, are likely to share sustainability values and would be good marketing targets to start with.

Marketing success can be guaranteed by making relationships with intermediaries such as travel agents. Even as the role of travel agents has reduced with the increase of the Internet, there are still many tourists who consult with travel professionals before making bookings. Business tourists, especially, are likely to work with corporate tourism departments and agencies. It will be significant for ecotourism certification systems to present themselves to the main travel agencies and to promote the advantages of using certified businesses. Information about ecotourism should also be provided.

Romanian ecotourism certification programs could propose discounts or other benefits to regular customers of certified businesses and to members of collaborator association. The ecotourism movement must generate affinity groups and involve them in dialogue on subjects relevant to local concerns in order to get their buy-in.

Marketing to Providers

The Romanian ecotourism certification program should provide more than just a seal of approval to participating small scale accommodations, tours, and attractions. Offering technological assistance to participating small scale accommodations is necessary for program recruitment. This can be realized through an on-site examination of the property and can be coupled with the auditing process. Supplying an evaluation of environmental management and infrastructure and a list of suggestion for improvement and ways to fulfill them after examination will give providers more incentive to join the ecotourism certification program.

The certification program should furnish a resource guide to all participating small scale accommodations, tours, and attractions. The guide should be a collected database of relevant ecological information to support managers faced with the challenges of implementing environmental programs at their lodges. The guide should include a wide range of environmentally friendly product vendors.

Marketing messages that support provider recruitment are those that link better ecological management with improved resource efficiency and reduced costs. For those small accommodations scale, attractions and tours that are already ecological-efficient, messages that promote achieved market share from environmentally conscious tourists and greater marketing through program participation are common. Still, because the latter benefits have not been knowledgeable at this point in the evolution of ecotourism certification, they should be considered as marketing messages for the longer term. As an alternative, marketing messages should comprise and stress the value of technological assistance and informational resources for “greening” of providers’ business.

When promoting to Small and Medium Enterprises (SME), technological assistance oriented towards growing efficiency and reducing costs are especially important. In order to furnish these businesses with reduced cost methods and strategies for increasing their sustainability, they should also be trained to monitor energy and management costs and savings in order to reduce overhead expenses.

It is suggested that members of Romanian ecotourism certification program to be the providers instead of the consumers. These providers can have advantages such as support with promotion, marketing, advertising, and booking. These advantages are especially attractive to small scale accommodations because they often cannot afford to market sufficiently on their own. Through participation to an ecotourism certification program that dynamically marketing accommodations, tours and attractions to consumers; therefore, these are more likely to want to participate.

Furthermore, building a referral program that keeps record of small scale accommodations customers and refers them to others in the program will encourage provider buy-in. Once a certification program is properly appreciated and used, less marketing to tourism providers will be needed as businesses will want to become certified for the image value as well as increased patronage.

Marketing Tools

The commercialization or give-away of a guidebook or directory featuring certified Romanian small accommodations, tours and attractions can increase consumer buy-in. The directory should be distributed to travel agencies, tour operators, and travelers alike. It should give common information about the Romanian ecotourism certification program, certified businesses and their sustainability ratings, maps, photos, and background information on tourism and its impacts. The ecotourism certification programs should consider make a magazine or newsletter that promotes an ecological message as well as one of high service and quality of certified providers.

Constructing a website directed at consumers will aid the program. This site should contain clear information on the criteria and examination process of the Romanian ecotourism certification program in order to decrease customer confusion, and it should contain a section for making online reservations at the certified small scale accommodations. The site should also include information on all participate small scale accommodations, tours and attractions for greater customer comprehension.

It is important to make relationships with general and travel and tourism media to guarantee improved exposure and marketing value. Ecotourism certification programs should involve public relations staff to enhance and constantly maintain personal relationships with key media players. Romanian ecotourism certification will persuade reporters to visit the small scale accommodations and provides them with lots of information and resources to facilitate their investigations. It is recommended to send efficient information about properties and the program to travel and tourism trade media through e-mails; should focus on significant media channels, build a database to store contacts in, and supply reporters with updated and newsworthy information.

It is also recommended that Romanian ecotourism certification system practitioners to take part at conferences, trade shows and gatherings of interest to the travel community and industry, as well as to meetings with environmentally and socially responsible or sustainability audiences.

A low-cost method to marketing the program to tourists is to distribute an informational catalog listing certified small scale accommodations, tours and attractions at tourism information centers. In order to boost interest and support for ecotourism, the catalog should also raise awareness about tourism's impacts, problems and solutions. It should explain what tourists can do to minimize negative impacts of tourism and support communities and natural systems. Obvious, one of the options is to look for and support certified providers. Another option is to share the message of ecotourism with friends, family and work colleagues.

In order to be successful and to be attractive for customers, promoters of Romanian ecotourism program should create and sell a brand. This brand involves consistency and a certain level of quality and service. Consistency must be preserved between all certified ecotourism providers in order to certification program sell its name as a valued brand. Name recognition and use the brand as a marketing tool take many years to develop.

Partnerships and Alliances

The Romanian ecotourism certification should form alliances with well-known travel agencies and operators which will assure that small scale accommodations, tours, attractions that are members of the program with be appropriately promoted in the travel and tourism industry. Partnerships can imply bigger commissions to travel businesses and agents when they book customers into certified accommodations or

with certified inbound agents. They imply common promotion in advertising materials as well as on websites, and collaboration at trade shows, conferences and other forums.

It is also recommended alliances with a variety of other businesses such as certified providers, which can be used for common advertising and to build powerful relations and connections between the certification program and the providers. Customer-oriented campaigns co-sponsored by certified businesses and other tourism and travel providers - airlines looking to express environmental responsibility; credit card companies; internet sites, travel and tourism intermediaries (tour operators and travel agents); magazines other publications with social and environmental responsibility missions; financial institutions with similar missions; government bodies interested in environment and tourism; and other certification programs - can have larger exposure than campaigns organized and implemented solely by certification practitioners. And, costs of such campaigns can be divided among those implied. Proper partners for Romanian ecotourism certification program are providers of goods and services that supply energy and water efficiency, reduce waste, and produce or sell environmentally sound products (e.g. soaps and cleansers, organic food, compact fluorescent light bulbs, etc.).

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BUSINESS PORTFOLIO ANALYSIS – HOFER METHOD

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Abstract: The business portfolio analysis represents an analytical approach by means of which managers have the possibility to view the corporation as a set of strategic business units that must be managed in a profitable way. Also, by taking into account features specific to the area in which the company operates, by taking into account the competitive advantage and the modalities of earmarking financial resources thereof, the business portfolio analysis provides managers the opportunity to approach companies from a different point of view and to pay increased attention to all activities that need to be undertaken.

The present paper aims at presenting from a conceptual standpoint the Hofer method of business portfolio analysis, its strategic consequences and the characteristic advantages and disadvantages. Moreover, the paper will emphasize the importance and part that the business portfolio analysis holds within a company.

Key words: business portfolio, strategic business units, strategic planning

A fundamental question that managers must answer each time is: In what direction must the company go? The strategy implemented by a company must be elaborated so that it considers all market opportunities and neutralizes current threats or foreseen threats. At the same time the company must value its strong points, by referring to the competition. On the basis of these features specific to an ideal strategy and by considering current options that companies may resort to, one may assert that the salient features of the strategy selection process are its difficulty and complexity.

Over time, a series of methods have been created with a view to support the strategy assessment and selection process. Of these, the methods corresponding to business portfolio analysis stands out. The analysis methods of the business portfolio analysis are used in order to identify and examine the various strategic alternatives that must be approached at corporate level.

The business portfolio planning offers three potential benefits. The first resides in the fact that it encourages the promotion of competitive analysis at the level of strategic business units, by means of comparative assessments thereof, resulting in a series of viable strategies focused on benefits yielded by corporate diversity. The second benefit supports the selective earmarking of financial resources by means of identification of strategic issues and by means of adoption of a standardized and objective negotiation process thereof. Thus, the force mix inside a company will be much better directed. The third benefit derives from the opinion of several experts who assert that this manner of approaching the business portfolio that focuses on a host of analysis methods that help reduce risks, increases concentration and involvement, as far as identification and implementation of strategies at corporate level is concerned.

Correlated to visual approach that is based on a series of graphic representations, the business portfolio analysis corresponding to a company is consolidated by the comparative assessment procedure of market shares, rates of market increase, market attractiveness, competitive position and life cycle of products/markets, specific to each strategic business unit. This business portfolio analysis must become routine activity undertaken by the company, through its carrying out on a regular basis, so that decisions of earmarking of financial resources may be monitored, updated and modified with a view to accomplishing

corporate objectives, correlated to the process of generation thereof carried out in an efficient way by each strategic business unit¹⁹⁶.

After identifying business portfolio strategies, the next step is taken; it involves the outlining of strategies specific to the level of strategic business units. The basic decisions, that involve the earmarking of corporate resources together with the general approach, by means of which a strategic business unit will be managed, does not complete the strategic analysis process and the selection of the viable strategic alternative. Consequently, each strategic business unit must examine and select a certain type of strategy that in the end should lead to the meeting of long-term strategic objectives¹⁹⁷.

A significant contribution in the field of strategic business portfolio analysis specific to a company belongs to Charles W. Hofer. Over time, he undertook a series of research studies showing that the stage of the life cycle of a product represents a factor that influences to a greater or smaller extent the success of a strategy. Also, he was unsatisfied with the G.E. method, developed by the McKinsey & Company consultancy company and by the General Electric company, which did not stated clearly the position of strategic business units which have recently penetrated the market and which presented a high development potential in the future. Consequently, he proposed a new assessment matrix of business portfolio of the company, organised into 15 quadrants. The specialty literature mentions in under the name of "Hofer Matrix" or "Product/Market Evolution Matrix" and is quite similar to the Arthur D. Little matrix. Picture 1 displays the present matrix where strategic business units are graphically represented according to two basic indicators: competitive position on the market and the stage corresponding to the product/market evolution.

As in the case of the other approaches, Hofer matrix implies the division of the company into strategic business units. The next step resides in assessing the competitive position of business units, by using techniques similar to those used by the McKinsey matrix. The position occupied by each strategic business unit is graphically represented by using the two axes of the matrix. Thus, on the vertical axis (Ox) the competitive position of strategic business units is set and on the vertical axis (Oy) the stage of the life cycle specific to the market where these operate is set.

Further on, strategic business units are outlined, from a graphical point of view, under the form of circles. The size of each circle is proportional to the size of the market where the strategic business unit carries out its activity (measured on the basis of total income resulted on the mentioned markets), while the hatched areas, inside the circle, represent the market shares held by the strategic business units.

The power of the Hofer matrix resides in the fact that it may outline the distribution of strategic business units during stages specific to life cycle of the market (industry). Similar to the McKinsey matrix, the present matrix offers the company the possibility to make a diagnosis regarding the portfolio, in order to establish if it exhibits a balanced or unbalanced structure. A balanced portfolio should be composed of strategic business units of the type corresponding to "Stars" and to "Cash Cows" and to a few "Question Marks", which have recently penetrated the market or which are about to become "Stars". Of course, in practice, most of the companies will have portfolios whole salient feature will be the unbalance.

Strategic consequences

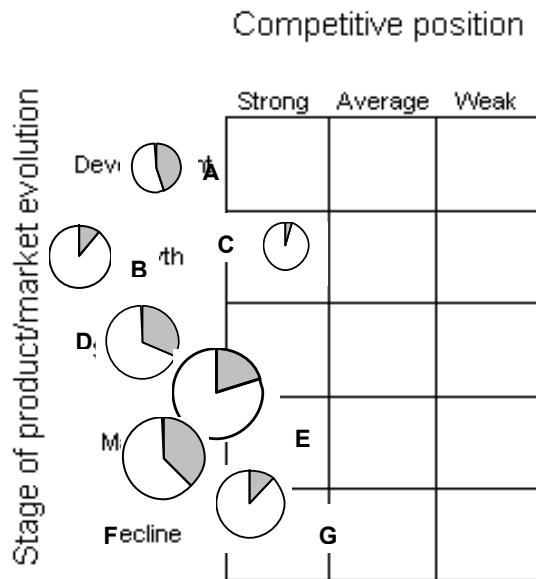
The strategic consequences of this analysis focus on the various stages of life cycle when strategic business units are not covered. Thus, similar to the other methods of business portfolio analysis, the Hofer matrix also suggests that each position held by a strategic business unit indicates the selection of a strategic alternative¹⁹⁸. According to picture 1, suggested strategies are as follows:

Picture 1 – Hofer Matrix

¹⁹⁶ Armstrong, J. Scott; Brodie, Roderick J. - Effects of Portfolio Planning Methods on Decision Making: Experimental Results, International Journal of Research in Marketing, 11, 1994, 73-84, North-Holland, p. 2

¹⁹⁷ Wensley, Robin - Making better decisions: The challenge of marketing strategy techniques - A comment on "Effects of portfolio planning methods on decision making: Experimental results" by Armstrong and Brodie, International Journal of Research in Marketing. Amsterdam: Jan 1994. Vol. 11, Iss. 1, p. 86

¹⁹⁸ Byars, Lloyd L. - Strategic management: formulation and implementation: concepts and cases, 3rd Edition, Harper Collins, New York, 1991, p.133



Source: Wheelen, Thomas L.; Hunger, J. David - Strategic management and business policy: concepts and cases, 10th Edition, Pearson/Prentice Hall, Upper Saddle River, 2006, p.304

1. Strategic business unit "A" seems to be a potential "Star". It holds a large market share, it is in the stage of life cycle development and has a strong competitive position on the market. As such, unit "A" represents a potential candidate in the competition for corporate resource competition.
2. Unit "B" is very similar to unit "A". Nevertheless, investments in unit "B" must take into account the fact that although it has a strong market position, its market share is quite small. Consequently, the cause for which market share has such a small value must be identified. Furthermore, a strategy that may contribute to the increase of market share must be developed, thus accounting for the future necessary investment.
3. Unit "C" has a small market share, its salient feature resides in the fact that it holds a competitively weak position and it entered a small market whose development is underway. A strategy that may increase the market share and develop the competitive position must be elaborated so that the future investments be accounted for. For the unit "C" a strategy residing in the elimination from the market must be applied, so that the investment for the first two units may be favoured.
4. Unit "D" is characterised by a strong competitive position on the market and it holds a large market share. In this case, it is recommended that investments be made with a view to maintaining the current position on the market. On the long run, it will become a "Cash Cow".
5. Unit "E" together with unit "F" are included into the "Cash Cow" category and they should be capitalized on because of great cash flows that they generate.
6. Unit "G" is included into the "Dogs" category and the management thereof is recommended, with a view to generating short-term cash flows in as much as it is possible. Nevertheless, on the long term the strategy of limitation or liquidation on the market must be selected.

Taking into account that the structure of business portfolio varies from company to company and that they may take multiple forms of graphic expression, Hofer suggested that the majority of business portfolio strategies specific to companies represent variations of one of the three characteristic situations of an ideal portfolio¹⁹⁹. The three situations specific to a portfolio having an ideal structure are as follows:

¹⁹⁹ Pearce, John A., II; Robinson, Richard B., Jr. - Strategic management: strategy formulation and implementation, 2nd Edition, Irwin, Homewood, 1985, p. 253

- a) Developing portfolio
- b) Profitable portfolio
- c) Balanced portfolio

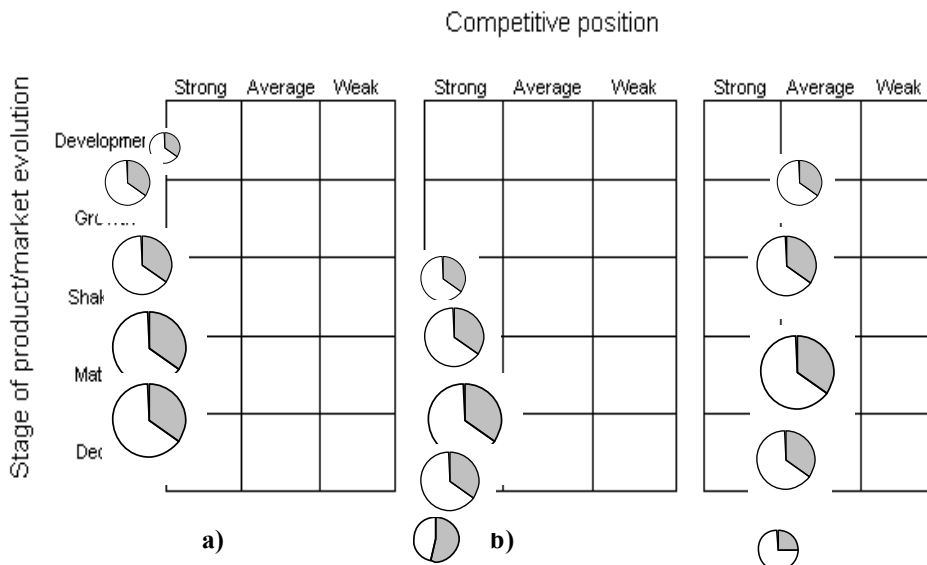
Picture 2 exhibits the three ideal situations and by means thereof several distinct objectives are outlined, objectives that a company may set with a view to meeting them by means of strategic earmarking of financial resources.

Strengths and weaknesses of the Hofer method

The main strengths of the matrix resides in the fact that it provides an image regarding the manner of distribution of the businesses undertaken by a company during specific stages of a life cycle. The company may predict how the present portfolio will develop in the future and it may also act in real time in order to guarantee that his portfolio is in a balanced condition.

Another advantage of the present matrix is that it manages to divert the management’s attention from the corporate level and focus on potential strategies specific to the strategic business unit. According to specialty literature, the market life cycle represents one of the main factors that contribute to the adoption of strategic decisions at the level of the strategic business unit. Therefore, following the use of the Hofer matrix, the corporate management may identify strategic procedures that must be integrated and implemented at the level of strategic business units.

Picture 2 – Three ideal types of business portfolios



Source: Byars, Lloyd L. - *Strategic management. formulation and implementation: concepts and cases*, 3rd Edition, Harper Collins, New York, 1991, p.134

The disadvantage of the matrix resides in the fact that it does not focus on all the relevant factors that influence the level of attractiveness of a market. According to the McKinsey matrix, the present model illustrates as well the fact that the stage of the market life cycle is very important, but this element must not be deemed as being the only and the main influence factor of the level of market attractiveness. Therefore, there are other significant factors that may exert influence over the company’s portfolio, without being dependent on the stage in which the market evolution is found.

Taking into consideration the above mentioned, we must emphasize the fact that the restriction of the portfolio analysis to a single method, is not a very wise decision. Each method presents a series of advantages and disadvantages and each of them tries to offer, at one time, a diagnostic of the business portfolio specific to a company²⁰⁰.

²⁰⁰ Haspeslagh, Philippe - Portfolio Planning: Uses and Limits, Harvard Business Review. Boston: Jan/Feb 1982. Vol. 60, Iss. 1; p. 60

The methods of analysis of the business portfolio facilitate the debate and outline of the competitive positions of the company and also contribute to the generation of a series of questions related to the way in which the allotment of its actual resources contribute to the achievement of success and vitality on long term. At the same time, these methods, besides the fact that they help the managers to control the allotment of resources and suggest realistic objectives for every strategic business unit, also offer the possibility to use the strategic units as indispensable resources in the process of achievement of the objectives established at a corporate level²⁰¹.

In conclusion, it is recommended the combined use of a large variety of methods of analysis of the business portfolio, by the managers from a corporate level, because, in this way they will understand much better the whole market mix included in the custody account analysis, the strategic position held by every strategic business unit, within a market, the performance potential of the portfolio as well as the financial aspects related to the process of allotment of resources, for the business units within the portfolio. It should also be mentioned that the methods of analysis of the business portfolio are not instruments, which offer accurate answers, in spite of the appearances created by the stage of analysis, in which the strategic business units are represented graphically and with austerity. Nevertheless, their main virtue is simplicity, since these underlie the need to further research.

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²⁰¹ Wind, Yoram; Mahajan, Vijay; Swire, Donald J. - *An Empirical Comparison of Standardized Portfolio Models*, Journal of Marketing (pre-1986); Spring 1983; 47, 000002; ABI/INFORM Global, p. 98

THE TOURISM DESTINATION MARKETING – A MANDATORY COURSE FOR THE STUDENTS OF TOURISM

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Abstract: In higher education it is important that the sometimes unfashionable public sector is included in programs. Tourism is a relatively new academic discipline. The study of tourism as a focal subject has sometimes been treated with derision in academic circles, perhaps because of its novelty, perhaps because of its superficial fragmentation, perhaps because it cuts across established disciplines. Tourism destination marketing is now widely recognized as an essential component in the management of destinations, an integral part of developing and retaining a particular location's popularity. This paper focuses to understand that the Tourism Destination Marketing is a mandatory course for the students of tourism.

Key Words: destination, marketing, organisation, skills, tourism

Introduction

The term Tourism refers to the phenomena and relationships arising from the travel and stay of people away from their normal home environments for a variety of purposes. The tourism sector is one of the largest and fastest growing sectors of the global economy. Although there is a core of recognised course titles, it is also a developing area of study with a great deal of innovation and diversity. This sector is characterised by a breadth of subject matter ranging from the Natural Sciences, through Business Management, to aspects of Geography and Cultural Studies. Despite this diversity, there are many areas of common knowledge and understanding.

Tourism is still a very specific sector, so specific knowledge about the sector is required. For the workforce, however, there are still general and basic skill needs for everybody. For example, lack of knowledge of foreign languages has been recently recognized by national tourism organizations of some European countries as a lasting problem and even as a competitive disadvantage. Entrepreneurship – a concept still vaguely defined – is taken more actively on board by education providers who are working on this notion and thinking of implementing this even at the compulsory school level [CEDEFOP, 2005].

There are also specific skill needs defined by labour category. At management level, these are rather transversal skills; hence tourism managers often have an educational background in accountancy, marketing, law, economics, etc. Nevertheless, managers are expected to possess the following skills and competences: computer skills, business and strategic planning, strategic alliances, management skills, management through visions and values, yield management, accounting, product development, innovation, human resource management, destination management, project management, management skills to cope with globalization influences, change management, marketing and sales skills [EC, 2001].

Most tourism activities take place at destinations, and so the destination forms a pillar in any modelling of the tourism “system” [Leiper, 1990]. It has even been suggested that destinations have emerged as “the fundamental unit of analysis in tourism” [WTO, 2002]. Given the prominent place of destinations in the tourism system it is surprising there have been few texts to date that have focused on the operations of Destination Marketing Organisations (DMOs). Tourism has been around, in an organised form at least, since the late 19th century, and for most of that time DMOs have played an active role in the development of tourism worldwide. However, texts concerned with destination planning, marketing and management have only emerged in earnest since the 1990s [Pike, 2004]. An understanding of the nature of DMO operations and challenges should not only be a prerequisite for those seeking a career in destination marketing, but should also be regarded as essential for those who will become active stakeholders of such organisations. As future managers in tourism, students will almost definitely interact with DMOs at national, regional and/or local levels during their career.

Literature review

Tourism

Tourism is a word that is so often used in everyday language. All of us have been somewhere on holiday, know someone working in hospitality, travel or tourism. So it is a surprise for many students to learn that there is no universally accepted definition of tourism. Instead, there have been almost as many different definitions as there are researchers. It has even been suggested that defining tourism is almost conceptually impossible. Complications arise from the multidisciplinary nature of tourism research, the ambiguity of what constitutes a “tourist” and “tourism business” and overlaps with the concepts of travel, hospitality and leisure.

The World Tourism Organisation (WTO) defines tourism as “the activities of persons travelling to and staying in places outside their usual environment for not more than one consecutive year for leisure, business and other purposes not related to the exercise of an activity remunerated from within the place visited” [WTO, 2004].

Most tourism texts offer a different definition. The definition used will also depend on the purpose for which it is to be applied, which is commonly to define markets and analyse statistics. For DMOs these include for example reports that seek to [Pike, 2004]:

- promote the economic and social benefits of tourism to a community in a bid to enlist government funds for destination promotion
- promote the scale and growth of tourism in a business investment prospectus
- highlight potentially negative environmental impacts at a proposed development site
- report negative socio-cultural impacts at a destination.

Destination

Destinations are places that attract visitors for a temporary stay, and range from continents to countries to states and provinces to cities to villages to purpose built resort areas [Pike, 2004]. At the foundation level destinations are essentially communities based on local government boundaries. The WTO offered the following working definition of a “local tourism destination”: A local tourism destination is a physical space in which a visitor spends at least one overnight. It includes tourism products such as support services and attractions, and tourism resources within one day’s return travel time. It has physical and administrative boundaries defining its management, and images and perceptions defining its market competitiveness. Local destinations incorporate various stakeholders often including a host community and can nest and network to form larger destinations.

Tourists travel to destinations. Destinations are places with some form of actual or perceived boundary, such as the physical boundary of an island, political boundaries, or even market-created boundaries [Kotler *et al.*, 2006]. Destinations may not welcome tourists uniformly. Due to location, climate, limited resources, size, and cultural heritage, some places have few economic choices other than to participate in tourism. The desire to become a recognised destination presents a difficult marketing challenge.

Tourism destination marketing

Destination marketing is an integral part of developing and retaining a particular location’s popularity. Too often, however, tourism planners focus only on destination developments without paying attention to retaining and preserving the attributes that attracted travelers to the destination in the first place [Kotler *et al.*, 2006].

Wahab *et al.* [cit. in Pike, 2004] offered the following definition of tourism destination marketing: the management process through which the National Tourist Organisations and/or tourist enterprises identify their selected tourists, actual and potential, communicate with them to ascertain and influence their wishes, needs, motivations, likes and dislikes, on local, regional, national and international levels, and to formulate and adapt their tourist products accordingly in view of achieving optimal tourist satisfaction thereby fulfilling their objectives.

Destination marketing organisations

A destination marketing organisation is any organisation, at any level, which is responsible for the marketing of identifiable destination. This therefore excludes separate government departments that are responsible for planning and policy.

The WTO introduced the term national tourism administration (NTA) as “authorities in the central state administration, or other official organisation, in charge of tourism development at the national level”. The term NTA was used to reflect the new concept of tourism management at national level and to stress that the majority of countries are moving away from the traditional system, where the national tourist organisation is essentially a central publicity body, to the newer concept of a national tourism administration which sees promotion and marketing as one of many functions.

Destination marketing organisations (DMOs) are concerned with the selling of places, a field of study that has only relatively recently attracted significant research attention. Contributions have included: destination planning and management [Godfrey & Clarke, 2000; Howie, 2003; Laws, 1995; Lickorish, 1992; WTO, 1994, cit. in Pike, 2004], urban destinations [Page, 1995], case studies of “tourist organisations” [Pearce, 1992], destination marketing [Ashworth & Goodal, 1995; Heath & Wall, 1992; Nykiel & Jascolt, 1998], the promotion of places [Ashworth & Voogd, 1990; Gold & Ward, 1994; Avraham & Ketter, 2008], destination branding [Morgan *et al.*, 2004] and destination crisis marketing [Bierman, 2003, cit. in Pike, 2004].

A growing number of academic conferences have also featured the destination marketing theme in recent years. The 1993 Association Internationale D’Experts Scientifiques du Tourisme (AIEST) conference addressed the issue of the competitiveness of long haul destinations [Pike, 2004]. In 1996 the Fundacion Cavanilles for Advanced Studies in Tourism organised the Second International Forum on Tourism, themed “the future of traditional tourist destinations” [Buhalis & Cooper, 1998]. In 1998 the 48th congress of the AIEST focused on “Destination marketing – scopes and limitations” [Pike, 2004]. In 2007, two conferences was focused in this area: UNWTO Conference “Creating competitive advantage for your destination” – Budapest, 9 february and 2007 Advances in Tourism Marketing Conference “Destination and Event Marketing Managing Networks”, hosted by the University of Valencia.

There has also been a wealth of material related to destination marketing published in academic tourism journals. In this respect, aspects as DMOs – roles and structure, destination branding, destination positioning, destination image and destination marketing are among the most important issues for the tourism industry and require to introduce this course (Tourism Destination Marketing) in the curricula for Master degree in tourism. This allows students to gain an understanding of the roles and structures of tourism organisations at all levels... what is critical is that students have a thorough understanding of issues of globalizations, the public and private sector structures and policies that are in place to both capitalize and protect nations from its effects and are equipped to enter the work force at a senior level “surprise free” in terms of such issues [Fayos-Sola, 2002].

The objectives and descriptors of course

The aim of this course is to provide the student with a general framework of the principles of tourism destination marketing. Tourism and moreover Business tourism does not exist in a vacuum. It can only function if it shares, cooperates and dialogues effectively with many other sectors of society and economy. The course also explains that marketing of destinations should balance the strategic objectives of all stakeholders as well the sustainability of local resources. Destinations need to differentiate their products and develop partnerships between the public and private sector in order to co-ordinate delivery. Destination marketing must lead to the optimisation of tourism impacts and the achievement of the strategic objectives for all stakeholders. Taking advantage of new technologies and the internet also enables destinations to enhance their competitiveness by increasing their visibility, reducing costs and enhancing local co-operation.

Following main issues are dealt with in this course:

1. Introducing destinations and destinations marketing
2. Destinations – an amalgam of tourism services and experiences
3. The importance and the critical roles played by the DMO (Destination Management Organization) in the tourism policy development and implementation.

4. The strategic purpose of destinations and their management and marketing
5. Main markets and destination choice
6. Types of destinations, target markets and marketing strategies required
7. Marketing research: identifying market segments for destination products
8. Marketing destinations: strategies and practices
9. Destination marketing mix: formulating the destination product, pricing the destination, distributing tourism destinations, promoting the destination.
10. Destination Branding
11. Destination Image
12. Destination positioning in the marketplace.

The core purpose of DMOs is enhancing sustained destination competitiveness. A major element in striving for competitive advantage in the crowded tourism markets is the development and implementation of tourism strategies, since destinations endowed with natural attractions have been forced into competition with places that have developed attractive built environments. To achieve competitiveness the four main goals are enhancing destination image, increasing industry profitability, reducing seasonality and ensuring long term funding.

The primary responsibility of DMOs is destination marketing. The three other important responsibilities are industry coordination, monitoring services and quality standards, and fostering community relations.

A market orientation dictates outward-inward market-organisation thinking [Pike, 2004]. In tourism this means firstly anticipating travellers' needs, and then developing products and services to meet these. Adopting this approach in destination marketing is problematic. Instead, DMOs generally use inward-outward thinking by attempting to find markets that will be interested in a destination's existing products. A DMO must somehow showcase the destination in a way that offers benefits sought by travellers, represents the interests of tourism suppliers, and does not commodify residents' sense of place.

The generally accepted steps in destination marketing planning are: a situation analysis, incorporated a resource audit, environmental analysis and competitive positioning analysis; development of goals and strategy; an action plan, and measures of performance. Integrated Marketing Communication (IMC) represents a relatively new approach to marketing. Key tenets of IMC are the development of profitable customer relationship, a cross-functional process and purposeful dialogue and message synergy.

The responsibilities of destination brand management should not rest solely with the DMO. Ideally, what is required is an understanding by all stakeholders of what the brand identity is, what the brand image is, and what the brand positioning strategy is.

It has been suggested that the future of marketing will be a battle of the brands, and that in tourism, destinations are emerging as the world's biggest brands. The process of branding tourism destinations is a more complex undertaking than for most consumer goods and services. The purpose of a brand is to establish a distinctive and memorable identity in the market place that represents a source of value for the consumer. For DMOs, the value of strong consumer based brand equity lies in the opportunity to minimise destination switching through a differentiated value proposition and increased loyalty. The fundamental challenge for DMOs is to somehow develop a brand identity that encapsulates the essence or spirit of a multi-attributed destination representative of a group of sellers as well as a host community.

A destination brand manifests as an image (or lack of) in the mind of the consumer, which may be quite different to the self-image intended in the brand identity. Tourism marketing is generally concerned with the selling of dreams, since expectations of an intangible tourism service can only be realised after travel. The images held by consumers therefore play a critical role in their decision-making. Since tourism services can only compete via images, it is imperative marketers understand that "perception is reality". The brand image of the destination may or may not be quite different to the brand identity intended by the DMO.

Branding is perhaps the most powerful marketing weapon available to contemporary destination marketers confronted by tourists who are increasingly seeking lifestyle fulfilment and experience rather than recognising differentiation in the more tangible elements of the destination product such as accommodation and attractions [Morgan *et al.*, 2007]. Most destinations have superb five-star resorts and attractions, every country claims a unique culture, landscape and heritage, each place describes itself as having the friendliest

people, and high standards of customer service and facilities are now expected. As a result, the need for destinations to create a unique identity – to differentiate themselves from their competitors – is more critical than ever.

Conclusion

Tourism destinations are probably one of the most difficult “products” to market, involving large numbers of stakeholders and a brand image over which a destination marketing manager typically has very little control. The diversity and complexity of tourism destinations is well documented and this makes brand development very difficult for national, regional and local tourism organisations. Destination branding necessarily involves the focused attention of all tourism-related organisations in a destination, and this can create major challenges in getting all stakeholders to develop a coherent theme for the destination brand.

Only those destinations that have a clear market position and appealing attractions will remain at the top of consumer minds when they book their holidays. In the highly competitive and dynamic global tourism environment, there is a need to develop a clear identity, or “brand” based on reality, while also reflecting the core strengths and “personality” of its product. In this crowded marketplace, building and maintaining brand value is the key to business success and, as a result, brand management is quickly shifting from a peripheral marketing concern to the core business strategy.

This is a reason for including The Tourism Destination Marketing in curricula for the students in the field of tourism.

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THE CONSUMPTION OF CULTURE THROUGH TOURISM IN TIMISOARA

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Tourism is one of the few phenomena that have stood out in the contemporary age, its spectacular development being a common feature of the 20th and 21st centuries.

Internationally, tourism has become a business worth billions of dollars, with many national economies depending on it. In the developed countries, it grows annually faster than the normal growth of the economy. The income from tourism reaches (and even exceeds) 30% of the GDP.

Cultural tourism has always been present, but in the last few decades it tends to become an industry, along side: mountain, spa, spelunking, pilgrimage, and cruise, institutional, religious and literary tourism. Actually, there are many forms of tourism for almost each activity area; thus, the spectrum of cultural tourism is the most varied and diverse.

Key words: cultural tourism, tourism offer, tourism demand, journey

1. Cultural tourism – particularities, concepts

Tourism, nowadays, has become an activity as important as any other activity in the key sectors in the world economy (industry, agriculture, trade). The tourism phenomenon is extremely hard to limit, because, as any other human activity, it falls under the incidence of interdisciplinary study, involving economists, geographers, psychologists and sociologists. The first records concerning the preoccupation to travel are from the Antiquity in the writings of the geographer Strabo (64/63 B.C. to 19/21 A.D.). The descriptions left by Marco Polo, a Venetian merchant (15th of September 1254 to 8th January 1324, who made himself known through his stories about a trip to China) through his Asian travels, the ones belonging to Arthur Young (actor, 2nd of September 1898 Bristol, England to 24th of February 1959) or, closer to us the ones belonging to Henri Monfreid (1879 to 1974, adventurer and legendary writer) have in a way guided the future preoccupations regarding the practice of travel.

Looked upon as a social-economic creator of important benefits, tourism was defined in ways of the most different sort: “the art of traveling for the personal pleasure” (M. Peyromarrie Debord (28th of December 1931 to 30th of November 1994), writer and director); “the activity in your free time which consists of traveling and living far from your home, for entertainment, rest, enrichment of experience and culture, for knowing new human aspects and unknown landscapes” (Jan Medeciri); “phenomenon of our time, based on the growing necessity to improve health and change the environment you live in, emphasis on feelings for the beauty of nature as a result of trade development, industry and the improvement of means of transport” (Guy Freuler); “the sum of non- lucrative activities done by man outside his area of residence” (Lavaille Nizerolle); the exchange of an economic value (money) with a cultural, esthetic and recreational value” (Marc Boyer); “the set of relations and phenomena which result in the movement and the staying of people outside their residence” (E. Hunziker); “the local reunion of four elements that must be analyzed in an inter-relation: the tourists, the natives, the influx and the territories”.

On the international level, tourism has become a billion dollar business, with many national economies which depend on it. In the developed countries, it grows annually faster than the normal growth of the economy. The income from tourism reaches (and even exceeds) 30% of the GDP.

Cultural tourism represents a modern way of spending your holiday, a way in full expansion. Such vacations, known under the generic title of “tours, cities and culture” hold in the western countries an important share in the way destinations are structured: 51% in Italy, 45% in France, 46% in Holland, 31% in Germany, 23% in England.

Tourism is an act of culture, as the tourist accumulates, along his journey, a good amount of knowledge from the most varied domains. That is, the degree of culture and civilization decisively influences the quality and the attractiveness of the tourism product that is being offered.

Cultural tourism focuses on visiting sites of historic patrimony (archeological vestige, monuments, castles, religious edifices, urban and rural sites, parks and gardens), visiting museums, taking part in cultural events (concerts, music festivals, dance, film, folklore, traditional celebrations, expositions and fairs), industrial and technical tourism (the visiting of industrial and economic sites, constructions, modern or traditional building complexes).

Through its nature, cultural tourism, interacts with other forms of tourism, it integrates with urban, recreational and business tourism.

The consumption of tourism covers cities, well-known for the organization of cultural and international outpourings (world-wide or regional). Cities in this category are: Cannes, Monte Carlo, Venice, Las Vegas, London, Braşov. Cities for pilgrimage, situated in various parts of the world which head for a great influx of people annually or periodically, on the basis of a calendar, with the occasion of religious celebration (Lourdes with its famous Grotto of Miracles, Chartre, Aaras, Argenteuil (France), Mecca, Medina, Fatima – Saudi Arabia, Jerusalem - Israel, Amalfi – Italy, Anaya – Lebanon, Czestochowa – Poland, Montserrat – Spain, Cochabamba – Bolivia, Beauraing – Belgium, St. Anne of Beaupre – Canada, Santos Lugares – Argentina, Efes – Turkey).

One of the new forms of international tourism is the one linked to the knowledge of cultural values of international importance. The greatest fluency of this type of tourism is recorded in Europe, Especially towards Italy, France, Belgium, Germany, and also as towards capital cities.

2. The tourism market of cultural tourism

2.1 The offer for cultural tourism

Cultural tourism, as a trip in time, is present especially in countries where culture points out the conservative values of their cultural-historical traditions, but also in environments which are developing their national self-awareness, but mostly among the minorities in a country fighting against cultural assimilation.

The cultural resources hold a key place in the context of the anthropic ones, given the fascination and the attractiveness which they have on people who wish to see and hear them, to entirely feel the reality, to actually perceive and finally to understand them as if they were their second nature.

The following list suggests coverage of the types of cultural tourism, even though it can be said that culture is everything that we are and everything that we do, with the exception of telling apart the different activities:

- Heritable sites (archeological site, towers, monuments, museums),
- Cultural centers (theatres, concert halls),
- Visual art (galleries, sculpture parks, photography museums, architecture),
- Festivals, special events (music festivals, sporting events, carnivals),
- Rural environment (villages, farms, national parks, eco-museums),
- Native communities and traditions (tribal societies, ethnic groups, minority groups),
- Arts and crafts (textile, pottery, painting, sculpture),
- Language (teaching and practices),

- Gastronomy (wine tasting, food tasting, cooking classes),
- Industry and commerce (mines, distilleries),
- Modern popular culture (popular music, shopping, fashion, media, design, technology),
- Interest for special activities (painting, photography, knitting).

Like other forms of tourism, cultural tourism has become a part of many national economies (Turkey, Greece, Spain, Portugal, France and Italy) and it plays a major role in:

- the development of the economy
- understanding between people of different origins
- promotion of peace
- mutual understanding of their fellow countryman and as such, the understanding of people everywhere

Cultural tourism has always been present, but in the last few decades it tends to become an industry, along side: mountain, spa, spelunking, pilgrimage, and cruise, institutional, religious and literary tourism. Actually, there are as many forms of tourism as there are things to do, in which case the spectrum of cultural tourism is the most varied and diverse. Nowadays there are talks of literary, urban, rural, religious and architectonic tourism, following a physicist, writer, painter, sculptor, musician, etc.

2.2. Demand and consumption of tourism

Typical for the demand of tourism and services is the high degree of mobility, with relatively rapid changes, at a structural and quantitative level, changes that were observed under a range of unbiased and subjective factors as well.

The dynamics of tourism demand can be noticed through frequent oscillations, sometimes even sudden and unexpected, which are mainly due to the fact that motivations are liable, as well as other endogenous (on a personal and social level) and exogenous (political, natural) factors

Among the factors that influence the demand of tourism are the cultural ones: the level of education, the cultural differences between the place where the tourist originates and the place he visits, the respect which the tourist shows toward other cultural values. The consumers that have a high degree of education and learning are braver, and more willing to acquire new knowledge and new contacts, are more voluble and more mobile. They want to have a direct contact with what they know only theoretically, to get in touch with original and specific ways of life, that are different from their own.

3. A survey concerning the “consumption” of culture through tourism in Timișoara

3.1 Drawing up a questionnaire concerning the “consumption” of culture through tourism

The questionnaire focuses on tourism, as an important part of the behavior linked to cultural consumption. During the research we have used questions concerning:

- the place the last holiday was spent;
- how the interviewees prepared themselves for the trip;
- “e-culture” and the new communication technologies;
- the activities they had while they were away, including cultural activities;
- cultural consuming tourism behavior in regards to: opera, theatre, cinema, concerts.

The point of this research is not to establish a social and cultural “class”, to label, but only to present data containing the peoples’ tendencies regarding culture and the ways it is being done in Timișoara. The questionnaire is there to see, in the case of cultural consumption, to what extent elements of cultural nature are included, with the establishment of a consumer profile.

This questionnaire must be looked upon only under the “umbrella” of a measuring purpose and has the following characteristics:

- the sample is composed of regular people from Timișoara over 18 years old
- the targeted amount is composed of 100 random subjects;

- the sample is not an accurate one and has two overlapped stages
- the interviewing is done in various public places and in places that have cultural logistics, the questionnaire is performed individually

3.2. Questionnaire interpretation

The survey has been carried out on 100 people with interest toward the profile of the person as well as the different forms of consumption that a person has, accordingly the consumption of culture through tourism. In the follow up we will see the frequency of answers to relevant questions as well as the relevant correlation between them.

Out of the total of **100 people** that have answered the questionnaire, 61% were male and 39% female.

Regarding the assigning of **age category** that 40% of the people on which the survey was carried upon are between 35 and 44 years old, followed by the people with ages between 25 and 34 which represent 31%. It can be seen that the lowest percentage represents the people with ages from 45 to 55 years old. This assessment has an impact on the level of income and also on a certain type of consumption. As an example some of them have certain studies and do not have a certain income.

It can be observed, that a majority of 54% travel at least once a year, followed by those who travel more than once a year. A very small percentage is represented by those who travel rarely or do not travel at all, 3%.

Contrary to the image of the last years that implies the presence of a mass exodus in the holiday months, a high percentage of the people that were questioned, spent their holiday in the country. As a whole, they visited a place in the country (the sea or the mountains), their relatives or the countryside. As one can notice an added percentage of 77% of the questioned people spent their holiday in the country, and 71% of these people were at their tourist destination.

When asked “**from where did you get the tip for the destination of your last holiday**”, one can plainly see that the new technologies are leading in terms of percentages. The internet is leading as source of information, followed by information received from friends, acquaintances and then the information from tourist agencies. The information received from friends and acquaintances have a higher degree of credibility, because they offer information about their own personal experiences. As it can be seen the promotion of tourist destinations is advised to be done over the internet (23%) and fliers (16%).

A tendency can be seen which is typical for the last few years is that of traveling on your own (using personal means of transport, train, choosing the route). Out of the people questioned, 61% stated that they prefer to travel on their own, and not to resort to tourist agencies (airplane tickets bought from an agency, reservations). The distributions of the percentages can be seen showing that travelers that turn to an agency represent 39%.

The preferred period for a holiday that results from this survey is the 3rd trimester, July-September, 53% out of the people questioned, followed by the 2nd trimester, April-June, 26%. The preference for the hot season can be seen.

The restaurant, entertainment and shopping remain the preferred holiday hobbies. A third prefers both theatre performances and cinema. It can be seen that the internet has become indispensable even during holidays. Shopping has a calming effect and is even a stress dispelling activity. (Chart 1)

We can plainly see an interest towards archeological sites and spiritual sites. The percentage of people that visit museums is pretty low compared to the sites mentioned. The fact that the population in Romania, spends their holiday in Romania, combined with the fact that during the holidays there are relatively few trips to the museums, indicate the fact that the museums in Romania, that are usually under each county's board of administration, are not orientated towards the visitor through techniques of cultural marketing.

The preferred cultural activities in Romania, in an inverted order are: local events, shows/ music concerts, museums and expositions, cinema, theatre. In Chart 2, one can plainly see that in the category of sightseeing spots, the preferred destination are archeological sites, castles, churches and monasteries.

Chart.1 Preferred activities during holidays

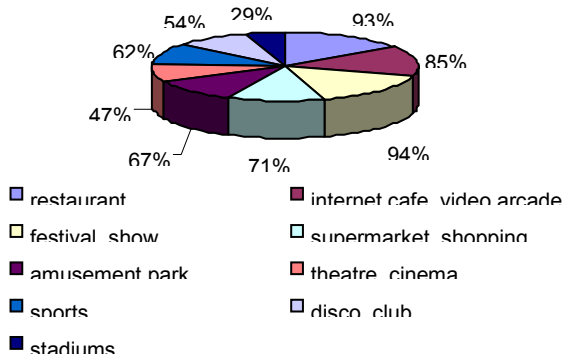
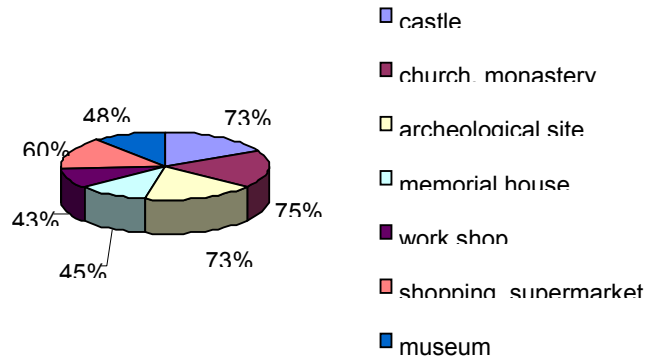


Chart. 2 Visited cultural destinations



The level of income with the highest percentage is the one between 1001-1500 RON, 34% out of the people questioned, followed by the people with a higher income, between 1501-2000 RON, 29%. There were some that consider their income private information and did not answer.

In average, a family spends 35 RON/month on culture. Out the people that were questioned, most of them spend 10-30 RON/month, at 49%, followed closely by those that stated that they only spend 10 RON/month on culture.

The majority of the people questioned have followed higher education system, 41%, followed by those who have a post high school graduate school, 37%, fi this means that the people in the sample have an educational level from medium to high, a fact that is essential in this survey about culture consumption. A high level of education automatically implies a high consumption of culture. A percentage of 22% have only a high school as an education.

One can observe that restaurants, shows and festivals are topping the consumer preferences. These types of activities can be practiced without any travel, and can be done in their own city, which explains the high number of people who perform these activities. The other activities imply travel and an extra usage of time and money.

In the category of activities with consumption of information and with that, culture are the ones that include the use in a way or another of the internet, like reading the press on-line, looking for different information as well as communicating via e-mail. Watching TV shows has lower numbers, mainly news and documentaries are watched, followed by entertainment. It can be plainly seen that TV has lost ground compared to the internet.

Out of the answers of the questioned, it can be seen in the following diagram, that the main books that are being read are love stories, followed by philosophy with over 50% of the interviewees and at almost the same level are those who listen to foreign pop music. Also, people listen to folk music, followed by rock music, 40% of the interviewees.

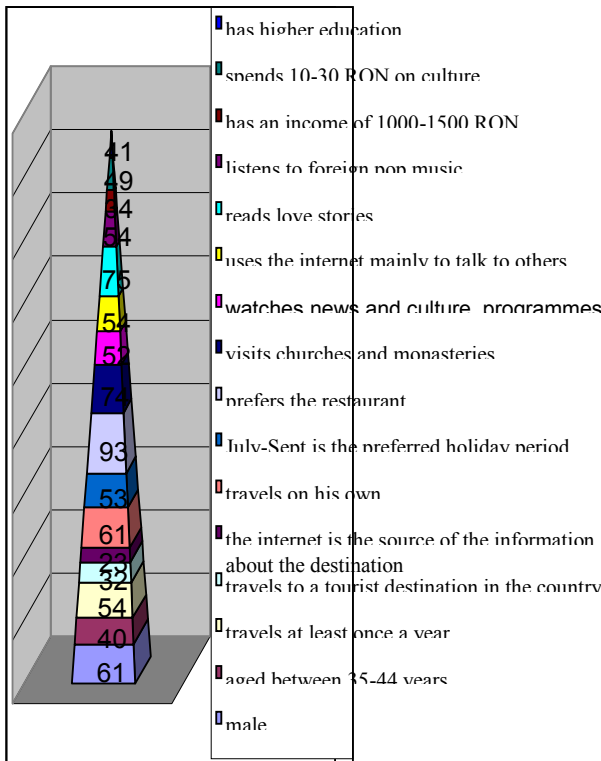
Next, in Chart 4, we have the profile of the interviewees which is a result of the maximum frequency of answers from the survey. This profile does not fully match any person in particular, only the fact that a person that was questioned can acquire the most characteristics from the ones mentioned.

3.3 Conclusions

The two types of activities inter-condition themselves, and so, tourism is an act of culture, because the tourist accumulates, during his journey, quite a large amount of knowledge from the most varied domains. In other words, the degree of culture and civilization decisively influences the quality and the attractiveness of the product on offer.

The demand for tourism is not characterized by periodic consumption of the same product, the same tourist destination, and this is even true for tourist products with cultural elements, a destination of cultural nature once consumed, does not have the same enthusiasm and interest as before. On the tourist market, we can identify a great diversity of products and tourist destinations in a constant competition, the tourists have the possibility to benefit from these offers all year round. The two types of activities can work together in the promotion department; this means a greater coverage between cultural institutions and those that provide services to tourists.

Chart 4. Profile of the interviewees after the maximum frequency



From a strategic point of view, there are two types of ways to raise culture consumption. The first would be the extension of consumption vertically, which would lead to the fact that people that attend a cultural event at least once will a number of times. This implies a redistribution of people inside the category of people that go to the theater, the opera or read books. The second strategy would be the extension of horizontal consumption, which means ways of transforming those who do not take part in these kinds of activities, in culture consumers. The two strategies have different objectives and steps to follow. Thus, to raise vertical cultural consumption, it is necessary to act especially in diversifying the offer of shows of

these institutions (different shows, bringing shows from abroad, bringing famous artists in the country). This is already happening, so we can say that there is a degree of saturation of the demand/offer ratio. Horizontal extension is the way this growth can occur.

To raise horizontal consumption (attracting new people) there is a need, especially for educational and institutional partnerships, with educational institutions and so steps will be taken in that direction. Educational steps imply setting long term goals which permit the “education of the public” via this type of culture consumption. These actions can be initiated by professional associations, as well as promoting opera consumption in schools, high schools, colleges through group participation in which the professors in these schools should be involved, the introduction in the school schedules of cultural education classes where these shows can be watched.

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MARKETING IN ROMANIAN HIGHER EDUCATION IN THE CONTEXT OF EUROPEAN INTEGRATION²⁰²

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The article refers to marketing challenges for Romanian higher education organizations in the context of European Union integration. It underlines the importance of the EU directives related to education, to lifelong learning, to development of information society and knowledge-based society, of the Bologna Process, of the role of the national educational policy and strategies. It sheds light on the importance of marketing awareness of higher education institutes, on their role of contributing to the development of the knowledge-based society and knowledge-based economy, on their main objective of educating the students to become well-trained and competitive human resources. It presents the results of a research made among students about their needs, attitudes, perceptions related to higher education and higher education organizations, and how they define the Christian character of higher education organizations.

Keywords: marketing in higher education, information society, knowledge-based society, knowledge-based economy, e-learning, lifelong learning

Marketing challenges in Romanian higher education in the context of EU-accession

After 1989 appeared different private universities, Christian universities in Romania, besides the public (state-owned) ones. At national level there existed tendencies of reforming the national educational system at all levels (from the elementary school to higher education) in order to make it EU conform, to develop its efficiency and effectiveness, to assure the quality of education.

The Ministry of Education and Research (Ministerul Educației și Cercetării) is in charge in Romania of implementing the educational policy of the Government, of creating and implementing the development strategies related to the field of education and research, of assuring the quality of education, of organizing, managing and financing the public educational system, taking in view the strategy regarding the development of information society. The Ministry of Education and Research developed the „Post-accession Strategy 2007-2013” (Strategie Postaderare 2007-2013), underlining those fields of education and research which represent priorities from the developments points of view, and enumerating those programs which must be implemented in order to facilitate these developments.

The national priorities - related to education and research - are the following:

- To assure the equal opportunities, to increase the level of participation in education;
- To develop the compulsory education;
- To decentralize and assure the autonomy of undergraduate educational system;
- To assure the economical competitiveness based on research and innovation;
- To modernize the rural educational system;

²⁰² This article is part of the results of a research project from 2006/2007, financed by Sapientia Foundation, Institute of Research Programs, the other members of the research-team were: Dr. Béres Csaba, Gáj Blanka, Újvárossy Orsolya

- To develop the institutional perspective of lifelong learning;
- To harmonize the Romanian educational, research and innovation system with the objectives and directives of EU;
- To improve the quality of education and research, in order to train creative human resources.

The expected results are the following:

- Improvement of the quality of the educational process;
- Decentralized undergraduate educational system;
- Increased efficiency of administrative and educational management at all levels of education;
- Decreasing the gap between the infrastructure and educational staff of urban and rural educational organizations;
- Relevant curriculum from the point of view of local and labour force market needs and demands;
- Promotion of coherences between different educational and training degrees;
- Improvement of qualification and performances of educational staff;
- Increased performances of pupils and students, which can be tested at national and international competitions;
- Intensified social acceptance of graduated students;
- Motivation for transnational initiatives on the labour market;
- Improved competencies in getting European Union funds;
- International cooperation in the domain of education and research;
- Development of international partnerships at the levels of European standards;
- Facilitated partnerships between the private and public sector, in order to create cooperation between research institutes, universities and companies, especially regarding developed technologies.

The Law of Higher Education in Romania – which regulates the activities, rights, obligations, structure, management aspects related to educational and administrative staff, aspects related to students of Romanian universities – is under revision.

The implementation of the objectives, strategies, actions of the Bologna Process represents a great challenge for Romanian higher educational organizations. The main objective of the Bologna Declaration (19th June 1999) is to create the “Europe of knowledge”, which develops the intellectual, scientific, technical and cultural base of the political and economical integration, and which contributes to the development of knowledge based society. The purpose of it is to develop a common, transparent and easily comparable European educational system, with two main levels, the undergraduate level and the graduate level (master and PhD). On both levels students should follow their courses for at minimum one semester at a university from another country. For this reason became priorities: to develop and extend the European credit system in the European higher educational organizations, and to implement lifelong learning systems.

The gradual educational model creates a lot of management problems for educational organizations from Romania, which need special competencies, and of course the dedication and motivation of the (top) management in order to be solved. Educational organizations should improve their management, their internal marketing and internal communication, which facilitate the achievement of efficiency demands, too.

The European Union in the Lisbon Strategy (2000) expressed its objective that by 2010 Europe should develop its information society, which will help the European economy to become a competitive one. In order to achieve this goal educational organizations, and specifically higher educational organizations play an important role, because through their educational, research, social etc. functions they can contribute to a great extent to the goals of the eEurope Plan, to the development of the knowledge-based society and knowledge-based economy, to the development of trans-European scientific communication network, to the modernization of the European social model.

Lifelong learning is one of those trends which characterize our society. Organizations make efforts to develop, train, motivate their human resources, because the knowledge, experience and skills of employees are one of those (or most) important factors which assure the achievement of organizational goals. On the human resource market the tendency is for the human resource to get more information, more knowledge, to face the changes in professional environment and general environment, to become more competitive. This can be an opportunity for higher educational organizations, because they can diversify their service portfolio and offer training programs, courses for human resources, and they can offer these courses with highly personalization, taking in view the specific needs of individual organizations. Educational organizations could have the role of developing the lifelong learning consciousness and culture.

The basic document of the continuous learning process „A Memorandum on Lifelong Learning" was finalized in 2000 by human resources professionals.

The European Council concluded in Lisbon in 2000 that Europe have arrived in a new era, the era of knowledge, which has important impact on the cultural, economical, social environment, and generates changes in the way of learning, working, and everyday life, as a result persons need to learn methods which can help them to adapt easily to and to face these changes.

The European Committee developed a strategy related to the development of human resources, underlining that the learning process is based on broadening one's horizons, on extending one's knowledge, on continuous development of skills and competencies.

The main objectives of the European Union are the following: assuring the harmonization of and strengthening the relations between higher educational systems, creating the European social and educational space, developing common European standards, which facilitate the mobility of students and professors. The Socrates and Leonardo Programs and the European Social Fund were developed in order to help the achievement of these goals.

Because Romania became member of the European Union, it must adopt the lifelong learning strategy, which is not a problem, because the Romanian educational system's characteristics predestinate it to do so. The challenges are in the field of assuring proper management, institutional system, qualitative and practical educational materials and tools.

The development of the information society gave birth to new educational methods, which differ from the traditional ones. E-learning is one of these, when the Internet technology serves educational purposes, becomes an educational tool. The European Union's main development direction in the "Key to knowledge-based Europe" Program refers to e-learning, based on informational and communication technologies, underlining four directions:

- *Infrastructure*: equipment of schools, research centers, educational centers with multimedia computers;
- *Education, training at all levels*: creating educational models based on information and communication technology, assuring the training of teachers, professors in using information and communication technology;
- *Development*: development of the educational multimedia industry – development of services and products of high quality and good content;
- *Networks*: connection of virtual educational spaces – supporting network cooperation.

The Romanian higher educational organizations should face the challenges of e-learning, and should try to overcome the barriers in mass spreading of it (for example: Internet access, Internet using culture, information and communication infrastructure etc.).

Marketing in higher education organizations

Nowadays different Romanian higher education organizations realize that it becomes more and more important to be aware of the importance of marketing concept, marketing orientation, social marketing orientation. Marketing in higher education means the use of marketing tools, methods, techniques, through which the higher education organizations can search the needs and expectations of their "clients", and offer educational and other services which satisfy these demands, taking in view the expectations, trends, changes of the labour market, and of course the long-term interests of the whole society.

More and more Romanian higher education organizations become aware that they must become an organization which offers educational and other services in a way that assures the satisfaction of their “clients”, first of all their students, and of course their parents, teachers, professors, too. As a result they must become marketing oriented, in order to be capable to manage their resources, competencies and marketing network in a more efficient way than their competitors, to be able to attract and maintain their students for the undergraduate and graduate courses. The main function of public education is to prepare the student to participate in social life, and the role of higher education is to educate the students to become a well-trained and competitive human resource. But in a highly changing environment the competition between higher educational organizations increases. As a result it becomes more and more important for higher educational organizations to search the satisfaction degree of the students with the different services of the university. They should monitor how their graduates can integrate in the labour market, how employers evaluate the competencies and knowledge of the students.

They must make efforts to create a good image of their organization and their services, to continuously improve the quality of their services, to attract new students, and to convince their actual students to continue their graduate studies (e.g. master, PhD and other training courses) in the similar organization, as a natural solution for the challenge of lifelong learning trend, and to convince their students to recommend these services for their colleagues, friends, relatives, too.

Market segmentation is important for higher educational organizations, because they must choose segments which can be served profitably for a long term period. They must understand that complementary to the theoretical knowledge, they must develop the practical skills of the students, too, because only in this way their graduates will become highly appreciated employees.

To be successful a higher educational organization should offer for its students different services for spending their spare-time, for entertainment, and related to culture. Through a good student-teacher relationship, or friendship between students the universities can become more attractive.

Higher educational organizations must take in consideration the institutional, local, regional, national traditions, practices, cultural and social characteristics, the needs and interests of different stakeholders.

Romania is full member of the European Union, and besides the openness to values of other cultures, it is important to preserve the national and ethnical values, too. In the Common European Higher Education Space it is a priority to make efforts to protect and maintain national and ethnical traditions and values.

Higher education organizations can become catalysts of regional consciousness and regional development processes, motivators of technological development and innovation, can intensify the cultural consciousness and development of competencies and skills, can intermediate cooperation between educational organizations, research institutes and companies, can facilitate the harvest of the knowledge capital, intellectual capital in the economical-social environment.

The role of the higher education organizations in distant-learning and e-learning is intensifying, and for this reason becomes necessary to achieve improvements in utilizing information and communication technologies. The pedagogical aspects should get a higher importance in the development of information and communication infrastructure, and in the creation of educational products and services based on multimedia.

Higher education organizations are offering services, and it is important for them to develop appropriate marketing mix (product, price, place, promotion, process, personnel, and physical evidence), taking in view the specific characters of the educational and related services.

Christian aspects in higher education organizations

From this point of view we can define the functions of a Christian educational organization: to educate in the spirit of evangelical morality, which must penetrate education in the professional field, to facilitate the development of intellectual, psychological, moral competencies of the pupils and students. Another objective is to create a Christian community of pupils, students which catalyses the intensification of students' faith in God, offering a frame for spiritual, intellectual, moral standards, in order to promote Christian values through the educational process. Education should cover besides the professional education the Christian education of the Bible, to promote the love of God for other people, to learn what is good and true, to develop wisdom and responsibility.

Those education organizations are successful, which can create a pleasant Christian atmosphere, where students and teachers, other administrative employees can follow similar values, objectives. Teachers have an important role in education in Christian spirit, because they become a model for students, they can motivate the students with their value system to follow spiritual, moral values.

The short interviews made with students from different faculties show what students think about Christian values, what are their attitudes toward these values, what Christian character of university means for them. The results show that students appreciate those religious values and special events organized by the education organizations, which are related to religious education and faith, but they are reluctant to religious excesses.

Marketing research regarding higher education organizations

The main objective of the marketing research project was to find information related to the satisfaction degree of the students with higher education organizations' services, to their perception about the Christian character of the universities, to reasons for choosing a university for their studies, to preferred information and communication channels.

The results show that students use different information and communication channels to obtain information about universities and their offers, and they use both online and offline information and communication channels.

Students mentioned as reasons for choosing a specific university for their studies as following: the language of studying, the level of educational costs, and the closeness to their home.

Students are concerned with the issues related to: quality of education, different administrative problems, difficulty of obtaining a degree, educational infrastructure, recognition by employers of their degree, problems in finding a good job in their domain etc.

Students generally analyze the offers of different competitors in the higher education industry, and can perceive the differences between competitors.

Conclusions

As a conclusion we can mention, that it is important for higher education organizations to do systematically marketing research to get information about their customers, competitors and marketing environment, and to develop an efficient and effective marketing-mix in order to attract and maintain their customers. The main challenges for the Romanian higher education organizations can be summarized as follows: the changes generated by governmental reforms, European Union integration, changes of legal environment, increased autonomy, the dilemma of mass-education versus elite education, reduced financial resources, needed improvements in management know-how, intensification of competition etc. The trends of the demographical, economical, cultural, social, legal, institutional, informational, technological segments of the marketing environment of higher education organizations have impact on the marketing in higher education. Based on their competencies and taking in view the mentioned challenges higher education organizations should harvest the opportunities and avoid the threats, in order to be able to face the increasing competition.

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PUBLIC DIPLOMACY AND ITS ROLE IN BUILDING A NATION'S COMPETITIVE IDENTITY

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Governments use two main means of communication, depending on their partner of dialogue: traditional diplomacy (in their communication with other governments) and public diplomacy (for the communication with the population of other countries). In this article I will analyze both the concept of public diplomacy from a theoretical approach – the way it is defined and its meanings in different countries-, and its potential contribution to building a nation's competitive identity. A special attention will be given to the Romanian public diplomacy activities, the funds allocated to those activities and their efficiency.

Key words: competitive identity of a nation, public diplomacy, propaganda, brand.

Introduction – public diplomacy definitions

The term of public diplomacy was used for the first time in 1965 by Dean Edmund Gullion from the Fletcher School of Law and Diplomacy at Tufts University, according to a Library of Congress study of U.S. international and cultural programs and activities. It was created with the establishment at Fletcher of the Edward R. Murrow Center for Public Diplomacy. In one of its earlier brochures, this center defines public diplomacy as follows: "Public diplomacy . . . deals with the influence of public attitudes on the formation and execution of foreign policies. It encompasses dimensions of international relations beyond traditional diplomacy; the cultivation by governments of public opinion in other countries; the interaction of private groups and interests in one country with those of another; the reporting of foreign affairs and its impact on policy; communication between those whose job is communication, as between diplomats and foreign correspondents; and the processes of inter-cultural communications" (<http://www.publicdiplomacy.org>).

From the beginning of its use as a term and until today, public diplomacy has often been considered a synonym of the propaganda and the differentiation between these two terms was rather hard to be made. Some authors consider that the main differentiation between them can be made by the political system of the country as a source of true information (Aoyama, 2007). Thus, unlike propaganda from totalitarian regimes, the information transmitted from the governments of democratic regimes is reviewed and argued by different domestic factors – such as media, social groups -. Based on this verification mechanism, credibility and trust in the transmitted information increase.

At present, the "public diplomacy" term is defined differently from one country to another.

In the US, according to U.S. Department of State, in the Dictionary of International Relations Terms, 1987, public diplomacy "refers to government-sponsored programs intended to inform or influence public opinion in other countries; its chief instruments are publications, motion pictures, cultural exchanges, radio and television." More recently, in 2004, in a CRS (Congressional Research Service) report for the American Congress, public diplomacy is defined as "the promotion of American interests, culture and policies by informing and influencing foreign populations. (...) Public diplomacy activities include international nonmilitary broadcasting, education and cultural exchanges, and international information programs." (Epstein, 2004)

In UK, authorities are thinking of a new definition for public diplomacy, rather than just creating positive perceptions. Thus, it seems that a better definition would be "work aiming to inform and engage individuals and organizations overseas, in order to improve understanding of and influence for the United Kingdom in a manner consistent with governmental medium and long term goals". It is also said that "this definition must be understood within the context of the continuing guarantee of complete editorial independence for the BBC World Service and day-to-day operational independence for the British Council".

In other countries – such as **France** and **Germany** -, I have not been able to find on their Foreign Affairs Ministries a department/directorate that has in its name the term “public diplomacy” and also no definition of this term.

In **Romania**, although there is a department of public diplomacy within the Ministry of Foreign Affairs (that has as responsibilities: organizing public diplomacy events for the central offices of the Ministry and offering logistics support for the public diplomacy activities organized by the diplomatic missions of Romania abroad), I could not identify a definition of “public diplomacy”. Still, there is a reference in a normative act (Norm 21/2005) that mentions as public diplomacy activities: seminars, courses, sessions, meetings etc. I consider that in Romania there is a need for both a clear definition of “public diplomacy”, after the American model, but also for a strategy, a program and a practical action plan in this area.

Public diplomacy and its role in building the competitive identity of a nation

The competitive identity of a nation is a new concept in the specialized literature and it is defined as “the synthesis of brand management with public diplomacy and with trade, investment, tourism and export promotion” (Anholt, 2007). This brand management is an attribute of the institution that coordinates unitarily the entire effort of building a nation’s competitive identity. This institution can differ from one country to another, but, most often, it is the Ministry of Foreign Affairs, the Prime Minister or the Presidency.

There have been identified six main communication channels for the competitive identity of a nation: tourism, people, culture, investments, policies and product/services brands. Beyond these, I have identified two more elements that I believe they should be approached separately, in addition to the mentioned six, due to their major importance for the national identity.

Although it is not unanimously agreed, some authors consider public diplomacy to be synonymous with a nation’s competitive identity. The main thing, though, that nobody questions, is the vital importance that public diplomacy can have, when well realized, in building a nation’s competitive identity.

In the context of the present article, public diplomacy is regarded as a means of communicating efficiently abroad both the policies of the government and the achievements in different sectors (economic, financial, touristic etc). In the same time, for the public diplomacy to be efficient in building a competitive identity, it is essential to be coordinated with the activity of other institutions with responsibilities in this field.

In the following pages I will analyze the Romanian public diplomacy activities and their efficiency, starting from the available researches about our country’s image in ten European countries (France, Italy, Germany, UK, Hungary, Spain, Denmark, Finland, Sweden and Norway). These researches were conducted during the period between the end of 2005 and the beginning of 2006. My analysis takes into consideration the ten main spontaneous associations made with Romania (as a country or as a touristic destination) and it starts from the general premise that spontaneous associations with a country are made or should be made, in a great extent, as a consequence of public diplomacy activities.

The analysis shows, as you can see in the following table, that, 17 years after the maximum visibility moment for Romania – the 1989 Revolution – and one year before becoming an EU member state, our country was still perceived as an East – European country, poor, cheap, associated with criminality, and, as famous personalities it has Dracula and Ceausescu. The most famous region in Romania is Transylvania (I assume that it is due to its association with Dracula – its place of origin).

Table 1

Spontaneous associations with Romania in the European countries

Nr	Research conclusions	Țări										Total
		F R	I T	D E	U K	HU	E S	DK **	F I	SE	NO	
0	1	2	3	4	5	6	7	8	9	10	11	12
1	Poverty/ misery/suburbs/ hunger/ dirty	x	x	x	x	x			x	x	x	8
2	East-European country	x			x		x		x	x	x	6
3	Dracula/vampires		x	x	x		x		x		x	6
4	Transylvania		x		x	x					x	5
5	Cheap/ Convenient/ low prices			x				x	x	x	x	5
6	Danger/ sadness/ horror/ unsure/ offender/ theft/ crime/ criminality/ prostitution		x	x				x			x	4
7	Ceașescu	x			x				x	x		4
8	Beautiful landscape/ nature			x		x				x		3
9	Culture/traditions/history/literature		x		x						x	3
10	Black Sea/ Danube			x								2
11	They would not go on holiday in Romania/ a country not exactly adequate for spending holidays/ not very pleasant		x	x								2
12	Carpathians/ (tall) mountains			x		x						2
13	Beaches/ beautiful beaches			x							x	2
14	Interesting								x	x		2
15	Gipsies						x		x			2
16	Orphans/ children of the street				x						x	2
17	Unsafe country			x				x				2
18	Integration in Europe/UE	x										1
19	Old-fashioned/ old/ dusty							x				1

20	Captivating							x				1
	Spontaneous associations with Romania	F R	I T	D E	U K	HU	E S	DK **	F I	SE	NO	Total
21	Warm country/ sun			x								1
22	Quality wines		x									1
23	Unknown/foreign/ unfamiliar/ new								x			1
24	Nice								x			1
25	Precise locations (Lacul Roșu, Cluj Napoca,, Arad)					x						1
26	People									x		1
27	Hard to describe							x				1
28	Simple									x		1
29	Long dictatorship									x		1
30	Cold/ mountain skiing				x							1
31	Sport: tennis/ gymnastics/ football				x							1
32	Special							x				1
33	Cold climate		x									1
34	Beautiful women		x									1
35	Castels/churches/ monasteries		x									1
36	Imigrants						x					1
37	Religion and monasteries						x					1
38	Friendly and (hard) working people						x					1
39	Under-developed country						x					1
40	Mafia						x					1
41	Friendly country						x					1
42	Gastronomy						x					1
43	Hungarian population that lives in Romania					x						1

** the interviewed have never before visited Romania.

Source: Market researches on tourism development from the countries mentioned in the table in Romania (dated between December 2005 – March 2006) <http://www.mturism.ro/index.php?id=48>

During the time interval from end of 2005 until beginning of 2006 and in the period right after (starting from January 2005), the efforts of Romanian public diplomacy in the ten European countries considered in the analysis focused especially on a clear set of activities:

- Varnishing of expositions (mostly painting and photo, but also sculpture, handicraft etc);
- Concerts of piano, violin etc;
- Poetry performances;
- Book presentation;
- Presentation/ projection of Romanian movies on certain occasions;
- Participations of the members of the embassy to different events (seminars/conferences/ round tables).

In a smaller extent, there were also other activities:

- Participation in fairs, festivals etc with a national stand;
- Organizing folk music concerts, Romanian food dinners, fashion shows;
- Distributing promotional materials about Romania;
- Articles and interviews in newspapers or on TV;
- Meetings with business communities from other countries etc.

All these activities, developed by the Romanian diplomatic missions abroad and the Romanian Cultural Institute, were oriented mainly on the cultural side and less on pragmatic elements. To the same conclusion leads the analysis of the public diplomacy activities financed through a legal act (government decision - HG), these being oriented especially on a few major events (as you can see in the table below).

Table 2

Public diplomacy activities and cultural events organized during the period 2005 – 2008

Nr. crt.	Event/ Occasion	Proceeding date/period	Amount	Financing from the budget of		Legal act
			Lei	MAE	ICR	
0	1	2	3	5	6	7
1	Signing the Treaty of adhesion to EU	April-May 2005	Limit: 1.000.000.000	Limit: 1.000.000		HG 297/2005
2	Promoting Romania's image in EU:	Nov - Dec 2006	6.000.000			HG 1340/2006
	- non-verbal theatre performances			2.000.000		
	- concerts in churches				1.000.000	
	- concerts in prestigious rooms in Europe				600.000	
	- posters in public				800.000	

	transportation					
	- street performances					1.200.000
	- promoting projects in European media					400.000
3	National Day of Romania	Nov-Dec 2006	Limit:1.440.000	Limit:1.440.000		HG 1497/2006
4	Adhesion to the EU	Dec 2006-Feb 2007	Limit:2.000.000	Limit:2.000.000		HG 1905/2006
5	International Day of Francophony	20th of March 2007	680.000	680.000 lei		HG 221/2007
6	celebration of 50 years since signing the Treaty of Rome	Martie 2007	Limit:1.000.000	Limit:1.000.000		HG 257/2007
7	Day of Europe	April – May 2007	Limit:2.000.000	Limit:2.000.000		HG 378/2007
8	National Day of Romania	Nov – Dec 2007	Limit:1.550.000	Limit:1.550.000		HG 1217/2007
9	International Day of Francophony	20 March 2008	700.000	700.000		HG 195/2008
10	TOTAL		1.015.370.000			

Source: Official Journal of Romania, period between 2005 – 2008.

By correlating the two tables, it can be easily drawn the conclusion that, at least at the horizon of the year 2006, the public diplomacy efforts have not succeeded in creating a favorable image of Romania abroad.

I consider that the main shortcoming for this situation is represented by the lack of a public diplomacy strategy that should set a series of key objectives and clear priorities that, if followed constantly, should lead, during several years, to a significant improvement of European perception on Romania and, on long term, to building a competitive strategy of Romania.

I consider that the public diplomacy model necessary to be followed is a combination between the American one and the French one. Thus, in the American public diplomacy strategy from 2007 there are very clearly stated strategic objectives, strategic audiences, priorities, necessary resources, but also an action plan for reaching the strategic objective. Among the priorities of the persons working in the public diplomacy field identified in this strategy are: interviews and appearances on foreign media, increase use of new technologies, including creative use of the Internet to highlight American policies and programs (U.S. National Strategy for Public Diplomacy and Strategic Communication).

From the French model I consider that we should borrow the interest for promotion activities with the help of radio and TV channels with international broadcasting (for France – TV5 and radio RFI). Romania should make a better and more efficient use of TVR International and Radio Romania International.

These are only a few suggestions about the way public diplomacy can lead to building a competitive identity of Romania. But, in the same time, efforts will remain effect less lacking a unitary coordination of all the institutions with responsibilities in this area, in the absence of an efficient inter-institutional communication and without a consistent message transmitted by all these institutions.

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THE EFFICIENCY OF APPLYING HACCP SYSTEM IN MILK INDUSTRIE. CASE STUDY. S.C.COVALACT S.A. FOR THE PRODUCT “CONSUMER MILK 1.8%”

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Food safety – in fact consumer safety for the physical, chemical and biological risks transmitted through food products – in the globalization era that we are living in currently, has a bigger and bigger importance through: the changed/changing way of living, socio-economic causes, demographic objectives, the growing degree of pollution of the environment that we are living in, the discovery and knowing a larger area of food transmitted microorganisms, as well as through the growing sensibility of mankind towards various food components.

From this point of view, the core of the modern food hygiene has been moved from the classical hygiene and its prevention and control, towards a critical and systematic analysis of the whole food chain through a risk management situated in a system optics, based on preventing probable risks.

HACCP is defined by Codex Alimentarius as: a system that defines evaluates and controls important risks from the food safety point of view.

The aim of the paper is to follow the way in which the modern system of quality assurance (in the present situation the HACCP system) can contribute to the production of a food product (in this paper consumption milk 1.8%) in maximum security conditions as well as the rebuilding of the consumer's trust in the product of a nutritional, biological quality, which is almost unique.

On the basis of hazard analysis done by the HACCP team, at the factory of dairy products S.C.COVALACT S.A. taking into account only the fabrication flux of the milk consumption 1.8%, 4 critical control points have been identified: 3 critical biological points and a chemical one.

Key words: *food safety, biological risks, Critical Control Point, Codex Alimentarius*

Introduction

Food safety – in fact consumer safety from the physical, chemical and biological risks transmitted through food products – in the globalization era that we are living in currently, has a bigger and bigger importance through: the changed/changing way of living, socio-economic causes, demographic objectives, the growing degree of pollution of the environment that we are living in, the discovery and knowing a larger area of food transmitted microorganisms, as well as through the growing sensibility of mankind towards various food components.

From this point of view, the problem of modern food hygiene has been moved from the classical hygiene and its prevention and control, towards a critical and systematic analysis of the whole food chain through a risk management situated in a system optics, based on preventing probable risks. Thus producers, processors and food dealers have to take on a bigger responsibility concerning food safety, hygienic-sanitary problems, and due to the complexity of the issues which can appear it is highly necessary to have a better and more efficient collaboration between authorities, the food industry and consumers. All of this requires a precise and scientifically grounded risk-prevention activity, a better communication between the agents involved in this activity, as well as training and professional teaching of those involved in the production-processing-commercializing chain, of food products.

Part I. Theoretical study

1. The HACCP system

Over the last decades, control in producing and processing food products has been more and more oriented towards keeping the technological and processing processes under control. The control is essentially oriented towards the technological processes, and not towards the final product. Through a technological flow kept under a watchful eye, along with preventive-predictive measures, perfect products will appear, following a perfect technological flow.

The concept of Hazard Analysis in Critical Control Point-system-HACCP was presented for the first time in 1971. The guide lines for this system application were adopted in 1993, on the XX th session of Codex Alimentarius Commission. HACCP is defined by the Codex Alimentarius as: *a system that defines, evaluates and controls important risks from the food-safety point of view.*

Towards the successful implementation of the HACCP system, each unit's management has to designate its own HACCP team, to make its employees aware of the benefits and costs of HACCP. The benefits, besides food safety (basic principle) are represented by a better usage of material resources and on-time solution of problems.

The HACCP system in the food chain can be applied "from the farm through to the consumer's table". The HACCP system outlines the responsibility and control applied to the level of the food industry. Assuring this safety at company level has led to a new perspective from the processors concerning the assurance of food safety and on the importance of the necessity to implement the HACCP systems.

The FAO/WHO Codex Alimentarius Commission has established the 7 principles of HACCP. These principles represent a systematic approach of the things desired concerning the safety of food products.

The seven principles are:

1. Identifying and evaluating the risks associated with obtaining, adapting, manipulating, storage, distributing, cooking and consumption of food products. In the food industry it is used the brainstorming method, based on the theoretical and practical knowledge and on the experience of a multi-disciplinary team from the unit. A complete risk analysis represents the key to drafting an efficient HACCP plan.

2. Determining the critical points of control through which identified risks can be held under control. A critical point of control is a process, a stage or a phase of the fabrication, storage or distribution process, which can be held under control, and which is essential to the prevention, elimination or reduction to an acceptable level of the risk that the food product can represent for the health of the consumer. A very complete and correct identification of the critical points of control are essential for the control of the food-safety risks.

3. Establishing the critical limits which must be respected in every critical point of control. Critical limits are those values that separate the acceptable from the unacceptable. A critical limit is a maximal and/or minimal value at which a biological, chemical or physical parameter has to be controlled at each PCC, to prevent, eliminate or reduce to an acceptable level the apparition of a risk on the cleanness of a food product.

4. Establishing the monitoring procedures for the critical points of control. Monitoring represents the chain of observation and measurements, which demonstrate the keeping under control of the PCC, and which gives important data towards the later verifications. In every place where control is necessary, an efficient monitoring system has to be put into place.

5. Establishing the corrective actions (measures), applicable in case a deviation from the critical limits is detected. Each monitoring activity of the PCC requires the establishment of corrective actions, which will be applied when a deviation from the critical limits is detected following the monitoring of the critical points of control.

6. Establishing the procedures through which it is verified if the HACCP system is functioning correctly. The purpose of verification is to confirm, based on documents, that the HACCP plan is applied like it was designed to. The HACCP team will establish those procedures which offer the assurance that the HACCP system functioning correctly.

7. Organizing an efficient system to keep records, which make up the HACCP documentation. The HACCP team has the obligation to create an efficient precise registering system of the entire documentation for the application of the HACCP system in the unit. Written records are kept and they document every action taken in the HACCP system.

2. Milk as a food product

Through its' composition, milk can be considered the most complex and complete natural cocktail.

The nourishing substances in milk are considered to be of the most valuable, both from the point of view of their composition and for their rapid and almost complete absorption through the intestinal wall. One liter of milk contains approximately 32 grams of protein (the equivalent of 4-5 eggs), 32 g of lipids (32 g of butter), 47 g lactose, vitamins, natural salt and enzymes. As a nourishing value, one liter of milk is the equivalent of: 400 g of pork, 700 g of veal, 600 grams of beef, 500 g of fish meat, 2600 g of cabbage and 1400 g of apples. The caloric value of milk is 680-900 kcal/l. The biological value of proteins is high, with a high assimilation degree: 96%. The milk fat, unlike other animal fats, protects the vascular endothelium. Lactose suffers conditioning processes under the action of microorganisms, which can lead to numerous dairy products. It is slowly used by the organism and thus it does not affect diabetics and those with heart diseases. The galactose resulting from the conditioning of lactose is used by the nervous system, contributing to the development of the intellect.

Microelements in milk: calcium, phosphorus, potassium, magnesium and iron offer a great deal of the daily necessary of the organism, milk and dairy products being the most important calcium resources to the organism.

Milk cannot be offered to the public until a thermal treatment, because of its' reduced time of preservation, on the one hand, and because it could transmit pathogen germs to the consumer on the other.

Part II. Case study

1. The purpose of the paper.

At the time in which the people nutriment/food in developed and developing countries is dominated by artificial products, due to an intense industrialized processing, in which few raw material characteristics are kept, the influence of food products on human health has acquired a certain importance

Besides of this artificial products it has been noticed a predominance of unhealthy foods products (as fast food) in the consumers meals, which has no resemblance to the natural and healthy food which existed in the past.

This led to the aim of the paper, to follow the way in which the modern systems of quality assurance (in the present situation: HACCP system) can contribute to the production of a food product (in this paper: consumption milk 1.8%), in maximum security conditions as well as the rebuilding of the consumer's trust in this product (in this case: milk) of a nutritional, biological quality, which is almost unique.

It is necessary to follow, through the HACCP system, the food chain, from the milk production as raw material milk to the consumer, underlying the key control issues of this chain through which product traceability can be achieved and a guarantee to the consumer can be given that the consumed milk is safe.

The influence of the environment factors, of the biological chemical, physical risks that can appear in the consumption milk 1,8% will be observed, as well as the way in which the control of these associate risks was proposed and realized and the corrective measures applied in case the risks appear.

The place of the study development is S.C. Covalact S.A., residing in Sfantu Gheorghe City, Covasna county. At present, the company collects milk from 6 counties. The milk collection is carried out with 23 specialized means of transportation and other various different vehicles without milk cooling equipment.

The Company management is currently developing a strategy of consolidation and a progress to a new stage towards quality assurance of products according to European standards and legislation.

The sale of the products takes place both in Covasna county and outside of Covasna County, especially on the market of the Bucharest (approximately 1/3 of sales), but also in Brasov, Constanta, Prahova, Dambovita, Bacau, Valcea, Sibiu, Mures, Buzau).

2. The application of the HACCP system in the dairy products factory S.C. COVALACT S.A., for the consumption milk 1.8% product.

The milk and dairy products are very numerous and for each type of product a separate HACCP plan is made. Next, in the following, the HACCP plan, elaborated for consumption milk 1.8% shall be presented in table nr.1.

2.1. Product description

Table nr.1: Product description

1. Name of the product	1. Consumption milk 1.8%
2. Using way	2. For consuming, or after boiling; or as row material for other dairy products producing, or with milk addition.
3. Characteristics of the product	3. <i>Sensorial properties:</i> white-yellow color, homogeneous liquid, with no visible and sediment impurities, fluid, nice and sweet taste and smell, characteristic to milk, with a small taste of boiling, without any peculiar taste and smell. <i>Physical-chemical properties:</i> 1.8% fat, 15-21 degrees Thörner acidity, 1.029 density, 8.5% unfit dry substance, 3.2% proteins. <i>Microbiological properties:</i> TNG (total number of germs) max. 300.000/ml., coliforme bacteria max. 10/ml., Escherichia coli 1/ml. max.
4. Packaging	4. Polyethylene bags with a 1 l. capacity.
5. Validity period	5. Two days maximum, if it is continually kept at a temperature of 2-4 C°
6. Marketing	6. Bags put in plastic cases, stacked or not.
7. Labeling	7. Labeling through printing the producer's name on the bags (address, tel./fax), the name of the product, the net quantity, the percentage of fat, the limit term of consumption, the storage and transport conditions, the thermal treatment procedure, mention regarding the batch identification.

2.2. The flow diagram

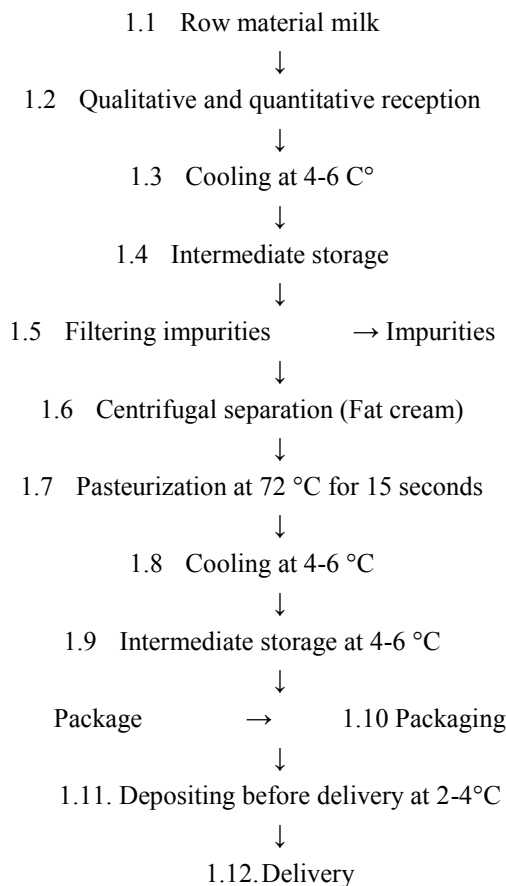
The technology to obtain pasteurized consumption milk comprises several procedures, as follows:

- Qualitative reception, through the examination of milk, from sensorial point of view, physical-chemically and microbiological. Along with the reception the sorting of the milk is made.
- Quantitatively reception: gravimetrically or volumetrically.
- The cooling of the milk is made at 2-4 C°, and the temporary storage is made in vertical or horizontal isothermal tanks to maintain the milk at a low temperature until the next procedure.
- Cleaning the milk is made through filtering, or more correctly through spinning.
- The normalization of milk is made with the purpose of getting the fat content at a constant value depending on the demands and the legislation in force. The normalization can be made in two ways: by increasing the fat content, by decreasing the fat content. Usually, to normalize milk, creamed milk is used, obtained through separating the fat from the integral milk.

- The homogenizing of milk, (only if it is desired), is made with the purpose of stabilizing the fat emulsion, caused by the reduction in diameter of the fat cells. During the homogenization new fat cells are formed.
- The Pasteurization of milk has to assure the almost complete destruction of the ordinary micro flora and the complete destruction of the pathogen one. Care is taken of the time-temperature relation, and in preventing the sensorial and physical-chemical changes. We can use: low Pasteurization (63-65 C°/30 minutes), high temperature Pasteurization, or HTST (72 C°/15 minutes), instantaneous Pasteurization, flash, (75 C° and sudden cooling at 10 C°)
- Deodorization, in the same time as Pasteurization.
- Packaging of consumption milk, in various packages, depending on the request.
- Storage of the packaged consumption milk at 2-4 C°

In case a larger period of storage for the consumption milk is desired, instead of Pasteurizing, sterilizing the milk can be made.

Flow diagram



2.3. Identification and estimation of the risks, the establishment of the CCP and of preventive, corrective measures

Table nr.2: Identification and estimation of the risks, the establishment of the CCP and of preventive, corrective measures

<i>The phase of the process</i>	<i>Potential risk</i>	<i>It is significant risk</i>	<i>The justification of the decision</i>	<i>Preventive measures</i>	<i>It is a CCP?</i>
Milk raw material	C: residuum, pesticides, medicines F: heterogeneous bodies B: pathogens germs	C: No F: No B: Yes	C: Non – respecting by farmers of the stipulations, utilization of pesticides, medicines, etc. In the next point are determined these substances. F: Unhygienic milking, pollution with straws, etc. By filtration the risk is eliminated. B: Contaminated milk from the source. By refrigeration, pasteurization, it is prevented the risk of multiplication but the milk may be unacceptable infected.	C: Selection of purveyor F: Hygienic milking B: Milk refrigeration, isotherm transport, milk pasteurization	No: C No: F Yes: 1B
The qualitative and quantitative reception	C: residuum, pesticides, medicines, hormones. F: heterogeneous bodies B: pathogens germs	C: Yes F: Yes B: No	C: Non – respecting by farmers of the stipulations, utilization of pesticides, medicines, hormones, polluted foddors. In the following points this substance is not eliminated. It will be determined the presence of these here, for the elimination of the risk. F: Unhygienic milking, pollution with straws, etc. By filtration the risk is eliminated. B: Contaminated milk from the source.	C: Selection of purveyor, admission only those who demonstrate by means of certification of periodic examinations the absence of incriminating substances. Examinations by sounding for residuum, usual examination inhibited substances. F: Hygienic milking. B: Milk refrigeration, isotherm transport, milk pasteurization.	Yes: 1C No: F No: B

<i>The phase of the process</i>	<i>Potential risk</i>	<i>It is significant risk</i>	<i>The justification of the decision</i>	<i>Preventive measures</i>	<i>It is a CCP?</i>
			By refrigeration, pasteurization, it is prevented the risk of multiplication.		
Refrigeration at 4-6 ⁰ C	C: unidentified F: unidentified B: pathogens germs	C: No F: No B: No	B: At the initial micro flora it can be add the flora from unhygienic pipes	B: Adequate washing and rinsing. By pasteurization the risk is eliminated.	No: C No: F No: B
Intermediary depositing	C: unidentified F: unidentified B: pathogens germs	C: No F: No B: No	B: At the initial charge of microorganisms it can be add the flora from depositing tank, which are multiplying if the temperature rises above 8° C. The depositing is however short, it is not passes an acceptable TNG. One next phase eliminates the risk.	B: Diminish the temperature under 8° C depositing less than 24 hours.	No: C No: F No: B
Filtering	C: unidentified F: unidentified B: pathogens germs	C: No F: No B: No	B: the unchanging, non disinfection of metallic sieves, lead to an enriching of the existing flora from milk	B: disinfection, change of sieve at each transport of milk raw material. Respecting of good practices of hygiene.	No: C No: F No: B
Centrifugal separation	C: unidentified F: unidentified B: pathogens germs	C: No F: No B: No	B: Non cleaning, non washing, improper non disinfection of the centrifuge, can lead to the accumulation of centrifugal mud, with the insemination of milk introduced at centrifuge.	B: Cleaning, washing, right disinfection of the centrifuge. Respecting of good practices of hygiene.	No: C No: F No: B
Pasteurization at 72°C/ 15 seconds		C: No F: No B: Yes	C: The non removal of washing substances, disinfection, leads to the presence of these one in milk at unacceptable levels. B: The non – respecting of	C: Right rinsing of pasteurization installation, verification by means of fast and periodic tests. Respecting of good practices of hygiene. B: Respecting of	No: C No: F Yes: 2B

<i>The phase of the process</i>	<i>Potential risk</i>	<i>It is significant risk</i>	<i>The justification of the decision</i>	<i>Preventive measures</i>	<i>It is a CCP?</i>
			pasteurization parameters leads to the survival, multiplication of microorganisms. The non – operating of the recirculation head, breakdowns of the device, same effects. The risk can be eliminated in this phase.	keeping parameters. Calibration of control equipment, periodic taking to pieces of equipment. Periodic verification of recirculation head.	
Refrigeration at 4-6° C	C: unidentified F: unidentified B: pathogens germs	C: No F: No B: No	-	-	No: C No: F No: B
Intermediary depositing at 4-6° C	C: unidentified F: unidentified B: pathogens germs by recontamination	C: No F: No B: No	B: Unhygienic depositing tanks can produce the recontamination of the product, with micro flora psychrophyll, but non – observation of the temperature leads to the multiplication of this one.	B: Respecting of good practices of hygiene, respecting temperatures of depositing.	No: C No: F No: B
Packing	C: unidentified F: unidentified B: pathogens germs by recontamination	C: No F: No B: No	B: Imperfections of dozing device, air absorption, or unhygienic dose.	B: Respecting of good practices of hygiene, periodic taking to pieces of dozing device.	No: C No: F No: B
Final depositing	C: unidentified F: unidentified B: residual pathogens germs	C: No F: No B: Yes	B: Pasteurized milk contains a residual sporogenous micro flora, possibly represented: Clostridium perfr., Clostridium botulinium, which can be encysted and multiplied at 8-10° C, to unacceptable levels.	B: Depositing of milk bags' crates with slowly air circulation. Respecting the depositing temperature 2-4° C, reregistering and alarm for deviations.	No: C No: F Yes: 3B
Delivery	C: unidentified F: unidentified B: unidentified	C: No F: No B: No	-	-	No: C No: F No: B

2.4. Flux diagram with CCP

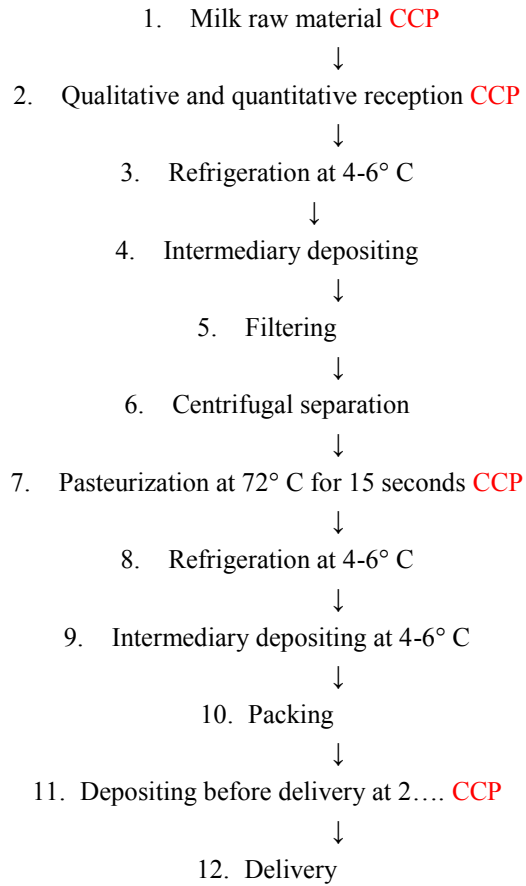


Table nr.3: The description of CCP and corrective measures

Process Stage	CCP Identification	CCP Description	Critical Limits	Monitories methods	Corrective measures	Accounts	Verification methods
Qualitative and quantitative reception	1C	C: The presence of pesticide residuum in milk, antibiotics, medicines, hormones, mycotoxines	C: The absence, or exceeding the maximum limits allowed by the present regulations for these substances	C: written accounts at farms' levels, regarding the way these substances are being used; gathering fodder, milk, urine proofs/tests, etc., analyze forms for the farmer	C: HACCP application at farms' levels. No utilization of polluting fodders. Eliminating the suppliers with positive detecting tests. Repealing milk with positive reaction	C: Plan HACCP presentation farms by the suppliers, respectively analyze forms. Everyday slip monitoring routes	C: Every three months, the person responsible for collecting centers verifies the existence of registering from farms, slip monitoring routes
	1B	B: Unacceptable number of microorganisms of somatic cells.	B: TNG under 1million, somatic cells under 4 thousands	B: Quick tests of determining TNG, somatic cells (Lactoscope)	B: Repealing of inadequate milk, processing acceptable milk in different sorts of cheese with long fermentation (over 2 months).	B: Evidence form control sample milk of prime substance. Slip of the results of analysis for each route	B: Everyday determinations are made for each route, regarding TNG, somatic cells.
Pasteurization 72 ⁰ C/15 seconds.	2B	B: Passing of raw milk, pre warmed through the pasteurization machine, without touching the desired parameters.	B: Temperature: 72 ⁰ C, prescribed time 15 seconds.	B: The registering continues on thermogram of temperature and time exposing. Putting down on the monitoring slip of temperatures from hour to hour. The verification of the recirculation head functioning, and putting down on the monitoring slip.	B: The assurance of good functioning of the pasteurization machine. The elimination of expired milk without a proper pasteurization, or products made out of this milk from human consumption.	B: Slip of monitoring the pasteurization temperature Thermograms.	B: From hour to hour the pasteurization temperature is put down, the recirculation head function, thermograms are weekly verified, and the slip of monitoring the recirculation head and temperatures. It is dated sealed and signed. Temperatures are

							weekly verified
Final depositing	3B	B: Depositing bags in boxes, cooling for avoidance multiplication pathogenic residual agents	B: temperature 2-4°C, maximum time for depositing 48 hours.	B: Thermographs with an alarm signal, at deviation the adjustment of the ice machine is manually turned on. The deviations, are to be noted in the slip of storage monitoring.	B: The temperature adjustment at the desired one, time exposing verification at high temperature of the product, verification of products' temperature. Elimination of inadequate products from human consumption	B: The monitoring storage slip. Thermographs.	B: Thermographs are checked monthly, the monitoring ice storage slips

Part III. Conclusions

On the basis of hazard analysis done by the HACCP team, at the factory of dairy products S.C. COVALACT S.A., taking into account only the fabrication flux of the milk consumption 1.8%, 4 critical control points have been identified: 3 critical biological points and a chemical one.

The monitoring of these CCP is done with the help of some specific monitoring slips (slip n1-14), conceived by the HACCP team of the factory. The monitoring temperature (pasteurization, intermediary storage, final storage) is triple accomplished: by reading on the external monitor of the thermometers, written and signed monitoring slips, registering automatically the data on the computer, and at the pasteurization machine the thermogram appears.

The whole direction followed by the milk admitted in the factory is monitoring, being very easy to realize the products' traceability: a monitoring slip of milk prime substance of the routes, a slip of the monitoring milk pasteurization, a slip of monitoring lot milk intermediary deposited, a slip of monitoring charges of milk consumption 1.8% fabrications, a slip of temperature monitoring of depositing milk consumption 1.8%.

The hygiene is maintained under control by completing a monitoring slip of the washings, respectively by completing a slip of verified washings and delivering exchange and once a week the whole process of hygiene is being controlled by completing a control slip of Hygiene and Disinfection.

On the basis of the monitoring slips the following **conclusions** can be done:

- Although the unity equipped its majority of centers with cooling tanks, a high percentage from milk prime substance, arrives at the factory with a pretty high bacterial load. This percentage has the tendency to increase in the warm period of the year and to decrease in the cold one. Milk collecting is done once a day.
- A high percentage from the milk prime substance is infected with inhibited substances (antibiotics), varying according to the period of the year (high in spring and autumn). The unity is being equipped with detecting apparatus of these substances. With all the unity's efforts to explain to producers about this, the percentage has no tendency of decreasing.
- The cooling point of milk from collecting centers varies a lot, which shows a continuation of addition practice of water by producers, in the scope of obtaining high profits. This thing is being done in spite of the thing that the price of the milk prime substance, paid by the unity it depends on the parameters: protein, fat, cooling point, acidity, density.
- The factory's personnel knows and respects the rules of good Practice of Work, their teaching is being monitoring through specific slips (the slip of evidence of teachings).
- CCP monitoring leads to risk elimination associated to the fabrication of this product, non-appearing denunciations, or turnings of the product, linked to its fabrication, depositing and commercialization.

Part IV. Recommendations

On the conclusions' basis the following **recommendations** can be done:

- the intensification and efficiency of teaching – conscientiousness of producers, according to milk cooling immediately after its obtaining; non-adding water in milk taking into account the fact that, the gains from quantity are lost at quality; milk delivery to collecting centers twice a day; respect of milk hygienic; non-delivery of milk from animals being under treatment, respect the waiting period.
- Insisting on solving the liberation problem of medicines without recipes, informing the collecting centers regarding the present treatments by the doctor.
- Equipping all the centers of milk collecting with cooling tanks.
- Equipping all cars which transport milk with cooling apparatus, to respect the conditions of milk transporting.

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COMPARATIVE ADVERTISING

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Abstract. Using comparative advertising a company compares its brand, directly or not, to one or several brands. The comparison must be loyal, truthful, undeceiving and objective.

At the European Union level the comparative advertising was accepted through 97/55/CE Directive and defines comparative advertising as the one which identifies, explicitly or not, a competitor or the goods or services that it offers.

Comparative advertising generated a lot of law suits between competitor companies starting with imitating the features presented in an ad (the law suit between Lever and Procter & Gamble companies concerning the use of "whiteness" theme in laundry detergent ads) until price comparisons (the law suit between Carrefour and Leclerc related to online comparison of their products` prices).

Key words: comparative advertising, law, advertising investments

Comparative advertising is an advertising argumentation technique where the advertising message is about making comparisons (necessarily objective) about features (quality, price, delivery terms, services and others) of a company's products as compared to the products of the same type belonging to one/several competitors. Therefore, companies pursue in getting immediate advantages, at least by deflecting attention of some of the buyers towards their brands.

Comparative advertising puts together face to face the advertised product and one or several of the competitors' products (direct comparative advertising) or a general product whose brand has not been revealed (indirect comparative advertising).

For example, in France, comparative advertising was authorized in 1992. It applies to some similar products and services using the same sales conditions (to maintain objectiveness, the comparison is made only between the material elements of the two competitive offers). Before it is broadcast, the comparative message must be made known to the opposite party in due time to be eventually cancelled. The comparison must be loyal, truthful, undeceiving and objective.

Comparative advertising has both advantages and disadvantages for the companies/institutions that use it. Here are the advantages of the comparative advertising: the message and the brand are better kept in mind, detailed and explicit information reduces confusion, improves the product's perception, gives trustworthy, the buying intentions increase, it promotes competition etc. This kind of advertising is oriented towards the consumer because it advertises not only a product but it also insures the consumers to be well informed. The disadvantages of negative advertising include: decrease of the compared brands' fame (mainly through price comparisons), high promotion costs (the companies whose products are put in a bad light are forced to reply by developing new advertising campaigns insuring a good positioning of products and reducing the negative advertising's effects and which are a lot more expensive), increase of law suits number between different companies due to this type of advertising etc.

Law pertaining to comparative advertising

At the European Union level the comparative advertising was accepted through 1997 Directive which added this issue to the provisions in matters of deceiving advertising referred to in a Directive from 1984 (84/450 Directive).

Therefore, 97/55/CE Directive allows comparative advertising according to certain conditions, and the EU member states which forbade any form of products/services advertising as compared to the competitors', had to change their law in order to approve of this type of advertising.

The Directive defines comparative advertising as "the one which identifies, explicitly or not, a competitor or the goods or services it offers."

The Directive establishes the conditions according to which comparative advertising can be made. Therefore it is allowed under the following conditions:

- if it is not deceiving;
- if goods or services having the same scope or destination are compared to;
- if one or several fundamental, pertinent, verifiable and representative features are compared to, in an objective manner, among which the price also can be included, which belong to some goods or services;
- if confusion is not created on the market between that who promotes himself and a competitor or between commercial brands, commercial names or other distinctive signs, goods or services belonging to that who promotes himself and those of a competitor;
- if a competitor's commercial brands, commercial names, other distinctive signs, goods, services, activities or circumstances are not discredited or denigrated;
- if products having the same indication, in case of products with geographical indication, are compared to in each case;
- if a certain commercial brand's fame, commercial name or other distinctive signs belonging to a competitor or the geographical indication of a certain competitor's product are not incorrectly taken advantage of;
- if goods or services are not presented as imitation or remaking of certain goods or services bearing a commercial brand or a protected commercial name;
- the comparisons referring to a special offer must clearly indicate and in a straightforward manner the offer's ending date or, if case may be, if the special offer refers to the available stock of goods and services and if the offer has not yet started, the starting period when the special price will be applied or other particular conditions.

These provisions are contained by the Romanian Law no. 148 from July 26th 2000 related to advertising, amended by the Decision no. 17/2003 related to amendment of art. 8 letter e) of Law no. 148/2000 related to advertising.

Law suits generated by comparative advertising

The first dispute over the laundry detergents' whiteness comparison took place at the end of the 60's between Lever and Procter & Gamble companies. Lever complained at the Trade Court from Paris that Procter & Gamble were constantly imitating their whiteness comparison theme and thus they were disloyal competitors. The Court of Appeals from Paris rejected the charges on the grounds that the idea must come from the affected company if it was to talk about infringement of the competitiveness' principles and the "whiteness" theme has been long time used.

Detergents, tins, soaps are just a few of the anonymous landmarks whose sole reason to exist is to put their features in a most favourable light possible. This communication solution must be carefully treated though out of two big reasons. One of them is to keep the message pertinent. This case mostly appears when the communicated benefit is a general thing for this category, almost all detergent ads resort to the same landmarks/techniques (laundry's whiteness, quantity of laundry washed, price) and at a certain point the landmarks become vague and relative which can lead consumers to confusion. The other reason is the vulnerability of such an approach: the others competitors may react and offer a better product.

According to law, the advertising message used in comparative advertising must be neutral. The comparison must not put a competitor or its products in a false light. For example, the ad saying that "Renault sells twice more cars in Germany than Volkswagen in France" was forbidden. Even if figures showed that this was true, the ad was considered illegal. The Great Court from Paris found that the advertising message was not objective because it made people understand that this was due to the inferior quality of the German competitor manufacturer's cars.

In France, Carrefour made a complaint against its competitor Leclerc who was doing illegal advertising on www.queistlemoincher.com (translation from French: „who is cheaper“). On this webpage the prices of 3.500 products sold in the two distribution networks were being compared to, "in order to restore the truth regarding real prices", as stated on the site. Except Carrefour, the comparisons also included Auchan,

Intermarché retailers but not Lidl which actually had the lowest prices. The Court decided to close up the site, judging on the lack of objectiveness in prices comparison, since the information could not be verified concerning parameters retained for the company.

Case study: Romania's dish detergent market

The dish detergent market keeps increasing every year, mainly due to a consumption increase. In terms of marketing this means a great deal of loyalty and trust that consumers show for the brands they use and at the same time, a proof of a growing steady market. The main players from this category have an extremely quick launch rhythm for which reason they focus their advertising on easily accessible environments to consumers. The most important detergent brands are: Fairy (belonging to Procter&Gamble Company), Pur (Henkel) and Axion (Colgate-Palmolive). The rough competitiveness between the three companies generates important advertising investments (table 1).

Brand	Insertions no.	Euro
Fairy	7.066	17.012.949
Pur	4.264	9.166.727
Axion	4.386	8.869.670

Table 1 - Most advertised dish detergent brands (2007) (television, press and radio) Source: Alfa Cont Mediawatch

The ad is the key of success in this category, the pile of cleaned shiny dishes attracting buyers in search of more advanced products. The dish detergent ads are an example of indirect comparative advertising promoted on Romanian TV channels. Therefore, one of the most efficient methods of advertising was showed in a demonstration in August 2005 when Fairy proved to be a better detergent than Pur, when one 500 ml bottle of detergent washed 8.734 dishes. The results of this outdoors demonstration were subsequently advertised via all available communication channels.

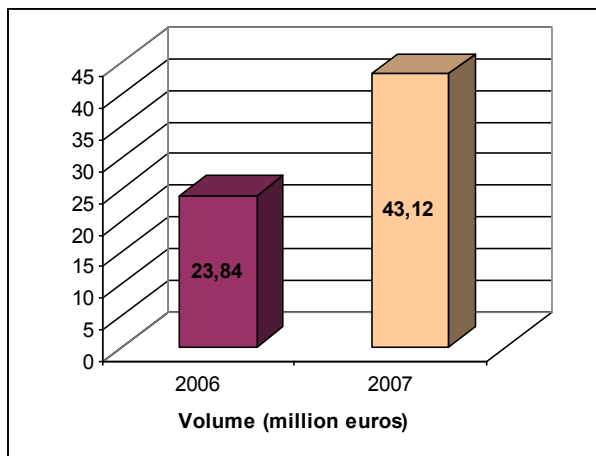


Fig. 1 - Dish detergent advertising gross* volume (television, radio and press)

** Monitoring according to advertising costs*

Source: Alfa Cont Mediawatch

In the first two months of 2008, the television, press and radio advertising costs for all dish detergent brands registered a total gross amount of 5,6 million euros (counted as per list tariffs), according to Alfa Cont monitoring. The consumption is 73% higher than in the same period last year. And the number of advertising insertions increased with 43% reaching 2.130. Last year, the total gross costs incurred for television, press and radio advertising of all dish detergent brands reached 43,12 million euros (counted as per list tariffs) (fig. 1). As a net value, the budget may be around 10 million euros. As compared to 2006,

the gross volume increased with 80%. There were 20.079 television, press and radio advertising insertions, namely a 50% increase (fig. 2).

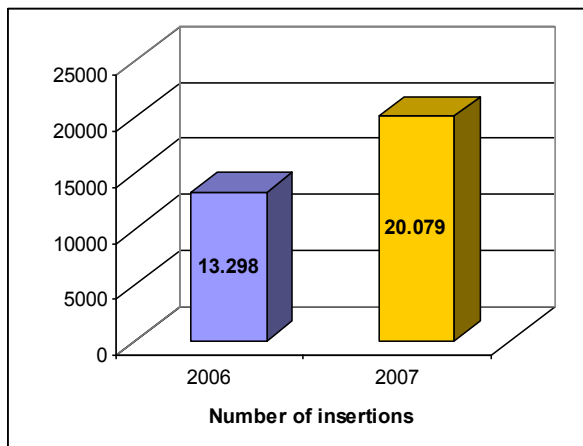


Fig. 2 – The number of insertions* for dish detergent (television, radio and press)

** Monitoring according to advertising costs*

Source: Alfa Cont Mediawatch

Due to the rough competitiveness between the three brands, advertising companies resorted to radio too. Television remains the main dish detergent brands' advertising support.

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MARKETING'S TALE ON THE WEB

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Although the Internet's early burst of youthful exuberance is over, the steady march to maturity is only beginning. The Internet and digital technology will continue their inexorable penetration into all aspects of life and business. Also, they had changed how marketing is done. While the underlying principles of marketing remain the same, digital technologies provide new ways to improve the efficiency and effectiveness of strategic marketing activities.

Keyword: Internet, e-marketing, e-world, consumer

Is it hypnosis? Seduction? Simple amnesia? We mustn't let dot-com techno-bubble dazzle into forgetting every business lesson learned the hard way. There are no magic marketing bullets offline; there aren't any online either. To be successful online means to approach the Web the same way as approaching the offline business - with an awareness of business fundamentals, a combination of marketing techniques, and an incredible focus on customers.

Marketing has pretty much been around forever in one form or another. Since the day when humans first started trading whatever it was that they first traded, marketing was there. Marketing was the stories they used to convince other humans to trade. Humans have come a long way since then and marketing has too. The methods of marketing have changed and improved, and we've become a lot more efficient at telling our stories and getting our marketing messages out there. E-Marketing is the product of the meeting between modern communication technologies and the age-old marketing principles that humans have always applied.

Today's marketers must embrace continual change and the online opportunities and challenges that constantly come with it. The digital impact affects every element of both the overall marketing mix and communications mix. A host of new e-tools have been added to the marketer's armoury, including websites, micro-sites, i-TV, i-kiosks etc. The customer doesn't care about the challenges this poses to the marketers; he just wants to be recognized, remembered and dealt with quickly, pleasantly and personally.

Today there are, according to the Chartered Institute of Marketing, two types of company that use e-marketing:

16. An on-line company (for example Amazon) or online arm of an offline company which wants to encourage customers to visit their website or a particular promotion on the website. In a sense the Internet is the firm and the only way that customers interact with the company is through the Internet.
17. An offline company using the Internet to build its brand message, but not necessarily to encourage on-line transaction (although that can be incorporated too if necessary). Such firms use the Web as another form of advertising and the website is usually just for information purpose rather than transactional.

e-Marketing continues to grow rapidly. e-Marketing is simply marketing online: identifying, anticipating and satisfying consumer needs online. This implies keeping close to customers, forming relationships with them and keeping them happy online. In reality, e-marketing integrates online and offline activities as required by the market, since some shoppers browse online and shop offline.

e-Marketing can help marketers to achieve many objectives, from increasing sales to getting closer to customers and listening to them, to adding extra service and added value; to gaining efficiencies and saving money; to strengthening the brand as it moves from visual orientation to an interactive and experiential orientation. These five objectives or benefits can be summarized as follows:

- Sell. Just about anything can be sold online, from cars to kidneys. Some major B2B companies only buy online, so online selling is compulsory for their suppliers.

- Serve (added value). The company must find answers to the following questions: How can I help my customer? What information is of use to them? Are there any integrated services that they would like?
- Save. Web sites can save vast overheads of physical presence. Fully integrated web-sites can save a lot more. When the “sell-side” (customer-facing website) is seamlessly linked to both the “inside” (production, order processing and finance) and the “buy side” (raw material procurement and supply chain management), huge efficiency gains are enjoyed as an incoming order updates sales records, production records, supply records and suppliers simultaneously. This way, customers are given accurate delivery schedules.
- Speak (listening to customers). For too long marketers have been separated from customers by middlemen: distributors, retailers, ad agencies and market researchers. At last, marketers can speak, listen and watch customers in a new way. In addition to engaging in a dynamic one-to-one dialogue with customers, marketers can watch discussion rooms, chat rooms and bulletin boards’ customers swap ideas, tips, suggestions and criticisms am the brand. It’s a marketer dream.
- Sizzle (exciting branding). Web sites provide a wonderful opportunity to re-evaluate and sometimes reinvigorate the brand. The “sizzle” is the Web site magic that adds to the brand. It’s the overall impression delivered by the web-sites – the scintillating experience, dynamic engagement or plain old warm feeling left after a visit. Sadly, many sites don’t do this. Instead, they damage the brand with slow responses, slow downloading and out-of-date content. Web sites require resources to service the site, update content and answer e-mails, as well as to create engaging online interactions.

Many websites damage their brands with broken links, dead ends, out-of-date content and impossible navigation. Many sites skip the cardinal rule of asking customers what they would like on a website. Then, having created the site, the webmasters forget to check whether they have got it right. Regular reviews or audits should not be devoted to reviewing the latest technology, but rather they should be focused on customers’ reviews.

Excellent e-marketing essentially implies a relentless attention to detail. Constant testing and monitoring are essential. Creativity also helps, but the main downfall of e-marketing is lack of attention to detail and lack of testing. Many sites do not carry out sufficient research. Researching websites can be a five-stage process:

1. Concept testing. This includes customer research: What motivators or buttons to press and what barriers stop them from buying? What are the critical calls to action?
2. Competitor site testing. This is easy to do as the research panel visits competitor sites and cherry-picks the best bits and identifies the worst bits to avoid.
3. Interface usability testing. How easy is for the users to move around the site? Do they recognize the key calls to action? Can they easily find what they need?
4. User profiling. Once the site is launched, e-marketers need to know who is visiting the site. Are they the right profile? What is their profile? This can be delicate, as too many questions can be off-putting for visitors.
5. User satisfaction feed-back. This requires a highly skilled approach.

e-Marketing is moving on. Standards are improving. There is a lesson to learn from the dot com disasters. Why did so many of the dotcoms fail?

Many of them were product orientated (as opposed to marketing orientated), as demonstrated by Web sites that were effectively “complex product catalogues” with confusing navigation and almost impossible purchasing procedures. Many failed dotcoms simply didn’t have a real, valuable proposition to their customers. Many of them were technology driven - clever Web technology tacked on to a web site without fully considering how, first, this could really help a customer and, second, how to promote this as an attractive proposition. Fundamentally, many of them were imply bad ideas in the first place. They had no real market need. They failed to create a niche. Of the few that did have useful value propositions, many of them had no marketing experience or wise management experience with disciplined approaches to cost

control, cash flow and profit generation. Several owners were more focused on the stock market than on their customers – a recipe for inevitable failure.

We have learned valuable lessons from the failures. The Internet will not be a revolution that replaces existing marketing. Rather, it will be a channel and a set of methods to improve the efficiency and productivity of marketing. Digital technology will improve how we design, communicate, promote, price and distribute our products. In many companies the Internet will transform how marketing is done.

However, the experience of early days of the Internet shows us that a focus on digital technology alone is risky. Evidence points to the failed assumptions about how the Internet will change business.

The early exponential growth rate of the Internet led many to assume that the trend could only continue and transform the economy. On-line retailers assumed that everyone would buy everything over the Internet. Dotcoms believed that a clever domain name, a few product pictures and a flashy banner ad were enough to generate an unending stream of orders. Many also assumed that companies would abandon old buying and selling processes to move to pure information-mediated business-to-business exchanges.

Internet companies assumed that balancing revenues and costs was no longer important. Indeed, some companies even bragged about not having profits. Companies ignored fundamental business principles as they flipped from strategy to strategy. Companies assumed that being fast and first were all that mattered.

Although the Internet's early burst of youthful exuberance is over, the steady march to maturity is only beginning. The Internet and digital technology will continue their inexorable penetration into all aspects of life and business. Companies will connect digitally to their customers with increasing frequency. Although the specific details are unpredictable digital technology will inevitably accelerate, intensify and reduce the cost of marketing activities. What is important is that marketing managers use a good methodology to understand their customers and guide their companies toward serving those customers better. At the same time, marketing managers will help guide the company's customers toward better utilization of the company's product and services. Throughout all the change, the issues of digital marketing are the same: how companies can create value for their customers that, in turn, create value for their shareholders.

The world of sales and marketing is changing all the time. Business in general and certainly marketing in particular has become more affected by and dependent upon technology. Those firms that are not fully aware of technological advances and developments will fall behind in the commercial race and will probably cease trading. Marketing means staying ahead of the competition and this means acquiring skills to use new technologies. Marketing needs an understanding of the use of technology.

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IMPLEMENTATION OF BENCHMARKING IN MARKETING

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Abstract: This paper contains a few basic notions concerning the theory of benchmarking and its marketing applicability.

Key words: benchmarking, marketing benchmarking, continuous assessment process

INTRODUCTION

Benchmarking is a theory that was developed in the USA and which became one of the most performing managerial tools in the '90s.

Benchmarking is a modern management method, which has as purpose to increase the performances of a company through environment observation and by establishing the performances which have to be equaled.

The benchmarking concept is defined in the following ways:

- -the first definition presents benchmarking as being „the process of measuring and comparing the performances of a business with similar processes extent within the main organizations in order to obtain information which will help the organization to identify and implement improvements ”-Benson, 1998
- -according to the second definition benchmarking is “the continuous process of measuring products, services and business methods belonging to your own company, in comparison to the ones of the most powerful competitors and of those companies which are know as being industry leaders ”

Gerald Balm defines benchmarking in the following way:

“The continuous action of comparing a process, a product or a service with a similar activity, known as being the best in that field, with the purpose of establishing ambitious but real improvement objectives and actions so as to become and keep the number one position among the best within a reasonable period of time”.

Xerox:

“It is a continuous search process for new ideas, methods and practices, for processes and for adjustment of these practices; or the adaptation of some good ideas and their real life application so as to become the first among the best.”

Robert Camp:

“Benchmarking is the continuous assessment process of our products, services and methods in comparison to those of our most serious competitors or of an enterprise recognized as being the leader in their field.”

As its definition points out, benchmarking compels an organization to focus its attention from the internal environment to the external one, thus trying to compare its own performances with the ones of the best companies.

MATERIALS AND METHODS

When you want to know precisely what position you hold on the market, who is the best in your domain and which is their level or you desire to find out about the new methods they use and what processes made them so efficient, benchmarking is the best method available.

There are two types of benchmarking: competitive and cooperative. The first one uses the competitors' analysis, more precisely it includes a research study of the best entrepreneurs in a certain domain. The

second one implies observation of multinational company subsidiaries in different countries. Regardless the type of benchmarking used, with the help of the benchmarking data base it will be easy to determine how the leader in a certain domain has managed to obtain that level of performance. Even though the stages of the process can vary from one company to another, there are six steps that are applicable in all situations: a) taking a decision concerning the process on which we can apply the benchmarking theory; b) understanding of current achievements; c) plan making; d) competitors' analysis; e) learning form the gathered information; f) utilization of inquiry findings. The process must start with the identification of problematical areas that you want to observe in your business; for example: customer services quality. Then you must identify the number one companies in this domain. It is advisable to choose those which are part of your group. Afterwards you have to make an analysis of rival companies. How do you do that? You have to observe each step they make, pay attention to aspects concerning sales, customer services, and conflict management. All the discovered information must be compared with the situation extent in your company. Thus, taking into consideration data offered by reports, you can state precisely your position on the market and find out how good you are in comparison with rival companies. However one thing is certain: all the results obtained from a complete benchmarking system allow the administration of a company to devise and project plans concerning the endorsement of the best practices in order to obtain notable performances.

The reasons for carrying out benchmarking are the following:

- it can be used in order to find out the domain in which the company can equal the best
- it helps to identify the strengths and weaknesses which are transformed into increasing opportunities
- other's experience as leaders represents the starting point
- it helps to justify and hierarchic differentiate the cost of resources needed for improvements
- it allows the company to maintain its competitiveness and to achieve a complete satisfaction of customer needs

Benchmarking must be a continuous process because markets are in a perpetual change. Therefore, leaders in all activity domains grow stronger as time passes by. Only those companies that follow by the book the rules of benchmarking will be able to obtain notable performances. In an environment in which change is a common feature, the companies which do no take into consideration this element are destined to bankruptcy.

A question that is often brought up is the one referring to the reason why should an organization imply itself in benchmarking. The easiest answer is that the company must preserve its competitiveness on the market. Benchmarking determines the organization to better understand the competitor's environment and the needs of their own clients.

There are people who claim that marketing activity cannot be subjected to benchmarking, because they do not consider marketing an independent process. Some marketers consider that the production activity, the logistics and the invoice department are compatible with this approach. These claim that marketing is a creation activity, an artistic exercise that can be compared to painting or song writing. How can you subject to benchmarking Van Gogh or Strauss? It is their opinion that the creation process cannot be reduced to a total amount of subordinate processes; it cannot be measured in terms of time, costs or resources. Nevertheless, this opinion loses ground in front of several scientific approaches. Marketing is the science of creating and sustaining assets intangible as brand, customer relationships and data base. Marketing has a direct influence on the income, generating a faster cash flow, a higher speed of recovering investments; it increases brand fame; it enforces the customer's brand loyalty.

The benchmarking process is similar to the study of war tactics. However the market itself can be compared to a battle filed where companies struggle to obtain the first place. First of all you have to keep an eye on the activities of your rival companies and you have to monitor aspects like customer service, the aptitude level for sales, conflict management, etc. Then you must compare them with the situation extent in your business. Even more, the fact that you have at your disposal clear reports and measurable factors, enables you to easily sketch a profile that will point out how good or bad you are in comparison with your competitors. Thus, it is necessary to always monitor production, promotion, services and methods implied in this process.

There are four essential steps in benchmarking:

- Having a good knowledge of your own actions: the company has to subject itself to an auto SWOT analyses, because only if the company knows its strengths and weaknesses it will be able to identify which operation to reinforce and which to redraw from the market.
- Knowing your competitors and the leaders in a certain activity filed. It is important to realize that only the comparison with the best and the understanding of the best practices will assure a superior position on the market.
- Incorporation of the best methods; the company must search for the best methods where they exist and must not hesitate when it comes to imitate and incorporate them in the internal operation. As Lauren Maruani, manger of The Institute for Industrial Strategies, in Paris, points out benchmarking is a theory that contradicts all the ideas that were delivered to us starting from primary school, such as the interdiction to copy from you classmates. Furthermore benchmarking has as main objective to copy from the best “students”.
- Winning supremacy: when the best methods have been applied in a correct manner, then this situation will certainly lead to supremacy on the market.

In sharp contrast with the traditional methods of extrapolation future objectives to past achievements, benchmarking allows to establish aims by taking in consideration the external information. After the employees find out the external information they will be motivated to achieve the aims and the objectives. It will not be easy to point out that an objective is difficult to achieve especially when it can be proved that another company has already achieved it. Another argument concerns the efficiency of benchmarking implementation, which is felt at the level of costs and time. Nevertheless, because the process implies more imitation and adjustment than pure invention, your money and time will be saved. Benchmarking is also the tool that helps companies to develop their strengths and reduce their weaknesses. Moreover the process identifies the discrepancy extent between the present performance and the best practices, but also identifies the way in which these practices have been reached. It is obvious that in order to obtain this improvement a set of actions has to be implemented. It is important to know that it is not necessary to identify the best practice in the world in order to have a successful benchmarking. In conclusion benchmarking is neither a strategy nor a philosophy; it is a tool used for developing a company.

CONCLUSIONS

If we draw a comparison between marketing research and benchmarking, we can distinguish the following complexions: in marketing the research has as objective to analyze markets, their segmentation and products impact, while in the case of benchmarking the purpose is to analyze the actions of the best companies in a certain domain (direct approach). Another difference refers to the researched object: marketing tries to find out the customers’ needs while benchmarking studies the methods that correspond to the customers’ needs.

In conclusion:

- Marketing can be benchmarked.
- Marketing should be benchmarked.
- Benchmarking marketing is an effective way to build and protect shareholder value.

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THE PRICE POLICY ROLE IN THE FIRM POSITION ON THE MARKET

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Abstract: In most companies, there is ongoing conflict between managers in charge of covering costs (finance and accounting) and managers in charge of satisfying customers (marketing and sales). Accounting journals warn against prices that fail to cover full costs, while marketing journals argue that customer willingness-to-pay must be the sole driver of prices. The conflict between these views wastes company resources and leads to pricing decisions that are imperfect compromises. Profitable pricing involves an integration of costs and customer value. To achieve that integration, however, both need to let go of misleading ideas and form a common vision of what drives profitability.

Key words: decision, pricing, cost.

Introduction

Costs should never determine price, but costs do play a critical role in formulating a pricing strategy. Pricing decisions are inexorably tied to decisions about sales levels, and sales involve costs of production, marketing, and administration. It is true that how much buyers will pay is unrelated to the seller's cost, but it is also true that a seller's decisions about which products to produce and in what quantities depend critically on their cost of production.

The mistake that cost-plus pricers make is not that they consider costs in their pricing, but that they select the quantities they will sell and the buyers they will serve before identifying the prices they can charge. They then try to impose cost-based prices that may be either more or less than what buyers will pay. In contrast, effective pricers make their decisions in exactly the opposite order. They first evaluate what buyers can be convinced to pay and only then choose quantities to produce and markets to serve.

Consequently, costs affect the prices they charge. A low-cost producer can charge lower prices and sell more because it can profitably use low prices to attract more price-sensitive buyers. A higher-cost producer, on the other hand, cannot afford to underbid low-cost producers for the patronage of more price-sensitive buyers; it must target those buyers willing to pay a premium price. Similarly, changes in costs should cause producers to change their prices, not because that changes what buyers will pay, but because it changes the quantities that the firm can profitably supply and the buyers it can profitably serve. When the cost of jet fuel rises, most airlines are not naive enough to try passing on the fuel cost through a cost-plus formula while maintaining their previous schedules. But some airlines do raise their average revenue per mile. They do so by reducing the number of flights they offer in order to fill the remaining planes with more full-fare passengers. To make room for those passengers, they eliminate or reduce some discount fares.

Thus the cost increase for jet fuel affects the mix of prices offered, increasing the average price charged. However, that is the result of a strategic decision to reduce the number of flights and change the mix of passengers served, not of an attempt to charge higher prices for the same service to the same people. Such decisions about quantities to sell and buyers to serve are an important part of pricing strategy for all firms and the most important part for many.

In this chapter, we discuss how a proper understanding of costs enables one to make those decisions correctly. First, however, a word of encouragement: Understanding costs is probably the most challenging aspect of pricing. You will probably not master these concepts on first reading this chapter. Your goal should be simply to understand the issues involved and the techniques for dealing with them. Mastery of the techniques will come with practice.

Determining relevant costs

One cannot price effectively without understanding costs. To understand one's costs is not simply to know their amounts. Even the least effective pricers, those who mechanically apply cost-plus formulas, know how much they spend on labor, raw materials, and overhead. Managers who really understand their costs know more than cost levels; they know how their costs will change with the changes in sales that result from pricing decisions.

Not all costs are relevant for every pricing decision. A first step in pricing is to identify the relevant costs: those that actually determine the profit impact of the pricing decision. Our purpose in this section is to set forth the guidelines for identifying the relevant costs once they are measured. In principle, identifying the relevant costs for pricing decisions is actually fairly straightforward.

They are the costs that are incremental (not average) and avoidable (not sunk).

In practice, identifying costs that meet those criteria can be difficult. Consequently, we will explain each distinction in detail and illustrate it in the context of a practical pricing problem.

Why Incremental Costs?

Pricing decisions affect whether a company will sell less of the product at a higher price or more of the product at a lower price. In either scenario, some costs remain the same (in total). Consequently, those costs do not affect the relative profitability of one price versus another. Only costs that rise or fall (in total) when prices change affects the relative profitability of different pricing strategies. We call these costs incremental because they represent the increment to costs (positive or negative) that results from the pricing decision.

Incremental costs are the costs associated with changes in pricing and sales. The distinction between incremental and nonincremental costs parallels closely, but not exactly, the more familiar distinction between variable and fixed costs. Variable costs, such as the costs of raw materials in a manufacturing process, are costs of doing business. Since pricing decisions affect the amount of business that a company does, variable costs are always incremental for pricing. In contrast, fixed costs, such as those for product design, advertising, and overhead, are costs of being in business. They are incremental when deciding whether a price will generate enough revenue to justify being in the business of selling a particular type of product or serving a particular type of customer. Since fixed costs are not affected by how much a company actually sells, most are not incremental when management must decide what price level to set for maximum profit. Some fixed costs, however, are incremental for pricing decisions, and they must be appropriately identified. Incremental fixed costs are those that directly result from implementing a price change or from offering a version of the product at a different price level.

For example, the fixed cost for a restaurant to print menus with new prices or for a public utility to gain regulatory approval of a rate increase would be incremental when deciding whether to make those changes. The fixed cost for an airline to advertise a new discount service or to upgrade its planes' interiors to offer a premium-priced service would be incremental when deciding whether to offer products at those price levels.

Why Avoidable Costs?

The hardest principle for many business decision makers to accept is that only avoidable costs are relevant for pricing. Avoidable costs are those that either have not yet been incurred or can be reversed. The costs of selling a product, delivering it to the customer, and replacing the sold item in inventory are avoidable, as is the rental cost of buildings and equipment that are not covered by a long-term lease. The opposite of avoidable costs are sunk costs—those costs that a company is irreversibly committed to bear. For example, a company's past expenditures on research and development are sunk costs since they cannot be changed regardless of any decisions made in the present. The rent on buildings and equipment within the term of a current lease is sunk, except to the extent that the firm can avoid the expense by subletting the property.

The cost of assets that a firm owns may or may not be sunk. If an asset can be sold for an amount equal to its purchase price times the percentage of its remaining useful life, then none of its cost is sunk since the cost can be entirely recovered through resale. Popular models of commercial airplanes often retain their value in this way, making avoidable the entire cost of their continued use. If an asset has no resale value, then its cost is entirely sunk even though it may have much useful life remaining. A neon sign depicting a

company's corporate logo may have much useful life remaining, but its cost is entirely sunk since no other company would care to buy it. Frequently, the cost of assets is partially avoidable and partially sunk. For example, a new truck could be resold for a substantial portion of its purchase price but would lose some market value immediately after purchase. The portion of the new price that could not be recaptured is sunk and should not be considered in pricing decisions. Only depreciation of the resale value of the truck is an avoidable cost of using it.

From a practical standpoint, the easiest way to identify the avoidable cost is to recognize that it is the future cost, not the historical cost, associated with making a sale. What, for example, is the cost for an oil company to sell a gallon of gasoline at one of its company-owned stations? One might be inclined to say that it is the cost of the oil used to make the gasoline plus the cost of refining and distribution. Unfortunately, that view could lead refiners to make some costly pricing mistakes. Most oil company managers realize that the relevant cost for pricing gasoline is not the historical cost of producing a gallon of gasoline, but rather the future cost of replacing the inventory when sales are made. Even LIFO (last-in, first-out) accounting can be misleading for companies that are drawing down large inventories. To account accurately for the effect of a sale on profitability, managers need to adopt NIFO (next-in, first-out) accounting for managerial decision making.

The distinction between the historical cost of acquisition and the future cost of replacement is merely academic when supply costs are stable. It becomes very practical when costs rise or fall. When the price of crude oil rises, companies quickly raise prices, long before any gasoline made from the more expensive crude reaches the pump. Politicians and consumer advocates label this practice price gouging, since companies with large inventories of gasoline increase their reported profits by selling their gasoline at higher prices than they paid to produce it. So what is the real incremental cost to the company of selling a gallon of gasoline?

Each gallon of gasoline sold requires the purchase of crude oil at the new, higher price for the company to maintain its gasoline inventory. If that price is not covered by revenue from sales of gasoline, the company suffers reduced cash flow from every sale. Even though the sales appear profitable from a historical cost standpoint, the company must add to its working capital (by borrowing money or by retaining a larger portion of its earnings) to pay the new, higher cost of crude oil. Consequently the real "cash" cost of making a sale rises immediately by an amount equal to the increase in the replacement cost of crude oil.

What happens when crude oil prices decline? If a company with large inventories held its prices high until all inventories were sold, it would be undercut by any company with smaller inventories that could profitably take advantage of the lower cost of crude oil to gain market share. The company would see its sales, profits, and cash flow decline. Again, the intelligent company bases its prices on the replacement cost, not the historical cost, of its inventory. In historical terms, it reports a loss. However, that loss corresponds to an equal reduction in the cost of replacing its inventories with cheaper crude oil. Since the company simply reduces its operating capital by the amount of the reported loss, its cash flow remains unaffected.

Unfortunately, even level-headed businesspeople often let sunk costs sneak into their decision making, resulting in pricing mistakes that squander profits.

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THE DISTRIBUTION STRATEGY ROLE IN SETTLING THE FIRM POSITION ON THE MARKET

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Abstract: In most companies, there is ongoing conflict between managers in charge of covering costs (finance and accounting) and managers in charge of satisfying customers (marketing and sales). Accounting journals warn against prices that fail to cover full costs, while marketing journals argue that customer willingness-to-pay must be the sole driver of prices. The conflict between these views wastes company resources and leads to pricing decisions that are imperfect compromises. Profitable pricing involves an integration of costs and customer value. To achieve that integration, however, both need to let go of misleading ideas and form a common vision of what drives profitability.

Key words: decision, pricing, cost.

Introduction:

The third of the five Cs of value-marketing strategies asks managers to communicate the value delivery of their offerings to their target customers.

Distribution strategy

In developing channel strategy, managers have two options to communicate value to their target customers:

"Push" strategies. The focus of communication is on the supplier's next immediate customer. Push strategies are aimed at propelling the supplier's offerings through the channel. For example, some manufacturers of over-the-counter (OTC) drugs and automotive paints do not promote these products directly to ultimate consumers. Instead, they focus on the retailer or auto-repair shops, expecting these channel firms to make the sale to the consumer. Channel firms that carry a variety of competing products may favor push strategies because they permit promoting products that are most profitable to the channel firm (the channel firm's customers frequently do not have strong preconceived preferences). Suppliers often find push strategies less expensive to implement.

"Pull" strategies. The focus of communication is on the end customer or a channel member closer to the end customer. Such strategies are aimed at pulling the supplier's offering through the distribution channel. For example, Intel maintains brand preference by advertising its chips to end consumers with the "Intel Inside®" campaign. The intent is to create a preference for computers with its chips-causing retailers to favor Intel-based computers. Channel members benefit from pull strategies when customers are "presold" for particular brands. Suppliers gain some control over channel firms because it is more difficult for channel firms to switch customers to competing brands.

Push strategies depend on channel intermediaries to carry the value message through the rest of the channel. Pull strategies "presell" the offering to the target customers, who then go to channel intermediaries with brand-specific demands.

Push strategies are essential when the supplier's product and its differential value are not apparent to target customers, or when its value delivery cannot be easily made salient to target customers. For example, most automobile buyers are unaware of the specific machine tools used in the manufacture of their automobile or of the specific brand of paint that covers it. For machinetool suppliers or automotive-paint manufacturers, convincing manufacturer that their products can make automobiles better or cheaper is more effective than trying to convince consumers to buy vehicles manufactured with a specific brand of machine tool or utilizing a particular paint. The main drawback to push strategies is they depend on the

distribution channel to convey the value message to ultimate consumers. In some cases, push strategies may require managers to invest in developing the value-marketing skills of the entire distribution channel or risk having the channel not convey the value theme.

Pull strategies carry the value message directly to target customers. A pull strategy often gives a supplier greater control in communicating value to target customers. Further, pull strategies are often favored by channel intermediaries because they often create "presold" customers, thus reducing the marketing effort required by channel firms. More-exclusive retailers who compete with low-price outlets often prefer suppliers who invest in building brand image. Also, effective pull strategies can provide suppliers insurance against channel intermediaries who try to opportunistically sell competing offerings—customers arrive at the channel firm with strong brand preference.

The choice between "push" and "pull" is usually difficult. Push strategies require both costly incentives for the retail channel partners and limited distribution. In introductory and growth markets, channel intermediaries must invest substantial resources in targeting potential customers and communicating value in return for uncertain sales that may occur considerably later. As a result, suppliers have to share a large portion of their sales price with channel firms as an incentive for the selling effort. In addition, when sales are uncertain or do not follow quickly, manufacturers generally must pay high fees for promotional efforts, such as cooperative advertising and in-store demonstrations.

Given these costs, it would seem that a pull strategy might be preferable, but there are three strong considerations recommending the push approach.

1. *The costs are large* *variable-being* proportionate to the amount of sales and the number of retail distribution outlets. This is a big advantage for a product that is starting out small. The cost of an effective advertising campaign could be prohibitive.
2. *The retailers have pretargeted the market.* In markets where demand is diffuse—few people are potential purchasers—the retailer (who may be a catalog or e-commerce company) has already identified them. Either the target consumers already know where to buy or retailers own a highly coveted customer list. For sales of scuba equipment, aids to the physically impaired and to people interested in do-it-yourself home repair, no advertising outlets exist to reach a majority of the potential buyers. All of the potential purchasers, however, will eventually need to visit a retailer or web site, or read a catalog which, given an adequate incentive, can promote the product.
3. *The retailers or others in the chain "augment" the product.* Few people would pay the prices for Mary Kay cosmetics if they were available on a rack in a drug store. The value is in the Mary Kay experience of being "made up" in the privacy of home. Mary Kay creates that experience with a team of independent distributors who are motivated by, among other things, high margins.
4. *Pull strategies require sophisticated marketing,* expertise that a firm may lack. Managers must know not only who might buy their product, but also understand why. They must connect their offerings to benefits and offerings that these target customers find salient, which may be difficult when channel firms augment the offering in a way that hides the supplier's components, and they must create messages that can be indirectly communicated convincingly in limited space or time.

Still, in most mature mass markets, pull strategies are preferred. They are cost-effective for high-volume, mass-marketed products, and they give the seller control over the message. Moreover, the mass-market channel partners like Wal-Mart, grocery chains, and drugstores prefer pull strategies despite lower margins. They make their money-moving inventory efficiently, not by selling. Moreover, a pull strategy creates a stronger brand identity that increases loyalty.

Pull strategies are an effective counter to brand competition for channel attention. When multiple brand competitors are competing for the same customers, opportunistic channel firms will play them against each other to extract higher margins and fees. Brands that are large enough to support the cost of a pull strategy can undermine the opportunist's ability to do this. Because customers are presold on the supplier's brand, an attempt to switch them to a competing product is more difficult.

Pharmaceutical manufacturers, which traditionally used only push strategies, have in the United States adopted the pull approach for some products. Managed-care practices have encouraged substitution of branded pharmaceuticals with generic products and have discouraged prescribing "quality-of-life" drugs—such as nonsedating antihistamines and drugs for treatment of erectile dysfunction—that have no effect on overall health. The pull strategy educates patients to ask for these drugs by brand name.

Even some suppliers of materials that are not apparent in the finished good have developed "branded ingredient" pull strategies. W. L. Gore, Inc., uses such a strategy to promote Gore-Tex™ apparel, even though W. L. Gore does not manufacture apparel. Similar strategies have been developed by Du Pont (Stainmaster carpet), Intel ("Intel Inside"), and G. D. Searle (NutraSweet in foods and beverages). Branded-ingredient strategies are a special type of pull communication strategy in which a component not immediately transparent to the end user can be linked to benefits and value the target customer highly desires.

The selection of the appropriate channel communication strategy (push or pull) has a strong impact on successful pricing-strategy implementation. This impact is manifested in the ability of suppliers to communicate their value delivery to target customers.

The organizations multidimensional problems can be reduced to an approaching in one dimension. The reductionism that is a heir of the Descartes' system is opposed to the concept of global system, understood as a result of a systemic reflection.

Some other thinkers are placed in the same context , like the biologist P.A. Weiss who asserted that not always "one plus one is two", according to a system parts' complementariness. R.A. Ackoff proposes a radical change within us regarding the thinking modules and our ways of understanding the reality. Paul Valery, by analyzing the method of Leonardo da Vinci, proposed a more suggestive method of environmental perception: the one who represents a tree must also represents the sky and the earth for seeing and keeping it. It is an almost sensitive logic, but also unknown.

The knowledge object must be perceived as an inserted, active force that is sunk in a greater whole. This global vision will allow us to approach the organization as a system, the interactions between actors as within a competing system

We must admit that everything is changing. There are fields within which the Taylor's spirit influences the decision makers' behavior (the management control, the budgets) where every deviation from normality is considered an anomaly.

The wish for order and for the achievement of that was forecast is found at every manager. Disorder and objectives missing are difficultly accepted. Every thing is perfect, only there is a "but".

This "but" is determined by the many competing and social instabilities that must be taken into account and that are making from the change the living rule of every organization. The society can be changed by decrees and laws. Every organization must develop a culture of changing , if not it is unable to face the crises created by internal and external factors.

The developing of the (strategic, organizing, sizing etc.) culture of changing makes from the change a normal variable of the company decision making process.

By vulnerability we understand the possibility of being attacked or hurt. In this sense, every company is vulnerable because its success depends on its field competitors attitude and on its environmental change adapting capacity. The idea of vulnerability is analyzed in risk terms and is the main appreciating criterion of every strategy. The strategic vulnerability regards the firm position in its competing environment:

"When a company realizes its diagnostic regarding the forces that are influencing the competition in its field and their deep causes, it is in measure to identify its forces and weaknesses in relation to the rest of its sector. At strategic level, the forces and weaknesses that are identified are regarding the firm position related to the identified causes of each force of the competition. What is the firm situation related to the products that must be substituted , related to the entrance barrier, in facing the established competitors.

Push strategies are essential when the supplier's product and its differential value are not apparent to target customers, or when its value delivery cannot be easily made salient to target customers. For example, most automobile buyers are unaware of the specific machine tools used in the manufacture of their automobile or of the specific brand of paint that covers it. For machinetool suppliers or automotive-paint manufacturers, convincing manufacturer that their products can make automobiles better or cheaper is more effective than trying to convince consumers to buy vehicles manufactured with a specific brand of machine tool or utilizing a particular paint. The main drawback to push strategies is they depend on the distribution channel to convey the value message to ultimate consumers. In some cases, push strategies may require managers to invest in developing the value-marketing skills of the entire distribution channel or risk having the channel not convey the value theme.

Pull strategies carry the value message directly to target customers. A pull strategy often gives a supplier greater control in communicating value to target customers. Further, pull strategies are often favored by channel intermediaries because they often create "presold" customers, thus reducing the marketing effort required by channel firms. More-exclusive retailers who compete with low-price outlets often prefer suppliers who invest in building brand image. Also, effective pull strategies can provide suppliers insurance against channel intermediaries who try to opportunistically sell competing offerings—customers arrive at the channel firm with strong brand preference.

The choice between "push" and "pull" is usually difficult. Push strategies require both costly incentives for the retail channel partners and limited distribution. In introductory and growth markets, channel intermediaries must invest substantial resources in targeting potential customers and communicating value in return for uncertain sales that may occur considerably later. As a result, suppliers have to share a large portion of their sales price with channel firms as an incentive for the selling effort. In addition, when sales are uncertain or do not follow quickly, manufacturers generally must pay high fees for promotional efforts, such as cooperative advertising and in-store demonstrations.

Given these costs, it would seem that a pull strategy might be preferable, but there are three strong considerations recommending the push approach.

Conclusion

In markets where demand is diffuse—few people are potential purchasers—the retailer (who may be a catalog or e-commerce company) has already identified them. Either the target consumers already know where to buy or retailers own a highly coveted customer list. For sales of scuba equipment, aids to the physically impaired and to people interested in do-it-yourself home repair, no advertising outlets exist to reach a majority of the potential buyers. All of the potential purchasers, however, will eventually need to visit a retailer or web site, or read a catalog which, given an adequate incentive, can promote the product.

An efficient strategy regarding the competition involves offensive or defensive actions that aim to place the company into a supportable situation related to the five forces of the competition.

As an outcome, the company management must permanently appreciate the firm vulnerability degree and evaluate the resulting risk and everything related to the life expectation and the profitability expectation as these ones are defined in its objectives.

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SIX DIMENSIONS OF PRICE SATISFACTION FOR BANKING SERVICES

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Customer satisfaction, one of the central marketing objectives, is closely linked to customer loyalty, the likelihood of recommendation to others, cross-buying behavior, up-grading and lower price sensitivity.

Price satisfaction is a complex construct consisting of several dimensions, i.e. price-quality ratio, price fairness, price transparency, price reliability and relative price. These dimensions constitute the determinants of price satisfaction, and consequently their satisfaction and relative importance should therefore be measured continuously.

Prices, Banking, Customer satisfaction

The purpose of this paper is to explore the dimensionality of price satisfaction. It argues that price satisfaction is composed of several dimensions (price transparency, price-quality ratio, relative price, price confidence, price reliability, and price fairness) and that companies should consider these dimensions when monitoring customer satisfaction.

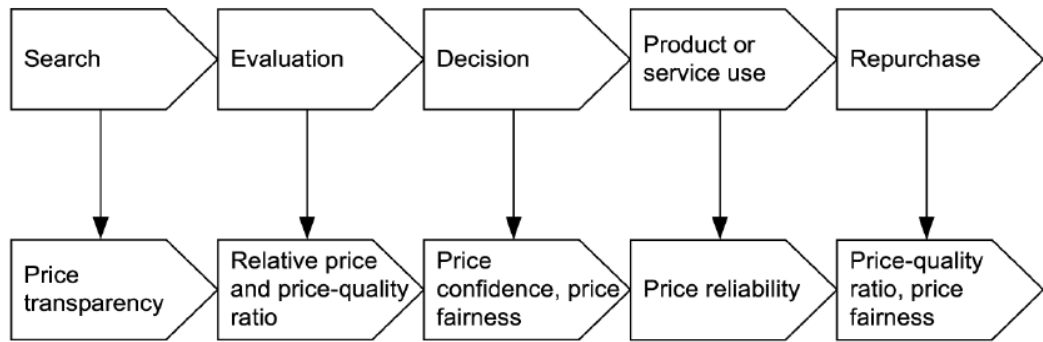
Money-back guarantees, fixed prices (e.g. everyday low prices), honest pricing (i.e. price fairness) and customer advocacy (e.g. giving the customers open, honest and complete information on products and complex fee structures to finding the best product for them) are some of the tools aiming at increasing satisfaction with pricing policy and with the company's offer.

Buyer perception and processing of price information is of central and continuous interest to marketing researchers and practitioners. One research stream assumes that customers hold an internal reference price which serves as a standard against which newly encoded prices are compared

A nominal price is meaningful to the consumer only after an evaluation (e.g. as “inexpensive” or “expensive”), and such evaluations are the result of a comparison of the price with a prior standard, i.e. the internal reference price.

Companies that deliver higher value to the customers are more likely to satisfy them and to increase their loyalty. Customer value can be defined as “a consumer's overall assessment of the utility of a product based on perception of what is received and what is given”, thus there is a “get” and a “give” component in the equation. Whereas the “get-component” (i.e. quality) is much researched and well understood, little is known about the “give-component.” In order to satisfy customers, their needs with respect not only to the product (i.e. the get-component) but also to the give-component (i.e. the price) should be understood and satisfied. In German customer satisfaction research, some scholars have recently suggested that price satisfaction should be considered as a multidimensional construct and that several dimensions influence overall satisfaction with price and, in turn, customer satisfaction and its behavioral outcomes. They argue that from the customers' point of view, price problems and, in turn, price needs are very complex within the different stages of the decision making process, requiring therefore a more differentiated examination. Diller (1997, 2000) refers to the different stages of consumers' decision making processes in order to analyze which price dimensions affect global price satisfaction within the respective stages. From the customer's point of view, price problems will differ within the different stages (Figure 1). In the search phase, customers need information on the quality and price of the offers. Customers will experience search costs.

Phases in the decision process



Customer needs related to pricing

Source: Adapted from Diller (1997)

Therefore, price transparency will be an important dimension. When offers are compared and evaluated, the level of the price and the price-quality ratio, as well as price fairness of the offers, will be important. After purchase, customers will compare the price paid with the expected price, especially when the price is known only after consumption, as often occurs with services (e.g. consulting, telecommunication fees, banking fees). At this stage, price reliability (i.e. price promises are kept, price changes are communicated properly and promptly), hidden costs and price fairness will be important aspects of pricing policy. Diller (2000) arrives at five dimensions of price satisfaction (relative price, price-quality ratio, price transparency, price confidence and price reliability) which are supplemented by Matzler (2003) with price fairness as a separate dimension. These six dimensions are described below. However, customers do not form price expectations towards all these dimensions in every consumption situation. The number and complexity of price expectations depend primarily on the customers' price interest.

This price interest is determined by several factors, e.g. factors that influence price sensitivity and product or brand involvement. Involvement has an impact on whether the customer exerts a great amount of cognitive effort in thinking about the product or service. In the context of satisfaction, low involvement will result in limited information processing with little formal search and evaluation. As a result, only a few price dimensions will be relevant. When customers feel a high purchase risk, they will make complex purchase decisions. In that case, more price expectations will be relevant, when compared to limited decision-making or inertia decision-making.

Price transparency

Increasing access to information, access to more alternatives, more simplified transactions, increasing communication between customers and a general distrust and resentment among customers are five trends that increase customer power. As a consequence, customers will increasingly demand open, honest and complete information on products and prices. Thus, price transparency can be considered as an important aspect of pricing policy. Price transparency exists when the customer can easily get a clear, comprehensive, current and effortless overview about a company's quoted prices. As a consequence of a high price transparency, customers' search and evaluation costs will diminish, which should lead to higher price satisfaction. Several companies have installed software-based advisors which help the customers get all the product- and price-related information they need for their buying decisions. In the banking industry, some innovative credit unions have experimented with web-based tools that help customers to select mortgages, loan programs, deposit accounts, etc. These programs aim to give open, honest and complete information on products and prices and, as a consequence, to build trust, and their experience shows that these programs are highly effective at increasing satisfaction, trust and sales.

Price-quality ratio

Consumers describe value to a product or service subject to their perception of two factors: perceived price and perceived quality, or, in other words, the price-quality ratio. If perceived quality exceeds perceived costs, customer value is high, if cost exceeds quality, customer value is low. In the literature, several definitions of customer value exist. One of the most widely used definitions stems from Zeithaml (1988). She defines perceived value as “the consumer’s overall assessment of the utility of a product based on perceptions of what is received and what is given” (Zeithaml, 1988) and Monroe (1990) argues that “Buyers’ perceptions of value represent a trade-off between the quality of benefits they perceive in the product relative to the sacrifice they perceive by paying the price.” These definitions have in common that they see customer value as a multi-dimensional construct which includes monetary and non-monetary components such as psychological effort, search costs and time. The central role of customer value as a purchasing determinant as well as in post-purchasing processes is well recognized, and the relative impact of quality and price on customer value has been the focus of several theoretical and empirical studies.

Perceived performance has a stronger impact on satisfaction when there is price-performance consistency, whereas price has a greater impact when there is a price-performance inconsistency. In any case, a favorable price-quality ratio (i.e. high customer value) will enhance customer satisfaction and in turn loyalty. Hence the perceived price-quality ratio has a direct influence on price perceptions and, in turn, on price satisfaction. When the price-quality ratio is favorable, customers will be satisfied with the price.

Relative price

If customers have price comparisons available during the decision-making process, they will compare the price of the product or service with that of the competitor, and the outcome of this comparison process will directly influence price satisfaction. The price of the product compared to that of the competitors is labeled here as relative price. The importance of relative prices is well recognized in theory as well as in practice. A vast body of literature studies the effects of price comparison and the effects of comparative price claims on consumers’ perceptions of a comparatively priced product’s pricing and value. It can be expected that the relative price of an offer directly influences satisfaction with the price and, as a consequence, satisfaction with the offer.

Price confidence

Price confidence addresses the question to what extent the consumer believes that an offered price is currently favorable. The more confidence customers have in the superiority of an offer, the higher the satisfaction with price will be. Obviously, price confidence is related to price transparency, price-quality ratio and the relative price, as customers will be confident only if they are able to evaluate an offer (which requires transparency of price and quality) and if this offer is favorable. The customers do not always process price information actively and extensively. Their price confidence might be a rather subjective perception than a result of extensive information processing. Therefore, it can be understood as a separate dimension of price satisfaction.

Price reliability

Whereas price confidence refers to the consumers’ belief that a price is favorable, price reliability can be understood as fulfillment of raised price expectations and the prevention of negative surprises. Customers will perceive high price reliability if there are no hidden costs, if prices do not change unexpectedly. If prices change, customers should be informed properly and in a timely manner, in order to build trust and maintain a long-term relationship. Studies show that practices like demand-based pricing, such as dynamic pricing, are generally considered unfair by consumers, and that they are harmful to trust building. In many industries (e.g. cell-phone operators, rental car companies) hidden pricing is a common practice and it is generally assumed that such tactics are a good idea. Companies announce a “low” price while hiding various charges in the fine print. In the long run, however, such practices are harmful, not only for the customers who are frustrated when they find out what the product or service really costs, but also to the whole industry as they induce unfair price competition.

Price fairness

In the literature it has been found that perceived price fairness or unfairness is one psychological factor that has an important influence on consumers' reaction to prices. Consumers are not willing to pay a price that is perceived as unfair. Consumer reactions can result in boycotts, civil actions or in lower sales. Two aspects of price fairness can be differentiated:

- price-quality ratio as it is perceived by the customer; and
- the correlation of a product's real price and its socially accepted price or the price of a comparative other party .

A company that puts the customer at a disadvantage – e.g. because of its own position of power or the emergency situation the customer might be in – offends against social norms. Such behavior is considered to be unfair. In our context, the price-quality ratio has been considered to be a separate dimension of price satisfaction. Therefore, we limit the discussion on price fairness to this second aspect. What consumers perceive as a socially acceptable price depends on several factors. Consumers form judgments by comparing their investments (e.g. price paid) to the benefits (quality) they receive. Buyers seem to compare their gains to the gains of the exchange partner. If customers think that the seller earns exceptionally high profits the exchange will be perceived as unfair. Moreover, buyers perceive an exchange as unfair if they discover that other buyers who are in an exchange relationship with the same seller got a lower price for the same product.

The latest studies found that price-quality ratio and price fairness were more important to customers than relative price. This means that a bank should focus more on delivering the right quality at the right price and on treating the customers fairly than on focusing on competitors' prices. It is also interesting to note that the relative importance of the dimensions as drivers of overall price satisfaction, word-of-mouth and switching intentions differ, which means that dissatisfaction with a specific price dimension can lead to dissatisfaction with the overall price (e.g. price fairness) but not necessarily to a termination of the relationship. Overall, treatment of price satisfaction as a multi-dimensional construct seems to be an interesting and necessary extension of the existing customer satisfaction and price reality.

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EVENTS AND THEIR IMPORTANCE IN STRATEGIC MARKETING COMMUNICATION

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Abstract: In our days society confronts itself with an important series of transformations, in what involves the manner in which organizations can communicate with their target public. We can discuss about radical changes that appear in the way of transmitting messages to the stakeholders, taking into account the importance and the role of public relations, especially of marketing events concomitant with lowering of the advertising power. In Europe, a larger number of companies are starting to implement activities of marketing events. The Marketing of events has an impact on the environment in which the company is developing: the internal public of the company (employees, the management team, shareholders) but also on the external public of the company (contractors, clients, competitors, state organizations, the press, nongovernmental organizations).

Key words: marketing communication, public relations, events,

The appearance and evolution of marketing events

It can be said on a good motivation that the events appeared at the same time with the forming of tribes, and even if they were preparing to hunt, to fight, to celebrate different occasions, they evolved and expanded together with humanity.

In what involves the public communication we have as historic reference points from the times of Greece and Ancient Rome when the sports and cultural events were used in political purposes, at which assisted over 50 thousands people at the Colosseum and 250 thousands at Circus Maximus, the product being the offering of amusement to the mass of people, but the objective was to attract the votes and sympathy of the people. So the Roman emperors offered the crowd “panem et circenses” upgrading the ludic need to the rank of primary need; with an old tradition of 2000 years in China, the Dragon Boat festival, which commemorates the poet and minister of the state Chu, from the first feudal dynasty of China, Qu Yuan (340 – 278 B.C.), but it represents at the same time a chance for the Chinese people to chase away the diseases and to strengthen their bodies, it is celebrated every year on the fifth day of the fifth month, and it still remained even in our days one of the most important festivals. The races represent the most exciting parts of the festival, the boats were painted in lively colors and they are called dragon boats because the front sides as well as the back side have the shape of a traditional Chinese dragon. The festival is celebrated in China, Hong Kong, Macao, Taiwan but also in some minorities from China settled in Japan, Great Britain, Vietnam that continue this tradition, in the last 25 years the dragon boat races have been adopted also in countries from Europe, North America, Australia or Africa becoming in this way an international sport extremely popular, the number of those who assist at this festival reaching often 50

million people.

In what involves fairs, conferences, exhibitions positions, a vital role was played by the commercial and artisan's associations, which provided the structures that lead to such events. It can be stated that these organizations had helped in the evolution of fairs, conferences and expositions. Even from Middle Age and the employment system in Europe, the associations gave the people a reason to come together having common interests and goals.

The sociologist Ferdinand Tonnies described the preindustrial society called *Gemeinschaft* – community, as being a type of organization in which people were connected through a series of social unity factors, like relative relations, traditions or friendship. In other words, the associations are incubators for any type of events, serving to the countless purposes for which these associations exist. Among their functions there can be underlined the following:

1. for establishing the industrial standards; for influencing the legislative and political businesses
2. the improvement of the relation between employers and employees
3. the building up of some scientific knowledge by publishing books and articles; the dissemination of general information
4. the defining of industries and professions through demography, the involvement of them in events; the possibility of having a bigger power during the process of purchasing products, services
5. the creation and maintenance of social relations; the carrying out of some public services
6. the professional development and growth of members; education and trainings
7. the development of some public positive relations; the delivery of opportunities for groups to travel; the achievement of some industrial and professional fairs;
8. the implementation of some amusement programs, the building of networks and interaction between people who have the same interests.

These are just a few of the functions that associations can have, they had a bigger role defining and identifying marketing events as being a self standing profession. Associations consider their proper events as being the critical function because of the gathering of members at that specific event and which can personify in this manner the corporatist culture, because the competition for the members' money and time are to important to consider it otherwise. Marketing events were transformed from an ad hoc organization into a scientific discipline on which the association's existence itself depends. The association's community has also guided other types of innovative and creative events to draw participants and the recognition from the public.

Corporatist meetings, civil celebrations, religious feasts, reunions, sport events, fund raising balls, scientific and technical symposiums, the launching of some new products, services, parades, awarding of prizes and official dinners – all have benefited from the principles of marketing event.

The Definition of Marketing Events

The communication in marketing represents a relatively new concept, appeared in the last decades of the twentieth century, as a consequence of the spectacular evolution which the marketing has encountered in this period. The novelty of the concept, as an extremely complex character of reports which are established in the framework of the marketing communication system, have made it possible so far the fact that it has not been reached a consensus of opinions, specialists have different points of view regarding its content.

From a etymological point of view, the noun “communication” derives from the Latin word “comunicatio”, which means sharing, conversation; likewise, the verb to communicate derives from the Latin word “comunico”, meaning to make common, to share with somebody, to be in connection with.

Therefore, communication – defined in the Romanian Explanatory Dictionary (DEX) as being the action of communicating its result – represents the approach of making something common, of sharing ideas, thoughts, information, attitudes. This presumes that the transmitter and the receiver of the message must be found on a common ground, so that between them there is established a real connection, with double sense. The communication efficiency is conditioned by the understanding of the transmitted message and by the receiver's adoption of the attitude wanted by the transmitter as an answer to the message.

Congruent to the Romanian Explanatory Dictionary (DEX) - the events are important happenings, acts of great significance. The Dictionary of Marketing Integrated Communication defines the media event – as being the type of event in which the communication initiative belongs to the public relations that mainly resort to publicity, also including here the possibilities to take photographs, to film; and the press event – action designed to create opportunities of photographing the object of the meeting.

The Terminology Glossary M.I.C.E. defines the event as being “(a) portion(s) of a meeting”, “a component of a meeting” and “meeting” as “a general term indicating the coming together of a number of people in one place, to confer or carry out a particular activity. Can be an adhoc basis or according to a set pattern”, “a general term indicating the gathering of a number of people in one place, to carry out and finalize a specific activity. It can be adhoc or planned, ”Therefore, the English term “meeting” is used in a generic sense as the Romanian word “event”.

As a conclusion I can say that marketing events can be defined as a modulus through which different governmental organizations, non-governmental, profit and nonprofit can use the communication through event to transmit a message to the external public, represented by the shareholders but also to the internal public, represented by the employees.

There are both strong and weak points of the communication through events:

- - amongst the strong points we can count : the circulation of messages to other market segments besides the ordinary customers like opinion leaders, being more credible than the communication through traditional publicity, having many times lower costs;
- - and as weak points, we can underline the absence of control of how the average of the specific event will be covered and it is really difficult to measure its impact.

Either if we are talking about a conference, or an agreement, banquet, the launching/re-launching of a product/service, exhibition, fair, meetings, or various occasions there are three essential elements for the success of any event:

The three E-s of Marketing Events are:

- a) Entertainment
- b) Excitement
- c) Enterprise

Entertainment – amusement is, nowadays, available everywhere in our society. A few years ago, people had to make a big effort to participate in sport competitions, to go to the theatres, cinema, having to leave home so that they could take part in that event. But now they are fed up with the methods of conventional entertainment that they own of in their houses, like: television, internet, radio. For being successful, the event that you want to promote has to be different, unique and it has to address especially to the target segment, so that those people would be determined to leave their houses.

Excitement – delight, it could seem intangible, but it is real, being a key element for an unforgettable event. The delight can be generated by the main element of attraction of that specific event: the famous music band, the fabulous party. Many marketers miss the opportunity to promise the delight for that specific event, for its promotion. The delight could mean the launching of a new brand and logo at a sale fair or at a company’s anniversary.

Enterprise – enterprising, being defined by the Webster’s Unabridged Dictionary as a person who is “prepared to assume risks or to try something unique, to have energy and initiative”.

The place and role of Marketing Events

Taking into consideration the fact that the advertising volume coincided with a decrease of its efficiency, and all studies about advertising efficiency have reached the same conclusion: with the existence of a larger quantity of advertising in a given environment, we have an increase in the inefficiency in each ad. The studies show that not only the volume of advertising has increased, but also the advertising costs, that have increased faster. It resulted that a high volume reduces efficacy, and the increasing costs reduce the advertising efficiency. Advertising is perceived as being something imposed by the potential buyer, in comparison with the Public Relation actions that are much more credible and less expensive, being able to easily reach towards the targeted audience, so that the brands could be built-up.

Events represent a section of Public Relations, being one of the ways through which a profit or non profit

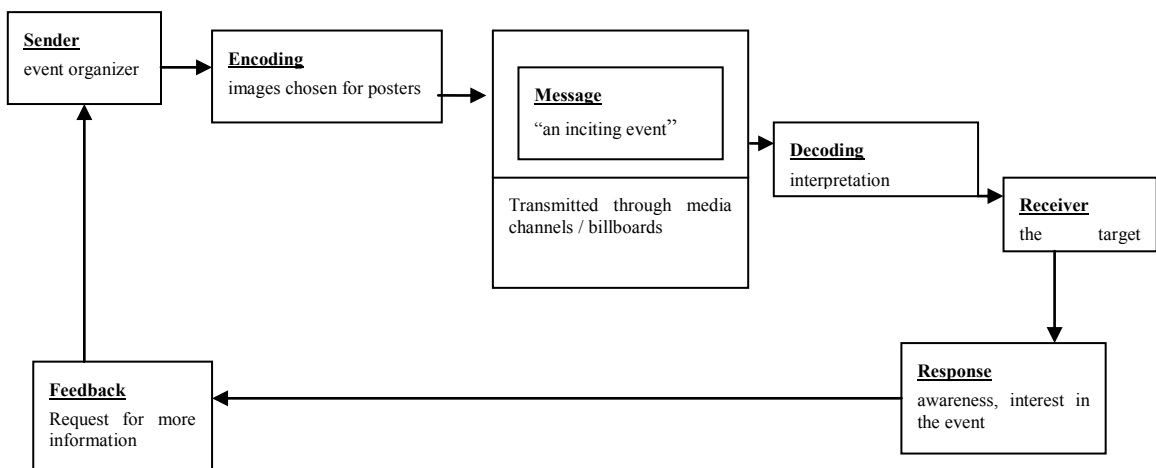
organization can communicate especially with the stakeholders and in general with the open public. Public Relations are essential in nowadays complex world for facilitating the communication and the agreement. They involve research, analyses, political adoption, programming, communication and feedback from a diverse public category. To Public Relations are given the following definitions, the most used are underlined below:

An event can be transformed into a communication environment only in the proportion in which it is exploited by the organization in promotional purposes. In the internal or external environment of any organizations there are many opportunities which the marketing managers should accordingly know to turn to account the objectives in concordance with the global strategy of marketing, tool. In what involves the achievement of communicational objectives, the organization can orientate itself to the usage of promotional event, having the possibility to choose, between multiple alternatives which the technique offers, that or those which are the best integrated in its communicational strategy. Practically, the efforts of such nature ca be pointed either in the exploitation sense of the existing events, or in the purpose of creating special events, where the advantage consists of the fact that the created event represents a perfect support adapted to the communication objectives, capable of transmitting the best conditions of the wanted message to the aimed targets, at the same time, the unique character of the event concedes originality, increasing in this manner the public impact.

The event audience must be a part of the market segment of that specific brand. The event must possess in the wanted image and also it must be capable to create the desired effects within the market segment. An "ideal" event is the one that:

- a) Its audience is formed by the market segment to which the organization addresses
- b) Generates favorable attention
- c) It is unique but it is not sponsored by many other organizations so that the brand imagine could be a distinctive one, many times the organizations that have a financial power prefer to be the main sponsor of the event
- d) That supports the marketing activities of the organization and brand
- e) Which reflects or increases the image of the organization and brand

In what involves the communication process with the help of the events there can be noticed the following formula:



The Communication System

[from Fill C. Marketing Communications: Contexts, Strategies and Applications; Pearson Education; 2003]

In general the organizations that want to communicate through event follow the achievement of the next objectives:

1. The identification with a market segment: the customers being segmented from the geographical point of view, demographic, psychographic or behavioral point of view, depending on the event.
2. The increasing of a company or brand's notoriety: events patronage offering the possibility of exposure in what involves the brand or organization.
3. To create or to strengthen the customer's perception about a brand, but also to enlarge the dimensions of the organization's image: the improvement of perceptions that the organization is pleasant and impressive.
4. To involve themselves in the community and country's social problems where the organization has its business, through the organization of balls for fund raising.
5. To cheer up the important clients and to remunerate the employees, through the organization of events, like parties where the employees should be awarded with different awards consisting in products or services.
6. To allow the merchandising and promotional opportunities usage when an event takes place.

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DIGITAL MARKETING – AN OPPORTUNITY FOR THE MODERN BUSINESS COMMUNICATION

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The people who receive the information and buy products/services migrate, nowadays, from traditional to on-line media; a greater number of them are accessing the desired news from specialized sites and from mobile devices, anywhere and anytime. The fast adopting of new technologies affects – and transform – manufacturing, distribution and consume, but to optimize on-line channels is necessary to act objectively, and to found the decisions on performance key indicators. In the process of adapting to these market changes, the marketers have the opportunity to reach a different audience through on-line and mobile instruments. This approach based on real data, facilitated by web analysis, helps companies to focus the efforts and to have success with the new offer versions.

Keywords: digital marketing, blog, mobile marketing, interactive television

1. General considerations about digital marketing

Digital Marketing promotes products and services using digital distribution channels to reach consumers in a manner relevant, personal and cost-effective. Digital marketing includes many of the techniques and practices contained within the category of Internet Marketing. More, it extends beyond this by including other channels with which to reach people that do not require the use of the Internet. As a result of this non-reliance on the Internet, the field of digital marketing includes a whole host of elements such as: mobile phones, SMS and MMS, display and banner ads, digital outdoor. In our present days, digital marketing covers more of traditional marketing areas such as Direct Marketing by providing the same method of communicating with an audience but in a digital way. This marketing method is more effective when a marketer combines multiple channels in the message campaigns.

There are two different forms of digital marketing, each of which has its pros and cons, the most important of them being shown in the next table (Table no. 1) (<http://en.wikipedia.org/wiki>).

***Pull** digital marketing involves the user having to seek out and directly grab (or pull) the content while push digital marketing involve both the marketer (creator of the message) as well as the recipients (the user), the marketer having to send (push) the messages to the users (subscribers) in order for the message to be received.*

Advantages and disadvantages of the digital marketing

Table no. 1

	<i>Pull digital marketing</i>	<i>Push digital marketing</i>
<i>Pros:</i>	<ul style="list-style-type: none"> • No restrictions in terms of type of content or size as the user determine what they want. • No technology required to send the content, only to store/display it. • No regulations or opt-in process required. 	<ul style="list-style-type: none"> • Can be personalized -- messages received can be highly targeted and specific to selected criteria – like a special offer for females, 21 years old or over and living in California. • Detailed tracking and reporting – marketers can see not only how many people saw their message but also specific information about each user such as their name as well as demographic and psychographic data. • High Return on Investment (ROI) possible – if executed the right way, push messaging can help drive new revenue as well as brand reinforcement.
<i>Cons:</i>	<ul style="list-style-type: none"> • Considerable marketing effort required for users to find the message/content. • Limited tracking capabilities – only total downloads, page views, etc. • No personalization – content is received and viewed the same across all audiences 	<ul style="list-style-type: none"> • Compliance issue – each push messaging technology has its own set of regulations, from minor (RSS) to heavily controlled (email and text messaging) • Requires mechanism to deliver content – the marketer has to use an application to send the message, from an email marketing system to RSS feeders. • Delivery can be blocked – if the marketer does not follow the regulations set forth by each push message type, the content can be refused or rejected before getting to the intended recipient.

Each of the two types of digital marketing mentioned above leads to different variants. Within *pull marketing* category, blog marketing, advertising and personal interactive television and smart ads are worth mentioning, whereas mobile marketing, text messaging marketing, multimedia marketing and broadcasting of the latest news go into the *push marketing* category.

1. PULL Digital Marketing

1.1. Blog marketing

This activity refers to the fact that certain people, who have gained enough experience or researchers choose to make their study, ideas, thoughts, reactions and dilemmas public, by writing either a weblog accessible to everybody or one with restricted access, set for confidential issues.

A blog is a web page with a frequent set of posts on a subject or a variety of subjects, which, more often than not, contains links to other Internet sites. They are organised in a reversed chronological order, the latest one coming first on the page.

The best blog audience is, in fact, the very makers of such diaries. Besides the fact that they are interested in what the others write, pointing that thing out in their own blogs, they also refer to those posts. The number of bloggers is steadily rising, since software devices come to be more and more accessible. On-line blogs have witnessed an important evolution lately, up to 72 millions, according to a Technocrati study, the Internet search engine specialized in blogs.

In March 2005 there were almost 8 million blogs, whereas in March 2007 their number increased ninefold, up to 72 million on-line bloggers. Nowadays, 120,000 blogs are designed daily, as compared to 25,000 in 2005. (www.hotnews.ro).

As to the business field, one can benefit from using blogs so as to transmit information on supply and demand. As a result, both clients and immediate feedback can be won. New methods of efficient marketing include the making up of some “viral” companies, focused on the customer’s needs, as well as challenging programs and competitions, which are meant to help them disseminate further information. Specialists claim the management of a company can learn a lot by reading blogs. Thus, they can have feedback information as to what their customers and noncustomers think about the business they run.

We honestly believe that blogging can help each core fragment of what makes up a successful and viable company. The core needs for any business are as follows: decent ideas; a great product; visibility; a well-trained team of people who work hard to make the company succeed

1.2. Advertising and Personal Interactive Television

The boost in high frequency band satellite television and IPTV, the fact that broadcasting mobile services will be the next important trend in mobile communication and the growing popularity of peer-to-peer sharing of video files, lead to the advent of new advertising patterns, highly competing with the classical video (Roxana Onea, www.comunic.ro).

Thus, television is becoming a more and more personalized environment, allowing a clear perception of the customers' preferences. As users have more and more control over the type of advertising they want to watch, their opinions will be of uppermost importance, thanks to technology. The main reason for which television channels should broaden their horizon provided they want to stay relevant for advertisers is the customers' possibility to choose more and more from what they want to watch, the time of their watching and the device the chosen program would be on.

Specialists in advertising wish the relationship between them and television channels would change, given the new content broadcasting policy, fighting for the viewer and demand services which allow the viewer to skip advertisements. As the content already including advertisements targets mobile phones, brands and entertainment providers have started to appreciate the value of a complex multimedia advertisement within programs.

Another possible business pattern can be the use of these demand services as a means to manage a research on a far away market in order to check people's interest in new products, a very quick and cost effective way to get the right feedback from would-be customers.

On the other hand, integrating interactivity offered by SMS service within television programs outside peak hours can lead to significant profits coming from the viewers who pay while sending messages from their mobile phones, since they want to have fun, personalize products, get access to games and socialize.

Digital interactive television services developed unevenly during the last year. In some countries, their diffusion rate went beyond 90% by the end of June 2007. Most of the EU members handed in National Plans to the European Commission, shifting from analogical broadcasting to the digital one, having the year 2012 as deadline, some others established terms later than 2012. And still, there are also member states which have not yet handed in the National Plan concerning the shift from analogical to digital television to the European Commission. (www.euractiv.ro).

"U" is the first interactive television in Romania and, besides Unite – clubbing and events brand – and www.utv.ro it is part of the New Trend Media Company, belonging to the UTI Group. "U" first broadcast in Romania on the 9th of April 2005. The strong points of the U brand are: attitude, quality music – Romanian and international hits, dynamism, innovation, and, last but not least, "U" stands for fun. The target audience of this channel is the 15-29, up to 35 year olds. (www.hotnews.ro).

1.3. Smart advertisements on the web

In order to back a marketing system based on Internet, the pay-per-click network (PPC) was brought into play, and the one developed by Google is a good case in point. The text models on the right side of the main slide of the application entail two changes in the traditional relationship between editors and advertisers: the latter pay only when advertisements are on and the viewers click on them; the paid research networks draw a distinction between advertisers and editors (advertisers no longer get space on the editor's site in exchange of payment for key words).

For a better knowledge of its public the advertisements on Internet (based on software) can contain further information on: the targeted public, the money advertising companies are willing to spend to get to that audience rate (including the cost of each click), which sites are accepted and which ones are banned etc.

2. PUSH Digital Marketing

2.1. Mobile marketing

On a well-developed market, operators have to face the pressure of finding new opportunities for earnings drift, so mobile marketing could be the very solution.

Since entertainment and advertising business are overlapping more and more, the idea that brand marketing should be budgeted for purchasing mobile content has gained ground lately (Roxana Onea, www.comunic.ro). Advertisers have to find new ways of making their brands and messages known to a public whose expectations are higher and higher, thanks to a boost in information. The old-fashioned pattern, which meant direct coverage to its customers no longer, seems efficient, while advertising agencies are interested in entertaining their customers with a challenging content. At the same time, mobile services providers are, more often than not, concerned with drawing into more and more customers, all paying for their content. It will all be each brand's concern to create catchy advertising content which subscribers would like to save, send to friends all over again, turning it into something vital.

Mobile marketing offers an important means for building up cooperation relationships, since specialists in mobile marketing use SMS text messages and MMS multimedia messages to get to their users by means of one of the most personal devices, namely the mobile phone. One can notice this trend both among the newcomers on the market, but also among the already existing companies, which add voice options to computer devices. America Online, Apple, Google, Microsoft or Yahoo has added voice services to instant messaging users. E-Bay purchased the pioneer in IP-Skype phoning for 2.6 billion dollars. More than that, Skype, whose technology allows vocal calls for prices representing a small fraction of traditional services costs, has also added video calls to its services.

Mobile phones have endless uses within the current socio-economical background, thanks to their technical advantages, while their providers incorporate as much entertainment, commercial and media options in their devices. Here are some of the main aspects defining the various uses of mobile phones:

**** Informing and entertaining***

The best thing about mobile marketing is that, unlike mail and e-mail, people tend to read messages from their mobile phones: 94% of messages are usually read, within an hour from their receiving, according to WIN, a mobile phone messaging service provider. One of the first ways in which mobile phones are used by the specialists in marketing is with the "ambush" type of advertising, street advertising, since the users passing by posters in the street, for example, will get messages on certain events and advertising activities. Mobile phones have also started to be a means of entertainment generated by the specialists in advertising.

Nowadays, advertising campaigns on mobile phones have only come into existence, usually asking their users to send a text message to a number code. In exchange for that, they get information on products, free content or the chance of winning some prizes.

**** Commercial communication***

Mobile phones have already been widely used by companies for commercial communication or advertising mechanisms. The latter encourage users to send SMS messages or offer call tones and music in exchange of sending through SMS the codes from various product packs (coffee, chocolate, toothpaste). Campaigns are sometimes integrated, besides advertising on classical screens, in a well-thought system encouraging the use and usage of 3G mobile phones. Consequently, mobile phones should become a means of showing loyalty to their clients at a larger scale, a means of buying and paying (www.mobiledigit.ro).

The fidelity card, given out when subscribing to a loyalty program can easily be replaced by the mobile phone, with great benefits for both company and user. The necessary information about the buyer's behaviour and the things purchased is collected at each card use.

Mobile ticketing is a new form of electronic commerce, which allows customers to buy, book, get and check tickets no matter the time or the place. By mobile ticketing, mobile phones become an access ticket. Potential applications include: events (concert, theatre and museum), transport, gym access etc. Mobile payment represents that type of payment by using the mobile phone at the outlet store instead of credit or debit cards. This system allows for flexibility and easy use. Electronic vouchers can be used for special

offers, catchy promotions, discounts or other such things a printed voucher stands for. Electronic vouchers are distributed through Internet, e-mail or SMS and can be printed at home or just saved on the phone.

*** Partnership with mobile television**

The emphasis placed on communication shows that mobile content industry and the broadcasting one are well aware of the importance of new platforms, such as mobile television and IPTV. Content makers and the ones that broadcast it need to find out how to better “sell” their product. Both industries consented to the idea that a content especially made for mobiles is to be preferred. South Korea and Japan are among the first countries which adopted mobile television, but the European and North American markets are not far behind (<http://news.softpedia.com>).

2.2. Text messaging marketing

Text messaging is an efficient means for television, since it promotes interactivity and creates addiction. Thus, text messaging campaigns gain more and more ground: they are used in live sports events, films, breaking news etc. Such campaigns are backed by marketing agencies since, on condition they are well made, they give television channels key elements concerning the targeted audience, vital for the already adopted strategies. Moreover, these campaigns are important for the wireless operators, since respondents pay a small attendance fee to take part in such campaigns, while operators get a high percentage of that fee (Roxana Onea, www.comunic.ro).

In this field one can also notice the expansion in the services provided through the advent and more frequent use of multimedia messaging, especially for video content broadcasting. Since messaging campaigns become more and more popular, their supporters believe that this expansion to the premium range can become an efficient marketing tool and a potential profit generator to the operator and providers of mobile content.

2.3. Multimedia messaging

This modern form of transmission of information allows offering services such as entertainment, news, sports events, video games, while also being a personalized marketing tool with immediate response, which facilitates communication with its customers. Based on the infrastructure of mobile phoning operators, multimedia messaging gets a positive feedback from its users, even if problems such as service knowledge, education, prices etc. can still arise.

Even if the service is appreciated, technical problems can still come out, meaning that a single format for marketing messages which can be sent to all its users cannot be yet developed, due to performance differences between mobile phones, since only some of them can receive both SMS and video messages. Moreover, many of those having phones with MMS options can't grade their phones to get MMS messages or simply don't want to access such messages. For this very reason, one cannot be certain that the messages created and transmitted by the marketers reach their users in a full format.

2.4. The broadcasting of recent news (RSS)

RSS technology (Really Simple Syndication) represents a format especially created to broadcast the latest news or reports. This means automatically following the changes within a site, its access being unnecessary if wanting to check if new information was introduced.

Nowadays, there are reading applications regarding flows of news in RSS format which let users know, at a specific time, if there is new information or news on the sites they selected beforehand. Thus, users can choose the sites they want to watch, and if those sites have the RSS option on (more and more sites are adopting it), by means of a small program, known as “agregator”, users can be alerted whenever their favourite sites come up with something new.

RSS technology brings forth a radical change in the way people can access information. If, so far, the user had to access information directly (search for a certain site and surf till he got the information needed), RSS technology allows for rapid spread of that news which is relevant and up-to-date. Some believe that RSS is the future trend in accessing information, since it has already raised a lot of questions concerning the future of traditional mass media.

As the market is under constant development, the business practices will help remove some obstacles, while others might need special measures from industrial companies and legislation in order to give their users, content providers and hardware industry some legal certitude.

The discovery and adoption of innovative methods in doing business is more and more obvious in Romania, its market is rapidly catching up with the lagging behind from a technological point of view, but success is finally assured thanks to the customers' desire to purchase such new devices or through such new devices.

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MARKETING POLICIES CONCERNING THE TOURISM IN PROTECTED AREAS FROM ROMANIA

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With its natural environmental attraction and the original cultural life, Romania may become an original product as tourism destination. Between its natural riches, Romania has various species of fauna and flora, many of them considered with unique and specially value, and that's why are protected through special measures. The areas where these species are located are considered protected areas and some of these can be considered as tourism destinations, and can be visited in condition of strict preservation of nature. Between other aspects, marketing must allow tourism organizations to create, promote and distribute these areas like sustainable products, in such a way that can generate profit and can satisfy tourists' needs, but in special conditions as to assure the natural environment' preservation.

Key words: marketing, policies, tourism, natural, area

Introduction

With a rich tourism potential, Romania can achieve a high level of economic development, and can be better known by tourists from different countries and cultures. But, length-ways time, the tourism practice demonstrated that tourism activities have several impacts in different way: natural impact, social and cultural impact, economic and politic impact. Through marketing instruments the market evolution can be better knew and it can be create the possibility of a good coordination of different stakeholders' efforts and interests: tourism services suppliers, tour-operators, travel agencies, local communities representatives, governmental tourism authorities. In the same time, marketing allow the appropriation of all these participants' interests: profit for economic organizations, environmental care from local communities point of view, a general tourism sustainable development from authorities point of view, a great satisfaction for a certain tourists category: the nature lovers, the persons which are preoccupied of nature and culture preservation.

1. Protected areas in Romania

Romania has several important natural resources that are considered as tourism attractions: The Romanian Black Sea Coast, The Danube Delta, The Carpathians Mountains, caves, rivers, lakes etc. Some of these important natural riches are included in to large sphere of protected areas.

The concept of protected area refers to an area of land and/or sea especially dedicated to the protection of biological diversity, and of natural associated cultural resources, and management through legal or other effective means (IUCN, 1994). Considering IUCN point of view, protected areas are defined by the management goals and not by management efficiency and refers to: Scientific research, Wilderness protection, Preservation of species and genetic diversity, Maintenance of environmental services, Protection of specific natural / cultural features, Tourism and recreation, Education, Sustainable use of resources from natural ecosystems, Maintenance of cultural and traditional attributes (IUCN, 1978). Considering the IUCN Classification from 1994, the principal protected areas categories are the fallowing (Ravenel and Redford, 2005, pp. 381-389): Strict Nature Reserve and Wilderness Area; National Park; Natural Monument; Habitat/Species Management Area; Protected Landscape / Seascape; Managed Resource Protected Area.

In Romania, from juridical point of view, the protected area are proclaim by The 462 Law from 18/07/2001 that approved The Governmental Ordinance 236/2000, referring to protected natural areas, natural habits, fauna and savage flora's preservation. Considering these law rules, the protected areas from Romania are: Scientific reservations; National parks; Natural monuments; Nature reserves; Natural parks; Biosphere

reserves; Wet zones of international importance; Natural sites of universal natural patrimony; Special area of preservation; Special area of avifauna preservation.

Because of the great importance of Romanian natural capital value, length-way time, it was necessary to implement some nature preservation measures. Today, The National Protected Areas Network includes 579 of protected areas (between 13 national parks) that represent 5,18% from Romanian territory (Nistoreanu, et al, 2003, p. 158). Three of them have an international recognized as Biosphere's Reserves, being included in MAB-UNESCO Program: Retezat, Pietrosul Rodnei and Danube Delta. Due to its value, the natural patrimony of The Danube Delta Biosphere Reserve is included in the international network of the biosphere reserves, in the framework of the program "Man and the biosphere" (1990), by declaring it as wet zone of international importance, especially as location of the water birds, Ramsar Convention (September 1991), as well as its including on the list of the world natural patrimony – Unesco (December 1991).

The total surface of national and natural parks, and the Biosphere reserves from Romania is 1.132.176 hectares, and are the following (MAPM, 2001): Balta Mică a Brăilei; Bucegi; Călimani; Ceahlău; Cheile Bicazului – Hășmaș; Cheile Nerei – Beușnița; Cozia; Delta Dunării; Domogled – Valea Cernei; Grădiștea Muncelului – Cioclovina; Munții Apuseni; Munții Măcinului; Piatra Craiului; Porțile de Fier; Retezat; Rodna; Semenic – Cheile Carașului. These areas offer the possibilities to practice tourism activities, but its necessary to be done in sustainable conditions, thinking to the future (preserving the natural patrimony, respecting people's traditional life and habits, rationally using the natural resources etc.).

Because of its characteristics, originality and unique aspect, The Danube Delta is an important destination for national and foreigner tourists, and the tourism activity in Delta is a problem with international impact.

2. Danube Delta, example of important protected area considered as tourism destination

Due to its high importance, to its unique natural patrimony, The Danube Delta is one of the most representative and valuable tourism zone from Romania.

The Danube Delta is one of the greatest wetlands of the Earth (and the second on the European continent). For more than 10.000 years, after crossing 2.860 km, the Danube has been building at its river mouth into the Black Sea, one of the most beautiful deltas in the world. The Delta covers an area of 4152 km², 82% being on the Romanian territory (3446 km²). The water and the land areas drawn up here, offer good life conditions for a large amount of plants and animal species. Here can be met the colonies of pelicans and cormorants, very specific to the Danube Delta, as well as a large amount of other species of aquatic birds living, or coming here for building their nests, or spending their winter. The Danube Delta has three branches, and more than 400 lakes. Oak and ash tree forests, the sand dunes, the beaches on the delta marine seacoasts provide a great diversity and spatial variety. The Danube Delta Biosphere Reserve (DDBR) has a total area of 580.000 ha. The junction between the Dobrogean hills and the wetlands of the river system marks the terrestrial limit of the reserve. From Chilia Branch to Capul Midia, The Danube Delta Biosphere Reserve includes several special physical – geographic units, and has various natural resources that can be considered as tourism attractions:

- The secular oak forest and Mediterranean lianas "Letea" and "Caraorman" Forests
- More than 5.500 flora and fauna species, of which more than 325 species are birds (almost of 1/3 from the total number of plant species that grow in Romania, the important colonies of pelicans and cormorants and a variety of other water birds, which reside in or visit the delta for breeding and wintering, a large number of fish, with species of both economic and ecological value)
- The traditional way of life and work of local people. They are living from fishing activities in small isolated communities, they are friendly and good guests
- The climate (a yearly medium temperature of 11 – 11,6 Celsius degrees, a low level of rainfalls (350 – 450 mm/year) and a long sunshine period (2300 – 2500 hours/year), which offers the possibility to carry on the tourism activity from spring until autumn.

The most practiced tourism forms in Danube Delta Biosphere Reserve are (Nistoreanu, et al, 2003, p. 161):

- The itinerary tourism, for visiting and knowing, in a short time (2-3 days trips), the Delta's beauties, the people and their habits and history
- The vacation and holiday tourism promoted in Delta's and on the deltaic Black Sea Coast localities, preferred especially by Romanian tourists because of natural conditions (in villages like Caraorman, Crişan, Sulina, Murighiol, Portiţa etc.
- The rural tourism and its particularly agro-tourism form, practiced in the fishermen's villages, that have picturesque houses, with the roof of reed
- The scientific tourism is organized going from the originality and value of natural resources, is less damage for environment and is practiced by small groups of tourists, especially scientists
- The balneal-therapy tourism, based on saprophelic mud from Murighiol, indicated for rheumatic disease
- The tourism for sport practicing, like fishing, hunting, nautical skiing etc.
- Other tourism forms, like foto-safari, bird watching, scuba-diving etc.

Because there are so many natural and ancient cultural attractions, the tourism products must be assembled and offered in such a way as to not create damages. In connection with Danube Delta, The Black Sea Coast offers great possibilities to practice sustainable tourism.

3. Decisions that can affect the sustainability of tourism destinations

Considered more and more attractive, the protected areas became interesting for tour-operators, which create several types of tourism products, going from different natural and cultural resources from these areas, considered as tourism attractions. But, an important problem that appeared in case of this tourism supply is how to assure sustainability. Even initially, the sustainability problem was understood more on micro-economic level (especially in case of agro-tourism suppliers, which offered for tourists the possibility to make a "green" vacation), now the preoccupations are concerning the sustainability for large areas or zones considered as tourism destinations. This fact involves a strong cooperation between tourism services suppliers, tour-operators, representatives of local communities and governmental authorities, as to create and offer sustainable products as tourism destinations.

The tourism development is determined by are some responsive factors, which whom decisions can affect the tourism destinations sustainability (Stănciulescu et al, pp. 5-7):

- In the faze of tourism zone arrangement, the central and local authorities have major responsibilities for sustainable tourism development. Those authorities can contribute to the increasing or decreasing of tourism activities, through the legal, financial or other tools, used to orientate and control of these activities (the limitation of the environmental damages, through resort's placement, the organization of transport, architecture, tourism equipments etc.). The local organizations which are involved in tourism arrangement projects, is responsive also for not affect the quality and the quantity of the environmental resources. The local population has an important opinion and must be consulted about the projects' opportunities
- In the faze of performing tourism activities, there are many major responsive factors: the local tourism services suppliers (accommodation, catering and food and beverages, transporters, entertainment services suppliers), which must evaluate the impact of their own activities to the environment and must develop with the help of authorities) a problem solving plan, the local authorities and governmental representatives (which must encourage the environmental protection actions and over taxed the organization which bring environmental damages), the tour-operators and travel agencies, that must promote the sustainable destinations and the tourists, which must become more preoccupied and responsive for environmental protection.

Considering the tourism product configuration, the sustainability problem concerns all the elements of product: the tourism attractions and the tourism services also. Defined by the management goals, the protected areas must be protected through special measures. To become and remain sustainable tourism destinations, these areas must be managed through special plans. The management plan of a natural protected area includes elements that refers to (Nistoreanu et al., pp. 136-138; Ravenel and Redford, 2005,

pp. 381-389): Resources inventory (natural and cultural resources, tourism and general infrastructure, transportation access means); Potential market's evaluation (obtaining information about tourists-target, there's country of origin, vacation's length, type of accommodation etc.); Services delivered (tourists preferences for different kind of accommodation, food, entertainment etc.); The environmental impact's analyze (natural, social, cultural, economic etc. impacts).

Generally, the most applied techniques of protected areas' administrations (which fallows to rationalize the visitors' waves), are (Nistoreanu et al., pp. 139-140):

- Limiting the tourists' number, when demand is greater than supply
- Dispersing the tourists in time and in space as to reduce the crowd and the environmental impact
- Limiting the tourists' waves among the seasons, especially when the animals are vulnerable
- Creating functional areas (for example, for camping, for riding the bicycles, for picnic etc.)
- Informing and educating visitors when they choose a vacation place or at the tourism destination place
- Introducing symbolic seasonally access payment, as to increase the tourism practices out side the full season.

4. Marketing actions for sustainable tourism in protected areas

The theoretical and practical marketing involvement in the case of tourism in protected areas, must consider some specific aspects, similarly to any other type of sustainable tourism (Middleton, Clarke, 2001, p. 336; Firth, p. 18), such as:

- Marketing strategic planning in tourism must consider and involve all important decision factors from tourism activity: the national authorities: governments, tourism departments, ministries or offices (because it must become a part of national sustainable development strategic plans), the local authorities (because they represent the local communities interests from tourism destination places), the tourism services suppliers, the tour-operators and the travel agencies. In this process, a very important role has the management of natural protected areas, because can legally encourage the tourism activities that are not destroy the natural equilibrium and that are contributing to the sustainable development of local communities, and block those activities that can create consistent damages (massive tourism infrastructures, that destroy the nature, considerable changes in local peoples' life, habits and culture etc.)
- In the process of market targeting, like in the generally process of tourism strategic planning (Stăncioiu et al, 2005, p. 45) must be evaluate the attraction elements of market segments, and considering that, marketers must select the most appropriate segments for sustainable tourism
- The strategic marketing approach must be realized going from a regional perspective, considering the tourism strategies and actions from the different neighboring districts from a country or for larger areas, even countries that have commune interests in these large protected areas (like Romania and Ukraine, in the case of Danube Delta, or great regions like Caribbean Region, Pacific Region etc.)
- The marketing researches, near other significant aspects, must allow the determination of the markets' dimension, the specific tourists segments, theirs' needs and the possibilities to be satisfied, the factors that influence the market evolution etc.
- In the process of international marketing communication, must be promoted the sustainable destinations for those small groups which are really admirers, love and respect nature, living-beings and traditional way of life
- To increase the tourism sustainability, the tour-operators can promote the "eco" tourism products (ecotour, ecotravel, ecovacation, ecoexpedition etc.)
- The tour-operators marketing activity must be conceived going from sustainability tourism products. In the process of tourism products assembling, the tour – operators must encourage those tourism services suppliers which are preoccupied of sustainable principle application in there's activities and collaborate with those suppliers which develop there's activity going

from sustainability criteria. An example of tour-operator preoccupied of tourism sustainability is German TUI Tour-operators, which incorporate environmental protection as management function in the organization process of its companies

- The accommodation services must be offered on specific structures (camping, guest-houses, chalets etc.), corresponding to the tourists demand
- The tour-operators must include, in to the product's assembly, some specific entertainment services and recreational activity services, such as: scoobadiving, cycling, skiing, studying nature, flora, fauna, speology, visits at ethno-museums, historic or cultural attraction etc.
- In the process of marketing communications must be supplied information about the these destinations areas, events and activities, to the tourists and to the experts in nature's preservation also, spread through specific marketing communications' techniques (advertising maps, brochures and catalogues, public relations activities, marketing events etc.)
- The price of those tourism products must indicates the originality and rarity of resources that are considered as tourism attractions
- The distribution of these products must be realized in sustainable principles conditions
- The tour-operators must collaborate with local communities representatives from tourism destinations as to include in tourism products those tourism attraction that can be preserved and rational administrated. When the damages and pollution are minimum, when is allowed on marginal areas for small groups that appreciate the nature, the tourism can increase the social and economic life of local communities, can offer working places for local people, can encourage the handicraft and manufacturing local industry (selling the fish products, objects of reeds, etc).

Conclusions

Developing the tourism marketing activity in natural protected areas allows to:

- Preserve the environment integrity
- Practice a healthy tourism
- Create and develop tourism products that are consummated without destroy the natural and cultural patrimony, the traditional way of life and habits and the social structure
- Orientate the tourists-segments who appreciate the sustainability of these tourism products to buy appropriate products, through marketing communication policy, through prices levels and distribution channels
- Coordinate the efforts of all participants in supply chain (products and services suppliers, tour-operators, travel agencies) as to increase the efficiency of all activity
- Create the possibility to integrate the interests and increase the cooperation between tourism agents, public authorities and local representatives from local tourism destination, as to develop and practice a kind of tourism that satisfy tourists' needs, preserve the resources and assure the efficiency of tourism organizations activity and, in the same time, encourage the local communities developments, on sustainable principles, as to keep the environmental health, to use rational the local resources.

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PACKAGE, IMPORTANT MARKETING COMMUNICATION TOOL FOR AGRO-ALIMENTARY PRODUCTS

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Abstract

To be known on the market, to exist for the consumers and to influence their behavior, to be positioned from competitors, to have a distinctive image, the organizations must realize an efficient marketing communication policy. Included in the large sphere of communication tools, package is, in the same time, an important tangible element of the product, and also, one of the most visible mean that is used by the organizations to communicate with the public. In the marketing approach, together with label, the package of agro-alimentary products has multiple functions. The goal of this paper is to show some of different aspects concerning the importance of package for marketing communication process.

Key-words: agro-alimentary, marketing, communication, package, label

Introduction

The specific of agro-alimentary market requires a special marketing approach. The agro-alimentary marketing has some personal features, generated by various causes, such as: the high importance of natural and biological factors on agro-cultural production, sector, the seasonality of vegetal production, the specificity of demand for different agro-alimentary types of products, the low level of farmers' information concerning the international markets trends etc. Going from its functions, the objectives of agro-alimentary marketing approach can concern the following aspects: the agro-alimentary market research, the environmental analyze, the behavior study of agro-alimentary products' consumer, the elaboration of agro-alimentary marketing-mix, strategic planing, etc.

Between the constant preoccupations concerning the product policy formulation and implementation, the price policy and the distribution of the agro-alimentary products, one of the important preoccupations of marketers is the marketing communication activity with the different categories of publics.

1. The importance of agro-marketing communication policy

Into the large sphere of communication process, the marketing communication has a specific goal, following the marketing objectives' achievement.

As a permanently message source, the organization try to inform the publics, to sensitize the potential clients, to influence the consumers' behavior in a favorable meaning.

To create marketing communication strategy is a difficult process that has to be realized considering the organizational global strategy. Like in the case of any other organizations, the organizational suppliers of the agro-alimentary products are confronting with major decisions which are concerning different aspects, such as (Popescu, 2003, p. 174):

- The organizational long-term orientation

- The organization activity's definition
- The environmental connection of organization's activity
- The correlation between organization's resources and its activity.

Even for agro-alimentary organization, the communication strategy must be correlated to the organizational mission and goals, to the communicational targets, to media communication, the messages' contents and the process of resources' allotment.

The system of marketing communication of the organization involves several elements:

- The transmitter or the source of information (the enterprise)
- The message (the idea, the information)
- The channel that allows to spread the message (the support of the message)
- The receiver of the message (the consumers, the clients, the representatives of public authorities, the media etc.).

The process of communication is submit to various interferences, such as different barriers (culture, language etc.), filters, noise etc.

Through their contents, the messages that are manipulated by specific marketing communication tools, allow the enterprise to promote and to sell products, underline, support and promote the agro-alimentary brands, create a specific image of the organization.

As any other organization, on theirs turn, the suppliers of agro-alimentary products can use the fallowing marketing techniques (Popescu, 2003, p. 25):

- Promotional communication techniques, that are utilized in some planned marketing communication campaigns. This category of communication tools includes advertising, sales promotion, public relations, marketing events, sale's force and direct marketing. Considering the marketing goals, targets and message' content, in the communicational campaign can be used one single promotional tool or can be used a combination of promotional tools (promotional mix).
- Continuous communication techniques, such as brand, package or design, in to a process that involves the utilization of some stabile elements, that confers steady-fastness to message' content.

The promotional policy is important because has the role to communicate, to inform the customers about new or improved products, to educate consumers' tastes, to stimulate and drive the organizations' and peoples' demand.

The promotional tools that are used in agro-marketing are the fallowing:

- Advertising, important and impersonal form of communication about ideas, goods, services, an identified sponsor pays that. Advertising messages are usually transmitted through the fallowing supports: news-papers, magazines, television, radio, by direct mail, outdoor billboards, printed materials (flyers, calendars, catalogs etc.). The producers and the distributors of agro-alimentary products must respect the law frame, because these products have a direct influence on human health. To protect the consumers, in the majority of European countries, the fallowing procedures are considered abused and, in consequence, are forbidden: false indication about the products' nature, their prices, the quantity or the provenience of goods, advertising for unhealthy products, advertising through subliminal message, or transmitted to children etc. Generally, in the majority of European countries, advertising for alcohol and cigarettes is not allowed.
- Personal selling is a person-to-person type of communication in which the receiver provides immediate feedback to the source's message. The sales force has an important role in agro-alimentary marketing process, because it has two functions: on one hand, represent the "engine" of sales activity (the sales volume, the profit, the market share dimension etc., are depending on sales men activity), and on the other hand, the sales force has important responsibilities in marketing communication activity (through their behavior, through attitude and body-language, through theirs' communicational abilities etc., they represent the image of the organization)

- Sales promotion, a marketing activities assembly concerning the consumer purchasing stimulation (price-off deals, rebates, premiums, in-store displays, sampling, coupons, contests etc.). For consumers, in retailer network shops, one of the most used tools in the sales promotion of alimentary products is sampling, people being invite to taste different types of products (sausages, cheese, coffee etc.). The big wholesalers stimulate the merchants especially through discounts or advantageous prices for bigger quantities
- Public Relations, a promotional activity that aims to communicate a favorable image of the products or of the organizations, which offer them, and to promote goodwill. These activities are directed to some certain publics' categories: employees of the organization, mass media, opinion leaders, representatives of public authorities etc.
- Sponsoring, that means to give a material or financial support for non-profit activities or organizations (in sport, in education, in health system etc.)
- Trade shows and exhibition participation, important means to communicate about the offers, to negotiate future contracts, to promote products, to enter on new markets etc. The agro-alimentary suppliers can participate on general trade fairs or on specialized trade fairs (such as INDAGRA, in Romania).

In marketing specialists' opinion, the assembly of tools and techniques communication that are used by the organization in to the process of marketing communication, expresses the content of marketing communication mix (Balaure et al, 2005, p. 348).

2. Package, element of marketing communication

Important element of agro-alimentary product structure, package is, in the same time, an important and traditional communication tool used by the marketers, with a strong impact on the consumers. Invested with multiple functions, package assures a strong contact between consumers and products, and together with the label, communicate important information about products and the organizations that offer these products.

Because is one of the most visible communication way, package policy is very important for agro-alimentary organizations. Considered as a continuous marketing communication tool, package has the capacity to add a considerable value to the product through shape, design and graphics (Popescu, p. 166).

Today, through its communicational valences, the design of package is an important way to stimulate the products selling, and it' s considered in the marketing strategy grounding process.

Package is a material support that has the function to protect the product during the transportation, storage and handling processes. Its importance is considerable too for the protection of environment in the case of products that can affect, through theirs' characteristics, the integrity of the environment.

Considering the package destination, in practice are used the fallowing package types:

- Sales packages, that represent for consumers, sales unity on acquisition point
- Group packages, conceived as to unify a certain sales unity or to stuff the shelf from the sales points
- Transportation packages that facilitate the products handling and transportation and prevent products physical damages

The package has complex functions, such as:

- To protect the content in case of products transportation, storage, manipulation and utilization;
- To protect the environment from the possible novice actions that the production can cause it (chemical substances, medications etc.)
- To facilitate the products' storage and manipulation operations
- To facilitate the products' batching and stowing operations
- To stimulate the sale policy
- To promote the products, through messages communication free of charge action a.s.o.

The package communication function refers to product capacity of draw attention, to differentiate the product from competitors' similar products, to convince consumers to buy the product. In the same time, package informs consumers about the products through text's elements, expressive, trademark and brand personality. All these elements serve to identify the product, to guarantee the product quality, to make easier the product sales, especially in the case of self-service in supermarkets, to accelerate sales through a quick identification of package and product (Dubois, Jolibert, 1994).

From a historical point of view, the relationship between marketing and package develops in a different ways. Many years ago, package function have limited on keeping products in safe. Once with marketing concept evolution, the connection between marketing and package has become more complex, and marketing has a positive involvement even from research and product design process. Today, when package industry gets a significant position in national economies of developed countries, package's design has become an important way for sales stimulation, being considered in marketing strategy grounded process.

Because of its communicational impact, specialists considered that some package's attributions has transformed in secondary functions, such as (Popescu, 2003, p. 166):

- To draw the consumers' attention
- To convince the consumers regarding the advertising promises and the real quality of the product
- To build brand personality
- To increase the consumers' loyalty
- To educate the consumers regarding contents, product's composition, requirements in product's utilization a.s.o.
- To indicate the origin of the product (the place of manufacturing)
- To educate the consumer regarding the way of using products

Package adds value to the product through the nature of materials that are used to manufacture it and also through design.

Selecting a certain material for package realization process is influenced by different phenomena such as (Popescu, 2003. p. 167):

- Cultural environment evolution, especially the eco-orientation (now, are more and more used the materials that are bio-degradable,
- The existence of various alternatives of materials for manufacturing the packages
- The technique development
- The progress of logistics and supply chain a.s.o.

Considering the communication function of package, basic elements of package design are the following (Ingold, 1994):

- Shape
- Color
- Graphics
- The informational message

Through color, graphics, illustrations, text, the package communicates in a symbolic way. Using an appropriate design, from artistic and structural point of view, allows to obtaining a maximum valorization of package potential. To be successful, the package's promises and information must concordant to real quality of the product.

An alimentary product is characterized not only by its nutritional value, but also by the informational elements that allow to be recognized. Together with package, the label contributes to a good communication, because, generally, the first contact of customer with the agro-alimentary product is facilitate by the presence of informational elements that are wrote. The informational content of the label must be synthetic, accessible, and must offer sufficient information of the agro-alimentary product, to present it and to represent it in an adequate way (Diaconescu, 2005, p. 159).

A good design follows marketing specification's goals, and is appreciated from the point of view of these criteria and from sales' dimensions. In the same time, through shape, color and graphics, package is the ideal way to create a product's image.

Conclusions

To elaborate a successful marketing strategy, marketers must decide what image they wish to project on the product and its package, in to a unitary vision.

When image it is not clear or includes contradictory elements, the package will have more difficult tasks to transmit messages, the consumers are confused and the communication process will not be successfully. Very important also are the aspects that refers to the package's shape and the package's image, and also a significant role will have the analyze of what opportunities can be incorporated into package, as advantages for consumers.

The package has, also, an important role to brand positioning operation, because valorize the product, fundamentals and strengths the brand and consumer relationship.

Through its power of drawing attention on the product (especially in the case of self-service stores), through its effect to unleash buying decision, package is a real „dumb salesman” (Smith, 1994, pp. 470-471) of the products, and a basic marketing communication tool.

The agro-alimentary products are better positioned and knew through an adequate package, that associates a clear image of these products.

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THE IMPACT OF THE CONSUMERS' SATISFACTION ON THE SOCIAL EFFICIENCY OF THE BANK

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The consequences of bank consumers satisfaction refers to its implications on the bank's economic and social efficiency. This paper aim to demonstrate the link between consumer satisfaction and the social efficiency of the bank.

Key words: consumer satisfaction, social efficiency, services quality

The evaluation of the efficiency of a modern company requires, taking in consideration, among the economic efficiency, other forms of efficiency, such as the social one, also generated by a company through its activity.

The social efficiency refers to the results of the services activities from consumers' point of view and is concretized in the satisfaction degree of the needs, in the qualitative level of the services.

The internal efficiency (perceived and measured by the company) exerts a major influence on the external one (social efficiency, perceived by the consumer). According to Grönroos, perceiving a high level of the quality of the offered services, as an expression of the realized external efficiency, can be achieved only if a level of the internal efficiency, considered satisfying, was reached.

By turning to good the natural, human, material and financial resources, the banking services sector, generates, besides *the economical effects* – the economical results of the banking organizations and of economy on the whole – *social effects* – materialized in consumers' satisfaction degree and in the qualitative level which they ensure.

Starting from the fact that the majority of the evaluation models of the social efficiency in the services sector is based on the quality appreciation, respectively on the comparison between the service waited by the consumer and the service received, we can appreciate that the satisfaction level of the consumer concerning the service will represent, inherently, a very important component in measuring the social efficiency.

The evaluation of the services quality represents an important determinant of the value and of the consumers' satisfaction. Often, in specialty papers, a slightly confusion is created, between the appreciation of a service's quality and the consumer's satisfaction with the respective service, because both concepts aim at the benefits that the consumer receives, as a consequence of the relation that he has with the services executor.

As the social efficiency of services is difficult to express with the help of some quantitative indicators, the majority of the models which exist in the special literature refer to the measurement of the services quality and of consumers' satisfaction.

In actual conditions, in which the competition on banking services market is getting bitter and bitter, in order to increase the social efficiency of the offered services and in order to ensure the competitive advantage, the bank managers must develop systematic programs of quality evaluation and of measuring the consumers' satisfaction. For this they can appeal to specialty services offered by research companies and/or marketing consultancy.

Generally, the relation between the quality of the services, consumers' satisfaction and social efficiency, may be described as follows:

1. the actual performance of the service exceeds the consumer's expectations – in this case, the quality is evaluated as being very good, the consumers are very satisfied, and is recorded a superior level of the social efficiency;
2. the actual performance of the service is situated at the level of consumers' expectations – in this situation, the quality of the service is appreciated as being adequate, the consumers are satisfied, and the level of the social efficiency is acceptable;
3. the actual performance of the service is under the level of consumers' expectations – in which case, the quality of the service is evaluated as being inadequate, the consumers are dissatisfied, and the level of the social efficiency is reduced.

Consequently, the first and most important step that must be done is represented by the determination of the consumers' expectancies regarding the quality of the services. Those, in their turn, are influenced by the previous experience with the respective service, the external information received from the service's companies, oral communications resulted from personal sources, such as family, relatives, friends etc. and the personal exigencies of the consumers.

On the basis of the information concerning its consumer's expectancies, the service company will have to elaborate and respect standards regarding the quality of the services, to be favorably evaluated and to increase the chances of satisfying the clients.

Together with offering some quality services and with consumers' satisfaction, the efficient administration of the company's resources as well as the efficient communication with clients, contribute to ensure a high level of social efficiency.

Consequently, an increased importance for the services companies has the sensible management of human and financial resources and offering some quality services in order to obtain a high satisfaction level regarding the offered services which will inherently lead to forming the prestige among the consumers, achieving a solid reputation and the improvement of social efficiency.

The banking services come to answer some special needs more and more complex and refined, being developed a real industry which has the role of offering the needed ways so that the society benefits of all the advantages that offers the money possession. This is why the banking institutions must be preoccupied not only to ensure the economical efficiency of their activity, but also to ensure the social efficiency.

As the social efficiency of services is difficult to express with the help of some quantitative indicators, the majority of the models which exist in the special literature refer to the measurement of the services quality and of consumers' satisfaction. So long as the quality of the services is appreciated as being satisfying and the consumers are satisfied with the bank's services, the level of social efficiency is a superior one.

For collecting data regarding consumer satisfaction, a selective research among the CEC's costumers from Alba Iulia was organized on a sample of 338 persons, using a questionnaire of 21 questions. There were established 14 main objectives drawn from the purpose of the research, and several secondary objectives, derived from the main ones, based on 5 socio-economic and demographic criteria.

Within the developed selective research, the degree in which the consumers' expectations concerning the quality of the banking services offered by CEC S.A were fulfilled was measured with the help of a Likert scale:

The bank's services were as I've expected them to be.

Total agreement : Agreement : Indifferent : Disagreement : Total Disagreement

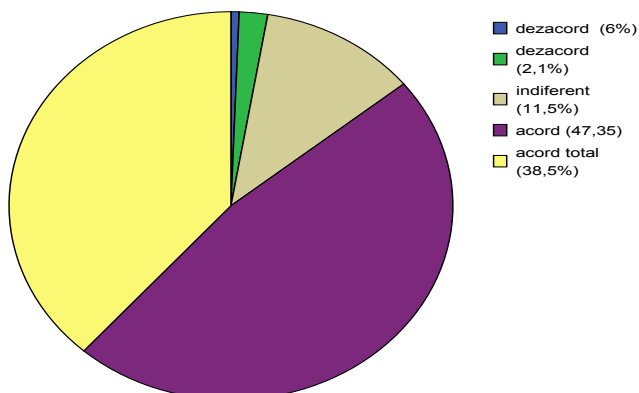
When processing the gathered information, to the levles of the scale was attached the following numerical values series, in order to calculate a medium score for the evaluation of the quality of these services:

+2 +1 0 -1 -2

As it can be noticed in the figure below, 47,35% from the total of the questioned subjects express their agreement with the affirmation concerning the fulfillment of the expectations, and 38,5% their total agreement. These results demonstrate that over 85% from the total of the sample received services as they expected.

The medium score obtained was 1,21 which indicates the fact that for the banking services provided by CEC S.A the services quality was as the clients expected to be.

Figure 1 The structure of the sample regarding the measure in which their expectations with the bank's services were fulfilled



As a rule, the consumers that favorably appreciate the quality of the services are, mostly the ones satisfied with those, as demonstrated by the data in the table below:

Table 1 The ensemble satisfaction depending on the degree of expectances fulfilment

Overall satisfaction	Expectations regarding the services				
	Total agreement	Agreement	Indifferent	Disagreement	Total Disagreement
<i>I'm very dissatisfied</i>	0	0	0	0	0
<i>I'm dissatisfied</i>	0	0	1	0	0
<i>None</i>	0	12	21	4	0
<i>I'm satisfied</i>	19	127	17	3	2
<i>I'm very satisfied</i>	111	21	0	0	0
Total	130	160	39	7	2

All very satisfied subjects expressed their total agreement and agreement with the affirmation concerning the fulfillment of the expectations; the same way acted the majority of those who were satisfied with the bank's services.

It must not be neglected the consumers' satisfaction impact on the social efficiency of the bank. As the social efficiency of services is difficult to express with the help of some quantitative indicators, the majority of the models which exist in the special literature refer to the measurement of the services quality and of consumers' satisfaction. A medium level of the consumers' ensemble satisfaction of 4,27 and a medium score of appreciation the quality of those of 1,21 demonstrated that the bank reached its objectives regarding the achievement of an adequate level of the social efficiency.

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SUPPORTING TOURISTIC DEVELOPMENT OF GORJ COUNTY BY POSITIONAL PROMOTING POLICY

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Abstract: A special opportunity for the local travel agencies is represented by the development of the incoming activity, i. e. attracting Romanian and foreign tourists in Gorj. In this field, the touring operators have highlighted issues that sometimes occur in the relationship among touring agencies and accommodation units, the communication between them being sometimes faulty. In the future, using a unitary strategy at the level of the entire county, the accomplishment of an efficient communication and promotion is proposed to take place between the tourism operators and the Group for Local Tourism Promotion in order to coordinate actions at a local level. By this partnership there shall be created conditions to accomplish sophisticated tourist programs having as destination Gorj.

Keywords: objectives, direction for promoting, promotion projects, action plan

The Gorj tourism offer is still lacking the necessary diversity to make it attractive. For the Romanian tourism the profile services usually are thought to be hotel services (accommodation and food). For the foreign tourist services consumers the offer is a bit more diversified, but not enough to motivate them prolonging their stay in our country. The cause is that in Gorj, the tourism programs creators are rare and their combination possibilities are minimum.

As a consequence, **the purpose** of promoting the mountain tourism consists in the growth of the tourist circulation by enlarging the degree of addressability of the offer, as well as educating the tourists for protecting the surrounding environment.

1. General and specific objectives of the promotion

Within the field of communication and tourism promotion in Gorj, among the objectives that shall be followed, we quote:

- reconsidering the place of intern tourism within the Romanian tourism and the growth of the Gorj tourism products' attractiveness on the internal market;
- Encouraging the internal tourism circulation;
- The increase of the number of vacancies spent by Romanian people within the country;
- The increase of the percentage of the expenses for tourism within the country within the structure of the expenses budgets of the population;
- attracting as many consumer segments in the interior as well as outside the country, as well as adapting the promotional strategy to the specific of each market;
- regaining the markets lost after 1989 and penetrating new tourism markets;
- fidelity of the present tourist clientele;
- creating a suggestive image of the Gorj tourism, with respect to potential and social, cultural, psychological, specific to our people;
- suggestion an image of multilateral offer, able to satisfy a wide range of motivations a tourism preferences;
- communicating an image as exact as possible of the local tourism product, emphasizing the unique character of the tourism offer, reflected through a divers geography within a natural, unpolluted and clear environment as well as the multitude of the culture elements: folklore, monuments, customs, traditions;
- emphasizing the representative products of our tourism offer;

Specific objectives include:

- reorganization of the programs and promotional instruments for stimulating the interests of the tourists from Gorj;
- insurance of the wide access of the tourists at tourist destinations in Gorj through the promotion of an stimulant system of price facilities at the level of the tourist agents;
- consciousness through different promotional ways, at the level of the potential clientele, of the quality of the tourist local product and its competition, in comparison with similar products on the intern and international market;
- the growing of the local flux and the development of this in space, respectively the enlargement of the number of areas in Gorj with constant tourism, through the growing of the period of the tourism season;
- growing of the medium period of the holiday period, now positioned at a low level (1,9 days),
- the growth of the medium incomes/tourist and day/tourist.

2. Major directions for promotion within the development programs

In order to complete this primary objective, in medium time, a specific series of actions is necessary that the aim promoting new formulas of spending some active vacations, that should follow:

- attraction of some segments of the population for whom the activities practiced in fresh air are a hobby;
- stimulation of all categories of youth that could be interested to practice some sports activities with a general character;
- attraction of some categories of youth that might be interested in the custom of some new forms of sports activities, as well as cyclic tourism, paragliding, hang glider, river rafting etc.;
- opening of an tourism market in Gorj county through the attraction of the tourists form the south area of Romania;
- extension of the brand „Constantin Brâncuși” and more active orientation on the extern markets;
- stimulation of the business tourism as a significant source of incomes at local level
- Winning back the market for mountain tourism through a concerted promotion, also at local level for the realization of a reduced cost of the promotion actions and to accentuate the specifications of each area separately.

The promotion strategy of the native tourism will follow the communication of an image that will suggest the originality of the tourist products from Gorj, synthesizing the particularities about the tourism potential, the conception of arrangement, the possibilities of practicing tourism, and the sociological and cultural context. It is due to the attachment of the promotional strategy for the specific of each market (intern and extern) and at the characteristic of each segment of consumer, using the most adequate messages and instruments.

The promotional campaigns in the country will focus towards the participation at national and regional tourism fairs, with own stands of the county, as well as through the use of main newspapers, magazines and the most important TV and radio stations. There is also a specialty press that has a special role in the promotion activity, here we can mention: „România Turistică”, „România pitorească”, „Actualități în turism”, „Vacanțe România”, „Vacanțe și călătorii”, „Munții Carpați”, „Ziua Turistică”.

The thing we want to highlight is the fact that the advertising material used for the attendance at tourism fairs, many times, is not being edited in sufficient quantities and does not meet the quality or attractiveness level imposed by the tourism market. There is not enough presence of the audio-video advertising, its impact on the disclosure of the valuable tourism potential of Gorj and Oltenia could have a much more convincing effect, in conclusion, we highlight the fact that the usual “nice” promotion without an impact has a limited success.

In order to create an positive image of the rural tourism in the country and abroad we consider that the organization of some information programs and free presentations for the foreign and Romanian journalists

and partially subventioned for the representatives of the tourism agencies interested in selling tourism programs specific for Gorj.

It has to be taken in consideration also the emission (presentation) of some tapes with tourist movies, various promotional actions under the shield of the Tourism Ministry or collaboration with other institutions with representation abroad. These actions will take in consideration the preferences of the foreign tourists that come and also the needs expressed by the tourism agencies representatives interested in the tourist offer in Gorj.

The promotion of the tourism in Gorj, must take in consideration the following measures:

- differentiate stimulating of the interest of different categories of tourists to visit Gorj;
- encourage the proactive attitude of the tourist industry and the travels in our county, as well as the local communities from the promoted area for exploiting the tourist potential;
- growing the efficiency for the promotion of the tourism of Gorj;
- identifying and profound of the definition characteristic of the different tourist areas (areals) from Gorj and the structure/definition of the specific tourist products; establish the promotional message and the slogan/logo of each area;
- development of information centers, documentaries and tourist assistance at all important access points in the Gorj area;
- financial support of some promotional companies and by operators from the domain: tour operator, transport companies, hotels and structures;
- restoration, making actual and enriching the range of advertising material and making them available for the tourism consumers;
- tight and main collaboration with the National Authority for Tourism, and the tourism offices in order to promote the image of the offer in Gorj;
- rising the financial funds for advertising and promotion and spending in an efficient way, by eliminating inappropriate spending;
- diverse “hospitality” trips where journalists should attend that activate at publications and TV shows about tourism promotion;
- organizing as many shows and contest on TV, radio and in the specialty press having the subject the tourist Gorj as possible, with according awards that are free holidays and circuits;
- creating, exploration and permanent development of a complex database (for example a site on the Internet) regarding the events that took place in Gorj during a year and the projections about the events for the next year; the assurance of a high visibility and an intense traffic to this website;
- organizing through rotation, in as many tourist centers, area and areals, of some events, exhibitions, fairs to promote the image of the tourist product in Gorj;
- support the firms in Gorj for making advertising panels on the street dedicated to the promotion of tourist attraction of Gorj, in the main cities of the country;
- the government organs that organize international political events, commercial or image in the country or abroad, that have to ask consultancy for the professional medium;
- consulting the professional associates in order to establish the participation calendar at the tourism fairs and at the other specific manifestations (congress, conferences); eliminating those fairs that cannot determine a major interest and redirecting the funds to other manifestations;
- launching offers to host reunions and fairs in Gorj;
- realize an integrated very good system for access to tourist information of the foreign tourists that lead through Gorj.

In this context we have to remark the fact that it is absolutely necessary that the personnel that is in direct contact with the tourists (within the units that carry out services, or in tourism agencies) to detain knowledge about marketing, so that he can identify / intuition the motivations and the needs of different

tourist categories, to know to describe the product, to point out the advantages to influence in a positive and deciding buying decision ; to present communication abilities, to be amiable and responsible.

3. Projects and actions of tourist promotion

In order to promote and develop tourism, Gorj sets forth to carry on, along with the local administration and private partners, several actions both at a national and at an international level.

Setting up a tourism department within the institution

Starting from the first half of the year 2008, the European Integration and Development Strategies Department of the Center for Implementation, Monitoring and Evaluation of Economic and Social Strategies and Development of County (as envisaged) shall involve a tourism department, i.e. a **Local Group for Promoting Tourism**. The role of this Group (which shall necessarily have employees with studies and experience in the field) shall be to coordinate tourist promotion activities in county Gorj.

Public / private partnerships in order to organize local events to be promoted on a national and international level For the time being, there are the following possibilities of collaboration: among touring agencies and hotels, pensions, resting houses, restaurants; among touring agencies and local folklore ensembles; among touring agencies and local craftsmen; among touring agencies and the Mayor's Office of the Municipality Târgu-Jiu.

Editing information material (brochures, tourist maps) to include details about the local tourist objectives as well as posting on tourist maps, on illuminated panels in public areas. Such information material shall be published in partnership with local economic entities, with a view to promote local values alongside with tourist promotion. Information materials shall be distributed free of charge in hotel networks, restaurants, touring agencies, fuel distribution stations. Also, these publications shall represent the information support for locally promoting within the participation of the members of the *Group for Local Promotion* on the occasion of manifestations enabling to promote tourism at a national and international level.

Including county Gorj in the offer of tourist circuits to cover objectives in the northern part of Oltenia

Therefore, it is necessary that the Local Promotion Group collaborates with other institutions of the county public administration in order to define a unitary strategy of the tourism at the level of the Oltenia area. Also, it is necessary to consolidate the partnership relations among all tourist operators in the Oltenia area.

Organizing annual cultural events

This action sets forth the accomplishment of an annual calendar of the events (fairs, exhibitions, festivals, etc.) to be promoted in order to make permanent the carrying on at a certain periodicity of such manifestations.

Organizing events, conferences, seminars, training sessions with international participation

In the actual context, the „European town” concept shall be defined also by the participation of the Municipality Târgu-Jiu in projects, programs, international actions to provide for promotion and media, alongside with local development strategies. However, in order to accomplish this objective, it is necessary to endow reception structures with conference and seminar rooms, as well as the pertaining infrastructure, since business is one of the main objective of the tourists.

Participation of the local authorities alongside with private sector partners in national and international tourism fairs

The presence of the representatives of the local authorities in such events or the building promotion models to be accomplished in cooperation with local authorities results in creditworthiness, transparency and cooperation at a local level and, especially trust both in promotion itself, and in taking decisions as to holidays and / or business travels. Thus, to the extent of the financial possibilities, the decision factors in Gorj shall have to suggest the participation as well as financial and logistic support for the representatives of the local operators in national and international fairs, in order to promote the county at a level that is most representative thereto. Taking into account the strong competition on the international tourist market, we deem that it is absolutely necessary to participate with an own stand in as many fairs and exhibitions as possible, both within fairs, and within saloons that are specialized in tourist themes.

Installing road indicators to facilitate access to the main local tourist objectives and promoting main tourist routes

This action shall be applied in concordance with the one to elaborate information material, in order to create a unitary framework at a local level, as far as tourist objectives are concerned.

Arranging a county center of tourist information and local information centers in the localities that are tourist centers

Such centers shall make available to the visitors information and publicity material (guides, brochures, atlases, folders, prospectuses, maps, video tapes, CDs) concerning the tourist attractions (natural, cultural objectives, etc.), possible circuits as well as board and lodging possibilities, transportation, recreations, treatment in county Gorj. Such promotional materials shall be diversified, featuring a special graphic, artistic and informational quality and shall be offered free of charge. Creating a network of centers is intended for promoting tourism in the area by means of actions to support and inform tourists as to the places offered by Gorj and its neighborhood. Useful information shall be offered here for each traveler, no matter whether such traveler arrives by train, car or bus. The ultimate aim is to promote county Gorj as a gateway to Oltenia.

Accomplishing a operational electronic InfoTouch located on the street on grounds of a software application for tourist promotion

This pilot InfoTouch station shall be located at a maximum transit place, in the center of the town Târgu-Jiu, a place where the tourists flow is at its maximum. The station shall provide the information as requested by each tourist intending to visit the county Gorj, under genuine simple and maximum impact presentation conditions, concentrating all information that are necessary for the tourists.

Making available posting areas in the main offices of the public institutions and in specially endowed public places for enabling local promotion and tourist information activities to be carried on.

Facilitating the direct access from the Internet site of the County Council Gorj for sites that are intended for local promotion and tourism development purposes. This facility is part of the applied promotion strategies and is also the result of the partnership agreements to be concluded with tourism operators at a local level.

Ecology actions in area of the historical monuments and in the parks located within the territory of the tourist centers, especially Târgu-Jiu.

Supporting and stimulating touring operations in order to promote local tourism

Since there are no local touring agencies acknowledged as receiving agencies („ground operators”) by the national and European tourism companies, the local touring agencies (such as, among others, the great majority of the ones that are operative in Romania), carry out an outgoing activity (i. e. of sending local tourists in România and abroad), often delivering a retail activity for touring operators in Bucharest or other important cities in the country.

Making a data base structured according to all touring categories in Oltenia (mountaineering, rural, vine-yard, bathing, historical, ecumenical, cultural, educational, recreational, hunting and fishing, reservations and natural monuments, speleology, etc.) starting from a review of the actual infrastructure, in partnership with all institutions and individuals that are involved in tourist activities or activities related thereto.

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THE DEMOGRAPHIC AGEING AND CONSUMER MARKET

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Abstract: This paper identifies the major demographic trends and their implications for consumer market. It is important to know how will demographic change influence the tourism market in particular and how can the tourist industry adapt to these. The advancing ageing of society will result in far reaching changes, particularly on the demand side. To profitably seize the opportunities, managers must understand how senior markets evolve and adapt products and service offerings along multiple dimensions to meet the needs of senior consumers.

Key words: demographic change, senior tourism, travel behaviour, consumer market

Introduction

Demographic realities are substantially determined by economic and social circumstances and institutions. But they also influence those circumstances and institutions through a variety of potential channels. The microeconomic links between various demographic indicators and economic outcomes have been extensively studied. By contrast, the links that run from demographics to economics and that operate at the level of national economies are far less certain.

Demographic change is one of the important drivers for new trends in consumer behaviour in most European countries. Compared to other trends, demographic trends seem quite easy to identify and predict - estimated future development based on these developments therefore appears to be rather reliable.

The use of demographics in marketing studies has a relatively long history. While demographic change occurs slowly, marketers can begin to see indicators of potential change by identifying small trends that may suggest a larger shift over time. By paying close attention to these trends organizations can prepare their long-term marketing strategy to be ready when the shift becomes more apparent.

1. Demographic trends

The major demographic trends are the slowing of population and household growth, the aging of the population, and an increasing fragmentation of consumer markets. The major implication of these changes is that its emphasis must shift from production to market research and advertising targeted at smaller more diverse populations, as well as to more regional and local marketing.

Other important demographic trends are: rising educational level, a more colourful society due to migration, a changing role of women in society.

Demographic changes have implications for many facets of economic life, including work force structure, savings and investment, retirement incomes, health expenditures, and consumption of goods and services. The changes are even likely to have implications for the quantity of food consumed, the types of food consumed, and the ways in which food is consumed.

Due to dramatic demographic changes around the globe and the aging of the baby boomer market, companies in a range of sectors – including the consumer packaged goods, retail, financial service, healthcare, automotive, real estate and hotel and lodging businesses — will have to focus with ever greater savvy on serving the needs of a very different type of consumer: one that is age 50+ or older with shifting biological, psychological, social, and economic characteristics, needs, and expectations.

Global consumer product and service companies that start now to assess, adjust, and update their product offerings to best serve this evolving and increasingly influential age 50+ market will be far more likely to grow their consumer base and to reap great rewards. Those that ignore this massive demographic shift and its global impact are likely to miss a significant opportunity. Today the global population is aging and living longer due to improvements in health care and nutrition. Age 50+ consumers are a growing economic force that will transform multiple industries unlike any prior demographic shift in recent history. From healthcare to retail, from travel to financial services, and from entertainment to electronics, aging consumers are beginning to demand products and services tailored to their specific needs. Yet most companies continue to design for and advertise to the young. To capture value from the age 50+ market, managers will have to master new skills and lead the transformation of products and strategy to adapt to a changing marketplace. With increasing longevity there are already over half a billion age 50+ people in the world. The age 80+ subset of this population is the most rapidly growing segment.

The current consumer market has seen a wave of campaigns focused on youth, with little attention paid to the aging buyer. Older adults throughout the world have bemoaned the negative imagery associated with aging in the media and government. But as age 50+ numbers continue to grow, their influence in shaping markets will grow and transform media, manufacturing and retail alike. While the consumption preferences of age 50+ markets are difficult to characterize, aging consumers face specific patterns of change along several dimensions.

Aging is the most cross cutting challenge and opportunity facing society. Business has a profound role to play in developing innovative products and services that will support the longevity revolution. Clearly the boomers are driving the agenda that ultimately will serve every maturing generation.

The practice offers research, training, program assessments, creative strategy and insider intelligence on how to effectively reach, connect with and motivate the men and women of the boomer generation.

For young, affluent shoppers, that retailer may be on the World Wide Web; for seniors, it may be the corner store that offers free delivery.

Each generational group is influenced by the values and deep-rooted ideals that shape their demographic "type class." Understanding the motivational drivers of each of these groups provides manufacturers and retailers with the necessary clues and insight into what these consumers buy and where they shop. Consumer information not only facilitates an educated targeted marketing strategy, but also provides the competitive edge necessary to ensure optimal product potential. As we move into the next century, more shoppers will expect a shopping environment constructed to meet their individual needs. Having a more focused knowledge of the shopping public is one sure way for manufacturers and retailers to demonstrate that they care about their clientele — an effort that will undoubtedly be rewarded.

Since a majority of women are now in the labor force, much household buying is done by children and preteens, who also will create a large market for videogames, cosmetics, and microwave foods. The number of people who have time to shop will decline, so that much marketing may be done by telephone and microcomputer. Moreover, the fragmentation of purchasing behavior means that it will no longer be possible to reach an entire household with a single advertising message. Advertisers will have to study the demographic data carefully and base advertising strategies on what has come to be called "data base marketing," if they are to reach this highly fragmented consumer population.

In some countries the overall birthrate is declining while the average age of the population is growing. For a company targeting the youth market with sporting products this trend may suggest that in coming years they will see shrinkage in demand for their products within the youth market as the population of this market declines. On the other hand demographic data may signal to the company that another market, which they may not have previously targeted, may hold potential for new products. If it is predicted that the shift will occur over several years the marketer can slowly move into the new market by offering products geared toward older adults.

2. The implications of demographics change for tourism market

The growing number of senior citizens in the European Union, and other industrialized countries such as the USA and Japan, looks to become one of the major challenges for the tourism industry to grapple with in the new millennium. The present number of seniors (one third of the adult population in many European

countries, USA, Canada, Japan is aged 60- plus) and the growing of this proportion offers considerable economic incentive for tourism marketers to sharpen their focus older persons.

The population of Europe is becoming more middle-aged and this will inevitably change consumption patterns – attractions need to provide more facilities for older people as well as the traditional white – knuckles rides. As this largest segment of the population often has the most leisure time and disposable income, the customer group '50 years and up' is the segment that operators cannot afford to ignore. There is growing disparity in the distribution of time and money. As a result, a clear structural change is emerging in the long term: growing polarization of the population into two groups, people with high incomes or wealth and little leisure time on the one hand, people with little money and a relatively large amount of leisure time on the other hand.

Developments like these will have less effect on the volume of travel than its nature (frequency of travel, timing, destinations, combined business and private travel). Operators able to offer personalized and modular concepts which target increasingly specific customer needs and offer convenience and time savings could benefit from this trend. This creates positive prospects for organized travel, despite the many predictions of its demise.

Taking into account that this age group prefers domestic destinations, the shift in the demand structure caused by demographic aging will open new markets in particular for the regionally oriented smaller tourism companies as long as they meet the higher requirements of this age group concerning service quality and accessibility.

Older persons are attractive as consumers because they have: the financial means, time, a better education than in the past. They belong to a generation which has traveled and they are relatively healthy and know that activities like tourism and recreation contribute to a healthy life style.

Senior tourists differ in many ways: in age, health, economic status, tourism experience, cultural background but also have things in common. Research has shown that people do not change their travel behaviour just because they turn 60 or 65, or because they retire. In most cases they stick to the holiday patterns acquired till the middle of their life. This fact allows for predictions of the tourist behaviour of future senior generations.

There is also a trend towards a two-segment split in the senior market – tourists who want to enjoy new experiences and who spend a lot on tourism, and tourists who have a relatively small budget but who still want to travel. The tourist industry will accordingly have to develop target group specific packages for both groups, to a greater extent than it now does. The economy group in particular is a target group whose size means that it cannot be neglected. In future, marketing must increasingly be tailored to match the needs and desires of older people. In order to address the very heterogeneous target group of senior citizens successfully, thorough knowledge of their much differentiated motivations and lifestyles is needed, and this still needs to be gathered.

The new senior in five or fifteen years time will be different from the present senior when it comes to travel behaviour. While senior travelers today are already relatively active, the new senior generations to come are more than likely to surpass them. The effects of demographic change (more and bigger share of older people) and consumer behaviour patterns (stick to once learned travel patterns) will show up as: more senior trips with different preferences.

The ageing population and an increasing concern for health are likely to drive a growth in demand for health tourism products and spa services. There should also be growing interest in cultural tourism and specially designed programs for the older traveler. The increasingly ageing population requires the transport sector to reflect its specific needs.

It is generally true that estimating the future development of senior tourism is subject to great uncertainty. While the number and relative weight of senior citizens in the population structure can be predicted with relative certainty for the next few decades, it is not clear if and how the travel habits (frequency and destinations) of the older population will change in concrete terms. Another point which is still unclear is the medium term change in population. Motivations, attitudes and behaviour of future generations of senior citizens are still largely unknown territory, as is the assessment of their material situation.

The proportion of people over 60 will visibly rise not only in absolute numbers but also relatives to the total population. As a result of socio demographic development and the fact that the baby boomers from the post war period will become senior citizens within the next decades, growth in the senior tourism

market segment can be easily predicted on a quantity basis at least. Thus, the tourism industry will have to adjust a declining and aging guest potential. Older people will continue to be healthier and benefit from early retirement schemes and well financed pensions. However, the longer term there is likely to be a decline in the value of pensions and a rise in retirement ages as governments struggle to fund earlier generous pensions arrangements.

Identifiable potential in senior tourism would continue to gain importance if the growth in life expectancy outstrips the increase in lifetime working hours, so that the period for retirement is at least not decreased. Improvements in the state of health of older persons or greater technological and organizational convenience in travel may help activate the potential for tourism which can be expected from the demographics by 2050. One particular reason for believing that senior citizens will remain the principal source of growth for tourism in the foreseeable future is the fact that much of this market segment is still currently financially secure, so that there are substantial purchasing power resources available for tourism. After retirement, the time available also increases substantially.

Senior citizens appreciate travel as a way to keep physically and mentally fit and participate in social life. It is likely that senior citizens in particular will invest in future in maintaining their accustomed lifestyle. This could be associated with rising intensity of travel, which is presently still below average. Tourism operators have to start adjusting to the situation now and respond accordingly with their product design. Tourist product design and marketing must adapt to the fact that its customers are ageing. Together with the expected increase in frequency of travel by this age group, this should have a positive effect on senior tourism.

The development towards an older society with fewer children combined with a growing individualisation and new patterns of living together (or apart) may lead the tourism destinations and industry to wonder if there is a need to look for new segments to replace the old-fashioned family trip. Demographic change, such as the middle-ageing of the population together with new family and social structures (such as later marriages), is shaping consumption patterns, for example increasingly more home comforts' are demanded in camping and mobile home accommodation.

Social and demographic change also creates a challenge to workforce. In much of Europe, we have been witnessing a birth reduction during the last three decades. This is causing a reduction of young people, traditionally the main labour source for the hospitality and catering sector, as well as increased competition from other industries for the same people. If consumers are likely to be more diverse in the future then the industry itself will need to prepare for more diversity in its workforce at all levels.

Labour and competency shortages, together with new values and cultures, means the European tourism sector needs to rethink its approach to human resources and develop a new business model and to think in terms of human capital.

Conclusion

In view of coming changes, namely that there will be a demand for more customized and individualized products, particularly among the mature traveling public of Europe, the competence level will become a barrier. The reduction of young people as well as competition from other sectors is causing a diminishing labour pool. It is getting difficult to attract enough staff of the right quality.

Demographic trends will have important impacts on the future development in the new millennium. The fact the people are living longer, the fall in the number of young people, the increase in one parent households, more couples choosing not to have children or to delay having children all point to the fact the type of travel and tourism products and services will change radically.

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KEY FACTORS IN TARGETING ONLINE CONSUMER

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The online environment represents a new promise through which the organization may offer value to the consumer, to the partners or to his own staff. As offline environment the identification, involvement and keeping the online consumer, represents activities around the entire online activities are actually acting. The main activities for obtaining these goals are tied of the acknowledgements and understandings of activities that determine the intention of initiating an online action, embracing special online consumer behaviour and also the satisfaction and loyalty modalities of consumer through organization online offer.

Key Words: online customer satisfaction, online customer loyalty, perceived value

The global population reached at 6,67 billions, and around 1,3 billion of the total have already Internet access (says Internet World Stats, in March 31, 2008). The distance between different regions or countries is no longer a problem because with only one mouse click they become the same entity being able to use and receive equally same information in the same time. Internet is changing the way of socialization; the way of auto education, the way in which we are able to individualize each aspect of life.

In our day's business are done in a much-accelerated rhythm, the period given for taking any approvals is becoming smaller and smaller. New technologies are making possible the connection of two different persons from different countries in any moment and in the same time. The permanent connection 24 hours per day, 7 days of week to the global market have a strong influence in the approval of decisions that are taken in a short period of time, usual position change and priorities, trying the human limits in this way. The overstressing may have as an effect the impossibility of isolating things, which are very important for taking any decision from the information mixture, which are at our disposals (*isolations of the noise from the signal of what is important to know in order to make good decisions*). In addition, we have to consider the vulnerability increasing of e-civilization at cyber terrorism, informational pollution (information omissions, pornography, spam, aggressive media activities) and attracts with different informational viruses.²⁰³

Philip Kotler said the future is not fast; future already happened; unfortunately, it is not same for all firms, companies, economical sections or nations. The answers that we are looking for is actually the future of our organization is in the present time. For having acknowledgments of the realities is the same thing with knowing the future realities.

Nothing can stop us in collecting information. In a global economy, everything is faster and in continues process. The digital revolution imposed new markets ideas of economical organization side. Consumer's competition is stronger day by day, and metamorphosed in an omniscient person and the main purpose is how to gain these e-evolutions.

Various studies of online consumer behaviour are not bringing a unitary frame of components identification determined of achieving of different studies in the online user/consumer behaviour. There are

²⁰³ Negricea I.C., The challenges of the World Economy Cohesion Factor-The INTERNET: world reorganization, vulnerabilities, discrepancies and power discernment, Romanian Economic and Business Review, June 2006, p. 59

five major domains of interest for explaining the online consumer behaviour according to specialty literature²⁰⁴.

- individual/consumer characteristics - Internet knowledge, demographics, personality, value, lifestyle, attitude, consumer resources, behavioural characteristics (looking for product information, access location, duration, and frequency of usage), consumer psychological factors (flow, satisfaction, trust), motivation and experience;
- environmental influences - culture, social influence, peer influence, and mass media;
- product/service characteristics - product type, frequency of purchase, knowledge about the product, tangibility differentiation and price;
- medium characteristics - Web design, quality, ease of use, security and reliability;
- online merchant and intermediary characteristics - service quality, privacy and security control, brand/reputation, delivery/logistic, after sales services.

Many of these influence components are described in offline consumer behaviour studies being taken and adapted to the specific support environment which is Internet.

Online consumer behaviour return might be caused, in general, by confirmation and loyalty²⁰⁵. Online satisfaction, understood as the difference between expectations and the offered value perceived by consumer, represents a goal which in online environment, maybe more than offline environment, is based on trust. Online consumer's expectations for products, website design, services are starting to be formed before the actual online activities. These expectations are influenced by the attitudes and consumer intentions in online actions, and as we expect the information or acquisition online behaviour will be modified. If the consumer expectations will become real online experiences, we may speak about touching a satisfaction level which will have a lot of influence in consumer attitude towards site, towards the brand or the decision of buying the product.

There are various factors through the agency of online activity, and we name here: Privacy and Security, Impartiality and Credibility, Information Content and Organization of it, Web Page Design. A satisfied user is that user which will come back again to visit or to access the website will generate traffic and acquisitions, will promote the activity through the agency of the viral marketing communicating the perceived values and staning in the same time through his value system to other users. Initializing an online relation with the target market presume beyond website functional aspects, modification of consumer perception for the assumed risk of online activity, especially for the online transactions. The risk in online environment is aiming the personal information security and financial transactions, all the risks for products characteristics and consumed time for achieving the desired information and truthfulness in obtaining information.

The online consumer is being transformed through the agency of research and desires for searching and satisfaction of his own needs in an organization partner. There are various ways of interaction. The consumer has the opportunity to transmit his direct expectations to companies for obtaining as answer a promotional and personalized offer. The various forums, lists of discussions from the online environment represent a significant opportunity for obtaining objective impressions about products/services this being the main possibility for communicating with the target. Others useful instruments of the organization for offering value to online consumer are social shopping sites, blogs and Web sites with customer ratings and reviews. In their case, the information regarding consumer expectations interested for different products/services will be transmitted to the target consumers and in the same time the modalities of using the necessary information needed for the suppliers and the marketers for improving their offer.

In this case, the information regarding consumer behaviour received will be transmitted to the potential consumers which are being interested in different products-services and the online groups formed for a special product, idea or maybe activity might generate the completion of an information modality for using offering in the same time the necessary information to the sellers for improving the offer. All these aspects

²⁰⁴ Christy M. K. Cheung, Lei Zhu, Timothy Kwong, Gloria W.W. Chan, Moez Limayem, Online Consumer Behavior: A Review and Agenda for Future Research, 16th Bled eCommerce Conference, eTransformation, Bled, Slovenia, June 9 - 11, 2003, p 200.

²⁰⁵ Bhattacharjee, "An empirical analysis of the antecedents of electronic commerce service continuance," Decision support systems, vol. 32, no. 2, 2001a, pp. 201-214.

are instruments through which consumer desires are being transformed in offers being used for value delivery and online consumer satisfaction.

With a majority of users influenced by other customer ratings, marketers can both grow their loyalty with new and current customers by offering online customer feedback and ratings. As comparison shopping continues to grow in importance to online shoppers, marketers can increase the effectiveness of their search marketing campaign by strategically purchasing key search terms on major comparison shopping Web site.

A Web site that includes specialised content features, such as customer ratings and reviews, and provides the ability to compare the capabilities of similar products will keep customers satisfaction and return on the site. According to a study²⁰⁶ realised by Forrester Research during the third quarter of 2007, the majority of answers for the question of what do they need to find out in a Web site content, answered „user rating and reviews” (64%). Following answers were „special offers and coupons” (61%), „product or price comparison tools” (59%), „customers testimonials” (49%), „product video” (44%). Among important components of the online consumer which were also found during the same study answers were also the followings: ability to subscribe to e-mail, discussion boards or forums, ability to personalize the site, entertaining games.

Determine user’s requirements through site content and structure represents the first step for loyalty programmes. Even if we can speak about common aspects indifferent of the obtained profile of web site, the particularities are those that will make the difference. In is being proved that in case of online purchase seven out of ten consumers shop multiple Web sites to find the site offering the best offer²⁰⁷. These consumers want to feel they are getting the best value when buying online. This value includes, getting a good price, great service and a varied mix of product, plus a feeling that buying online saves them money. The price is the most important factor when rating the features impacting loyalty to merchant, consumers made it clear. According to Double Click Performing for four out of ten (42%) shoppers “price shop a product via comparison engines” while 48 percent of the online shoppers surveyed described their loyalty to merchants across channels (store, Web, catalogue) as “somewhat loyal to certain merchants based on a combination of good value, superior service and the right mix of product”. According to this it is essential though, that merchant recognize the opportunity to go beyond pure price and time saving benefits and improve their competitive advantage by focusing on customer service.

For being sure that users are repeat or loyal customers, marketers need to create an online experience that gives them a feeling that buying or informing online saves time and money. Free shipping, rebates/coupons, and clearance pricing (via an online outlet) rank high among promotional tactics that shoppers find important when deciding to go back to a Web site.

There are three main categories of costs from the online environment of embracing the consumer²⁰⁸: transaction costs, learning costs, and artificial or contractual costs. The transaction costs are involved in establishing a new relation with the provider and sometimes the end of such relation. Learning costs represents the effort taken by the client for choosing a new product instead of an old product well known by him. Artificial costs are those costs which appear after organization desired action: frequent flyer programs, repeat-purchase discounts, and “clickthrough” rewards.

A loyalty program hinges on the premise that it is cheaper and easier to keep a customer than to attract a new one. Trust, customer satisfaction, perceived value, and attitudinal commitment are separate components that combine to determine the online loyalty. Once you have a customer, building a relationship with him is critical. It’s through that relationship that a bond is created between consumer and retailer. It is less expensive and easier to hold an existing costumers even it is always grate to create or to generate new costumers.

A very important element when we are speaking about loyalty is the brand. Brand loyalty is defined as “a deeply held commitment to re-buy or re-patronize a preferred product/service consistently in the future, thereby causing repetitive same-brand or same brand-set purchasing, despite situational influences and

²⁰⁶ „North American Technographics Customer Experience, Marketing and Customer Technology Online survey, Q3 2007

²⁰⁷ DoubleClick Performics Survey Reveals Loyalty Behavior of Online Shoppers, 21 May 2007, <http://www.performics.com/news-room/press-releases/doubleclick-performics-survey-reveals-loyalty/407>.

²⁰⁸ Klemperer, P. “Markets with Consumer Switching Costs,” *The Quarterly Journal of Economics* (102:2), 1987, pp.375-394.

marketing efforts are having the potential to cause switching behaviour.”²⁰⁹ One of the reasons brand is important is because it drives usage and correlates with market share. Despite the often heard remark, "our competition is just a click away," brand loyalty and habitual behaviour makes that statement factually less true than it seems logically or in the abstract.

Establishing a brand on the Internet is now more important than was until now. Without a well recognised brand the site will remain just one of the thousands of other websites that offer the same services on the Internet. Brands that are already well established offline face a similar problem online - consumers that were loyal customer's offline usually have very different (if any) loyalties online.

Online organisations philosophy on Internet is aiming at satisfying the various numbers of existing clients through loyalty programmes. Beyond all the benefits in having a stable number of clients, this philosophy has an important promotional component. When a client is satisfied by the relationship with the organisation will transmit further more this information to others consumers, which are very important taking into consideration the existing communication instruments.

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²⁰⁹ Oliver, R.L., Whence Consumer Loyalty, *Journal of Marketing*, Vol. 63, 1999, pp. 33.

A POSSIBLE MODEL TO BE USED IN DESCRIBING THE STANDARDIZATION - ADAPTATION STRATEGY IN INTERNATIONAL ADVERTISING

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Abstract: Although there are various opinions about advertising standardization and adaptation alternatives and the influence factors of these strategies, we believe that is still necessary to identify and clarify the motivations and the factors supporting these alternatives. For better clarity, we suggest to categorize these factors in two broad categories: factors explaining the influence of general business environment and factors explaining the business motivations and practices of the organization. In other words, adaptation, standardization, and compromise as international advertising strategic alternatives appeared because of existence and simultaneous manifestation of the context factors and the motivation factors.

Key words: adaptation, standardization, equilibrium, contextual factors, motivational factors, advertising strategy, model.

Theoretical consideration

Marketing literature do not limits its interest in focusing on the strategic alternatives in international advertising, but it search models which could help the business area to better understand the problematic of advertising. Three models regarding standardization and adaptation in international advertising were developed in the last years (Harvey, 1993, Luxton, 2005, Papavassiliou, Stathakopoulos, 1997). Studying these models we conclude that there is more to say about these problematic. The next lines will describe a new describing model of international advertising.

Although there are a multitude of opinions related to strategic alternatives of adaptation/standardization in international advertising and the influences factor of such alternatives, we still can observe the necessity to better structure the motivations and factors invocated to promote one of the two mention strategic alternatives.

For a greater clarity we suggest that the factors of influences to be structured in two new categories: one category related to factors which explain the influences of macro and micro marketing environment over the organization, and its indirect or direct effect over the organization's objectives and strategies, and the other category related to organization's motivations to exploit the opportunities of the business environment. In other word, we could say that the standardization, adaptation or the combination of the first two strategies are the direct results of the simultaneous presence and manifestation of **contextual** and **motivational** factors.

Contextual factors are associated with the macro and micro environment and can be seen from two perspectives. First of such perspective is the one which stimulate the organization to adopt standardization strategy. There are various situations in which the international markets macro environments point towards standardization. Economic and cultural consistencies of the international markets, political, legislative and infrastructural similarities are the new realities of international business. These realities are generated by: the progress in communication technologies, the trend of globalization, the regional economic and political integration. The micro environment factors can point towards standardization too. The centralized management at the level of organization is one of the main factors which can be in favour of standardization strategy.

From the other perspective, the same factors presented above could orientate the organization toward adaptation strategy. Cultural, political, economic and infrastructural differences between international markets could be the other reality of business environment. These realities could be doubled by the

presence and manifestation of ethnocentrism and local nationalism. Over all that a decentralized management system at the organization level point definitively to adaptation strategy.

These two facets of organization environment could coexist and could manifest their influences in the same time. Both, homogeneity and ethnocentrism could be found in international markets. More over, even in the case of the same market we could identify the presence of these two opposite factors. Studies developed in Europe demonstrate that the economic, political and legislative similarity specific to EU does not necessarily generate a cultural homogeneity (Hans Hoeken et al, 2003).

The presence and manifestation of contextual factors in one of the two directions can be useful in explaining organization attraction toward an international strategy but is not sufficient. The consideration of motivational factors could bring more clarity to the logic of selecting international strategy.

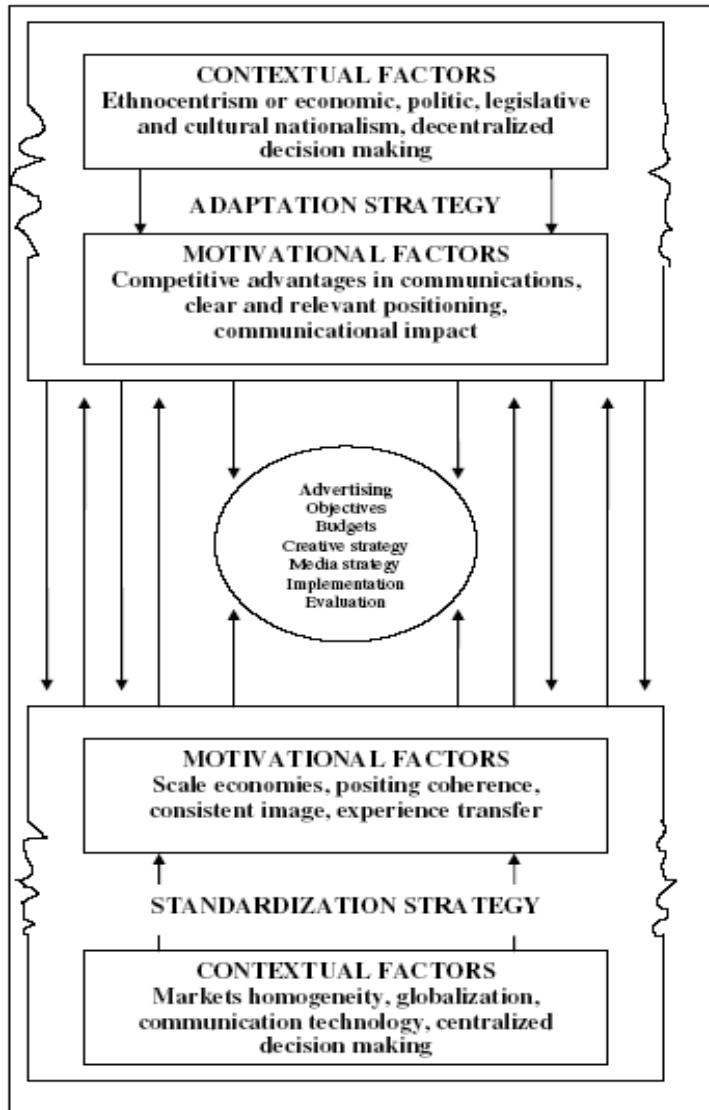
Motivational factors refer to those advantages associated with the presence and manifestation of the contextual factors and to interest of organization to make use of it. Scale economies, experiences transfer, coherent brand and institutional image, on the one hand, and communication impact, image and positioning relevance, on the other hand, are motivational factors associated with the standardization and adaptation strategies in international advertising. The management of each organization decides which of these two groups of opportunity or advantages could be more consistent with their own philosophy and objectives in international practices. In some situations, organizations from the same industry could see their international development in a different way, this leading to a different selection regarding possible strategies (Michel Laroche et al, 1999).

The developed model

Simultaneous consideration of the two mentioned categories of factors, contextual and motivational, added with the desire to take advantage of the attached advantages has as a logic result the selection of one of the strategies, standardization or adaptation. From the international marketing activity point of view, and international advertising too, contextual and motivational factors have the characteristic of mutual limitation. This mutual limitation, in its extreme form, is an ideal situation. In reality, for example, the context favorable to market homogeneity could coexist with the ethnocentrism. Making an analogy, we can say that the influences of the two kinds of factors are similar to the functionality of engine pistons which move one toward another. Their position is either predominant, either equal in the occupied space, neither of one being characterized by lack of presence. This vision is sustained by the consideration made in the lines above. From all these consideration a model can be developed. This model describes the form in which international advertising strategy could be analyzed as a result of manifestation of contextual and motivational factors. Figure 1 presents the graphic form of the model, in which there is equilibrium between the contextual and motivational factors.

Contextual and motivational factors interact, as we can see in figure 1, with the object of standardization-adaptation strategies – advertising. Advertising strategic alternatives are the result of the combined influences of the mentioned factors. In the first form of the model there is equilibrium of the influences, meaning that advertising and all its processes incorporate elements of standardization and adaptation. Objectives, budgets, creation and media decisions represent an equal moderation of the two strategic alternatives. Still, this is an ideal situation. In reality, as we mentioned before, context and motivation finally point in a preponderant way to one of two strategies. So it is all about predominance and not absolute dominance.

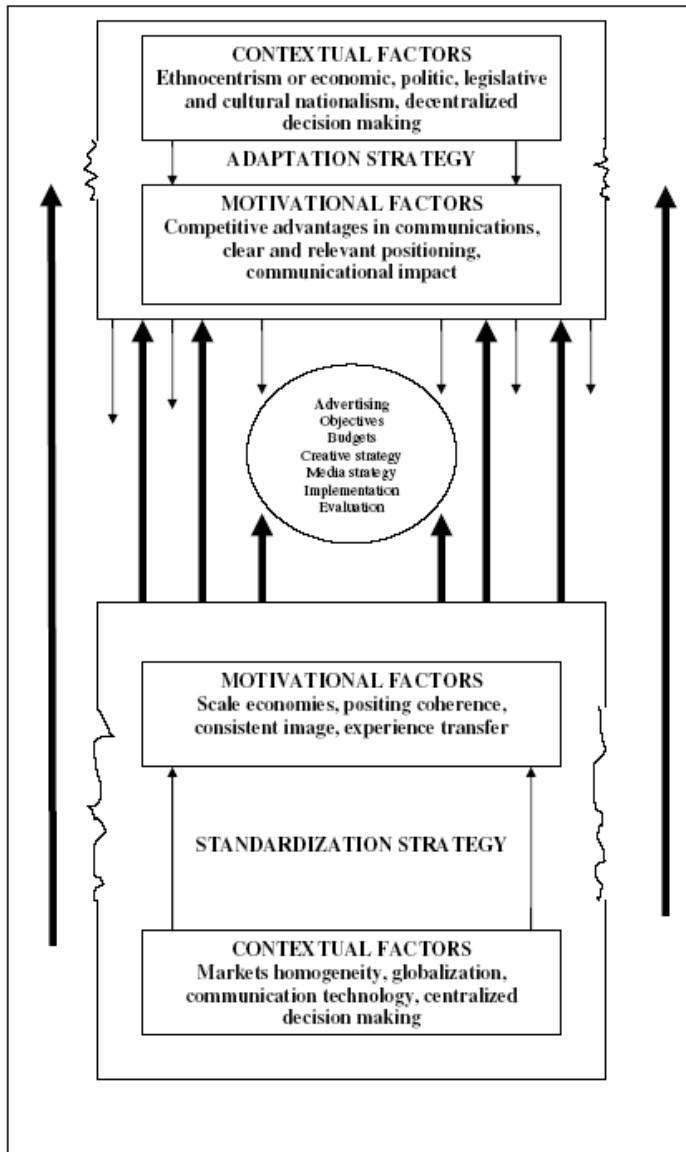
Figure 1 Advertising strategies in equilibrium stage



Figures 2 and 3 present the situations most frequently encountered in market conditions. First situation, presented in figure 2, is the one characterized by the strong presence of markets homogeneity. In this case the strategic alternative of standardization seems to be more feasible. More over, the scale economies, positioning and image international coherence as objectives of any organization transform in possible and realistic goals. However, in the same time, the international market environment could bring some limits to the standardization strategy. On the one hand, it is about some limits such as legislative differences between markets and, on the other, it is about self-imposed limits caused by the characteristics of the markets which can not be ignored, language for example. From a holistic point of view, standardization strategy with some “purity” in it is the one selected by the organization.

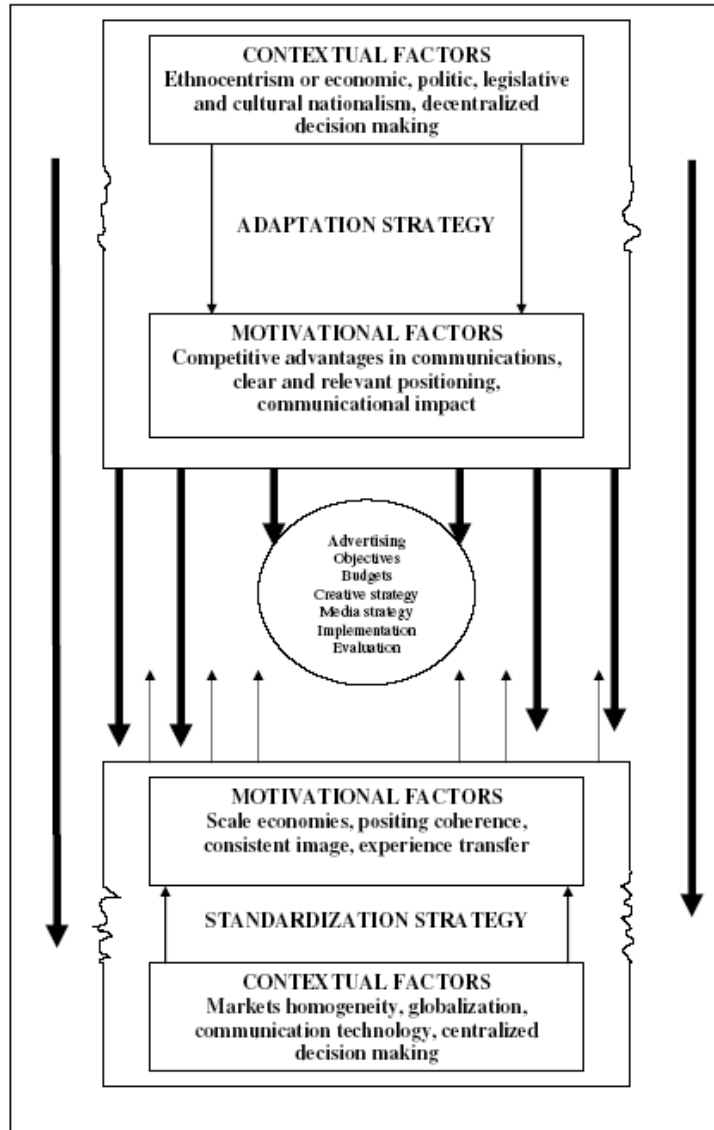
The second situation, presented in figure 3, is the one specific to the context when the markets are really different between them. Cultural, economic, competitive, demographic and social diversity are factors which come in the favor of adaptation strategy. Some objectives such as maximum communication impact could be better touched if the adaptation of advertising is put in action. In other word, it is opportune or motivating to use adaptation strategy in a context characterized by heterogeneity.

Figure 2 Advertising answer through standardization



In the same way as standardization strategy, the opportunity to use an adaptation strategy does not imply absolute forms of the last strategic alternative. Even when the communication context is one very heterogenic, it is impossible or undesired to adapt the whole process of advertising. For example, it would be odd to ignore media infrastructure similarities with effects over media costs even there are cultural differences between markets. A behavior opposed to one just described ignore the economic rationality, which is the base foundation of marketing and advertising processes. So, compared to standardization limited by objectively or subjectively reasons, the adaptation has some limits associated with the discretionary desires of the managers.

Figure 3 Advertising answer through adaptation



Discussions

As we can see watching at the three variants of the model, advertising constitute an object of standardization – adaptation strategy in international marketing. In some degree, advertising include both elements of standardization and adaptation. Environment characteristics and the opportunities of the markets will point every sub process of advertising toward one of the two strategic alternatives or to a combination of them. These combinations can be very diverse. Advertising objectives, for example, could have an international dimensions or a local dimension, creative strategy will have as foundation universal values or local particularities, budgets will be a reflection of importance given to local segment or transnational segments, the tactics will depend on the local and international infrastructure development, implementation will respond to the need of international coordination or will respect the local “rhythm” and evaluation will answer to necessity of impact and performance in local and international markets.

In the light of these considerations we say that it is possible that this model have some limits. These limits could be related to the fact that it is not developing in an analytical manner standardization and adaptation forms. But there are some arguments related to the heterogeneity of markets experiences and subjectively

opinions regarding the meaning of standardization and adaptation which can make difficult the process of analytical analyze of these strategies` forms. This model was developed with the scope of better describing the context and motivations which can stay at the foundation of strategy selection.

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LE MARKETING RELATIONNEL AU NIVEAU DU MARCHÉ D’AFFAIRES : LES AVATARES D’UN MODELE

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Résumé: L’orientation vers un marketing de relation n’est plus aujourd’hui une nouveauté pour le spécialiste. Même dans les conditions de la reconnaissance du moment et de la valeur des différentes orientations, comme le marketing relationnel, il y a une tendance au niveau de certains marchés (spécialement pour les marchés moins développés) de juger les affaires dans des termes de transaction et d’ignorer la relation entre les composants de la filière. Il est évident que, dans le contexte présent d’affaires, la relation à long terme n’est plus une opportunité comme les autres, mais une nécessité générée par le souhait d’être compétitif sur le marché.

Mots-clé: marketing relationnel, marché d’affaires, relation, processus.

Prémises:

Les entreprises ne cherchent pas seulement à améliorer leurs relations avec les partenaires, mais également à consolider les liens qui les unissent à la clientèle. Un client satisfait est à la base du développement d’un marché. En effet, les ventes de l’entreprise dépendent à tout moment de deux groupes: les nouveaux clients et les clients habituels.

Dans le passé, on avait souvent tendance à considérer qu’un client était acquis pour toujours, parce qu’il n’avait pas d’autres choix ou bien que les habitudes engendraient l’inertie.

Aujourd’hui, pour beaucoup d’entreprises et de nombreux marchés, le coût d’acquisition de nouveaux clients est élevé. Des nombreux marchés sont déjà saturés par une offre surabondante et il y a beaucoup de difficultés à trouver de nouveaux clients solvables. Aussi, les entreprises se retournent vers leurs clients acquis et réfléchissent sur l’intérêt de conserver et de développer leur chiffre d’affaires auprès d’une relation durable avec cette clientèle déjà acquise.

La théorie et la pratique du marketing ont imposé de nouvelles orientations, par la suite des modifications des conditions économique-sociales d’échange. Ayant en vue le degré de maturité de la société en général et des marchés, ces orientations du marketing ont pénétré dans la pratique quotidienne des entreprises. L’orientation vers un marketing de relation n’est plus aujourd’hui une nouveauté pour les spécialistes. Même dans ces conditions de la reconnaissance du moment et de la valeur des différentes orientations, comme le marketing relationnel, il y a une tendance au niveau de certains marchés (spécialement pour les marchés moins développés) de juger les affaires dans des termes de transaction et d’ignorer la relation entre les composants de la filière.

En plus, certains secteurs sont caractérisés par l’orientation vers la transaction, le marché immobilier étant le meilleur exemple pour souligner cette réalité (Lendrevie, Lindon, 2003). Mais, derrière la préférence vers une certaine forme de finaliser l’affaire, il est évident que dans le contexte présent d’affaires, la relation à long terme n’est plus une option parmi les autres, mais une nécessité qui attire vers elle les effets positifs de la stabilité et de l’intégration managériale, ayant des conséquences sur l’efficacité, la compétitivité et la prospérité de l’entreprise (Malaval, 1998).

Les entreprises engagées sur le B to B ont donc été les premières à comprendre l’importance cruciale qu’il y a à fidéliser ses clients, ne serait-ce que pour assurer leur simple survie. Un exemple caractéristique à cet égard est celui des équipementiers automobiles, souvent totalement dépendants de l’activité d’un seul client principal.

Dans ce contexte du développement du marketing relationnel comme orientation et comme démarche pratique de gestion de l'affaire, nous avons considéré intéressant de voir dans quelle mesure on trouve cette relation, sur une forme concrète, au niveau des marchés d'affaires. L'intérêt que l'on manifeste est lié à la réalité de l'économie roumaine; les entreprises roumaines sont, dans ce moment-là, en position de prouver leur compétitivité non seulement au niveau du marché interne, mais surtout dans le nouvel espace de l'économie européenne, caractérisé par la présence des organisations avec beaucoup d'expérience en marketing. Dans notre perspective, la relation, en tant que concept de marketing, peut être, à côté d'autres instruments ou moyens, une modalité par laquelle on peut atteindre l'objectif de la compétitivité de l'entreprise.

La relation sur les marchés d'affaires: analyse par la modélisation

Notre article a eu comme point de départ l'identification d'un modèle de la relation sur le marché d'affaires. Dans un article publié en 1987, dans *Le Journal de Marketing*, un nombre des spécialistes américains ont posé les bases d'un modèle qui surprend le processus du développement de la relation entre les partenaires de sur les marchés d'affaires. Plus tard, le modèle est développé et expliqué par les mêmes spécialistes. La figure 1 présente la forme graphique de ce modèle et aussi les explications synthétiques afférentes.

La compréhension de la manière dont ce modèle comprime l'essence d'une relation sur les marchés d'affaires rend nécessaire la présentation de chaque phase. En ce qui suit, on décrit la manière dans laquelle la relation apparaît, se développe, se renforce et, éventuellement, disparaît.

1. La phase de la prise de conscience

Dans cette étape, tantôt le client que le vendeur considèrent l'autre en tant que partenaire d'échange. Les campagnes publicitaires du vendeur et également les foires et les expositions constituent des éléments d'information du client. Dans le même temps, le vendeur peut collecter, du niveau du client, des informations concernant les standards du produit et le processus d'acquisition. Une telle phase peut se prolonger à l'infini ou bien les parties peuvent initier un processus d'interaction, commençant ainsi une nouvelle étape.

2. La phase de l'exploration

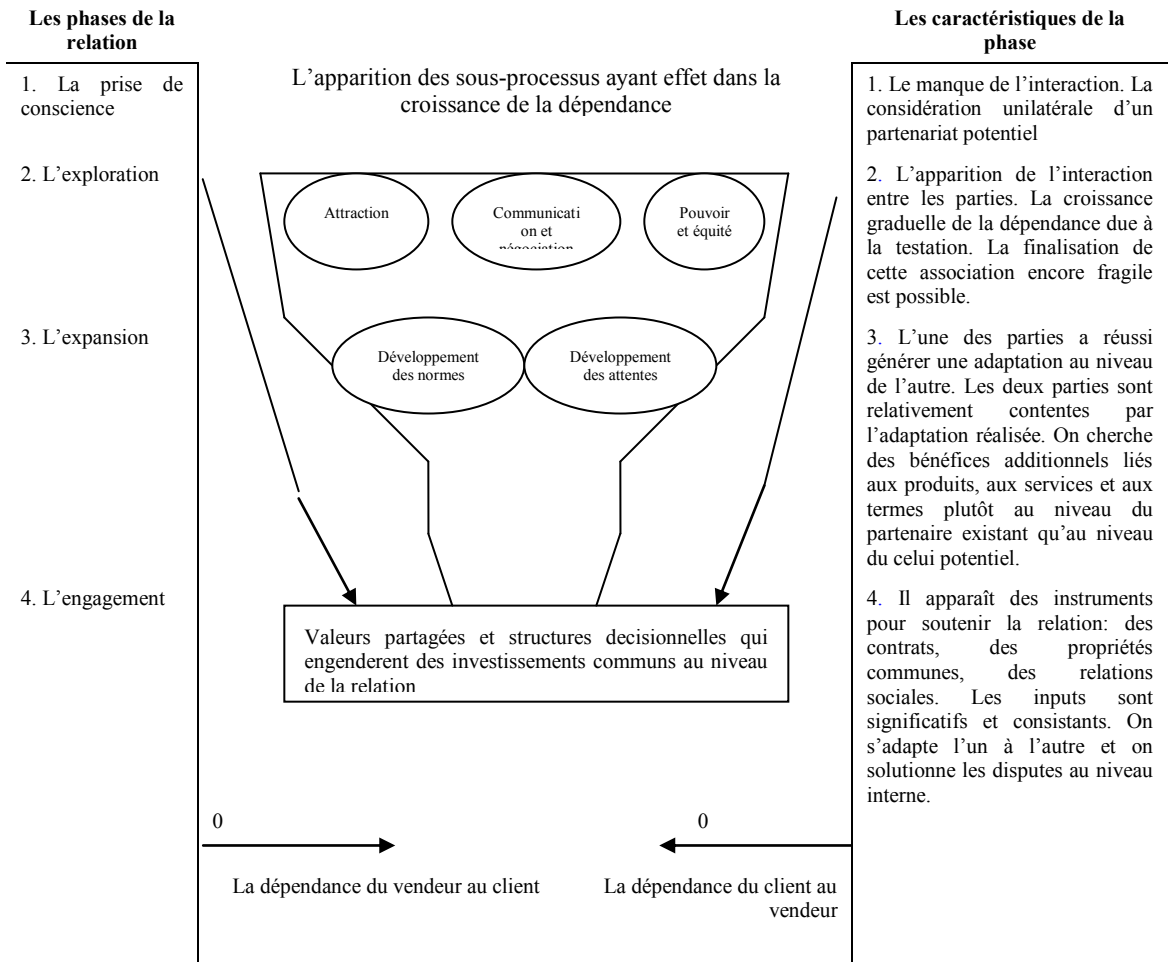
L'exploration suppose un processus de *testation réciproque* de la part de ceux qui l'on en est impliqué. Par exemple, le client pourrait participer aux séminaires professionnels organisés par le vendeur. En plus, dans cette étape on peut trouver même des acquisitions initiales. Mais, ces dernières se constituent dans des composants d'un processus de testation. Pendant l'exploration, les relations établies entre les parties sont encore fragiles, car l'on n'a pas suffisamment investi dans le processus d'échange. Pourtant, à ce niveau-là se déroulent autres cinq démarches qui ont le potentiel de soutenir le développement d'une vraie relation client-fournisseur.

2.1. L'attraction

L'attraction représente le degré dans lequel l'interaction entre le vendeur et le client produit des effets positifs au-delà d'un niveau minimum. Les effets positifs, qui ont une nature tangible ou intangible, résultent de l'association et peuvent avoir une forme économique mais également une forme sociale.

Par exemple, partager des expériences communes peut représenter, pour ceux qui sont impliqués directement dans la relation, un gain positif de nature sociale. A côté de ces effets de nature sociale, le client s'intéresse de la qualité, du savoir faire technologique, d'un prix équitable et des services logistiques. De l'autre côté, le fournisseur ou le vendeur est intéressé par des demandes constantes dans des marges acceptables et aussi de satisfaire des besoins supplémentaires au niveau de l'entreprise client. Bref, les deux parties sont intéressées par la diminution des coûts, des retards et des malentendus.

Figure 1. Le processus du développement de la relation sur les marchés d'affaires



Source: F.R. Dwyer, J.F. Tanner Jr. – Business Marketing, Connecting Strategy, Relationship and Learning, Mc-Graw Hill, 2003, p. 44.

2.2. La communication et la négociation

Dans le développement de la relation, la communication et la négociation représentent des processus par lesquelles les parties assument la distribution des obligations, des avantages et des coûts. Les parties qui se trouvent au début de la relation hésitent de préciser clairement les besoins, les préférences ou les objectifs.

Les objectifs sont traités d'une manière superficielle ou bien on les fait connaître sous une forme discrète, après avoir réalisé les premiers échanges. Jusqu'à l'apparition d'une atmosphère de confort et de familiarité, les parties tendent à transmettre les moindres informations sur elles. Les informations rendent nécessaire la réciprocité, pour que les partenariats à court terme se transforment dans des vraies relations productives.

Les théoriciens de l'école comportementale affirment qu'une relation subit des modifications profondes lors de l'intervention de la négociation. D'ailleurs, pour que les parties soient disposées à dépenser de l'énergie physique et psychique afin de résoudre un problème, elles doivent identifier des possibles avantages. Par exemple, un client qui demande la marchandise entre 3 et 4 heures du matin même si le fournisseur fait la livraison habituellement entre 4 et 5 heures du matin court un risque concernant le déroulement de la relation, celle-ci pouvant évoluer, mais également s'écrouler.

2.3. Le pouvoir et l'équité

Dans le processus d'échange, l'**adaptation** représente une condition essentielle dans le développement de la relation. Les concessions requises ou offertes dans le processus de la négociation résultent de l'usage équitable ou inéquitable du pouvoir.

On peut définir le pouvoir comme l'habileté d'une organisation, nommée Alpha, de déterminer une autre organisation, nommée Beta, d'engager des actions qu'elle n'aurait pas entreprises dans d'autres circonstances. Ce pouvoir dérive de la dépendance de l'organisation Beta face aux ressources de l'organisation Alpha et qu'elle ne pouvait pas les obtenir facilement d'autre part. Les ressources peuvent couvrir la forme du statut, du bénéfice économique, de l'expertise et des potentielles, „punitions” appliquées ou subies.

L'**équité** représente l'effet mérité ou généré par l'application correcte et exacte du pouvoir. L'impartialité et la correctitude caractérisent l'application juste du pouvoir. En contraste, l'application injuste du pouvoir suppose le contrôle des actions de l'autre contre sa volonté ou dans l'absence de la compréhension de l'action de sa part. L'exercice du pouvoir avec du succès offre la possibilité de passer d'une relation exploratoire vers une relation ayant des chances réelles d'expansion.

2.4. Le développement des normes

Les relations d'affaires sont destinées à assurer l'accomplissement des tâches et des objectifs établis pour chaque part. Les normes représentent des standards comportementaux des parties ou des guides à l'aide desquels les parties interagissent.

Certaines de ces normes existent a priori et caractérisent la phase d'exploration. Par exemple, le client et la force de vente partagent une série d'éléments lorsqu'ils se trouvent dans la phase de discuter les alternatives initiales de vente. Il est à préciser que ces éléments diffèrent en rapport avec la culture de provenance. Au fur et à mesure que la relation évolue, les normes comportementales sont ajustées aux participants. Pratiquement, ça signifie que les parties s'éduquent réciproquement en ce qui concerne l'utilisation du langage propre à chaque organisation et après ils établiront des rencontres régulières. Ils vont commencer à communiquer sur des chaînes automatiques et à organiser des procédures d'évaluation, de planification et de décision.

2.5. Le développement des attentes

Au fur et à mesure que les parties interagissent et explorent le potentiel du processus d'échange, on développe également des attentes. La principale composante de l'attente c'est la confiance, la certitude que la promesse ou le mot de l'autre est „sacré”, que celui-ci respectera ses obligations. La confiance dans l'organisation partenaire dérive du fait que l'on y attribue une attitude conséquente, honnête, responsable et empathique. On peut développer des attentes de ce genre par la suite de l'image promue par la communication formale de marketing de l'organisation partenaire.

Il faut chercher, outre l'exploration, ces expériences qui ont le rôle de „pousser” la relation plus loin. Il faut consolider la relation dans l'étape d'expansion, de manière que les conditions de l'engagement à long terme soient accomplies.

La phase de l'expansion

Au niveau de cette phase, on déplace la relation du niveau de la testation et de la vérification vers le niveau du développement des effets positifs et du but de l'échange. Le développement du portefeuille d'affaires, la vente croisée et la vente inverse sont des manifestations de cette phase. Par exemple, il est habitué, pour quelqu'un qui offre des services de marketing, d'offrir aussi d'autres services à ses clients, au-delà du cadre stricte de la première collaboration: services de courrierat, de distribution etc. D'ailleurs, il est possible que toute une série des services traditionnels de l'organisation soient repris par le fournisseur. L'essence de l'expansion consiste dans la croissance de la dépendance entre les participants au processus d'échange.

1. La phase de l'engagement

L'**engagement** représente le désir de maintenir ou de garder une relation importante et précieuse. On peut affirmer, par conséquent, que la phase de l'engagement est caractérisée par un échange significatif de

ressources entre les deux parties. Lorsqu'on croit dans l'efficacité de la future relation d'échange on tend à faire des investissements importants pour la garder. Certains clients pourraient faire appel à l'arbitrage d'une organisation spécialisée en même de résoudre les éventuelles divergences. Les clients et les vendeurs peuvent faire des transferts de la force du travail ayant comme but l'intégration de leurs intérêts dans le processus d'échange. L'engagement assure la survivance de la relation même dans le contexte des erreurs des parties ou dans les conditions de certaines tendances négatives du milieu d'affaires.

2. La dissolution

Au début de la relation chaque membre peut renoncer au partenariat sans engendrer des effets négatifs puissants. Au fur et à mesure que la dépendance s'accroît et que les coûts d'échange des parties s'élèvent, le problème de la fin de la relation se complique. La dissolution ou la finalisation d'une relation avancée dérive du vieillissement des ressources impliquées; cette réalité demande la recherche bilatérale des solutions.

Les recherches réalisées dans cette direction montrent que la dissolution représente un processus à plusieurs étapes, similaire à celui du développement de la relation. Les raisons de la dissolution sont liées à des divers événements dont les effets négatifs dépassent le désir de maintenir la relation d'affaires.

La présence d'un tel modèle dans la littérature de spécialité est très utile parce qu'on apporte des clarifications sur la manière dans laquelle le marché d'affaires définit les relations entre les partenaires d'échange. En plus, ce modèle décrit les étapes de l'établissement et de la consolidation de la relation et introduit un série de concepts opérationnels tels: *testation réciproque, adaptation, équité, confiance, engagement*.

Si, pour les théoriciens, le modèle présente de nouvelles voies de recherche des marchés d'affaires, pour les praticiens il offre un guide utile de la gestion efficace des relations d'affaires. Chaque étape décrite par ce modèle peut constituer une ressource dans le développement d'un instrumentaire spécifique de la conduite interrelationnelle.

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MARKETING INFORMATION PORTALS²¹⁰

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Abstract: This paper highlights the importance of marketing information portals in a competitive and rough business environment. Every portal presented here can offer a large palette of latest news, accurate information, needed forecasts, analysis, reports, figures, or even unstructured data. The choice of every company can be difficult because the portals offers data from various business domains, the price depends on the amount or complexity of the necessary data and the specialized employees or the collaborators are well-trained. Moreover, the sites are friendly, and sometimes there is the possibility for the organizations to try a free trial. The companies, even if they are big corporations or small and medium enterprises, have now an extra-chance to survive on the market and even to be successful, due to these marketing information portals.

Keywords: marketing information portals, data basis, marketing research, secondary data

Being a successful company requires specialized employees, dedicated and talented managers on one hand and plenty of financial resources on the other hand. Being competitive isn't an easily to achieve standard. Every organization needs the latest news, the most accurate information and the best trained and loyal employees. In order to achieve all these, the organizations can conduct marketing research, that is quite expensive and limited or they can pay a sum of money in order to find out a lot of information about the market trends with its opportunities or by the contrary its threats, about the competition, or even about the needed employees. Reports, forecasts, analysis, graphs, figures or unstructured news – as articles – are needed by every company, no matter if they are big corporations, or SMEs, if they are offering financial services or high-technology products.

In this paper, eleven internet portals have been identified and analyzed from the content and presentation point of view. These are: Gartner, International Data Corporation, International Social Survey Programme, Secondary Data, Factiva, One Source Global Business Browser, Global Insight, Country Watch, Market Research Portal, Global Technology Forum and Economic and Social Data Service.

Gartner delivers information necessary to fundament day-to-day decisions specific to companies, according to the undergone activities. Amongst the domains that Gartner focuses on, the following can be named: client relationship management, business to business e-commerce, distribution channel management, business intelligence, telecommunications and IT.

Its specific portfolio of products and services comprises of the following:

Gartner Research – through this service Gartner provides IT professionals, companies in the technology field and the investment community with a series of analyses and reports. Research services represent the most profitable strategic business unit for Gartner, with a recorded growth in 2006 of 10 %.

²¹⁰ This paper is basing on the data gathered during the first phase of the research project: „Research regarding the development of an integrated, complex and interactive information system to assist the marketing decisions of the Romanian companies in order to raise the level of the competitiveness” – (CNMP Partnership Grant, no 91-066 / 18.09.2007, Coordinator: ASE Bucharest, 2007-2010, value 2.000.000 RON)

Gartner Consulting – represents the main activity of the company, its’ consultants offering support in fields directly connected with information technology, through direct measurements of investigated business efficiency. Gartner’s consulting team focuses on consulting projects on high-tech products and services management in the following fields of activity: IT, government services and business strategies.

Gartner Executive Programs – program destined for executive managers in companies focused on technology. At the end of 2006, Gartner’s executive program had a community of approximately 3150 executive managers. The advantages of the community consist in personal advice for each member from a personal consultant that responds to every specific need.

Gartner Events – organizes international symposiums addressed to IT professionals, twice a year, (in spring and autumn), in different locations. The symposium is enriched by an exposition which focuses on presentations and demonstrations of the latest technological solutions and products. Gartner organizes regional conferences in 65 countries, whose topics outline: outsourcing, client relationship management, and business intelligence and application integration. In 2006 Gartner organized 56 events with a total of 31.000 participants and generated revenues of 138.4 million dollars.

Gartner Publishing - In 2004, Harvard Business School Press (HBS Press) and Gartner have announced the publication of a series of books destined for senior executives. The partnership includes the publication of Gartner’s research reports, that include its own instruments and models developed over time, with the main focus on: client relationship management, web services, security, outsourcing and business intelligence.

International Data Corporation (IDC) is one of the biggest global suppliers of consultancy, research and event organizing in the field of information technology and telecommunication. IDC helps managers, IT professionals as well as investors in fundament strategic decisions and assisting the decisional process of adopting new technologies within a company. Over 900 analysts provide global, regional and local expertise, on technology, business opportunities, and forecasts in over 90 countries, at a global level. For 43 years IDC has been providing fundamental information to companies in order for them to reach their objectives.

The company’s portfolio of products and services include:

Research reports – these contain information related to market forecasts, competitive analyses and commercial profiles as well as information regarding consumer demands and purchase and consumption behavior. All these research reports are structured in two categories. The first category includes reports that can be accessed freely, online, while the second category includes a set of reports that can only be accessed after an online purchase process.

Multi-client studies – these studies have a high degree of specialization and offer in-depth analyses and recommendations to clients that ordered the research. The purpose of each research project differs from one case to the other, but nevertheless most projects involve extensive primary research as well as multivariate analysis of the technological progress and its degree of adoption.

Consulting - IDC offers strategic and tactic marketing services in order for the businesses in the IT field to support and implement market strategies. Multidisciplinary experts of IDC help companies in shaping and developing business strategies, developing new products and setting prices, defining and implementing marketing objectives, setting competitive forces as well as evaluating potential acquisitions.

Consultancy instruments in IT – IDC offers companies a set of instruments and solutions, built for optimizing decisions regarding the acquisition of new technologies that entered the market.

Organizing events – this service is aimed at IT merchants, consumer organizations and the financial community. Through these events, the three targeted audiences can meet in order to network and exchange information.

Executive consultancy group – offers executive managers in the IT field guidelines based on research instruments that can support their decisions specific for strategic and operational planning. IDC offers clients a series of statistical records, comparative analyses, case studies, success recipes and information regarding consumers in order to elaborate an efficient strategic planning, adapted to the client, using knowledge accumulated over many past experiences of other companies.

Subordinated to IDC are six companies that provide consultancy services to specific domains.

Energy Insights: provides executive managers in the energy industry with consultancy and research services, aiming to maximize the value of the business they run, through technology investments. Energy Insights offers through its specialists a package of relevant information both in IT and business management in general.

Financial Insights: offers consultancy and research services for the financial field. It covers retail and corporate banking markets, insurance markets, as well as capital markets, both globally and locally.

Global Retail Insights: focuses on assisting retail executive managers in order to obtain market success and to maintain competitive advantages, through technology investments. Global Retail Insights insures, through business focused research and strategies, a better collaboration between businesses and their suppliers, by obtaining better offers from suppliers and by enabling pertinent technology investment from businesses.

Government Insights: offers consultancy and research services in the government field in order to develop and implement strategies that lead to maximizing organizational performance as well as adopting new technologies that exist in the market.

Health Industry Insights: offers consultancy and research services to decision factors from the health system as well as to direct suppliers, in order to develop and implement strategies that lead to a maximization of organizational performance as well as new technology adoption.

Manufacturing Insights: provides to managers many pieces of relevant information for critical situations. Consultancy and research services follow closely the processes related to product design, development and distribution.

ISSP represents a continuous annual international program which includes an electronic database with marketing research reports focused on social issues.

ISSP was the result of the collaboration of Allgemeinen Bevölkerungsumfragen der Sozialwissenschaften (ALLBUS) of the Zentrum für Umfragen, Methoden, und Analysen (ZUMA) from Mannheim, Germania, and General Social Survey (GSS), part of National Opinion Research Center (NORC), University of Chicago. Both databases, ALLBUS and GSS reunite in their structure many time series studies. ALLBUS started in the early '80s and it is bi-annual, while GSS started in 1972.

The subjects that ISSP focuses annually are developed by a sub-committee that pre-tests these subjects in several countries. ISSP consultants focus on building questions that are relevant and representative across all the countries included in the research.

In the first year, 1984, there were data from four countries: Germany, United States, United Kingdom, and Australia. Nowadays, the data are collected and gathered from 43 countries. The strength of ISSP is represented by the electronic database that is structured as an archive of all the annual researches from 1985 since 2007. The information in this archive is structured in three parts – past research, present ongoing research and future research.

Secondarydata.com represents an electronic database that is owned and managed by Decision Analyst, Inc.; a company specialized on marketing research and marketing consultancy.

The database is in fact a library of free links to many marketing information resources and is structured in 6 distinct sections:

General Sources – offers free access to secondary data from 11 domains (corporate intelligence, demographic data – both global and local, economic data, general references and research, governmental information, statistic time series, international information – both global and for America, Europe, Middle East, Asia, Africa and Australia), public opinion, tutorials, industry information and Internet usage.

Marketing Resources – contains the best links in the following categories: advertising (advertising agencies, creative agencies, associations, journals, magazines, history, industry standards), professional associations, marketing careers, CRM – customer relationship management, database marketing, direct marketing, e-commerce, international marketing, marketing journals and magazines, marketing legislation, marketing strategy, media planning, online marketing, packaging, brands, trademarks and patents, sales promotion, sales management, retail, Public Relations.

Marketing Research – offers access to a vast network of information sources – professional associations, journals, magazines, tutorials. **Software** – offers access to free software useful to marketers: statistics

software, demographics, segmentation, and research reports. **Statistical Data** - this section offers links to statistic related sites – professional associations, web portals dedicated to statistical analysis, free statistical software, tutorials, and data mining. **Tutorials** – tutorials and trainings that cover a large array of subjects - data mining, database marketing, marketing research, media acquisition, packaging, retail, public relations.

Factiva Data Basis belongs to the group Dow Jones and it offers to the professional not only news and business information, but also useful instruments and services in order to adopt the best decisions. The executives, the marketers, the selling forces and other business people can check easily and understand at the same time the latest news, the market trends, and the challenges of their industry.

These four sections underline the information that is needed by companies from all the business domains:

- Discover the market tendencies and track the competition;
- Manage the reputation of your organization;
- Discover new companies and qualification prospects;
- Find out news from the business domain that you are interested in.

One Source Global Business Browser is designed for the big corporations from all over the world – more than 800 companies – and from all the business domains. Some of their clients are financial services companies, as: American Express, Citigroup, Deutsche Bank, high- technology organizations: Cisco, Motorola, IBM, Oracle, but also professional services firms PricewaterhouseCoopers, Deloitte & Touche, or big corporations, as Honeywell International or Gillette. This data basis offers its clients vital information for their businesses, in order to improve their marketing or financial activities, the public relations and the consultancy.

Combining the structured data (facts and figures) with those unstructured (news and articles) – gathered from the 2500 individual sources of this data basis- One Source creates a large platform of information that can be viewed, listed and exported to the work pages of the clients easily.

Global Insight is a private company that appeared after the fusion between two big economic and financial information organizations - DRI (Data Resources, Inc.) and WEFA (Wharton Econometric Forecasting Associates) - and the integration of the third one WMRC (World Markets Research Centre). With more than 3800 clients from various business areas, almost 600 specialized employees and 23 offices in 13 countries in North or South America, or Europe, Africa, Middle East and Asia, Global Insight gathers and tracks the latest news, it makes forecasts and analysis and it offers consultancy to its clients – private companies or governmental institutions.

Country Watch is an information supplier, needed by corporations, governmental agencies, schools, libraries or physical persons, which ask for latest data about all the countries from all over the world.

Country Wire assures daily news and articles gathered from regional information networks and it has an international coverage, by collaborating with international agencies, but also with local ones. The news is various, with cultural and political perspectives, so that the readers to create a whole image, because the portal has in its archive data from the past months or even years.

As the section Countrywatch Maps allows the visualization of thematic, physical or political maps, the section Countrywatch Data offers information about various subjects specific to different countries, in an interval of time.

Market Research Portal offers rich information from the marketing research domain, but the level of complexity and personalization of the data is quite low and this justifies why this information is free of charge. There are many sections for the clients and they are not only theoretical subjects, but also the results of some marketing research conducted by various companies. Through these two sections for gathering the CVs and publishing the available jobs, the portal helps those persons searching for a job, but it supports also the efforts of the companies searching for new employees.

The portal **Global Technology Forum (GTF)**, which belongs to the group Economist Intelligence Unit (EIU), is created in order to offer for free useful information to multinational companies, importers/exporters, financial or governmental institutions, public schools or to other groups directly interested in political and economical news all over the world.

The portal **Economic and Social Data Service (ESDS)** is a British service for data archiving and disseminating, being sponsored by Economic and Social Research Council and Joint Information Systems

Committee and basing on the collaboration between four centers of expertise, belonging to the universities: Essex and Manchester.

The offered information is from the following domains: economics, education, health, politics, industry, management, psychology, etc, and it is gathered from governmental agencies, international statistics agencies, market research companies, historical sources, but also from some research grants, conducted in the academic environment.

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EMPLOYEE'S MOTIVATION AS A CRITICAL ELEMENT OF INTERNAL MARKETING. CASE STUDY: THE USE OF NON-FINANCIAL MOTIVATION THROUGH SPORT ACTIVITIES

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Internal marketing is a much debated subject in international economic literature, being the topic of many books, journals and conference proceedings; therefore it has become a strategic objective in the relationship marketing theory and practice. The term received in the last twenty years a vast number of definitions and this is the reason why our paper will present both a conceptual approach and a specific way in which internal marketing is applied in Romanian companies. The originality of the present research results from a non-financial approach of employees' motivation by implementing sport activities in their daily work schedule. The main results of the research highlight the need of integrating sports in the company's internal marketing programs with the aim of achieving employees' satisfaction, trust and loyalty.

Key words: internal marketing, non-financial motivation, sport activities, relationship marketing

The literature on internal marketing is considerable and growing rapidly (see for example; Berry 1981; Collins and Payne 1991; George 1977, 1990; Grönroos 1981, 1985; and Piercy 1995, 2000), yet there is little systematic work on how internal marketing actually works in practice.²¹¹

Internal marketing is a much debated subject in international economic literature, being the topic of many books, journals and conference proceedings; therefore it has become a strategic objective in the relationship marketing theory and practice. The term received in the last twenty years a vast number of definitions and this is the reason why the present paper will present both a conceptual approach and a specific way in which internal marketing is applied in Romanian companies.

Internal marketing has been defined (Berry and Parasuraman 1991) as the attraction, improvement and maintenance of company's employees in positions that ensure the maximum and efficient usage of their work capabilities and a motivation system that allows the satisfaction both of the material needs and the professional aspirations of the employee.²¹²

This concept has evolved from the original conceptualization of employee satisfaction/motivation by treating employees as customers and jobs as products (Sasser and Arbeit 1976; Berry 1981) for improving service quality, to customer orientation/market orientation and the use of marketing like approach and marketing like tools internally to motivate employees (Grönroos 1985), to the use of internal marketing for

²¹¹Pervaiz K Ahmed, Mohammed Rafiq, Noorizan Mat Saad, Internal marketing, organizational competencies, and business performance, American Marketing Association, Conference Proceedings, Chicago: 2002, Vol. 13, pg. 500

²¹²Cetina, I., Brandabur, R., Constantinescu, M., Marketingul serviciilor – teorie si aplicatii, Ed. Uranus, 2006, pg. 202

the implementation of external marketing programs (Piercy and Morgan 1991), and the extension of internal marketing to the implementation of any functional strategy (Rafiq and Ahmed 1993).

Since Berry (1981) first advocated treating employees as internal customers, this has become the central guiding principle for internal marketing in every company.²¹³ Later, Berry and Parasuraman emphasized (1991) the value of treating staff the way you would want them to treat customers. The assumption here is that this provides a climate for "effective marketing behavior". In one of his articles, David Ballantyne (2000) calls this "happy staff equals happy customers" logic.²¹⁴ The logic of this approach is a simple one – gaining employees' satisfaction will influence their loyalty and affective commitment towards companies and this is an essential condition in achieving customer satisfaction during critical episodes interaction. Having this argument we can make the scientific assumption that at the company's top management level there is a need of correlating the strategic objectives of raising customer loyalty with a greater level of employee's satisfaction. This is proved in the present paper by applying the results of a quantitative research which shows that the non-financial motivation may be considered as a favorable influence in creating a pleasant and, most of all, productive work environment.

A limitation of existing internal marketing research is that there is little agreement on what mix of policies can be used to effectively influence employees so that they are motivated and act in a customer oriented fashion. The originality of the present paper results from a qualitative approach of employees' motivation by implementing sport activities in their daily work schedule. The novelty results from the link which is suggest to exist between the corporate social responsibility of the company toward its employees and the economic benefits of a relationship marketing orientation.

Lately, this concept of sport activities practiced together by the organization employees has known a fast development. Be it a formal activity (conducted by the company's management) or an informal one (put in practice by the company's employees), sport has the power to relax the employees and to create the team spirit that every manager wants to find in his company.

Considering the recent appearance of this concept in Romania, there aren't many marketing researches to show its importance. That is why a detailed description for this concept as it is found in practice can lead to a future development of the theory.

Considering the conditions presented so far, this paper highlights the conclusions of a quantitative research regarding the process of implementing the sport activities within the organization, especially to determinate if this process is seen as a non-financial motivational instrument for the employees.

The research took place within 246 companies that activate on the Romanian market and which include sport within the activities for their employees. To collect the necessary information, a survey was used with a structured questionnaire.

The research objectives were the following: a) Identifying the opinion regarding the financial and non-financial motivation of the employees; b) Determining the type of organization for the sport activities within the company (formal or informal); c) Identifying the most played sports and the reasons for choosing these sports; d) Finding out if the sport activities can be included within the non-financial motivational elements; e) Identifying the percentage of companies that participate in competitions with their representative team; f) Determining the percentage of companies that motivate their employees to participate in competition that are specially organized for firms and identifying the most used elements of motivation in this situation; g) Determining the percentage of companies that reward the employees that have won a competition where they were representing the company and identifying the most used reward elements; h) Establishing the percentage of companies that have won at least one sport competition until now.

The information obtained from the research helped us realize what are the place and the role of sport activities within the company. We started with the hypothesis that, in Romania, most companies don't involve in a formal way in the sport activities practiced by their employees. This is rather the initiative of the employee, who wants to engage with his colleagues in other activities besides those work related.

²¹³ Ballantyne, D., Internal relationship marketing: a strategy for knowledge renewal, *The International Journal of Bank Marketing*, Bradford: 2000, Vol. 18, Iss. 6, pg. 274

²¹⁴ Ballantyne, D., op. cit.

From the research we could find out that, in practice, these two types of organization are equally found in the companies - formal 54% and informal 46%. At the international level, the trend is to have the organization of the sport activities in the responsibility of the company's management, who offers to the employee a relaxing work environment.

In close connection with the formalization of the sport activities organization is the percentage of companies that participate in sport competitions that are especially created for firms. Only 32% of the interviewed companies have participated at least once in such a competition. It is interesting to see if there is a statistical association between these two variables, in other words, to see if the formal/informal organization influences the percentage of companies that participate in sport competitions. As shown in Figure 1, the companies where the sport activities are formally organized are participating in a higher number to sport competitions that those companies where we find an informal organization. To verify the statistical association we used the Chi-square test and we discovered that there is a mild association (a value of 0.173 on a scale from 0 to 0.707).

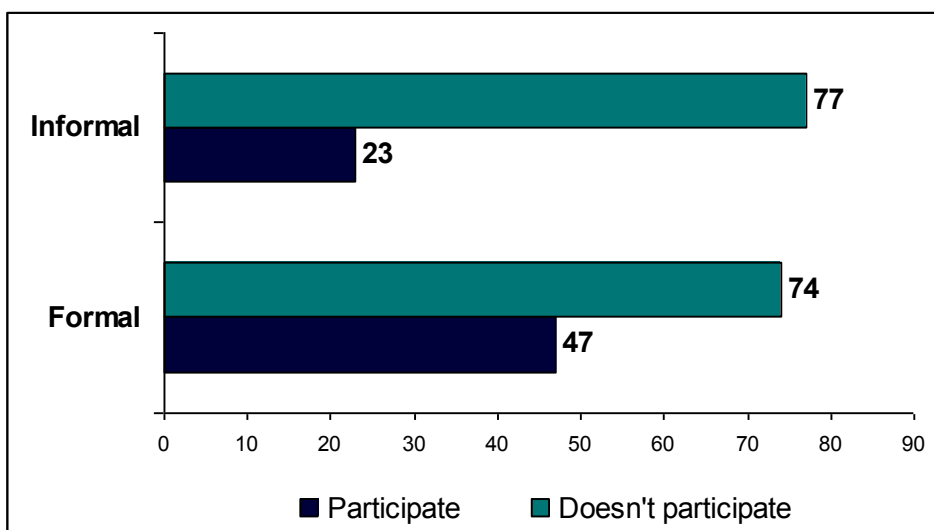


Figure 1. The influence of formal/informal organization on the percentage of companies that participate in sport competitions

Considering the fact that the participation to sport activities represents a voluntary act, some employees must be motivated in participating. This is, of course, in the company's best interest because it leads to good morale for the employees and, therefore, to efficiency in the company. The research has shown that, in Romania, there are a higher number of companies that do not motivate their employees in participating in sport activities with their colleagues (54%). Naturally, this management decision is closely linked with the type of sport activities organization (formal or informal). Therefore, the company, whose management implicates itself in the organization of sport activities, also motivates its employees in taking part in these activities. Using the Chi-square test we could see that the association between these two variables is statistically significant.

The companies which took part in the research were asked the following question: what are the methods of motivation used to determine the employees to take part in sport activities? The most frequent answers were: bonuses (32.6%), product prices (25.6%), sport apparel (16.3%) and vacations (12.8%). The things change when we come across the rewards that the companies offer for those employees who have won in a sport competition representing the organization for which they work. There are a higher number of companies that reward such employees. The difference is not significant (51% as against 49%), but it can be positively interpreted with hope for the future.

Same as the motivation, the rewarding part is also influenced by the type of organization for the sport activities. As you can see in Figure 2, the companies that have a formal organization for the sport activities have, also, an efficient reward system for their employees. The most frequent ways of rewarding an

employee for winning a sport competition are: vacations (23.6%), bonuses (20.8%), product prices (17.9%) or diploma, trophies and medals (16%).

One of the frequently used indicators in evaluating the efficiency for the process of implementing the sport activities within the company is the number of sport competitions won. From the research emerges the fact that only 13% of the companies that have participated to sport competitions have won at least once. The companies must show interest in winning such competitions because of the free publicity that emerges from the media coverage of the sport event.

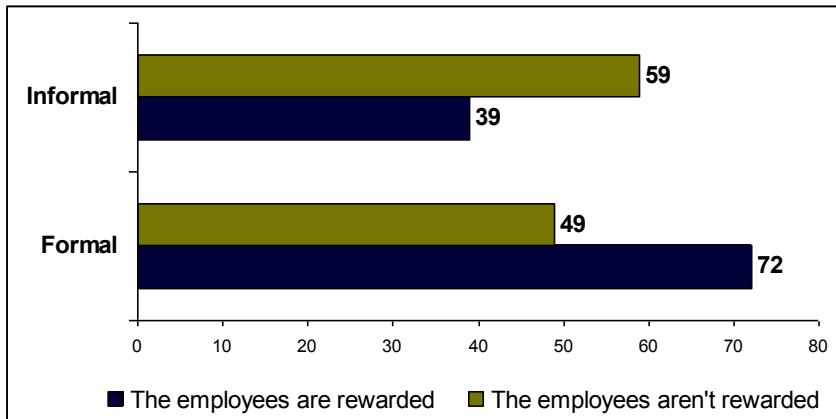


Figure 2. The type of sport activities organization influence on the decision to reward the employees that have won a sport competition

After determining which is the position of sport activities within the company, we shall see now what is the role of these activities. Generally, there a lot of reason for considering very important the role of sport activities practiced by the company’s employees: when taking part in sport activities, the employee is much more relaxed and his work will be more efficient; team sports can substitute the investment that the company must make in other types of teambuilding; the employee’s participation to sport event represents a promotional instrument for which the company doesn’t have to pay any money. Through this research, we wanted to find out if the company sees the implementation of sport activities as a non-financial instrument of motivation. Our hypothesis was confirmed by 83% of the respondents. Another research objective is concerning the most played sport by the employees. We can see from Figure 3 that soccer leads at a considerable distance, followed by tennis, basketball, fitness and ping-pong. The main motivation for putting soccer first is because this sport is a tradition in our country. This supremacy can also be explained by the numerous facilities for playing soccer: a growing number of sport courts, common sport apparel (doesn’t require major investments), and the fact that soccer is a sport that doesn’t require a long term training.

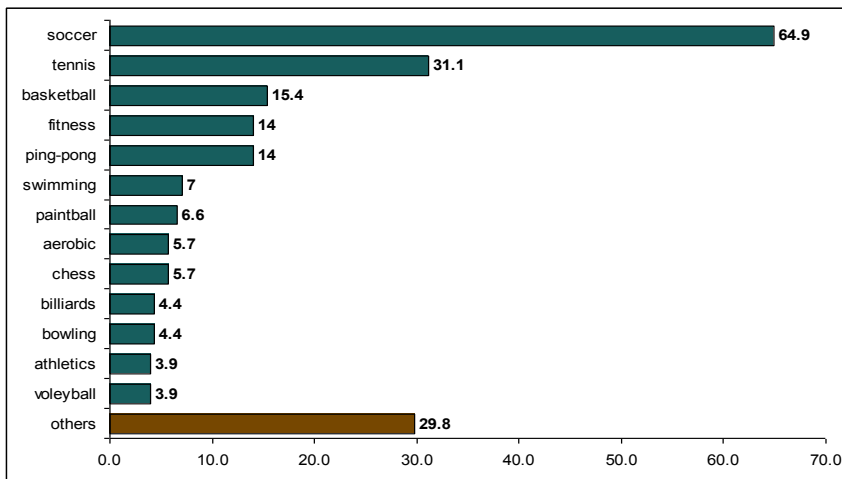


Figure 3. The most played sports by the employees

We notice the fact that the three most played sports in a company are all team sports. This is because one of the management's objectives for implementing sport activities within the company is to create team spirit (as shown in Figure 4, which indicates the reasons for choosing a certain type of sport for the employees).

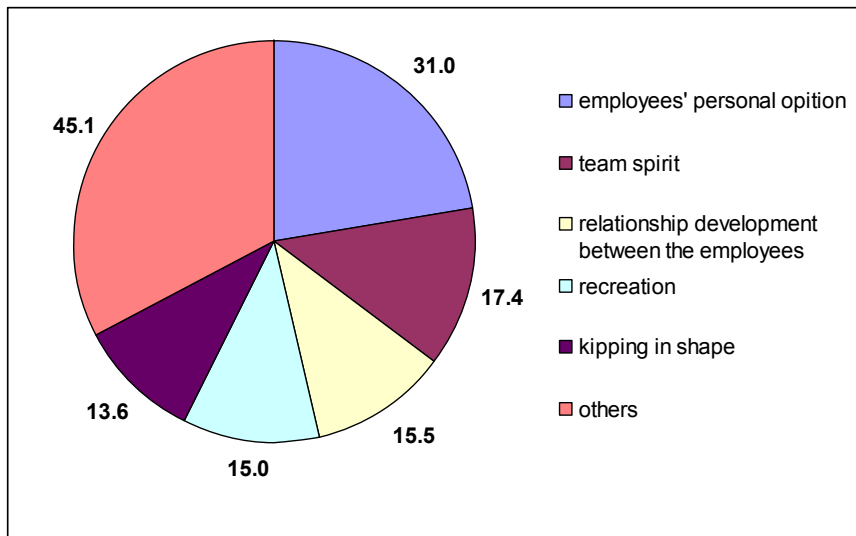


Figure 4. The reasons for choosing a certain sport for the employees

A closer analysis of these reasons will show us that for the team sports the main reason is the development of team spirit and for individual sport is keeping in shape (body and mind) – a healthier employee is more efficient.

As a logical conclusion, the changing business environment of our days requires a dynamic adaptation of the Romanian organizations and a change in their corporate governance by making efforts to retain the most efficient employees with the aim of gaining their loyalty and devotion. This may be possible by establishing a set of integrated non-financial instruments of motivation, such as sport activities, which assures the “health” of company-employee relationship.

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QUALITATIVE MARKETING RESEARCH THROUGH USABILITY TESTING

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Abstract: *Usability is an attribute of any good product, just as its functionality. It refers mainly to the utility of a product for its intended users, as well as to its ease of use. And whilst a correct functionality is critical for the commercial success of any product, its value comes through the human needs that it fulfills, which is determined through various marketing research techniques. In parallel, the IT&C community has developed in the last two decades its own type of research, called usability testing, used mainly to evaluate interface ease of use and all usability problems associated with software products. This article aims at finding the right place for usability testing and usability professionals in the marketing community, as well as drawing a wider picture, from a marketing research perspective, on one of the most popular topics in IT&C community for the benefit of marketing scholars and professionals.*

Keywords: *usability, marketing, marketing research, computer human interaction, qualitative research.*

One of the general usability principle observes that „if people don't understand the functions of a given product, they will not use it; if it complicates their existence, as well they will not use it; and if they are current or potential customers they will only buy those products that are easy to use and that bring an obvious improvement to their lives” [14].

Usability is inherent in any product or service, just as well as functionality. And, whilst functionality defines what a specific product or service will (or is expected to) accomplish and a functionality test will try to determine whether its target performs according to its specifications (and expectations), accordingly a usability test is a tool used to identify how buyers will use the product or service to satisfy their needs and expectations. A correct functionality is critical, but not enough to ensure market success. Its value for customers comes from the needs it satisfies, as well as the degree of satisfaction they derive from it – and only if the satisfaction they get is at least equal to what they expect the product will be considered successful and they will continue to buy it and recommend it other people. And the satisfaction that people get after using a IT&C product is determined with usability testing.

The goal of usability testing is usually the improvement of the product under test. A secondary objective is the improvement of the design and manufacturing processes for that particular product, or other in the same line, and this is one of the reasons that usability testing professionals feel that this tool is different from marketing research, as these „focus on the investigation of marketing phenomena and not product improvement”[13]. Other objectives of usability testing include ease of use, acceptance of new or improved tools, portability or other interface problems between users and products or between the product under test and other items, with which it could or should come into contact.

Usability testing is usually performed with a small sample of respondents, which have to be part of the target customers of the product or service subjected to the test. These will be asked to perform typical product functions and to use it as they will in normal, daily activities, in a controlled environment, under the supervision of the test team, which will record everything they do during the testing, as well as everything they say. Not only will their test performance be analyzed, but their verbal assertions and body language will be subject to scrutiny after the test is completed. Data generated in this process are analyzed from both qualitative and quantitative perspectives and there are presented in a Usability Test Report,

together with all the data (test performance, verbal comments and body language) to decision makers, in order to get valuable information about product strengths and weaknesses. As a point of observation, qualitative data is very rich and complex and their analysis is usually a lengthy process, while quantitative data is usually more general in nature and is used only as an overview of the phenomena under scrutiny, as the samples used in usability testing are not representative for the consumer population of the product.

In general, in order to have a usable product, this has to be easy to use, its functionality easy to understand and easy to remember. In addition, it has to satisfy efficiently the need that it addresses, to allow for a quick update or correction anytime such an action is deemed necessary, to prevent proactively human errors and recover quickly from detrimental events, and to have an attractive design [12]. And, what is most important to keep in mind, is that users are those who determine all these product qualities that make up a usable product. Researchers alone, even experts in usability testing or a certain product's industry cannot establish, by themselves, whether a specific good is going to be perceived as usable or not.

In order to bring to market a usable product, usability testing has to be performed during its entire life cycle, starting with the design and implementation phases up to the last revision [8]. All the usability related attributes have to be considered at all times in a product's life cycle, and iterative designs and implementation phases are almost unavoidable, as they are needed to correct late usability problems identified in successive testing phases.

Usability testing is done using several different approaches, but all have a number of similar characteristics [15]:

- their scope is to increase the perceived usability for the intended users target of a certain product. This implies a significant improvement of product efficiency, starting with the design and development phases of product life cycle.
- the participants (sample) are selected from a targeted population segment. A typical test includes between 8 and 16 participants per sessions, but it has been argued that most significant data appears even with samples of five persons [19].
- the participants do real, common tasks and activities associated with the tested product. The activities tested must be the same activities expected by the real users of the tested product. This involves the fact that the testing must start with an exploratory research of the target segment in order to identify the uses of the tested product, the estimated frequency of those activities, their environment and trigger influences [18]. From this data test cases are derived, realistic and relevant for the tested product target population. These cases are translated into testing scenarios, which will guide participants (respondents) during tests. These must solve as many as possible utility problems, based on potential worrying issues of the producers and/or problems identified by the specialists in that domain.
- to observe, record, and analyze subjects' tasks performances. The whole activity of the subjects in the testing laboratory is recorded for subsequently comparisons and analyses. Analyses include both commentaries and the performances during the testing process. In some variants of usability testing, the participants are asked to verbalize their thoughts, including reasoning and observations during task performance.
- data resulted from the testing phase is analyzed using quantitative, psychological and behavioral techniques, in order to identify usability problems and, possibly, their potential solutions.
- the information resulted from usability tests is used to improve the qualities, the usability and the production process of the tested good. Thus, a utility test is considered closed only when the information resulted after its application is used in practice to improve the respective product or service.

Usability testing that by their very nature ensures high usability for all products they employ it, so both producers and customers will benefit greatly from their results [20]. Users gain satisfaction from products with a steep learning curve, which allows maximum ease of use. Producers and sellers gain by increased sales, brought on by improved customer satisfaction, on both products that have been subjected to usability testing and other company products, which will benefit from a better corporate image, increased customer awareness, scale economies in later life cycle stages, lower customer care costs, as well as a more focused and less extensive update process [17].

As a result, the customer are the first to notice the improvement of product usability and, in many cases, usability is a more significant factor in buying behavior than price, or even functionality [2]. Positive experiences with any kind of product or service are very important in customer loyalty, leading to significant increases in customer lifetime value, not only in regard to a certain product that benefited from usability testing input, but for all of those companies' products. The same stands true in reverse: negative usability experiences lead to loss of sales and a diminished company image, not only directly from those dissatisfied users, but from their friends and acquaintances as well, through word-of-mouth [3]. Longtime organizational success relies on customer loyalty and customer satisfaction and product usability is paramount for both.

Marketing research on the other hand, as the first function of marketing, is long established as a mandatory tool of competitive market success [1]. It aims at identifying threats and opportunities from outside the company, strength and weaknesses from within. The European Society for Opinion and Marketing Research (ESOMAR) defines marketing research a "a key element within the total field of marketing information, which links the consumer, customer and public to the marketer through information which is used to identify and define marketing opportunities and problems; to generate, refine and evaluate marketing actions. Marketing research specifies the information required to address these issues, design methods for collecting information, manages and implements the data collection process, analyses the results and communicates the findings and their implications" [7]. As it is easily observed from the usability testing description made in the previous pages, all these attributes can be easily attributed to usability testing, making it a textbook tool of marketing research.

In general, marketing research is employed to identify opportunities and problems and to generate and refine marketing actions, a distinction used to classify marketing research into problem identification research and problem-solving research.

Marketing research is usually separated in qualitative and quantitative. We argue that usability testing can be assimilated to qualitative marketing research, an assumption explicitly refuted by Jakob Nielsen, one of the leading figures of usability testing today [14]. Distinction between qualitative and quantitative analysis is usually based on the possibility of numerical analysis on data generated by marketing research [4]. The term qualitative research is loosely used to refer to research whose findings are not subject to quantification or quantitative analysis. More significant might be the fact that qualitative research is characterized by small samples, while quantitative research uses large, statistically significant samples of data. In essence, many managers are reluctant to base important strategy decisions on small-sample (qualitative) research, because it relies so greatly on the subjectivity and interpretation of the researcher [11].

Qualitative research encompasses a variety of methods that can be applied in a flexible manner, to enable participants to reflect upon and express their views or to observe their behaviour. It seeks to encapsulate the behaviour, experiences and feelings of participants (just like usability tests) in their own terms and context [10]. Qualitative research is based on a set of ideas and associated methods from the broad area of psychological sciences [5], used to gain access to individuals' subconscious and unconscious levels. So, while individuals may present a superficial explanation of events to themselves or others, these methods sought to dig deeper and penetrate the superficial. At the same time, qualitative research analysis aims to gain a holistic understanding of the world-view of individuals tested.

Qualitative research techniques are usually classified as direct, which assume that the purposes of the research process are disclosed to the participant or are obvious, given the nature of the interview, which consist mainly of focus groups and in-depth interviews, and indirect, where the purposes of the research are disguised from the participants, in order to obtain more "genuine" responses and reactions, which include observation, mystery shopper and ethnographic techniques.

The following table offers some of the main characteristics of usability testing, in the context of qualitative and quantitative marketing research attributes, as presented by Carmen Bălan in Cătoi et al (p.84) [4].

No.	Comparison criteria	Qualitative Marketing Research	Quantitative Marketing Research	Usability Testing
1	Research objective	Understanding of marketing phenomena, identification of motivation	Data quantification and extrapolation of data for the entire population surveyed.	Identify usability problems and how to eliminate them.
2	Sample size	Small	Large	Small
3	Amount of Information from each Respondent	Substantial	Varies	Substantial
4	Requirements for administration	Interviewer with special skills	Interviewer without special skills	No interviewer
5	Type of analysis	Subjective, interpretative	Statistical, numerical	Subjective, behavioral
6	Hardware	Audio & video recorders, pictures, discussion guides	Questionnaires, computers, printouts	Audio & video recorders, motion trackers, test cases
7	Degree of replicability	Low	High	Low
8	Researcher training	Psychology, sociology, social psychology, consumer behavior, marketing, marketing research	Statistics, decision models, decision support systems, computer programming, marketing, marketing research	Psychology, sociology, computer programming, decision support systems
9	Type of research	Exploratory	Descriptive or causal	Exploratory and causal
10	Data acquisition model	Unstructured	Structured	Unstructured

Table 1: Usability Testing characteristics in the context of Qualitative and Quantitative Marketing Research

As it can be observed from Table 1, third and last columns are almost identical, and we can conclude that a usability test matches most of the qualitative marketing research criteria. We must keep in mind that even some marketing research tools imply the lack of an interviewer, for instance surveys done using online or mailed questionnaires. In addition, some ethnical research techniques imply the use of test cases and scenarios, just like usability testing and the skills required from a researcher imply a mix of qualitative and quantitative analysis. And, what it is most important, the scope of marketing research is not limited to general information about phenomena [9], but goes into as much detail to uncover causes, predict patterns and discover solutions for all problems investigated.

At this point, qualitative researchers are count amongst their tools instruments such as in-depth interviews, focus groups, brainstorming sessions, mystery shopper, and customer observation. I believe it is time to pay serious attention to the newest arrival in this family – usability testing – a technique targeted to IT&C products, but which can be successfully employed in a large number of market research areas.

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THE TOURISM CAPITALIZATION OF TOWNS – AN APPROACH FROM THE MARKETING PERSPECTIVE

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The changes which took place on an international level at the end of the XX-th century determined the amplification of the economic, social, political challenges which gave to be managed by the municipality according to the interests of the local communities, taking into consideration that the competition between the towns has become more and more powerful. Presently, the urban marketing has become a remarkable feature for the local economic development strategy and it is used for many economic and social objectives, but also for the creation of some positive image for the community, attracting companies, institutions, tourists, labour force representing “a measure by which one can conquer some profitable markets after analysing the potential needs and making for these an adequate offer”.

Key words: urban, marketing, tourism

Introduction

Starting from the premises that, in a broad sense, the urban strategy focuses on setting some objectives for the development of the towns from the perspective of the systematization and planning of new human settlements, beyond reporting to the general objectives of the economic-social development, of using the management instruments and techniques in managing the activities, it is necessary an analysis from the marketing perspective which should be argued by the fact that the town can be seen as a product having a life cycle, being more or less attractive for inhabitants, investors economic operators, visitors, etc.

Urban marketing

The changes which took place on an international level at the end of the XX-th century determined the amplification of the economic, social, political challenges which gave to be managed by the municipality according to the interests of the local communities, taking into consideration that the competition between the towns has become more and more powerful. In this context, urban marketing presupposes choosing some adequate ways to project and organize the towns in order to satisfy the needs of the target groups which are interested in the urban development. So, urban marketing aims at all the elements of the town as a system: - The town as a character – the strategies have to contribute to the growth of the attraction by creating some aesthetical values; - The town as an environment – building the basic infrastructure which should be compatible with the environment; - The town as a services supplier - the development of the basic services according to the requirements of the users; - The towns as a place for entertainment and recreation – providing the with town cultural attractions both for the inhabitants and for the visitors.[2]

The town also has some resources which to be used as efficiently and rational as possible, and have to meet the requirements of the inhabitants. On the other hand, the urban functioning can also be provided through a well-managed marketing process which should include many action stages, and set some aims and strategies referring to the relations between the economic, social and institutional environment, the level of the markets and the relation between the supply and the demand.

Presently, the urban marketing has become a remarkable feature for the local economic development strategy and it is used for many economic and social objectives, but also for the creation of some positive image for the community, attracting companies, institutions, tourists, labour force representing “a measure

by which one can conquer some profitable markets after analysing the potential needs and making for these an adequate offer”[2]. Besides the profitability criteria, the welfare of the urban communities has to be the main priority for the urban policy, the economic development representing an increase of the incomes of the inhabitants, but also a direct or indirect collecting source of the fiscal resources which can improve the public services and the quality of life. [1]

In order for the markets which are rapidly changing to be competitive, the communities have to set the local development strategies from the marketing perspective, being an indispensable element in the frame of the urban strategy, contributing to this vision and this leads to attracting new national and international companies, consolidating the infrastructure, developing the tourism, diversifying and improving the services. The development vision of the town represents the evolution settled according to the requirements and needs of the citizens, and it influences all the actions of the municipality contributing to the formation and promotion of the identity of the town as an attraction factor, segmentation and differentiation segment which increases and stimulates the competitiveness of the town. Urban marketing mainly comprises the following activities: - planning the adequate combination of features and community services; -offering some attractive incentives for the current and potential buyers, but also for the users of the goods and services; -delivering the products and services in the town in an efficient and accessible way;- promoting the values and the images of the place so that the potential user could be aware of the different advantages that the place offers [2].

The development vision of the town represents the evolution settled according to the requirements and needs of the citizens, and it influences all the actions of the municipality contributing to the formation and promotion of the identity of the town as an attraction factor, segmentation and differentiation segment which increases and stimulates the competitiveness of the town. The long term solution presupposes the improvement of four essential marketing factors, which are to be found in any community: - The warranty for the basic services supply and for the maintenance of the infrastructure for the benefit of the citizens companies and visitors; - Creating new attraction elements which should lead to an improvement of the life quality, should justify the help from the state and the existing companies and which should draw new investments, companies or inhabitants; - Promoting improved features and living conditions through a strict image and communication program; - Obtaining the support from the citizens, leaders, and existing institutions in order to become an attractive place for the new companies, investments and visitors.

So these marketing factors can influence the chances of the towns to attract and satisfy the five potential target markets: the manufacturers of goods and services; company headquarters and regional premises; foreign investments and export markets; hotel and accommodation industry and new inhabitants.

Strategic planning in urban marketing

The strategic market planning starts from the premises that the future is very uncertain. “The challenge” to which the community has to respond is to create a functional system that can absorb the shocks and adapt very quickly to the new evolutions and possibilities (the evolution of the industrial cycles, the frequent changes which happen in the global economic, political and technologic context and the decline of the urban space).

The traditional tasks of the state have passed through a strong process of changes, the public managers being confronted with the growth of the budget deficits, the increase of the public expenses, the reduction of the financial support from the central budget. Because of these, the municipalities are forced to adopt and apply some instruments and techniques which are specific for the business environment; this transformation takes place by creating some special organizational structures and carrying out some specific processes. Using the urban marketing as a part of the urban development strategy becomes an indispensable condition for the strategic objectives.

The communities are forced to re-conceive the premises for the future, to find out more about the clients, if they want to be successful in attracting and retaining the economic operators and the inhabitants, in exporting the own products, promoting the tourism and the investments. Each town assumes to be competitor in a competitions where there are many rivals and to improve the competitive competencies. The communities have to respond to the change, rather than to oppose the change and adapt to the forces of the market and not ignore them. [4]

The strategy of the urban marketing is considered to be part of the urban public policies, having this position from the beginning of the preoccupations regarding the development of this specific field of

marketing. This strategy can be complete only in a strong correlation with the ante- and post-implementation activities, the defining elements of the urban environment and the other sector public policies. Setting the marketing strategy is a sequential process which takes place in five steps: auditing, setting the vision, formulating the strategy, setting the operative plan, implementation and control. [5]

Elaborating a marketing strategy presupposes that the town and the community have identified the local economic profile, and have made up a certain vision of development and have defined the strategic objectives; the public funds are also guided to support the development of the identified competitive advantages; that the public investments validate the directions of development which are presented as a strategy. All these can be found in a dynamic pack of urban goods and services, for competitive prices and which aim at certain markets and which are promoted in order to gain those markets.[3]

The marketing mix in the town development strategy

As it has already been shown, the approach of the problems referring to the urban development from the marketing perspective is actual and convenient making thus possible the closeness to the requirements of the beneficiaries (residents and visitors) at the same time with the allocation of the resources. Urban marketing can be understood as an instrument of the economic development for a certain geographical region, this presupposing the identification and the particularization of a coherent methods of specific operational instruments.

From the internal forces which influence the structure of the marketing mix, the following stand out: the technical and the financial resources of the municipality, the organization, the coordination and control of the marketing activity, the organizational structure of the planning and implementation groups, the methods and the public management quality. It is essential the capacity of the municipality, as an organizing and coordinating institution, to define the role of each actor and its way of action in order to guide them to attain their purpose. The municipality perceives the characteristics and the changes of its environment concentrating, with the help of the marketing policy, to adapt its decisions as much as possible to the exigencies of the market, in order to increase its competitiveness degree.

Product policy

In the case of the exchange relation from the urban marketing, their objective is not a simple product, so in this case we can only discuss about the global problems which can be on one hand the geographic space which includes the infrastructure, the activities, the socio-economical context and on the other hand other important factors and characteristics which are specific for the community (the services that they offer, the infrastructure for certain positions etc.). Starting from the well-know typology for the tourism products, one can talk about the town as a complex tourism product, including the attraction, facilities etc., and the town as a host for some tourism events (cultural or sports events, etc.). The product of the urban marketing is a complex pack of goods and services proposed and offered by municipality, which generally contains information about the public services, investment offers, tourism and cultural activities etc. Planning and creating the urban products/goods is accomplished according to the market researches which have been carried out, to the internal competence of the community without omitting to meet the exigencies and the requirements of the demand. The towns are forced to adopt a market perspective which would refer to the product and its customers and to generate their own resources by selling their services and to diminish the costs, but not the quality of the services. The product represents a combination of the characteristics of the community, products, services, natural environment and resources. The urban settlements can be considered products as long as they provide for labour force, land, basic infrastructure for the economic activity, offer houses, commercial services, and entertainment activities which contribute to the social environment for its inhabitants. In the public sector, the town is seen as a common good which has to be developed according to some public policies and to an efficient public management. The product in the urban marketing may also represent the benefit which the community perceives after using the entire public policies. The problem of the urban marketing product results on the other hand from the intervention of the political factor in determining the public policies. The product policy of the town has to take into account some segments, and the establishment of the policy is a hard process which presupposes the harmonization of all interests which can resemble, can be complementary or competitive. The creation of the product contributes to the adaptation of the perception of the public on the town, this stage being a part of the process to modify the image of the town. The urban product has to sustain the town in the inter-urban

competition which takes place at an international level, pointing out the uniqueness of the local community.

Price policy

The price strategy is the municipality preoccupation to provide a certain position in relation with the other towns and to correlate it with the help of an adequate report with the costs that it generates. Among the elements of the mix, the price variable is marked by an extremely complex character determined by its specific way in which the supply and demand relation is reflected, by the relation with the urban product and the urban economic development strategies, the promotional role, and the effects on the other variables of the mix, its perception towards the market segments, etc. Generally speaking, the price refers to the value of the land used for building houses or to the costs which appear after finding new economic activities. The level of the price can be settled for all the types of goods and services offered by the town to its current or potential markets: accommodation, transport, cultural, educational, sports, entertainment activities, etc. The following factors exert a strong influence on the price policy: - the administrative decentralization and the relocation of the responsibilities from a central level (the municipalities experienced an increase in attributions, but did not benefit at the same time from the financial support from the central level); - the diminution of the financial transfers from a central level to a local level; - the national and international unstable economic climate; - the growth of the social problems (unemployment, criminality, mortality) which determines the costs growth and the allocation of the financial resources to the prejudice of the investments; - the imbalanced development of some areas from the urban region e.g.: the resources can be oriented to the outskirts in order to prevent or diminish the negative effects of the social problems; because of the existing imbalances one cannot create an equitable system of distribution of the costs for the urban product); - the economic and demographic structure of the town; the stage from the life cycle of the urban product; - the costs for the expansion for the urban region; the costs for the regeneration of the urban product. The price policy is almost dependent on the product policy. In the urban marketing the main problem is represented through the costs which are supported by the municipality/community (social, economic, ecological) in order to support a small price for the urban product or even its free delivery. Under these circumstances, setting an efficient price policy assures both the attraction of the community but also the balanced development of the global urban product (the avoidance of some differences generated by the financial support for some elements of the global product to the prejudice of other products).

Distribution policy

Distribution in urban marketing presupposes the development of some integrated marketing strategies which aim at all the markets from the local communities. These markets can be personalized as it follows: tourists (rest, business travels, participation in conventions, other purposes); the current and the potential inhabitants of the town; trade and industry (new businesses, industrial branches, business people which should offer new jobs and investments in the community); the export markets (target markets where the products will be traded, the service of the town). Starting from the conventional distribution system, the distribution channels from the urban marketing can be organized according to different types of complex distribution systems (marketing systems): - the vertical marketing system, which contains the municipality and one or more economic agents and one or more public institutions which act as a unitary body; - the horizontal marketing system which presupposes that two or more enterprises, public institutions from different branches of activity to reunite the material, financial and human resources (under the municipality control) in order to capitalize a market opportunity or to cover a market segment.

Most of the times, the distribution activity from the urban marketing presupposes some public-private partnerships between municipality and different specialized organizations from the marketing field or the economic development. Another important aspect of the distribution in the urban marketing is to create the necessary facilities in order to grow the degree of accessibility to and from the urban regions. From this point of view, distribution represents the reunion of all means of transport, communication, infrastructure which provide for the access to the urban facilities: transport (by air, ship or road) telecommunications (telephone, internet, television, postal services), the corresponding infrastructure, a network of agencies/institutions which should mediate the relation between municipality and the target segments.

Promotion policy

Generally speaking the visual elements of the town have to reflect the image which the town wishes to communicate. These elements have an essential role because they provide for the necessary circumstances for the relation between municipality and the “consumers” of urban products/services, and the constructions also contribute to the image, through their aspect. But the physical elements are not enough to form a brand. Concentrating the attention on the physical elements is easily to accomplish because the towns have focused their attention on the buildings, architecture and urban landscape. In spite of this, neither the image nor the attraction elements can compensate for certain deficiencies. The specialists in urban planning are interested in the urban design - the architecture of the buildings, the open spaces and the degree of use of the field, the streets and the circulation, the degree of cleanliness and the quality of the environment – as defining elements for the urban global product. Among the elements which contribute to the image of the city, there are: -

- *Events, festivals* – represent the most active and widely used elements for the image of a city. These elements contribute to the improvement of the perception of the image of the city, if this is, in its turn, is sustained by the distinctive features of the urban community (the architecture of the town, the functional delimitation, personalities from the cultural, scientific and sports life, symbols of the city, recreation and entertainment activities, etc.).
- *The policies of the municipality* – the way of setting and implementing these policies has a profound impact on the relation between municipality-community and the external environment. It is essential to have a good relation with the central government, the local community, the local, national and international institutions, the business community, mass-media and the other towns, in order to maintain a good image of the city.
- *Investments, living standard* – a clear and strict brand strategy will help the municipality to draw foreign investments, high qualifies personnel, financing for public projects etc. It is certain the fact that the placement of the private companies is determined by a series of factors, of which we mention: the quality of the living standard, the image of the local business community, the opportunities to diversify and develop the business, the education, the urban infrastructure, the quality of the environment.
- *Culture, historical vestiges* – the urban elements which carry the print of the historical evolution (monuments, public spaces, museums, statues) are attractive elements for tourists, investors, institutions, world-wide known personalities etc. They also can have a significant influence on the perception of the consumers of urban goods/services.

As a conclusion for the presented facts, one can assert that the tourism function of the urban settlements lies in two major components: the *urban management*, which refers to the activity of the public administration regarding the provision of the quality of life under the circumstances of accomplishing a urban, sustainable development and the *urban marketing* which includes the settlement and the development of the relations from the social, economic and institutional environment with the balance of the relation between the supply and the demand. So, the adoption of the marketing policies contributes to the growth of the quality of life in the urban centres with the help of some actions related to the preservation of the natural environment, the development of the entertainment areas, the reconstruction of some damaged sites and their reassignment for the use of the community, the rehabilitation of the historical centres, of the museums and the archaeological sites, the introduction of the museums and local sights in national and international tours, the development of the goods market and of the central trade areas, the increase of the cultural attraction and of the special events, and the promotion of the participation in economic and cultural exchanges on the international market.

The attractiveness of a tourist city is determined not only by the tourism heritage values or by the specific facilities, but also by a series of factors related to the growth of the quality of life, the vision towards the development of the city which contributes to the establishment of a favourable image abroad and is one of those factors which determine the economic and social success and also leads to the growth of the competitiveness. At the same time, the attractiveness of a tourist destination is connected both to the quality of the natural resources and of the services, but also to the aesthetic environment, the latter being understood as the personalization of the sights by the means of architecture and landscape art. If we refer to these aspects, one can say that the development of a coherent and uniform strategy for the urban tourism design which has as an objective the harmonious integration of the tourism in the assembly of the urban

functions constitutes a fundamental objective for the urban development strategy. Under these circumstances, the tourist urbanism, as a part of the general urban planning program for the territory and the towns, has to respond to the necessity of working out some adequate solutions of planning and organizing the town, thus creating the proper frame for the development of the tourism and its progress as a growth factor for the competitiveness of the towns.

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THE IMPACT ANALYSIS REGARDING THE MARKETING ADVERTISING OVER THE GROUP DACIA

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Abstract. Specialists consider that we live in a brand background. An invasion of consumers' minds occurred, to the most personal and intimate place in their minds. As a reaction to this aggressive form of advertising and mind invasion, people started to have a negative attitude towards commercials. People who work in advertising must be aware of this danger and have to be careful in the advertising campaigns not to bore, not to pollute, not to over inform. I present in this paper a new perspective of advertising, analyzing the effect of tradition, creativity and innovation in advertising. To support all these ideas I present a case study on the advertising campaign of Dacia, showing also the effects of these campaigns over the sales of Dacia.

Key words: advertising, creativity, innovation, tradition, impact analysis

Advertising – general characteristics

Nowadays specialists consider that we live in a brand background. They also say that a study has been done and according to its results a third from the world's revenues is in people's minds as brands. [Newman M.: Salturi Creative. 10 lecții de advertising efficient inspirate de Saatchi & Saatchi, p. 31] An invasion of consumers' minds occurred, to the most personal and intimate place in their minds. The consumer is daily assaulted by an enormous amount of commercials: from 1600 even to 3000 commercials.....this happens in the conditions in which the percentage of memorizing is very low, only about 1%. In figures this means only three or four messages a day, the rest being elapsed. The same specialists support the fact that printed information is doubled every four years, according to estimations, it will double every two years. [Newman M.: Salturi Creative. 10 lecții de advertising efficient inspirate de Saatchi & Saatchi, p.33] As a reaction to this aggressive form of advertising and mind invasion, people started to have a negative attitude towards commercials and brand promotion. From this point to consider advertising a form of contamination, despising commercials is a step away, very easy to complete. People who work in advertising must be aware of this danger, of the attitude consumers started to have towards commercials and have to be very careful in their promotion campaigns not to bore, not to pollute, not to over inform. Only being aware of this situation one can realize a quality advertisement, which is not a threat to the public's comfort and tranquility. Also, quality advertisement can spare huge amounts of money. Only those who are aware of this situation and start working by considering new approaches will succeed in creating efficient, quality advertisement.

Creativity, innovation and new things in advertising. Tradition and creativity in advertising.

In these conditions, creativity, innovation and new things become basic characteristics of advertising, without them a certain product cannot be promoted. Only by an original idea, a new and innovating concept, an advertising campaign can reach its goal. A successful formula combines tradition with creativity. [Bălănescu O.: Tradiție și inovație în publicitate, in Comunicare și Cultură: Aplicații interdisciplinare, coordonator Rogojinaru A. p. 50,] Tradition on one hand transmits a feeling of trust regarding the organization or the product advertised; tradition suggests longevity, reliability, stability, experience, characteristics that must exist in any commercial. Creativity completes the traditional element, offering novelty, innovation that the product needs in order to have access to the audience. Curiosity must be used, speculated to get the audience's attention as it is always interested in novelty.[Bălănescu O.: Tradiție și inovație în publicitate, in Comunicare și Cultură: Aplicații interdisciplinare, coordonator Rogojinaru A, p. 55]

Therefore, tradition assures continuity, safety and quality in time, as innovation and creativity maintain the product in trend, compatible with the modern society, constantly changing and searching for novelty.

Creativity and innovation bring tradition in present time, correlating the past with the present but also with the future. The best example of combining tradition with novelty, creativity and innovation is given by Dacia.

Dacia - general presentation

Dacia represents a 100% Romanian brand; [BusinessWeek, nr.29, p. 32] it is the Romanian traditional car. It sums up 40 years of history and tradition. Since it was founded, in the year 1966, Dacia has registered numerous and various transformations. The biggest change that drew to a lasting innovation of the entire range of products was in the year 1999, when Dacia becomes a Renault branch. Starting with 2004 Dacia proposes a range of new vehicles, with an unbeatable quality/ price ratio. Due to this original offer, the commercial success was beyond the initial expectation, and the sales are in a continuous growth: between the years 2003 and 2007, the sales tripled; in 2007, the sales of the aforementioned brand grew an additional 17% compared to the year 2006. Conceived to answer in the best way possible to customers' needs, on the new growing markets of the Renault group, Logan has already seduced a large part of the international market. In two years since it was launched, the new model of Dacia, Logan, has become known on four continents: Europe, America, Asia and Africa being commercialized in over forty countries. The success registered until now has determined a new growth of the production capacities. Produced at the moment in Romania, Russia, Columbia and Morocco, Logan shall be produced very soon in Iran, and starting with 2007, in India and Brazil. In Iran, Logan shall be assembled by two local constructors, Saipa and Iran Khodro. In India the agreement signed this year with Mahindra & Mahindra was aimed at elaborating a new version of Logan with the steering wheel on the right side. At the same time the plants in Mioveni and Moscow shall enhance the production capacities: the plant in Mioveni shall reach 350.000 units produced annually, compared with 200.000 at this moment, and the plant in Moscow shall reach 80.000 units per year compared to 60.000 at the moment.

The Dacia brand continues the strategy founded on an original business model "at a low price": all the decisions regarding the concept/ engineering, the production and commercialization have as a starting point, the value for the client. This way, all the costs are reduced if the following principle is respected: the client receives from his vehicle everything that he was looking for, but at a reasonable/ acceptable price. With a wide range, of affordable vehicles, modern, reliable and robust, Dacia presents itself as a generous and ingenious brand. Generous, because each of its products offers a record interior space at an affordable price. Ingenious, because with a rage of attractive vehicles at low price, Dacia has always known to anticipate the needs of practical customers. Dacia is a brand of the present or a brand that gets ahead of its competitors and turns into profit the opportunities offered by the market.

Starting with 2008, Dacia shall propose a range of five vehicles, Dacia Logan, Dacia Logan MCV, and two utilitarian vehicles Dacia Logan Van and Dacia Logan Pick-Up and the new Dacia Sandero. The positive responses for Sandero with the foreign specialized press, immediately after launching it at Genève were quick. On every market where it shall be available, Sandero shall be positions, in terms of price, in the segment of the small class, with an interior space situates nevertheless in the superior category of the compact sedan.

Among the competitors of Sandero is also Renault - Clio 3, with a price that varies between EUR 8.800 and 11.500, Skoda Fabia (EUR 8.000 to 13.500, Volkswagen Polo (EUR 8.500 - 16.000) or Peugeot 207 (EUR 10.500 - 12.500). In Germany, Dacia Sandero shall cost EUR 7.200, and in France a price of approximately EUR 8.000 is expected. Dacia officials have not yet made public the price on the Romanian market, but mentioned that it shall be comparable with the price of the Logan.

The advertising campaign of Dacia.

In time, Dacia has had several advertising campaigns, which proved to be successful. In general, the advertising campaigns for Dacia are a combination of tradition and novelty, creativity and innovation. The tradition stands up for the quality, in time, of Dacia and the innovation brings tradition and history into the present. As a result, we have a successful advertising campaign over the years.

By advertising campaigns the brand image is presented to the audience and also, the products - Dacia Solenza, Dacia Logan, and services - Dacia assistance and original pieces. Since 2002 Dacia have won some important prizes for some of its advertising campaigns in the press, outdoor, TV, and radio. These

prizes were obtained as the consequence of a fruitful collaboration with Graffiti BBDO Agency. Here are some examples of rewarded advertising campaigns:



Best Print

2002- AD'OR prize for the best print in auto vehicle category. As we can see, the print presents the elements that remained unchanged over the years, even though the aspect of the car (the image) suffered numerous changes in time, the three pedals – the same old car.



Refrigerator - Best Poster

2003 rewarded Dacia with an AD'OR prize for the best poster –Refrigerator- collateral category. Another successful ingredient: the combination between the old and the classical refrigerator and the idea of cold: the air conditioner; a combination between tradition, represented by the old refrigerator, and novelty, the air conditioner.



Iron Teeth – Best Print

2003 brought also international consecration by Dacia campaign Iron Teeth, winning the grand prize at print category, in Golden Beach Albena in Bulgaria. Innovation was the central idea for this campaign.



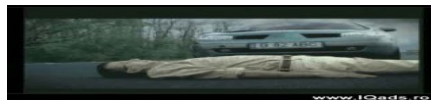
Try it and we'll see – Gold in the non-alimentary consume goods

2004 brought a new EFFIE prize: gold in the non-alimentary consume goods category for Dacia Solenza campaign- Try it and we'll see



The hitchhiker – Nominalization

2005 brought nominalization to best TV spot in auto vehicles category, the hitchhiker spot, Dacia assistance.



The hitchhiker - silver prize at diverse category

2005 Dacia won silver prize EFFIE at diverse category for Dacia Assistance campaign- for off brands. This campaign was really a simple one, which used humor as the main ingredient. As a result, the tv spots were original and transmitted a simple but clear message: whenever you need, Dacia Assistance is there for you...still, it will be much better if you don't need it!



Dacia Logan changes your life campaign – silver at durables category

2006 was a very successful year, the campaigns obtained two important prizes. Silver in EFFIE prizes for durables category, Dacia Logan changes your life campaign, the highest distinction awarded ever.



Logan ABS – Best Print

2006 also brought an AD'OR prize for the best print at auto vehicle category, Logan ABS.



Dacia Logan MCV – bronze for durables category

2007 brought the most recent prize for Dacia: bronze in EFFIE prizes for durables category, Dacia Logan MCV.

It is very important to mention that for four years Dacia managed to constantly obtain prizes for its campaigns, as a result of a successful combination of creativity and tradition. For all the EFFIE editions, until now, Graffiti BBDO and Dacia were rewarded for their campaigns. In 2004 gold for Dacia Solenza campaign, 2005 silver for Dacia Assistance, 2006 silver for Logan Diesel changes your life and in 2007 bronze for Logan MCV. EFFIE prizes mark the acknowledgement of marketing and communication efforts Dacia puts as a background of its image and performance and also the consequence of Graffiti BBDO Agency in building a constant platform for communication and strategy recognizing the new image, modern and successful of the producer.

The impact analysis regarding the advertising campaigns of Dacia

On the Romanian market, in time the sales have registered a spectacular growth, as a result of the well organized marketing campaigns: In the year 2004 was registered a sale of 22.833 units of Dacia Logan. With the success of Logan, Dacia accomplished a growth of sales of 38, 6% and consolidated its position as leader in Romania and also got a strong recognition on an international scale. In the year 2004 a total of 95.296 units of the brand Dacia were sold, a growth of 38, 6% compared to the year 2003, of which 80.013 units were sold in Romania. Dacia has reached as such a market quota of 46, 5%. In 2004, Dacia exported 15.283 vehicles, registering a growth of over 26, 2%. This success, in Romania as well as over the borders, is the result of an offer influenced by the successful launching of the Logan model and of the extremely good sales of the Solenza model. The growth release is based upon the commercial red that was totally reconstructed and that today is one of the most modern in Europe. (In the year 2007 in Romania, Dacia has over a hundred sale points, of which 17 were opened in 2007). A very important contribution was the complete product offer, from the Dacia Original Spare Parts to the maintenance and repair services, without forgiving the offers for finance. These results offered very good perspectives for the year 2005, aspect subsequently proven. The success of the Logan model gave the chance to the constructor Dacia to realise in 2005 one of the largest sales of the history of the brand. Dacia consolidated as a consequence its top position in Romania and received a powerful affirmation on four continents: Europe, America, Asia, Africa and over fourteen countries.

In 2005, Dacia exceeded all the sales plans so far, on the Romanian market, as well as on the international one. As a grand total, Dacia has delivered 163.899 vehicles of which:

- 113.276 units sold in Romania, Dacia reaching a market quota of 45%
- 50.623 vehicles exported, registering a growth of 210% compared to 2004. This result indicates a growth of over 70% compared to the 96.296 units sold in 2004.

In the year 2006, Dacia registered sales of 190.371 units, and in the year 2007 Dacia sold 230 164 vehicles, approximately 17% more than in 2006, of which 128.365 being exported, as presented on the table below:

Model	Logan berlina	Logan MCV	Logan Van	Total
Romania	76.785	18.164	6.850	101.799
International	64.801	63.078	486	128.365
Total	141.586	81.242	7.336	230.164

The number of sales for the year 2007

So, the sales of Dacia maintain a rising tendency, translated into a growth of 17% in 2007. In Romania, Dacia keeps the leader position with 101.799 vehicles sold in 2007. In the same year, two limited series of Logan enjoyed a large success: Logan ABS +, that proposes additional security equipments) and that represented between 20 to 25% of the sales of Dacia in the period lasting from April to December 2007) and the limited series Logan Kiss FM, with radio CD MP3, series dedicated to a younger public (and that represented, since the series was launched, in April, 2007, 16% of the Dacia sales).

In Western Europe the growth is even more important, of 67, 9%, due to the success registered by the model Dacia Logan MCV. In 2007, Dacia has registered a growth in sales in the Western Europe. The sales have grown with 73, 9% in France (32.684) and with 174, 8% in Germany (17.517), especially as consequence of the success of the model Logan MCV on the aforementioned markets. In Morocco, Dacia holds a second position immediately after Renault, with a market quota of 12, 4%, but on the Moroccan market Dacia Logan is the best sold model. Dacia continues to develop also in Ukraine, where the sales have reached in 2007 a level of 9.350 units, representing a growth of 58% as compared to the year 2006. Based upon the sales registered by Dacia in the year 2007 we can realise a classification:

Position	Country	Sold units (Logan)
1	Romania	101.799
2	France	32.684
3	Germany	17.517
4	Maroc	12.638
5	Ukraine	9.350
6	Algeria	9.090
7	Turkey	8.951
8	Spain	7.748
9	Italy	4.971
10	Bulgaria	3.014

Top of Dacia's sales in the year 2007

The year 2007 was an important year also due to the fact that the magazine "L'Automobile Magazine", February edition 2007, that placed the Logan model on the first place regarding quality and performance, "compact" class. The official guide "Quality/ Performance 2007" published by the French magazine, analyses over 120 models and over 31 different brands.

Regarding the sale points/ dealers, the brand Dacia beneficiates from a commercial network with a very good coverage in all the countries where it is present. In Romania, Dacia has over 100 sale points, of which 17 were opened only in 2007. On the other markets, the brand Dacia is supported by Renault, very compact network and that is working at a professional level. In Western Europe, the number of dealers that sell Dacia is larger than 1100. In France, two dealers have decided, in 2007, to create separate sale points for Dacia.

At the present time, Dacia is available on over fifty-one markets, from Europe to Africa, through Maghreb and Turkey. In March, the brand Dacia shall make its entrance in Portugal and in Scandinavia (Sweden, Netherlands, and Finland) until the end of 2008.

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MARKET ORIENTATION: AN INTERDISCIPLINARY AND COMPLEX CONCEPT

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From '90s many researchers was interested in a new concept: market orientation. First academics, which studied this concept was Kohli and Jaworski (1990), Narver and Slater (1990). Beginning whit their theories, many others academics and practitioners show a growing interest for this concept and for how the implementation of this concept can improve the performance. Marketing literature contains many definitions of the concept some of them being divergent concerning whit what is market orientation and how could be implemented in the organization. This proves the complexity of the market orientation concept. Beginning from the most important researches from the field, through this article, we propose to emphasis the most important element that show the interdisciplinary and complexity of the concept.

Key wards: market orientation, marketing concept, interdisciplinary approach

Marketing and management researchers pointed out, beginning whit '90s, the benefits of implementation of a new business philosophy – market orientation. The concept was the topic for many researches from different economic fields, like as: marketing (Nerver and Slater, 1990), strategic management (Piercy, 1997), marketing management (Dozle and Wong, 1998), human resources strategic management (Atuahene- Gima, 1996), organizational culture (Harris and Ogbonna, 1999) and public sector (Stokes, 2002).

Even if, the concept has an interdisciplinary approach, all academics and managers started from the same point – market orientation is a business philosophy, which connects all the functional areas of the organization to environment in which operates and ensures long-term profitability.

Market orientation was defined in many ways, thus:

- 1.” We use market orientation for emphasize the implementation of marketing concept whitin the organization” (Kholi and Jaworski, 1990).
2. “Market orientation is a business philosophy which finally ensures superior value creation for the customer” (Narver and Slater,1990).
3. „We can say that a firm is market orientated when firm’s culture is governed by values which systematic ensure superior value creation for customer. Practically, this mean gathering the information about customers and competitors and using this information for building superior value for the customers” (S.Slater, 1994).
4. Market orientation is a source of building competitive advantage. If in the past it was considered that competitive advantage is the result of a higher power on the market, economy of scale or the diversity of products range, today it is considered that building and delivering superior value is the key of obtaining competitive advantage. Slater, through his researches, demonstrated that firms which have market orientate culture better manage to build and deliver superior value to the customers.
5. The newest approach of the concept refers to the market orientation from value chain point (Baker, 1999, Grunert, 2002, Simpson, 2001). Market orientation degree of one member from the chain could affect market orientation degree of the others members of the chain. The competitiveness of the entire chain in serving the customers depends on implication of all chain’s members in gathering the information about consumers needs and uses this information for building superior value.

6. In 1996, Tuominen and Moller, pointed out the necessity of an interdisciplinary approach to emphasize the complexity of the concept. They consider that there are many directions in approaching the market orientation, thus: market orientation as a business philosophy, market orientation as inter-functional coordination, market orientation as gathering the information about consumers and competitors and dissemination of the information to all functional areas, market orientation as source of organizational learning.

8. Quintana and Beeril (2001) and Hernandez (2002) emphasised that there are five directions in approaching the concept, thus: as business philosophy, as management process concerning whit the market information, as inter-functional coordination referring to dissemination of market information to all departments from the organization, as an organizational learning source and as a competitive strategy.

9. An extensive definition of the concept was developed by Lado (1998) who considers market orientation as a „competitive strategy that involves all functional areas and levels of the organization and embraces the different market participants”.

10. Because market orientation concept has been defined as an orientation of whole organization to meet consumers’ needs it could be considered as an antecedent of the paradigm of relational marketing. This is sustained by the definition of relational marketing developed by Reinares and Ponzoa (2004) who consider relational marketing as „different actions and initiatives developed by a business towards different agents (consumers, clients, distribution, shareholders, employees or others), or toward a determined group or segment of it, focused on obtaining their satisfaction by offering products and services adjusted to their needs and expectation, including the creation of stable relational channels, created for exchanging communication and value added.....”

11. Reinares Lara and Gutierrez de Mesa created a complex approach framework to analyse the concept, thus:

Different approaches	Characteristics
Market orientation as business philosophy	Market orientation is a business philosophy, which generate behaviours and actions. At the same time, this philosophy is a set of abilities and practices which transform this philosophy into strategies and effective behaviours within the organization
Market orientation from marketing point	This orientation refers to gathering of information about needs and desires of the consumers and about the evolution of the others factors of the environment. The information will be disseminated to all departments within the organization. Adaptation of all functional areas from the organization for meeting the consumer needs and for obtaining consumers loyalty.
Inter-functional coordination of information	Market orientation has five dimensions from this point of view: Customer orientation Competitors orientation Inter-functional coordination Long-term orientation Emphasising the benefits
Managerial approach	The managerial approach points out five dimensions: Organization that contemplates the definition of the structure and its processes The information system, which refers to gathering

	<p>the information, the dissemination of information in the organization and storage of the information.</p> <p>Planning of the environment and its alternatives</p> <p>Control of the external and internal elements and the analysis and control of the deviations among the results obtained and planned.</p> <p>Human resources management by objectives.</p>
Resources and capacities approach	<p>Market orientation improves some higher capacities to understand and satisfy clients, thus:</p> <p>Creation of superior value for customers</p> <p>Gathering information and its dissemination among the assembly of agents related to the business: clients, competitors, suppliers</p> <p>Give priority to response to change in the consumer needs and in the activities of competitors, taking advantage of opportunities and avoiding threats</p>

The relationship between market orientation and marketing concept

Because our purpose is to emphasise the complexity of the concept, we will try to explain the relationship between market orientation and marketing concept.

All approaches of market orientation presented in this article show that some researchers consider market orientation the result of implementation of marketing concept within the organization. So, from this point of view market orientation is a popular term used by marketing practitioners as an indicator of the extent to which a firm implements marketing concept. „A market oriented firm is presumed to have a superior market-sense and consumer-linking capabilities, and these capabilities are presumed to assure them higher profits in comparison with firms that are less market-oriented”(Pedro Reinares Lara and Emma Gutierrez de Mesa Vasquez, 2004).

Marketing concept, considered the basement of modern marketing, show that a firm obtains long-term profitability if identifies consumers needs and satisfies them better then competitors. The advocates of marketing concept argued concerning what the purpose of market concept – to obtain a satisfied consumer.

In the last decades, consider R. A. Heiens, marketing concept was just a controversial topic then a practice for managers. Beginning from the theory of marketing concept, researchers developed the theory of market orientation. As Kohli and Jawroski (1990) demonstrated, marketing concept is a business philosophy, while market orientation refers to implementation to this concept within the organization.

An important part of market orientation literature is dedicated to study the degree of implementation of marketing concept. According what marketing concept the most important element of market orientation is customer orientation. Even if, academics emphasis the importance of consumer orientation, in firms practice managers tend to focus their attention on competitors, so they are competitors oriented. This divergent focusing between academics and managers shows the lack of consensus concerning what what are the components of market orientation and the importance degree of each component.

On the other hand, some researchers consider that market orientation concept is broader then consumer orientation and includes some external factors which play an important part in shaping the consumers needs, for instance, the competitors or the government regulations. Conforming what this opinions, market orientation implies whole organization while marketing concept refers mostly to marketing activities and to marketing department.

From this analyze we can figure that market orientation is a complex concept which can be successful implement within the organization only if the organization operate compliance marketing concept. Also,

we can figure that an organization which operates compliance whit marketing concept is not necessary market oriented.

“In reality, no firms are 100% market orientated. Indeed, the theories on market orientation are idealistic and even then not without flaws (K. Gotthelf, 2005). We are not necessary agree whit the affirmation that market orientation theory is idealistic because many researches demonstrate the importance of market orientation for the long-term profitability and success, but we are agree that the analyzing of this concept don’t have to be “or-or” type. This mean that the firms aren’t only to types: market oriented and others. We consider that firms have different degrees of implementation of market orientation concept.

R. A. Heiens (2005) from University of Sought Carolina Aiken, developed a market orientation typology matrix to emphasis that firms can decide to focus primarily on either competitors or consumers. The proposed matrix includes four different approaches (degrees) to market orientation: customer focussed, marketing warriors, strategically integrated and strategically inept.

Firms which put the consumer first are considered “consumer preoccupied”. As we said, marketing concept promotes putting the interests of consumers first and because of this, consumer orientation is considered the most important element of market orientation. Firms which are consumer focus are interested in long-term business success and are not focus on short-term profits.

As we said, if academics consider consumer orientation the most important element of market orientation, managers are usually competitors oriented. Firms that focus on competitors in their markets analyses are considered “marketing warriors”. First, these “warriors” identify the target rivals, second they identify their own strengths and weaknesses and finally decide if will keep pace or will stay ahead of the rest of the field.

Heiens uses “strategically integrated” term for firms which are focus to the collection, dissemination, and use of both customer and competitor intelligence. In many researches is suggested that the key of success is a balance between the two perspectives, “and firms should seek to remain sufficiently flexible to shift resources between consumer and competitor emphasis as market condition change in short run”

“Strategically inept” is used for firms which fail to orient their strategic decision making to the market environment.

Even if this matrix clarifies that market orientation has different degrees, it is limited because takes to account only two element of market orientation – consumer and competitor orientation.

Conclusions:

Finally, we can figure that market orientation is a complex and interdisciplinary concept.

This concept has different approaches, thus:

1. as business philosophy,
2. as organizational culture,
3. as an organizational behaviour,
4. as a set of effective activities which implies – gathering market information, dissemination to this information to all functional areas within the organization and developing actions using market information;
5. as a practice which focuses activities within organization in three directions: consumers orientation, competitors orientation and inter-departmental coordination,
6. as a business practice which generates long-term profitability and success on the market;
7. as a process of implementation of marketing concept within the organization.

The implementation of this concept within the organization is a long and complex process which refers to all functional areas and all employees, and implies organizational culture change. Through this process the organization is connected to markets in which it operates and become more flexible developing the capacity of adaptation of the environmental changes.

Managers from market-orientated firms have long-term vision about business and are managing through inter-departmental teams. They have to establish a hierarchy of values within the organization, and place the consumer in the top of the hierarchy. They have to motivate the employees to determine them to put consumer first and to organize activities within the organization whit the purpose to explain to employees the importance of customer.

The implementation of market orientation takes time because organizational culture change is a long-term process and the implementation's success depends on the support of entire organization (all departments and all employees).

Market orientation is a concept which can be implemented by any type of firm – no matter the size or the industry in which organization operates.

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OPTIMIZATION AND DEVELOPMENT OF RESOURCES ALLOCATED IN MARKETING

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A certain level of results can be obtained by means of several various combinations of resources. Each of these combinations will achieve a certain level of efficiency. Thus, variable resource ratios can be combined to create several efficient projects with the aim to solve the marketing issues by achieving the objective established. This is a fundamental concept for the system analysis as it offers the motivation for the search of several alternative projects even after a potential solution has been identified.

Advantages, resources, costs, income

For an active company, the offensive strategic alternatives elaborated, based on the marketing opportunities analysis, always define market penetration with existing or new products. Under these circumstances, the matters related to the optimum substantiation of development decisions are for the first time approached by the anticipated marketing.

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The choice of the final solution depends on the comparative advantages related to the use of resources and to their comparative cost, not to the intrinsic efficiency of an alternative.

A practical method for the optimization of development decisions is the **cost-advantage method**. In case of two resources, the most simple optimization model for the allocation of resources is given by the cost-advantage comparison method. The model can be further expanded by means of cost aggregation, in accordance with the various *marketing mixtures* analyzed. The cost-advantage comparison method is an analysis where both costs and advantages of certain action alternatives are determined in view to choose the right variant.

Advantages are defined as consequences associated to a result and they are expressed either in kind or in cash, or as psychological or sociological values, or as values of other elements with no quantitative character. The costs reflect the resources spent in cash for obtaining a certain result. The actions are considered as various combinations of resources used by decision-takers for certain purposes. The resources consist of labour personnel, materials, equipment and machines with various degrees of automation. In consequence, an action represents a decision variant for the use of resources in accordance with a certain allocation or modification of the existing resources, as for instance the equipment or the additional personnel.

Advantages can be measured even if they do not have a quantitative character. *The analysis can be done in three different ways:*

1. the advantage is considered as constant while the cost necessary to obtain the advantage is minimized;
2. the cost is kept constant while the achievable advantage is maximized;
3. the cost minimization and the advantage maximization are simultaneous.

Model of constant advantages

The relations cost-advantage can be analyzed through the constant production indifference curve and through the constant cost indifference curve. As in any cost-advantage analysis, a series of sub-models can be also used. The next example illustrates a general model and an approach method which uses sub-models.

A food-processing company can use various combinations of labour personnel and machines to produce, for instance, a new sort of *chocolate, packed in special boxes*, in accordance with the market requirements. In case the advantage is measured in terms of the quantity of goods manufactured and sold and the two resources are substitutable, numerous actions can be envisaged between (1) exclusive use of manual-mechanized labour and (2) flexible, almost complete automation, involving an extremely reduced labour capacity. Between these two limits, the two resources - man and machine, interact and influence each other in terms of efficiency. Each of these combinations can be represented as a point in Fig. 1. The point on the right side of the figure represents the action related to the use of 560 working hours/person and of 11 machines, the general advantage being given by the 400 units of the newly manufactured and sold products. If the number of machines is kept constant to 11 and the labour force is less used, namely 360, 220 or 70 working hours/person, the number of manufactured and sold products will be smaller, namely 320, 260 and 228 units. If both the number of machines and the size of labour force are different, for a given level of unity number, the use of labour force is larger when the number of machines is smaller and vice versa. Due to this substitution, a given level of unity number (advantages) can be obtained by means of various combinations of resources, workers and machines. Forecasting the levels of advantages to result from the various resource combinations can be done by means of the advantage model and the indifference curves.

The equal advantage curves which are in fact indifference curves describe the constant levels of the production sold (fig. 2). For instance, all the points on the upper curve in Fig. 2 constantly express the same number of 400 units. Fig. 2 also shows that the 400 units (also represented in Fig.1) can be achieved under various man/machine combinations. The curve that links all the points for which the advantage level is of 400 units is the indifference curve of the advantage equally expressed through the realization of 400 units.

The indifference curves describe sale levels much higher as they move away from the axe origin. Within each curve, the level of the results obtained is the same, irrespective of the structure of the efforts that generate them. However, the curves have higher general levels as they move right wise and they are made of larger combinations of efforts, workers and machines. This convexity of the indifference curves as compared to the origin of their axes and their hyperbolic tendency can be explained through the effort mix becoming less efficient, thus requiring greater efforts, as each of the curves reaches the extreme points.

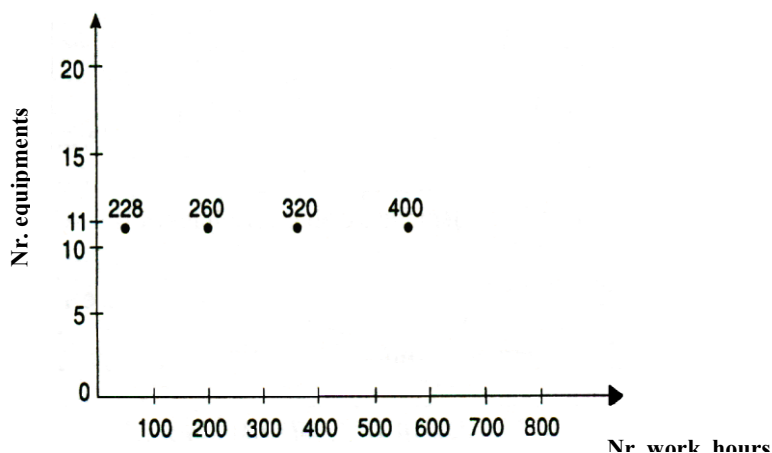


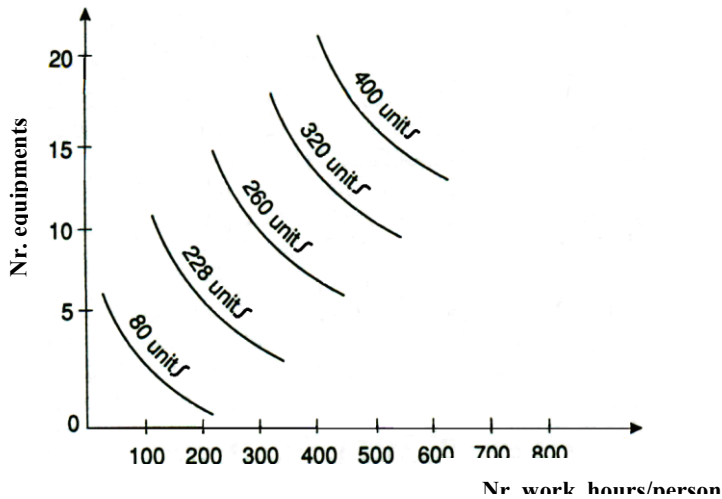
Fig.1. Advantageous levels resulted from four combinations of labour personnel available and flexible automation equipment

Model of equal costs

The model of equal costs is necessary for reaching a decision concerning the choice of a resource combination. Within this model, the expenses indifference curves (see Fig. 3) are lines that express an equal constant level of resource-related costs, also known as iso-costs, because in any point on the curve, the expenses are always the same, irrespective of the two resources distribution method.

According to Fig. 3, one working hour is 20 USD worth, and one operating hour of each machine costs 800 USD. Thus, an amount of 16,000 USD would lead to the use of 20 machines and zero working

hour/person. An amount of 16,000 USD entirely spent for the labour personnel, with zero machines, would lead to the use of 800 working hour/person. All the other man-machine combinations that would mean 16,000 USD total expenses are situated on the 16,000 USD iso-cost line. The same, all the combinations that represent 12,000 USD expenses are situated on the 12,000 USD iso-cost line, so on and so forth. In fact, these iso-cost lines represent expenditure budget levels. The points on such a budget line represent all possible resource combinations as permitted by the respective total expenditure level.



*Fig. 2. Advantage indifference curve
(equal levels of unity number)*

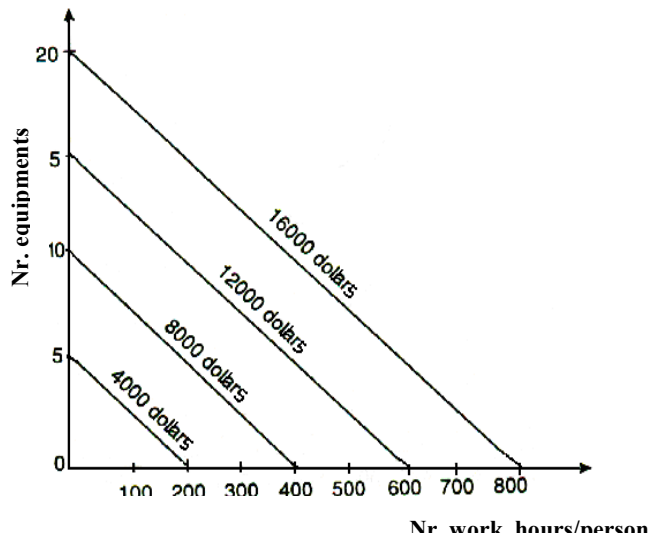


Fig. 3 Iso-cost lines

Optimization of combined resources

The transposition of the model of equal advantage curves in Fig. 2 into the model of iso-cost lines in Fig.3 is rendered by Fig. 4.

Fig.4 shows the best combination of labour and equipment to be obtained with a certain expenditure budget. For instance, the equal advantage curve at the level of 260 units produced is tangent to the iso-cost line representing an amount of 12,000 USD expenses. As indifference curves do not intersect (expressing much higher levels as they move away from the axe origin), the other equal advantage curves that imply

levels higher than 260 units are not tangent to the 12,000 USD iso-cost line. On the advantage curves map, up to the 260 units level, the 12,000 USD iso-cost line crosses several equal advantage indifference curves (by constant numbers of product units) but touches only one line in a tangent point. This point represents the advantage created by an optimum resource combination, as this tangent point belongs to the highest equal advantage curve that can be reached with the 12,000 USD expenditure budget. This is the point where the slope of the iso-cost line is equal to the advantage curve slope. The point where the 260 unit equal advantage curve reaches the 12,000 USD iso-cost line shows the perfect man-machine combination achievable through the 12,000 USD expenditure budget, in view to produce the quantity of 260 de units. The two axes illustrate the action to produce the most advantageous result within the 12,000 USD expenditure budget, i.e. 260 units produced by 7.5 machine capacity units and 300 working hours/person.

Fig.4 expresses the resource combination that minimizes costs and provides a given level of advantages, for example the production of 260 units. The tangent point between the equal advantages curve of the 260 units and the iso-cost line of the 12,000 USD indicates in fact this combination of resources. The level of advantages, namely 260 units, cannot be obtained through a cheaper cost combination, because outside the iso-cost line that intersects the 260 units curve there are budgets with higher expenses. The cost-advantage analysis leads to determining the cheapest resource combination that can provide the relevant level of advantages. Fig.4 also shows how the achievable advantage is maximized when the cost is kept constant.

The highest advantage level generated by a given level of expenses is indicated by the tangent point of the iso-cost line to the highest reachable advantage curve. The tangent points in Fig.4 describe both the minimization of the costs providing the levels specified and the maximization of advantages vs. the given level of expenses. The joining of these tangent points is illustrated by Fig.5 under the form of a curve that represents both the costs and the advantages measured on the two axes.

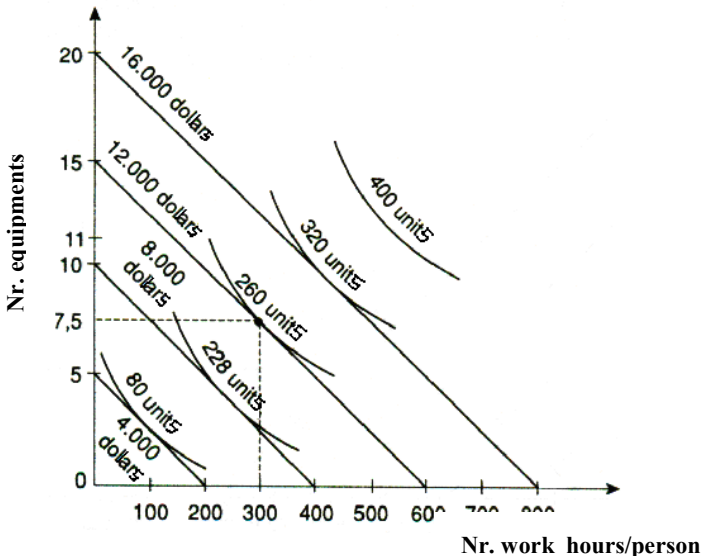


Fig. 4 Equal advantage curves and iso-cost lines

This curve describes all the minimal costs for the advantages followed and all the maximized advantages for the specified expenses. For instance, the point determined by the coordinates shown in Fig.5 indicates the lowest cost for a 260 unity level and the highest advantage for a 12,000 USD expense, that corresponds to the action (see Fig.4) related to the use of 7.5 machine capacity units and 300 working hours/person.

Identification of revenues

The elaboration of the general strategy regarding the optimum combination of resources requires knowledge on the lower costs necessary to achieve each advantage level (or the highest advantage based on a given expenses) and also the identification of revenues corresponding to each product number level. If the price fixed for the products is of 50 USD per unit, and the company’s main objective is to maximize the profit, then the optimum advantage level can be determined as shown in Fig.5. This curve describes all the

minimal costs for the advantages followed and all the maximized advantages for the specified expenses. For instance, the point determined by the coordinates shown in Fig.5 indicates the lowest cost for a 260 unity level and the highest advantage for a 12,000 USD expense, that corresponds to the action (see Fig.4) related to the use of 7.5 machine capacity units and 300 working hours/person.

The revenues function is represented in Fig.6 as the cost and advantage curve. The revenues curve results from the multiplication by 50 USD of the respective number of products and it is a straight line. The vertical distance between the revenues curve and the cost and advantage combination curve represents the profit of the company. This profit is maximized in the point where the vertical distance is the largest. The dotted line in Fig.6 shows with approximation the position of the optimal advantage, i.e. the level of the production sold that maximizes the profit. The intersection between the dotted line and the cost and advantage curve represents that combination of costs and advantages which determines the maximum profit, as in the above-mentioned example, the 8,000 USD expense and the 228 units produced.

As this point is situated on the cost and advantage curve, it is at the same time a tangent point between the iso-cost curve (8,000 USD) and the equal advantage curve (228 units).

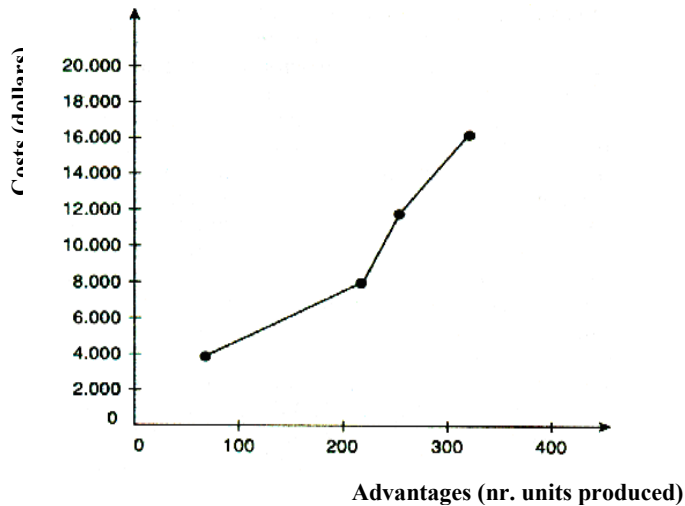


Fig. 5 Cost and advantage curve

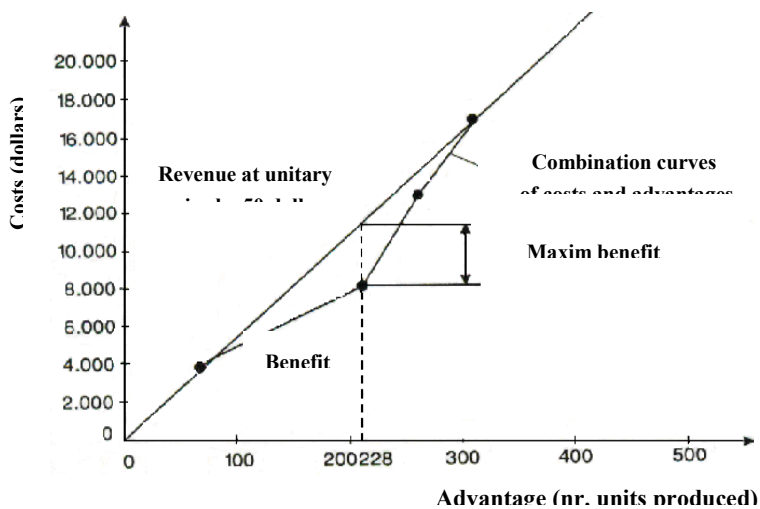


Fig. 6. Determination of the product number maximizing the profit

In Fig.4, this te combination, i.e. an action that involves 5 machines and 200 hours/person. This is the strategy that maximizes the profit. The associated advantage level is of 228 units produced at a cost of 8,000 USD. The optimal profit can be determined in Fig.6 starting from the selling price of 50 USD per unit. As a

consequence, the 228 units will produce a profit of 11,400 USD. As the total cost is of 8,000 USD, the maximum gross profit will amount to 3,400 USD.

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THE ROMANIAN CONSUMER AND ONLINE MARKETING – AN EXPLORATORY RESEARCH APPROACH

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In recent decades, online marketing has been quickly overtaking the traditional means of marketing due to several reasons, such as: low costs, the growing number of internet users and the long lasting relationship developed with them, the effortless usage of the web and of the online marketing tools. Online marketing is done by those individuals or organizations which exchange ideas and offers by using computers, online networks and interactive media, in order to reach their marketing objectives.

The results of an exploratory research in terms of the consumers' exposure, their behavior in relationship with the specific campaigns oriented toward them and the future of the online and offline direct communication at the level of the pre-defined target segments are presented in a comparative manner: online versus offline direct communication tools.

Keywords: consumer behavior, direct communication, online marketing

Introduction

In recent decades, online marketing has been quickly overtaking the traditional means of marketing due to several reasons, such as: low costs, the growing number of internet users and the long lasting relationship developed with them, the effortless usage of the web and of the online marketing tools. **Online marketing** is done by those individuals or organizations which exchange ideas and offers by using computers, online networks and interactive media, in order to reach their marketing objectives.

According to eMarketer Inc., in China, 9 out of 10 youngsters are using the internet and the total number of internet users (any person who uses the internet from any location at least once per month) has reached 210 million people in 2007, being estimated that by 2012 it will reach 238.4 million persons. In the United States of America, using the internet has become a daily habit and the figures make it obvious: in 2007 there were 188.1 million internet users (accounting for 21% of the internet users worldwide) and in 2008, two-thirds of the population is projected to use the internet, getting to 71% of the American population by 2012 (216.9 million people). On the third position is Japan, with a total number of internet users of 89.1 million people in 2007 being estimated that by 2011 it will reach 95.4 million persons. The total number of internet users reached almost 53.24 million people, meaning 64.6% of Germany's population in 2007 and it is estimated to reach 73.2% of all Germany residents by 2012.

While in the United States and other developed countries, the internet audience is slowly increasing, there are regions of the world where the use of the internet is accelerated. Asia-Pacific region has reached 309 million users in January 2008, a growth of 14% as compared to 2007. As far as Europe's internet users are concerned, it increased by 6.8% from 2007 amounting 233 million users in January 2008. Even though the online population of Africa and Middle East reached only 40 million users, and 59 million in the Latin America region, the raise was substantial, 20% and respectively 16.6% in January 2008, as compared to 2007. The worldwide online population has reached 824 million users in January 2008, according to comScore Inc.

Even though at the beginning of the year 2007, Romania was placed last, as compared to the other countries of the European Union, from the point of view of internet's penetration rate, at the end of 2007, it gained ground over Poland and Bulgaria, which reached 29.6% and 30% internet penetration rate. In November 2007, Internet World Stats estimated Romania's population at 22.27 million people and out of

this population, 7 million were internet users (31.4% of the inhabitants). At the level of the European Union, there were 273.23 million internet users, almost 56%, out of 490.43 million Europeans.

It is important to know that in Romania, the net revenues from online marketing campaigns amounted 23 million dollars at the beginning of 2008, an increase of 66% as compared to last year. Even though the increase was of approximately 15.20 million dollars, the revenues from online are only 2.2% of the total media revenues. The highest share is taken by the TV (69.6%), followed by radio (9.6%), newspapers (8.2%), magazines (6.2%) and outdoor (4.2%).

In Hungary, the net revenues from online marketing campaigns reached 83 million dollars at the beginning of 2008, in Poland 170 million dollars, whereas in the United Kingdom it increased with 30.8% from December 2007, reaching 3400 million dollars, achieving 25% of all media revenues.

In order to design online marketing campaigns, individuals and organizations have a wide range of online marketing tools that they can choose from, but the most frequently employed are: online advertising, email marketing, e-commerce, search engine marketing, affiliate marketing, social networks and blog marketing, followed by viral marketing and web analytics.

In Romania, last year, only 58% of the companies had access to the internet, and only 24% of them owned a website. Taking into consideration the increasing number of internet users and customers, the low number of fraud cases, only 1.1% as compared to 3.4% in other countries, the Romanian ecommerce market is estimated to double.

Even though marketers have started questioning the efficiency of their online ads, the revenues from interactive advertising are projected to increase with 30.6%, from 45 billion dollars in 2007 to 147 billion dollars globally in 2012, estimates The Kelsey Group.

Research Methodology

There has been conducted an exploratory research project intended to achieve, as *major objectives*, full of meaningful information regarding consumers' exposure to the online and offline direct communication, their behavior in relation to the online and offline direct communication campaigns oriented towards them and the future of these campaigns at the level of pre-defined target segments.

A data collection instrument, which includes 23 questions, has been applied at the level of an investigated population consisting of undergraduates (seniors) and graduates (students enrolled in the Master Programs) of the Marketing Faculty from the Academy of Economic Studies, Bucharest. The investigated population has been defined by taking into consideration the following aspects:

- most significant characteristics of the open-to-online communication consumers are related to their education and income (specific assumptions: the higher their level of education and income, the higher their openness to online communication);
- three major segments of interest – from the perspective of direct communication – could have been defined: **“yellow”** consumers (undergraduate and not employed students), **“orange”** consumers (undergraduate but employed students) and **“green”** consumers (graduate and employed students). This research is intended to identify how “yellow” consumers become “green” consumers (by improving their education and financial status) having as a reference the transitional “orange” category.

After the data collection and questionnaires validation, a number of 75 respondents have been included in the research sample out of which: 20 were “green”, 18 “orange” and 37 “yellow” consumers.

Exposure to the online and offline direct communication tools

The first objective of the research has been approached by taking into consideration the respondents' exposure to a set of selected online and offline direct communication tools, frequently used in the market – mail deliveries, mail order catalogues, outbound phone calls, mobile messages, emails received and press direct response advertisements.

Mail deliveries represented the major direct communication tool used at the level of the sample, as 88 % of the respondents have received something by mail: from flyers and brochures to commercial letters or catalogues. This preeminent position is explained mostly by the significant increase of the printed

promotional materials delivered to consumers mainly by the major retailers and wholesalers present on the market.

4. Online / offline direct communication tools	5. Frequency	6. Percent
7. - mail deliveries	8. 66	9. 88.0
10. - mail order catalogues	11. 33	12. 44.0
13. - phone calls	14. 20	15. 26.7
16. - mobile messages	17. 49	18. 65.3
19. - emails	20. 60	21. 80.0
22. - press direct response ads	23. 64	24. 85.3

Table 1. Exposure to direct communication tools

Press direct response advertisements hold the second position due mainly to the sales promotion campaigns conducted (especially the contests asking participants to fill-in and send a reply device) while **emails** hold a significant position, as campaigns using online tools have increased both in frequency and budgets (a similar trend being lately noticeable for **mobile marketing**). The relatively reasonable costs may represent another support of the email and mobile marketing campaigns' growth. Mail order and telemarketing appeared less important in terms of respondents' exposure to their instruments – **catalogues** and **outbound telephone calls** – due mainly to the increased costs of the mail order and outbound telemarketing campaigns (both in terms of creation and delivery) and less significant return on investment in comparison with that of letterbox mailing and mobile marketing operations.

The analysis of the respondents' exposure to the different direct communication tools, in terms of the main market segments, has revealed that **“green” consumers** have been approached mostly by mail deliveries and emails, **“orange”** and **“yellow” consumers** by direct response advertisements and mail deliveries. The transition from the “yellow” to the “green” categories is illustrated by the specific results for the mail deliveries, outbound phone calls, mobile messages and emails registered for the “orange” consumers.

Those direct communication campaigns, to which the respondents have been exposed to, can be characterized, based on these results, as poorly targeted. The increased exposures to phone calls and emails of the “green” respondents and, respectively, to mobile messages of the “yellow” ones as well as the weights held by mail deliveries at the level of all three segments, suggest not more than a small-scale usage of empirical targeting procedures although the differences between these segments would have demanded a different approach.

1. Online / offline direct communication tools	2. Sample	3. Yellow	4. Orange	5. Green
6. - mail deliveries	7. 88.0	8. 81.1	9. 88.9	10. 100.0
11. - mail order catalogues	12. 44.0	13. 35.1	14. 61.1	15. 45.0
16. - phone calls	17. 26.7	18. 18.9	19. 27.8	20. 40.0
21. - mobile messages	22. 65.3	23. 70.3	24. 66.7	25. 55.0
26. - emails	27. 80.0	28. 75.7	29. 77.8	30. 90.0
31. - press direct response ads	32. 85.0	33. 89.0	34. 94.0	35. 70.0

	3	2	4	0
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Table 2. Exposure to direct communication tools in terms of the main market segment (%)

Behavior determined by the online and offline direct communication tools

To a certain extent, the respondents’ behavior after the campaigns they have been exposed to is surprising – having as yardstick the average performances of the direct communication campaigns. Still, some of these (see Table 3) are to be explained by the nature of the sample, close enough to the description of the primary target of direct communication operations.

1. Type of reactions	2. Frequency	3. Percent
4. - mail order buying	5. 15	6. 20.0
7. - phone calls made	8. 26	9. 34.7
10. - websites visited	11. 31	12. 41.3
13. - e-commerce buying	14. 9	15. 12.0
16. - sending a coupon	17. 21	18. 28.0

Table 3. Reactions made using different communication tools

Generally, respondents have had a relatively reserved behavior specific for an attitude aiming to diminish the related risks to be encountered. *Visits* made to the local and foreign *websites* and the *phone calls made* may express their desire to get more information about the products and/or services promoted and to postpone the buying decision. *Coupons* sent may express the same intention to be well-informed but, in the same time, a wish for participating to promotional contests organized by different companies (mainly the FMCG). Relatively impressive weights are related to the *acquisitions* made by respondents through *mail* and *online*.

1. Type of reactions	2. Sample	3. Yellow	4. Orange	5. Green
6. - mail order buying	7. 20.0	8. 24.3	9. 11.1	10. 20.0
11. - phone calls made	12. 34.7	13. 32.4	14. 44.4	15. 30.0
16. - websites visited	17. 41.3	18. 29.7	19. 27.8	20. 75.0
21. - e-commerce buying	22. 12.0	23. 5.4	24. 0.0	25. 35.0
26. - sending a coupon	27. 28.0	28. 24.3	29. 16.7	30. 45.0

Table 4. Reactions made using different direct communication tools in terms of the market segment status (%)

From the perspective of the main market segments, the main conclusion states that *visits* made to the *local* and/or *foreign websites* is the common – if not the most important – reaction of all segments: “*green*” consumers visit websites and send coupons while “*orange*” and “*yellow*” consumers make phone calls and visit websites. Online buying is more frequently done by the “green” consumers while mail order buying appears to be done more by the “yellow” and “green” consumers and less by the “orange” ones.

Future expectations

Direct online and offline communication campaigns oriented toward these target segments will have to be planned, as the results of the survey suggest (obviously in the limits imposed by the exploratory research approach), considering the set of preferred sources and channels of information as well as the specific tools agreed by the consumers. In terms of the sources of information, respondents have mentioned as “preferred” sources the internet (specified by 65.3 % of the respondents), email (58.7 %), mail (52.0 %) and television (50.7 %) while daily (33.3 %) and periodical (30.7 %) press, mobile phone (26.7 %), outdoor advertising (25.3 %), radio (17.3 %) and telephone (9.3 %) hold more or less peripheral positions. These percentages support once more the ideas that, generally, consumers more open-to-direct online and offline communication are less interested in using television as an essential source of information and, respectively, level of education and incomes are among the variables to be considered in defining potential open-to-direct communications customers and targets of the specific campaigns.

If the respondents’ preferences indicate the internet, email, mail and television as appropriate communication media to be employed in developing direct communication campaigns, their attitudes toward the major specific tools suggest a potential interesting future for the mobile marketing campaigns and mail order operations:

- 69.3 % of the respondents are willing to receive **commercial SMS** and/or **MMS** on their mobile phones (out of which 42.3 % only SMS and 57.7 % both SMS and MMS); “yellow” consumers (75.7 %) and “green” consumers (65.0 %) are the most interested in receiving them;
- 49.3 % of the respondents are willing to receive **mail order catalogues**, “yellow” (56.8 %) and “orange” (55.5 %) consumers being more interested by comparison to the “green” consumers (only 30.0 %);
- **direct mail** (38.7 %) and **email** (36.0 %) hold less important positions in terms of the degree of interest, decreasing both from “yellow” to “green” consumers;
- **phone calls** are placed in a relatively peripheral position as less than one-third of the respondents are interested to receive more commercial calls;
- **online buying** seems to be more appealing for “green” consumers while **mail order buying** appears to be more attractive for “yellow” consumers, these two segments representing the major targets for the mail order and/or e-commerce campaigns;

1. Direct communication tools	2. Sample	3. Yellow	4. Orange	5. Green
6. - direct mail	7. 38.7	8. 45.9	9. 44.4	10. 20.0
11. - mail order catalogues	12. 49.3	13. 56.8	14. 55.5	15. 30.0
16. - mail order buying	17. 28.0	18. 35.1	19. 16.7	20. 25.0
21. - phone calls	22. 29.3	23. 32.4	24. 22.2	25. 30.0
26. - mobile messages	27. 69.3	28. 75.7	29. 61.1	30. 65.0
31. - emails	32. 36.0	33. 45.9	34. 27.8	35. 25.0
36. - online buying	37. 45.3	38. 48.7	39. 16.7	40. 65.0

Table 5. Expectations of respondents regarding the direct marketing tools to be used at the level of the sample in terms of the market segment status (expressed in percentages)

“Green” consumers should be approached through campaigns aiming to generate sales and to motivate them to buy – online or by mail – different products and/or services. Mobile marketing must be integrated among the direct and traditional marketing tools employed by the companies. “Yellow consumers” should be approached not only to persuade them to buy (both online and by mail) but also to provide the information to support their decision-making process. Mobile marketing instruments, mail order catalogues, direct mail and email marketing represent a package diverse enough to communicate effectively and sell to them. Finally, “orange” consumers express, based on the figures referring to the attitude towards the direct marketing tools, the transition from the “yellow” to “green” categories. More close to the yellow area (more students than graduates and having lower incomes), “orange” consumers are relatively open to get information, but less interested to buy.

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CONTROLLING ELEMENTS IN THE DISTRIBUTION POLICY OF A COMPANY

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In a permanent changing environment, the measurement and monitorisation of the performance of a company has become one of the key issues for its success. This fact increases the capacity of each company to adapt to the conditions of the environment, because only by a permanent monitorisation of the performance, a company can discover both its strenghts and its weaknesses and in time, it can react according to these.

This paper concentrates on the controlling and performance measurement of the distribution policy of a company. It analyses both the efficacy and efficiency of the distribution channels as well as the succes of the logistics activity.

Keywords: Controlling, marketing-controlling, distribution, distribution channels

1. Introduction

The main objective of the distribution policy is to assure the conduction of the products and services from the company to the final consumers. The first thing which a company has to do is to analyze the selected distributions channels to make sure that the products arrive at the target group (Esch, Herrmann, Sattler, 2008, pg. 321ff). The company must see which is the performance and the success of the selected distribution channel and in what way does this correspond to the customer's expectations. Secondly it must analyze the efficiency of the physical distribution and of the partners which have a role in the transportation of the products from the producers to the final consumer (Schögel, 2001, pg. 544-567.). Consequently, the controlling of distribution deals with the analysis of the distribution channels performance and with the logistics of the distribution.

A company has the possibility to transmit the products toward the consumers through many distribution channels. The distribution through more than one channel is named polidistribution and has several advantages (Kotler, 2002, pg. 129ff). First of all it reaches a higher degree of distribution and the products get into contact with more segments of customers. On the other hand the risk is reduced by the distribution on more channels and besides this, synergy effects can be obtained (Swoboda, 2001). For example, a company of soft drinks can deliver the products through retailers, through restaurants or bars or through automatic bars. For each of these distribution channels, the strategy and the operational measures are different. In spite of these, for a company is not enough to deliver the products through many distribution channels, but it also has to know which are the most important channels in order to develop them. On the other side, it is also important to find out the distribution channels, which are less efficient in order to reduce the costs with these or to give them up.

Besides the measurement of the performance of the distribution channel, it is important to check the efficiency of the subsidiaries or distribution units. The efficient distribution units which have good results must be developed, and the inefficient distribution units must be closed or the costs of them must be reduced. This should be done not only for the distribution channels, but also for the distribution units. The controlling of the company should monitor these units in order to be able to take measures in time. The way of evaluation and monitorization of the distribution channels can be observed in fig.1.

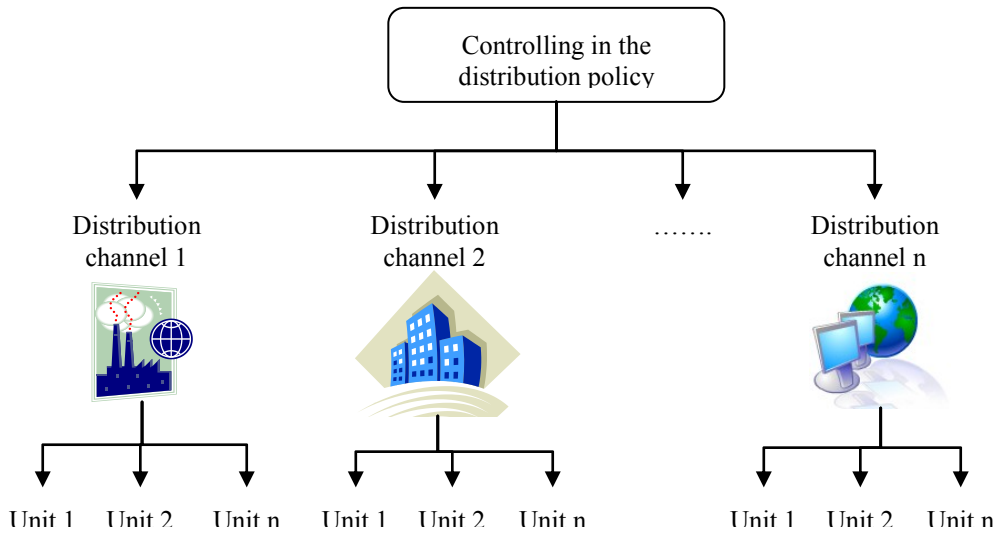
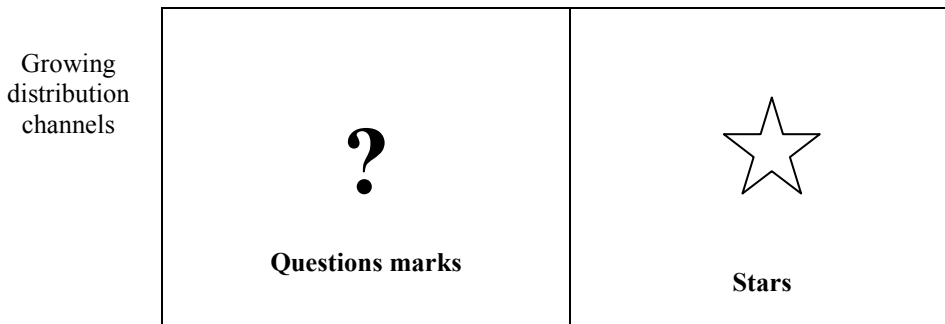


Fig. 1. Controlling in distribution channel.

2. The performance measurement of the distribution channels

First of all a company has to analyze the performance of a distribution channel. This can be done by the turnover or the profit obtained in a distribution channel, and also by the future potential of a distribution channel. For the analysis of the success of the distribution channels a restatement of the Boston Consulting Group Matrix can be used. So we have distribution channels which bring to the company the biggest amount of income. These distribution channels can grow or they can decrease. The growing distribution channels with a big turnover are called “stars”. They must be intensively promoted so that they should remain for the company in the future an important income source. The second category of distribution channels are decreasing and are called “cash cows”. This distribution channels must be kept, but the company must reduce the costs with these and has to make sure that there are also other alternatives for the distribution of the products. For example such distributions channels are neighborhoods shops and mini-markets. Besides this, there are also distribution channels which bring little incomes for a company. They can be of two types: increasing and decreasing. The increasing distribution channels, with small turnover are named “question marks” and have the possibility to become in the future stars. The new distribution channel which appeared on the market must be analyzed, tested and the company has to check the way it fits to the products of the company. In this consequence they must be promoted for becoming the future stars. An example of this type of distribution channel is e-commerce. The last category of distribution channel are the “poor dogs”. These are the distribution channel which bring to the company a small turnover and have few future potential. Depending on the possibility of relaunch, companies have to reduce the costs with these channels or give them up. The four types of distribution channels can be seen in fig.2.



Decreasing
distribution
channels



Fig. 2. The Boston Consulting Group Matrix for distribution channels.

Besides the financial importance of the distribution channels, the degree of distribution must be also measured. The degree of distribution measures the coverage of the market with the analyzed products. This can be calculated in two ways: The simple distribution degree measures the relation between the total number of units which sell the analyzed product and the total number of units which sell products from the analyzed product group. By this, it can be measured if the consumers have access to a certain product in comparison to the whole market potential. By adding a financial element, the turnover, the weighted distribution degree can be measured. The weighted distribution degree is calculated as the relation between the number of distribution units and the percentage of the turnover of this units to the whole channel and the total number of distribution units which sell products from the product group. By this indicator the importance of distribution channels with a higher turnover increases (Schögel, 2001, pg. 544-567).

$\text{Distribution degree} = \frac{D1}{D2}$ <p>D1 = total number of units which sell the analyzed product D2 = total number of units which sell products from the analyzed product group</p> $\text{Weighted distribution degree} = \frac{D1 * p}{D2}$ <p>D1 = total number of units which sell the analyzed product D2 = total number of units which sell products from the analyzed product group p = Relation between the sales of the distribution unit and the sales of all distribution units</p>
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Fig. 3. Distribution degree

In order to characterize in a complete way the degree of distribution, both indicators must be calculated. Even a comparison of the two indicators can suggest the performance of the distribution channel. Thereby, if the degree of the weighted distribution degree is smaller than the simple degree of distribution than the performance of the distribution channel is diminished. Moreover, the analysis of the development of the distribution degree can indicate negative evolutions of the distribution of a certain product. Depending on the results of this indicators, the company can take measures regarding the distribution of a product.

3. The performance measurement of the distribution units

For each distribution channel a company should measure the efficiency of each distribution unit. Depending on the obtained results the company can determine the distribution units in which it should invest and the units where the costs should be reduced or the ones which should be eliminated completely. Keeping unprofitable units in the portfolio of a company, can lead to the lack of success for the whole company, by the high costs. An example for this is the shop chain “Karstadt” in Germany, which went in 2005 almost into bankruptcy, because of big costs caused by unprofitable units.

The performance of the distribution units can be measured with the help of quantitative and qualitative indicators. The quantitative performance measurement uses a series of indicators which refer to the financial aspects of the company, while qualitative indicators refer to the relation that the company has with the distribution unit and also with the location of this unit.

Indicators for the measurement of the performance of distribution units

Quantitative indicators	Qualitative indicators
Turnover	Satisfaction*
Profit	Power/ Negotiation power *
Costs	Cooperation degree *
Turnover/ m2	Conflict degree *
Profit/ m2	Communication and information*
Turnover/ Number employees	*between the company and the business unit
Profit/ Number employees	Number of passants
	Degree of vizibility and access
	Purchasing power in the region
	Rents/ m2

Fig. 4. Indicators for performance's measure of distribution unit:

Among the quantitative indicators a company should apply the turnover of the units, the profit of distribution unit and various types of costs in each unit as for instance transportation costs, storage costs and others. Besides these general indicators a company should use a series of specific indicators such as the turnover or the profit related to the surface (in square meters) of the unit or the number of employees. In order to stimulate the efficiency of the distribution units many companies make hitlists with the most profitable units. By these hitlists, the company increases the competition among distribution units, which can also lead to higher performances. Although all this indicators seem very simple and easy to use, they all have a very high importance for the analysis of the distribution channels and the distribution units.

Qualitative indicators used for the measurement of performance refer to the quality of the relation between the company and the distribution unit, either this units is owned by the company or not (Schögel, 2001, pg. 544-567). These indicators refer to several aspects regarding the satisfaction in the relation between the company and the distribution unit, in the distribution of power among the channel members, the cooperation or conflict degree, the exchange of information, flexibility etc. A high level of satisfaction leads to a better cooperation and communication in the channel, which can contribute to a better performance of the distribution unit. If the satisfaction with a supplier is very high, then his products will be more recommended to the customers, which will lead to a higher performance. A high conflict degree can influence in a negative way the relation and an eventually the efficiency of the distribution channel. The distribution of power between the supplier and distributor or between the parent company and the distribution unit has a very important role, for the fact that the most powerful will also have the power to take decisions for his advantage and the less powerful has to accept these decisions. Depending on the imposed decision, the performance of the distribution unit can be determined (Pelau, 2008). Consequently all these elements can influence in a direct or indirect way, the success of a distribution unit. All these elements can be measured with the help of interviews.

The second aspect regarding the quality of a distribution unit is the geo-marketing. The geo-marketing analyzes the quality and the advantages of the location of the distribution unit for its success and its performance. It analyzes the following aspects: passants number, degree of visibility and of access of the consumers, the buying power in the region, rent costs in the region and so on. A high number of passants and a high visibility degree can increase the number of customers. Moreover, a high purchasing power in the region, can lead to the growth of the sales value per customer. Both elements influence the performance

of the distribution unit. All these elements can lead to the increase of number of customers and their capacity of purchasing volume and influence the success and the performance of the distribution unit.

4. The controlling of the logistics processes

Besides the choice of an optimum distribution channel, it is also important to determine the efficiency of the logistic processes of the distribution. The logistic processes include the costs of the transportation of the products and costs of storage. The costs of the transportation are included in the final cost and therefore the final price of the product. The less the cost of logistics are, the higher the profit for this product will be. Although the costs are very important, one must not forget the fact that the main objective of logistics in distribution policy is to conduct the correct products in the required quantity and quality, to the right place and at the right time, in the right order at the lowest costs (Ehrmann, 2004, pg. 288).

Thereby, for measuring the efficiency of logistics, the company must measure and analyze several costs in order to determine the best way to transport the products. The most important aspects which must be analyzed is to see if the costs are correctly determined, if the transport and logistic costs respect the planned budget, if it respects the principle of minimum costs, if it respects logistics tasks and if there are taken into consideration the new tendencies in logistics and transportation area (Ehrmann, 2004, pg. 291).

One of the first aspects which has to be analyzed is the correct determination of the costs and types of costs. For this analysis, there are used method of controlling used in the price policy, as for instance, target costing, determination of the costs of the process, benchmarking and others. Because the distribution costs are included in the price of the product, it is essential to monitorize them. The company can make an internal analysis of the costs, but it can also do an external analysis by comparing its costs with the ones of the main competitors. Consequently the improvement potential can be achieved by an internal analysis of the costs of the company and it can also be inspired from the way of the working of the competitors (Möbus, 2000, pg. 301-308).

The principle of the minimal cost refers to the way of distribution which should fulfill the objectives of the logistics obtained by having the lowest costs. In this case, the company must take “make or buy” decisions. It should decide if a certain activity will be done by the company itself or if it should be externalized to a third company. Therefore the company must analyze all the possibilities. One method to analyze all this is the decision tree (Ehrmann, 2004, pg.290). For a logistic activity a decision tree looks like in fig 5.

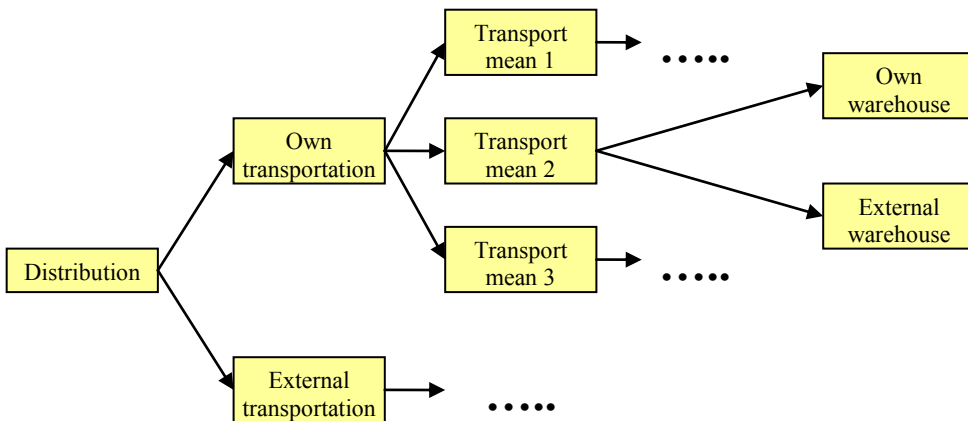


Fig. 5: Decision tree for logistic system.

In the development of an efficient logistic system, the easiest way to take decision is the decision tree. So the company can choose to transport itself the product or it can choose a company that offers transportation services. In both cases it can choose from various types of transportation means: by air, by sea, on the road with truck or with train. Other decision is the type of the warehouse for the products. It can choose between an own warehouse or a specialized company, which offers such services. All the paperwork (invoices and orders) can be done by the company itself or it can be externalized. These decisions are very complex and depend first of all on the type of products and the special conditions that must be respected. Of course controlling has also the assignment to search new methods of transport, storage or other thing of logistic.

The controlling of the distribution policy is very complex and has an important role for the success of the company. It has not only to check if the products arrive at the final consumers in a desired way, but it also has to analyze the costs of the logistics in order to reduce them as much as possible.

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MARKETING ENTROPY

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Abstract: A customer focus is widely seen as desirable and necessary to business success. This paper focuses on the obstacles that prevent firms from adopting and maintaining a customer focus. The authors suggest that the marketing concept is intrinsically difficult to implement. A failure to focus effectively on customer needs may be the normal state of affairs; it is not an aberration or a shortcoming peculiar to poorly run businesses. Only a deliberate effort on an ongoing basis can overcome the natural tendency to lose touch with customers.

Key words: marketing, entropy, customer, business

Customers behavior

Customers are always good.

Customer is king.

The customer is always right.

Always put your customers first.

After years of being indoctrinated with stuff like that, the title of this white paper may be dismissed as too insulting to ask or too obvious to answer. It's always been fair (even important) to ask "are you good TO your customers?" but never really been polite to ask "are our customers good FOR us?"

In various ways we have acted on the premise that some customers are better than others.

"Good" and "Bad" are not intrinsically logical enough – so we'll need definitions. Most marketers like to believe that if a customer buys more, he or she is worth more. That does work in 7 of 10 instances – but if we need a more watertight definition, we'll have to base it on profitability.

Good Customers ~ High profitability; Bad Customers ~ Low (or negative) profitability.

Marketing entropy

Before we start assuming that good and bad customers form nice clean and discrete silos, its useful to borrow the concept of entropy from thermodynamics.

Entropy is a measure of the disorder of a system. The theory goes that systems tend to go from a state of order (low entropy) to a state of maximum disorder (high entropy). Marketers will recognize the parallels with customers – whether it is in response to competitive actions or new products or price points, customers seem to be churning to a higher level of entropy.

Kaizen in marketing

Customer entropy underlines the need to run marketing programs with the intent of affecting continuous improvements (*kaizen*) to a company’s ultimate asset – its customer portfolio. Entropy also reminds us that it’s not enough to categorize customers as ‘good’ or ‘bad’ because that’s going to keep changing. It’s more critical for marketing to continually influence the specific aspects of customer behavior that makes them good (for example they buy a mix of products that offer higher margins) or bad (buy discount goods and/or tax the customer service process).

This kind of marketing process requires a dynamic view of customers – dynamic enough to respond to (and even pre-empt) ever changing customer behavior. But it needs to begin with two simple questions: How do you make money from customers? How do you lose it?

The profit waterfall

How you make and lose money from customers helps you create a profit waterfall. The profit waterfall goes further and identifies the specific aspects of customer behavior that are most critical (profitable) to impact. It purposefully motivates the marketing team to look beyond top-line growth.

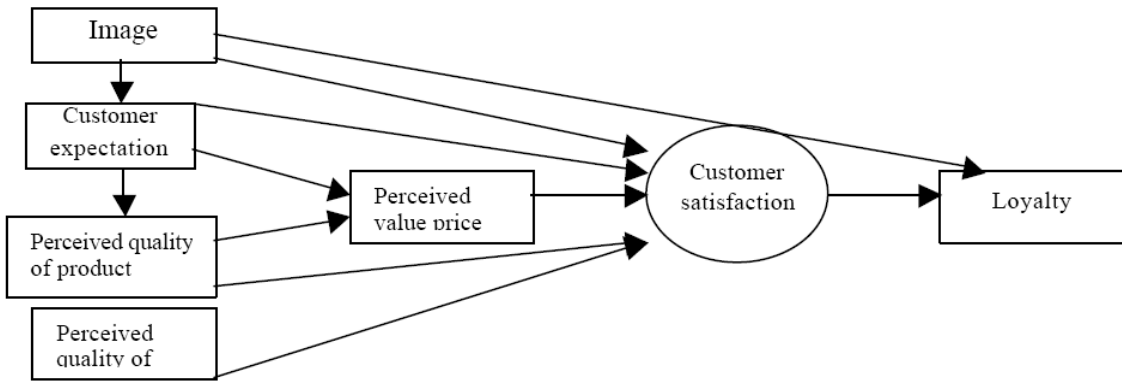
The adjoining chart illustrating the profit waterfall for an insurance company pretty much sets up what the marketing team needs to pursue: acquire customers with multiple riders with their first policy and lower likelihood of lapsing or surrender; up-sell riders and policies to existing customers.

Policy Type/Event Triggers	Full Life Linked	Full Life Non Linked	Term Life Linked	Term Life Non Linked	Term Others	Color codes Neutral Positive Strong Positive Negative
Initial Riders	Y	Y	Y	Y	Y	
Add-on Riders	Y	Y	Y	Y	Y	
Lapsing	N	Y	N	Y	Y	
Revival	N	Y	N	Y	?	
Surrender b4 full prem.	Y	Y	Y	Y	N	
Surrender aft full prem.	Y	Y	Y	Y	N	
Additional Policies	Y	Y	Y	Y	Y	
Renewal	N	N	N	N	Y	
Claims Approved	Y	Y	Y	Y	Y	
Claims Rejected	Y	Y	Y	Y	Y	

Profit waterfall for an insurance company

Customer satisfaction measurement models

Customer satisfaction model is a complete path model, which can be depicted in a path diagram to analyse a set of relationships between variables. It differs from simple path analysis in that all variables are latent variables measured by multiple indicators, which have associated error terms in addition to the residual error factor associated with the latent variable, a good examples on these models are the European customer satisfaction index model, which is an economic indicator, represents in next figure.



The European Customer Satisfaction Framework

Many researchers from various disciplines have used Linear Structural Relationship as a tool for analysing customer satisfaction models. The general and formal model of customer satisfaction can be written as a series of equations represented by three matrix equations Jöreskog (1973):

1. $\eta(m \times 1) = B(m \times m) * \eta(m \times 1) + \Gamma(m \times n) * \xi(n \times 1) + \zeta(m \times 1)$
2. $y(p \times 1) = \Lambda y(p \times m) * \eta(m \times 1) + e(p \times 1)$
3. $x(q \times 1) = \Lambda x(q \times n) * \xi(n \times 1) + \delta(q \times 1)$

The structural equation models given in (1-3) have two parts; the first part is structural model (1) that represents a linear system for the inner relations between the unobserved inner variables. The second part is the measurement model (2) and (3) that represents the outer relation between observed and unobserved or latent and manifest variables.

The structural equation model (1) refers to relations among exogenous variables (i.e; a variables that is not caused by another variable in the model), and endogenous variables (i.e; a variables that is caused by one or more variable in the model). The inner variables in this equation, η which is a vector of latent endogenous variables, and ξ which is a vector of latent exogenous variables are related by a structural relation. The parameters, B is a matrix of coefficients of the effects of endogenous on endogenous variables, and Γ is a matrix of coefficients of the effects of exogenous variables (ξ 's) on equations.

Concentration on customer

There is a principle of reciprocity in business that is extremely powerful. It simply says that, "If you do something nice for someone else, they will feel obligated to do something nice for you."

Companies should always be looking for opportunities to go the extra mile, to do more than they are paid for, to put in more than they take out. By extending themselves, they improve their positioning in the customer's mind and increasingly differentiate themselves and their company from their competitors who are after the same business.

The key to keeping customers is satisfaction. Total quality management has been defined as, "Finding out what the customer wants and then giving it to him or her." There is no mystery to it. The reason companies lose customers is because they have failed to identify exactly why it is that the customers buy in the first place. Then, they have failed to continue giving to the customer for the duration of their relationship.

A customer can be the most valuable single asset that a company has. Giving committed service to your customers, in such a way that you keep them for life, is one of the smartest and most profitable things that you could ever do. When you do this, your future success in selling and in business are assured.

Conclusions:

The term marketing entropy summarizes this perspective and is apparent on two fronts. First, the firm as a whole will always be in the process of losing touch with its customers. Second, the marketing function will

always be in the process of losing touch with other important functions such as R&D and manufacturing. To implement the marketing concept requires that both of these problems be overcome.

The contribution of this paper is to suggest a partial remedy for these problems. In a customer visit program, a firm organizes managers into cross-functional teams and sends them out to visit customers personally. The immediate goal is the acquisition of information on customer needs to ultimately bring about a greater sensitivity to and awareness of customer perspectives.

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MARKETING ENVIRONMENT - PARTICULARITIES OF AUTOMOBILES MANUFACTURERS

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In the marketing concept an important place is occupied by the environment where organizations are developing their activities. Technology occupies the most important place in automobile manufactures industry, and we can even says that if you have not a product in compliance with technology development you disappear or you will be buy by which is most adapted to "new". For the automobiles manufacturers the globalizations means the fusion between important companies like Renault-Nissan group or Daimler-Chrysler group (that functioned till recently) Philip Kotler defines the internal marketing environment "The actors around the organization that influence the capacity to serve the customers: the organization itself, the marketing intermediaries, customers markets and public categories."

Cuvinte cheie: marketing, enviroment, technology , globalizations

In the marketing concept an important place is occupied by the environment where organizations are developing their activities.

At the beginning of the third millennium an important change rate is recorded, the companies must observe that the marketing environment is changed in just a few years The economic environment of our times is shaped by two great forces: *globalizations* and *technology*.

For the automobiles manufacturers the globalizations means the fusion between important companies like Renault-Nissan group or Daimler-Chrysler group (that functioned till recently), therewith the globalization also means the buying of smaller brands by the bigger once, as Renault done with our traditional car manufacturer from Pitesti, Dacia Automobile. For the example we can talk of one of the most success car manufactures of the moment the Volkswagen group, which own the following brands Skoda, Seat, Audi, but also the luxury sport car Lamborghini.

The best response to the globalization effects comes from Asia cars manufacturers, for example Toyota was the biggest manufacturer of year 2008, modifying the tradition of the first place where the American giant General Motors was situated not very long time ago. Even the Asian manufacturers have moments when they were in the time of collapse, the Korean car manufacturers in the recent period becomes bigger, Hyundai become one of the great manufacturer of the world the own another important brand KIA.. Hyundai is struggle with American brands on their own territory in US, (they have there plants). Not the same thing we can talk about Daewoo Korean brand witch can be considered "a Korean disaster" as Jack Trout said in his book "*Diferentiaza-te sau mori*".

Daewoo was the second conglomerate in South Korea, from his size. The company was involved in no less than twenty five activities (automobiles, telecommunications, pc, hotels, electronics, shipyards, constructions, security systems, armament, etc).

This is the worst example of economic grow, because the *chaebol* expansion (Korean jokes saying that the chaebol specification is: "from needles to satellites") was based on government backing who also was based on financial institutes who give funds to this desires of expansion. With 50 billions of debt it is no a wander that the company was put for sale. One of the most profitable parts of the company the car manufacturer was bought by the America giant General Motors, wearing now the Daewoo brand for Asia market and Chevrolet brand for the other markets of the world. However GM decided to buy only the plans

from Korea the other once letting them to utilize the Daewoo brand and give the components to carry on their business. The Daewoo plant from Craiova was bought by Ford in the spring of 2008.

Technology occupies the most important place in automobile manufactures industry, and we can even say that if you have not a product in compliance with technology development you disappear or you will be buy by which is most adapted to “new”

An example of last generation technology is the last generation of Volkswagen group TFSI engines, which have the most reduce carburant consume at this time.

It is also important to mention that the devise of Audi factories is “Progress by technology Discover your Audi model “or “Your progress is our motivation”

Audi definition for “Progress by technology “is: “technological innovation is experience in this domain – and a permanent search and attempt of find and implement new and revolutionary technologies. A belief which involve sportive, perspective reflection and high quality and which is find again in each car how have Audi logotype. Also Audi group says, “Words and imagines can not equal the intensive experience of “Progress by technology “, “the real pleasure of driving an Audi. Have a pleasant time in choosing your own Audi!”

Also in development and technology market growing strategy, Audi have devices *your dynamism is our passion – The dynamism is a factor of our progress –in this way the innovations in development of engine are very important. Our absolute performance may be better observed at Le Mans 24 Hours racings. After many victories obtained in this completion with motor engine FSI technology, we succeed in making another big salt by equipage for first time a racing car with a diesel engine (TDI).*

Audi also declare Our innovation spirit is Your advantage- *However good are already our products, we constantly make efforts to make them better Quattro, the integral traction Quattro, Audi Space Frame ASF and the magnetic suspense system which have adapted are all products of this approach. This entire are create for one single tendency –which you can live by driving the real “Progress in technology”.*

Also technology means progress and progress means unless pollution- *The cleanest Diesel in the World; In the middle of the 2008 year, Audi will start the cleanest turbo diesel engine in the world. The new TDI propellers will use the last common rail generation, with*

Injectors and 2000 baric injection pressure a recalculation system very efficient and optimize extra felling. For the first time in the world, for a good manage of burning process, were put on sensors in burning room. The new Diesel versions, witch will respect Euro 5 norms above it will be enforce, will have a reduction of nitrogen oxide emission with 90%.

In 2/07 Audi Magazine, to accentuate the top of the range of technology involve in its automobiles, Audi make compare in time between the best planes of the time and his products.

In '30 years compare is Audi Imperator and Junkers, the parallel auto-air in '80 years put face to face Audi 100 and Boeing 707, in '80 Audi quarto fight with F-18 Hornet, and in our days Audi A8 is placed near Learjet -45 XR.

Those are only few ideas about technology that Audi try to use to promote his products, and we can say they succeed to do this thing, Audi has in this moment Mercedes and BMW the main competitors on the European market and also Romania, let's remained our self that in '70-'80 years Audi was not a high class automobile how it is in the present days, its main competitors were Fiat, Renault, Peugeot, Citroen and Opel.

The technology, changes and progress are presented by Mercedes in his start promotion of his new A class: *FOLLOW YOUR OWN WAY –Each generation is different. Each generation has her own dreams and wishes .The tendency for our days is respect no tendency. People wishes to follow their own way. For this people we built an automobile: A class.*

Toyota company also, which became the biggest car manufacture in the world put the accent on innovation, improvement and car technology improvement, as senior manager Takeshi Yoshida says: ”The capacity of currently acquire and apply new knowledge for evolution and innovation is the lead force in finding the excellence.

We can say that without adapting yourself at environmental changes and applying the new technology development ...safety, environmental pollution, lower user and service costs, quality and reliability you can not survive on the market and then you will disappear.

Philip Kotler defines the internal marketing environment “The actors around the organization that influence the capacity to serve the customers: the organization itself, the marketing intermediaries, customers markets and public categories.”

Marketing managers must create relations with clients by creating the value and customer satisfaction. For realizing a good marketing activity it must by accomplish a good communication and interdependence between different departments of company, customers, intermediaries, concurrency and those witch formatted the network of value.

For creating the marketing plans the marketing managers must take in consideration other groups from the company (the top management, the finances, the accounting department, the development-research department, the logistics and production or exploitation department). The top management establishes the strategies, the policies, and the objectives and firms mission. The finances department of automobile firm is concerned with finding the most advantage source of finance for development some new projects. The account department has to calculate the incomes and the costs in order to establish how the marketing department accomplishes its role. The logistics departments establish materials, subsets, utilities supply in order to create competitive products. The production department have an important role in create high quality automobile witch will be sell then using the strategies establish by the marketing department.

The supplier

The suppliers are an important part of firm global system. The suppliers supply all that the firm needs to manufacture automobile (parts supply, landmarks, subsets, projects, software, utilities). The problems with suppliers can severe affect firm’s activity and also the marketing department. Because the automobile production is very complex is important to study every time the level of supply resources, the strikes and scarcity periods. This entire situation can influence in the short or medium run sales activity. Is a necessary to monitor prices tendency of products and services delivered. The appreciation of products and services used in automobile production cause the appreciation of final products prices and this cause selling depreciation.

The intermediaries

The intermediaries help firm to promote its automobile, to sell automobile and to distribute its products to final customers. The special intermediaries for automobile domain are firms witch resell cars, marketing services agencies and financial intermediaries. Automobiles dealers and distribution channels help company to find its customers and sell the products to the final customers. The selection of business partners help automobiles promotion, distribution and selling, is not an easy thing because it had to accomplish some demands and standards.

Marketing services agencies are firms specialized in marketing research, publicity agencies, firms specialized in marketing consulting witch help automobile company to manage products to proper markets and promote products.

The category of financial intermediaries takes banks, credit companies, assurance societies, and other kinds of companies witch are associated with automobile buying and selling. Now days we can say that automobile market can not function without financial intermediaries. An conclusive example for Romanian market in Renault company witch development its own financial intermediaries firm RCI leasing, witch contribute to credit its automobile and also establish partnership to other intermediaries firms (BRD)

The customers

The automobile organization had to study five types of markets for developing its business in good condition.

The consumer market –is compose by individuals, families, households which buys automobiles for them own use.

The business markets (organizational)-buy automobile for other processing for example auto tuning firms and we can specify the partnership between Mercedes and tuning firm Brabus.

The reselling markets –buy automobile witch will be than resell with later profit, on this market we can include firms or private persons witch buy and resell later, automobiles limited or collection editions.

The governmental markets are composing by governmental agency which buy automobile for producing public services.

The international markets are represented by all these markets, all markets placed on other countries territory.

Each of these markets has their own particularities which are indicate to be study by the sellers.

The competitors

In order to succeed the automobiles firm had to deliver value and more satisfaction than its competitors, for this reason the marketers had to adapt themselves to customers needs and requires. Is important to obtain a concurrencies advantage by placing the penetrate market automobile in customer mind. "Chevrolet is one of the most promote products in the world. In last years General Motors spent 178 million dollars for promote Chevrolet brand in United States. This sum of money equate to 487 000 dollars spent on day or 2000 dollars on hour."(Al Ries, Jack Trout, Pozitionarea lupta pentru un loc in mintea ta, pag.29)

We can not speak about optimal concurrencies marketing strategy for all the competitors. The important companies use strategy witch small company can not afford.

Jack Trout in his book "*Trout despre strategie*" presents different aspects of Leader positions:

"Leader position in selling, Toyota Camry is the best sold car in America. But also other companies can pretend that they have the Leader position in selling, if calculate the spellings in different ways. For example Chrysler Dodge Caravan is the best sell van. Ford Explorer is the best sell all terrain vehicles. This approach function because people buy what other people buy. (Jack Trout, Trout despre strategie)

"Leader position in technology. Some company witch have a long history of technological realization can use this leader position aspect for making the difference. (Jack Trout, Trout despre strategie pag.53)

"Leader position in what means performance. Some companies have very big performances even if they do not sell very well. (Jack Trout, Trout despre strategie pag.53)

We can affirm that exist victorious strategy and also strategy which do not have the best result, and not always a bigger car manufacturer will has a better strategy than a smaller car manufacturer.

Public Categories

In marketing environment are included also different public categories. Public category – "*Any group that have an effective interest or potential in capacity of one organization to fulfill objectives or an effective or potential impact over this capacity*" (Kotler, Amstrong - Principiile Marketingului Editia a-III-a, pag 161)

Public categories that influence organizations from auto domain are:

Financial groups which influence the obtaining of found; here are entering banks, investment organizations and shareholder.

Media groups, which are formed by magazines, newspapers, TV, radio, which make ideas, comments and news about auto industry.

The civically groups they can contest the marketing decisions of auto manufacturers. In this part enters consumers organizations, ecologists etc.

General public must be taken in care by the auto manufacturer because the attitude of public will influence the organization image.

Local public groups are represented by community, the bigger car manufacturers have managers to communicate with community for sustaining some causes of company.

Internal public groups are formed by employers, managers, board administrators. The firms make internal notes because when internal groups are informed a motivated, and have a good opinion about the company, will be very good for the company.

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EVOLUTION OF AUTOMOBILES MARKET

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Marketing analyze the condition that defines the mechanism and market evolution. Being in a permanent movement because of new models, permanent changes, development of technology and market penetration by Asian car manufacturers, the auto market can be characterized as one of the most dynamic markets.

Using of a proper strategy will let to survive and even to success in the hard competition from auto market.

An important place for success in automobile international market is represented by the product promotion, positioning it in the consumer mind.

Automobiles are products capable of a pronounced difference; the difference is made by shape, attributes, characteristics, durability, liability, style, qualitative performance.

Cuvinte cheie: marketing, market, automobile , sales

General economical theory defines the market by the selling-buying relations, establish between the contractual parts, the products and services providers on one part and the consumers on the other part; complex mechanism of confrontations between demand (solicitations, needs, desires of consumers) and supply (diversity of goods and supply services) under the form of selling-buying document.

Marketing analyze the condition that defines the mechanism and market evolution, explaining the consumer comportment, analyze the level and evolution of prices, competition behavior, real and potential supply, real and potential demand, ideally but also the macro environment (demographic, economical, technological, social, political, institutional, and cultural environment).

The market can be structured in: internal market, external market, organization market and products market. Between total market and products market and organization market are establish interdependent relations named market rapport's (indifferent rapport's, association rapport's and substitution rapport's). The market is defined in rapport with the ensemble of realized transactions, the location of realized transaction with a certain product, products gamma and necessary time for realize the transactions.

In its evolution in time the market goes four stages same as the product life cycle: beginning stage, growing stage, maturity stage and decline stage.

- beginning stage is close to the existence of a unsatisfied need, the appearance of a new product. In this moment it is identify with the product market;
- growing stage means the satisfy of the need by more producers, the similar products offered by those are suffering a difference process;
- the maturity stage is formed by the market of more products related with concurrence, the market is suffering an accentuate segmentation;
- decline stage is determined by the technology evolution and by following down the demand for existent products, the companies are abandoning the market of some products and create new products and implicit new markets.

The study of automobiles market resume the analyze of demand, analyze of automobiles supply for identify the structure and the dynamics of the supply but also to investigate the buying comportment of the automobiles buyers.

The automobiles production represents one of the most important economical activities, which is related with other economical sectors, we assist today at a global process, an expanding of automobiles market.

World production of automobiles was placed in 2006 at a level of 67 millions in according to a study realized by American organization WORLDWATCH INSTITUTE; SUA was the most important auto producer with 10.8 millions, followed by Japan. On the other hand China is in a rapid grow, and the Asian state will become an important provider in the following four years.

Being in a permanent movement because of new models, permanent changes, development of technology and market penetration by Asian car manufacturers, the auto market can be characterized as one of the most dynamic markets

Using of a proper strategy will let to surviving and even to success in the hard competition from auto market. At the beginning the change does not represent a problem, in the fifty's in United States purchasing of a car means the acquisition of a model from GM, Ford, Chrysler or American Motors. In our days the choice of a car is more complicated the automobile range is bigger GM, Ford, Daimler-Chrysler, Toyota, Honda, Volkswagen, Fiat, Nissan, Mitsubishi, Renault, Suzuki, Daihatsu, BMW, Hyundai, Daiwa, Mazda, Isuzu, Kia or Volvo.

At the same time the number of auto-models had grow, at the beginning of seventy's were 140 models, in the present are a little more then 260 car models.

Even on small market of deluxe sport cars which costs over 175000 dollars a piece, the competition is in growing, the models from this market are: Ferrari, Lamborghini, Aston Martin, a new sport-car Bentley and the new Mercedes Vision SLR.

Thirty years ago most car manufacturers offers a few automobiles styles, in our days are the following car types: SUV (sport utility vehicle), coupe, break, two places cars, trucks, and auto trucks; this fact is leading to force the companies to find new financial resources to produce the models.

In our days, the big difference is that the national markets with local companies that compete for business - are being transformed in a global market, because today the competition is at the global scale (Jack Trout – Trout Despre Strategie)

The automobile market has been diversified very match as the computers market, at the beginning the consumers could chose only from three brands Chevrolet, Ford and Plymouth.

The extension of chose possibilities in the auto market can be exemplified by extension of car models from 140 in the seventy's to 260 in the present; automobile styles from 654 in the seventy's to 1121 in the present, and as a different market share from 8 SUV models in the seventy's at 38 models in the present. An important place for success in automobile international market is represented by the product promotion. Chevrolet is one of the most promoted products in the world; General Motors spend in one of the latest year over 178 millions dollars for promoting the product in the United States. At the same time must be taken in consideration the problems which are being in a society which communicate in excess that's why it must realized the product positioning in the consumer mind.

Chevrolet has been the brand with the best car selling in United States, for example, in 1986 Chevrolet Division from General Motors had sold 1 718 839 units, but because they want to satisfy to every one and to grow the number of models had underestimated the branding force, today Chevrolet sales about one million cars and is in the second place after Ford. Conform to Al Ries, Chevrolet has 10 separate models and Ford has 8, that is one of the reasons Ford has raised above Chevrolet in United States – the force of branding is un proportioned with its extension. Chevrolet Company has on the market more automobiles because they want to sell more auto vehicle, in a short period of time they succeeded but in a long period of time they underestimated the brand name in the mind of consumer witch will go to affect the number on sold units.

In a recent classification in United States, made with 16 automobile brands, number one seen from quality point of view is on the 12th place in sales, number two is in the 9th selling place, and number three in quality perception is in on the last place of sales classification. In the case that quality will be translate in sales results, but it is not like this. Most buyers want to acquisition the car with the best quality they can afford. Quality or much more perception of quality is in the mind of consumers. For building a powerful brand must be built a powerful perception of quality in the customer mind. One factor for building the perception of quality is to establish of a higher price. Names as Mercedes-Benz, Rolls-Royce are brands witch have benefits after a high price.

In Romania the automobile was introduced at the end of XIX century at the beginning of production start in world scale. At the end of XIX century in Romania were 60 registered automobiles that ones gathered in the year 1904 in automobile society Romanian Automobile Club (ACR).

So, the automobile history in Romania concurs with the History of Romanian Automobile Club. In September 1904, A.C.R. has made the first automobile rally on the Bucuresti - Giurgiu road and back, and at the end of that year A.C.R. was numbering 29 members and 19 countries clubs. Romania was situated in the first ten countries in Europe where automobile circulated, and was in the first 6 worlds states witch organized automobile competitions (information's from www.acr.ro/Romanian/denumire.htm).

In 1895 three peoples from Craiova Romania had bought three Benz carriages with 10 HP motors, one year later were imported another 3 carriages, a Peugeot, a Rochet-Schnaider and a tricycle Bollee, in 1898 had been imported an Oldsmobile, by the year 1906 had been imported in Romania a number of 150 auto vehicles, in the year 1907 number was 233, and in 1912 the number reach at 850, the most numerous brands were Mercedes, Panhard and Dion-Bouton.

From year 1910 it beginning the fabrication of automobiles with four cylinders of 20, 30, 40 HP under the licenses of Westinghouse at Arad at Marta Company Marta (Magyar Automobil Reszveny Tarsasag Arad). The beginning year of the First World War catch Romania with 650 auto vehicles produced and at the same date ware circulate 1000 automobiles.

After the year 1918 the number of automobiles grow because the branch of Renault, Fiat, Ford, Chevrolet, and General Motors, in 1926 in Romania were more then 11 300 automobiles.

In 1935 Ford Romania Factory from Bucharest began the production of model Ford 193 equipped with the 60 HP; in the year 1945 the engineering Radu Manicatile produced a mini auto vehicle M.R. 1945 equipped with modified monocycle 11.5 HP engine, in the year 1946 had been produced a prototype auto vehicle in Malaxa Factories, followed by the building of an automobile in the factories from Brasov under supervising of engineering Radu Mardarescu.

The real production of automobiles in Romania starts with the factory Dacia from Colibas witch debuts with Dacia 1100, the auto market being comleted by production facilities from Campulung Muscel, Timisoara and Craiova.

Dacia Logan was the best-sold car from the Centre and Eastern Europe, in the third trimester, where it has 24 000 buyers on a market with a total of 350 000 auto vehicles; conform to a study of JATO Dynamics, taken by Newsin. Logan with 24 171 sold units is better then Skoda Fabia (witch sold 17 641 units) and Skoda Octavia (witch sold 16 015 units). Top five of the best-sold cars in Center and Estern Europe is closed by Opel Astra, with 8 492 units, and by Ford Focus with 8116 units. (www.tmcvt.ro)

Conform to a study made by Jato Dynamics; the number of new automobiles sold on Romanian Market in the first nine months of the year has put Romania on the first position of automobile market from Eastern and Central Europe. In the next positions are Poland with 217 412 sold cars in the nine month, in grow with 24% as the similar period of 2006, and Hungary with 128 958 sold units, in descending with 5.9%, conform to the dates of research company.

At the level of all region, the seals of new auto-vehicles grow in the period of January-September with 14% to 981 052 units. In the third trimester Romania is in the leading of the classification of Central and Eastern Europe with a lead of 20.5% of new auto-mobile sells, compared to the same period of 2006 at 82 585 units.

The most sold model in region was Dacia Logan, with 76 924 units sold in the first nine months, in regress with 5.1%for the same period of the last year. Logan was followed by Skoda Fabia with 58 920 sold units (-14%), Scoda Octavia, with 49.510 units (+5.9%), Opel Astra with 24797 units (22%) and Ford Focus, with 23 036 units (+20.1%) (www.informatiiauto.ro).

At the level of year 2007 the automobile sales on Romanian market has grow with 23% toward the level of 2006, reaching a level of 351 000 units according to the dates from APIA, the highest sells were made by Dacia with approximately 95 00 automobiles. The trade turn over of auto industry from Romania, in the year of 2007 (the two local manufacturers and components manufacturers) has reach a level of 7.2 billions euro, in grow with 28.5% (from 5.6 billions euro in 2006). The market leader was Dacia with 93.666 registered automobile, followed by Renault, with 28.824, and on the third place was Volkswagen plus Skoda, at almost equality, 23.824, respective 23.187 automobiles.

The second platoon is constituted by Opel, in a rapid grow, with 18.743 units, Ford with 163573 and Daewoo. From the total sold automobiles, 137.978 had diesel engines and 177.643 had petrol engines. Renault brand had a market share of 9.3%, Opel 6.1%, Ford 5.55%.

Peugeot Brand has a total of 13.682 registered automobiles in the year of 2007, being catch up from behind by Chevrolet and Hyundai, one of the 2007 year revelations, followed by two other brands Fiat and Toyota with approximately 10.0 registered automobiles.

Toyota Romania had reported sells of 10.458 units of Toyota and Lexus, in grow with almost 70 % faced the precedent year. From the total of sold cars in 2007 10.301 were Toyota (with a grow of 67% faced 2006), and 157 Lexus units, for the Lexus brand the grow was almost 200%. The best sold units were Yaris (2.341 units), Avensis (1.968 units) and Corolla (1.835 units). Toyota Auris had registered sales of 1.167 units.

Renault had commercialized in 2007 on Romanian market 32.200 units with 37% more then last year, more than 29.000 from that units were automobiles. Megane had known the most spectacular grow, reaching more than 11.800 units, with 73% more then 2006. Symbol remains the leader of import classification with more than 13.400 sold units, with a grow of 16.7% more than last year. A grow of 48.9% had registered Clio III with more than 2.700 units.

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METHODOLOGICAL ASPECTS OF STUDYING CONSUMER BEHAVIOR IN THE ROMANIAN INSURANCE MARKET

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Nowadays, insurance products are seen in developed countries as products for basic needs. In order to successfully adjust to changes in the environment insurers need a thorough knowledge of the characteristics of the market achieved through a coherent marketing activity. The paper aims to present a methodology of how to analyze the consumer behavior in the Romanian insurance market, which are the proper ways of analyzing the influence of endogenous and exogenous factors on the insurance consumer behavior using desk research as well as direct market research so as to study the most important factors in the decision making process.

Multicultural Marketing, Global Marketing, Consumer Behavior, Endogenous Factors, Exogenous Factors, Documentary Study, Qualitative Direct Market Research, Quantitative Direct Market Research

1. Global marketing versus multicultural marketing in insurance

The marketing activity in insurance has been the concern of renowned specialists – they tried to find the answer to these questions: “What kind of marketing is the right one for the development of the insurance sector and for enhancing welfare?”, “Which are the main characteristics of the consumer behavior in insurance market and how we can adapt the marketing activity to these characteristics?” and “How to study the consumer behavior in the insurance market?”

The consumer behavior particularities influence the marketing orientation of the insurance company. Even in the services sector the globalization has made important changes in the way the consumer behave and in consequence in the way the firms manage their marketing activity. By this perspective we shall try to find the response to the question “What kind of marketing is the right one for the development of the insurance sector and for enhancing welfare?” by presenting the various theories concerning the most appropriate type of marketing in insurance: global marketing or multicultural marketing.

The globalization of the insurance market is a fact that cannot be contested. It is determined by a series of factors such as: the development of world trade, the entry on foreign markets of business clients of insurance companies, the need of a more effective activity of insurance companies, economic growth on emerging markets, a greater need of capital and know-how on these markets etc. (*Swiss Re, Sigma no. 4/2000*). The globalization of the insurance market has lead to the uniformity of tastes of consumers worldwide, making their attitudes and preferences similar (Harold Chee, Rod Harris, 1998).

However, starting with the '90s, multicultural marketing - which accounts for the differences in perception, attitudes and behavior of consumers in different cultural areas - has been viewed as an alternative to global insurance marketing. Ruy de Carvalho in “How does the future look?” went even further in predicting the appearance of the so called *emotions marketing* in insurance – a type of marketing necessary as a consequence of an increasingly sensitive consumer behavior. (Ruy de Carvalho, 1998).

Philip Kotler showed that companies tend to turn more and more to the marketing of images and emotional incentives to gain the best position in the clients' minds and hearts and try to sell an attitude or a way of life, promotional campaigns acting more on emotions than on the intellect. (Philip Kotler, 2003).

Michael Solomon, Gary Bamossy and Soren Askegaard maintain the theory that nowadays consumers are trying to build an identity through various consumption activities (Michael Solomon, Gary Bamossy, Soren Askegaard, Margaret Hogg, 2007) and consequently a consumer will choose the product / service / company brand that has an image in accordance with the ideas he holds about himself - the choice being indicative of the type of image the consumer desires. The same idea is sustained by a renowned specialist in international marketing, Charles Croue: he argued that the 21st century has a complex **cultural heritage** which is a decisive factor for the success or failure of the marketing activity on international markets (Charles Croue, 2003) and the insurance companies should adapt their activity to the specific consumer behavior. This situation implies that consumer should be treated as individuals and the insurance companies should try to comprehend the consumer behavior and the complex factors that influence that consumer behavior and the insurance companies should try to act as a one-to-one partner. Sergio Balbinot in *STRATEGIES FOR THE NEW WELFARE SOCIETY IN THE LARGER EUROPE* notices that the interest of insurance companies to make profits corresponds to the interest of customers, as making profits means establishing long-term relations with customers in order to have a stable portfolio. (Sergio Balbinot, 2005).

Theories regarding the importance of taking into account the features of different cultures in marketing are numerous in specialized literature in the field. Moreover, in the context of the new positions of power created by globalization, there are many supporters of the theory that global marketing is the best solution, as the globalization of markets has led to the uniformity of tastes of consumers worldwide, making their attitudes and preferences similar (Harold Chee, Rod Harris, 1998). In any case we should study

2. How to study the consumer behavior in the Romanian insurance market

The social development and quality of life in Romania depend to a large extent on the way in which Romanians view insurance services, as well as on their attitude towards risk and insurance. So it is very important to know and understand the consumer behavior in the Romanian insurance market.

There are three important aspects that should be studied in order to know the consumer behavior in the Romanian insurance market:

1. the main characteristics of insurance supply and demand and the trends on the Romanian insurance market,
2. the particularities of the Romanian consumer behavior and the particularities of the consumer decision making process in the Romanian insurance market and
3. the influence of exogenous and endogenous factors on the behavior of the Romanian consumer of insurance services.

For the study of the consumer behavior in the Romanian insurance market we consider that we should combine three research methods: the documentary study, the qualitative direct market research and the quantitative direct market research. Documentary researches, qualitative and quantitative researches are complementary – see Image no. 1. Both primary and secondary sources of information should be used in the study of the consumer behavior in the Romanian insurance market.

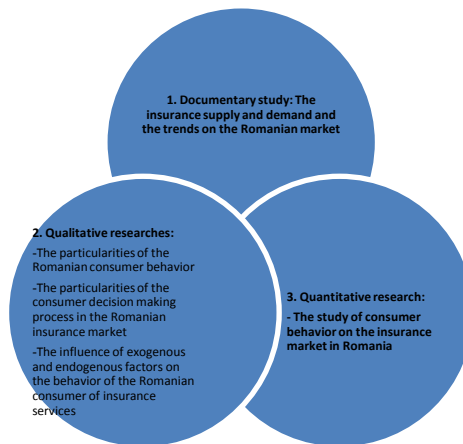


Image no. 1. The study of the consumer behavior in the Romanian insurance market using complementary marketing researches

We can use the documentary study for analyzing the insurance supply and demand and the market mechanisms, for studying the trends on the Romanian insurance market. This will lead to obtaining important information for the harmonious development of the sector in Romania. The study of market trends can help insurance companies in Romania become more competitive. An important source of information on the Romanian insurance market is represented by the reports of the CSA. This study can be used in order to establish some of the hypotheses for the quantitative direct market research.

The direct research is the most important modality of obtaining information for the study of the consumer behavior in the Romanian insurance market and both qualitative research and quantitative research should be used for identifying the particularities of the Romanian consumer behavior and the particularities of the consumer decision making process in the Romanian insurance market and for analyzing the influence of exogenous and endogenous factors on the behavior of the Romanian consumer of insurance services. The exogenous variables that should be studied are: family, belonging and reference groups, social class, culture and subculture. The study of the endogenous factors implies the study of perception of insurance services among Romanians, the study of the attitude of Romanians towards insurance services and the study of the motivation of the consumers of insurance services.

We propose to use two qualitative marketing research methods: the semi-guided interviews and the Delphi group method. The qualitative marketing research using semi-guided interviews is the best method for studying the particularities of the Romanian consumer behavior and the particularities of the consumer decision making process in the Romanian insurance market and the influence of exogenous and endogenous factors on the behavior of the Romanian consumer of insurance services. There are two qualitative marketing researches to organize: (1) a research for studying the particularities of the Romanian consumer behavior and the particularities of the consumer decision making process in the Romanian insurance market and (2) a research for studying the influence of exogenous and endogenous factors on the behavior of the Romanian consumer of insurance services. To find the influence of endogenous factors we have to study the role of family, belonging and reference groups, social class, culture and subculture in the decision making process in the Romanian insurance market. To find the influence of endogenous factors we have to study the attitude of Romanians towards insurance services on age, income, environment and socio-professional categories and to analyze the way in which specific features of perception, attitude and behavior of the consumers in different cultural areas influence the marketing in insurance activity. The organization and implementation of the qualitative marketing research using semi-guided interviews implies designing marketing research, implementing marketing research: selecting the participants based on the recruitment questionnaire, interviewing each subject by using the conversation guide and recording the interviews, the analysis and interpretation of information, drawing up conclusion and presenting the final report. The qualitative researches will be conducted among Romanians living in urban and rural environments, between 18 and 60 years, by using semi-guided interviews.

The Delphi group method can be used in order to establish the particularities of the marketing activity function of the particularities of the consumer behavior and of the influences of endogenous and exogenous

factors on the behavior of the consumer of insurance services. The qualitative market research using the Delphi group method involves questioning a group of experts composed of 8 -10 specialists in insurance and marketing. In the group of potential experts we should include persons that have an overall view of the problem and use multiple information sources – journalists and consultants included. The method of information gathering can be based on “on line systems”: questionnaires and their answers can be sent via Internet.

The quantitative research should be used for the study of consumer behavior on the insurance market in Romania. Quantitative research aims at quantifying data and generalizing results at the level of the entire population studied. The phases of research are: determining the objectives of research, determining the hypotheses of the research, defining the research variables, identifying the population studied, the unit of observation and the unit of survey, setting the sample, establishing modal, spatial and temporal coordinates, elaborating the questionnaire, the pilot survey, gathering information, processing information, analyzing results and drawing up the final rapport. The direct marketing research using the market survey should be made on a representative sample of 1083 insured persons (the error $\pm 3\%$). As to the risks we might face – we must take into account the fact that in direct market research problems might arise related to the elaboration and applying of research tools (for instance, questions might be insufficiently clear and precise, subjects might miss interpret them etc.), therefore the research tool: the questionnaire must be tested in advance.

In order to study the evolution of the Romanian consumer behavior of insurance services and the influence of endogenous and exogenous factors on the behavior of the Romanian consumer of insurance services we should realize a diachronic study: this suppose to repeat the qualitative and quantitative research that will use the same methodology as the study realized before and to compare the results obtained so as to emphasize the way in which the behavior of the Romanian consumer of insurance services evolved and in order to highlight the evolution of the influence of endogenous and exogenous factors on him.

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SOME ASPECTS OF MARKETING IN KNOWLEDGE SOCIETY

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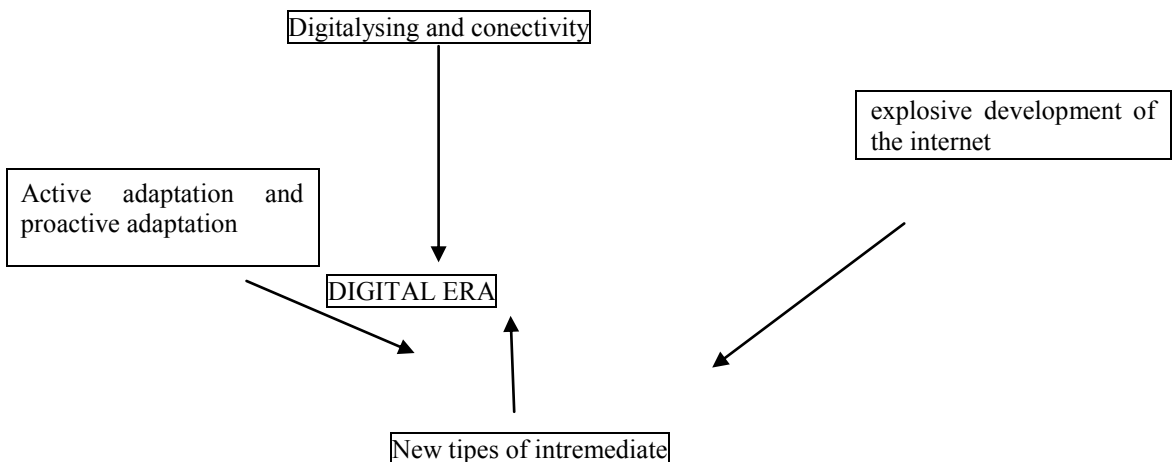
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Abstract: In the last decade, the strategy and marketing practice have passed through many spectaculars changement. The great technological progresses, inclusive the explosive development of the internet, exercited a strong impact on the buyers and marketerilor that serves them. To prosper and even to survive in this digital era, marketerii has to re-think their strategies and to adjust them to the new today's environment.

Key words: tehnological progresses, digital information, e-business", electronic business

The new technological progresses including the wide spread of the use of internet lead to appearance of what some name already the New Economy.

Although there has been many controversies in the last years about the nature – or existence itself – of this “new economy”, few will deny the fact that the internet, together with other new and efficient technologies of connecting, brings a spectacular influence on marketerilor the an buyers. Many strategies and marketing practice who in the past represented “usual norm” – the mass marketing, products standardize, publicity through mass-media, en detail selling in stores and others - where perfect matching in the context of the so-named "old economy". Although all these strategies continue to be important in the "new economy", the marketers will have to conceive new models, in more measure adequate to the different environment from these days. The forces that play a major role in the reshape of the world economy, among which is technology, globalization, ecologist and others. Digitalizing and connectivity, explosive development of the internet, the new types of intermediates and active adopting of the offer made to the client in tandem with the proactive adopt. Numerous equipments and systems available in the past – ranging from apparata and phone connections, watches and music records to measurement apparata for industrial parameters – all functioned based on analogical information. The analogical information is permanently variable due to the function of response to physical stimuli. Nowadays, an increasingly larger number of equipmnets and systems function based on *digital information* which occurs in the form of 0 / 1 sequences or bytes. Texts, data, sounds, images, they can all be read as byte sequences. A laptop operates precisely these bytes whitin the thousands of applications it runs. Computer soft programmes consisted of a digital content for operating systems, games, memorized information and also other applications.



Forces that modelate the internet era

In order to allow bytes to pass from one location to another, or from one application to another, connectivity is needed - a network of telecommunications. Worldwide, economic activities exist via these networks which connect **economic agents** and entrepreneurs. **Internets** are networks that connect people from a company, both one with the other and with company's network too. **Extranets** connect a company with its contractors and distributors, and also with other external partners. The Internet, a large organism of networks connects users of all kinds from all over the world both with each other and with an enormous "information store". The Internet represents a very large "information highway" which allows bytes to pass from one location to another at an incredibly high rate

Encouraged by the new technologies available, mainly the Internet, the economic agents is going through a process of transformation, similar to the industrial revolution. In order to survive and prosper in this century, managers must enter their brains a new set of regulations. The economic agent must adapt to the the new targets of Web management. The Internet revolutionizes our way of thinking, our relations with the contractors and distributors, our way of making money and liabilities/assets (pasive si active), in a nutshell it revolutionizes the Marketing.

Some marketing experts foresee the day when all transactions will be operated via electronic connections between the firms and their customers. The new activity pattern will change fundamentally the customers' conception regarding comfort, speed, prices and information availability on products and distribution. This new consumers' way of thinking shall have important effects on all firms/businesses, irrespective of the area of activity. Adopting the Internet as the main connection and other marketing technologies may be compared to the beginning of flights.

Using the electronic platforms, the internet - the extranets and intranets - to develop a business is coined "**e-business**", **electronic business or business activity in electronic system**.

Electronic commerce refers to all sales and purchases/buyings performed via electronic system, mainly the Internet. Electronic markets are virtual markets. Sales agents use the electronic markets to present their services and products in on-line system. Customers use them to find information and the location of whatever they need, to order by means of credit card payments or other electronic payments available.

The electronic commerce consist of *e-marketing* and *electronic supply/purchase*. Electronic marketing is the marketing area of electronic commerce and consists in the company's efforts to present, advertise and sell products and services via Internet, thus existing firm that have marketing in their own web sites (Dell company). The counterpart of electronic marketing is the electronic system supply, which stands for the purchasing part of the electronic commerce and consists of all firms which purchase goods, services or information from on-line suppliers.

Within the firm-to-firm sales, e-marketers and e-buyers are assemble in large networks of alectronic commerce.

Purchasing via the Internet brings upon some advantages to both kinds of buyers/customers - organisational and final ones. This method of purchasing is very comfortable. Customers are no longer obliged to stay in traffic, to find parking sites, and to walk along the shelves in order to find and prospect the product needed. Customers may compare all existing offers simply by skimming the catalogues in the postbox or surfing among web sites. Direct marketers are never closed. Purchase is easily done without unwanted intrusions: customers meet much less obstacle in their way, no efforts, no sale assistants to deal with. Organisational purchasers/buyers may also find out existing data and buy products and services without time-consummation and endless discussions with the shop personnel.

Moreover, the Internet allows customers/buyers larger acces and choice possibilities regarding all the products.

Electronic commerce is very conveninet for the sale firms. First of all, the Internet is an instrumnet of great impact for developing relations with one's customers, for marketing - firms can interact on-line with their customers and find out more about the clients' needs and desires, on-line clients can post commnets, questions and personal opinions regarding products. Based on this continuous interaction, firms/companies can increase their clients'/customers' satisfaction by improving and expanding the product offers.

The Internet and other electronic channels of comunication also have disadvantages, like low costs, speed and efficacy increase. Electronic marketers electronici avoid the costs of maintaining and adminnistering a supermarket, with all annexed costs: rent, insurance, utilities.

Using the Internet in order to connect to their suppliers/contractors, all production factories, distributors and customers/clients benefit from low cost production, thus transferring some saved money towards the clients.

Because clients are in direct contact with sellers, electronic marketing has often as a result lower costs and better efficiency for logistic functions and from the distribution channel, as would be the processing the orders, stock's administration, delivering and promoting among distributors. Communication through electronic means often consists less than communicating through mail. For example, a company may work with digital catalogues, whose production cost much less than the printed and whose online distribution also would cost less than the one made by mail.

Electronic marketing offers more flexibility, by allowing the marketer to adjust permanently the offers and programs. For example, once that a catalogue printed on paper was sent by post to the final consumer or organizational clients, the products, prices and other elements of the catalogue were fixed and remain the same till expedition of the next catalogue. But, one on line catalogue may be changed daily and even from one hour to another, in order to adopt the products assortments, prices and promotional actions to market's change of conditions.

Internet is an environment indeed global, that allow sellers and buyers to go from one country to another in only few seconds. Thus, even small electronic marketers found that they have easy access to global markets.

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TENDENCIES OF INTERNATIONALIZATION IN RETAILING

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Manufacturing companies took advantage of internationalization as early as in the seventies and eighties of the last century, whereas retail companies have used these chances not before the last few years in order to improve access to resources, to increase sales and to extend activities to external markets. Once a retail company has decided to penetrate a foreign market they must be aware of the unfamiliar working of external environment that they cannot control. Even the world's leading retailers make mistakes when approaching markets they do not understand properly.

Key words: retailing; internationalization; elements of external environment; behavioural polyvalence; consumers' orientation

1. Introduction – The Marketing Environment of Companies

Literature has defined the market environment of manufacturing and retailing companies in different ways. So, it represents “the assembly of elements and forces that come out under the instant control of the company (manufacturing or retailing) and influence the maintenance or the development of their relation with gainful clients” (1, p.76). Alternatively the market environment comprises all entities and “external forces of the company capable to influence the way in that it develops and maintains satisfying exchanges with the target market” (8, p.178). Companies need know their environment for two main reasons, first to fully use the chances the market offers, second to avoid uncertainty in an aleatory, undetermined or antagonistic universe. (17, p 73).

2. Economic Aspects

Nowadays retailers see themselves with a host of economic changes confronted both on a micro and a macro level as well concerning intra- and inter-organizational management. (16, p. 59).

Retailers are exposed to a continuous change all over the world with a steadily harder growing competition and an increasing saturation of their home markets since the nineties. (2, p 186). These circumstances contributed essentially to the movement outside the national borders. Most retailers think that internationalization is the best strategy to raise sales, and to conquer new markets. To solve the connected problems a different approach of retailer as well as wholesalers is required (29, p.226). The extent of such a process is illustrated by Fig. 1 for the case of the Metro Company.

In 1992 the first 30 retailers that have gone abroad were present in less than five countries. Today some of them realize even more than 50% of their total turnover on foreign markets. Some of the retailers penetrated up to 30 external markets (31, p.77). Usually, only powerful retailers manage to penetrate foreign markets. They can easier bear the consequences of a possible mistake when attacking a new market (see the case of Wal-Mart in Germany). Wholesale trade is only to a lower degree internationalized. It rather concentrates on local and regional expansion. There is, however, one important exception: Those wholesale traders that practice international trade by export and import.

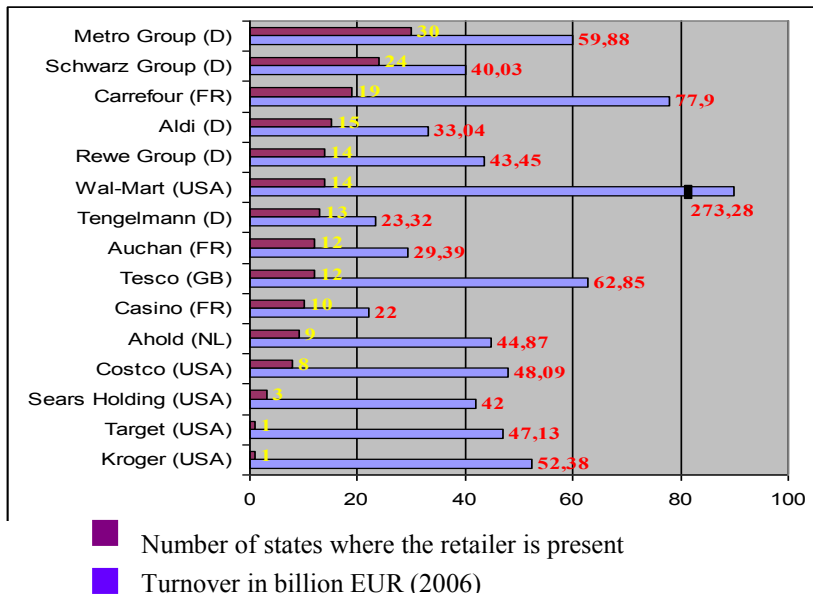


Figure 1: Comparison: number of penetrated countries versus the total turnover on global scale (for 2006 in 1000 million Euro) (31, pp. 76-89)

The present movement of internationalization of retail trade started off in the nineties and follows a trail set by pioneer manufacturers during the seventies and eighties (12, p.233). A comparative view is illustrated in table one.

Years	Manufacturers		Traders
	70 – 80	90 – 00	90 – 00
International situation	Pioneers / “early starter”	Internationalized, but among many others	International situation
International competition	weak	strong	International competition
Importance of international strategies	reduced	high	Importance of international strategies
Spatial orientation	Neighbour countries	Worldwide	Spatial orientation
Entry form, respectively market approach way	Export; agencies	New foundation; cooperation	Entry form, respectively market approach way
Main lines of internationalization	Distribution activities	Creation of value; co-ordination of activities	Main lines of internationalization
Speed of internationalization	medium	high	Speed of internationalization

Table 1. Central features that determine manufacturers’ internationalization, European traders respectively (20, p.166)

Most of European retailers (19, pp.500-502) – Carrefour, Metro, Ahold, Tesco, Rewe, ITM Enterprizes, Edeka, Schwarz, Auchan, Spar International – derive their sales basically from the food sector. Some of them do understand the necessity for globalizing activities and the need of “reactive extension” to Central and Eastern Europe (28, p.244). Such an extension is a fundamental option of strategic diversification (5,

pp.196-212), a concept which is not properly understood by most retailers. This lack is aggravated by their inability of fast transfer of resources to new markets, and insufficient flexibility with respect to cultural, political, juridical aspects or simply to proper understanding of consumers.

The largest retailer of the world, Wal-Mart, with an estimated turnover of 350 billion USD in 2007, entered in the middle of the nineties the German market. After investing initially 1.6 billion USD and losing over 3 billion Euro during their activities, due to the strong competition of the discounters Aldi and Lidl / Schwarz (Kaufland), the company failed to develop a favourable image in both consumers' and employees' minds. At the same time, local competitors boomed considerably. Therefore, in July 2006 the management of Wal-Mart decided to sell the German branch with 85 stores to the Metro Group. The buyer announced that he will shut down 13 of them.

3. Political – Legal Factors

Liberalization of world commerce according to the rules established by the World Trade Organisation (Eastern Europe, Asia) and opening of new markets are among the most important factors of internationalization (12, p.343). Agreements like GATT, GATS, TRIPS (33) that create a favourable framework for free trade and lead to a global integration of world trade (28, pp.4-11) concerning manufacturing, agricultural, services and intellectual property rights. They aim at establishing rules that are reliable (32).

The role of behavioural rules for retailers on external markets is underlined by literature (23, pp.410-436):

- Foundation and development of subsidiaries on external markets – an approach designated as “subsidiary strategy” and considered as “the most successful way of internationalisation” in retailing (29, p.343).
- Acquisition of local retailers (“acquisition strategy”) or of local commerce networks. This is an easier way to penetrate foreign markets, due the fact that a local retailer has adapted himself to the local market. Much time can be saved, too, and possible juridical complications can be avoided (29, p.344). The acquisition of local or national retailers can also be regarded as an economic globalization phenomenon (27, pp.75-90).
- Cooperation with local retailers (“cooperation strategy”) on the base of “franchising” or “Joint Venture”: Such decisions may be the result of legal restrictions that do exclude foundations of subsidiaries or alternatively may bestow a better access through a local partner to resources. The shares can than later be sold to them or to third parties. Metro, the second European retailer (31, p.65) used this type of expansion in China, by establishing a Joint Venture in 1996 with the Chinese group Jinjiang. Nowadays Metro China has more than twenty locations (30, p.12).

Proper entrance means the decision of finding the right moment of entering a new market. It also means choosing the right number of locations and size of stores (regarding assortment variety and surface) (5, p.198), but also the two learning dimensions – the intra-organisational learning (given by the own experience of internationalisation) and the inter- organisational learning (seen from the point of view of the competition, which already exists on the market) (15, p.96).

4. Technological and Natural Factors

There is a large concentration of retailers on an international level, which means also an increase of financial, human and technical resources. Commerce and especially retail commerce is not considered any more as a simple distributor for producers, but it becomes a special dimension, a partner (24, pp.1-4). Such a professionalization of commerce was also possible by modern technical systems (14, p.83).

This makes it easier to access final consumers. There are even more new possibilities of obtaining relevant information from consumers and their behaviour, for e.g. by automatic cash registers with scanning devices. Such machines do not only contribute to increase the efficiency of paying processes but also of gathering the necessary information concerning a basket of consumers' commodities. Further examples are consumer cards (7, pp.104-107), which can provide necessary personalized data concerning buying behaviour. Through such loyalty programs, retailers have the possibility of observation consumers' buying behaviour. Furthermore he can observe everything what was bought. Retailers also can compare buying baskets and correlate these data with the socio-demographic characteristics of card owners (14, pp.83-84).

Retail succeeds to be perceived, due to information technology, more easily and faster by consumers, practically to “access” him and to induce him an affection that leads once more to accepting retailing firms. The non – stationary of e-commerce, but mainly the provided comfort (customers does not have to go anymore to retailers and to buy products, but the entire acquisition process is carried out from any computer) represents at least theoretically, a proper alternative for retail, if not even a future threat (26, pp.687-706).

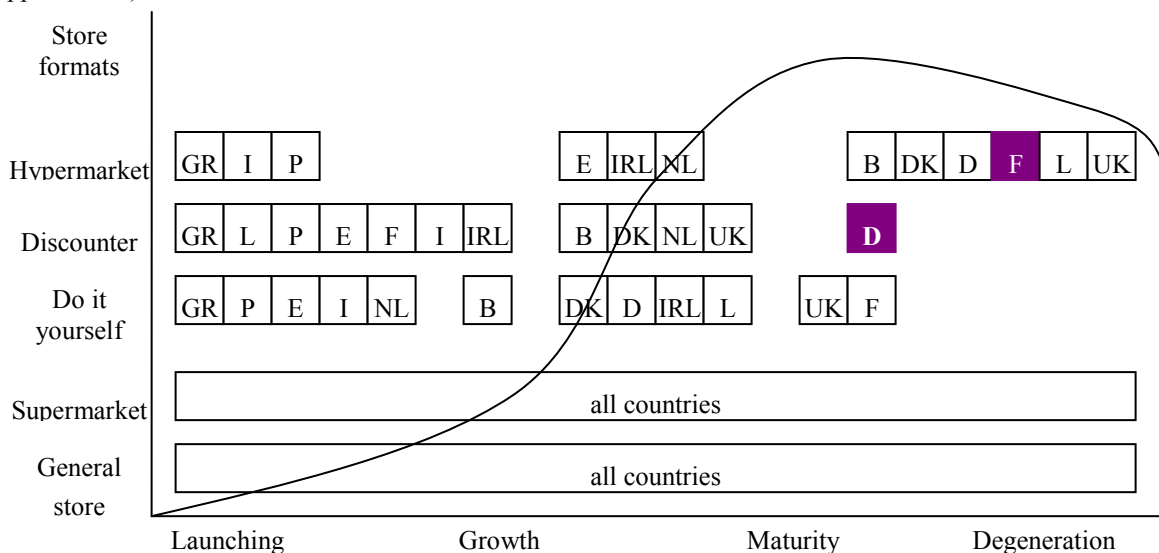


Figure 2. Phases of the life-cycle of some selected European retail stores (29, p.518)

Internet is used as a distribution channel which contributes to the growth of their awareness (25, pp.168-177). From some empirical studies (18, p.36) we see, that consumers rely on names when buying in internet. This means that such names are perceived as brands (14, pp.84-86). Just those retailers who succeed in positioning themselves in consumers’ minds as strong retail brands will have the chance of being recognized adequately by them (25, pp.168-177).

For different foreign markets there are also distinctive types of stores. For Germany the specific store are run under the designation of “discount”. In France we find the “hypermarkets” are the most specific format. Some studies (4, p.133) have “succeeded” in integrating retail stores in the life-cycle model, as shown in figure 2 (3, p.44).

Information overcharge must not be neglected by the media (22, pp.19-38). Literature also states that consumers are overfed by commercials. Other sources report that the total time spent on TV commercials is of at least 40 hours per day (6). As a consequence, consumers are not able to process that much information. This means that commercials must reach the attention of consumers in a very short. This becomes more and more difficult (6, p.13).

5. Socio-Demographic and Socio-Cultural Factors

Worldwide acting retailers must take care about various socio-economical and socio-demographic characteristics of consumers. Some behavioural tendencies are present even in different regions. This is regarded as a behavioural polyvalence, also known as the dynamic of consumer’s behaviour (11, pp.133-136). On this base, we distinguish the following kinds of consumers in retailing:

- The “consistent” consumer: He behaves in a constant way, and is easy to include in a category. He always keeps his buying characteristics and causes no problems when being approached by retailers. His principle is: “I am what I own”;
- The “hybrid” consumer: He is known to have a bipolar behaviour because he is inclined to invest a lot of money in a shopping situation. In another one he will try to dramatically reduce the spent amount of money. He is actually the type of individual who buys both from exclusive stores and from discounters, his principle being “I am the way I live”;

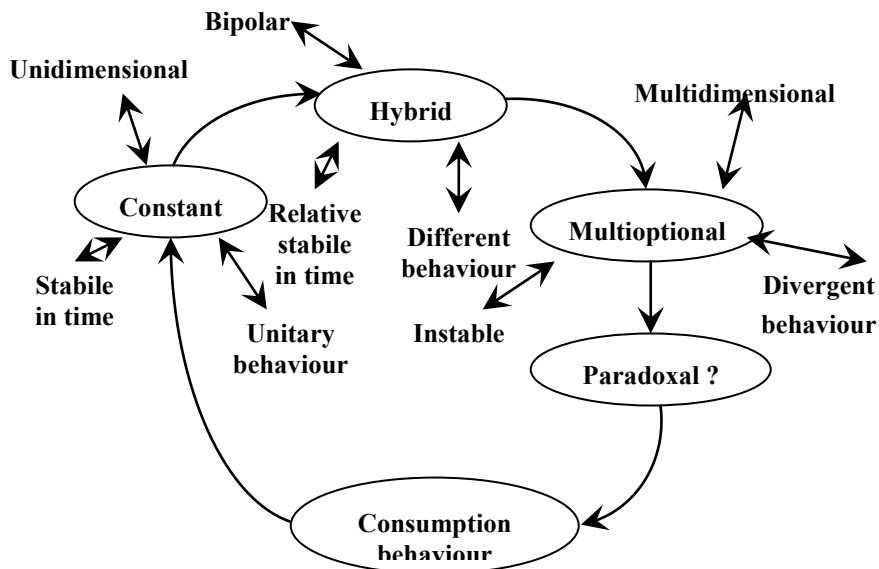


Figure 2. Evolution of consumers behaviour (10, pp.37-54)

- The “multi-optional” consumer: He starts off from hybrid stage and adopts different roles. He actually belongs to several types of consumer groups. The instability of consumption, the fact that he lives exactly how he is at a specific moment makes him always keep some options open. He represents a real challenge for both retailers and their assortment variety;
- The “paradox” consumer: He is the future transposition of a present consumer which flies between various traditional groups and swings between an “inside” and an “outside perspective”. Figure 3 shows the evolution of consumer’s behaviour in retail.

Among the “basic orientations” under that a retailer can be regarded as a “brand” the following approaches can be noted (26, pp.24-29):

- *Orientation towards “adventure / spare time / action / fun”*: This orientation does not only suggest a way of spending spare time by consumers, but also refers to the way in which a retailer succeeds to differentiate himself from competitors.
- *Convenience orientation*: Several factors contribute to this new orientation, such as the fast growing number of individual households, the fact that women try to successfully combine career and family, but also the tendency of optimizing time and space. For example, a convenience buyer is the one who shops and refuels at a gasoline station.
- *Attitude towards brands*: It contradicts price orientation; it is more likely a trend of the younger generation. This orientation is sometimes combined with the one for organic products. Here, the brand is regarded as a safety element and a warrant of quality and trust of the products origin (11, pg. 137).
- *Price orientation*: Is a new trend in retailing, which tends to offer products at lower price level that can supplement typical brands without any lack in quality.

Price orientation is typical for discounters (14, pg.88). A corresponding strategy does not mean buying low quality products. It stands for a professionalization of shopping. Although consumers are price sensitive they try to buy products above a minimum level of quality. Such consumers are regarded by literature as “Smart Shoppers” (11, pg.137). The main orientations of consumers are shown in figure 4.

- *Orientation towards organic products*: This orientation is also directed towards nourishment that is good for health (13, pg.189). This can be regarded as the newest challenge of retailing.

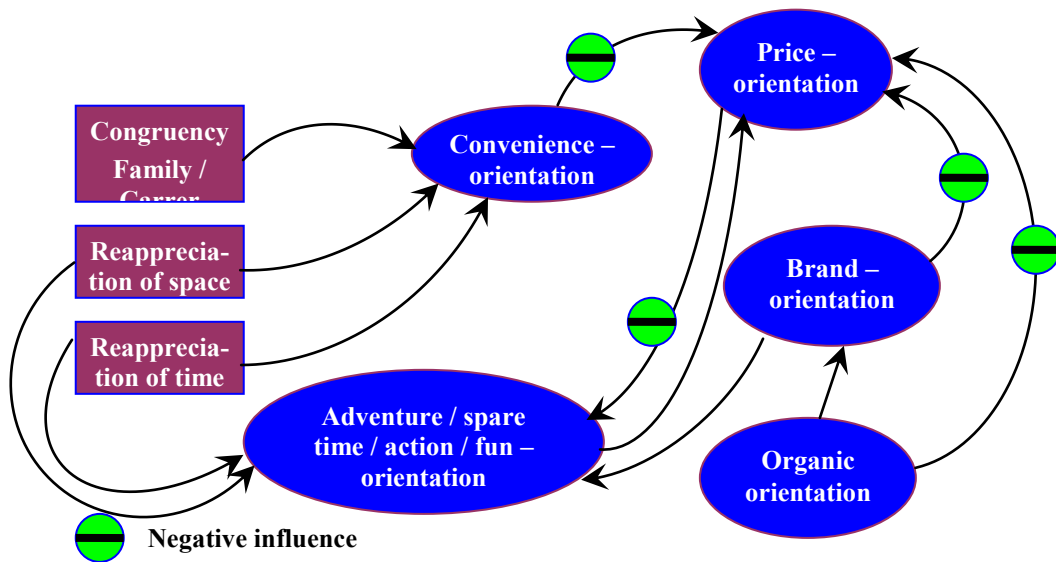


Figure no. 4. Relevant consumer's orientations in retailing (26, pp.27-29)

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POSITIONING – A CONCEPTUAL FRAMEWORK

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Abstract: Positioning is an already popular subject, mentioned in almost every marketing book throughout the world. Although there is consent on what positioning means, there is still some debate on how this concept could become more operational. This paper aims to help organizations introduce positioning as a part of their everyday marketing activities.

Key words: marketing, positioning, marketing research, framework.

Positioning, as we all know it

Any marketing strategy is built on “STP” – Segmentation, Targeting, Positioning. A company discovers different needs in the marketplace, targets those needs that it can satisfy in a superior way, and then positions its offering so that the target market recognizes the company’s distinctive offering and image. If a company does a poor job of positioning, the obvious result will be a generalized confusion. On the other hand, if a company does an excellent job of positioning, then the rest of its marketing planning comes along smoothly.

The word “positioning” was popularized by two advertising executives, Al Ries and Jack Trout. Positioning is the act of designing the company’s offering and image to occupy a distinctive place in the mind of the target market. A good brand positioning helps guide marketing strategy by clarifying the brand’s essence. The result of positioning is the successful creation of a “customer-focused value proposition”, a convincing reason why the target market should consider buying the product.

The first step in defining a competitive frame of reference for a brand positioning is to determine category membership. Determining the proper competitive frame of reference requires understanding the consideration sets consumer use in making brand choices. Once the competitive frame of reference for positioning has been fixed, marketers can define the following:

- **Points-of-difference.** Points-of-difference are attributes or benefits consumers strongly associate with a brand, positively evaluate, and believe that they could not find to the same extent with a competitive brand. Creating strong, favorable, and unique associations as points-of-difference is essential in terms of competitive brand positioning.
- **Points-of-parity.** Points-of-parity are associations that are not necessarily unique to the brand and may in fact be shared with other competitors.

Category points-of-parity are associations consumers view as essential to be a legitimate and credible offering within a certain product or service category. They represent necessary but not sufficient conditions for brand choice. Category points-of-parity may change over time due to technological advances, legal developments or consumer trends.

Competitive points-of-parity are associations designed to negate competitors’ points-of-difference. If a brand can achieve the same performance in those areas where the competitors are trying to find an advantage and obtain advantages in other areas, the brand should be in a strong competitive position.

In order to achieve points-of-parity on a particular attribute, a sufficient number of consumers must believe that the brand is good enough on that aspect. If consumers believe that, they may be willing to base their evaluations on other factors potentially more favorable to the brand. On the other hand, with points-of-

difference the brand must achieve clear superiority. Often, the key to positioning is achieving all the necessary points-of-parity. Otherwise, it would be impossible for the company to compete on equal terms. After acquiring the required minimum level in order to be recognized as a competitor on that market, the company can focus on achieving as many points-of-difference as possible.

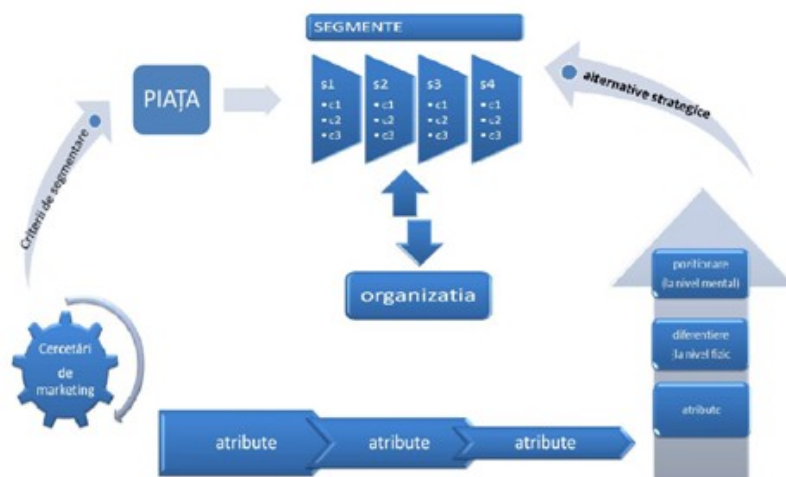
There are still many unclear aspects about the concept of positioning. The first problem is where to fit this concept in the marketing process as a whole. In my opinion, positioning should have its place between marketing research and marketing mix design. Nowadays, there are still many companies which go straight from identifying the need to marketing mix, without taking into account and choosing from the number of positioning alternatives. This situation of “no positioning” is the worst possible.

The second problem derives from the first: how can we motivate this concept’s place in the marketing process? In other words, what role does positioning fulfill in the marketing process? I believe that positioning has the role of coordinating the company’s marketing policy. After choosing the place it wants to occupy in the consumer’s mind, the company has to act upon the marketing mix components in order to put it into practice. All the marketing mix components have to support the same image, in accordance with the selected position. If there is no coordination between these elements, each marketing mix component will support a different image, and the result will be an “unclear positioning”.

Neither positioning nor marketing mix can be developed in the absence of accurate market information. This emphasizes the importance of marketing research as the starting point in the marketing process. We can break the marketing process into four stages:

- the research stage: the company gathers all the necessary information related to the general environment, the market and its competitors;
- the positioning stage: after analyzing the above data, the company must select a position that offers the best chance of success on the market, but also a position it can support with its strong points;
- the marketing mix stage: upon choosing the desired position, the company’s task is to communicate it through all the components of the marketing mix. The company’s brand cannot occupy the desired position unless the four components of the marketing mix converge to the same image;
- the implementation stage: this stage can determine the success or failure of the above program, because process management errors can result in seriously damaging marketing mistakes.

A picture of the first two stages of the marketing process is shown below:



Picture 1: The first two stages of the Marketing Process

The Marketing Process starts with marketing research. This stage lays the foundation for all the upcoming stages. A solid foundation would be to correctly identify the segmentation criteria and the consideration set consumers use in making brand choices. By applying the segmentation criteria, the market can be divided into a number of segments, each with different characteristics and different consideration sets.

When considering the strategic alternatives involved in segment selection and targeting, the company must adapt its offer to the consideration set each segment uses in making brand choices. This adaptation process is named “differentiation”, and its result is easily visible when testing the product. At this point it’s easy to conclude that the differentiation process has results on a physical level, effectively changing the product in order to make it more “likeable” in the consumer’s eyes.

After the differentiation stage, the new product characteristics, selected in accordance with the consumers’ consideration set, must be communicated in order to determine brand choice changes. A proper communication will lead to a clear and strong brand positioning. In other words, the product will obtain the desired position in the consumer’s mind, thus attracting those consumers who value its offer. We can now conclude that the positioning process has results on a mental level, giving the consumer a cogent reason for buying the product. On short term, a well communicated brand positioning can determine brand choice changes even without a preliminary differentiation process.

Once a company has selected its desired brand positioning, there is still a long way to go. There are still four marketing mix components to be harmonized, which is always a difficult task. Moreover, there is still the implementation stage, a never-ending battle for market supremacy. Yet all the upcoming battles are half-won if the obtained brand positioning provides a solid foundation.

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THE ROLE OF THE CATEGORIES IN INTERESTS IN CONSOLIDATING THE IMAGE OLTCHIM SA RAMNICU VALCEA

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Oltchim SA, as a modern organization is functioning in a real context very complex , the result of combination of the three categories of production factors getting in relation with Oltchim SA.

This scientific communication is a research of the role of three categories of production factors getting in relation with Oltchim SA as components of its environment: suppliers of material resources or services, suppliers of financial resources (banks) and personnel suppliers.

For realizing his objectives, Oltchim Rm Valcea, during the activity period, it was and it is obliged to face the date situations, to utilize at the maximum material capacities, technical - scientific and human for assure and keep the competition success by anticipating the evolutions in the area of research, developing technology and innovation.

Key words: financial environment, external environment, local environment, financial communication

Since 1966 Oltchim has provided chemical products that improve human life worldwide. Its products, either caustic soda, propene oxide, propylene glycol and polyethers, chlorsodic products or construction materials, are highly appreciated in all the 80 countries in which Oltchim is present. 300 partners, a family of over 5000 members, along with the quality and environmental protection certificates obtained up to present, make Oltchim one of the most important chemical products companies in Europe. Oltchim is the unique producer in Romania of a series of very important products, such as PVC or pearls of caustic soda.²¹⁵

The structural changes from Romanian economy, after 1990 has decreased the instruments of the state for intervene in the work market. The social insecurity, the financial situation and the absence of a culture of work market already make from personnel suppliers an agent of the company's environment.

Material resources or services suppliers are a special category with for Oltchim SA, and together they create a real partnership tacking in consideration the implications of the activities concerning the implications of their activities about development to an optimal level of the activity of the company.

Personnel suppliers are also an important component of the Oltchim SA environment.

For SC Oltchim, clients are the most important component of its microenvironment.

Financial environment is also important and icludes bancks, creditors, financial analits, share market agents, consultancy agents.

For Oltchim the main stockholder is Roumanian State by National Agency For Valorify The State Assets, and agency's decissions are significant for the company.

Sareholders are not so importants for Oltchim, but we analyse as a part of the company's environment.

The activity of SC Oltchim SA is very much influenced by the public authorities wich represent a part of external environment of the company.

Local environment is constituted from the hole public existing on local and regional area: Mayoralty, Prefectur, families of the co-workers and employees, education institutes, cultural and sportive asociations, local and regional press, others companies.

OLTCHIM is one of the biggest companies that produce chemical products in Romania, established in 1966 under the name Chemical Group of Enterprises Ramnicu Valcea.

²¹⁵ www.oltchim.ro

Starting with this short description we can conclude that the provider's raw materials and services are a special category which OLTCHIM has to make a real partnership with, taking into consideration the implications of their activities in the optimal development of the activity of the company. They had a major impact in the company activity, the reason for establishing this enterprise, become after 1990, company divided in shares, was the natural resources the area has (gas, water, coal, limestone).

The assurance of the company progress was up to the providers' capacity to adapt themselves to the new requests of the market. They contribute to the image promotion of the company through the fact that the contracts they have with OLTCHIM they realize an important part of their business. In this kind of relation, based on a cooperation climate between partners, the providers become the real collaborators of the company.

For the market relations to take place in a normal way, it is well to know aspects concerning the providing firm (strikes, exceptional happenings) and any other elements that could become at a time factors that could become perturbation factors, unforeseen for the company activity. A kind of these perturbation happenings was the moment when the Saline from Ocenele Mari from the Mining Exploitation could not provide the necessary salt solution for production at the contracted parameters; OLTCHIM could not honor the contracts in the estimated time, thing that had a negative impact on the company clients.

The efficient management of the OLTCHIM resources is the key of success. The increase of the efficiency of administrating the financial instruments represents one of the main goals for OLTCHIM.

OLTCHIM has elaborated since 1990 an ample program of investments for renewing the technology and to modernize the key-plants which aims to raise the productivity, the characteristics of quality of the products and, not at least, to decrease the impact on the environment. It has to be identified the new and alternative technologies and their introduction in the Program Of Renewing and Development is made depending on the OLTCHIM strategy, to face the requests concerning the protection of the environment.

A major objective of OLTCHIM is to evaluate and to select the providers. There is being kept a permanent communication with the providers so that these ones get the information concerning the category they are included in, and also the score they got as a result of the evaluation.

The company has a number of almost 400 providers of raw materials and different services that have an important contribution in a good image of the company. These relations have been consolidated in time and had an important contribution in raising the company profitableness.

The financial world represented an interest category for OLTCHIM from the moment it was quoted on the market. At that time it appeared the obligation for the company to publish the results, and it evolved in time, when it began to call for the public's savings in order to purchase the capital necessary for the development. It is imposed to make shareholders devoted in the conditions that there are many negative factors that threat the company capital.

It raises the necessity to initiate a coherent dialog between the society and its financial world. It appears the financial communication that shows the organization the means that can make it evident in front of the shareholders, the financial analysts and bankers.

Taking into account that the financial world of OLTCHIM is characterized by the wide diversity of the public, are two categories of public: the shareholders and the specialized financial worlds.

The shareholders form a heterogeneous world, and it is formed, in the case of OLTCHIM, from legal and natural persons. These ones have, not many times, divergent interests, because some of them just want to have a safe investment, other of them want to get important dividends, other of them want to use the power given by the shares to intervene in the company activity.

The little shareholders are a category that represents 4.26% from the registered capital of OLTCHIM, having 151.520.824 shares. These ones are natural and legal persons. The information about the company these people get are from the economical, financial and money market magazines of general information. Their actions are according to the safety that the investments give them, and also according to the advantages they hope to get in a short time. The company tries to give a bigger attention to this category of shareholders and to initiate an efficient dialog with them in order to make them devoted. The communication with these persons is made by letters, faxes, e-mails, through the phone or through the web-site where there are present, half-yearly, quarterly, annually reports all made according to the CNVM and BVB requests.

The big shareholders, in case of OLTCHIM, are the Ministry of Economics and Commerce that has 95.73% from the registered capital of the company, having 3.395.705.177 shares and which acts according to its own interest. The decisions of the Ministry of Economics and Commerce have significant importance society, the complete information being absolutely necessary.

The specialized financial worlds include the banks and the credit institutions, financial analysts, exchange agencies and consulting agencies in the field of investments which OLTCHIM has relations with. These ones have importance for the society through the role they play as image supporters.

The financial worlds are characterized by a high prudence, reason for which there is imposed to establish relations of quality, a trustable climate between these ones and OLTCHIM.

CNVM and BVB have an important place in OLTCHIM's life because they inform, contributing to the formation of the image for the public in general, and indirect influencing the exchange on the market.

With the help of the communicational actions directed to the financial worlds there can be realized the devotement of the shareholders and the realization of a powerful financial image that shows the global image of OLTCHIM.

Another category of interest is represented by the company employees. OLTCHIM needs proper people to fulfill the proposed goals. OLTCHIM employees represent an essential factor and that is the reason for why the continuous improvement of their performances quality at job has become a strategic goal of the management, supported by training and qualification programs.

All forms of training/ specialization adopted by OLTCHIM for the employed people support the management flexibility for: clients' requests satisfaction using the existent human resources, improving the people according to the level of the used technologies. In OLTCHIM the training and the improvement of the employed people constitute one of the main criteria for employees' promotion.

There is realized a functional communication on vertical and on horizontal, at all levels and promote a system of proposals for improvement, succeeding to have an active participation to the problems solving.
²¹⁶

There it is acted to find out what the employees believe and how do they act to get good results in business. All the employees are involved and liable to bring a positive contribution to the success of the OLTCHIM businesses.

Motivation, implication and a strong team spirit are important elements of the OLTCHIM successes.

The real results obtained every year offered the employees the trust in the policies and the programs adopted by OLTCHIM which followed the improving of the whole activity, not to punish the mistakes.

The feedbacks we get from our employees prove us the increased performance of OLTCHIM in many fields:

- the qualities of good managers are appreciated in a positive way by 90% from the employees
- the employees appreciate in a positive way that the executive managers involve themselves in the current production problems and this thing helps them to increase the quality of their work
- the employees understand and involve themselves to fulfill the goals of the policies concerning the quality and the environment and support the realization of these goals through their activities
- good collaboration in the work teams from the research, design, development and execution departments prove an opened communication and a good appreciation for the management style, this one being reflected in the positive results they obtain
- participation to congresses, expositions of the employees who had special results.

The OLTCHIM commitment for quality and its continuous improvement is supported by very day activity results, in this way the continuous improvement is part of their daily activities and responsibilities, the compartments they belong to must be better to fulfill the domestic and foreign clients' requests that are higher, must try to use the best things they can take.

²¹⁶ Popescu.I. Communication in Marketing , Uranus Publishing, Bucarest,2001

The public opinion represents a wider environment where OLTCHIM carries on its activity. Its influence on the enterprise activity doesn't have to be neglected, and with the help of marketing communications it can be created a good image for the public opinion.

OLTCHIM has a permanent preoccupation for the impact of its activities on the local environment and to the identification of those opportunities to evaluate and to improve them continuously.

In the center of the preoccupations of OLTCHIM there is the fact to have strong relations with the community where it lives and carries on its activity.

The public opinion is structured in two components: the local environment and the large public.

The local environment is made up of the ensemble of the public from the local and regional field: city hall, the families of the collaborators and of the employees, the institutions for learning, sportive and cultural association, local and regional media, and other enterprises.²¹⁷ This kind of environment is indispensable to every day life of OLTCHIM because the organization is integrated part of the environment where he plays an economic role. This kind of image is formed on the grounds of local public opinion regarding the policy of the organization and its results. From this point of view, the policy of OLTCHIM in the field of sponsoring takes into consideration the social field (High School Olthim, kindergarten Olthim), the sportive one (Sportive Club Olthim) and the cultural one. The local environment will amplify in a positive or negative direction, as it is the case, the image that it has formed regarding the company.

The large public has characteristics similar to the local environment; the difference is the fact that we don't talk at a local scale, but at national scale. In this way, at national level, it carry on activities of sponsoring the Bucharest University (Faculty of Chemistry), the Romanian Handball Federation (organizing The European Handball Championship).

In the relation between OLTCHIM and public opinion, the role that comes to the marketing communications is very important because it contributes to promoting the society policy in the field of environment protection, problem that had a negative impact on the company image.

The role of OLTCHIM in the area is not just to produce certain goods but also to assume some social responsibilities. OLTCHIM believes in making strong relations with the community where it carries on its activity. By participating to activities in the cultural field, and also in the social one, OLTCHIM integrates itself in the social life, having preoccupations about everything that is connected with the man, with his private and collective life, contributing to environment protection or to making cultural offers.

In this way there is attributed a social legitimacy to its activity.

As it has a major preoccupation the impact that the activities and the business of OLTCHIM have on the local and global environment, the company searches the most efficient means to communicate in a better way with the public.

As a result, we can see a considerable increase of the insiders' role (managers and employees). The dissipation of the shareholders represents an obstacle for strengthening the corporative governing. And if the property is not enough varied, the risk for the company activity raises excessively; the big investors are tented to model the company activity according to their own interests, in the prejudice of little shareholders, managers or even the employees. More than that, the permanent non-information of the administrators and the lack of transparency of the data presented to the little shareholders regarding the financial condition of the company could deteriorate the company activity.²¹⁸

The marketing contributes to the achievement of the goals of the global policy of OLTCHIM.

Maximizing the profit, raising the satisfaction degree of the consumers' requests and favoring the long term interests of OLTCHIM are taken into consideration by the marketing specialists in the process of elaborating the global strategy of marketing. The role that comes to marketing is detailed through establishing some specific marketing goals as raising the volume of selling, maintaining the market quota, attracting new kinds of consumers, entering on new markets.²¹⁹

²¹⁷ Idem

²¹⁸ Olteanu.V Financial-banking Marketing, Ecomar Publishing, Bucarest , 2003

²¹⁹ Olteanu.V Management-Marketing, Ecomar Publishing, Bucarest , 2002

Realizing the marketing goals of OLTCHIM is up to the way the four vectors of the marketing activity are directed: the product, the price, the distribution and the communication.²²⁰

The communication has a well determined place, its steps being very important for OLTCHIM.

In the conditions of joining the European Union, of increasing and diversifying the goods and services for satisfying the material and spiritual needs of the society, of increasing the international economic exchange and in the context of the globalization of the economy and the markets, the problem of communicating with domestic and foreign consumers become more and more difficult, and it takes more varied efforts for mutual familiarization and information.

In this context OLTCHIM has set the attention to the domestic consumer and also to the foreign one. In the absence of a modern and efficient system of communication and information, it is difficult enough to find by themselves what kind of products and services are being offered to them by OLTCHIM, where, how and in what conditions they can purchase them, how they correspond to their exigencies, preferences or to their different styles of life.

OLTCHIM has built a model which ensure a permanent communication between the company as producer of those goods, traders on the one hand and consumers on the other hand.

The messages the company transmit don't have to be isolated, they must constitute themselves in a coherent system which ensures a complex action with a precise target, the ensemble of the market agents (consumers, users and intermediaries).

It is a preoccupation of the company to find original and efficient means of communications which allow it to communicate in a better way with the public.

From this point of view, the work proposes to analyze the categories of interest in OLTCHIM.

OLTCHIM has as its permanent preoccupation the impact of its activities on local and global environment and to identify those opportunities for improving and their permanent evaluation.

There it is noticed that in the center of OLTCHIM preoccupations there is the realization of strong relations with the community where it is and it carries on its activity.

The priorities and the objectives of the General Strategy of Oltchim SA Ramnicu Valcea are for the period 2006-2013 taking in consideration the area of scientific research, technological development and innovation and the European Policy in the system of research- development in Chemistry.²²¹

Oltchim SA Rm Valcea proposed in the meantime, in the context of general strategy for the period 2006-2013 to allot funds for programs/ projects with major impact for the environment and life quality.

For promoting the results of research, the investments, OLTCHIM SA Rm Valcea will participate consequently to the market and exhibitions national and international, Workshops, conferences.

²²⁰ Balaure.V Coordinator, Marketing , Uranus Publishing, Bucarest,2001

²²¹ www.oltchim.ro

THE SMES COMPETITIVENESS AUGMENTING, IN THE CONTEXT OF SUSTAINABILITY POLICIES AT EUROPEAN LEVEL, THROUGH IDENTIFICATION OF INNOVATIVE SOLUTIONS FOR THE MARKETING COMMUNICATION DEMARCHES

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The sustainability represents a direction which has to be followed by the Romanian enterprises, but unfortunately, it is adopted by a few of these companies. One of the causes of this situation is the lack of some rules and instruments meant to help this orientation implementing in the business, especially at SMEs level, which don't have the possibilities and capacities of big enterprises. Such a scientific demarche is very useful, especially when sixty percents of Romanian enterprises are small and medium, so that the identification of some innovative solutions regarding marketing communication, in order to augment the small and medium enterprises' competitiveness, in terms of sustainability, involve an important part of the Romanian business environment.

Key words: Competitiveness, SMEs, unconventional communication, marketing, sustainability

The sustainability must be a desideratum of many Romanian organizations, assuring this way, the correlation between their individual objectives and societal general objectives. Meanwhile, the value creation nowadays must be associated with the possibility of supporting sustainability of the business in the future. In the context of limited resources is necessary a long term management of productive processes, which is meant to assure a harmony between pecuniary interests of organizations, consumers' interests and society's global interests. The big companies can take into consideration these concerns, even more seriously, because of their real potential. For SMEs is more difficult to implement some classical policies sustaining the durable development, due to the fact that some instruments are not adapted to their resources and capacities. An economy with competitive SMEs brings long-term economic stability, which leads to the improvement of the majority population's lives, in terms of economic, social and environmental equilibrium. An economy, in which the SMEs involve in social activities, just in order to create an event that must be communicated lately with commercial purposes, leads to the improvement of the social climate. In Romania, the enterprises concerned of sustainability are the multinational ones, which have international experience in applying some policies in this field. At SMEs' level there is an insignificantly interest regarding redirecting their actions towards supporting the sustainability. As long as a direct connection between long-term social involvement and the profits' augmenting can't be identified, the SMEs will not involve in this type of actions. In European developed countries such concerns are much more spread abroad, being stimulated by legislation, organizational culture values and business principles adopted by enterprises, and oriented towards the fulfilling of organization needs by controlling the economic, social and ecological risks and sustaining the human, productive and financial potential, on long term.

The concerns regarding the SMEs' competitiveness augmenting by improving the promotional communication policy, aiming an economy which should develop durably, are much reduced in Romania. This situation is due to the fact that most of SMEs are interested in achieving some short term objectives,

within the context of an unstable environment and of a poor knowledge of marketing instruments, generally speaking and promotional techniques, particularly speaking, which might be used for obtaining and supporting some long term competitive advantages.

From this perspective, it is necessary to design some action directions and a set of instruments in the field of promotional communication, meant to support the SMEs' competitive advantage. These concerns have been very few until now, not only in the academic sphere, according to the published books, articles or scientific communications, but also in the business environment, where services suppliers from promotional sphere (advertising agencies, media suppliers, public relations agencies) mainly oriented towards big companies. So, there is missing a conceptual and operational set of rules and communication instruments adapted to SMEs' possibilities, which leads to a slow competitiveness augmenting in comparison with big enterprises or foreign SMEs, on national market, but also on international ones. The complexity of the proposed solutions for solving this problem is offered by the development of the communication techniques, some of them from the unconventional sphere, and the measurement of their efficiency, which should be adapted to SMEs' particularities and also the development of some consultancy offering interactive forms, in order to choose the best promotional action ways and to implement them.

So, we propose a complex project, that the main objective is to research the present-day marketing communication methods and to identify some innovative solutions, in order to augment the SMEs' competitiveness, in the terms of sustainability. The specific objectives of this approach are the following:

- Knowing the European sustainability policies and their particularities in the promotional communication sphere;
- Studying the national and European legislation regarding SMEs' activity and marketing communication;
- Evaluating the importance of marketing communication in generating a proper context for durable development;
- Analyzing the European SMEs' promotional communication demarches and how they contributed to the creation of some competitive advantages;
- Analyzing Romanian big companies' marketing communication;
- Researching the main promotional techniques used by the Romanian SMEs;
- Studying the type of collaboration between different communication services suppliers (advertising agencies, public relations agencies, media suppliers) and SMEs;
- Evaluating the connection between the fairs and exhibitions organizers and Romanian enterprises (not only the big ones, but also SMEs);
- Comparative analysis of SMEs' and big companies' communicational demarches and their efficiency's evaluation for each of these two categories;
- Testing and comparing the effects and the efficiency of some unconventional promotional techniques, according to the target market;
- Creating a soft which should guide SMEs towards the best promotional method, according to a set of proposed indicators (notoriousness, achievement rank, impact, influence on sales, time).

The project will be developed in four stages, each phase with same specific set of activities. In the first stage of the project it will be establish the research context at European and national levels. The studies will be based on secondary data sources and there are developed many activities:

- Studying the European sustainability policies;
- Studying the European legislation regarding SMEs, from the perspective of the sustainability policies (European law regarding SMEs' activities, European law for the marketing communication domain, the analysis of European legislative context regarding the advantages offered to SMEs);
- Evaluating European policies regarding marketing communication;

- Analyzing the implications of European sustainability policies over the marketing communications of enterprises;
- Establishing the importance of marketing communication in generating a proper frame for durable development;
- Studying the national legislation about SMEs' activities;
- Studying the national law in the field of marketing communication;
- Analyzing legislative context from the point of view of advantages offered to SMEs;
- Analyzing the importance offered to SMEs, in Romania, within the sustainability policies.

The second lap of the project, the research of European SMEs' and Romanian big companies' marketing communication demarches and the establishment of the research methodology for Romanian SMEs include the following activities:

- Studying the European SMEs' communicational demarches, by applying on-line research and investigating secondary sources (studying the adopted positioning policies, studying the used communication techniques, identifying the most used innovative communication methods, establishing the most efficient communication methods);
- Analyzing Romanian big companies' marketing communication, from the historical perspective (the analysis of main Romanian companies, which evolved from the level of SMEs to the level of big organizations) in comparison with multinational corporations, which operates on Romanian market (the secondary-data-based study of the communication techniques and means used by the big companies for the target market, qualitative research among the managers of these companies, to highlight the present-day communication methods, and their influence over the durable development of the company);
- Qualitative research between the managers of the large companies to distinguish the present means of communications and their influence among the durable development of the company;
- Designing and creating a web portal, which contains in the first phase the data gathered from the research;
- Designing the soft for analyzing the communication and guidance towards the most indicated promotional method;
- Exploratory research regarding SMEs' communication demarches, in order to elaborate the research methodology.

The next step is about the research of Romanian SMEs' marketing communication demarches and results dissemination through a web portal, and supposes the following activities:

- Qualitative research at SMEs level, using the in-depth interviews and focus-group methods, in order to identify the main communication techniques and means used by SMEs and the motivation of using them;
- On-line and off-line quantitative research among SMEs, in order to count the measure of using some communication techniques and means, to count the effects obtained from such a demarche and in order to generalize the results at the level of studied collectivity;
- Qualitative research among communication agencies, in order to study their collaboration with SMEs and the communication solutions in terms of a limited budget;
- Qualitative research among media suppliers, in order to find out if SMEs contact them directly, to buy advertising space or to establish partnerships within some event communication operations;
- Qualitative research among fairs and exhibitions organizers, in order to study the collaboration with SMEs, on one hand, and the collaboration with big companies, on the other hand;
- Clients research, in order to determine the most efficient method of communication with them;

- Experiments over SMEs, which use different communication means (direct marketing, on-line marketing, events marketing, sales-force marketing, outdoor advertising) in order to determinate the efficiency of these methods;
- Populating the web portal with the research results;
- Elaborating a first version for the analysis soft.

The main objective of the project is achieved in its last phase - Identifying some innovative solutions regarding marketing communication, in order to augment SMEs' competitiveness - which combine the information obtained along the other phases and proposes some directions according to the purpose of the project. This lap includes activities as:

- Studying the potential of unconventional communication from the perspective of SMEs' competitiveness augmenting;
- Elaborating some marketing communication regulatory guidelines, which can be adapted to SMEs' particularities;
- Creating the final software and incorporating it within the web portal, which can offer consultancy to SMEs in the domain of marketing communication;

After project achieving, the Romanian business environment will obtain valuable information about some innovative marketing communication techniques, which can be used by SMEs and the modalities of implementing them, it will be elaborated regulatory guidelines regarding marketing communication, which can be adapted to SMEs' particularities and it will be created an on-line instrument embodied within a web portal, which can offer consultancy to SMEs in the domain of marketing communication. Also, the innovative marketing communication solutions will be presented in some workshops with SMEs' representing people and with representing persons from advertising agencies.

The achievement of this project will generate effects at economic level, in order that the information resulted will lead to SMEs' competitiveness augmenting, compare to big companies, which will generate a broad concern of the investors for developing such organizations. Meanwhile, the communication services suppliers (e.g. advertising agencies, media suppliers, public relations agencies, fairs and exhibitions organizers) will be stimulated to offer their services also to SMEs, leading to developing and specialization of these organizations. At the same time, the resulted information will highlight the modalities and mechanisms which can help SMEs to direct their activity to sustainability, leading this way to a long-term orientation regarding resources management and also, to a broaden concern over the natural environment. We can visualize some activities related to environment protection, organized as events communicated with commercial purposes.

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ETHICAL ASPECTS RELATED TO THE POLITICAL MARKETING

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Abstract: The present work deals with the legal and ethical aspects related to the development of the electoral campaign. A correct electoral campaign induces the choice of capable political actors who will develop an effective administrative and legislative activity.

Key words: ethics in marketing, political marketing, election conduct.

1. The Legal Framework of Political Marketing

Choosing the Chamber of Deputies and Senate is currently regulated through **Law no. 15/2008**, which abrogated Law no. 373 of 24 September 2004 regarding the choice of the Chamber of Deputies and Senate. We can notice a wider legislative approach of this field through the new law. Besides the uninominal vote, Law no. 15/2008 also deals with a few aspects to be analyzed below, aspects included through this legislative regulation.

Thus, as compared to the old legislative regulation, Law no. 15/2008 regarding the choice of the Chamber of Deputies and Senate and for the completion and modification of Law no. 67/2004 for choosing the local public administration authorities, Law of local public administration no. 215/2001, and Law no. 393/2004 regarding the Statute of the local elected persons, **legally defines** the most important terms used in the electoral campaign:

1. **Elections** are considered, from a legal point of view, those actions intended to designate the members of the Chamber of Deputies and Senate; **the general elections** are those elections which take place on one single day, throughout the country; **the anticipated elections** are the elections organized when the chosen authority is dissolved before its deadline; **the partial elections** are the elections organized when the elections in a certain electoral district are cancelled, as well as when a deputy's or senator's mandate becomes vacant. More precisely, the **parliamentary election** concept strictly designates the elections for choosing the members of the Chamber of Deputies and Senate within the Romanian Parliament.
2. **The elector** is any Romanian citizen having the right to vote, who has turned 18 until the election day.
3. **The political alliance** is the association between political parties based on an association protocol filed at the Bucharest Court, according to the Law of political parties no. 14/2003, while the **electoral alliance** is the association between political parties and/or political alliances and/or citizens' organizations belonging to national minorities, with the purpose of participating in elections, filed at the competent electoral authority.
4. **The electoral poster** is considered to be an appeal, a statement, a photo or another printed material, used by the electoral competitors with the object of information and electoral propaganda.
5. **The electoral district** is that administrative and territorial unit – county or Bucharest municipality – or the electoral district for the Romanians residing outside the country, in which elections are organized, and at the level of which mandates are awarded, depending on the results of the elections.
6. **The uninominal college** is a subunit of an electoral district, in which a single mandate is awarded.
7. **The electoral campaign** is considered to be that period within which the electoral competitors are performing propaganda activities in order to determine the electors to express their votes in their favor.
8. **The candidate** is that that person who participates in elections further to the proposals forwarded by the electoral competitors or on their own behalf in order to obtain a deputy's or senator's

mandate, in the conditions in which his candidanship is declared definitive by the proper electoral authority. **The independent candidate** is that person who participates in elections in order to obtain a deputy's or senator's mandate, and who proposes himself for it, being supported by a certain number of electors, in the conditions in which his candidanship is declared to be definitive by the proper electoral authority.

9. **The electoral competitors** are: political parties, political alliances, electoral alliances and legally constituted organizations of the citizens belonging to a national minority represented in the National Minority Council, which is forwarding candidanship proposals, as well as independent candidates.
10. **The electoral list** is that list containing all the electors who are exercising their right to vote within a polling station, while the **supporters list** is the list containing certain personal data and the signatures of the electors supporting a certain candidanship proposal in order for it to be entered in the elections.
11. **The electoral period** is the time span between the day when the date of the elections is made public and the date when the final results are made public, i.e. published in the Romanian Official Gazette, Part I, after the expiry of all contestation deadlines and related answers.
12. **The candidanship proposal** is the act of entering in the electoral competition the person who wishes to compete in elections in order to obtain a mandate in the conditions in which the respective person is proposed and supported by an electoral competitor, or he/she proposes himself/herself, and is supported by a certain number of electors, according with the legal stipulations.
13. **The electoral threshold** is the minimum percentage of the validly expressed votes, separate for the Chamber of Deputies and Senate, or the minimum number of uninominal colleges where the candidate is on the first place in the order of the number of validly expressed votes, for a political party, political or electoral alliance, required in order for the candidate to enter the mandate distribution process;
14. **The electoral fraud** is any illegal action taking place before, during or after the voting is closed, or during counting the votes and concluding the minutes, which results in the distortion of the candidates' will, and in the creation of advantages materialized in votes and extra mandates for a political party, a political alliance, an electoral alliance or an independent candidate.

Regarding the **exercise of the vote by electors**, Law no. 15/2008 analyses more concretely (art. 4) what the old law only suggested:

1. each elector has the right to one single vote for choosing the Chamber of Deputies and one single vote for choosing the Senate,
2. each elector expresses his personal vote; the exercise of the vote on behalf of another elector is forbidden,
3. the vote exercised during elections is confidential, any control of the way an elector is voting is forbidden,
4. the participation of the citizens in elections is made based on their free will; nobody has the right to exercise pressures on the elector in order to determine him to participate or not in the elections.

2. Ethical Aspects in Political Marketing

The marketing ethics combines the problematic of the norms which must be fulfilled and values which must be achieved within the performance of all partners of market acts, in order for them to develop within a moral environment. It also considers the claims of the social groups affected by the consequences of the supply of goods, services and ideas, on short, medium and long term. The marketing ethics has crystallized during the post-war period, against the background of the debates regarding the social responsibility of the enterprise in its relations with the suppliers and clients. The development of the critical spirit of the demander and the social responsibility of the enterpriser regarding his acts represent the background of the challenges which marketing must face in the contemporary society. [1]

Political marketing implies the identification of a segment of the population to which one would address, implies the transmission of an adequate message, as well as an adequate means of transmitting this message.

Political marketing has two main approach directions: **studying the electors** and **political communications**. The political communication is part of the strategy elaborated for the proper development of any electoral campaign.

The implementation of the electoral campaign implies finding the proper place, in the structure of the political marketing program, of the following issues:

1. Organizing the major staff of the campaign implies selecting the specialists, led by the campaign manager, who would prepare and implement the best electoral strategy. Within the standard organization chart, five directions meant to coordinate the entire campaign can be distinguished:

1.1. The central staff is made up of the candidate (candidates), campaign manager and the counselors taking the main functions: establish the strategic orientation of the campaign, prepare or order studies or investigations, coordinate the actions of all the other directions, establish the general action plan, permanently control the development of the campaign plan (program), quantify and analyse the results of the investigations and evolution of the attitudes and voting intentions of the electors.

1.2. The “Creating the campaign material” direction is made up of experts in communication and promotion, and has the role to prepare and formulate the messages to be sent by means of several media vectors, to conceive and prepare posters, TV shows, electoral newspapers and letters, slogans, to prepare the electoral programs and mainly the candidate’s speeches. This direction divides the activities into two sub-directions:

1. - the first one deals with the preparation of the electoral offer,
2. - the second one deals with creating the electoral image of the candidate/party.

In the case of national elections, the direction issues a “manual” or “sheet” intended for the local candidates, in order for them to be able to use them during the campaign. It also provides the connection to the external service providers.

1.3. The “Mass-media relation” direction has the role to maintain a permanent contact with the representatives of the main media vectors, and to obtain maximum “editorial space”, which would project the candidate/party as the main subject. Within this direction, a special part is played by the “spokesperson”, who presents the official position of the central staff and candidate/party, given the main events which can occur during the electoral campaign.

1.4. The “Financial resources” direction has the role to collect the financial resources from different official and legal sources. The main character of this direction is represented by the official financial mandatory who is in fact an expert in the financial field, usually sympathizer (or even member) of the respective party/candidate.

1.5. The “Site Operation” direction takes upon itself all the main tasks resulting from the implementation, on site, of an electoral campaign. Its members are normally employees of the organizational department of the respective party; together with the required experts, they make a team which most of times bears the brunt of an electoral campaign. The direction establishes the detailed plan of all operations required on site (posting, mailing, canvassing, etc.). Moreover, the direction receives from the central staff tasks related to possible external service provisions (printing companies, posting companies, companies providing videos and promotional spots, etc.); participates in the local organization of electoral demonstrations (candidateship launching shows, electoral meetings, electoral visits); are used at the local level for several purposes by parties/candidates, volunteers; organizes the so-called “electoral caravan”, etc. Then, the direction provides the local organizations with technical assistance under several forms: canvassing methods, mailing, telephone contacts, other promotional materials (banners, posters, lighters, pens, electoral T-shirts), preparation of public reunions or great electoral shows.

2. The planning and control of the electoral campaign is one of the main tasks of the central staff of the campaign, a special sub-direction which would deal with the electoral analysis and strategy. The members of this sub-direction exclusively deal with establishing a calendar which would include all operations, as well as keep track of the changes which could occur further to unpredictable events. In order to establish this calendar, a special part is played by the modulation, period and intensity of the campaign.

3. The control of the efficiency of the campaign implies the use of techniques characteristic to marketing; the investigations are a precise instrument of controlling the course of an electoral campaign. Three main types of investigation are used: pre-testing the electoral messages, studying the impact, and investigations (surveys) made in order to highlight the evolution of the attitudes and voting intentions.

It is considered [2] that the specific marketing techniques, used in an electoral campaign, incite politicians to be demagogic, and the instruments used by them are considered to be electors manipulation instruments. The opinion surveys may be used by candidates for purposes which, most of the times, **transgress the ethics concept**. These candidates use the surveys in order to quantify the “market quota” and the “popularity index” which they have at a certain point among the electors. When the “market quota” or “popularity index” is decreasing, they express, in the form of an offensive strategy, their own programs and projects, discovering however that the subsequent investigations prove the reproaches existing at the level of the electors towards these conjectural attitudes. Political marketing can also be an electors manipulation instrument. This can be achieved in two forms: the first is specific to the opinion surveys which have a negative influence, i.e. they are published during the electoral campaign only to change the voting intentions of the electors; the second is more general and implies the excessive use of persuasive methods and techniques by the political marketing.

The pluralism of the political formations and the actual possibility of all parties and candidates to use the methods and techniques specific to political marketing are in fact the guarantee against dangers and abuses which could occur at a certain point in the political life of any country.

However, we wonder whether this diversity of political formations and candidates **is enough** to determine the insertion of ethics as normality in leading a political campaign.

We also wonder whether the use of methods and techniques specific to the political marketing are a **“brake”** in the way of the unethical expressions which can be adopted when leading a political campaign.

3. Ethical Codes Used in the Political Marketing

It is interesting to notice the fact that last year the **Parties in the Republic of Moldova** adopted a **conduct code** regarding the development and reflection of the electoral campaign at the local and general elections in **2007**.

This electoral conduct code regulates the conduct norms among parties, other social and political organizations, electoral blocks, independent candidates and mass-media representatives involved in the development and reflection of the electoral campaign. (Art. 1)

As **objectives** [3] of the conduct code regarding the development and reflection of the electoral campaigns in the Republic of Moldova, the following have been established (Art. 3):

1. developing a correct electoral campaign, under equal competition conditions;
2. objectively informing the electors on the electoral processes;
3. free political participation in the electoral campaign;
4. observing the dignity of the participants in the electoral campaign;
5. creating a mutual trustworthy and respectful environment among the participants in the electoral campaign.

The general principles established through this electoral conduct code are presented in Art. 4, i.e. each participant in the electoral campaign shall rely upon the following principles:

1. observing the norms related to the electoral legislation and stipulations of the present Code;
2. correctly and objectively informing the electors on the participants and their political platforms;
3. observing the right of the electors to vote based on their own convictions and information they received;
4. avoiding the intimidation and obstruction of the free expression of the vote;
5. avoiding the corruption of the electors through any methods and forms.

Regarding the **implementation of the Code**, it has been established that each participant shall take action for:

1. informing and convincing the members, trustworthy persons and supporters not to allow for the present Code to be breached;
2. not accepting possible abuses related to the unfounded or false invocation of the violation of the present Code by opponents;
3. providing the complete observance of the present Code and legislation in force.

During the **development of the electoral campaign**, each participant shall observe:

1. the rights, liberties and dignity of the other participants in the electoral campaign and of the electors;
2. the freedom of the press, including the right to monitor the elections;
3. the rights and liberties of the accredited observers.

The obligations of the participants in the local and general elections in 2007 are the following:

1. not to create obstacles in the way of the journalists on duty;
2. not to obstruct the electoral campaigns developed by other participants;
3. not to publish false defamatory materials about other participants;
4. not to prevent other participants from spreading or posting electoral materials in the allowed places;
5. not to deteriorate or destroy the electoral materials of other participants;
6. not to prevent other participants from organizing electoral meetings or demonstrations;
7. not to prevent the citizens to participate in the meetings or demonstrations of other participants;
8. not to cause electoral agitation in the holy places and educational institutions during classes;
9. not to offer money, goods or other patrimonial advantages to the citizens during the electoral campaign in order to determine them to vote or not to vote for a certain electoral competitor, or to refrain from voting, to forward or withdraw their candidanship;
10. not to mislead the electors, insufflating them that the secret of the vote shall not be kept, or that the elections shall be falsified;
11. not to accept the direct or indirect involvement into the electoral agitation of the religious cults;
12. not to allow the involvement of the authorities and administrative resources of the organizations and public or private institutions in order to influence the options of the electors and their intentions to participate against their will;
13. not to cause electoral agitation on the day of the elections and on the day previous to the elections;
14. not to accept any immixture actions into the activity of the electoral authorities.

4. Conclusions:

The conduct code regarding the development and reflection of the electoral campaign at the local and general elections in 2007 in the Republic of Moldova, previously analysed, reflect the need of ethics in the electoral campaign.

Even though the Romanian law regulates the electoral campaign in detail, an ethical code similar to the one used in the Republic of Moldova would be an extra guarantee in observing the ethical principles during the electoral campaign.

The purpose of an electoral campaign organized while observing the ethical principles overlaps over priority 4 of the National Development Plan of Romania 2007-2013, a priority regarding the improvement of the administrative capacity, because a correct electoral campaign determines the choice of capable political actors, who will perform an effective administrative and legislative activity.

This priority concerns the development and effectiveness of the public services. The institutional transparency, credibility of the regulation and decrease of the regulation and administration costs are a fundamental determinant of the competitiveness of an economy.

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MARKETING THE HOME BASED BUSINESS

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Abstract.

Lots of people are living their entrepreneurial dreams by running a business from home. Many entrepreneurs start with an idea to sell a product or service, working part-time out of a home office, kitchen or garage. Some leave the corporate world to become independent consultants, offering their skills to companies on a per-project basis. Still others turn their hobbies or sidelines as eBay sellers into successful home based operations.

The paper presents an alternative way of running a business – from home. That's where e-mail marketing can do the difference. Here are some tips of how one should run a home based business, starting with describing the ideal marketing tool to be used in such a case, some ways to grow the business, tips to get started and tips for getting the emails opened.

Key Words: home based business, e-mail marketing, e-newsletter, promotional e-mails

1.Introduction

Whatever your skills or passions, the rewards to owning a home based business are undeniable. Be your own boss, make your own hours, enjoy more time with family, earn income doing something you've always wanted to do; you're free from the constraints of a traditional work environment. The flip side is that there's no marketing or sales department to bring in business and keep it coming.

2. The advantages and disadvantages of email marketing

Advantages:

- The advantage of a mailing list is clearly the ability to distribute information to a wide range of specific, potential customers at a relatively low cost.
- Compared to other media investments such as direct mail or printed newsletters, it is less expensive.
- An exact Return on investment can be tracked ("track to basket") and has proven to be high when done properly. Email marketing is often reported as second only to search marketing as the most effective online marketing tactic.
- It is instant, as opposed to a mailed advertisement, an email arrives in a few seconds or minutes.
- It lets the advertiser "push" the message to its audience, as opposed to a website that waits for customers to come in.
- It is easy to track. An advertiser can track users via web bugs, bounce messages, un-subscribes, read-receipts, click-throughs, etc. These can be used to measure open rates, positive or negative responses, correlate sales with marketing.
- Advertisers generate repeat business affordably and automatically
- Advertisers can reach substantial numbers of email subscribers who have opted in (consented) to receive email communications on subjects of interest to them

- Over half of Internet users check or send email on a typical day.
- Specific types of interaction with messages can trigger other messages to be automatically delivered.
- Specific types of interaction with messages can trigger other events such as updating the profile of the recipient to indicate a specific interest category.
- Green - email marketing is paper-free

Disadvantages

- Many companies use email marketing to communicate with existing customers, but many other companies send unsolicited bulk email, also known as spam.
- Illicit email marketing antedates legitimate email marketing, since on the early Internet it was not permitted to use the medium for commercial purposes. As a result, marketers attempting to establish themselves as legitimate businesses in email marketing have had an uphill battle, hampered also by criminal spam operations billing themselves as legitimate.
- It is frequently difficult for observers to distinguish between legitimate and spam email marketing. First off, spammers attempt to represent themselves as legitimate operators, obfuscating the issue. Second, direct-marketing political groups have pressured legislatures to legalize activities which many Internet operators consider to be spamming, such as the sending of "opt-out" unsolicited commercial email. Third, the sheer volume of spam email has led some users to mistake legitimate commercial email (for instance, a mailing list to which the user subscribed) for spam - especially when the two have a similar appearance, as when messages include HTML and flashy graphics.
- Due to the volume of spam email on the Internet, spam filters are essential to most users. Some marketers report that legitimate commercial emails frequently get caught by filters, and hidden; however, it is somewhat less common for email users to complain that spam filters block legitimate mail.

3. The Ideal Marketing Tool

If running a home based business, one should take into consideration that the resources are limited. The challenge is to get business and keep it coming. That's where e-mail marketing can help without breaking the bank. E-mail marketing is a fast and easy way to do the following:

- Reach out to your contacts directly and let them know you are open for business
- Encourage repeat and referral sales by reminding customers you're there
- Share your expertise so customers turn to you as a trusted resource
- Create promotions that boost business and keep your brand alive

E-mail marketing works for any kind of home based business, whether you're a jewelry maker or a dog groomer, a freelance accountant or an online seller of collectibles. There are two types of e-mail marketing that can build your home business:

- **Create a newsletter**--A simple e-mail newsletter will share free advice, insights, and success stories with current (and potential) customers. This sets up you as a trusted expert in the eyes of the people on your list. When they need what you offer, your e-newsletter will help make sure that you come to mind. Come up with a few content ideas for your newsletter -design tips, recipes or financial insights - and ask people in your network what they would like to read about. Customers, associates, friends and family are a great source of topic ideas. Newsletters should be short with just a few paragraphs of useful information.

Email newsletters are a great way to build trust and customer relationships over time. If they include promotional content, they will also grow revenues. Either way, the key is to make sure your subscribers actually read them.

When designing your newsletter always keep in mind the amount of time you can expect your reader to spend viewing your newsletter. Everyone today is information hungry, but always in a hurry. How you display your content within your newsletter can capitalize on this assumption.

The information included in the newsletter will depend on your business and the audience in which you are marketing, but here are three recommendations:

- **Announcements:** Include recent information about your company and/or products that impacts your readers. For instance, you can include a link to an upcoming tradeshow where your company will be exhibiting or perhaps a seminar that your company will be sponsoring.
- **Article:** Include an article that relates to your products or services and helps your readers. It is also a great idea to develop a resource library that contains additional articles and provide a link for your readers so they can find more information on similar topics.
- **Case Study:** Provide an example of a client who has achieved great results while using your products or services. This will help build credibility with your readers. Again, provide a link where your readers can view additional case studies.

Those are three key items to include in your newsletter. If you include these you are keeping your readers up to date on recent information about your products or services, including an article providing value on topics affecting them and by providing a case study you are proving to your readers that others are achieving success by using your products or services.

- **Send promotional e-mails** - Combine the newsletter's informational content with promotions that stimulate demand for your products or services. If you are in a gift-oriented or other retail business, the holidays create natural opportunities for promotions. If you are a consultant offering services, your business may be more cyclical or seasonal depending on clients' needs. You can also plan an event or a sale to create a business booster during otherwise slow times. A 10 percent off coupon, open house, or a free sample or consultation are examples of popular e-mail promotions.

When most people see the term "email marketing", they think of opt-in email promotions. You know, where you buy a product and click on the "send me periodic mailings with news of related products and services from ...(company name)".

Then once a month you get a short email extolling the virtues of the new ...(product name), and inviting you to "sign-up for a free trial".

This kind of email marketing has established itself as an effective direct marketing technique. The problem is when you apply this perception of email marketing to the other ways in which you might communicate with customers via email.

This is often the case with *email newsletters*. Many websites and businesses don't understand that email promotions focus on acquisition, while email newsletters focus on retention.

Email promotions seek to get the recipient to take an immediate action. The design and writing funnels the reader through a persuasive process which ends with a sale. And by sale, I don't just mean purchases, but also sign-ups, downloads, registrations, and other kinds of actions.

The keyword here is immediate. Promotional emails are generally short-term in nature (unless part of a sequenced campaign). If the recipient doesn't respond more or less immediately to the offer, then chances are that the value of the email is lost. It has little long-term impact or influence on the recipient.

Newsletters on the other hand are about building long-term relationships. They may, of course, include calls-to-action, but their prime goal is to strengthen the relationship between the customer or prospect and the publishing entity.

The objective is usually to induce actions in and over the long-term. Newsletters aim to make the recipient of a newsletter much more likely **at some time in the future** to take the kind of actions ultimately desired by the publisher, and take them again and again if possible. Newsletters build long-term impact and influence.

Promotions focus on persuasion, newsletters on trust and loyalty. Promotions look for immediate returns, newsletters for long-term benefits. Promotions make an offer, newsletters offer value.

Confusing the two leads to all sorts of problems. Subscribers expecting a newsletter often find themselves receiving one-off promotions. Since their expectations aren't met, the response is low and unsubscribes high. The publisher then rejects the idea of a newsletter because "it doesn't work".

When you see companies bad-mouthing the email newsletter concept, it's nearly always because what they've actually been doing is selling customers on the idea of a newsletter, and delivering a promotion instead. Instead of giving subscribers valuable, trust-building content, free of **overt** sales pressure, they've been delivering advertisements.

It's expectations that are key here. It's not the idea of sending commercial messages that's wrong, just the failure to meet the readership's expectations. Sending promotional emails to newsletter subscribers is much less effective than sending newsletters to newsletter subscribers or sending promotional mails to those who opted in specifically for such promotions.

4. Tips to Get Started

1. Choose a reputable e-mail marketing service provider.

Features to look for include affordable plans, a variety of easy-to-use templates for different kinds of e-mails, e-mail list management, a commitment to e-mail marketing standards and best practices, and access to support and helpful resources.

2. Collect e-mail addresses.

Even if your mailing **list** is just a few friends and family members, that's enough to get started. Grow your list by collecting names during your regular course of business, whether it's at a home product party or a chamber of commerce event.

3. Get permission.

Before you send anyone a commercial e-mail marketing communication, remember to get permission. Permission is perishable, so don't wait months to e-mail someone after you get their contact info. And you must offer a way for recipients to unsubscribe or opt out of your mailings.

4. Make your first mailing count.

This could be a simple announcement that you're open for business or an e-mail that welcomes people who recently joined your list. Thank recipients for joining and tell them who you are, what you offer and why you're e-mailing them. Your first e-mail is your opportunity to make a good impression and show the benefits of being on your e-mail list. Include a "forward to a friend" link so people can easily share your correspondence with others who might be interested in what you offer.

5. Create a schedule.

Plan to communicate with customers via e-mail at least six times a year. Once a month is even better. If you plan to e-mail more often--and you may if you run events or weekly specials--make sure you are providing information your contacts value.

Customers and prospects might not need your products or services at the moment they receive your e-mail, but the key is to *keep your business on their minds*. That way, when they're ready to buy -or when they hear of someone who needs your products or services - they'll think of you.

Even if e-mail marketing is the only marketing activity you do, it can help you connect with customers and encourage referrals and repeat business. You don't even need to have a website to get started. As long as you have a computer in your home office, e-mail marketing is a great way to grow your home based business.

One of the most important elements of your e-mail communications is the subject line. Next to the "from" address - which should be a recognizable company name - the subject line will determine whether your e-mail gets opened.

Writing a great subject line is a great challenge. You only have a few words to make it compelling, urgent and specific - without sounding too sales-like or misleading your readers. Here are some [ideas for writing subject lines](#) that will get great results.

1. Keep it short and sweet.

Do the best to keep your subject lines under 50 characters, including spaces, as most e-mail clients display 50 characters or less. A recent study done by an e-mail monitoring company showed that subject lines with 49 or fewer characters had open rates 12.5 percent higher than those with 50 or more characters. The study also found that click-through rates for subject lines with 49 or fewer characters were 75 percent higher than for those with 50 or more characters. Keep the subject line short and sweet.

2. Be specific.

A vague subject line is a waste of prime real estate. A great example of this are monthly newsletters with subject lines like "The Green Thumb Newsletter: June 2008." This tells the receiver nothing about what they will find when they open the e-mail and gives them very little reason to do so. A better approach for a newsletter is this: "The Green Thumb: 3 Tips for Summer Gardening."

3. Write it last.

Many e-mail marketing services prompt you to write your subject line first as you are building your e-mail. It is important to determine all the elements of your e-mail first, then look for the most compelling topic to highlight in the subject line. When you are done with the body of your e-mail, read it over and pick the nugget that will entice your readers to learn more by opening your message.

4. Take some time.

Don't just dash off your subject lines. Considering how important they are, take some time to think about them and write several - at least three or four - before choosing which one to use. Once you have a few subject lines you like, run them by a friend or colleague and see which one they think is most compelling.

5. Test it.

When you have two strong yet different subject lines, test them. Split your list in half and use a different subject line for each group. After a number of tests like this, you will have a very good idea of what works for the people on your list. And the better you know your audience, the more effectively you can communicate with them. When you are tempted to rush through the process of writing a subject line, think about the number of e-mails you get every day. After the effort of composing the e-mail, it is ideal to ensure that people open and read it.

5. Tips for getting your e-mails opened

In the beginning, e-mail marketing was seen as the perfect marketing tool: cheap, fast and measurable. Click-through rates were the only numbers that mattered, and people were still excited to receive - and open - just about every e-mail in their inbox. Meanwhile, things have changed. The explosion of spam and the sheer volume of e-mail people receive has ruined the effectiveness of e-mail as a marketing tool. Even perfectly legitimate e-mails are being trapped by spam filters or deleted - unopened - by wary recipients.

E-mail marketing can still deliver a higher return on investment (ROI) than methods such as direct mail and newspaper and radio advertising. The truth is, spam and volume didn't kill e-mail marketing, but they did manage to create a few hoops you now have to jump through to get your e-mails delivered and opened.

Here are some techniques for getting today's e-mails delivered, opened and acted on.

1. Manage Your "Subscribe" and "Unsubscribe" Requests

One of the most important things you can do to minimize your problems - and maximize your profits - is to stay on top of your "subscribe" and "unsubscribe" requests. This is especially important if you don't have an automated system for managing subscriptions to your opt-in list.

Always treat requests to unsubscribe from your list seriously. People who aren't promptly removed from your list after making an unsubscribe request can accuse you of spamming them, and you can quickly find yourself in trouble.

Of course, it's just as important that people who ask to be added to your list are subscribed right away, since you never know which one of those subscription requests is going to end up being your best customer.

If your subscribe and unsubscribe requests aren't handled automatically, you should take care of them right before you send out a mailing. This ensures that your list is as current as possible, and it also means that you don't have to deal with this chore on a daily basis.

2. Remove Duplicate Addresses

Before you send any mailings, you will want to make sure that you don't have any duplicate e-mail addresses in your list. There will always be some people who will opt in to your list and come back later and sign up again, forgetting that they have already joined.

Now, people are happy to get one copy of your e-mail, but start sending them multiple copies and just watch how fast they unsubscribe from your list - or worse, report you as a spammer.

This kind of spam complaint is relatively easy to clear up, but it's still a hassle, and instead of having a potential customer who was so excited about what you had to offer that they signed up twice, you now have nothing.

3. Clean Your List

Cleaning your list also means sifting through the messages that "bounce back" to you after a mailing, and deciding which ones should be removed from your list completely, and which ones you might want to try mailing again.

"Bounced" messages, for whatever reason, weren't successfully delivered to the intended recipient. Most can be categorized as either "soft" bounces or "hard" bounces.

- *Soft bounces.* These are messages that couldn't be delivered at the time they were sent, but may be deliverable at some time in the future. These types of bounces are usually caused by the recipients' ISPs being busy or their inboxes being full.
- *Hard bounces.* These are messages that can never be delivered. Hard bounces are usually caused by the user typing in an incorrect e-mail address when opting in to your list, or the subscriber no longer using the e-mail address they originally opted in with.

Delete hard bounces immediately. If you leave these addresses in your list, you will just have to wade through unnecessary bounce messages every time you send a mailing, and that's a waste of your valuable time.

More, if you continue to send e-mail to an address that's invalid, you can get into real trouble. Dead addresses are used as spam traps, and if you are found to be repeatedly sending messages to one of these addresses, you could have a problem with the ISP receiving them.

E-mails that are returned as soft bounces, on the other hand, are the result of a temporary problem, so you would re-send your promotions to all the soft bounce addresses a couple of days later. You will be surprised how many messages get delivered on the second try. And since you have already written the e-mail, there's almost no extra work on your part.

4. Divide Your List to Conquer More Subscribers

Given the mountains of e-mail people receive these days, most only want to see what's relevant. And, unfair as it may seem, anything irrelevant could be considered spam, and reported as such.

If the people on your list know the message you are sending is something they want, they will open it. Using e-mail to target different segments of your audience is one of the single most effective ways to market products or services on the internet. A 2006 report found out that e-mail marketers using segmentation saw click-through rates that are 72% higher than e-mail marketers who aren't segmenting their opt-in lists.

You can segment them by whether or not they have bought from you, where they live, the brands they have bought, their age group, etc. There is no end of ways to segment your audience depending on the information you have collected - and e-mail automation makes it not only possible, but simple.

5. Snag Your Recipients' Attention by Using Their Names

If there's a "secret" to getting e-mail recipients' attention, it's this: Personalize the subject line. No other single technique will boost the response rate of your e-mails as much as personalization.

Have you ever noticed that a great salesperson will find out your name and then use it every so often while they talk to you? It's a way of establishing trust and building rapport. And the truth of the matter is that nothing gets a person's attention faster than hearing or seeing their own name!

By personalizing your subject lines, you also make your e-mail appear more authentic and safer to open, because recipients will be more likely to view your e-mail as coming from a trusted source. Unfortunately, typing each individual recipient's name into the subject line of every e-mail you send is just not practical! Once you grow your list to more than 50 or 100 people, it becomes unmanageable. It's way too time consuming.

The good news is that there's great e-mail marketing software available these days that'll help you completely personalize your campaigns automatically, and save you tons of time and effort.

6. Conclusions

E-mail marketing remains a highly effective tool for any business, and the success of your campaigns rests largely on the percentage of your messages that get delivered and opened. It's a little more of a challenge to make sure your e-mails get delivered and opened these days, but by keeping your list squeaky clean and sending highly relevant and personalized messages, you'll not only improve the likelihood of people opening your e-mails, you'll avoid being labeled a spammer.

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LEGAL FRAMEWORK SETTING UP ADVERTISING ON THE AUDIOVISUAL MARKET IN ROMANIA AND THE EUROPEAN UNION

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Abstract: In most of the Member States of the European Union, the audiovisual market is regulated by: laws, administrative practice, individual regulation – in many countries the main actors on the audiovisual market, either as they represent an initiative or the reaction to the regulations introduced by the country.

Key terms: audiovisual media service, television advertising, audiovisual transmission, sponsorship, teleshopping, product placement.

Audiovisual industry blends economic, social and cultural features both uniquely and in a unitary way. Consequently, the starting point of any analysis of the general policy applicable to the audiovisual industry is the acknowledgement of the role this industry has in society and the need to ensure the balance between the free market and protecting the general interest.

The European Union's audiovisual policy has two basic objectives:

- To create a genuine European audiovisual area and make it work
- To implement a strategy for strengthening European audiovisual production industries.

These two objectives are pursued taking full account of the cultural aspects of the audiovisual industry.

The legal framework related to the audiovisual market is issued by the European Parliament and the European Council. In most of the Member States of the European Union, the audiovisual market is regulated by: laws, administrative practice, individual regulation – in many countries the main actors on the audiovisual market, either as they represent an initiative or the reaction to the regulations introduced by the country. These regulations do not represent the unique solution to the protection problem on this market. That is why, on the one hand, the recourse to supervision and control focuses on protecting consumers against deceptive advertising or against the achievement of the individual rights by pressure exercised/produced by means of communication. On the other hand, these regulations focus on protecting admen against the competitors that use unfair procedure.

Part of the regulations that settle the procedure in the audiovisual area and that are issued by the European Council and valid for the Member States are the following:

- **Directive 84 / 450 / EEC** relating to misleading advertising. The purpose of this Directive is to protect consumers, persons carrying on a trade or business or practicing a craft or profession in order to promote the supply of goods or services including immovable property, rights and obligations. This Directive was amended resulting **Directive 97 / 55 / EEC** relating to comparative advertising. The Directive focuses on the harmony of regulations in the comparative advertising which is banned in some Member States as possible differences may prevent the free circulation of trade communication.
- **Directive 97 / 7 / EC** on the protection of consumers in respect of distance contracts. The Directive is applicable to any distance communication and focuses on the harmony of laws, regulations and administrative provisions in the Member States. The object of this Directive is to approximate the laws, regulations and administrative provisions of the Member States concerning distance contracts between consumers and suppliers. It stipulates that before drawing conclusions on a distance contact, consumer needs a minimum number of information (the identity of the supplier, price, delivery costs, payment means,
- **Directive 98 / 43 / EC** on the approximation of the laws, regulations and administrative provisions of the Member States relating to the advertising and sponsorship of tobacco products.

- **Directive 92 / 28 / EC** on advertising for medicines aims to eliminate differences in the Member States' laws concerning advertising for medicines as they are likely to give rise to barriers to the establishment and the functioning of the internal market since advertising distributed in one Member State can have an impact on the other States. Also it was considered necessary to generalize the prohibition on advertising for the medicines on prescription as already prohibited for TV by the Directive "TVWF".

Advertising distributed on TV shall comply with the **Directive 89 / 552 / EEC**, also known as **Directive Television Without Frontiers**. The Directive was adopted in order to ensure the free circulation of transmission of audiovisual works in the European Union. Laws in Member States included differences that were likely to prevent the free circulation of transmission of audiovisual works and reduce competence. The objective of this Directive is to eliminate these restrictions and coordinate the national laws applicable by ensuring minimal rules necessary to guarantee the freedom of transmission of audiovisual works.

This Directive was amended by the **Directive 2007 / 65 / CE** of the European Parliament and the Council of 11 December 2007 known as the Audiovisual Services Without Frontiers Directive (ASWF). The objective of the Audiovisual Services Without Frontiers Directive (ASWF) is to bring up – to –date the laws in connection to television advertising in terms of the revolution produced by the Internet, cellular phones and digital television. New technologies in the transmission of audiovisual media service call for adaptation of the regulatory framework in order to take account of the impact of structural change, the spread of information and communication technologies (ICT) and technological developments on business models, especially financing of commercial broadcasting, as well as in order to both ensure the optimal conditions of competitiveness and legal certainty for Europe's information technologies and its media industries and services and to respect the cultural and linguistic diversity.

The following concepts are defined in the Directive: audiovisual media service, programme, editorial responsibility, supplier of mass – media services, television transmission, on – demand audiovisual media services, audiovisual commercial communication, television advertising, audiovisual transmission, sponsorship, teleshopping, product placement.

This Directive also introduces a new audiovisual media service. Besides the traditional audiovisual media services, such as television, there are also on – demand audiovisual media services. They are "television – like" – they compete for the same audience as television broadcasts, and the nature and the means of access to the service would lead the user reasonably to expect regulatory protection within the scope of this Directive.

Television broadcasting currently includes analogue or digital television, live streaming, webcasting, near – video – on – demand whereas video – on –demand, for example, is an on – demand audiovisual media service. On – demand audiovisual media service is provided by a media service provider for the viewing of programmes at the moment chosen by the user and at his individual request on the basis of a catalogue of programmes selected by the media service provider.

Chapter 4 of the Directive of Audiovisual Services Without Frontiers called **Television Advertising and Teleshopping** includes rules in connection with television advertising. The changes in this Chapter are defined in Chart 1.

This new Directive took into account some basic aspects that refer to:

- Duration between advertising intervals shall be of 30 minutes, against 20 minutes.
- Proportion of advertising spots and teleshopping is settled for one hour transmission.
- Placement advertising is possible if it is allowed by the legislative framework in each Member State for cinematographic works, films, series and serials and light entertainment.

Member States shall apply the laws and administrative measures necessary to comply with the present Directive until 19 December 2009.

Chart 1 Differences in the Articles of Chapter 4 of the two Directives

Directive Television Without Frontiers	Directive of Audiovisual Services Without Frontiers
Chapter IV Television Advertising, Sponsorship and Teleshopping	Chapter IV Television Advertising and Teleshopping
<p>Article 10</p> <p>1. Television Advertising and teleshopping shall be readily recognizable as such and kept quite separate from other parts of the programme service by optical and / or acoustic means.</p> <p>2. Isolated advertising spots shall remain the exception.</p> <p>3. Advertising and teleshopping shall not use subliminal techniques.</p> <p>4. Surreptitious advertising and teleshopping shall be prohibited.</p>	<p>Article 10</p> <p>1. Television advertising and teleshopping shall be readily recognizable and distinguishable from editorial content. Without prejudice to the use of new advertising techniques, television advertising and teleshopping shall be kept quite distinct from other parts of the programme by optical and / or acoustic and / or special means.</p> <p>2. Isolated advertising and teleshopping spots, other than in transmissions of sports events, shall remain the exception.</p>
<p>Article 11</p> <p>1. Advertising and teleshopping spots shall be inserted between spots. Provided the conditions contained in paragraphs 2 to 5, advertising and teleshopping spots may also be inserted during programmes in such a way that the integrity and value of the programme, taking into account natural breaks in programme, duration and the nature of the programme and the rights of the right holders are not prejudiced.</p> <p>2. In programmes consisting in autonomous parts or in sports programmes and similarly structured events and performances comprising intervals, advertising and teleshopping spots shall only be inserted between the parts or in the intervals.</p> <p>3. The transmission of audiovisual works such as feature films and films made for television (excluding series, serials, light entertainment and documentaries), provided their programmed duration is more than 45 minutes, may be interrupted once for each complete period of 45 minutes. A further interruption is allowed if the programmed duration of is at least 20 minutes longer than two or more complete periods of 45 minutes.</p> <p>4. Where programmes, other than those covered in paragraph 2, are interrupted by advertising or teleshopping, a period of at least 20 minutes should elapse between each successive advertising break within the programme.</p> <p>5. Advertising and teleshopping shall not be</p>	<p>Article 11</p> <p>1. Member States shall ensure where television advertising or teleshopping is inserted during programmes, that the integrity of the programmes, taking into account natural breaks in and the duration and the nature of the programme and the rights of the right holders are not prejudiced.</p> <p>2. The transmission of films made for television (excluding series, serials and documentaries), cinematographic works and news programmes may be interrupted by advertising television and / or teleshopping once for each scheduled period of at least 30 minutes. The transmission for children's programmes may be interrupted by television advertising and / or teleshopping once for each scheduled period of at least 30 minutes, provided that the scheduled duration of the programme is greater than 30 minutes. No television advertising and / or teleshopping shall be inserted during religious services.</p>

<p>inserted in any broadcast of a religious service. News and current affairs programmes, documentaries, religious programmes and children's programmes, when their programmed duration is less than 30 minutes, shall not be interrupted by advertising and teleshopping. If their programmed duration is of 30 minutes or longer, the provisions of the previous paragraph shall apply.</p>	
<p>Article 18</p> <p>1. The amount of advertising shall not exceed 15 % of the daily transmission time.</p> <p>2. The amount of spot advertising and teleshopping spots within a given one – hour period shall not exceed 20 %.</p> <p>3. Without prejudice to the provisions of the present article, advertising does not include the following:</p> <ul style="list-style-type: none"> - announcements made by broadcasters in connection to its own programmes and ancillary products directly derived from those programmes; - announcements made by public services and 	<p>Article 18</p> <p>1. The proportion of advertising television spots and teleshopping spots within a given clock hour shall not exceed 20 %.</p> <p>2. Paragraph 1 shall not apply to announcements made by the broadcaster in connection to its own programmes and ancillary programmes directly derived from those programmes, sponsorship announcements and product placements.</p>
<p>Article 18 a</p> <p>1. Teleshopping window present on a channel that is not entirely devoted to teleshopping shall be of a minimum uninterrupted duration of 15 minutes.</p> <p>2. The maximum number of teleshopping windows is of 8 hours per day. Their total duration shall not exceed 3 hours per day. Teleshopping window shall be clearly identified by optical and acoustic means.</p>	<p>Article 18 a</p> <p>Teleshopping windows shall be clearly identified as such by optical or acoustic means and shall be of a minimum uninterrupted duration of 15 minutes.</p>
<p>Article 19</p> <p>Chapters I, II, IV, V, VI, VI a, and VII shall apply <i>mutadis mutandis</i> to television channels exclusively devoted to teleshopping. Advertising on these channels is allowed provided that the daily limits are respected according to article 18, paragraph 1. The provisions of the article 18, paragraph 2 are not applicable.</p>	<p>Article 19</p> <p>The provisions of this Directive shall apply <i>mutadis mutandis</i> to television channels exclusively devoted to advertising and teleshopping as well as to television channels exclusively devoted to self – promotion. Chapter III as well as Article 11 and Article 18 shall not apply to these channels.</p>
<p>Article 20</p> <p>Without prejudice to Article 3, Member States may, with due regard for Community law, lay down condition other than those laid down in Article 11 (2) to (5) and in Article 18 in respect of broadcasts intended solely on the national territory which may not be received, directly or indirectly, in one or more Member States.</p>	<p>Article 20</p> <p>Without prejudice to Article 3, Member States may, with due regard for Community law, lay down conditions other than those laid down in Article 11 (2) and Article 18 in respect of television broadcast intended solely for the national territory which cannot be received directly or indirectly by the public in one or more other Member States.</p>

Source: www.infoeuropa.ro

Harmonization of the Romanian legislation and the European legislative framework is made by the National Audiovisual Council. It is an autonomous public authority under parliamentary control that ensures a climate based on the free expression and the responsibility for the consumers in the audiovisual area.

Most of the decisions taken by the National Audiovisual Council are based on the two pillars that ensure the legislative framework governing in Romania in the audiovisual area:

- Audiovisual law no. 504 / 2002 that provides the general framework in connection to radio and television broadcasting and to the National Audiovisual Council of Romania.
- Regulatory Code regarding audiovisual content adopted in 2006 that defines the obligations of radio and television channels licensed in Romania related to editorial content, such as correct information, protection of human dignity, minors' protection and respect the advertising system.

Also there are other laws that influence the audiovisual area, such as Laws regarding elections, Advertising Law or Regulation on controlling the incorrect practice of providers towards consumers.

Taking account of the permanent process of evolution in the audiovisual area, the National Audiovisual Council set up new regulations, including provisions of the European Directive and the transition to digital television. Romania has to comply with the European law concerning digital television until 2012. According to Digital Terrestrial TV Action Group from Geneva, there is the following situation: the transition from terrestrial analogue television to terrestrial digital television finished in 2007 in Finland and Holland and Germany, Switzerland and Sweede foresaw it for the year 2008.

In 2007 the activity of European integration of the National Audiovisual Council was insured by the Service of European Integration and consisted in identifying the short – and medium - term priorities in order to comply with the Community law pursuant to the evolution of the European policy in this field. The sources of relevant information to comply with the European legislation were identified; the documentation, analyses, syntheses and translation of the laws concerning European integration were also insured.

In 2007 the Directive Television Without Frontiers was reviewed and the implementation of the harmonized national legislation was took into consideration so that, starting from 4 January 2008, the amended text of Decision no. 187 of 3 April 2006 entered into force. The Decision was amended on the basis of the following:

- Decision no. 194 / 2007 of the National Audiovisual Council (with the subsequent changes)
- Decision no. 516 / 2007 of the National Audiovisual Council
- Decision no. 762 / 2007 of the National Audiovisual Council
- Decision no. 1105 / 2007 of the National Audiovisual Council

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CONSIDERATIONS ABOUT GROUP INFLUENCES ON CONSUMER BEHAVIOR

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Each consumer is a member of a culture, various subcultures, and a social class; most of us belong to a number of different groups and almost would like to belong to several others. A group is defined as two or more individuals who share a set of norms, values, or beliefs and interact to accomplish individual or mutual goals. A group becomes a reference group when an individual identifies with it so much that he or she takes on many of the value, attitudes or personal standards of group members. The degree of reference group influence varies across product and brands with factors such as (1) the visibility to the group, (2) the necessity/nonnecessity nature of the product, (3) the level of commitment the individual feels to a group, (4) the relevance of the behavior to the group, and (5) degree of individual's confidence in his own judgement in the purchase situation.

Key words: reference group, norms, social power, consumption subculture

The majority of people belong to more different groups at the same time and frequently they want to be included in other groups as well, but in a specific situation they report themselves to a single group. When a new situation appears or the conditions change, the individuals may report themselves to the rules of another group which becomes the reference group for the given situation. Most people prefer to adapt, more or less, to the group's rules, from politeness or the desire to not be left aside. The *norms* are the general, common expectations of behavior that are considered appropriate for everybody in a social context, indifferent of their position. A group's norms cover usually all the important behavioral aspects for the functioning of that group and breaking those rules can bring up penalties.

A *group* is defined by two or more persons that share the same norms, values and beliefs and have certain relationships with each other so their behavior becomes interdependent. A *reference group* is a group whose rules, *norms* and values are used by an individual as the base of his daily behavior.

Types of reference groups

Groups can be classified depending on many criteria, like the affiliation, the type of contact (frequent/occasional) or the attraction (positive/negative).

primary groups/secondary groups

The primary groups are formed by the persons that we meet most often: friends, close colleagues, family(it is usually the most powerful primary group). A primary group has a sufficiently low number to allow face to face contact, and the subjects' participation is characterized by cohesion and reciprocity which determines similar behaviors and beliefs within the group. The primary group is usually coherent and lasting being made of persons that think in a similar manner and have the same interests.

The secondary groups are formed by persons that meet occasionally and have certain common interests. These groups have lower influence on the attitudes' formation and the behavior's control., but can have influence within the common activity, usually special groups of persons whose common interests are above the ones of the rest of the secondary group.

affiliation group/dissociative groups

The affiliation groups are the ones to which the subject wants to belong. These groups can be very powerful in influencing the behavior, since the subject will adopt the group's behavior in the hope of his affiliation as member. The marketing frequently uses images of the affiliation groups suggesting in this way that usage of a certain product will determine the subject's advance to the quality of group member.

The dissociative groups are the ones to which the person does not want to belong. This tendency can have a negative effect on the behavior – the individual avoids certain products or behavioral aspects in order to not be assimilated by the dissociative group. Like in the case of the affiliation groups, the defining of the dissociative groups is purely subjective, varying from a group to another.

official groups/informal groups

The official groups are materialized in a known list of members, often recorded in a way or other (ex. associations, clubs). The structure and rules of the group are written under the form of a statute, the quality of member implies to respect certain rules, and the members' behavior is regulated during his affiliation to the group. The quality of member can bring special privileges, or can imply only responsibilities in order to satisfy the group's aspirations.

The informal groups are less structured and are generally based on friendship. These groups do not have written statutes even if in this case the pressure to be in conformity with the group is higher than in the official groups. They need to adopt a more rigorous behavioral standard and larger reference domains than in the official groups.

Though the marketers seem at first view to have more success in developing strategies and tactics to influence of formal groups (easier to identify and more accessible), experience proves that the informal groups are the one having higher power of influence because they are part of our daily routine (an example of the normative influence exercised by the reference group).

implicit groups

The implicit groups are the ones to which the affiliation is implicit, because of the age, gender, culture or education. They are sometimes named category groups. Though, at first sight, they seem to have no significant influence on the members behavior, because they are not constituted based on voluntariness, the subjects are however influenced by the conformity pressure of the group (for example, the manner in which teenagers and older people dress).

virtual groups (communities)

A virtual group is a community of persons that interact on-line on various themes of common interest or specific activities. These groups on anonymous are passing through an explosive development in the last years and share their opinions on the most diverse subjects – from movies, Barbie dolls, wines or medicines. The majority of the companies recognize the Internet's power and also know that the opinion of a real person has more power of influence than a promotional clip so they support the post in of the opinions related to their products on th own sites.

Reference group influences on the consumption process

The nature of reference group influence can take three forms:

- *informational influence* – the reference group is used as an informational source in the different stages of the decisional process. This type of influence appears when an individual uses the behaviors and opinions of the reference group members as reliable informational sources. This influence is based either on the similarity of buyer's desires and preferences with the ones of the group members or on the recognition of the group recommendations' quality.
- *normative influence (utilitarian influence)* – the reference group establishes the level of norms, values and aspirations of an individual in the process of consuming products and services. It is obvious when a person respect the rules and expectations of a group in order to gain a reward or to avoid a sanction. The normative influence is used in the ads that promise the social acceptance or popularity in consequence to using a certain product or suggests disapproval or rejection from the group if a certain product is not used (usually hygiene products);
- *identification influence (value-expressive influence)* - the reference group is used to validate, by comparison, the consumer's opinions, attitudes, norms and actual behavior. The individual

behaves in a manner consistent with the group's values because the individual's values and the group's values are the same.

The group's power of influence depends on a number of factors with predefined role:

1. the product/trademark's degree of visibility by the group members - the group's power of influence is higher for the products used visibly (sport shoes, cars, holidays etc.) and lower for the products used in a particular way (vitamins),
 - the product's degree of necessity - the group's power of influence is higher for the products that do not belong to the category of strict necessity, and enter the category of luxury products (jewels, holidays, hobbies etc).
 - the person's degree of involvement – if a person is dependent to a certain group, he/she will conform even more to the rules and expectations of that group;
 - the relevance of a person's behavior for the good functioning of the group;
 - the certainty of the buyer during the buying process – the group's influence is manifested especially in the case of specialty products (TV sets, furniture, cars and assurance policies), products for which the buyer relies on the specialized information of the reference group.[Hawkins, D., Best, R., Kenneth, C., *Consumer Behavior. Building Marketing Strategy*, Irwin McGraw Hill, 1998, pp.219-220]

The influence of the reference groups is not as powerful for all types of products or consume activities. For example, the low complexity products, for which the identified risk is low and can be tested before buying them are unlikely to be influenced by the reference groups. The impact of the reference groups can vary: reference group might determine the choosing of a certain category of products instead of other (healthy food instead of fast-food) and can further influence the option for the trademark (Peugeot car or Toyota car).

Some reference groups include persons that the consumers know and have contact with, while others are made of persons with whom he might identify or admire. Because people have the tendency to compare themselves with others they consider similar, many marketing activities include ordinary persons sustaining positive opinions about a certain products. The probability such a person to be included in a consumer's reference group depends on many factors, among which:

- *propinquity* – studies show that people interact most frequently with the persons in their immediate vicinity;
- *mere exposure* – the persons met on regular bases (daily or by media exposure) are appreciated or the goods promoted constantly(for example, a candidate has greater chances to win elections if he is more present in the media environment);
- *cohesiveness* – means the degree of intimacy and dependence of the group's members to one another, as well as the importance they give to the group's declared values. When the individuals respect strictly the group rules, it is more probable that the group has a more powerful influence on the consume habits. [Solomon, M., *Consumer Behavior*, Prentice Hall, 2002, pp.321-322]

Persons want to belong to a group because of the status and the promised benefits they obtain. They want to be associated with groups that have an attractive social status, considering they can promote socially or professionally. The groups have power due to their ability to influence persons that one to become members. Certain groups, because of their unique characteristics, are perceived as having a superior social status and more power of influence than other groups; these groups are usually selective with the individuals that aspire to membership, the degree of attraction being amplified in many situations by the difficulty of affiliation. The group's capacity to influence the actions of various persons (members or non-members of the group) is called *social power* and can have a number of forms:

- reward or coercive power - an individual's perception that a group has the ability to mediate rewards or punishment for him/her;
- legitimate power – an individual's perception that a group has a legitimate right to prescribe behavior for him/her;

- expertise power - an individual's perception that a group has some special knowledge or expertness;
- referent power – an individual's identification with group. *Referent power* is described as the perceived status, standards, position, value or prestige of groups which influence individuals to seek membership into its ranks. [Dawson, M., Chatman E., *Reference group theory with implications for information studies: a theoretical essay*, Information Research, Vol.6, Nr.3, aprilie 2001]

The profound investigation of the consume particularities determined by the affiliation to a certain group lead to the defining of the term of consumption subculture. The consumption subculture is represented by distinctive subgroup of the society, whose members are selecting themselves on the base of the particular interest for a category of products (e.g. motorcycles), a trademark (e.g. Harley-Davidson) or a certain activity (sport fishermen). Such subcultures need a certain social structure, a common set of interests and values and a jargon or special expression rituals. Most consume subcultures are beneficiary of specialized media, especially reviews by which they can be influenced through precisely targeted marketing programs. The marketers are interested in comprehending these subcultures because they represent some consume rituals that can be exploited commercially.

The conclusion is that reference groups present the following characteristics:

1. the individuals are influenced by the groups they considered important from the social point of view;
2. individuals use certain groups to define their own behavior and attitudes in different situations (normative reference groups);
3. individuals report themselves to other groups or persons (comparative reference groups);
 - individuals can use more types of reference groups to define their own behavior and attitudes (multiple reference groups);
 - certain groups that the individuals use for model have power of influence on them even if they belong or not to the respective groups.

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MARKETING APPLICATIONS OF THE LEARNING PROCESS

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Abstract: Understanding consumer behaviour is an important task for marketers in their attempt to offer consumers greater satisfaction. Each individual consumer is influenced by his or her perceptions, motivations, learning, attitudes and personality. Learning refers to changes in a person's behaviour caused by information and experience. Learning can occur through simple associations between a stimulus and a response, or as a result to a complex series of cognitive activities. There are two basic types of learning – conditioning (classical conditioning and instrumental conditioning) and cognitive learning

Key words: classical conditioning, operant conditioning, cognitive learning, incidental learning, marketing wareout

The learning process

For an even more complete understanding of the mechanism behind the consumer's behaviour, the variable known as the learning is of great importance. It is considered that learning is the base of the perception mechanism and of the consumer's motivation to buy or not buy a certain product or service. The learning is essential for the process of consuming if we take into account the fact that the buying behaviour is a learnt behaviour. Learning may occur in situation of high involvement (when the consumer has reason to learn) or of low involvement (when the consumer is very poorly or not at all motivated to learn).

Learning can represent a noticeable or unnoticeable change in a consumer's behaviour due to the consequences of experience and it leads to the increase of the probability that a behavioural act to be repeated. Learning is a constant life time process for the consumer by the mean of many categories of activities: responding the communications received from the environment, following the example of another consumer, making repeated attempts or using logical reasoning. A person's knowledge is improving and changing permanently as the individual is influenced by new environmental stimuli, as he learns from past experiences so, in time, the consumer might change his behaviour related to a product or a situation of buying or consumption.

The process of learning sometimes happens without any intention of the individuals; we can recognize many trademarks, we can reproduce slogans or even hum jingles learnt unconsciously for products we do not use and have no interest in. This process of casual, unintentional learning is called *incidental learning*.

Summary of learning theories

The learning theories explain the manners by which the consumers learn confronted with a large variety of situations. The following learning theories are studied in this paper: *the classic learning theory, the instrumental learning theory and the cognitive learning theory*.

The classical learning theory (classical conditioning) is based on the Pavlov repeating principle according to which the automatic responses can be learnt. This principle is used especially in the promotional activities based on the idea that learning is achieved not only by the repeating of the behavioural act (buying and using a product) but also by the repeating of the promotional messages about it.

In order to make this procedure efficient it is necessary to repeat the stimulus for a certain number of times so the response to it to stabilize. The number is determined by the stimulus capacity and the subject's receptiveness and motivation. H. Krugman sustains, for example, that "*more than three exposures to a marketing communication are wasted. The first exposure creates the awareness of the product, the second demonstrates its relevance to the consumer, and the third serves as a reminder of the product's benefits*". [H.Krugman, Journal of Advertising Research, 1986] Research proved that, even if there is only one conditioned event, at least 30 exposures to the stimulus are necessary in order to maximize the effect.[Blythe, J., Comportamentul consumatorului, Editura Teora, București, 1999] On the other hand, an over exposure to the same message can be harmful for the marketing efforts, meaning that consumers complain

quite often about the annoying frequency of an advertising that becomes disturbing and even determines aversion against a certain trademark or ceases to be perceived by the consumer. This situation, also known as *marketing wearout* can be avoided by presenting the basic message in a variety of forms. [Solomon, M., Consumer Behavior, Prentice Hall, 2002, p.75]

Another efficacy factor of the classic conditioning is the order in which the conditioned(the product) and the unconditioned(the sonorous background of the message) stimuli are presented:

- In the *anticipated conditioning*, the conditioned stimulus is presented before the unconditioned one;
- In the *delayed conditioning*, the unconditioned stimulus is presented before the conditioned one;
- In the *simultaneous conditioning*, the two stimuli are presented at the same time.

The method of anticipated and simultaneous conditioning give the best results in the case of promotional activities, especially when the used media is represented by radio and television, since the sponsor can not control the order in which the subject reads the information in the case of written messages. Even if the two stimuli, conditioned and unconditioned, are presented simultaneously in the same promotional message and on the same page, there is a possibility of perceiving them in the wrong order, for a newspaper page is not read necessarily in the normal layout, from front to bottom of the page.

Generalization appears when two related stimuli determines a similar response. The marketers rely on generalization in the management of the mix of products; strategies based on stimulus generalization include family branding, product line extensions, and licensing. Another frequently used tactic by the small enterprises is to capitalize the advantage offered by the generalization phenomenon by packing the product in similar shapes and packages with the ones of the better positioned competitor (*look-alike packaging*).

Discrimination is the process with the help of which the consumers learn to differentiate stimuli and response only to the right stimulus. The marketers provoke discrimination between products by making the opinion on a product more positive by the mean of an unconditioned stimulus and ignoring at the same time the competing product.

Annulment happens when a conditioned stimulus do not determine anymore the conditioned response due to some causes, such as:

- The conditioned stimulus is manifesting in the absence of the unconditioned stimulus (e.g. the product is presented without the sound background);
- The unconditioned stimulus is manifesting unexpectedly in the absence of the conditioned stimulus (e.g. the sound background is presented in the absence of the product).

The instrumental learning theory. According to this theory, if a product/service offers a high degree of satisfaction while consuming it, the consumer will have the tendency afterwards to choose again, when the same type of needs will emerge. This reaction is known as operant conditioning and means that the product had a positive sustain and the consumer has become conditioned to buy the product again. If he is satisfied by the result once, the consumer will desire to make his feeling permanent. This phenomenon can have for consequence the excessive consume of aliments and, generally, of any products that induce the affective reaction of pleasure. Even if his needs are not completely satisfied, the consumer will still be tempted by that product, for the mere pleasure it offers. An example of affective conditioning is the assuring of the clients' fidelity through the sales, special offers, coupons etc. as well as the extension of fidelity cards given by some stores.

The instrumental learning (the operant conditioning) can be the result of one of the following situations:

- *Positive reinforcement* – is the pleased or desired result of a situation (a woman receiving compliments after using a certain perfume trademark, learns that its use has a positive effect and it will still use it);
- *Negative reinforcement* – means the avoidance or elimination of a unpleasant consequence (a mother misses her daughter performance on a show due to a migraine; solving this problem with a help of a certain medicine will determine the subject to learn how to avoid unpleasant consequences);

- *Punishment* – when the active behaviour determines a negative result, the subject learns not to use that product again (the use of a certain product is unpleasant for a person or determines a negative reaction from relatives and friends).

The operant conditioning does not necessary means the acquisition of the product. The marketers often offer free samples or the possibility to try it, to test some products in the hope that the positive experience lived will determine the ulterior buying of that products. The active conditioning is useful in explaining the way in which consumers can be preconditioned and of the manner in which buying habits emerge; however it does not explain how the learning process evolves when the subject searches the information. For understanding this aspect, the comprehension of the cognitive learning process is necessary.

The cognitive learning theory. This theory is inspired by the idea that learning process can not always be reduced to the automatic response to a stimulus action. The people analyze the situations that happen during the buying process taking into account the previous experiences and make evaluations. The conclusion is that, even if the theories of classic conditioning and active conditioning are based on the fact that the leaning process is automatic, the cognitive theory considers it is based on a conscious process.

The process of cognitive learning needs the following elements:

1. cognitive effort – represents the degree of effort the consumer is prepared to invest in the analysis of the products. This will depend on the complexity of the product, on the level of involvement and the subject's motivation;
2. cognitive structure – is the device with which the subject acknowledges the information received and integrates it in the already existent knowledge;
3. information's analysis – means selecting first the correct and relevant information from all the information received from the environment and, secondly, their correct interpretation so to develop a plan of action;
4. elaboration – refers to the structuring of the information by mental processes and the integration of those data in the memory;
5. memorization – is the mechanism by the mean of which the learnt information is stocked.

The cognitive learning may have the following variants:

- *Iconic rote learning* – means the learning by association of two or more concepts, in the absence of conditioning. A significant quantity of information is assimilated mechanically, unintentionally, and at the moment when a certain needs manifests itself these information gathered in time are used to select product or a trademark.
- *Vicarious learning (modelling)* – consumers learn not only from self experiences but also by deliberate observation of other consumers behaviour which they adapt depending on their own needs.
- *Reasoning* – is the most complex learning method, through which a person involves in creative thinking and reasoning processes of the information memorized and of the new ones received by the environment for creating new associations and concepts.

In conclusion, marketers are very interested to help consumers learn about their products and stimulate the consumption process. Knowledge of learning theories can be used to structure communications that will assist consumers in learning relevant facts, behaviors, and feelings about products or brands.

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ON EFFECTS OF THE PRODUCER-RETAILER-CONSUMER RELATIONSHIP'S KNOWLEDGE ON THE MARKETING FUTURE

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Abstract: The main purpose of this paper is the today's interactive information (data) exchange between producers, retailers and consumers that takes place on the market. It focuses on the creative process of investigating and making connections between different ways of thinking about marketing future. We also try to develop some thoughts in understanding this "marketing world" by analyzing the significance of distribution channels knowledge to consumers' benefit.

Key words: marketplace challenges; trade marketing; consumer experience; efficient consumer response, consumer insight; critical marketing; participation marketing; revolution in marketing; new distribution channels; selling solutions; enhance communication; strategic logistic; Romanian retail market.

An interactive information exchange takes place on the market in our days. Marketing must help confused consumers to be more successful in facing the offerings' proliferation and to make the right choice. Consumer marketing targets the consumer. But who knows the consumer better? The retailers, of course, who know what is happening at the level of the store and want to improve the category management, while the manufacturers need their point of view: a feedback which represents the synergy of the partnership's knowledge in which are involved the producer, the distributor and the consumer.

As consumers, we all require information about this marketing knowledge and we all need to be able to think of it having a deep understanding of the main marketing explanations that give us a framework for making sense of the "marketing world" around us. Therefore, the need to create and deliver information about goods/services - to the consumer - is more than obvious, and it is challenging to take part to the creative process of investigating and making connections between different ways of thinking about marketing future. And also to try to express some thoughts about marketing world by analyzing the dynamic distribution channels' to the consumers' benefit (the increase of the use of marketing techniques; the increase in the use of the Web by those responsible with marketing, etc.).

Trends in consumer behavior research

According to Geac there are major implications for existing distribution channels: logistic has become an indispensable competitive weapon within most distribution environments; both customers and suppliers are demanding more and more access to the company's data and at any time of day or night; sales people and managers often spend a disproportionately large amount of time on sales forecasts, reporting, tracking and performance reviews.

Efficient distribution with adequate pre and post sale support is a part of the competitive process which brings significant benefits to the consumer. Consumers' feelings about the product depends on product distribution and consumer experience during the purchasing process. Consumers' perception about the product affects how they mentally position the product in relation to competitive products. As distributor's actions can affect how consumers view the marketed products and as the marketer's distribution system must deliver these products to the right place, in the right amount, in the right condition (efficacious), at the right time and for the right cost (efficiency), marketers must look for distribution assistance for their channel arrangements.

Successful distribution (retailing) involves making sure that stores are stocked with the right products at the right prices at the time the consumer wants them. Efficient Consumer Response is a performing strategy

based on today's technology tools - that causes fundamental changes in the business process – which provides more added value to consumer. The three pillars of ECR are: providing consumer value, removing costs that do not add value, maximizing value and minimizing inefficiency throughout the distribution chain.

Focusing on products and brands choice rather than on channel choice is a current trend in consumer behavior research, but nobody can now deny the obvious impact of the proliferation of channels on the consumer behavior. Nina Michaelidou, David C. Arnott and Sally Dibb argued that channel characteristics are determined - in comparison with multiple choice of products and by taking into account the elements used by Hoyer and Ridgway, 1984 - by channel involvement, channel perceived risks, channel loyalty, channel similarity and channel hedonism. It can also be included other aspects like self confidence, information seeking, channel commitment, enduring channel involvement. They state that the increased choice and the decision complexity is likely to impact on behavioral aspects such as brand switching.

In the case of FMCG consumers obtain the marketed products by requiring them while visiting retail outlets, retailers selling in many different formats (physical location or virtual space) and using multiple distribution methods. Distribution fulfils a variety of economic and social functions and has a regulatory role to play in the confrontation with the permanent upstream and downstream diversification.

The business environment is complex and requires a high flexibility from the companies (entrepreneurs). It is considered that flexibility is the condition to success in the complex global environment; temporal dimension is indispensable to any approach of complexity. So, this dynamic business environment has to be managed in such a way to produce a competitive advantage immediately.

In a world of continuous change, where the boundary between the organizations becomes even more complex, reacting to the marketplace's challenges means to build architecture that will flexibly integrate corporate information. Today we are speaking about "knowledge-based strategies", "knowledge-based operations", and an integrated model of battle is at the same time cerebral and cyber, takes place on land, air, sea, and space; and it is producing predictive analysis, and creating anticipatory decision models.

As this "marketing world" is governed more by perceptions, marketers need an adequate marketing roadmap to arrive at the best positioning on the targeted market. They have to know how customers perceive them, having the ability of being perceived as they really are, trying to offer their customers expertise and insights because they really need to have someone buy, so they must help their customers to decide how to buy. To understand what customers expect marketers must be value driven, implementing the knowledge obtained, overcoming the barriers to communications, translating each value proposition into the customer's language, thinking of expertise as an abundant resource and time to respond as a scarce one, enabling the future.

The knowledge process makes up this construction in the complex business environment whose components can be easily understood by well trained marketers; this understanding is essential and influences the result of the knowledge process. Without knowledge through education, innovation suffers in the context of stiff competition. Education is the most important instrument of the company for adaptation to economic change, as an opportunity.

As the business is becoming more focused on processes, the marketing process should provide the foundation for the organizational structure in such a way as to deliver the very basic of what customer expects, improving customer retention, looking after what the ultimate customer wants to buy and achieving increased profitability.

It is important to renew organizational knowledge continuously - developing a knowledge culture - and within this framework to improve communication between internal suppliers and customers, by supporting a cross-functional process and adopting an interactive value perspective, according to a relationship value management, working in a way that enables the relationship marketing process to deliver on key-stakeholder expectation.

We have to mention that the twenty-first century is characterized by the emphasis of business marketing on developing relationships – and not on generating transactions – within a new focus on customer, requiring increased levels of information about its needs. During "the Year of Differentiation", 2007 a greater emphasis on adding new services can be remarked.

Focusing on what is important to customers

In the “next-generation marketing”, customer experience is going behind the lines, "audience is king" so, let's “learn more about the customer and how they think”. First of all a company has to see if it is possible to integrate this customer orientation and how can be this possible. According to Don E. Shultz – as Professor Emeritus-in-Service of Integrated Marketing Communications at the Medill School at Northwestern University, President of the consulting firm Agora, Inc. and founding editor of the Journal of Direct Marketing - the first thing is to stop thinking about products (ensuring the transition from product to service) and start thinking about customers as income flows, then think about all of the ways customers touch you, or you touch them.

When a firm is oriented towards customers it is able to see how customers respond to its efforts to meet their needs and expectations. This customer alignment and integration presumes having good customer data and using it efficiently. Customers always appreciate the manner in which the company and its partners deal with dissatisfaction, inefficiency and opportunity. The “machinery” made up of the employees' engagement and the clients' engagement can significantly influence the company's performance.

Why is this phenomenon possible? Because in reality people feel more than they think, while “models” require and expected too much thinking from customers. Today's marketing people - brand managers - are more preoccupied about customer engagement rather than finding new customers, the difficulty consisting in the fact that the recognition of the customer engagement's need and the actual measurement of the real engagement are two different things. And real engagement is the consequence of the marketing/communication programme which produces and increased level of brand perception as meeting and overwhelming customer expectations (“brand equity”), while customer expectations are generally based on emotions.

Shultz considers that marketers' training must be focused on what is important to customers, not to the company because there is an increasing retailers' focus on trying to build their own brands, their own private labels. On the other side, the manufacturer has to start thinking about how to become a better partner for the retailers in terms of capturing, sharing and using information and data.

Successful retailing involves making sure that stores are stocked with the right products at the right prices at the time the consumer wants them and this aim can be achieved by implementing ECR strategy. Implementing ECR means dramatic change in current business practices. ECR is about redesigning the processes, altering paradigms and changing attitudes. Proper management of the ECR process is effective in mitigating resistance and increasing co-operation. A clear communication by top management of the benefits and rewards of ECR will make the process more effective. To implement ECR, distributors and suppliers are making fundamental changes in the business process using today's technology tools. Their goals are clear: provide consumers with the products and services they want; reduce inventory; eliminate paper transactions; streamline product flow.

At the same time, from a retailer point of view, the real challenge is how to deal with Wal-Mart – that is the 21st Economy of the World - which pioneered in replacing inventory with information and has the very best distribution system in the world. Nobody can ignore the “**Wal-Mart Symphony**”...played on a global scale “over and over 24/7/365: delivery, sorting, packing, distribution, buying, manufacturing, reordering, delivery, sorting, packing...coordinating disruptionprone supply with hard-to-predict demand...the world's most efficient supply chain...constantly looking for new ways to cooperate with its customers”.

Trading partners are asked to work together in order to increase value to the consumer. The intensifying competition among trading partners often presents an apparent barrier to achieving this. However, just the opposite is true – ECR allows companies to seek a competitive advantage by demonstrating their superior ability in working with trading partners to add value for the consumer.

The consumer experience and consumer-created media

It's very important to understand the consumer behavior, how customers buy products, what products are purchased together and what is the meaning of a satisfied *consumer experience* – which can be defined as the cognitions and feelings the consumer experiences during the use of a product or service; managers' goal must be the converting of merely satisfied customers into completely satisfied customers: only the completely satisfied customers should be considered loyal.

That is why we need to see what kind of customer data there are inside the company and bring all of the various types of captured and stored information together - by conducting an audit of all customer information that is available within the organization. But as we face some practical obstacles in making the needed changes we have to assign a budget and it ideally should be coming from the top of the organization (the cost really has to be an organizational expense, not a departmental or group expense). The first business command should be this kind of a holistic overview of all of the customer data and customer information and customer institutional knowledge.

Vincent Grimaldi argues that resistance to change – which is ingrained in human nature - makes good marketing difficult in practice. He adds that in order to maintain competitive company's marketing must be given a role that is both strategic and systemic, managing to live in a symbiosis with the increasingly demanding customers and the changing environment, going beyond marketing's support role and penetrating most aspects of the organization. What is marketing in fact? It is worth to consider the opinions expressed by Grimaldi that marketing is the corporate equivalent of a central nervous system; it is an art and also a management science calling for the implementation of rigorous processes and metrics; it should be both creative and accountable.

Grimaldi insists further that: the Baldrige criteria for performance excellence puts marketing in a leading role, together with leadership and strategic planning; because the customer is at the very heart (the core) of the problem, great strategies are developed around him; the corporate strategy ends up being totally customer-driven ensuring that every step of the process is developed with a market quick feedback and... obtaining the customers' "Wow".

"Marketing is what the organization does", says Shultz. The marketing department ought to be the one that is aligning the organization, taking into account that there are lots of tools, tactics, techniques that can be outsourced - including strategy - rather than having those done by employees.

Within this framework Shultz's company has proposed a "media consumption model", because every developed approach is based on distributing messages through the media and what is measured is distribution: every consumer today is creating his or her own internal information network, having an internal model for how he evaluates information sources and how he solves his problems (internal networks created for themselves). Consumers have created the ability to not only give advice, but also to get advice from multiple sources and, that is why marketers need to look at how customers and consumers and users communicate with each other, by going back to the consumer-created media. In the same time, Jonah Bloom shows that "we now live in a culture of instantly disseminated opinion", everything in the public domain being instantly spread and dissected and in such a world marketers have to accept that they won't please all the people all the time: **consumers are in control** and messages are reinterpreted and criticized.

Achieving a broader perspective on marketing

There is a continuous debate within the academic marketing community about the so-called "critical marketing" and providing critical understanding: of the organization and impact of marketing operations; of the factors that are shaping marketing activities; of marketing professions and morality on the marketplace; of the mechanisms used by marketers for creating and supporting customer values; of consumer culture and the impact of brands; of the development and implementation of marketing strategies and programs; of the impacts of the marketing concepts' and techniques' application in a competitive environment; of marketing's interpretation within the framework of the relationship marketing; of redefining markets and marketing.

Marketers or not, we are all consumers and cannot escape the market, but we are not passive recipients of what marketers do, that is why – sustains Michael Saren, Professor of Marketing at Leicester University School of Management, UK – marketers must look at the marketing phenomenon as consumers experience it, as active participants in it, by achieving a broader perspective on marketing. And, the key to achieving such a new perspective is building of customer relationships, by understanding that customer relationships are the most important company's asset needing to be managed.

This “interaction approach” (Industrial Marketing and Purchasing-IMP), whose essential aim is to create value for both parties, is based on the idea that this process of interactivity takes place between active buyers and sellers that are individually significant to each other.

According to Saren, the “critical marketing” extends its domain and gives a specific example to demonstrate the necessity that the academic discipline of marketing must encompass the wide range of activities and effects that it manifests in practice today. The recent stream of research asserting that the human body itself is the site of all consumption, people’s identities and self-esteem are closely associated with their bodies. He also adds the problematic issue of relevance in marketing, considering the fact that in management and marketing relevance itself has often been defined in a restricted manner to imply usefulness as measured by a sub-group of either practitioners or self-selected intermediaries.

The future marketing department: more customer insight

Three years ago, being in Bucharest, Philip Kotler attracted our attention to the imperative of “the development of better abilities in innovation, differentiation, branding and service, in a word marketing”, recommending the development of a stronger marketing: holistic, strategic, technological, financially oriented. The “father of marketing” emphasizes, among other things, the need to resort to a lateral marketing, conceiving new product and service ideas. In Kotler’s opinion marketing is the art of brand building.

He also showed that one of the shortest definitions of marketing is the profitable fulfillment of needs. The commercial space is no longer what it was, more and more marketing people acknowledge the need to have a more complete, cohesive approach which goes beyond traditional applications of the marketing concept. An approach that attempts to acknowledge and reconcile the sphere and complexity of marketing activities is represented by holistic marketing (development, design and implementation of programs, processes and marketing activities which acknowledge content and interdependencies) whose components are: relational marketing, integrated marketing, internal marketing and marketing of social responsibilities.

Marketing management is - according to the same authorized opinion - the art and science of choosing target markets and winning, preserving and increasing the client base by creating, delivering and communicating a superior value to the client. This - the client - has, in many cases, undefined preferences, which are ambiguous or even conflicting.

The famous Al Ries wrote - in the spring of 2006 – that marketing study starts with psychology study: if psychology is the systematic study of human behaviour, than marketing is the systematic study of human behaviour on the market. In order to discover how the company can better satisfy customers’ needs, marketing people have to work together with the company’s clients, offering assistance and trying to understand their preferences. That is why Kotler considers “participation marketing” as a more appropriate concept, compared to “permission marketing”.

On the other hand, Kotler’s mentor - Peter Drucker - says that the purpose of marketing is to know and understand the customer so well that the product or service is perfectly suited to him and sells itself. But customers respond differently to the company’s image and the company’s brand; the identity - the way in which a company identifies itself, self-positions itself or positions its products - and the image - the way in which the public perceives the company or its products/services – require a distinction.

The key to branding - emphasized Kotler and Keller - is the customers’ perception of the differences between the brands belonging to a category of products. A branding strategy identifies which elements of a brand (name, term, sign, symbol, design, a combination of the previous) the company chooses to apply to the different products it sells. In order to serve multiple market segments often multiple brands are required (the basic principle in designing a brand portfolio is the maximization of market coverage, so that no potential customer is ignored).

But how do we get customer insight? The **future’s marketing organization is going to have employees who can deal with both push and pull forms of marketing**, by recognizing that today’s real challenge is to be very responsive, and to give feedback (the responses generated by the marketing come back to customer service, sales, technical support), so that the marketing people have relevance and view of what the responses are. Brand experiences today - according to the same Don E. Shultz - are the responsibility of part-time marketers - employees, retailers, customer service people who are not trained as marketing people but they are doing most of the marketing for the organization being on the ground responding to

people – and not of marketers. That is why one of the challenges is to get budget starting by thinking about customers as flows of income, aggregating those customers up and, building a financial calculation so that it is an investment and a return (beyond the actual marketing department as a cost center that can't measure, financially, the returns the marketing organization is generating).

The main distribution chains in Romania

It is well known that marketing's study object is a result of the economists' research (from the end of the XIXth century) referring to the nature of distribution process. An article published in Fortune magazine (April, 1962), where Peter Druker considered that distribution represents "the African continent of economy", led to a significant development of marketing theory referring to the conceptualization of physical distribution (marketing logistic).

Eleven years ago, in a study about goods distribution, there were identified two main factors which create the motivation which is necessary to the distribution progress: technological innovation and stiff competition.

Philip Kotler mentioned - in a book published three years ago - that marketing people use three types of marketing channels: communication channels, distribution channels and service channels. Distribution channels - that are used for displaying, selling or delivery of product or service to the consumer or user - include distributors, engross sellers, retailers, agents. In a market approach, competitors are represented by those companies which satisfy the same requirement to the consumer. The competitive advantage is referring to a company's ability to perform better than its competitors in one way or another. Long term competitive advantage is a profitable target for companies. Distribution efficiency requires finding out inventory, location and transportation savings.

Kotler and Keller underline the need to build a creative marketing organization, the capacity for strategic innovation and imagination coming from the assembly of instruments, processes, abilities and measures which will allow the company to generate more and better ideas than their competition. And this requires also assuming social responsibility because the business success and the client's continuous satisfaction are closely related to the implementation of high leadership standards of a business and marketing.

But according to Nirmalya Kumar, "management has forgotten, or never realized, the ability of the marketing function to help drive organizational change". CEOs have lost faith in marketing primarily for two reasons: shareholders and analysts are pressuring corporations and their CEOs to deliver against short-term profit and revenue objectives; marketers are too often seen as specialists and tacticians talking about the marketing-mix rather than strategists who help CEOs lead organization-wide initiatives that have strategic, cross-functional, and bottom-line impact. To improve value the company's value, marketers must engage CEOs and the top leadership in meeting the two marketplace challenges that all companies face: enhancing customer loyalty and reducing downward pressure on prices. To meet this, companies are looking for growth-related initiatives like expanding to new and growing channels of distribution, selling solutions instead of products, and pursuing radical rather than incremental innovation. The challenge consists in finding which aspects of marketing are really scale-sensitive versus those elements where local adaptation truly increases value for customers. The methods used - to reduce the tension between designing programs and products that are global versus local - are: increasing understanding through market research that allows the examination of this issue in a more "objective" manner; moving managers across countries to enhance communication.

This preoccupation towards distribution efficientization is also demonstrated by the role played by the unique European market that is referring to: the creation of new market opportunities in Europe; costs savings and increase of productivity as a result of distribution methods' efficientization – required by the sustaining of business strategies. Efficient distribution facilitates innovation in the distribution process, new technology implementation, and also low price products' at high quality and high service for the client.

Romania is an important market for the large international distribution networks, a fact proven by the investments that continue to increase constantly, due to the following factors:

- Romania is a continually developing (increasing) market, with a significant economic growth rate, both effective and forecasted, above other European economies, the consumption market being far from saturated;

- the size of the Romanian market is significant (second place in terms of size in Central and Eastern Europe, after Poland);
- the average income per capita registers growth;
- on the first of January 2007 Romania has become member of the European Union.

In the past years Romania has recovered some of the gap registered from the point of view of the development of the retail market - even if there was another significant intermediary network of small shops and kiosks. Important structural changes have taken place through the development of national logistic distribution structures. The new formats – cash & carry (replacing wholesalers), supermarket (still representing one of the main types of modern retail outlet), hypermarket (offering maximum product range and good discounting performance) and discount have remodeled the image of domestic trade. A substantial change in the population’s consumption attitude can be mentioned, behaviour which in fact is the promoter of the development of retail networks.

At present numerous international distribution networks are active on the Romanian market: Metro, Carrefour, Intermarc (Interex), Rewe Zentral AG (Selgros, Billa, XXL Mega Discount), Louis Delhaize (Cora, Mega Image, Profi), BricoStore (each having a network of stores developed according to the target market and the specifics of the group), Auchan, Ikea, ...waiting for and Tesco. Their entry on the Romanian market was determined by the development potential and opportunities offered. The entry of new players on the Romanian retail market and the development intentions of those already existing cause the growth of competition at a market level and consumer is the one who gains important advantages.

No	Name	Group	Store Type	No. of stores		Entry onto the Romanian Market
				Total	Bucharest	
1	Carrefour	Hyparlor Group	Hypermarket	10	5	2001
2	Cora	Louis Delhaize	Hypermarket	3	2	2003
3	Real	Metro Group	Hypermarket	13	1	2006
4	Auchan	Auchan Group	Hypermarket	3	1	2006
5	Pic	Grupul Pic	Hypermarket	4	0	2004
6	Metro Cash&Carry	Metro Group	Cash&Carry	23	4	1996
7	Selgros Cash&Carry	Rewe Zentral AG	Cash&Carry	17	3	2000
8	BricoStore	BricoStore	Do It Yourself	9	4	2002
9	Praktiker	Metro Group	Do It Yourself	14	2	2002
10	Spar Hypermarket	Spar	Hypermarket	1	0	2006
11	Spar Supermarket	Spar	Supermarket	13	0	2006
12	Billa	Rewe Zentral AG	Supermarket	25	3	1999
13	Mega Image	Louis Delhaize	Supermarket	18	15	1994
14	Gima (G'Market)	Gima	Supermarket	5	3	1999
15	Interex	Intermarc	Supermarket	9	0	2001
16	Profi	Louis Delhaize	Supermarket	44	0	1995

			(discount)			
17	Plus	Tengelmann	Supermarket (discount)	50	3	2005
18	Kaufland	Lidl & Schwarz	Hypermarket	31	2	2005
19	Penny Market	Rewe Zentral AG	Supermarket (discount)	40	1	2001
20	Penny Market XXL	Rewe Zentral AG	Supermarket (discount)	5	1	2001
21	Artima (Carrefour)	Carrefour	Supermarket	21	0	2001
22	Altex	Grup Altex	Specialized store	125	11	1992
23	Domo	Domo	Specialized store	110	11	1994
24	Flanco International	Flanco International	Specialized store	110	11	1992
25	Cosmo	Cosmo	Specialized store	78	9	1998

The Main distribution chains in Romania

(Source: Romanian-American University, TOEMM, February 2008)

The first international retail company that entered Romania was Metro, in 1996. Subsequently stores such as Billa, Gima, Profi, Mega Image, XXL Mega Discount, Selgros, Carrefour, Bricostore, Praktiker, Intermarche, Cora, Univers'All (this last mentioned case should become an „interdisciplinary” case study; we also remark the „birth” of Carrefour in the previous central location of Univers'All Bucuresti) opened. Alongside these mall-type commercial centers were opened, local specialized stores networks were also opened.

We can consider the evolution of the retail market in Romania to be significant, in tune with the evolution of consumption behaviour which is referring to:

- target clients, buyers with medium and high income, targeting time and energy savings and the satisfaction of various needs;
- the increase of the number of products sold (FMCG);
- the increase of the presence of private brands (products marketed under their own private label);
- the increase of promotional efforts.

The big companies on the retail market are continuing their aggressive expansion nationally. The supermarket chains are looking to cover well defined areas from a client potential point of view. The strategy of these companies that invest in Romania takes into consideration the trends of the Romanian market. An important element is therefore represented by the changes in consumer behaviour, which is modeled by outside stimuli and which, in the conditions of an ever stiffer competition, will become more and more demanding regarding services, price and placement.

The competition on the retail market is stiffer and stiffer. The following period will impose major changes on the retail market. Traditional trade will reduce its share with the development of modern forms of trade. The importance of the niches left open on the market will increase, one of these being represented by neighbourhood trade and specialized small stores. It is surely that in the near future significant changes will take place on the retail market. Time will demonstrate if the traditional commerce will keep the tempo with modern commerce development, generated by: the increase of marketing competition for gaining free

market niches and new ones' identification; more frequently usage of participation marketing; authorities' attempts to achieve indispensable commercial balance between city centre and periferical areas (by net evaluation of commercial implants' contribution to the social-economic development).

Distributors have a multidimensional vocation and duty in the field of information. The value of information is universally acknowledged and the importance of certain issues such as information management and IT resources management has increased accordingly. Information technology is what today connects the business strategy and quick organizational reaction time. Strategic management and the demands of artificial intelligence, information systems management, integrated electronic businesses and marketing in the IT sector, all of these require a careful evaluation of the technology trends in technology, economy and abilities, as well as the periodic auditing of information systems.

The globalization process accelerates the distributors' will to rationalize and improve administration. The priorities in terms of investment will be: client performance; running activities from an operational point of view and an economic point of view. A generalization of technology is noted and the realization of the strategic importance of a better knowledge of the client base. We see today a multiplication of the methods of consumption, a modernization of logistic structures, an evolution of conceptions and store formats. Consumers want more and more choices, more and better services, more information, increasingly better price/quality rations, less and less expanded time and energy, higher and higher trust in the distributors and the products offered.

Conclusions

We are all consumers and we require to be informed about the marketing knowledge and eager to participate in this debate about knowledge to the consumers' benefit by creating internal information networks about distribution channels that are constantly changing. Consumer's feelings about the product depends on product distribution and consumer experience with the purchasing process.

FMCG distribution on the Romanian market has proven to be the field with the most rapidly impact on our EU integration. There is an obvious result of marketing activities which substantially increase the power of the brand in the eyes of the Romanian consumer (not being passive recipients of what marketers do within this symbiosis).

The existence of a clients' identity alternation between two extremes – traditional client and cyber client – that impose a more proactive marketing style, is becoming visible. More creative market conducted approaches are necessary, taking into consideration the advantages of traditional marketing, combined with new techniques and proposals of superior value in relation with the evolution of market structure, channels and clients' expectations.

As a final conclusion, we must take into consideration Ph. Kotler's recommendations. In hypercompetitive economies marketing should constantly create new ideas and build brands more through performance and less through promotion; also, the clients have to be served differently, but appropriately, building performing information and communication systems and analyzing profitability by segment, by client and by distribution channel. This evolution and confrontation with the new opportunities and challenges require new abilities and competences.

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THE TOURISTICAL CONSUMPTION

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Abstract: The objective action of the socio-economical conditions of the contemporary society represents the basic argument of the extreme mobility of the touristical consumption demands. Given the fact that these contemporary conditions in themselves are permanently changing, at the present time, more than in the past, the necessity of permanently analyzing and getting to know the touristical consumption's demands and the factors that determine them is imposed

Key words: touristical consumption, the touristical demand's, touristical products, equilibrated touristical balance, the measurement of the touristical consumption

Introduction

The touristical products, like any other, have a life cycle, that is, they appear, they develop, they grow old and then they disappear from the market. Experience shows that the life cycle becomes shorter and shorter, that they become more and more perishable and that they go out of use faster. Historically speaking, the touristical products and the services offered at the beginning of the century are by far outdated, and along the years, more types of touristical products, more and more advanced from all points of view, as a consequence of some new and newer demands of the market, were alternated.

This rapid change of the touristical consumption's demands is not just a fashion thing, they are not only provoked by the consumers' caprices, even though no one can deny that nowadays, fashion and taste play a more and more important role in the change of the demands in general and of the ones of touristical consumption in particular.

1. The ups of the touristical consumption

The touristical demand's concrete mode of manifestation is the touristical consumption. This represents the touristical products, effectively purchased and consumed by the tourists. Taking into consideration this concrete aspect, as well as the fact that it represents a high importance factor for the economical study of the market, the touristical consumption is the element Statistics most frequently looks for.

In the intent of defining the place the touristical consumption occupies within the total consumption, the specialists start from the repartition of the national income and of the individual income that comes to the individuals after the subtraction of the imposts and local taxes. These individual incomes are supposed to cover, first and foremost, the expenses related to the satisfaction of the vital needs that can be arbitrarily reduced. The rest of the incomes constitute *free disposable* incomes from which a series of consumptions, related to the satisfaction of some demands of the life standard, to the constitution of reserves and to the free consumption, are subsidized. The free consumption includes the touristical consumption and other free consumptions (fig. .1).

K. Kraft, as a consequence of the increase rate analysis of the touristical consumption of a household with incomes that only come from salaries, concluded that the level of this rate depends on the expenses made for the compulsory consumption that attracts a relatively constant part of the income. If the part from the income allocated to the compulsory consumption is in decrease, then the free-disposable income will be bigger, and, therefore, the family's expenses and disposability for holidays and spending the leisure will be higher.

Given the fact that under the conditions of the increase of the global individual income, the part of this one affected to vital necessities will be in decrease and, therefore, the part allocated to the touristical consumption will increase, having an elasticity superior to the unity.

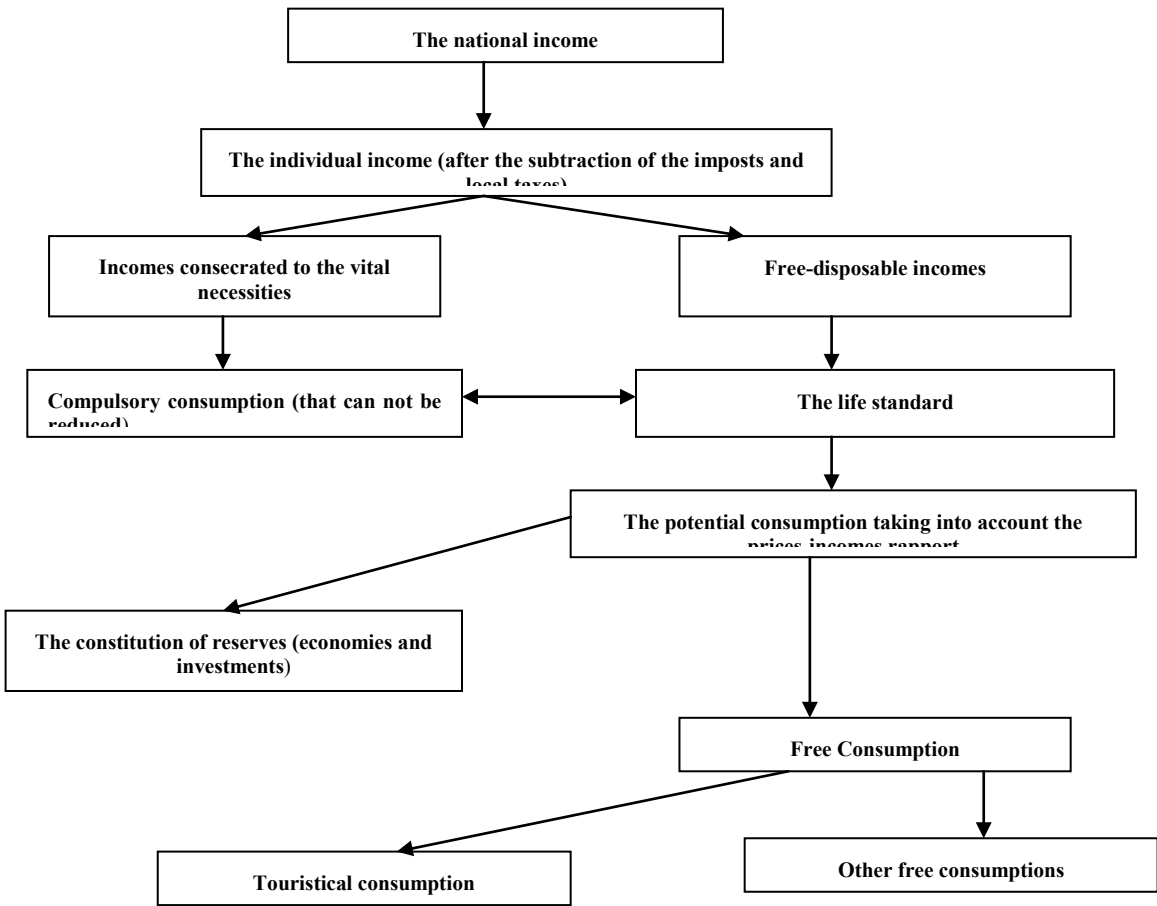


Fig.1. The sources of the touristical consumption

The economist Engel, after he made an inquiry on the family budgets in 1875, concluded that between the level of the income and the level of the consumption there are some correlations determined by the size of the income. Thus, the following rapports can appear between the incomes and the consumption:

- a sub-unitary rapport when the increase of the income doesn't carry on an increase of the consumption;
- an equal rapport with the unity when the increase of the income doesn't carry on the same increase of the consumption;
- a supra-unitary rapport when a slight increase of the income determines an important increase of the consumption.

In the intent of substituting Engel's laws, in our present day tourism, we can observe the following:

- for the prime necessity and alimentation consumption goods, the heft in the total income can decrease in general, but as these products cover a big volume of services and as the population's tastes are more and more sophisticated, the choice's elasticity for some products can be supra-unitary;
- touristical services don't register an a lot bigger increase then the one of the incomes, but it is a very temperate one.

The factors that have direct and immediate consequences upon consumption refer to the economical recession phenomenon that regularly influences the consumption, and, first and foremost, the touristical one as well as the element called *political atmosphere* that plays an important role, especially for the evolution of the international tourism.

The touristical consumption doesn't depend, nowadays, only on the family's incomes and on the structure of its expenses, but a fairly important influence is represented by the factors with social, economical and political character, and sometimes the very irrational factors that appear as a result of the individual's personal experience. We can include here the social affirmation desire, his tastes and conceptions, his state of disposition, the propaganda, the reputations which the diverse touristical destinations have, etc.

2. The measurement of the touristical consumption

The analysis of the touristical consumption, on a global basis, encounters big difficulties caused by the lack of some corresponding statistical data. Sometimes they are totally missing, other times they cannot be compared with each other. The respective situation appears because of the fact that not all the countries unitarily accept and apply the definitions regarding the notion of tourist, as well as the fact that the statistical techniques differ from one country to another. We can add here the fact that, nowadays, the national touristical consumption's value is not calculated at the level of one country's economy.

In order to measure the touristical consumption, the clarifications of the basic statistical notions from this domain are necessary.

At the present time, there is no unanimously accepted definition of the internal tourist, but only of the international tourist even though no country contests the existence of both categories of touristical activities (internal and international).

At the International Conference of the United Nations for Tourism and International Travels that took place in Rome in 1963, the notions of tourist, visitor, excursionist, that only refer to the international tourism, were defined as follows:

- *The visitor* designates any person that visits a country, other than the one where he has his usual residence, for any purpose except the one of obtaining a remunerated occupation in the visited country.
- *The tourist* is the visitor that has at least a one night stay or over 24 hours in the visited country and whose visit has as a purpose either spending the vacation or the affairs, familial purposes, work etc.
- *The excursionist* is that temporary visitor that doesn't spend the night in the visited country (or spends less than 24 hours there).

A major lack is observed in what concerns the definition of the internal tourist, even though in our country, as in many others, the internal tourist represents a determinant touristical consumer.

In general, the statistics are interested in highlighting only the number of the tourists, without even proposing to give a little bit of importance to the valuable determination of the touristical consumption level.

Nowadays, the international touristical circulation became very intense, and its analysis constitutes a basic preoccupation for all the countries.

The registration of the international touristical traffic is made by registering the tourists, either at the frontier points or at the housing points. The frontier registration can be permanent (by registering all the tourists that enter the country) or temporary (through inquiries). The data that can be gathered through the frontier registering method are limited, fact determined either by the reduced time the frontier authorities have at their disposition, either by the difficulty with which they are gathered, taking into consideration the fact that the visitor's ids don't always permit the determination of the data referring to the tourist.

The registration at the unity of housing implies the existence of an unique organizational system at the level of the whole country, that should include absolutely all the unities and should be uniformly effectuated.

In practice, the registering is realized through a form that the tourist fills in at his arrival. In order to calculate the touristical consumption, there is no computational technique at the present time. In most of

the countries indirect indicators, as for example the amount of money cashed in from tourism or the expenses for tourism, are used, for this purpose.

On an international basis, the amount of money cashed in from tourism represents the amounts of money cashed in from the payment of goods or services purchased by the foreign visitors in the visited country in foreign devises.

Nowadays, we use two methods for the calculation of the touristical incomes and expenses:

- *The central bank's method*, having the character of a total statistical registration of the type of the measurement, consists in the registration made by the banks or by their branch offices of all the exchange operations made by the foreign tourists. Based on these ones, they periodically report to the central bank all the exchanges realized. This method is the most prevalent one at the present time, even though in some countries certain impediments, given by the great number of banks and particular branch offices whose centralized references is hard to control, appear.
- *The survey method*, from a methodological point of view, presents a series of deficiencies, and that is why the central bank's method is recommended to be used with priority. It consists in the appreciation of the incomes realized from the international touristical activities based on some inquiry-survey, especially effectuated.

If we refer to the touristical expenses, we can affirm that the two methods, antecedently presented, can be used when it comes to calculating them. The central bank's method is applicable in the cases in which the allocations of devises for the foreign travels are made in a centralized manner.

The data presented above only permit the formation of some global images of the touristical circulation and of the touristical encashment, but they don't permit a more detailed analysis of the foreign touristical consumption's structure. The use of the statistical indicators of touristical consumption structure is thus imposed.

The nomenclature of the touristical expenses that characterizes the touristical consumption is extremely complex and includes four important groups of expenses:

- Transport expenses;
- Housing expenses;
- Alimentation expenses;
- Diverse expenses.

Inside those four categories there are though a multitude of posts with an extremely differentiated structure. The most diffused system of evaluation of the touristical consumption is represented by the medium touristical consumption using the indicators of the medium touristical expenses or encashment on visitor of day-tourist.

The medium touristical expenses on visitor represent the total expenses effectuated on an average by a foreign visitor or inhabitant in order to purchase touristical goods and services. They can be calculated in two ways:

- Through the division of the total touristical expenses to the total number of foreign visitors, this being only applicable in the case of the international tourism;
- Based on some specially organized investigations, this being applicable for both the foreign tourists and the inhabitants.

Taking into account the fact that the currency exchanges don't always reflect the effective volume of the touristical expenses and that the indicator calculated on this basis can only give a global image of the consumption, for a more precise calculation of the touristical consumption's structure it is preferable to appeal to the investigation method.

For the appreciation of the real touristical consumption, the medium touristical encashment's indicator during a day or the medium expenses' indicator during a day are frequently calculated.

As *the indicator of the encashment a day-tourist* are calculated based on the currency exchanges reported to the global number of days tourist, *the indicator of the expenses a day-tourist* are calculated based on the inquiry-survey method, through the direct investigation of the tourist.

Making reference to the touristical consumption in general, we can state that their volume in valuable expression is given by the touristical expenses (C) that, from an economical and mathematical point of view, represent a function of an entire series of factors, namely:

- of the total number of visitors in a calendar period given by (T): $C = f(T)$;

- of the total number of those tourists' registrations (N):

$$C = f(N);$$

- of the effective duration of the touristical sojourning, that is of the number of tourists and of the medium number of nights spent there (D=N/T):

$$C = f(TxD);$$

- of the general level of the touristical prices practiced in a certain period in the visited country (P_t):

$$C = f(TxDxP_t).$$

A devaluation or a revaluation of the currency in which the prices are expressed determines an artificial increase or decrease of "C's" value, this indicator not even expressing an effective increase or decrease of the touristical consumption.

The re-emergence course of the international tourism is an indicator that not only represents a mean of appreciation of the touristical activity's efficiency, but also a familiarity instrument of the touristical consumption orientation of the foreign visitors. It is calculated by reporting the prices of the goods and services purchased by the foreign tourist in the national currency (C_{VN}) to the sum cashed in for those goods and services in currency (I_{VS}):

$$R = \frac{C_{VN}}{I_{VS}}.$$

Thus calculated, the re-emergence course proves a great flexibility and power of adaptation, being able to be applied both when it comes to individual touristical operations and when it comes to the level of the touristical enterprise's activity or of the touristical branch.

The comparison of the re-emergence courses inside the touristical branch can reveal the profitableness of the different goods and services between the diverse touristical products, between the diverse markets where they are sold, between the different touristical seasons or between the different touristical resorts.

In order to keep the expressivity of the re-emergence course intact, we have to have in view other elements that can influence it too. For example, the devaluation or revaluation of the foreign currencies, a so frequently encountered phenomenon in the last few years, comes in the way of a correct analysis of the evolution of the re-emergence course on a larger period of time.

On the other hand, it is necessary to also take into account the politic of the prices practiced in the country visited. There are some countries where the prices politics expresses the state's politics towards the incomes of some categories of citizens. This fact presupposes that the level of the internal prices, respectively the one of the effective expenses for the purchase of some touristical goods and services, doesn't always express the real price of those products.

The application of the calculation formula of the re-emergence course can only be done in the cases of the organized tourism, respectively when the tourists directly pay in the currency the value of the services and goods they will benefit of.

Situations can come upon when part of the touristical goods and services are entirely paid in currency, and in other part they are purchased with national currency coming from the currency exchange.

For some countries, tourism got to represent an important chapter of their encashment and external payments balance.

The idea that obtaining an equilibrated touristical balance raises serious problems must be underlined. The touristical incomes and expenses represent two completely different elements, being related not only

through pure economical aspects, but also through a series of natural climatic factors that don't permit an immediate increase of the arrivals or the departures depending on the situation of the payments' balance.

In practice, the balance of external encashment and payments consists in the comparison of the encashment and of the payments. Another problem that needs to be explained is the one referring to the inclusion of the international touristical transports in the active or passive of the touristical payments balance.

Even though, in conformity with the international practice, the international touristical transports are often considered distinct activities and, as a consequence, their inclusion in the touristical encashment is not recommended, there are sufficient and solid reasons that plead for the contrary.

First and foremost, we must signal the fact that the tourism necessarily implies the transport. A confirmation of this truth is constituted by the very process of integration that is observed today in the world, when the touristical enterprises fuse with transport enterprises in order to offer a complete touristical service and in order to banish the inherent dependency of a sector to another one.

Secondly, we must emphasize the fact that the special aeronautic transports for tourists (charter), tend to exceed the regular aeronautic transports.

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IMPROVING QUALITY STRATEGIES IN THE HEALTH SERVICES MARKETING

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Abstract: Strategies of quality assurance in health services mean a new approach of primary medical assistance, focusing on the consumer. This can be achieved by the development of the integrated services of primary assistance within a group of medical practice that gathers more doctors with the sanitary and auxiliary medical staff.

Sometimes in hospitals quality is difficult to be measured, especially when it is about the carrying out of an individual or a team, at certain departments or therapeutic interventions as operations or complex treatments. The quality of the services offered by the hospital can be appreciated from the consumer's point of view, by means of the following elements: staff, physical support of carrying out, hospital environment, and process of creation and delivery of service, the result of the treatment.

Keywords: marketing in the field of health care services, health care service, the market of health care services, marketing strategies, product strategies, improving quality strategies

The foundation of the product policy grounds on the content of the process and it is materialized through the formulation of some objectives and strategies which concern the product on the whole and within its components. As an element of the marketing mix, the product refers to the finality of the organization's activity.

In the health services, in the projection of the offered product are involved several factors from the macro and microeconomic level, namely: the Ministry of Health, the organizations, the physicians and the consumers (figure 1)²²². The insurance of equity and equality with respect to the access to the health treatments for all the members of a community imposes that the Ministry of Health to play the major role in the projection and dimensioning of the health service, the strategies aiming at the projected product as a component of the external marketing. Consequently, the access to the services of primary, secondary and tertiary assistance, as well as the series of activities through which the service is performed are strongly regulated. The health product is above all a global product formed of a series of interdependent services, most of it being included in the object of activity of any organization. Its components, theoretically, may enter separately as well in the offer of a single organization. Therefore, there may be consulting rooms of primary assistance, specialized consulting rooms, hospitals, ambulatory centres, etc.

In order to reach the objectives of the health organizations, they must establish directions of action with respect to the services range, in order words to formulate **product strategies**. In a first approach, the product strategies concern the quality, the differentiation and the productivity²²³.

➤ **The quality** is at the basis of the product policy within the health services, being impossible to separate it of the utility, a defining element of them.

²²² Laing, A. (coordinator) – Managing and Marketing Health Services, Thomson Publication, London 2002,

²²³ Kotler, Ph. – Quoted work, pp 592

The totality of actions of the organization through which it is determined the attitude towards quality is included within the quality policy in the services field. The objectives of this policy are defined by the differences which occur between the promised quality and the one effectively delivered, between the perceived quality and the one received, as well as between the promised quality and the effectively delivered one, on the one hand, and the perceived and received one on the other hand. These differences are determined by the ignorance of the consumers' expectations, the use of some inadequate standards of these expectations, the non-delivery of the services according to the prescriptions and the incompatibility of the performances with the promises.

During the last years, it is noticed within some organizations from the health field as well a preoccupation for the reduction of this gap through a series of measures such as: the representation of the consumers in the board of directors, the performance of some marketing researches concerning the satisfaction of the consumers, the development of some mechanisms of settlement of the claims, etc.

The basic principle on which rely the strategies concerning the quality of the medical services from the primary medical assistance is represented by the "strategies dictated by clients"²²⁴. The system of creation and delivery of the health services involves an assembly of interconnected elements which operate in terms of some pre-established regulations. The relations between different groups of partners, between the components of the system, as well as the relation with the consumers are reflected directly on the quality of the services. Therefore, from the government point of view or of the third parties payers, the quality is closely associated with the efficiency and the adequate use of the resources, whereas the health staff focuses on the professional competence, on the existence of some adequate means and the consequence of these processes over the patients' health. For the consumers, the quality has first of all a dimension granted by the interpersonal relations and then by the professional competence, the sanitary units determining certain characteristics of quality through the competence of the staff, an individualized conduit of care deliveries, the technical-material base²²⁵.

The insurance of the health services at different levels (primary assistance, specialists' services, ambulatories) imposes a clarification of the concept of quality for each level.

1. The approach of the services **delivered by the family physician** in the light of quality focuses on the following elements²²⁶.

- **accessibility** considered from an organizational, geographical, financial and psychological point of view.

From an organizational point of view, the family physician should organize his activity so as to be permanently at the disposal of the clients. Since this fact is not possible, are necessary actions of cooperation with other physicians in order to ensure an availability of the products.

With respect to the geographical aspect, it is important that the location of the building where the consulting room is situated is not too far; this aspect is often met in the rural environment, fact which determines the opening of some working points.

Concerning the financial aspect, the introduction of the health insurances system allows the access of some important part of the population to these services. There is also a series of services and categories of persons for which the access is restricted by the financial availabilities, the payment being made through individual contribution.

The psychological aspect is considered to be equally important as the professional competence. For many consumers, the family physician must display availability for the problems of the patient, others than the medical ones.

- **continuity**, through the insurance of the services both within the consulting room and the home visits, the optional organization of the hours of consulting and of the non-scheduled patients, the existence of a medical file and of a medical archive;

- **satisfaction of the patients** given by the measure in which the physician corresponds with the consumers' expectations. They are interested both of the professional competence and of the interhuman

²²⁴ Armeanu, P. – Management of the health services quality, Coresi Publishing House, Bucharest, 2002, pp 57

²²⁵ Palmer, R.H. – Consideration in defining Quality of Care, Health Administration Press, 1991, pp 23

²²⁶ Armean, P. - Quoted work, pp 43

relations. The evaluation of the consumers' satisfaction allows to the family physician or to the generalist physician to determine the level on which his services meet the expectations of the client.

The strategies of insuring the quality of the health services mean a new manner of approach of the primary medical assistance, placing in the centre of attention the consumer. This may be performed by developing some integrated services of primary assistance within a group of medical practice which gathers several physicians along with the sanitary and auxiliary medical staff. The organization of an integrated system of services of primary medical assistance leads to the improvement of the service quality by reducing the waiting time of the patients, ensures a fast and easy access, ensures the continuity of the cares, allows planned investigations, imposes the training and improvement of the staff, increases the satisfaction of the patients.

2. **In the hospitals**, the measurement of quality may be sometimes determined with difficulty, especially when it refers to the performance of an individual or of a team, at certain sections or therapeutic interventions of the type of complex surgeries and treatments. The quality of the services granted by the hospital may be appreciated from the consumer's perspective, through the following elements: staff, the physical support of the performance, the hospital environment, the process of creation and delivery of the service, the result of the treatment.

- **the staff** includes one of the most important factors in the insurance of quality, this being defined in quantitative (the number of the staff) and qualitative (qualification and competences of the staff) terms. In addition to these, is added, as in the case of the family physician, the availability for the problems of the patient (kindness, personal interest, to be accessible and trustful etc.);

- **the physical support of the performance** - the performance of the services involves equipments and specific endowments, from the most simple to the most complex. Their safety and functioning is essential for the insurance of a high qualitative level of the services;

- **the hospital environment** must offer comfort, safety and a pleasant environment. The safety refers to an environment lacked of risks which may cause infections, complications, traumatisms. The comfort and the environment involve both cleaning and a soothing image offered by the décor and furniture. In the private hospitals and sections where the accommodation service is offered on cost, the comfort includes as well a series of additional facilities (television, fridge, room-service);

- **the process of creation and delivery of the service** includes on the one hand the activities performed by the physicians for the obtainance of the diagnostic and the recommendation or imposing of the treatment and, on the other hand, the activities of the consumers for the search and obtainance of the cares.

- **the result** refers to the impact of the services offered on the health condition of the consumer. The evaluation of the result must not be made only in the light of the services offered, it must consider as well a series of factors such as: environment, genetic and conduit factors.

- **The increase of the productivity** represents another direction of action and relies on the perishable services, on the impossibility of stocking and delivering them on the moment of the request. For this reason, the demand and the consume are performed during a waiting moment which affect the quality and the quantity of the services delivered. The inclusion of the productivity within the objectives of product is justified by the effects that it generates with respect to the quality of the service, as against the waiting time of the consumer for the delivery of the service.

Although the health productivity may seem improper and opposite to quality, it may be considered a method of improvement of the quality if it is compared the release program of two similar sections or the number of programs of education placed at the disposal of the consumers²²⁷.

➤ **The differentiation of the services** represents a means of positioning the product on the market. This appears as an effect of the services intangibility and it is imposed by the necessity of ensuring a distinct representation of these in relation with similar products. Its enrollment as direction of action relies on the fact that the innovations, as elements of differentiation, not being protected, are easy to be copied, loosing without difficulty the competing advantage obtained.

In the health services, the strategies of differentiation considered by organizations aim at:

- **the operational advantage** – the consumers are offered services of confidence, easy to obtain;

²²⁷ Armean, P. - Quoted work, pp 77

- **the closeness to the consumer** – the thorough knowledge of the consumers and their capacity to answer fast to all their specific needs;
- **the advantage through product** – the offer of some new services, with a superior utility in comparison with those of the competition.

The application of these strategies is realized with the help of some specific instruments, namely the standardization and personalization, the dimensioning of the offer and the ordering of the demand and the use of the brands.

1. The standardization of the services represents a technical regulation of the process of creation and delivery, realized through specification, typifying and unification and follows the reduction of the gap between the promised service and the effectively delivered, on the one hand, and the perceived and expected one, on the other hand. Although considered inadaptable for services due to their intangibility, the health services' nature makes necessary the use of the standardization (the stages covered for the performance of the service is every time the same – programming, consulting, fill up the personal medical sheet, the prescription etc.).

The activity in the health field relies on five types of standards: (1) fundamental standards which refer to terminology, conventions, signs and symbols; (2) organizational standards which describe the functions of the organizations, their connections and the modeling of the activities; (3) the standards of specifications which set forth the characteristics of a product, service, proceeding, or of a system and the levels of performance; (4) the standards of method of attempt and of analysis through which are measured the characteristics of the products, services, proceedings; (5) the standards of recommendations which contain a series of instructions, directive lines, etc.

2. The personalization of the services represents their performance in accordance with the individual requirements of the consumers, the adjustment of a “standard” service to their individual services. Although the performance of a health service, as we have mentioned, involves a high degree of standardization, its specificity imposes as well a high degree of personalization. The personal manifestation of the consumer's conduit involves a great variety and therefore a necessity of personalization given by the tendency of individualization of the one who requires the respective service.

Besides the aspects related to the individual characteristics of the consumer – genetic and of conduit – to which are added the environmental factors, the consumer brings with him as well a series of norms, values and knowledge which impose a high degree of personalization.

The great diversity of the demand and the variety of the services determine that not all the health services to be carried out at the same degree of personalization. Considering the model of Richar Larson and David Bowen²²⁸, it may be obtained a typology of the health services according to the diversity of demand and the degree of participation of the consumer at the realization of the performance:

3. The dimensioning of the offer and the ordering of the demand represents another tool used for the application of the product strategies, imposed by the rigidity and perishable offer on the one hand, and the variety of the demand on the other hand.

The performance of the services is closely related to the capacity of the offer, namely the capacity of the resources intended for the attraction and maintenance of the consumers, of the equipments and of the staff, as well as to the sometimes limited capacity of participation of the consumer. The capacity of the hospitals, consulting rooms, surgery rooms, recovery rooms, wards, is limited by the number of places stipulated by the regulations imposed by the Ministry of Health and from the level of the organization. The offer is conditioned as well by the number of equipments and their degree of physical and moral use. The labour force represents maybe the most important element of the production capacity and it is expressed by the number of physicians, nurses, auxiliary staff and by the professional preparation. The ordering of the demand follows the reduction of the effects generated by the limited capacity of the offer and by the impossibility of serving the demand according to its manifestation. Due to the specificity of the health services, their performance brings modifications to the physical and psychical condition of the patient and although the offer is dimensioned correspondingly, there are situations when the service cannot be carried out and therefore, it cannot realize a balance of the demand with the offer.

²²⁸ Larson, R., Bowen, D. – Organization and Customer – Managing Design and Coordination of Service, *Academz of Management Review* 14, no. 2, pag 213 – 233, in Bateson, E.G., Hoffman, D. – *Managing Services Marketing*, fourth edition, The Dryden Press, 1999, pag. 123

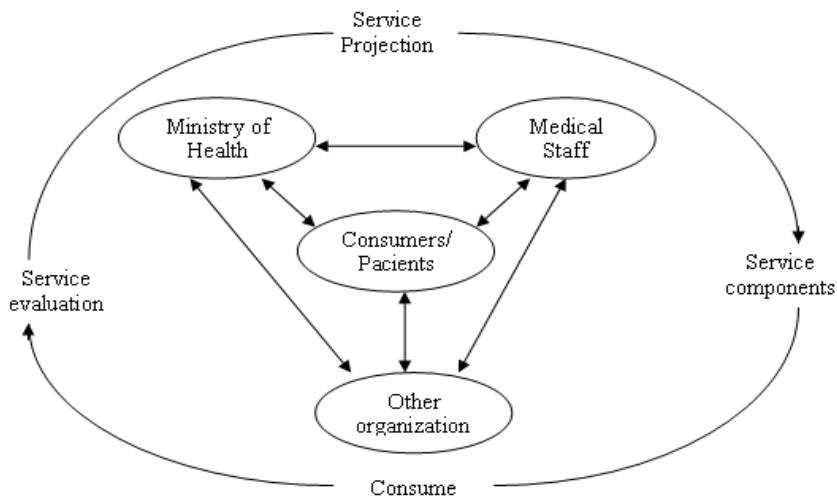
4. Renewal of the services. As an instrument of the marketing policy, the renewal of the services ensures the increase of quality and the differentiation of services and appears under the form of major innovations, new services on the current market, the extension of the services line, the perfection of the services.

The major innovations represent new services unknown at the moment of their occurrence. In the health services, the major innovations are related to a strong activity of research, being represented by the occurrence of new equipments, new monitoring procedures, treatment and recovery, as well as new medicines. *The new services on the current market* represent the inclusion in the offer of an organization of some types of services existent in the portfolio of the competition (taking over the laser surgeries, 4D echography etc.). *The extension of the services lines* involves the addition of services in terms of some supplementary or potential services (for instance the public-private partnerships within the hospitals in Romania led to the modification of the degree of comfort at the level of the wards, by the introduction of side-rooms of 1 or 2 beds, with all the medical and comfort facilities). *The perfection of the services* brings modification in the manner of process performance, without modifying the basic service (more performant equipments, extension of the physician's or consulting room's program, informatization of the patients' evidence etc.).

5. The use of the brands represent, in the conditions of some similitudes related to the power of services, the main tool of differentiation and positioning on the market. Considered a technique of promotion, the use of the brands is at the same time an instrument of quality certification, symbol of the basic characteristics and of the organization's culture²²⁹.

If in the selection of the family or stomatological consulting rooms the role of the brand name has a relatively reduced role for the consumer, this cannot be stated in the case of the hospitals. The consumers are tempted to select those hospitals about which they have heard, associating to the name a certain quality of the carried out services.

Figure 1 Factors involved in the projection of the health service



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²²⁹ Olteanu, V. – Quoted work, pp 183

COMPARING THE EFFECTIVENESS OF THE WEB SITE WITH TRADITIONAL MEDIA IN TOURISM INDUSTRY MARKETING

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Abstract. *Customer satisfaction depends on the accuracy of specific information on destinations' accessibility, accommodations, facilities, attractions and activities. The Internet satisfies the needs of consumers for convenient access to transparent information. It allows them to compare information. They are able to cover the entire variety of choices of travel, accommodation, transportation and leisure services, holiday packages, prices and availability. This type of information will naturally help tourists to plan complex tourist activities, such as long trips. Today, the Internet is assumed to be an important channel for services marketing and is leading to profound changes in the way firms interact with consumers. Consumers now have increased access to informational electronic marketplaces and use this information in a sophisticated way to select their services. The Internet provides accurate and specific information that can reach the target audience with the accuracy of more personalized information sources.*

Key words: *marketing, destination, internet, site, market, consumer*

From a theoretical perspective, understanding consumer behavior is essential in decoding all the activities used to develop, communicate and sell services. Similarly, from a practitioner's perspective, it is necessary to understand the motives regarding why some services are preferred or rejected by consumers. With this understanding, it will be possible to influence consumers' decisions by developing appropriate strategies.

Consumer behavior study is much more complex for services than for goods, due to their intrinsic characteristics: intangibility, inseparability of production and consumption, heterogeneity, and perishability. Tourist consumer behavior is particularly complex because the final decision of buying tourist services presents distinctive aspects. First, the acquisition process has a strong emotional component for consumers (Leong, Huang, & Stanners, 1998).

Second, purchasing is often the culmination of a long process of planning, choice, evaluation and assessment of alternatives by a large number of people. More importantly, this intangibility of tourist services creates uncertainty and perceived risk in the consumer's mind. So, before buying a tourist service, consumers acquire a large quantity of information and anticipate the consumption, creating images and expectations.

Mass media information sources are a key communication channel for service firms because they present immediate benefits to consumers (Zeithaml et al., 1985). Although this search provides a greater variety of information to solve a specific information problem, it does not provide customized information. Consumers spend more time and effort than when collecting information from customized sources, as mass media information sources act independently of the consumers' active process of information search. Researchers consider it as a formal and impersonal information source. Mass media information sources have a volunteer character, and include reports and advertising on broadcast media.

Global exposure is of prime importance for tourism destinations. Till the mid-1990s destination promotions were entirely reliant on travel agencies to market its products. The web has enabled tourism destinations to market themselves through well designed and well promoted websites. Doing business on the web has helped avoid regulations and restrictions that companies must follow when physically doing business in other countries. For example in some countries, foreign travel companies are forbidden to operate. Finally, compared with the traditional media, the web allows unlimited access for hundreds of millions users to an unlimited amount of information.

Information search is a dynamic area of services research, with a relatively large conceptual and empirical basis. However, selection of information sources mostly explains “who, when, where, how and why” consumers search for information in the pre-purchase phase. Rare research indicates that the use of information sources influences future search behaviors.

To our knowledge, no research exists regarding the impact of information search patterns on future information search behaviors. Moreover, although a wide range of empirical studies have been developed concerning the impact of information sources on expectations, no empirical study has analyzed the impact of expectations fulfillment on the future use of information sources (Parasuraman & Zinkhan, 2002). Previous research indicates that expectations fulfillment is shaped through information sources that consumers obtain in the pre-purchase stage. Since future consumer choices are based on expectations, a better understanding of this relationship is vital to marketing managers. By understanding how consumers will search for information, we have a basis to influence consumers’ expectations. Information search in the pre-purchase stage strongly influences overall consumer decision, mainly because it influences consumers’ images and expectations .

Similarly, the process of expectations formation in the tourism industry is particularly relevant given that tourists make their purchase decisions while building on expectations. Tourists typically travel to a place different from their residence, and in several cases to a place where they have never been before. To explore or reduce the risk of unfamiliar product experimentation, tourists seek information and create destination expectations. Hence, since consumers perceive tourism products taking into consideration their service expectations, these expectations become a major influence on consumer choices.

Common sources of customized information are travel agents, institutional and commercial brochures, and the Internet (Murray, 1991). Marketers use these sources to build tourists’ specific expectations with the goal of influencing future purchase decisions. Non-customized information might also affect tourists’ product image. This information is typically not requested by consumers, but comes instead in the form of reports and advertising in mass media. It is our aim to develop a model that assesses the importance of non-media information sources, and their impact on expectations fulfillment and on the use of mass media information sources in future trip planning. In addition to mass media information sources, we include four non-media information sources: travel agents, institutional brochures, commercial brochures and the Internet. Tourists use these non-media information sources in information search to select the route to the destination, accommodation, and activities at the chosen destination.

Though the internet has been in existence for a while now, its popularity has sky rocketed in the recent years. There are two broad categories of internet services i.e. communication and information services. Of the two, communication services allow direct exchange of information between internet users. E-mail, e-mail-based discussion lists and net news are also included in the communication services. Information services, Telnet, Gopher and anonymous FTP (File Transfer Protocol), allow users to access data made available by other users.

This new interactive medium can be considered as a rational medium of difficult classification. The Internet is not easily classified as either impersonal or a mass media channel.

The World Wide Web (WWW) has completely overhauled the internet since 1993. WWW allow the user to access hosts through Telnet, read newsgroups and use e-mail. Internet browsers have now become a source of unlimited information for both leisure and commercial purposes. The web’s ability to blend text, pictures, sounds and video clips into multimedia documents, transformed the internet into an effective means of communication. The WWW has changed the appearance of the internet so much so, that for many it is now the same as the internet.

The vigorous growth of the internet has drawn a lot of attention from both academic researchers and business operators. People in the fields of Information Technology (IT) and marketing have swarmed the internet. Internet publications on tourism marketing have grown significantly in the last few years.

Some have provided a necessary background to some in-depth discussions of the various issues of marketing tourism on the internet. Some of these articles have highlighted the internet's impact on tourism distribution. However, this field of research is still in its infancy. Efforts must be made to understanding the internet's role in tourism marketing and as to how tourism organizations and destinations can exploit its full potential.

The Internet has transformed the well-known marketing communication model from one-to-many to one-on-one or from broadcasting to narrowcasting. The traditional print, radio and television, follow the passive one-to-many communication model. This way a company reaches many current and potential customers through repeated broadcasts of the same message.

This approach has three problems:

1. Generic message to every consumer,
2. Wasted exposures to uninterested audiences,
3. Competing and conflicting messages being sent to consumers.

The Internet gives the ability *to address each consumer* personally. Each time a user visits a web site its server has a record of the user's electronic address. This information will help, to send a personalised message to a smaller target audience or an individual consumer.

Though mail, telephone and personal selling have been in existence for many years, the internet however offers high-speed information transmission and retrieval at a low cost. The addressability of the web provides the ability to customize and tailor the product and/or the marketing effort to one consumer at a time.

The internet makes it possible to squeeze one-on-one marketing's well-known four Ps into one element - the relationship. It represents the ultimate expression of target marketing. Well-designed web sites, emails and news-groups, can be as effective as personal selling. Internet marketers can do the job of a sales-force with more flexibility, better memory and at a fraction of the cost. Another element of the net that makes it different from traditional communication media is its *ability to interact*. The internet enables feedback. Dialog forms an important element of relationship marketing, and is a vital factor in building customer loyalty. Customers are empowered to communicate with companies, research information and conduct transactions at the press of a few buttons. Companies too can easily contact customers to clarify their needs or inform them of new products.

Unlike in the conventional communication channels like newspapers or television, the customer is in greater control of choosing and processing information about the firm. The internet makes the exchange of information between consumers as well as between companies possible. Information exchanges between companies will provide competitive intelligence and will enhance alliances and co-operation. Information exchanges between the consumers establish virtual communities. Such virtual communities will have significant implications for market segmentation, customer service and understanding consumer behavior.

The web offers more *flexibility* than the conventional mass media. A website is like an electronic brochure where visitors can read information on products or services. A webpage is more flexible than a physical advertisement or catalogue. It can be updated with fresh and current information gathered through feedback from consumers. A virtual catalogue can be kept in sync with the requirements of the consumers and inform them about new products and price changes.

As an industry heavily reliant on brochures the web's flexibility and immediacy in information transmission is invaluable. The preparation and distribution of holiday brochures is a costly and lengthy process during which the demand conditions and competition situation could change greatly. In print media, any price and availability changes can only be notified through supplementary brochures. With the web this can be done instantly at little cost. A webpage can be linked to inventory data to show the availability of any holiday tours. A website can be indexed in many ways and be equipped with search facilities to locate items quickly.

The internet has an edge over any other media in its ability to *permanently expose information* to a global audience. The net vastly improves the information availability and user interaction. An effective web site keeps a company in business 24 hours a day, 365 days a year in a global market place. Anybody in any part of the world can access its marketing information at any time they desire. This ability will greatly reduce place and time utility woes. Accessibility is vital in international trade where business spans across different time zones.

The Web makes it possible for companies to *improve the service quality* at all levels of customer interaction i.e. pre-sale, during and post sale. The web provides four tangible improvements in customer service.

1. A wider choice for the consumers: A website can display an array of products and services
2. Quick processing of payments: Automatic processing of cyber-cash or credit card charges.
3. Faster delivery: Especially for products like online software and music distribution
4. Making available a wealth of information that can be quickly and easily accessed.

In tourism the web-based distribution systems can help satisfy the consumer needs of easy access to a wide choice of information and hassle free reservations. Increasingly tourist satisfaction depends on the timely availability of accurate and relevant information. Improved access to information on all aspects of tourist activities has made it possible for marketers to offer personalized services at the same prices as standard packages.

There are mainly five areas where *costs can be minimized* on the internet

1. Automation of the reservation processing and the payment system cuts down sales costs.
2. Implementing a menu-driven web-based travel reservation system as opposed to a command driven system where a sales clerk has to remember commands and airport codes.
3. Implementing direct links between the producer and the consumer, saving on huge distribution costs.
4. Saving on promotional costs due to the net's ability to send customized messages through electronic communication.
5. Reduced rental costs on office and sales space, and on administrative overheads.

Setting up a promotional web site without booking facilities, costs relatively less. An averagely skilled person with the use of a proper software package, such as Microsoft FrontPage can build a basic company web site in days (Fodness & Murray, 1999).

However a more comprehensive and powerful web-site offering in depth information such as virtual multimedia brochure including cataloguing products offerings and reservation and transaction facilities, will cost more and take longer to develop. Even though such a site will cost more to build, the cost is considerably less than tens of millions of dollars spent by airlines, tour operators and hotel chains on TV and magazine ads. By providing information on a website, customers feel empowered to find answers to their inquiries themselves, cutting costs on telephone charges on toll-free numbers.

Using the internet can help save on distribution costs. Promotion and distribution of tickets, is a big cost factor in the airline industry. Selling tickets on the internet can eliminate travel agent commission and GDS fees paid by the airlines. An internet based supply channel management can also save procurement costs for businesses.

Indeed, analysts have identified the Internet as the cause of a revolution in the services sector. Its potential allows service firms to enlarge their market worldwide, providing firms with an unprecedented ability to communicate directly and effectively with potential customers. This is due to, among other things, the cost-effectiveness of the Internet and the convenience for customers. Increasing digitalization will make it progressively easier to alter particular aspects of a service and quickly observe how customers respond.

In the tourism sector, the internet has become an important source of information to consumers who are more and more demanding, and who become each day more familiarized with this emerging world of information.

With the relatively widespread adoption of the Internet, tourism businesses of all sizes might expand and acquire new customers and create more sophisticated products to reach new customer segments. Tourists have become more independent and sophisticated in using a range of tools to arrange their travel. The key to the tourist's decision is the existence of relevant information. With the Internet such information might be available and more accessible.

Tourism search typically makes use of a variety of external information sources (Moutinho, 2000). These information sources form the basis for trip planning. When searching for tourist information, one must consider the variety of sources used. From both theoretical and practitioner perspectives, it is particularly useful to study the importance of specific information sources that tourists use for selecting services.

Customer satisfaction depends on the accuracy of specific information on destinations' accessibility, accommodations, facilities, attractions and activities. The Internet satisfies the needs of consumers for convenient access to transparent information. It allows them to compare information. They are able to cover the entire variety of choices of travel, accommodation, transportation and leisure services, holiday packages, prices and availability. This type of information will naturally help tourists to plan complex tourist activities, such as long trips.

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CUSTOMER EXPERIENCE MANAGEMENT – THE MOST IMPORTANT DIMENSION OF THE SERVICE FIRM STRATEGY

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Abstract: For the customer driven companies, clients' satisfaction represents a marketing objective and instrument, at the same time. Companies that wish to be successful – but also those which want to survive – need a new way of thinking: final success belongs to those which will put the customer in the centre of their activity, and will offer him a superior value.

Our paper is focusing on Customer Experience Management as a coordinated effort to accomplish specific goals by improving the quality and consistency of customer interactions – or touchpoints. Using this strategy, a service company can gain important advantages like: constantly positive customer experiences, achieving differentiation, increasing sales, customer retention and referrals.

Key words: customer experience, customer interactions, Customer Experience Management, customer centricity

In the service industries it's crucial to be better than your competitors – knowing what might lie ahead is the key to continuing success. It is obvious that a major goal of the service companies' management must refer to the continuous improvement of services quality according to the dynamic consumers' expectations and requirements. The service industry presents a particular challenge in regards to aligning service with the experience.

The modern customer is highly educated, and has greater and greater expectations, a product or service which today is considered having an acceptable quality, tomorrow it could be considered in a different manner. Nowadays markets contain a great variety of goods and services and therefore, the sellers must offer quality products and services, otherwise they risk to throw their customers into the competition's arms.

At the same time with the raise of customers' exigency and selectivity regarding their choice about products and services, companies become more and more concerned about keeping their clients, based on their long term loyalty. In this respect, companies are focusing their efforts to completely satisfy customers' expectations and exigencies, by permanent analysis and identification of customers' wishes and demands, by transforming these into products and services with a view to develop and perpetuate lasting and economically advantageous relationships with the customers.

Companies that wish to be successful – but also those which want to survive – need a new way of thinking: final success belongs to those which will *put the customer in the centre of their activity, and will offer him a superior value*. These companies will focus on *creating their own customer* – not only on creating products and services – and will prove their capacity of demand creators, not only of products and services creators.

Attracting customers does not represent the exclusive task of the marketing activity – the marketing department, respectively – which must co-operate with other departments to attract and keep the customers. Even the most performing marketing department in the whole world can not sell low quality products or services, or which do not correspond to customers needs. Marketing could be efficient only in those conditions where different departments and their employees make up an unite team, who's goal is to elaborate and implement a competitive system in order to satisfy the customer through the created value. It is becoming obvious that „coming nearer to the customer” represent a necessity not only for companies that follow the success, but also for those which do not want to be eliminated from the market.

Customer satisfaction and memorable customer experience

For the customer driven companies, clients' satisfaction represents a marketing objective and instrument, at the same time. As Peter Drucker remarked, three decades ago, the first objective for a company is to „create its own customer”. Customers will choose from the multitude of offers present on the market, the one that maximize the value in relation with the costs involved in searching the products, and with the limited mobility, knowledge and income they possess. As a consequence, customers will appreciate if the offer will reach the expected value level, which will influence the satisfaction and the probability to buy in the future.

Even if a customer driven company intends to offer a high value of satisfaction, it should not be forgotten that the first objective is not to maximize the consumers' satisfaction. Therefore, the company should focus, in the first place, on increasing customers' satisfaction by improving the offer's and supplementary services' quality, by decreasing the prices, by investments in research and development, by increasing the production capacity, and so on, but, at the same time, it should protect the interests of different categories of persons – employees, suppliers, distributors, shareholders. As a consequence, it is recommended that the company should focus on offering a high level of satisfaction to the consumers, and at the same time, it has to ensure an acceptable level of satisfaction to the other persons involved in the company's activity.

The companies have to understand that the customer should be placed in the centre of all specific marketing operations. The brand message should reflect the focus on the customer. The products' and services' quality should be placed in the core of the organizations' commercial strategy. The offered products and services must represent exactly the solutions that customers expect. The touchpoints (or contact points) with the customers must be well mastered in order to convince them to accept the proposed solutions. Companies must be capable to look beyond customer's behaviour or product and service acquisition.

Profit and growth come only after deeply understanding the customers, by listening to their needs and by offering what they are asking for. This is something that can be easily lost or even impossible to gain, if this is the single method used by the marketing team. For the marketing people in all the domains, it represents an important responsibility to share this desire to listen, to develop and to deliver at every level inside the organization.

It is well known that the strategies built on consumers' feedback have more chances of success than the ones based on managerial intuition. It's a real challenge to any marketer to find out why the customer chooses a service or another. Because there is always a certain dynamic of the selection, depending on the analyzed market structure, on company's positioning on the market (image, marketing communications) and on product and service development. Taking into consideration a series of factors (such as: needs, brand image, price, and product or service availability, experiences) in a comprehensive evaluation process, consumer will decide to request a specific product or service.

Although modern marketing focuses on strategies (mixes) that give impulse to sales and to attracting new customers, the company's most effective defence weapon is represented by customer retention. And the most effective approach to achieve this objective consists in offering high satisfaction to the customer, and this will lead to an improved customer loyalty.

Today, many companies acknowledge the importance of customers retention. According to a recent study, by decreasing the loss of customers with only 5%, companies can improve their profit with 25 – 85%. Unfortunately, many companies do not appreciate the real value of customer loyalty.

In this context, it is worth to mention the opinion with two prestigious authors who consider that customer relationship management represents the most important dimension of the company's strategy. In this respect, *Robert S. Kaplan and David P. Norton have analyzed the four essential processes in customer management: client selection, acquisition, retention and growth.* This is because the relation has to maintain on the long term the contact with the customers, due to a proactive approach which strategically integrates the four processes – considering every process individually – maximizing in this way the client's value, and the value creation, in general. Many companies make the mistake of considering sale as just a transaction and this is causing lose of contact with customers, without knowing exactly if these still are firm's clients.

If the consumer is satisfied with the provided service in relation with his expectations, he will become loyal to the service provider, who applied, in this case, adequate marketing strategies (improving service quality;

improving service differentiation confronted to competition services/offer, distribution, and image differentiation; increase service productivity; motivate the personnel to better serve the clients etc).

Customer satisfaction is the key to customer retention. Fully satisfied customers are more likely to become loyal customers, even advocates for the firm and its products and services. Although firms put enormous amounts of money and effort into loyalty initiatives, they often are not successful in building true customer loyalty. The main ways in which firms can manage customer satisfaction and reach customer loyalty refer to: understand what can go wrong; focus on controllable issues; manage customer's expectations; offer satisfaction guarantees; make it easy for the customers to complain; create relationship programs; make customer satisfaction measurement an ongoing priority.

We consider that the two most important things for delivering the best customer experience are: a great product, that emotionally connects with the customers and fulfils a basic need or desire; and a deep understanding of the customer, an understanding that allows the firm to anticipate what they need better and sooner than they know themselves.

Customer relationships management

Customer relationship management can be defined as a business philosophy aimed at creating and increasing customer value in ways that motivate customers to remain loyal to the firm. It is about retaining the right customers.

Considering CRM as the ability to build and maintain relationships with customers, suppliers, and partners based on trust, commitment, cooperation and interdependence, it involves the creation of relationship capital. This effort refers to finding ways to integrate all these relationships toward the ultimate scope of customer satisfaction. Customer relationship management is a customer-centric business strategy with the goal of maximizing profitability, revenue, and customer satisfaction.

CRM requires that firm looks beyond current transactions to examine the long-term potential of a customer, being based on creating mutually beneficial relationships where each party provides value to the other party.

CRM is an information industry term for methodologies, software, and usually Internet capabilities that help an enterprise manage customer relationships in an organized way. For example, an enterprise might build a database about its customers that described relationships in sufficient detail so that management, salespeople, people providing service, and perhaps the customer directly could access information, match customer needs with product plans and offerings, remind customers of service requirements, know what other products a customer had purchased, and so forth.

Improving customer-centricity through understanding customer interactions

Companies are now talking about customer centricity rather than CRM and are receptive to the idea of creating alignment across the business to ensure consistency in the customer experience, which means developing all the non-IT capabilities as well as the obvious CRM ones.

What customer-centricity means is how the whole organization behaves towards customers, not just the touch points, the decision points, but how the whole business is organized and optimized around the needs of the customer.

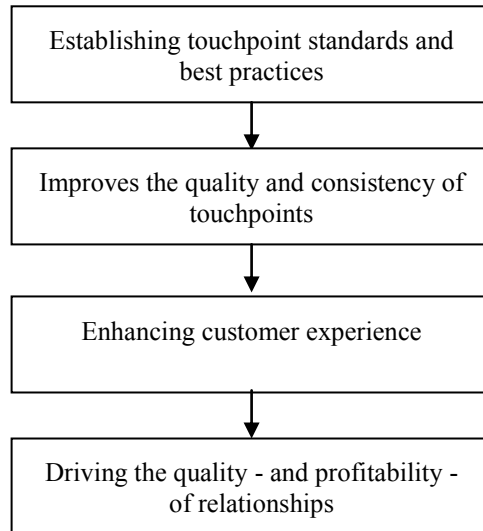
A customer centric approach should be incorporated into the overall CRM plan and vision that a company has. Customer-centricity should go hand-in-hand with a product focus by promoting the product by all means but be show genuine care for the customer's sensibilities and feelings.

What could be more important than improving sales and customer relationships? Today, there is a fast-growing movement among organizations interested in improving their customer-centricity through a better understanding of customer interactions, or touchpoints. Called "Customer Touchpoint Management" (CTM), the goal of this new movement is to improve customer experiences, and as a result, improve customer relationships. By improving customer relationships, service organizations improve market share, sales, and both customer and employee loyalty and advocacy.

A touchpoint is all of the communication, human and physical interactions that customers experience during their relationship lifecycle with the service organization. Touchpoints are important because customers form perceptions of the organization and brand based on their cumulative experiences. CTM-

oriented organizations know that they can best enhance relationships with customers by improving touchpoints across the entire enterprise

The key to delivering outstanding customer experiences is improving the quality and consistency of touchpoints: quality in terms of meeting needs, and consistency in delivery and image. And the key to improving the quality and consistency of touchpoints is establishing touchpoint standards and best practices.



Customer Experience Management Process

Setting standards establishes performance expectations. Employees need to understand what the standards are in order to perform consistently. Without standards, the quality of touchpoints is left to the individual employee. In other words, without established standards, the quality of a customer experience can be in the hands of the worst firm's employee.

Taking into consideration these ideas, we can define Customer Experience Management as a coordinated effort to accomplish specific goals by improving the quality and consistency of customer interactions – or touchpoints. Using this strategy, a service company can gain important advantages like: constantly positive customer experiences, achieving differentiation, increasing sales, customer retention and referrals.

A customer experience is not just one piece of theatre or a momentary delight. While those are great, and a step in the right direction, real positive customer experience comes from companies who show they care about the customer. Companies that have a memory (so customers don't have to tell their story repeatedly) and really provide ongoing value to a customer understand that customers are truly the most valuable entity of any business. Those companies treat their customers as not only their only source of revenue, but as a scarce, valuable resource. When companies work this way we are much more likely to see really terrific customer experiences.

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COOLING DRINKS PROMOTING STRATEGIES RELEVANCE ON SUCEAVA MARKET

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Abstract: Cooling drinks are an important piece of our everyday life. The most important segment of the cooling drinks market is that of the aerated products as cola. These non-alcoholic drinks are frequently associated to free spirit and rebellious lifestyle of our days young. The fight for the young Romanian market is hard, even though the main actors-Coca Cola, HBC Romania and Pepsi Co and their followers promote some products alike.

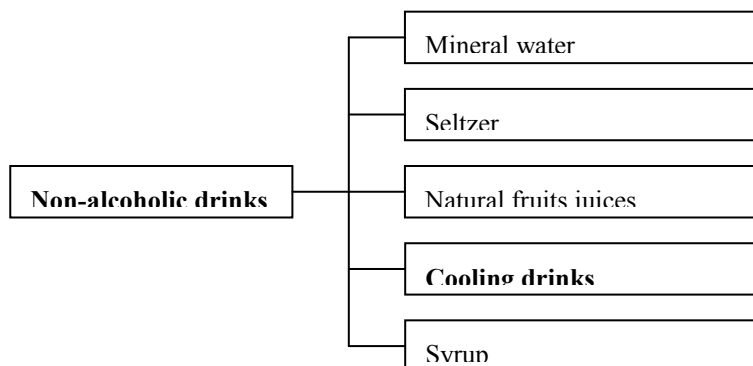
Naturally, on this market segment appeared and developed specific promoting techniques. This work proposes to analyze these penetration strategies and the consolidation of the cooling drinks producers presence on local market of Suceava, trying partially to quantize the efficiency of the promoting activities. The correct appreciation of the efficiency of those techniques, as well as general ones is very important, because only by a well association the wanted impact might be achieved.

Keywords: cooling drink, promoting strategies, promotings, young consumers.

Romanian Cooling Drinks Market

Cooling drinks market has known a major development during last years, with an intensification starting 2006, when the unprecedented explosion of retail on the Romanian market was seen. The visit frequency of the consumption stores was intensified on the base of some smaller market baskets on each visit, as an effect of a light power of buying growth along the population. This way, reported to the total expense of Romanians starting 2006, constantly, the alcoholic and non-alcoholic drinks weight, has outrun the food products. The drinks expenses represented in 2007, almost half of the daily Romanian's market basket.

Conceptual delimits of big prospective firms, underline the fact that cooling drinks have an important part of non-alcoholic drinks market. From the sums assigned to drinks, 60% go to non-alcoholic and 40% to alcoholic ones, the first places in top being taken by beer and acidulated juices.



Non-alcoholic drinks classification

According to the dates given by the market researching company, ACNielsen, the sales trend of cooling drinks is ascending. If during 2005, 94462.2 thousands litres (349209.9 thousand lei), in 2006, the volumes have ascended up to 98527.9 thousands litres (399909.2 thousand lei), for 2007 it is estimated that about 100000 thousands litres of over 460000 thousand lei have been commercialized.

Carbonated cooling drinks represent the most developed segment of soft drinks market, with 45% in all volume, being followed by mineral water, with approximately 42% of the market and not carbonated cooling drinks. Coca Cola HBS Romania, Pepsi Co and European Drinks accumulate on this segment a value rate of 95.7%, in growth comparing it to 2005 with 9.5%. The other competitors, Romaqua, Parmalat – Santal or the bottling firm Tuborg – Orangina and Granini have an insignificant rate of market for now, but in slow growth.

<i>Top 5 brands 2006 (vol)</i>	<i>Top 5 brands 2006 (val)</i>
Coca Cola	Coca Cola
Pepsi Cola	Pepsi Cola
Fanta	Fanta
Frutti Fresh	Sprite
Adria	Kinley
<i>69.80% of the market</i>	<i>79.90% of the market</i>
Tabel 1: Carbonated Cooling Drinks	

The most powerful brands of profile on Romanian market are Coca Cola and Pepsi Cola both from volume point of view as well as of the quantity which was sold (*table 1*), a situation that can be compared to the one on the international plan.

Analyzing the numbers of consumers of the cooling market it was seen that in 2004 level there were 17 millions potential consumers from which only 15 millions have actually bought the products. About the cooling drinks consume per head of the population, the carbonated occupy the first place, with 49.6 litres non carbonated registered 11.6 litres. The cooling drinks producing and importing companies are constantly attentive to the market tendencies and to the evolution of the consumer’s preferences.

Coca Cola Versus Pepsi Cola on Suceava Market

Acidulated cooling drinks as cola represent an important segment of the market, because of the fact that the sums that were allocated for the products promotion are consistent and the popularity of them, especially on the young lines attract an important attention given to the promoting companies and supervising the competition. The cooling market is marked by the impetuous offensive of the multinational Coca Cola and Pepsi, Fanta Mirinda or Sprite – 7Up.

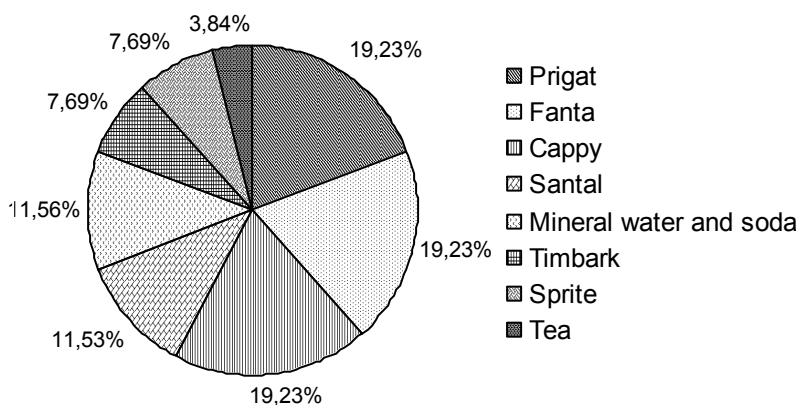
The emerging Romanian market and the activation of the oligopoly effect have determined an extreme aggressive strategy approach, but in the same time orientated to innovation. On this market segment, some

promoting techniques have been perfected, meticulously elaborated, focalized on the youth segment. We refer here to populist actions meant to increase the sales volume and to fidelity the clients, techniques like promotions: “2.5 litres at a price of 2 litres”, “3 caps = 1 promoting glass”, “three or more caps with different inscriptions you get a plush toy” etc.

For testing the efficiency of this three particular techniques of cooling drinks, but also the relevance of the classic forms of promoting: that is, publicity through mass – media (TV and radio) or the wrapping up, we have made a statistic study on a sample made up of 100 young from Suceava, a research that had as a purpose the emphasize of visual and sound impact of the aggressive promotions and of the advertisements along pupils and students. This segment was preferred because the youth are the most interested ones in the image that they made themselves though consume, but the most important, are very easy to influence by the promoting strategies of the important firms.

Over 70% of the questioned persons said that, in general, prefer to serve refreshing cooling drinks like Cola, while 29.55% have declared against such drinks.

The overwhelming majority of the ones that refuse to drink acidulated drinks like Cola, consider them not healthy (92.3%) and only 7.7% have ascribe this to the fact that they are potentially novice. Also, feminine persons seem to be more preoccupied with their own health, and implicit more attentive to the products that they consume, that the masculine ones, more receptive to what it is consumed inside their circle. As an alternative, the auxiliary products of the most famous brands (Coca Cola and Pepsi), mineral water or soda and Parmalat products (Santal) are preferred.



The Acidulated Refreshing Drinks Like Cola Non Consumers Preferences

Along the ones that consume acidulated drinks like Cola, 63% prefer Coca Cola and 37% prefer Pepsi Cola. It is interesting that none of respondents is attracted by the European Drinks products, Adria Cola and American Cola respectively. The motivation of the restriction manifested toward these two drinks is not enough radically founded. Affirmations like: “they are cheap and that could ruin my image”, “they are for the rural environment”, “at such a low price the quality must be doubtful”, explain partially the detachment from the native products European Drinks and the orientation towards an international very well known brand. Even though it manifests a particular preference, Coca Cola or Pepsi Cola, the majority of the ones questioned consume both products, for example, only 9% of the Coca Cola fans are faithful.

The demand for acidulated cooling drinks like Cola is seasonal, 48.38% of the subjects consuming small quantities that rarely pass over two litres/ week. But, 45.16% of the respondents consume such acidulated drinks with a higher frequency, precisely because they are stimulating and revitalizing, and, as a social effect, it influences their image and personal status.

The main reason that determines the acidulated cooling drinks amateurs to choose one of the two drinks is the taste. This way, it is also full accepted that Pepsi Cola has a sweeter taste than Coca Cola. About 13.04% of the subjects choose for Pepsi Cola when counting the price, comparatively to 2.56% the ones that choose Coca Cola under the same pretext. One can conclude that the price strategy of the ones at Pepsi Cola offer a better quantity – quality relation.

The wrapping out of Coca Cola brand attracts in a bigger way the cooling drinks consume, but, even the shape of the rivals from Pepsi, does not enchant the view, still, in youth's memory, the blue wrap out drink, is associated to footballs players or big international music stars printed on the bottle's paper. Most of the times the manoeuvrability and the shape, are considered to be distinct characteristics for the red wrapping out of Cola products.

The "2.5 litres at 2 litres price" promotions gain more and more appreciation, this being one of the defining criteria when the buying decision is taken. Over 64% of the Coca Cola consumers choose for a big contain of the bottle, in this case the special design displays have a really important role. The Pepsi offer, "buy two litres and get 2.5 litres", is considered to be more attractive and tempting for 73.91% of the consumers of this product.

Attractive are also the promotions like "3 caps=one promoting glass" initiated by the ones at Coca Cola, but the action is not equally appreciated as the offer that supposes 0.5 litres for free. Even though at least for now, Coca Cola does not implicate in such faithful actions of the clients, 56.52% of the ones questioned do not know about this thing, declaring them satisfied by the Pepsi offer.

Advertising actions in which the producers offer to faithful customers some promoting products (plush bears, T-shirts, bags, balls, etc), have as purpose the devotement of the clients, but also try to attract new clients. Such actions aim especially to young ladies much more receptive to this kind of offers. Also to this chapter, Coca Cola is better positioned in its "fight" with its rival Pepsi. But it must be said that, often, the quality of the offered products as a prize, is not that good and the main effect is not the one wanted.

This study also suggests that the promoting strategies need to be re-thought because some of the companies of this type are out-of-date and risk having a boomerang effect.

About classic advertising, realized through TV, the opinions are quite divergent. Coca Cola is promoted in a more inspired way on TV for 81.04% of this cooling drink supporters, while 65.21% of the Pepsi Cola supporters consider the advertisements dominated by the blue colour, attractive and very attractive. The slight deformation of reality, dues to the multiple brand Coca Cola (Cola, Sprite and Fanta), being more powerful reported to Pepsi (Pepsi, Pepsi Twist 7Up). Particularly, very appreciated are the advertisements "Football Planet" – Pepsi or the Cola Zer0 afferent advertising. Even though some advertisements are controversial they have a special effect on young generation. The most eloquent example is the "Big Bang Song", advertisement. Such advertisements captivate many young, influencing and manipulating them towards the promoted products.

The study underlines a surprising situation. Even though the great majority of cooling drinks consumers like Cola considers these drinks harmful, they still continue to consume them. Parents are the first ones that should take action about limiting the Cola consumption, the fact that it creates dependence and favorsises the diabetes apparition at children, being known.

Realizing a very short portrait of the cooling drinks consumer, it is represented equally by women (51.61%) and men (48.39%) with ages between 15 and 35, adept of a sedentary life with a diet filled with carbohydrates (like fries from McDonald's), living in the urban area and possible a smoker.

Comparison Between the Promoting Methods

To compare the effects of the four methods of promotion we have given the points for each type of answer starting from the questionnaire's items as follows:

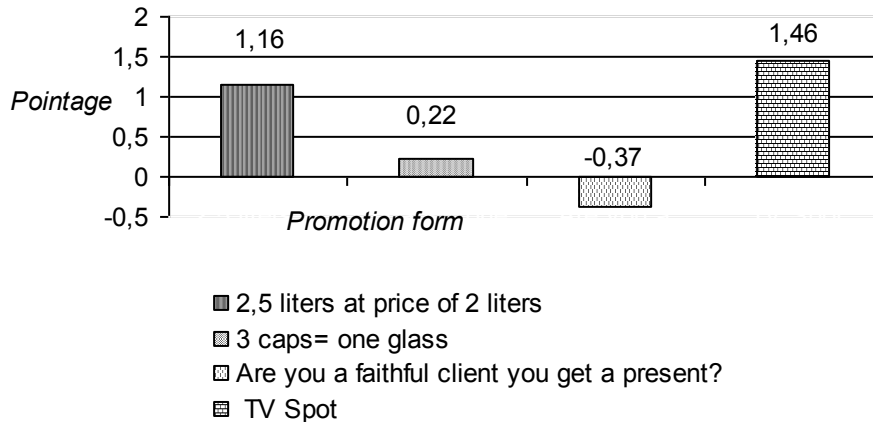
Very attractive	Attractive	Acceptable	With no importance	I don't know/I don't answer
+2	+1	-1	-2	0

The questionnaire's items responses

In the second phase we multiplied the percent obtained by the two actors: Coca Cola and respectively Pepsi Cola, after the centralization of the questionnaires with the points from the table (+2; +1; -1; -2 and 0). The third phase consists in applying the formula in all the four cases:

$$C = \frac{\text{Coefficient Coca - Cola}}{100} + \frac{\text{Coefficient Pepsi - Cola}}{100}$$

After making the calculations needed, the following results were obtained:



The attractivity coefficients

One can observe that the methods 1 and 4 are the most efficient ones in attracting and devotement of the clients. The visual impact that the advertisement has (1.46), is fructified at maximum by the two companies that produce cooling drinks, but this promoting ways need to be doubled with most diversified promotions among which, according to our diagram, offers like “buy 2.5 litres and pay only 2 litres” (1.16) needs to be found again. The young from Suceava are more and more not interested by the prizes offered by Coca Cola and Pepsi Cola, probably because these are most of the times symbolic.

Conclusions

Aside the economical rivalry, the two big companies have decided, in the last 30 years, two new fronts – the aggressive marketing and the one of exclusivity distribution. About the exclusivity areas, extremely well known, including the last Romanian decade, these left their place, step-by-step, to a new kind of delimitation, based on the marketing orientation of the two companies. Promotions are now the main factors of attracting and devoting the clients.

Even though some studies associate the acidulated cooling drinks consumption with the growth of some different forms of cancer, obesity and diabetes, big acidulated cooling drinks producers minimize the long term effects of their own products, but what is worst, do not care much about the consumer’s health. Only commercial and supremacy interests count on this small emerging market.

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SUMMARY OF DOCTORAL PAPER “THE IMPACT OF ECOLOGICAL MARKETING ON THE ROMANIAN ENTERPRISES”

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Resume: This article is a summary of doctoral paper “The impact of ecological marketing on the Romanian Enterprises” sustains in November 2006 by Mihai Rosca and coordinated by prof. Iacob Catoiu at the Bucharest University of Economics.

Key words: green marketing, eco-marketing, environmental marketing, ecological behavior.,

The work is structured in 3 well defined parts. While the first part analyses the knowledge state in the field, the second part tries to be an analysis of the marketing medium and the third is dedicated to a series of research studies unique to date in Romania.

The part dedicated to the knowledge state in the field opens with a review of the scientific ideas about ecologic marketing. First chapter starts from the appearance of the concept of ecologic marketing, passing by its various definitions and senses used by various authors and ends with the role and place of ecologic marketing in science.

The second chapter is dedicated to the ecologic marketing peculiarities; a chapter talks about the ecological products market and another one about consumers. On this market there is a paradox: people with big revenues try to become ecologists, while the ones with small revenues, due to the lack of money, use cleaner, environment-friendlier methods to satisfy their needs, being in this way better ecologists than the ones who want to be ecologists.

It is serious, however, that everyone wants an improvement in their life level, following the example of the most developed state, USA. The problem is that we would need a few more planets if every Earth inhabitant would adopt the American life model. From this perspective I tried to analyze what is an ecologic consumer and I offered a set of market segmentations based on this criterion from the international scientific literature. This subchapter supported an absolute novelty in Romania, the author's segmentation of ecologist clients presented in chapter eight of this work.

As we cannot talk about ecologic marketing without an ecologic policy of marketing/marketing mix, I had studied and developed ecological policies inside each element of the traditional marketing mix from the third chapter. The products which are more ecologic from a customer point of view are not necessarily more ecologic. The concept of ecologic product starts from the idea of a total product, followed during its whole life, from the project phase to the phase of its reintegration in environment at the end of the life cycle. The price of ecologic products hides many aspects developed in this chapter, from ecologic costs to strategies of ecologic price. In the subchapter about promotion I followed the influence of communication of ecologic character messages, a whole section being dedicated to the correct communication. In the subchapter about distribution, I proposed a new logistic chain, in which to be also covered the gestion of goods after use. I gave a strong importance to the inverse distribution as an anti-pollutant activity, while a different section is dedicated to the strategies of ecologic distribution, with an accent on the strategies of prevention of pollutants and on the strategies of recourse recovery.

The second part of the doctoral paper is dedicated to the marketing medium. I wanted this part to be a helping instrument for the ones interested in introducing an ecologic marketing policy in their company. As the implementation of ecologic marketing in a company cannot be realized without the implication of its leading factors, in the first chapter of this part I analyzed aspects connected with the internal company aspects, such as management problems. I analyzed the management of ecologic marketing, with all that its

implementation in a company means. Here we pointed to the means of economic management, as well as to numerous strategies of ecologic marketing, that can be used in a company. The chapter tries to unify theory and practice, mentioning on one hand theoretical aspects and on the other hand numerous examples of companies that used various ecologic principles.

The fifth chapter is dedicated to the macro-environment factors. The elements of macro-environment have a large influence in the implementation of ecologic marketing: the continuous degradation of the environment is the main reason inspiring the writing of this dissertation. The impact of people on the environment is provoking maybe one of the the largest unbalances in nature. If for each natural substance there is some living factor that can transform it, people are the only ones who managed to introduce in nature materials that cannot be decomposed and keep accumulating.

Another problem treated by me was the political implication of various nations in treaties to limit the pollution, as well as a presentation of the most important treaties in which Romania participates.

The last subchapter was not planned when I had started to work on this dissertation. It was not planned for two reasons: first, because the year of intergration of Romania in European Union was not a certitude in that moment. The second reason was discovered during my research in Romanian companies. The starting hypothesis of my research was that, due to economic development, the Romanian companies will be more and more responsible for their hosting society and they will integrate environmental protection policies in their activities. I was sincerely surprised by the unmodified lack of interest and I realized that most changes regarding environment are made not due to an internal pressure from the company, not even due to civil society or consumer pressure, but due to external pressures, especially the ones coming from the European Union as conditions of integration of Romania. This is why I consider that the mimum ecologic direction appeared in the Romanian economic medium is not started by companies or clients (as the theory of ecologic marketing says) but it is due to european integration.

In the sixth chapter I analyzed the elements of micro-environment and their role in ecologic marketing implementation. The role of civil society, so important in other countries for a „green” transformation, is in Romania quite unimportant. But a surprising case appeared; while I was ready to jump to somber conclusions on the lack of citizen impication in social problems: the Roşia Montana case, the first battle between the ecologist organizations and a large company. The restart of economic growth in Romania brought with it new investitions. The new mining investition, with plans to exploit whole mountains using cyanides flamed the unrest of some ecologist organizations. The fight between the non-governmental organizations and the mining company was an extremely new thing for Romania, and I am very happy to have had the opportunity to analyze it. Truly interesting is the fact that both camps used a full arsenal of communication tehniques to touch their objectives. This fight is presented in the last subchapter of chapter six.

The third part of the dissertation is completely dedicated to direct research. I consider this research to be an absolute novelty for Romania because in my search for secondary data I found no published study on a similar subject. The two chapters of the last part are divided after two big studies of the dissertation. In the first is the longitudinal research in the Romanian companies from years 2002, 2004 and 2006, while the second comprises the 2006 study on the Romanian consumers.

The study regarding the impact of ecologic marketing on Romanian companies was interested in obtaining general information on the way in which companies had integrated ecologic marketing concepts at the level of upper management of the organization. This study, designed as a longitudinal search, is not a complete study but rather a research interested in the general traits. In fact, started as a longitudinal research, it was transformed based on the better understanding of Romanian business environment and of the way this problem is perceived. Thought in 2001, this research wanted to see the transormations in Romanian companies during my Ph.D. studies. To this end, data collection were organized in the years 2002, 2004 and 2006. Of course, in the 3 data collection campains, the research morphed under the light on previously collected information, some research areas being stressed, while other areas had been abandoned. Because the studies were thought as omnibus-type studies, the quantity of data being somehow limited, in 2006 I realized two personal studies inside the business environment. Moreover, due to the data collected at the level of years 2002 and 2004 and of the conclusions based on those, presented also in the oral exam phase of my Ph.D., I decided to start a study of the consumers.

This last research, initially unplanned, appeared due to the surprising conclusions from the first research. Although my hypothesis was that the companies will be more and more ecologist, this did not proved true

during the three studied year. Trying to find answers to the initial question of this dissertation, I studied consumers' interest in ecologic ideas. The primary reason for the start of ecologic marketing in companies is the appearance of consumer needs that have to be satisfied in ecologic ways. As long as the market will not require ecologic behavior and products, the business environment will not offer them. A list of my studies related to this dissertation, together with their year of data collection, follows:

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3. Organizational behaviour regarding ecologic products and activities (2006)
4. Social responsibility of businesses (2006)
5. Ecologic behavior of consumers (2006)

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LOYALTY PROGRAMS WHICH INFLUENCE THE DECISION PROCESS IN CHOOSING TOURISM DESTINATION

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The aim of this paper is to present the specific of the decision process in choosing tourism destination and the role of the loyalty programs existence as a factor that influence the choosing tourism destination. It also includes a case study based on an internet research that refers to the existence of the loyalty programs offered by some chain hotels in Romania.

Keywords: decisions process, tourism destination, loyalty programs, hotels

Decision of choosing tourism destination

The process of choosing a tourism destination is a very complex one, not at all easy and it suppose the following main general steps in taking the buying decision, as represented in the Figure 1.

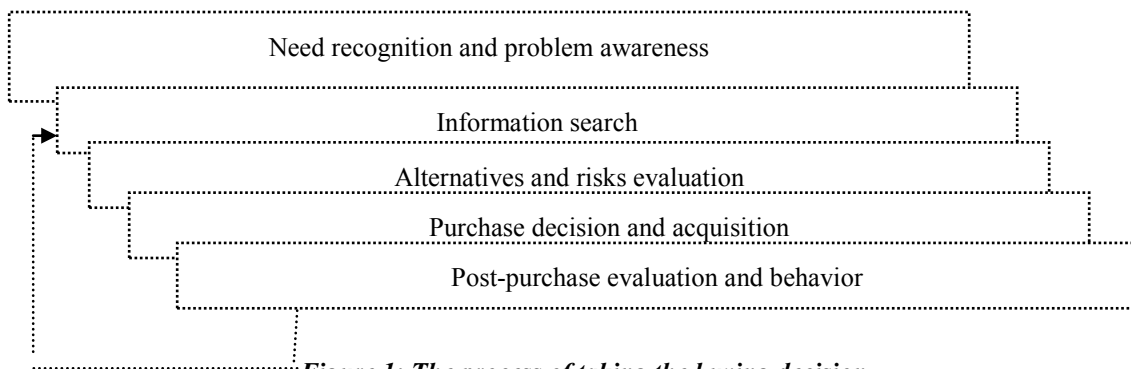


Figure 1: The process of taking the buying decision

Mostly, choosing the tourist destination includes a certain degree of risk from the customer. The choosing of the tourism destination is the kind of decision that implies a medium to big risk because the potential tourist can not try the services before buying it. The previous experience can help the customer in taking the decision and choosing the destination, but there is not guarantee because even if it was satisfied in the past, this does not guarantee that things will be the same in the present time. Because of the risks involved, the decision process of choosing destination suppose a long time. In most Western European countries, tourists start the process of planning the summer holiday most of the times from the beginning of the year or even from the previous year.

The analysis of the buying decision is based on the existence of a need determined by the difference made according to the Maslow's hierarchy of needs. From this point of view, the tourism need may be included in the category of basic needs, more exactly it is integrated in the category of bio-physiological needs of rest and health improvement. For any person, the first point in the process of taking the decision to have a

holiday, is represented by the recognition of the own needs and wants, which both generate the individual motivation. While needs have mostly an intrinsic character, reflecting a lack, a physical or psychological discomfort (the need to rest for instance), the wants have an extrinsic character, being finally the real, concrete and external way to show the needs. The wants depend on the cultural values of the person (the group and the society it belongs to) and on the concrete circumstances in which they manifest. The motivation is the reason behind a specific behavior. The motivation to behave in a certain way may have reasons such as basic needs, an object, goal, state of being or ideal, or it could be based on morality. According to Geen (1995), motivation refers to the initiation, direction, intensity and persistence of human behavior.

Another point of view in approaching the tourism destination choosing is another much known motivational theory, Herzberg's Two Factor Theory. Like Maslow's Hierarchy of Needs, Herzberg's Two Factor Theory is a need-based motivation theory. Two Factor Theory (also known as Herzberg's Motivation-Hygiene Theory) was developed by Frederick Herzberg who separated the motivational factors in two categories: factors that lead to satisfaction and others factors that do not affect satisfaction or the level of it, but if not present, could lead to dissatisfaction.

Regarding tourism, if in a hotel, a category of services is missing (for instance the quality of room cleaning), this could be a dissatisfaction factor for many clients, but on the other hand, if that services category exists in the hotel, its simple existence is not enough to guarantee clients' satisfaction. According to this theory, to assure tourists' satisfaction, a tourism operator must do two things:

- Firstly to be sure that all possible dissatisfaction factors were eliminated, and
- Secondly, to create the satisfaction factors because these satisfaction factors represent the main reason for which the customers choose one or another product or service in tourism.

Influence factors in choosing tourism destination

Next to the general factors that influence the behavior of the customers in tourism services, and which can be delimited in 4 categories: personal factors, social factors, situational factors, economical and marketing factors (see table 1), in choosing the tourist destination a big influence belongs to the previous destination choice.

Tourist personal factors	Socio-cultural factors	Situational factors	Economical and marketing factors
Needs	Family	Age	Income
Motivations	Referential groups	Health	Interest rates
Sensations	Social status	Mood	Inflation
Perception	Social Role	Time allowances	Prices
Attitudes	Culture	Family cycle	Products
Personality	Education		Commercial communication
Self image	Religion		
Life values	Leaders		

Table 1: General factors that influence the tourism destination choosing

According to a study made by Charlotte M. Echtner and J. R. Brent Ritchie, titled „The Meaning and Measurement of Destination Image” and published in The Journal of Tourism Studies Vol. 14, No. 1, May '03, the main attributes used by consumers in choosing specific touristy destination are:

Mostly FUNCTIONAL (physical, measurable)	Mostly PSYCHOLOGICAL (abstract)
Scenery/Natural Attractions Costs/Price Levels Climate Tourist Sites/Activities Nightlife and Entertainment Sports Facilities/Activities National Parks/Wilderness Activities Local Infrastructure/Transportation Architecture/Buildings Historic Sites/Museums Beaches Shopping Facilities Accommodation Facilities Cities Fairs, Exhibits, Festivals Facilities for Information and Tours Crowdedness Cleanliness Personal Safety Economic Development/Affluence Accessibility Degree of Urbanization Extent of Commercialization Political Stability	Hospitality/Friendliness/Receptiveness Different Customs/Culture Different Cuisine/Food and Drink Restful/Relaxing Atmosphere (Familiar versus Exotic) Opportunity for Adventure Opportunity to Increase Knowledge Family or Adult Oriented Quality of Service Fame/Reputation

Table 2: Attributes used by consumers in choosing specific touristy destination

Aspects related to loyalty in tourism – Case study on loyalty programs in hotels chains in Romania

Customer loyalty refers to that specific behavior of repeat customers, and also those that offer good opinions, reviews or testimonials. Loyal customers are also those who do a great service to a company by offering favorable word of mouth publicity regarding products by telling friends and family or other members in the group they belong. Customer loyalty includes more than this; it is a process, a program, or a group of programs in order to keep a client happy so he or she will provide more business.

Customer loyalty can be reached in some cases by providing a quality product with a firm guarantee, also through free offers, coupons, low interest rates on financing, high value trade-ins, extended warranties, discounts, rewards, incentive programs, and other specific promotion tools. The final main goal of customer loyalty programs is to create happy customers who will return to purchase again and persuade other people to use that company's products or services.

Customer loyalty may be a one-time program or repetitive, or an ongoing group of programs to tempt consumers to buy more. Programs like “buy one – get one free” or purchases that come with discounts or free gifts are very popular, but they are not very often used in tourism. Another good method for reaching customer loyalty is offering a risk free trial period for a product or service. Also known as *brand name loyalty*, these types of methods are meant to ensure that customers will return not only to buy the same product again and again, but also to try other products or services offered by the same company.

In the tourism field, providing excellent customer service is one of the most important elements in gaining customer loyalty. If a client has a problem, the tourism operator should do all is necessary to assure that the customer will be finally satisfied. If a touristy product is improperly, the customer's money should be refunded. This should be standard procedure for any reputable business.

Customer fidelity is treated distinctly in the case of goods-products where there is customer loyalty toward company, brand and product and on the other hand in the case of tourism services where there is customer loyalty toward country, hotels chain and destination.

The most used customer loyalty programs include the following types:

1. Rewards - award points for purchases. Points can be exchanged for rewards, unrelated to the brand. This kind of program can be useful for instance in restaurants and services companies that have a limited product line and don't have unlimited options of products and services.
2. Rebate - When you have a wide selection of products, this reward program can be used to motivate new incremental purchases. Clubs and casinos use this method where members and cardholders have a swipe card, and can accumulate points from their gambling expenditure and apply them to food and beverage purchases.
3. Appreciation - The goal is to increase guest lifetime value, not to acquire new customers. It can also be used as a device to get good customer to sample more of company's other products and services. Airlines companies, hotels, phone companies use this to accumulate points for additional services within their own brand.
4. Partnership - Rewards a customer's accumulated purchases with a partner's products or services. For instance, airlines companies use this frequently when they give points for renting cars and sleeping in hotels.
5. Affinity - An affinity program offers special communications, value added benefits and bonuses and recognition as a valued guest. In tourism, this program offer access opportunity to special rooms for members who have reached a special level of spending or are regarded as VIP customers

The next table presents a study referring the existence of loyalty programs as they presented on Romanian websites of the specific hotel.

Hotel Chains in Romania	Types of Loyalty Programs				
	Rewards	Rebate	Appreciation	Partnership	Affinity
Continental Hotels **** www.continentalhotels.ro		yes	yes	Yes	yes
Best Western **** www.bestwesternhotels.ro	yes	yes	yes	yes	yes
Golden Tulip **** www.goldentulipbucharest.com				yes	
Ana Hotels ***/**** www.anahotels.ro	Not found on the website				
Hilton *****	Specific website not found				
Marriott ***** www.jwmarriottromania.com	Not specific on Romanian website				

Table 3: Types of loyalty programs used by hotel chains in Romania

Even if the study was based only on Internet research, we may conclude that the hotels chains do not give a big importance to develop loyalty programs offered for their hotels in Romania.

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THE EFFICIENCY OF PR MANAGEMENT

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Abstract: Creating a brand and protecting it are two key functions of a marketing programme. Public relations create the brand, using a series of on-line communication, elaboration and transmission tools. Through these tools, public relations must be creative, permanently original, new and different, with a creativity value at the highest level. It is necessary that public relations lead and show the way to a marketing programme through which the company's ascent will establish the brand's strategic guidelines. According to the specialists' estimates, marketing has entered the public relations age, and the large brands are built with the help of public relations.

Key words: public relation, marketing, management, efficiency.

1. Introduction

Public relations are, according to Prof. Rex. F. Harlow, a distinctive managerial function that helps in establishing and maintaining certain mutual limits of communication, on the mutual acceptance and cooperation between an organization and its public; they involve the problem management, helping the managers to be informed on public opinion and meet the demands of public opinion; they define and enhance the managers' liabilities to anticipate the tendencies of the environment; they use as main work instruments research and communication based on ethical principles²³⁰.

The model of communication is no longer reduced to the source, channel and receiver, but it becomes a complex tree. Since the advent of public relations to this day we have witnessed a constant repositioning of the field in relation to the other components of communication. In the 19th century, public relations used to represent an instrument of influencing the public, guided only to propaganda purposes. With the development of the modern means of communication, we witnessed in the 20th century a transformation of public relations in a unidirectional process of communication and without rules, in a bidirectional, well-balanced process, guided by an ethical and deontological code.

The internal dynamics and diversity of action represents the most important elements where PR may take the form of any human activity.

According to a study presented in the book 'The Fall of Advertising and the Rise of PR'²³¹, the executive managers rank the PR department the third in point of its contribution to the success of the company they run, before the R&D department or of financial strategies. It highlights the unique role of PR in the context of overabundant information.

2. Instruments of communication in PR

These last two decades PR has constantly developed as a result of the need for communication on the background of globalization and the main support for all these transformations is technology modernization. We may say that at present it is only those who have nothing to say that do not need PR.

²³⁰ Coman C, Public Relations and Media, Polirom Publishing House, Bucharest, 2000, p. 25

²³¹ Al Ries, Laura Ries, The Fall of Advertising and the Rise of PR, Brandbuilders Grup, Bucharest, 2005

The modern PR use a variety of techniques which include opinion poles and focus-groups combines with a wide range of high tech techniques for the distribution of information in the name of their customers, including the Internet, sending faxes etc.

The expanding state-of-the-art technique caused impressive mutations in the instruments used in public relations, contributing to the increase of power and of the potential in the efficiency of organization, following and access to information. The effects caused by press, radio, TV and computer development are a proof to this respect.

The efficient management of events from the point of view of the PR specialist refers to the organization of an event for the company as one of the means of communication integrated to a context, not as a punctual event. The efficient management of this PR instrument is a combination of three essential components: detailed planning, unleashed creativity and perfect delivery in the day of the event.

The organization of a seminar, cocktail party, lunch or any other event may be an efficient mode of communication with the consumers, to build relations with media and to improve the profit of the organization. Yet, it may cause extremely stressing moments determined by several aspects such as: which is the most important meeting place?; the chosen moment; list of guests. The preparation of the event implies first providing enough time for the PR team to set the strategy from minimum three months for an average event to six months or more for major, complex events. The development of the strategy starts with determining the purpose of the objectives, the target public, the main message and planning the actions. Then editing a 'step-by-step' list of the activities to supply a route sheet of every member of the team. All in all, the agenda of the PR team of the event includes:

- detailing the focus and plan
- editing the invitations
- inviting the attendants
- identifying the list with potential speakers
- preparing the materials for the events and the press.

The coordinator draws up for a clear record of responsibilities a checklist with all the elements to be done, the deadline, who does them. The first step in assembling the puzzle is choosing the venue then the following details: suppliers, equipment etc. The equipment of presentation must be carefully inspected to work perfectly in the day of the event, and the suppliers and the press must be reconfirmed.

The organization of an event is a personal business, an 'ego'.

3. Instruments of online communication in PR

The online instrument of communication is a new medium which refers to the result of the convergence between the traditional media system (TV, radio, written press), telecommunications, digital technology and information systems. This convergence imposed the substantial rethinking of the mode of organization and development of the campaigns of communication.

The Internet provides with valuable opportunities for PR which are equal or even exceed in point of efficiency the standard PR instruments. The online environment may help the business to attain its target or global audience by increasing the market and media exposure.

The brand and message must be in accordance with all the other materials of marketing and public relations of the company.

The main online instruments of communication are: Corporate Website, Media Room, Blog, Corporate Intranet and Client Extranet.

The website is an essential part of the connection with the public in PR. The professional communicators cannot ignore the Internet, and the consumers, investors and clients may find information without waiting to be told by the PR specialist. At present, the small business may administer the site contents using a variety of software instruments. In the 21st century, the Internet is the most important PR instrument and the most efficient from the point of view of cost for the small and medium-sized enterprises.

The Media Room includes all the information that anyone would want anytime on the company and must be constantly updated. The following elements are included in Media Room: name, e-mail, phone and fax number, photos of products etc.

The blog may in many cases replace the website for a small company. Most of the cases, a blog must be used to add or enhance the website. The blog is an instrument by which the public relations man turns into an impersonal and more and more inefficient business practice, in an efficient and ethical means of promotion, exposure and involvement of the company.

Corporate Intranet is a vital instrument for internal communication, both in times of normality, and in times of crisis. The employees must share the outlook, the brand and the message of the company and be able to constantly communicate them to the world. On the other hand, Corporate Intranet allows learning trading and dynamic presentations.

Client Extranet – by this instrument the company provides access to the customers to a safe zone. Client Extranet is separated from Corporate Website and the password is protected. It may be used for cooperation between the members of the team which takes care of a customer, to manage customers' payments and for trade, when circumstances require it.

4. Instruments of information editing and transmission – use in public relations

Besides the online instruments of communication, public relations also use instruments of information editing and transmission. The instruments of information editing and transmission are based on a well-defined nucleus of objectives, notions and theoretical representations which are applied through a complex range of practical procedures and working techniques. They differ depending on the channel or the means chosen for the transmission of the messages required by the target public chosen.

In the case of written communication, the advantages and facilities offered by the non-verbal language must be replaced by the clarity, concision and logic of the message and for the use of proper illustration (photos, graphics, schemes, drawings, caricatures etc.). Moreover, he who spreads a piece of written information may not have the opportunity of answering the questions that the public may ask, so that he should use empathy, asking such questions for himself ever since the beginning and finding appropriate answers.

The main instruments of written communication are the following: the press news, the press release, the press photo, biography, interviews with the media.

The press news is the most available for spreading the topical information (events that have just occurred, that are in progress or that will take place in the near future). It is meant to publication exclusively and usually it is taken over and spread as such by the concerned media. The structure of press news usually follows the model of the 'upside-down pyramid'. This means that the information composing the news are in decreasing order of importance, the most important information are in the first paragraph.

The press release is a form of spreading in writing the information that unlike the press news is not meant first for publication but mostly for media briefing. Just like the news, the press release is an active form of spreading the information where the initiative belongs to the holder, unlike the interview, for example, where the holder of the information has a reactive attitude, of answering someone else's initiative.

When editing and spreading a press release, the PR expert should consider the fact that for the media, the releases are official sources of information. There are a lot of reasons why the press releases are still viable parts of the PR strategy. First, the press release forces the PR specialist to have a consistent message in the communication of the strategy, which is vital for the success of any company.

This instrument allows the firm to be a part of the universe of searching on the Internet, placing the news in the searching engines, news portals. Now, due to the boom of the Internet, the news are distributed immediately, and are handed over to the proactive consumer.

The press photo must cause for the onlooker an emotional reaction, an easily decoding image, so that its significance might be received without any difficulty.

In the process of selection of the press photos, the PR specialist must take into account three factors: the impact of photography, the quality and the possibility of page layout. The impact of photography must present the strong visual elements, which shall attract and interest the viewer.

The quality of the photography must provide for the qualities required for the exposure, the contrast, the colors, the shades etc.

The page payout must represent the possibilities of page layout so that its vertical or horizontal format should simplify the choice of the position by the journalists.

The biography reiterates facts and events in the life of an important person in the organization. Most of the organizations prepare in due time biographies of the main personalities, to use them in the elaboration of the breaking news, such as decisions of dismissal or appointment in important offices, resignations, unexpected death etc.

The media interviews are a passive form where the interviewer answers the questions of the journalist. The PR specialist is responsible both for the interviews he himself gives and for the training of the persons in his/her organization requested by the media representatives. The success of an interview depends directly on the quality of the training and on the level of self-control exercised during its progress.

In the media training two simple techniques are mentioned which allow the PR specialist to make an efficient transition from delicate questions of the reporter to key messages of the company:

- crossing the 'bridge'
- 'wave the flag'

'Crossing the bridge' is a metaphor suggesting that you are walking on a bridge far away from the dangerous subjects and to its purposes, the key messages that you want to convey. Although instead of answering a question with a message and to stop, the PR specialist lays a bridge to the other messages that he wants to transmit.

'Wave the flag' is a mechanism by means of which the PR specialist uses the flag to signal to the audience that a certain point is critical. Metaphorically speaking, the flag is waved to draw attention.

5. Conclusions

The PR work keeps developing as an imperative for the increase of the efficiency where the business must develop on new markets and find new places for the marketing of products and services.

The efficiency of the PR management is subject to government or local regulations and shall continue to meet the need for information of the consumers observing the provisions imposed by the authorities. The PR in business shall be subject to issues whose settlement must be based on a firm attitude and good communication, to be well-equipped to provide for a unite communication by enabling the meetings and by communicating the newest and most efficient methods of developing a business.

By assuring the performance, the companies assign a complex role to the PR department, from that of 'catalyser' of the business to creator of notoriety and change of public perception. As a result, more and more companies in Romania understand the importance of efficient communication by using more and more instruments of communication in the PR field.

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VALUE CHAIN APPROACH IN CRAFTING A CREDIT DELIVERY STRATEGY FOR RURAL AREAS IN ROMANIA

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Abstract: Even if there is a general consensus among the theoreticians and practitioners involved in international development on the importance of the role that different financial services (especially credits) play in strengthening the rural economy to foster growth and to fight poverty, there is a disagreement on how these services can be provided in rural areas. Today, the majority of the financial sector is still reluctant to extend business to rural areas due to higher risks and higher costs in comparison to doing business in urban areas. In consequence, ways have to be found to supply financial products in rural areas on a profitable basis. This paper was written based on the author's experience and empirical field research in Romanian microfinance sector and presents some recommendations that can be used by financial institutions in building up the delivery strategy of credit products for rural area.

Key words: credit, financial institutions, delivery chanel, rural market, milk value chain

The Value Chain Approach

Until an agricultural product reaches the final market it passes through a series of actors and activities with value addition at each stage. Actors typically involved in a chain are Input Suppliers, Producers, Processors, Wholesaler and Exporters (fig.1).

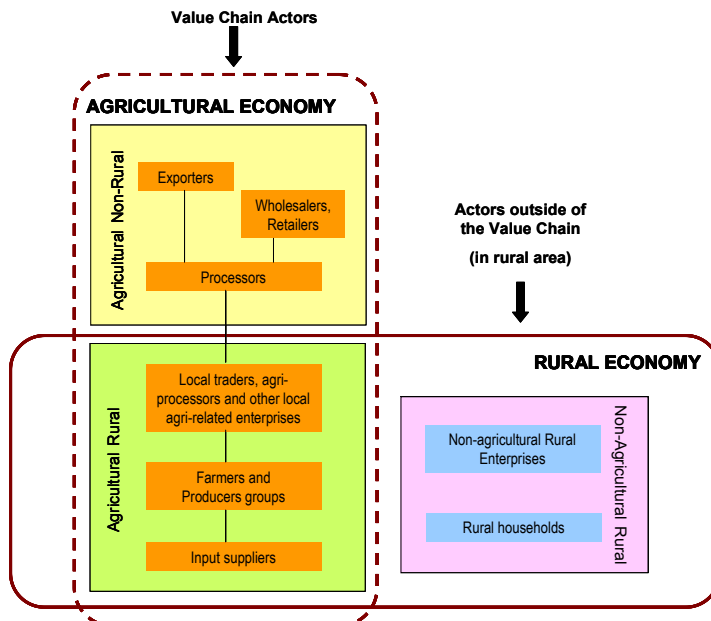


Fig 1. Demanders of Rural & Agricultural Financial Services

The value chain (or supply chain) approach analyzes the flow of commodities and the relationship between the actors of a specific sub-sector and helps to identify opportunities and constraints for growth. By eliminating bottlenecks within the chain this approach can help to enhance the competitiveness of a whole industry.

Financial services to value chain actors can generally be provided in two ways. On the one hand vertical linkages between actors can include financial services, for example an input supplier selling products on

credit. On the other hand, banks or microfinance institution can provide financial services. However, especially access to credit is vital to guarantee a smooth product flow through the chain. Lack of credit at any stage of the value chain has impact on all other actors. For example, if input suppliers can only offer a limited number of input materials due to lack of credit, all actors on a higher level will also suffer from this shortage. The value chain approach helps to identify these shortcomings and assists in finding appropriate interventions.

Overview of the Romanian Financial Sector Involvement in Rural Market

About 47% of the population in Romania live in rural areas. The majority of rural populations are poor and most do not have access to an appropriate range of financial services. Accumulating savings, taking out a loan and insuring against risks are important instruments for every economic activity and can help to overcome poverty. Until now, strategies to provide financial services (especially credit) to the rural population and to strengthen the rural economy have shown disappointing results.

Since the sector's liberalization, private Romanian lending institutions, especially banks, started by entering the corporate market, and then, when competition became stiffer on this market, turned to retail banking. At the present moment, most of the lending institutions (exception some microfinance institutions or credit cooperatives) are not considering to become particularly active in rural areas, and especially in agricultural sector. Agricultural is distinct from other sectors because of the seasonality, geographic limitations, price volatility and dependence on natural conditions. Moreover, some other aspects may affect the characteristics necessary for the success of the financial institutions operating on rural and agricultural markets:

- rural populations are often poor and have greater difficulties in managing risk, coping with shocks and accessing consistent cash-flows;
- lack of collateral can inhibit a borrower from receiving financing. However, a borrower may have collateral, but in the absence of infrastructure that defines property rights, such as a land registry, collateral cannot be used;
- geographic dispersion and poor physical infrastructure: because clients live far from urban centers where financial institutions are often located, it increases the transaction cost both for the lender and for the borrower. These transaction costs include transportation costs and the opportunity cost of lost labor days.
- lack of registered credit history: many rural clients, even if they have credit experience this is often more informal. Lack of historical information on the credit risk of a client hampers the process of determining who is a good borrower;
- attitude of rural people against the financial system in general: poor people are not used to work with formal institutions and perceive the bank atmosphere and attitude of a bank loan officer as being quite rigid.

Even with all these constraints, commercial lending in rural areas will soon become the next frontier within the general goals of increasing financial intermediation in Romania and contributing to growth and employment. Bringing formal credit institutions to rural and agricultural credit market requires commercial viability. The main challenge is thus to maintain the risks and intermediation costs at an acceptable level, i.e. the costs of contacting potential clients, credit monitoring, payment collection. This requires the specific credit delivery mechanisms, products and procedures.

The Romanian Milk Channel Analysis: Milking-Cows Producers and Milk Processing Units

Milking-Cows Producers

According to the figures published by the Ministry of Agriculture, the number of cows used for milk production remains fairly stable, just over 1.81 million in 2006, held in about 1.1 million households. 98 % from the Romanian milking cows' farms can be divided into three types:

1. Non-commercial small-holders ($\approx 92\%$) are people who have a small plot of land (less than 3 ha) and a few animals (1 or 2 milking cows, 1 sow and a few piglets). They usually cultivate their land, produce only

for self-consumption and spend very little for agricultural inputs (fertilizers, chemicals). They also keep most of their milk, making cheese for themselves, and most of their pigs. Their main source of income is not agriculture (they are either employees or retired) and they do not plan to invest in farming. The “non-commercial small-holders” do not need much cash for their farming activities whose sole destination is self-consumption to reduce the household’s food expenses.

2. Commercial small farmers ($\approx 5\%$) are persons who have a small plot of land (less than 10 ha) and a few animals (2 to 5 milking cows, 1 to 5 sows, and sometimes 5-6 ewes). They sell part of their production but the income they get from agriculture is not sufficient and they work elsewhere, either as service providers in agriculture, when they have managed to buy equipment or/and as employees in a different sector. They are usually young; they consider themselves as farmers and would invest in agriculture if they had the necessary financial resources.

They have two types of financial needs: a) in most cases, they do not have access to supplier credit and would thus need loans to buy inputs.; ideally, the duration of such campaign loans should be longer than the crop cycle, so as to be paid back from the proceeds of the products when they have been sold at a better price, some time after the harvest; b) all farmers need investment loans, either to buy equipment or to buy animals; the terms and the repayment of these loans would need to be adapted to the household’s individual activities and income.

3. Commercial medium farmers ($\approx 1\%$) usually earn a living from agriculture and plan to invest in their farms. Most of the time, they are family associations who have cattle, either milking cows (more than 5) or/and ewes (more than 7-10) and less than 50 ha of land. The land is usually owned but sometimes, additional surfaces from other landowners are rented. These farmers cultivate the land usually only to feed their animals. The milk is sold to dairies. These farmers are aware that they will need to increase both output and quality if they intend to stay in business. They need to increase the quality of the fodder in the first place, using adequate harvesting and storage equipment. Then they will need to purchase better breeding cows and, finally, modernize their shed. The “commercial medium farmers” present very diverse situations, with different organizational modalities depending on their juridical status, their localization and their main productions. However, in most cases, these farmers need credit to finance investments, either in animals or equipment; their cash flow normally allows them to purchase inputs for which they may also get credit from suppliers.

Milk Processing Units

Annual milk production per cow is very low, barely exceeding 3.500 liters; only 30% of the quantity of milk delivered to the processing units is according to the EU standards. The main constraints are quality of nutrition and improper, obsolete facilities. Romanian milk has four major destinations: processing units (25%), direct sales of raw milk (23%), feed consumption (12%) and household self-consumption (40%). Milk quality is a serious limiting factor to processors (not enough fat and high bacteria content).

Development of the dairy production sector requires investment in the number of good milk producing cows as well as improvements to increase the milk’s quality. The processing capacities in place are superior to production and milk processors compete both for quantities of milk and for obtaining the best quality produced. Despite the large number of milk processing companies in some counties, the cattle breeders, who are not well organized and who do not have cooling equipment on their own to store the milk, cannot really negotiate prices.

The villages are shared out among the dairy companies, which provide them with storage equipment in order to collect the milk more easily. The dairy companies have employees in the field, who are responsible for one area and know the producers very well. In some counties, all the milk processing companies, the small Romanian ones as well as the bigger foreign ones, maintain the same relations with the milk producers: they very rarely sign a contract with them except with very big producers; they usually employ one person in each village who will be responsible for the milk collection tank that the company sets up for free. This agent collects the milk from the producers in the village twice a day and records the quantity and the quality (density and fat content) brought by each of them. Once a month, some of the companies pay each producer individually, on bank account, by postal order or via the milk collecting agent in cash. In addition, the producers can receive a state subsidy (starting with July 2008, the state subsidy will be provided only for the milk that has a high quality, according to the EU standards). The subsidy is directly given to each farmer through an account or a postal order or given to the dairy

companies who then distribute it. In other counties, the milk production is lower and usually only one company collects the milk in the villages. Because the milk production is too small, it has not set up milk collecting tanks in the villages and is collecting the milk twice a day from each farmer or from agents. Most of the producers in these counties have only one cow, with a low production and a low fat content; these farmers thus very rarely receive the state subsidies.

In order to secure and improve their procurement, most of the big dairy companies grant advances to a number of their producers, in cash or in kind, with or without interests, to buy heifers, feed and equipment. The milk processors do it like this because nobody else supplies such credit facilities.

The dairy companies face two main problems:

- attracting sufficient milk production to feed their processing plants
- improving milk quality, especially to prepare to comply with EU norms

They are therefore actively looking for ways to keep their milk suppliers and to attract new ones, and to foster quality improvement. In answer to these concerns, most foreign companies have set aside a specific budget to grant advances to the milk producers: For example, one large foreign company provides cash advances representing 30% of the milk production to farmers who own at least 5 cows and who are willing to enter into 3 years contracts. These advances are disbursed each year in Spring and in Autumn and are used to buy heifers but also fodder and technical equipment in the case of big breeders; repayment is done in milk, with 50% of the production, without interest being charged (the company had thought of billing interests but abandoned the idea because of the fiscal and technical difficulties); the company never faced serious repayment problems; no material collateral securities are required.

All the dairy companies had difficulties with these financing schemes (insufficient resources, cost due to non billing of interests to the producers or difficulties in taking all elements into account to set the interest rate to the producers, too short term resources...). Many of them contacted banks to ask them to finance their producers but with no success as to now since no bank accepted to take the risk to finance agricultural producers.

Recommandations for Setting-up a Delivery Strategy for Credit Products in Rural Area

Based on the above results of the field research, an efficient way to deliver credit products for farmers involved in milking cow production is through an agreement between financial institutions, milk processors and milking-cows producers.

The basic principles of this partnership are:

- to make use of the agro-processors' intimate knowledge of their suppliers in order to select reliable borrowers, based on one of their major concerns: securing their procurement;
- to facilitate repayment through an assignment of receivables.

Accordingly, the intervention of the agro-processors might be:

- in the selection process: their field agents know the producers and can make a pre-selection based on their personal knowledge of the producers' morality and ability; this would contribute to greatly reducing the intermediation expenses for the bank;
- in the recovery process, by deducting installments directly from the processors' payments to the producers that would be assigned to the bank; this arrangement would require signing a three party agreement.

In order to ensure that the pre-selection process done by the agro-processors is done seriously, it is preferable that they carry a portion of the risk. The agro-processors and the banks have converging interests in distributing loans to rural producers: the banks are looking for eligible clients and the agro-processors want to deal with producers that are able to supply adequate quantities and qualities. But their preoccupations and priorities are not exactly identical: whereas the agro-processors are interested in seeing the producers undertaking investments that will allow them to supply larger quantities and better qualities, the banks are more interested in the producers' willingness and ability to service their loans. This will require the financial institution to always make its own risk assessment. Nevertheless, if the agro-processors are involved in the selection process, the most efficient way to make sure they pre-select

suppliers that appear to them as morally and financially sound is that they accept a share of the credit risk (for example 20%).

This type of arrangement between agro-processors and lending institutions requires a close relationship between producer and processor as well as limited alternative marketing possibilities for producers. Both of these conditions are fulfilled in the milk chain. The fact that milk is a very perishable product, i.e. that the producers absolutely cannot store to delay sales or look for another buyer, makes the relationship between producer and buyer very tight. Moreover, in Romania, the chain is organized in such a way that milk producers cannot easily sell their milk to anyone else than their regular buyer. On the other side, buyers are looking for milk on a market where it is scarcer than processing capacities, and therefore have an incentive to maintain good relationships with milk producers and to help them improve the quality of their production.

The dairy chain needs an improvement in milk quality through investments and increase in the producers' know-how. Whenever possible, cooperation arrangements with providers of technical assistance services will be a positive element for strengthening the producers' profitability. Dairies would like to face suppliers having high quality cows and knowing how to take care of them. This requires investments at the level of the cow breeders. However, it also requires technical assistance to sensitize them and transfer know-how to them. Therefore, a cooperation arrangement with providers of technical assistance services would contribute to securing the profitability of the borrowers' activities. These technical assistance providers need to be identified and then tested on the field (technical services public institution or other Romanian consulting companies)

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CORPORATE SOCIAL RESPONSIBILITY IN ROMANIA

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The purpose of this paper is to identify the main opportunities and limitations of corporate social responsibility (CSR). The survey was defined with the aim to involve the highest possible number of relevant CSR topics and give the issue a more wholesome perspective. It provides a basis for further comprehension and deeper analyses of specific CSR areas. The conditions determining the success of CSR in Romania have been defined in the paper on the basis of the previously cumulative knowledge as well as the results of various researches. This paper provides knowledge which may be useful in the programs promoting CSR.

Keywords: Corporate social responsibility, Supportive policies, Romania

1. Defining CSR

CSR is a concept whereby companies integrate social and environmental concerns in their business operations and in their interaction with their stakeholders on a voluntary basis. In this context, an increasing number of firms have embraced a culture of CSR. Despite the wide spectrum of approaches to CSR, there is large consensus on its main features:

- CSR is behaviour by businesses over and above legal requirements, voluntarily adopted because businesses deem it to be in their long-term interest;
- CSR is intrinsically linked to the concept of sustainable development: businesses need to integrate the economic, social and environmental impact in their operations;
- CSR is not an optional "add-on" to business core activities - but about the way in which businesses are managed.

The concept of CSR was formulated in the countries of stable market economy, and consequently focuses on these countries. The promotion of the idea in Romania and other CEE countries has to be thoroughly researched in terms of a specific strategy of implementation, because a simple transfer of standards from the developed countries may prove to be a serious problem, defined as asymmetry of rationality.

2. The growing recognition of CSR

Responses to the Green Paper demonstrated the global nature of CSR issues and concerns, reflecting the fact that a growing number of enterprises, including SMEs, are developing their business world-wide, as they take advantage of market liberalisation and trade integration and are sourcing from subsidiaries and suppliers in developing countries.

Corporate Social Responsibility (CSR) is relatively new in Central and Eastern Europe. Since the mid-1990s, corporations slowly began to pay more attention to their social responsibility thanks to a clearer and more solid legal framework for employment and labour, and to the stabilisation of the economy. Despite growing knowledge and practice of CSR in Eastern Europe, there is still, in this region, a low level of awareness, limited understanding of it or its purely communication oriented use. More generally speaking, economic and social rights are not yet fully recognized as major concerns and globalization is not yet perceived as a challenge in these newly independent and economically liberal countries.

The concept of corporate social responsibility (CSR) is becoming increasingly popular in Romania, both in academic circles through researching its theoretical foundations, and among managers and businessmen who want to put these theories to use in everyday business practice.

CSR has found recognition among enterprises, policy-makers and other stakeholders, as an important element of new and emerging forms of governance, which can help them to respond to the following fundamental changes:

- Globalisation has created new opportunities for enterprises, but it also has increased their organisational complexity and the increasing extension of business activities abroad has led to new responsibilities on a global scale, particularly in developing countries.
- Considerations of image and reputation play an increasingly important role in the business competitive environment, as consumers and NGO's ask for more information about the conditions in which products and services are generated and the sustainability impact thereof, and tend to reward, with their behaviour, socially and environmentally responsible firms.
- Partly as a consequence of this, financial stakeholders ask for the disclosure of information going beyond traditional financial reporting so as to allow them to better identify the success and risk factors inherent in a company and its responsiveness to public opinion.
- As knowledge and innovation become increasingly important for competitiveness, enterprises have a higher interest in retaining highly skilled and competent personnel.

3. Promoting CSR in Romania

CSR is a concept more and more present in Romanian business society. Obviously, the main drivers in this process are multinational companies that have transferred their corporate culture to a local level. As with almost any imported concept, submitted to the need of accelerated assimilation, CSR has been imposed basically more as a fashion, than a result of awareness of the need for it. As might be expected in a social and economic framework that is still under development, social responsibility has been valued in Romania more for commercial reasons than ethical ones.

The market is more and more competitive, and players are rapidly discovered the potential of this dimension in helping to build their image and consolidate their reputation, as well as the promise for the commercial success in the medium and short term. In Romania, the challenge is to move beyond this assumption, and encourage people to realise that social responsibility is not only an image-building instrument, but an essential element of success in the long term, which is directly related to the social and environment performance of the community.

Over the last two years a series of conferences has been initiated in Romania on the theme of sustainable development, but this concept still requires supplementary information and elucidation. The companies in Romania that give a high importance to sustainable development tend, at least for the moment, to be multinational companies implementing demands and policies established at their head offices. In addition, the programmes frequently encountered are programmes for social assistance, programmes for support of humanitarian foundations, and donations and assistance to educational and research programmes.

Involvement in community projects is beginning to take place in Romania. It is coming to be seen not as a simple image-building tactic, a bid for publicity or an act of charity, but as an essential element in developing business activity, leading to success in the long term, which is directly connected to the economic and social performance of the community that hosts the enterprise.

Romania hosted the first international CSR conference in Eastern Europe (CSR06 – Investing in the future), which dealt with all the issues related to CSR: business conduct, relations with employees, occupational health and safety, systems of monitoring and community involvement. The participants encouraged the setting-up of a specific law regarding CSR, and especially the setting-up of an European Alliance for CSR. CSR is not a grounded area in Romania, so CSR06 had an educative role for the stakeholders in the Romanian market, including the public and private sectors, civil society and the mass media.

The project Social Responsibility in the Carpathian Region: 'The way it works', aims at enhancing CSR activities in the Carpathian region by exchanging best practices at the international level and with the involvement of all the relevant stakeholders. This project is co-financed by D-G Employment and includes

regions from Slovakia, Hungary, Poland and Romania. It is managed by the Carpathian Foundation. The main target groups of the project will be social partner organisations, SMEs, multinational companies, regional, national and local governments, universities, NGOs and civil society organisations, business and professional associations from the districts within Slovakia, Hungary, Poland and Romania that make up the Carpathian region. The direct goals of the project are:

- raising awareness and improving knowledge about CSR and its impact on society among businesses, governments, education institutions, civil society organisations and other stakeholders in the Carpathian region
- developing expertise and exchange of information on CSR and its existing instruments and practices
- constructing transferable models of CSR practice for new Member States of the European Union and the candidate countries, involving active partners from Member States of the European Union as well as from candidate countries.

4. Ensuring transparency of CSR in Romania

The European Union, the United Nations and the OECD are three of the most important institutions involved in the drawing-up of a framework defining CSR and establishing the indicators by which it may be assessed transparently. This framework has been accompanied by recommendations and principles that guide states and local authorities in formulating public policies that promote CSR, ensure transparency and support CSR initiatives. Moreover, taking into account the local need, it is necessary for Romania to ensure a better and permanent contact with the European experience and good practices that are promoting and regulating CSR activities. It will be useful to bring Romanian market norms into line with the experience of countries with a longer tradition regarding CSR. On the other hand, a weak point could be the fact that the social responsibility programmers are not yet well covered in the specialty press, because the level of public awareness is still low. Also, there are few major programmers and only a few companies are involved in social responsibility projects in Romania. Maybe when it becomes mandatory for companies to publish social responsibility reports, which will encourage local companies to be involved in such projects.

5. Supportive policies of CSR in Romania

Under the aegis of the Ministry of Labour, a Directorate for Corporate Social Responsibility has recently been set up. This will deal with CSR issues in the field of the ministry.

The Romanian Donors' Forum (RDF) was initiated in November 1999 when a group of foreign and indigenous donors active in Romania, came together with the understanding that they needed to improve their cooperation. The initial group of donors comprised of AIDRom (the Ecumenical Association of Churches in Romania), Carpathian Foundation, Charles Stewart Mott Foundation, the Romanian Environmental Partnership Foundation, Open Society Foundation, Princess Margarita of Romania Foundation and USAID decided to set up a structure through which donors could share information about their own activities, take joint initiatives to solve pressing issues and communicate more effectively. Later on, the group was joined by the Delegation of the European Commission in Romania, Allavida - Alliances for Voluntary Initiatives and Development, Co-operating Netherlands Foundations for Central and Eastern Europe (CNFCEE), the Royal Netherlands Embassy in Bucharest, the Resource Center for Roma Communities, the Ethno-cultural Diversity Resource Center, the Regional Environmental Center for Central and Eastern Europe (REC), Marshall German Fund of the United States (GMF), Romanian Fund for Social Development, King Baudouin Foundation. In 2005, Allavida and Trust for Civil Society in Central and Eastern Europe became members of the RDF. In 2006, the first corporate foundation, Fundatia Sensiblu, joined the Federation. The Romanian Donors' Forum has been actively engaged in promoting philanthropy and corporate social responsibility (CSR) by initiating dialogue with the banking sector and some large companies in Romania. Efforts have been made also individually by organizations members in RDF (such as the Princess Margarita of Romania Foundation, the Environmental Partnership Foundation, Open Society Foundation) to link and partner with the corporate sector on various projects.

6. The main conclusions:

The concept of CSR is still new and not well-known in Romania. Nonetheless, CSR-promotion initiatives launched by the government and business players seem to attempt to improve awareness of the concept and the importance of such policies for business players. The influence of multinational corporations and of foreign investors is clearly perceptible.

The corporations that adopt CSR policies are mainly concerned by their reputation and image. They wish to uphold a socially responsible image for their customers, consumers and investors. This also explains why most CSR departments or representatives are part of the communication department of the corporation. However, this should not undermine the interest of some notable good practices in some corporations.

CSR policies are defined under the concept of sustainable development and cover economic, social and environmental aspects. Corporations may include in their CSR policies a specific Human Rights commitment, respect of legal obligations, as well as charity. Although the information published on CSR policies of multinationals is clearly abundant, lack of a clear definition and misuse of the concept make it difficult to get a clear picture of the efficiency of such policies. Moreover, serious work has to be done to adapt CSR policies to specifically Romanian CSR concerns.

CSR is defined by business players on a voluntary basis, and implemented and monitored by business. This self-regulation process is hardly offset by governmental action aiming to promote the concept.

Cooperation of non-profit and commercial sector is a desirable indicator of a functioning civic society. It can be successful and beneficial for both only when based on equal relations, work and mission recognition of both partners, and when both of them pay enough attention to it. Non-profit sector must understand the needs of their commercial partner and the environment in which it functions while businesses must rid themselves of the tendency to turn charity programs solely into marketing tools.

7. The future of CSR in Romania

Based on the survey findings and our present experience with CSR here and abroad, we state some steps below that we consider necessary or proper in order for CSR to become a discussed and alive topic in our country. We are presenting these steps not as imperatives rather as points to think about. Their order is of no importance.

- explain the term Corporate Social Responsibility, give it a concrete content, and introduce a clear Romanian terminology
- bring the Corporate Social Responsibility concept from an intuitive level to a real one so as to make clear what exactly Corporate Social Responsibility means, what we are discussing and looking for
- point both at the international but mainly at the local context of the CSR topic
- show concrete examples of socially responsible company activities (show how CSR actually works)
- communicate the benefit of socially responsible behaviour to companies as well as the strategic character of CSR
- clarify to the public, media, as well as to the companies the difference between PR, marketing and CSR and interpret CSR in a broader context
- enhance the external involvement of companies in the future, this could also help reinforce their transparency, in which companies showed interest in the survey
- enhance the prestige of non-profit sector as a partner for realization of Corporate Social Responsibility, disseminate information about the possibilities of cooperation and create a motivating tax setting for it
- communicate more the topic of cross-sector partnership and work on building a transparent setting for these initiatives
- promote the CSR topic in media, turn attention to it

- point at irresponsible as well as responsible companies (show good examples, inspire, create "chain effect")
- find clear and understandable ways and tools for customer orientation, that will be considered trustworthy by the customer
- enhance communication and prestige of present and future tools and awards of CSR activities
- use CSR topics for gradual improvements of the business and social environment in Romania

The trend in understanding Corporate Social Responsibility is positive without doubts. Comprehension of this concept is improving, although slowly - depending on the cultivation of the whole society. One problem remains though, namely that so far these principles pass by the new Romanian businessmen without making much impact on them, and the criteria of management evaluation in big firms, foreign or partly state owned, are set up so that although their profit increases, budgets designated for philanthropic activities are rather cut down.

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HEADHUNTING CHALLENGES AND OPPORTUNITIES FOR THE HOTEL INDUSTRY IN ROMANIA

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Abstract

The purpose of this paper is to present the challenges and opportunities faced by the Romanian hotel industry in regards with the recruitment and selection of the employees and to present some suggestions conducive to making more efficient the hiring process. The ideas and specific recommendations can be applied in other industries confronting with similar challenges related to the attraction of talent and work force shortage.

Key Words

Human Resources Management, attracting talent, employment, hotel industry

Challenges in attracting talented candidates for the hotel industry

The number one priority for 75% of the Romanian companies is the shortage of the work force. The specialists estimate that more than 40% of the companies are already facing shortage of qualified employees. Besides, the predictions are far from being pleasing: within the next 10 years the shortage of talent will increase by 15%. All the industries will face challenging times from the human resources point of view and will be every day more difficult to attract and retain the employees.

The hotel industry makes no exception to this trend. The deficit refers mainly to specialized positions such as chambermaids, receptionist, waiters, barmen, cooks, pastry cooks. The number of vacancies in tourism is increasing continuously: some 11,000 new jobs per year, according to the data forecasted by World Travel and Tourism Council.

The causes of the labour shortage in the hotel industry are multiple. It starts with the shrinking of population due to emigration, but also due to a diminishing fertility rate, which is actually under the level of replacement rate. The emigration of the labour force has deepened after the integration of Romania in the European Union which has allowed an easier transfer of the human capital. Moreover, the diversified offer, the higher wages and benefits have determined Romanians to apply for jobs abroad. The attractiveness of other sectors (tourism sector is often viewed as the "last resort" when choosing a job) and the low level of compensation have determined many employees to avoid applying for a career in the hotel industry. The lack of a national integrated strategy and action plan to support the development of the human capital in this industry explains also, partially, the deficit of the employees in this sector.

There are various solutions that can be implemented and actions that can be taken in order to overcome the challenges facing the hotel industry. Some of them have to be taken at national level, others at industry level and some at the employers' level. The latest will be the one analyzed further on, highlighting best practices from the industry.

2. Recommendations and suggestions for attracting talent for the hotel industry

The attraction and retention of the employees are two of the main priorities and challenges of the companies. This paper will focus on the attraction process of talent in the hotel industry. There are presented recommendations and ideas that can contribute to the improvement of the recruitment and selection process not only in this sector, but also in other industries.

New approach for the Human Resources Management

The management of human resources has experienced a period of abundant changes, searches, re-defining, re-positioning, and “cutting with the past”. It is a lot of talk about the management of human capital, but even this concept will soon become “obsolete”. The traditional strategies and policies in the field of human resources are not any more efficient. The executive managers and the specialists in human resources have to get out of the old paradigm and to project a new one, in which the human resources have to be a strategic business partner contributing in an effective way to the fulfilment of the objectives and financial results of the company.

Nowadays, the employers have to be more creative, more original, and more unconventional in order to find the most efficient methods to attract, to develop and to retain the talent. One has to create new strategies to recruit, retain and motivate. On the labour market we will soon witness a “guerrilla war”, more and more intensified in order to attract and to keep the talent. The strategies and the policies of human resources will “borrow” a lot from the unconventionality, creativity, originality, but also from the aggressiveness of the marketing, communications and branding strategies.

A new strategic partnership: Marketing, PR and Human Resources

We are witnessing the flourishing of a powerful, strategic relationship between Marketing, PR and Human Resources specialists. Their main aim is to create and develop a brand of a strong employer, using specific tools and methods. The teams have to cooperate in order to set specific strategies and action plans: to identify the features of the target people, to choose different channels for promotion and to create attractive ads, which distinguishes from the many others.

The correct identification of adequate and efficient communication channels to promote the recruiting ads represents the key factors for the success of the recruitment process: internet on-line recruitment sites, company website, outdoor banners placed in strategic areas, radio and TV announcements, participation to job fairs, university announcement boards, “open doors” day, etc. The secret of an unbeaten recruiting ad lays both in the content and the presentation features. The recruiting ad content has to be striking, different, and unconventional, to raise the attention of the potential candidates, which are already “assaulted” with a lot of recruitment ads. A new idea, a word, a picture, a colour, a punctuation sign can sometimes makes the difference.

The recruitment specialists have to be persuasive, able to “sell” the company and the vacant position when talking to the candidates. When inviting the candidates for an interview, the words and phrases used have to be carefully chosen. For example, the word “interview” should be replaced by the word “discussion” to project a more relaxed encounter in the mind of the candidate.

Internal transfers and promotions

The most used recruitment method is to transfer and promote internal candidates from within the company. It is more rapid and motivates the employees who are valued and appreciated for their contribution. In the hotel industry this is one of the most popular methods to fill a vacancy. Many managers and top managers in hotel industry have started as waiters, stewards or bellboys and have worked out their way to the top through hard work, dedication and commitment.

“One Day Hiring” Process

More than 60% of the employees are actively looking for another job. The labour market is very dynamic and rotates at an astronomic speed. The employees are not willing to wait long if a good job offer is been made to them. No wonder that the average time that a candidate is “available” to be hired or willing to wait for a job offer is less than 2 weeks. The recruitment specialists have to move very fast and try to complete the recruitment and selection process, including making the employment offer in maximum 2-3 days. If the

candidates find another attractive job offer, they will accept it immediately. If they are good professionals everybody will fight for them. It is recommended that the selection process (interviews, practical and other evaluation tests, reference checks, etc) should take no more than one day. An initial pre-screening is suggested to be done by telephone to identify the key requirements for each position. This will save time both for the interviewer and candidate. Ideally, the candidate should finalize the recruitment steps within few hours and if accepted for the job, to leave with the job offer in the pocket. There are some companies that have changed their long traditional recruitment and selection process and adopted “One Day Hiring” approach. Due to the rapid changes in the labour market this method will become a common standard for most of the companies, especially for entry and middle management positions.

By moving fast and efficient, without neglecting the quality of the applicants, the good candidates are not left to “escape” to the competition. This implies a higher planning of the recruitment steps, time management and coordination between the human resources department and the managers involved in the hiring process.

Keep in contact with the future candidate

Nowadays is not enough to shake somebody’s hand, say “welcome to our team” and hand in the employment offer. While the future employee is still in the notice period he or she should be contacted by the future manager or by a Human Resources team member to keep in contact with the candidate. The future employee will feel somebody cares about him/her, that he/she is important and valued by the company, that he/she is already welcomed and already part of the team. A simple phone call can make the difference. And it costs nothing!

Networking

Networking is a relatively new word but it was quickly adopted and used by most of the Romanian specialist to define the informal relationships and communication between employees working in the same professional community. Networking is used mainly to find candidates for middle and top management, but also operational, entry-level positions are taken into consideration lately. These candidates undergo the same selection process as any other candidate, but sometimes they have the advantage of having previous experience on similar positions in related field of activities and good reference.

Internships

The internship is a classic method to identify the future employees with high potential that might be consider for hiring after finishing their studies. The hotel industry offers a variety of internship programmes for entry–level positions in partnership with vocational high schools and universities. There are various types of organizing the internship, but the purpose remains the same: to discover and train talented candidates. The process runs both ways because the employer has the opportunity to evaluate the internees and also the internees learns more about the organization, the colleagues, and the job requirements and finally decides wheatear to start working within the company or not.

Attracting Romanian employees working abroad

Attracting Romanian workers working abroad is another option that deserves to be taken into consideration both by the authorities and employers. It is estimated that more than 4 million Romanian are working abroad, not all of them being officially registered. The Ministry of Labour has recently organized two Job Fairs in Italy and Spain, with more than 10.000 jobs available, in order to present the employment opportunities in Romania. The salaries are not that attractive yet, but they have increased considerably lately. The Romanians from Spain are taking into consideration coming back, especially because of the recession of the Spanish economy which is estimated that will free more than 300.000 employees, especially from the construction sector where Romanians workers are the majority. Also, employees working abroad in tourism sector are considering returning. A part of them want to start their own business; others will continue to work in the same industry. For the 5 star hotel industry it is estimated that the costs related to the employees (mainly salary related costs) have increased between 20 and 40% compared to last year and this is encouraging for this category of employees.

Identify potential new candidates

Seasonality is one of the main characteristics of the hotel industry and this implies different levels of employability during a year, according to the high and low seasons. The students are the number one preferred category of candidates for the seasonal jobs. In order to attract the young candidates looking for opportunities to work and study in the same time, more jobs will be part time and/or with fixed term contract during high seasons. Other targeted candidates are the housewives, mothers with children looking for flexible working schedules that will allow them to spend quality time with their family and raise the children.

Employment of mature candidates

A solution that has been started to gain ground is to recruit employees which are at their maturity professional stage. The general trend in Europe is one of ageing of the labour force and that is one of the reasons employers began to look into this category of employees, mainly for management and specialists position, but not only. These employees can bring to the companies valuable advantages: they bring in a considerable professional experience and know-how in their field of specialty. They are used to work in different working environments and organizational cultures. Also, their networking and business relationships are countless added-value to a company. They are more stable and loyal to the company and it is less probably that they would change their job frequently. Most of them are part of the “baby boomer” generation and have a different approach to work, they value hard work and steady professional growth, noting is obtained without effort and personal sacrifice.

Outsourcing

Outsourcing is mainly used in western countries hotels to insure work force for positions that imply repetitive or labour-intensive tasks such as: housekeeping, laundry, stewarding, food and beverage service, accounting, payroll, maintenance, etc. In Romania, the outsourcing industry is at the beginning of its career, but has great potential. Most of the hotels will go for this option which in time will be more cost efficient for them. This will give the employer the time and energy to concentrate on the development of the core employees. However, the outsourced workers should be treated applying the same rules and principles as for the company employees, in order to maintain the motivation and job involvement.

In conclusion, these recommendations are not exhaustive, they represent just a starting point for further ideas and solutions designated to improve the efficiency of the recruitment and selection processes.

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THE ROLE AND IMPORTANCE OF THE COMMERCIAL SERVICES IN THE FIRM'S DEVELOPMENT

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On a global level, the current development stage of diverse societies is characterized through strong product-service interference in the satisfaction system of numerous needs, the services and, especially, the innovations within them, tending to determine the report, respectively to win new domains. The phenomenon is favoured, on one hand, by the strong development of new technologies, on the other hand, by the continuous growth of the consumers' expectations. This leads to the fact that the distribution's domain appeals, increasingly, to the use of commercial services, for succeeding to dynamically adapt to the new consumer's requirements. This adaptation is conceived in a complex frame, regarding, mainly: the merchandise; commercial network; commercial technologies; the services offered to the consumer in the purpose of individualizing the products or personalizing the commercial units.

Cuvinte cheie: complex sales, product increase, market, distribution/sale strategies, services.

Introduction

After the 90s, few firms which act in a competitive environment can hope for success in the absence of a strategic plan. As the markets' expectations and the consumers' increasingly sophisticated requirements, the future's enterprises must approach the market in a more intelligent manner than in the past. The running off this principle can have as a result inadequate decisions, which can transform themselves in long term losses.

In business, one of the most important success ingredients is creating for the consumer a clear image of the respective firm. The realization of this desiderate becomes very difficult in the absence of a good strategy and of some actions in concordance with these strategies.

The enterprise must be considered an open system, connected to the outside environment through the purchase and sale markets. The task of an enterprise's logistics system is projecting, organizing, leading and controlling the material and information flux and, likewise, taking into consideration the purchase and sale markets, the insuring of a stable service level within the enterprise.

The purpose of the enterprise's logistics corresponds to the principles:

- In conformity with the market, production and other specific requirements;
- The right merchandise at the right time, in the right quantity, regarding the quality and respectively, corresponding costs.

All of these aspects must be considered, because the performances of the logistic systems are tightly linked with the providement of the corresponding services. In the purchase and sale logistics, the characteristic elements of the logistics services are: delivery promptitude, flexibility, quality and services' guaranteeing.

Firm development strategies

Any company which follows to reach a certain market quota looks that through its objectives' expressing to establish specific performance standards, necessary for the mission's attracting. These objectives,

elaborated in conformity with the company's philosophy, can be echeloned long or short term. In the case of the larger commercial organizations, **the corporative objectives** are linked to the different levels and divisions; usually, the large companies split the actions in distinct business units or profit centres (can be considered as strategic business companies), with the purpose of establishing the objectives and implement the corresponding strategies, in order to harmonize them with the company's mission.

Moreover, the corporative objectives establish not only the action direction, but also, serve as a basis for the organizational efficiency's evaluation. For the objectives to be useful to such an evaluation, they must be specific and quantifiable (in the establishment of the objectives there are frequently used elements as: financial performance, market position, productivity); the vague or interpretable objectives (ex. "profit maximizing", "excellence reaching") are too large for an effective evaluation.

Another element of the strategy approached in the detail commerce is the **situation analysis**, which presumes the examination of two aspects, as followed:

- As the organization's current position is understood, there must be established an accord regarding the firm's future position, in the terms of some objectives. This component of the situation analysis can be determined through the collecting of information and analyzing the organization's current situation;
- The second aspect of the analysis involves the clear understanding of the restraints which could stop the proposed objectives' attracting. These restraints refer, often, to the incontrollable environment factors, such as: competition, current legislation, consumers' demand.

The elaboration of a product strategy is based on several fundamental elements, such as: potential market, prices, buying power, existent reglementations etc.

For an adequate strategy it is recommended to adopt a philosophy sensitive to the consumers' demand.

The typical product strategies are considered as being:

- **The product's penetration on an existing market** – suitable especially for the products in the "growth" phase and which needs efforts in the distribution and promoting activities;
- **The product's sale on new markets** – targets new consumer contingents;
- **The extension of the sales on the existing market** – strategy which, without modifying the products' destination, brings modifications or improvements of their characteristics and using manner.
- **Diversification** – through the launching of new products destined for new consumer categories;
- **Product's differentiation** – when products are adapted to the specific needs of some different consumer categories.

On the merchandises' technical-economic circuit, the strategic decision in the distribution marketing targets the opening network (distribution channels and physical distribution). In this sense, the typical distribution strategies are considered as being:

- **The direct distribution through the own network** – is corresponding to the launching of new products or in the case of the relations within the inter-industrial commerce; this formula knows the alternative of extending of the own network regarding the opening's growth;
- **The distribution through the intermediaries** – is recommended when there is no own network/when it is not sufficient or when it follows the launching of new products on new markets; it can be made through short channels (in the case of large consumption products) or long, using independent opening bases or en-gross commerce units, in the case of the industrial consumption or high value merchandises, having as result the lowering of opening spending.

Other types of distribution strategies are represented by the:

- **Extensive distribution** – realized through an increasing number of opening units and channels;
- **Selective distribution** – through a reduced number of specialized intermediaries;
- **Exclusive distribution** – one intermediary, small area, single market segment.

In this stage of the merchandises' circulation, a special importance must be given to the commercial services due to their complex character.

The role and importance of services in the firm strategy

The services provided by suppliers represent an extremely important element in the sale extension of certain product. Thus, the sales of products purchased together with specific services are considered complex. In this context, even the services range is diverse (production, consumption, productive, unproductive, industrial, and social or personnel services), at the substantiation of an extension strategy are to be considered:

- **Processes support services** – concerning the conception and proper make, as: consulting; licenses cession; technologies and proceedings; the know-how transfer; engineering; informatics services etc.
- **Services to facilitate commercialisation** – met also in the merchandise distribution phase, for example: leasing; marketing logistics; insurance services; franchising; factoring.
- **Support services in product utilisation** – ensured in the utilisation phase all over the life cycle and refers to: technical and economical assistance in distribution, transport, using; optional parameters functioning; currently and major overhauls; guarantee; spare parts assurance. That kind of services could be supplied both by producers or commerciants and specialized entities and could be differentiated in production and consumption services.
- **Assistance services** – in the field of organization and management of the production; distribution processes and employees recruitment, training and coaching.

Complex sales (totals) – represent a specific type of product sales coordinated and/or done by a single supplier in the benefit of a single user, consisting in a package of products delivered together with the afferent services. This type of services presumes a unique responsibility in the components achievement, the beneficiary being the same for all the action categories.

The functions of services provided to support complex sales are numerous and can be classified as follows:

- Stimulation functions;
- Sales increasement functions;
- Sales efficiency functions;
- Supply quality functions;
- Report functions;
- Promotion and relationship stabilisation functions;
- Stimulation function presumes the following aspects:
 - Production services stimulation – essential in the case of complex sales, having a directly impact on the activities linked to the effective products achievement and on the performer labour forces. The stimulation effect exerts also on the other services categories; but in the meantime, production services are receiver of the stimulation effect produced by other products or labour forces training services.
 - Often, in practice, are met situations when buyers purchase projects, technologies, maintenance etc., resort to equipment and installations with the same origin, registering in the same time an integration effect between the sales object and the services associated. Thus, we could assert that the production services accomplish also the role of the stimulation effect receiver.
 - Stimulation of the physical product versus the commercial and management assistance services, the recruitment and human resources training ones, and like consequence, receiver of those services.
- The services function of volume and efficiency of sales increase and modernisation of its structure – differs from product to product, depending on the complexity especially in what concerns the engine construction industry, products whose sale generates the increase of the spare parts and maintenance and repair services request.

- The report function (feed-back type) exerted intermediated by the networks of services provided on markets or market area already gained. Information become available intermediated by the service employees; it could refer to proper activities or could be suggestions or assessments and constitute a data base very useful for further modernization, reprojected or diversification actions with effect on the real or potential consumer satisfaction increase.
- Promotion function – exerted intermediated by services; is supported by the products complexity increase and means the entrance on new markets, extension of public relations, lancing and cultivation of certain brands etc.
- The relationship stabilisation and perpetuation function – exerted by the activities stability assurance, and the possibility to plan and program production and distribution in the situation of eliminating fluctuations and adapting products to the beneficiaries request. In this respect an important role play the employees training and competence level, substantially contributing to the beneficiaries trust increase.

We could appreciate that services are taken into account like a new manner to produce, consume and live in the society. Services generate various providing terms each with distinguished traces and special implications to underline specific sizes of this activity. The success in business could be assured by a good promotion technique of new technologies concerning the different products realization and by their conception and integration in a services assembly linked to product all over the technical circuit and in the consumption or utilization period.

During the distribution, actions and efforts done to achieve different services represent the proof of respect of customer and their exigencies, vision who must to transform the commercial employee activity in a success weapon.

From the economic point of view, commercial services became an opportunity both for firms acting in commerce and for production ones, because in their majority, services supporting the goods sale process prove to be means directly contributing to revenues and profitability of organizations increase.

The services quality image act directly on the purchase behaviour of products potential clients, the sales level being dependent in great measure on the supporting services quality.

A commercial services range application represents in the meantime a modality to create a relationship system and a communication channel between the commerciant and the customers.

All these lead in the last years at a significant increase of the commercial services role in the trade activity, prefiguring in the extension of the supply, concomitantly with an efficient management.

The success in business of an enterprising in commerce or production area will depend on his capacity to offer to clients a range of complementary services the most suitable and useful to contribute to the satisfaction degree and the firms competitiveness increase. This perspective is favourable to consumers, beneficiary of an assembly of utilities offered both by the products and the services associated.

Commercial services could be viewed both like an activity area integrated in the commercial and like element of the traders commercial policy.

Services could be seen like area integrated in the commercial activity, grouping the entire assembly of activities involved in the merchandise sale process (banking, assurance activities etc.) and some commercial activities other than the classical ones (example: the commercial agents displacement to residents to take orders, night sales etc.).

The nature and proportion of different operations give in general the complex content of services and the variation from a product to another (or from a distribution system to another) means that in reality doesn't exist a standard service. Thus it doesn't exist services that by their nature could respond in general to all the clients of a firm but services adapted to specific exigencies of each client. That's why organization and in particular, the content of services configuration must take into account the flexibility depending on the request moment, the place, environment and behaviour of each consumer.

Consequently, a good commerciant must take into account the frailty of the client's fidelity regarding a product, brand or producer and using a suitable policy to build purchasing behaviours based on a good knowledge of the effective and potential client's necessities.

The measurement and integration of commercial services in the complex of utilities offered to consumers involve a series of aspects concerning the manner to locate and support the costs by the partners.

Thus, the great variety of commercial services, the continuous multiplication of possibilities to their providement and also the mutations in the buyer's exigencies and request generate an increase of the integration systems complexity of the respective services in the supply of each type of commercial entity and some difficulties in what concerns the costs delimitation and the support of expenditures.

The solvement of all these problems depends on the consideration of factors as: the place of each partner in the products flux between producer and consumer; possibilities to pursue the respective expenditure; the commercial service type; trends in the product services utilities system.

Conclusions

The trials of continuous adaption to requests and new exigencies of the consumers become real in a complex management system, concerning the merchandise, commercial network, technologies and the commercial services. The respective trends of multiplication and diversification have in view a functional combination of these and not only the multiplication of some services and utilities from each group separately delivered.

Among the main trends outlined in this area, are to be underlined: the extension of the informatical systems in the achievement of production and commercial services; the guarantee and maintenance for long life goods placement inside the big commercial surfaces; the transfer of some commercial services (transport, repairs, consulting etc.) towards specialized forms in base of cooperation contracts; perfection of the services management and supply system.

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CITY IMAGE – AS TOURISM DESTINATION

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ABSTRACT

Tourism is a competitive industry, even on a global scale. If access to a destination or attraction is too complicated, time consuming, expensive or not providing adequate capacity, even the most spectacular attraction will remain a secret to most tourists, as they will prefer competitive alternatives” (Smiths, 2003). And to continue this, it is considered that „that cultural differences and uniqueness are important if one wants cultural products to become a commercial success” (Lindenberg, 2004). When cultural tourists are looking to experiment or to improve their knowledge, the question is: “Which are the best strategies and practices to market that experience and knowledge for the cultural tourists” (Kantanen, 2005).

This paper will be dedicated to presenting city tourist destinations, their marketing and market positioning, also to analyze the way in which potential customers’ perception is built and how the process can be influenced, and to analyze the way the tourist product is assembled.

Key words: City, Tourism destination, Competitive advantage

THEORETICAL BACKGROUND ON MARKETING A CITY AS TOURISM DESTINATION

Destination advertising campaigns are typically evaluated by conversion studies or by advertising tracking studies. The conversion study model follows a sequential flow over time that leads from the production of advertisements to visitor awareness, positive image development, inquiry/fulfilment, motivation and conversion” (Siegel and Ziff- Levine, 1990; McWilliams and Crompton, 1997: 127 in Kantanen, 2005). The advertising tracking model describes changes in the levels of awareness of the destination and its image in the target markets, before and after those markets have been exposed to an advertising campaign” (McWilliams and Crompton, 1997: 129 in Kantanen, 2005).

City,s cultural attractions cover a wide range of cultural events, art exhibitions, museums, and buildings with cultural heritage” (Kantanen, 2005). Marketing in tourism can be described as both science and art, or a complex interplay of the two. Developing the right marketing channels; the right contacts; understanding how the tourism distribution and promotion systems work in the regional and national context; taking a unique approach; and persistence. Attaining the mix right in the context of a regional destination and maintaining flexibility in the approach will most certainly drive performance” (Smiths, 2003).

Marketing and advertising a certain geographical area (in our case a city) are essential for informing and convincing potential tourists to visit that area. A complet tourist plan must contain both a marketing component (Stanciulescu, 2004). As target group orientation is considered a prerequisite for good market communication, it is essential for tourism destinations to be aware of the frame of reference within which their promotional efforts are interpreted. A central part of this are cultural images – that is images which exist in the target group in relation to a given culture outside and a priori to tourism promotion – and to consider how the promotional effort goes down with the a priori understanding seems a necessary exercise for any marketer” (Therkelsen, 2003).

Tourism basically entails a search for that which is extraordinary (Urry, 1990) compared to one’s everyday life and environment. Hence contrasts would seem to materialize between the orientations of the supply side and the demand side in a tourism context. This line of reasoning is sustained by Viken & Jacobsen (1997), who hold that culture specific experiences are a necessary contrast to our standardized everyday life” (Therkelsen, 2003).The political, economic and cultural existence of places outside the tourism context means that tourism destinations have a more comprehensive meaning potential than most other consumer products, and meanings which are closely tied up with the present and historical relations between the country of origin of the tourist and that of the destination” (Therkelsen, 2003). Faced with

growing global competition where destinations are becoming highly substitutable, destination marketing organisations (DMOs) are in a constant battle to attract travelers” (Pike and Ryan, 2004 in Ekinici, 2006). As places seek to become distinctive, destination personality is viewed as a viable metaphor for understanding tourists’ perceptions of places and for crafting a unique destination identity” (Caprara in Ekinici, 2006). A tourist destination may be viewed as an amalgam of individual products and experiences that combine to form the total experience of the area visited (Murphy in Ekinici, 2006). Past research has demonstrated that destination image has both cognitive and affective components (Kotler in Ekinici, 2006). Although destination image has been acknowledged to consist of both affective and cognitive components. Past research has also shown a direct connection between a destination’s image and the trend of tourists recommending it through word of mouth” (Ekinici, 2006), and also a direct connection between the destination’s image and tourists expectations (Middleton, 2001). A study by Ekinici (2006) demonstrated it’s vital to create and observe a destination’s personality in order to position and differentiate it on the tourist market. This can be done through a whole set of marketing techniques including publicity and imagining (Ekinici, 2006). Very often, mature destinations rest on past laurels, forgetting that the reexamination of their marketing and communication strategies and the willingness to implement change are their last hope in an increasing global market, where world-wide competition brings challenges everyday” (Minghetti, 2001). In the same way, emerging destinations need to identify target markets and create a unique brand platform to enter competition. In addition to that, the gain of a global competitive advantage also requires the development of local partnerships...which allow destinations and SMEs to gain greater market power on intermediaries and other external actors” (Minghetti, 2001). To ensure competitive advantage, every destination has to offer its potential tourists a certain degree of attraction and a tourist experience superior to other alternative destinations (Dwyer, 2003). Perspectives from various disciplines reveal that competitiveness is a multi-faceted concept. We can regard the notion of competitiveness as associated with three major groups of thought. These are:

1. Comparative advantage and/or price competitiveness perspective (Bellak, 1993; Cartwright, 1993; Durand & Giorno, 1987; Fagerberg, 1988; Fakiolas, 1985; Hilke & Nelson, 1988; Hodgetts, 1993; Porter, 1990; Rugman, 1991; Rugman & D’Cruz, 1993).
2. A strategy and management perspective (Day & Wensley, 1988; D’Cruz & Rugman, 1993; Ghoshal & Kim, 1986; Grant, 1991; Kogut, 1985; Mahmoud et al., 1992; Mahoney & Pandian, 1992; Mathur, 1992; Parsons, 1983; Peters, 1988; Porter, 1985, 1990, 1999; Porter & Millar, 1985; Powell, 1992a, 1992b; Yip, 1989).
3. A historical and socio-cultural perspective (Aaker, 1989; Franke et al., 1991; Hofstede, 1980, 1983; Hofstede & Bond, 1988; Kennedy, 1987; Porter et al., 2001)” (Dwyer, 2003)

From a macro perspective, competitiveness is a national concern and the ultimate goal is to improve the real income of the community. On this perspective, competitiveness is a very broad construct encompassing all social, cultural, and economic variables affecting the performance of a nation in international markets” (Dwyer, 2003). The discussion of competitiveness in the general literature has tended to stress competitive advantage (resulting from value-added activities by firms and organisations), while de-emphasising comparative advantage as a source of international competitiveness. For a tourism destination, comparative advantage would relate to inherited or endowed resources such as climate, scenery, flora, fauna, etc., while competitive advantage would relate to such created items as the tourism infrastructure (hotels, attractions, transport network), festivals and events, the quality of management, skills of workers, government policy and so on” (Dwyer, 2003)

CITY DESTINATION’S IMAGE AND BRAND IMAGE

“In terms of tourism destination branding, provenance is even more critical because countries pre-exist any identities crafted for them by marketers and neither their advertisers nor consumers can have objective views of them” (Morgan & Pritchard, 2001, p. 281 in Therkselsen, 2001). Informing tourists before and after they reach a destination is considered a marketing component. In a new tourist destination, its important to create and transmit an adequate image of that area, based on the primary attractions, the facilities and the available services. The image has to be as close to reality as possible, so that tourists won’t be disappointed but carefully so that they don’t get a wrong idea either (Stanciulescu, 2004). All products which are decoded and taken into the consumer’s world gain a cultural existence and identity” (Kragh, 1996, p. 6, own translation in Therkselsen, 2001), and sometimes components can be common to

more than one culture. Beerli and Marti'n (2003) introduced nine dimensions with attributes determining the perceived tourist destination image, such as natural resources, general infrastructure, tourist infrastructure, tourist leisure and recreation, culture, history and art, political and economic factors, natural environment, social environment and the atmosphere of the place. All dimensions are also included in the cultural attraction" (Kantanen, 2005). The organic image of the attraction is based on non-commercial sources of information, such as news of the destination in the media, information received, and opinions of friends and relatives. The induced image is based on commercial sources of information, like different forms of advertising and information from travel agents and tour operators" (Kantanen, 2005).

City branding used to be associated with the flight from an industrial past (Holcomb, 1993; Bramwell and Rawding, 1996), but is now linked to enhancing the urban landscape with globally branded arts and entertainment destinations, encapsulated in the 'fantasy city' (Hannigan, 1998). As Hannigan (2003) suggests, a successful brand should be instantly recognisable, play on the desire for comfort and certainty and provide a point of identification for consumers in a crowded market-place" (Richards, 2004). Major events have become a particular valuable form of cultural currency, particularly in terms of their image effects. As Hall (1992, p. 14) notes: "it is apparent that major events can have the effect of a shaping an image of the host community or country, leading to its favourable perception as a potential travel destination". This potential has been a reason for events being used as an image-enhancement tool, particularly for large cities" (Law, 1993; Holcomb, 1993; 1999; Sassen and Roost, 1999; Judd and Fainstein, 1999; Selby, 2003 in Richards, 2004). A major problem with such strategies is that their impacts are very hard to measure. This is particularly true in the case of the relatively nebulous area of city image. One of the major problems is the complexity of images; multifaceted, highly subjective and often aimed at different publics (Paddison, 1993 in Richards, 2004). Adopting Aaker's terminology of brand personality, destination personality is defined as "the set of human characteristics associated with a destination".

In the tourism literature, there has been a proliferation of destination image studies over the last three decades, but destination personality has been largely unexplored. Aaker realising this limitation and drawing on the Big Five Model of human personality, developed the brand personality scale (BPS) that consists of five generic dimensions: excitement, sincerity, competence, sophistication and ruggedness. Since then the brand personality dimensions have been applied to various settings across different cultures to gauge consumers' symbolic consumption and their effects on behaviour (Aaker, Benet Martinez and Garolera, 2001 in Ekinci, 2006). Sincerity is represented by attributes such as down to earth, real, sincere and honest. Excitement is illustrated by traits such as daring, exciting, imaginative and contemporary. Competence is characterized by attributes such as intelligent, reliable, secure and confident. Sophistication is personified by attributes such as glamorous, upper class, good looking and charming. Finally, ruggedness is typified by traits such as tough, outdoorsy, masculine and western! (Ekinci, 2006). Faced with growing global competition where destinations are becoming highly substitutable, destinations are increasingly embracing branding initiatives such as the use of taglines and logos in order to attract visitors and expenditures to their respective destination (Blain, Levy and Ritchie, 2005 in Ekinci, 2006). As places seek to become distinctive, destination personality is viewed as a viable metaphor for understanding tourists' perceptions of places and for crafting a unique identity (Caprara in Ekinci, 2006).

Brand personality influences consumer preferences, and although it's considered a metaphor used for understanding customers' perceptions about brands, there is selection of literature concerning destination personality and their image. For some authors brand image is a wider term which also includes its personality. Others consider them similar and reflecting the customers' perception about brands (Ekinci, 2006). On the conceptual side, many theorised notions of place imagery (most notably from behavioural geography, for example, Pocock and Hudson, 1978; Golledge and Stimson, 1997; Nasar, 1998), have distinguished between 'designative' and 'appraisive' components of the image. The 'designative' or informational aspect is related to the categorisation of cognitive elements of the environment. The 'appraisive' aspect is concerned with feelings, values and meanings, or what is 'felt' about a place. The appraisive component can itself be demarcated into two different components (Pocock and Hudson, 1978; Wilson, 2002)

- The evaluative (concerned with the expression of an opinion) (see Nasar, 1998; Walmsley and Young, 1998).
- The affective (concerned with the specification of a preference) (Gartner, 1993; Dann, 1996). (Richards, 2004)" (Richards, 2004).

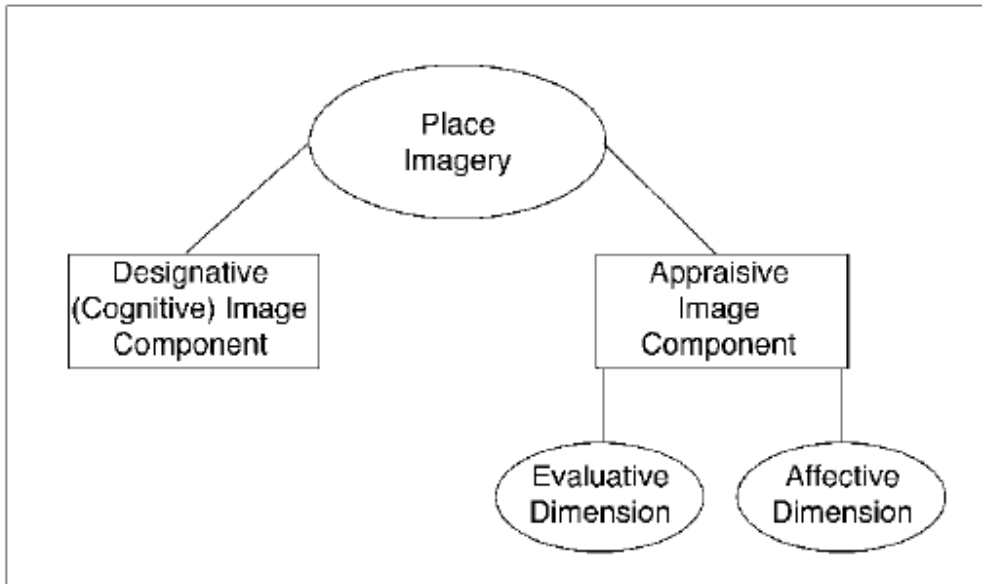


Figure 1. Components of place image.

(Richards, 2004)

In order to be successful, the message has to play a significant part in advertising. It needs to communicate what has to be known in order to make a decision regarding a trip (Stanciulescu, 2004).

CITY AS TOURIST PRODUCT – PACKAGE CONTENT

The way in which managers respond to customer's requests and needs and put together tourist products, are considered crucial decisions. These decisions influence not only profit and operations but also the firm's long term strategy, including its investment policy and human resource management (Middleton, 2001). For the tourist, the product covers the whole set of the experiences "from the moment he leaves home until he returns" (Middleton, 2001:122). So the product isn't represented by the plain seat or the hotel bed, but a whole amalgam of elements, or by a package composed by tangible and intangible elements. The package is perceived as an experienced available for a certain price. And it's five main categories are:

1. the environment and the attractions available at the destination
2. services and facilities available at the destination
3. ease of access
4. destination image
5. the price to pay.

The first category mainly motivates the tourist option influences the potential customers' motivation. It consists of natural attractions, built attractions, cultural attractions and the social attractions (e.g. way of life and locals habits, language and social interactions) (Middleton, 2001). The second category, represented by the services and facilities available at the destination allow tourists to check-in and enjoy the attractions. In this category we can include: accommodation, restaurants, local transport (taxis, busses, bike rentals and other facilities), services and infrastructure for practicing certain sports (skiing schools, navigation, golf clubs, stadiums), shops, tourist agencies, beauty saloons and spa's (Middleton, 2001). Ease of access determines in most cases the cost and speed for a tourist to reach a certain destination. In this third category

we include: general infrastructure (roads, parking places, airports, train stations, ports and aqueducts), transport equipment (size, speed and offer), operational factors (operated routes, service frequency, tariffs), government regulation for transport (Middleton, 2001). The fourth category refers to the image and attitude tourists have concerning a tourist destination. Such factors are not necessarily connected with the previous tourist experience or any other objective arguments, but these factors are considered very powerful motivators in the tourism industry. Each destination has an image, but most times this is based on passed events, and it doesn't regard the present. This is why, it is considered a very important destination marketing objective to sustain, demolish, or build images which influence potential customers' perception and expectations (Middleton, 2001). The last category is the price a client has to pay. This determines which products and services will be chosen, but it is also influenced by other factors including: season, wanted services, and from an international products' perspective, influencing factors are also exchange rates and transport method (Middleton, 2001).

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THE TRIPLE HELIX OF ROMANIAN ACADEMIC RESEARCH: A COMPARATIVE ANALYSIS OF ECONOMIC AND MEDICINE FIELD

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Research and development activities are considered to generate and improve new technologies. This paper presents the relationship between academic and business environment in the field of research using the triple helix model and focuses on a comparison between economic and medicine researchers. Two focus groups were conducted in order to identify which are the most important aspects that determine the cooperation between academic environment and business environment regarding research activities. Despite the differences between these two universities, the conclusions reveal common characteristics of the cooperation between academic and business environment and the fact that is still room for improving this relationship.

An important issue of sustainable development of a country is the research that generates new and improved technologies. One of the most important promoters of research is the European Union, which included in its strategy to invest 3% from GDP in research. This paper focuses on the relationship between academic and business environment in the field of research. This paper presents the results of two focus groups conducted with economic and medicine researchers. The article begins by pointing out the strategy of EU regarding research, and then we present the Romanian national strategy, a short literature review is explaining the triple helix model.

Key words: academic research, focus group, triple helix,

Introduction

In the last decade, the research and development activities became a priority for the countries all over the world. The most developed countries from the world invests an important part of their GDP into research: for instance USA invests 2,5% in research, and Japan more then 3%. In order to maintain its position on the international market, its competitiveness the EU must increase its investment in research. The “Lisbon strategy” adopted by the EU is an important element settled to develop the R&D activities in all member states. In this strategy wants to transform Europe “in a vibrant knowledge economy, in order to boost economic growth, create more and better jobs and ensure lasting prosperity” (http://ec.europa.eu/invest-in-research/index_en.htm#). By this strategy, the EU wants to invest 3% of GDP in research. The 7th Research Framework Programme 2007-2013 developed by the EU has the biggest budget compared with the last FP's, having an amount of 67,8 billion EUR and 4 specific programme: Cooperation, Ideas, People and Capacities. Another source of funding for R&D comes from philanthropic sources (foundations, trusts, charities, non-profit organizations, corporate and individual donors, alumni). Countries like UK and Sweden covers more then 16% of R&D expenditures from such funds, but the average amount in the EU is only 4,2% (http://ec.europa.eu/invest-in-research/policy/expert_en.htm). Moreover, European Union published in 2008 a report on the best practice in financing academic research from philanthropic sources called “Engaging Philanthropy for university research”.

After Revolution, Romania's R&D system faced a continuous transition. According to the Ministry of Education and Research statistics in Romania there are 590 research units (including here national institutes for R&D, public institutions, institutes for R&D, and companies). In 2002 the Government issues the 57 ordinance regarding scientific research and technological development, in which it is presented the National Strategy for R&D. In this strategy, the R&D constitutes a national priority and has a determinant role in the sustainable development of the economy. The source of financing the research activities comes from government funds, private funds (from the private companies), and international funds. Also, the government seeks cooperation between academia, universities, research and industry in order to integrate the research results by:

- stimulating the realization of the research themes by common teams from R&D units, universities and academia
- stimulating to finance with priority the themes that have an immediate applicability, demanded by the industry,
- designing programmes for students and pupils in order to participate at training stages and practical activity in the R&D units
- developing of technical assistance services between R&D units and companies that uses the results of R&D
- participation of the researchers and specialists from R&D units to the postgraduate training,

The triple helix model

The "triple helix" model is setting the university-industry-government relationships in order to increase innovation and knowledge capitalization. The evolution of the research process revealed that the relationships between government, universities and industry switched from a bilateral one to triple one. Moreover, in addition to those existing three parties, an increasing attention sets for a fourth element: the society. In this case, we can talk about a **quadruple helix**, in which the society takes part in the process of knowledge creation (Reichert Sybille, 2006)

Starting from the work of Etzkowitz and Leydesdorff (2000), Dooley and Cork (2007) introduced two models of the triple helix, Mode 1 and Mode 2.

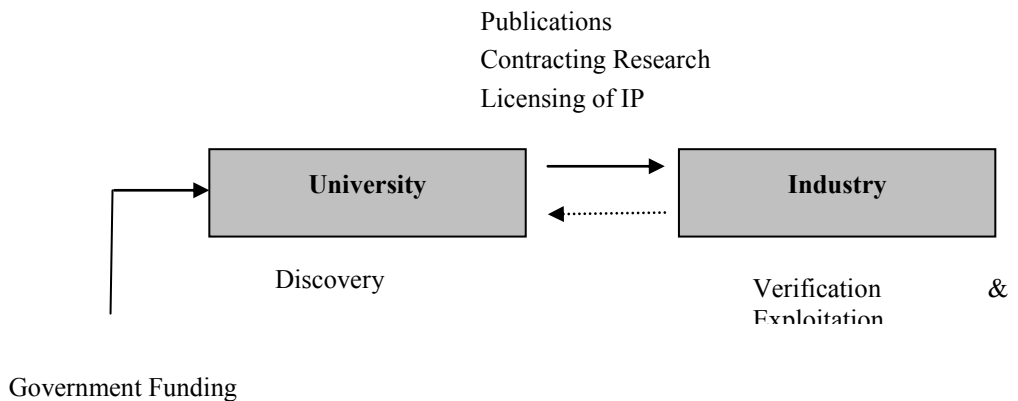


Figure 1 University research under Mode 1. Adapted from Dooley and Cork (2007)

Mode 1 presents the university with 2 functions: education and discovery research, and the government is the main funder. The results of the research are a public good and it is available to everyone in the market. This is also the vision captured by the Romanian Strategy of R&D.

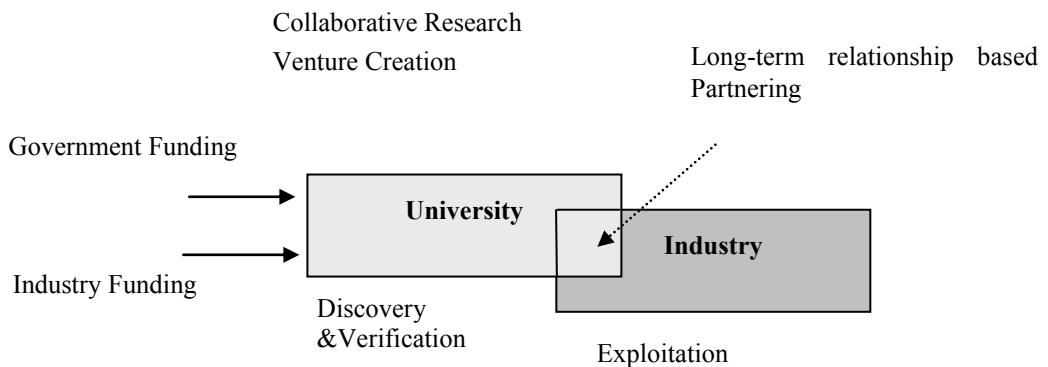


Figure 2 University research under Mode 2. Adapted from Dooley and Cork (2007)

Mode 2 is a model that increases the interaction between university and industry, which allows a better feedback between those two. Using mode 2 by the universities implies an adaptation of the research capacity with the industrial partner demands. The role of the university is in this case to test and to verify the product. The interaction between industry and university has a positive impact among both: the industry benefit from outsourcing the verification activities, and the university benefits from the new knowledge generated.

Research methodology

This study is the outcome of research project “The development of interdisciplinary academic research aimed at boosting Romanian universities’ competitiveness on a world scale” financed by CNMP. This exploratory research wants to study the relationship between academic and business environment from the academics point o view. The research method used was a qualitative one, the focus group. In order to capture and to compare experiences we conducted one focus group with researchers from 2 prestigious universities from Bucharest: an economic one, and a medical one. The focus groups used the same interview guide. The focus group with researchers from the economic university consisted of 8 members, and the one from the medicine university consisted of 5 members. The participants selected for the focus group discussion had experience in collaboration with business environment. The interviews were conducted during February and March 2008. The themes followed in the discussion were related to the academics’ evaluation of the relationship between academic research and business environment and the perspectives of the future collaboration between academic environment and business environment in the view of academics.

Major findings

How do you evaluate the relation between academic research and business environment?

In this topic, both groups agreed that the relation with the business environment is a poor one. The group with researchers from the economic university agreed that “the business environment is not interested in our work, because they have other options” and another important aspect revealed was that “the companies do not trust the academic research, they think that we don’t have the capacity solve their problems”.

On the other group (the doctors), the discussion started by defining the business environment for them: “you understand something different by business environment than we do”, that is because in Romania “there are few private hospitals”. The relation of academia and companies in health domain is not perceived as a research project: “the company that distributes materials or instruments comes, distributes

its products or maybe organizes some training lectures for a technology, or a new material". However, those kinds of activities have to be institutionalized because of the law.

How do you see the collaboration with the companies in the future?

Both of the groups agreed that academia and business sector should collaborate much better in the future. The researchers from the economic university said that is very difficult to achieve this goal because until now the collaboration was made by "personal relations". In order to pass from this some opinion were shared: "to elaborate position documents that defines the intentions and potential in R&D of the academia", "to invite company representatives at our conferences", "to generate some research proposals to the companies". An important aspect mentioned by all participants was the "institutionalization" of the research with the business environment: "we need a structure", "there is a vice rector in charge with this activity", "we can write down a number of intentions for collaboration, but there has to be a department to take them further to the companies". The other group (the doctors) mentioned that "the products from the drugs companies and from suppliers for the medical sector are let too easy into the market", and the "role of the university can be the one to evaluate the effects of the products". There were situation in which companies introduced directly products on the market, not tested by universities and they proved to fail in treatment: "there was a drug which was put on the market without putting it to the test, and it was gave to Romanian patients and other countries too, and at the end it was put out from the market, because it was proved inefficient". But participating to such research project involves many ethical issues: "this stands on the involvement of each researcher and its character" and "there are people that let them bought and others that don't". The role of the research here is to "certify that what companies are saying about their products (recommendations), what is it put in the CV of the product is real". However, this activity should be made in a regulated environment: "the government should issue a law".

Conclusions

The research activity is starting to gain field into the Romanian universities. Several laws and regulations sustained this process: including research projects as a condition for academic promotion, increase of public funding of the research. The research with the business environment is in an embryonic stage. Even though the issue presents a real interest, a certain defensive attitude among participants was noticed.

Beside the specific of each research activity, there is a difference regarding the support from the university on such projects. In the economic university, the projects funded by companies are considered for promotion as research project, instead in the medicine field they see as a research project only those funded by the Government through national research programmes and gained through competition.

Another aspect that differentiates the two groups is related to research ethics. In medicine, the research with the business environment involves many ethical issues, because companies want to put on the market as soon as possible their products.

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ELEMENTS OF MARKETING IMPLEMENTATION IN RELIGIOUS ORGANIZATIONS IN ROMANIA – A QUALITATIVE RESEARCH APPROACH

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Romanian integration in European Union stresses the necessity of marketing evolving toward social and cultural fields and, in the same time, brings a new interest in analyzing religious field and modernizing its approaches, in order to have a bigger contribution to the development of Romanian society.

The present paper lies at the convergence of these trends, recommending the use of religious marketing in Romania, in order to solve some problems appeared in religious organizations or society, at large. This idea, presented in other papers as well, is now enriched with the first reactions of Romanian clerics over the religious marketing. These reactions will be analyzed varying their main cultural organization features.

Keywords: religious organizations, organizational culture, religious marketing

A question that concerns religious leaders is “What can we do to make our message relevant for the modern society?” Within a debate on the applicability of marketing in religious organizations, some clergymen expressed their concern for the moral state of the society and their hope to find a solution. Marketing can be used by religious organizations at all levels in order to fight against this situation, by promoting religious values and concepts in a systematic and scientifically manner (based on research, models, strategies etc.). This way, Romanian Churches will be able to fulfill their objectives and, in the same time, they will have a more effective contribution to the development of Romanian society. Religious marketing faces sometimes strong critics, but if there would be a constructive collaboration between clergymen and marketing specialists in order to develop operationally the religious marketing, the result will be a useful and effective tool in service of the religious organizations.

Defining religious organizations culture

Alfred Kroeber and Clyde Kluckhohn (1952) have compiled a list of more than 100 definitions of culture. We will try to offer a preview of the meaning of culture and especially of organizational culture, in order to create the premises for our discussion over the organizational culture influence in accepting the religious marketing.

The term **culture** comes from the Latin *cultura*, stemming from *colere*, meaning „to cultivate”. It „generally refers to patterns of human activity and the symbolic structures that give such activity significance”. In *Primitive culture: researches into the development of mythology, philosophy, religion, art, and custom*, Edward Burnett Tylor, writing from the perspective of social anthropology, described culture this way „Culture or civilization, taken in its wide ethnographic sense, is that complex whole which includes knowledge, belief, art, morals, law, custom, and any other capabilities and habits acquired by man as a member of society.”

But, the culture is not only an individual or macroeconomic culture. It has also microeconomic components. Marketers are often interested of an appurtenance group’s influences over an individual, but in fact the influence lies in the culture of that group. Organizational culture, a very important subject lately, has a strong impact over the organization’s actions and relationships, as well as over its members. UNESCO (2002) has defined culture referring to social groups – „culture should be regarded as the set of distinctive spiritual, material, intellectual and emotional features of society or a social group, and that it

encompasses, in addition to art and literature, lifestyles, ways of living together, value systems, traditions and beliefs”.

Referring to the organizational culture, Edgar Schein gave the next definition – „The culture of a group can now be defined as: A pattern of shared basic assumptions that the group learned as it solved its problems of external adaptation and internal integration, that has worked well enough to be considered valid and therefore, to be taught to new members as the correct way to perceive, think, and feel in relation to those problems”.

Practically, the organizational culture is formed by a set of opinions, values, norms, models of action, attitudes, common for all the members of an organization, which shape its personality. Culture is transmitted very fast to the new employees and adjusts the intern and extern behaviors of the organization, including the reactions at new things. Unfortunately, culture is very difficult to assess, although you can feel it from the moment you contact the organization, because of the way employees are receiving you, of the inside and outside design etc.

Culture helps the organization in its development to face two great challenges: (1) to assist new members in adapting to the organizational climate and (2) to relate in a constructive manner with external environment. Patricia Wittberg asserts that „religious groups - parishes, denominations, religious orders, and the like - also have these longstanding cultures, ideological systems by which they explain their identity and purpose to themselves and to outsiders.

Differences between the religious organizations

The experts opinions about the differences between the religious organizations state that these are determined by their history, management, the structure and the size of the organization, level of information technology development, economical status, phase from the life cycle in which it is, notoriety etc.

From a *historical* point of view, the Christian Churches are very similar – all of them have evolved from a mother-organization due to the discovery of new biblical principles and later on, all of them have faced the rise of factionalism among them. Therefore, although this element has its own relevance for the religious marketing, from a historical point of view, the differences between them are rather theological.

From a *managerial* point of view, of highly importance is the organizational structure, because it can facilitate or block the decision-making process, and the personality of the leader or leaders who are oriented towards new or tradition. This later aspect is hard to be extended to churches other than the Orthodox Church and the Roman-Catholic Church, as there is a higher number of religious leaders involved in the decision-making process.

Regarding the *size* of the organization, it is important not only the size of a church at national level, but also at the international level. The *level of information technology* development within the religious organizations is very high, according to their spokesmen. The *economical status* is very hard to be assessed for each organization: usually, economic figures and results have only an internal circuit not being publicised. In terms of the *phase from the life cycle* in which the organization currently is and, also, the specific level of notoriety, there should be conducted more in-depth studies for each of these.

Therefore, in the context of the qualitative research conducted, analysis of the Romanian religious organizations will be developed based on their specific managerial structure and organizational culture.

The management of religious organizations in Romania

As Viorel Dima affirmed, “churches with a higher hierarchical pyramid have an organizational culture oriented toward power, being more authoritarian. More flattened the hierarchical pyramid is, the more democratical will appear”. Marketing implementation seems to be easier, on the other hand, when hierarchy is less flattened and the leader is stronger and open-minded. In fact, this aspect is visible even in Romania, where the openness toward modernity of the new-elected Patriarch was noticed in the previous months. Being concerned to enhance the communication, after a very short time after his election, the Patriarch introduced Trinitas Radio at national level, updated the internet site of the Orthodox Church and started Trinitas TV.

Regarding the form of organization, the Protestant Churches are sinodo-presbyterian Churches, that is the local church is led by presbytery, a council of lay people. The presbytery is led by a priest/pastor, helped

by a churchwarden who has financial-administrative responsibilities. Usually, at national level, they are led by a synod, led by an episcopate or a lay director, composed from clerics and people in 1 to 1 rate. In most of the cases, in order to ease the coordination between the synod and the local churches, there is an intermediate organism, called protopopiat.

Within the congregational religious organizations, marketing implementation seems to be more difficult, because the local churches have a greater degree of independence and the councils of leadership have, generally, the role to represent organization interests in front of the state's institutions. However, the religious leader from The Brethren Assemblies presented a positive example regarding the importance of a leader's orientation towards modernity. He told that a new church has started evangelism without to make a research in order to understand which the best target-group from that town is. The results were not satisfactory and he explained to the church that it has to ground its actions on scientific methods. Another example of good practice is The Evangelical Alliance, who promoted the leadership courses of John Maxwell with the help of different associations and not only within certain denominations.

Elements that reveal the organizational culture

The culture of religious organizations is revealed through the Mission Statement, other official statements, objectives, values, norms and politics, symbols, beliefs, internal myths, habits and rites, behaviors, language, climate, ceremonies etc. that are visible in the organization.

Among all this we will refer to only three, which we consider of most importance for our study:

- **existence of official documents**, expressing the orientation of religious organization such as mission Statement, other official statements;
- **internal climate**: expressed by the relationship with clergy – communication, relationships with the parishioners (language, adapting to their needs the religious goods and services etc.), parishioners participation to religious organizations' life, way of getting the appartenance - native or elective;
- **strategic objectives and policies**: including strategic orientation toward inside or outside, orientation toward organizational development and orientation toward the level of competition.

Romanian churches' reactions at their contact with religious marketing

It has been conducted an exploratory qualitative research project intended to produce information regarding attitude and behavior of the churches active in Romania in terms of the knowledge, implementation and results generated by the marketing concepts and tools. Representatives from all the churches and religious organizations have been invited to participate within the focus-groups conducted.

The strongest reactions we could identify is the absence of two churches: first, in spite of numerous invitations, the Orthodox Church (its absentee can be compared with a certain lack of interest of toward its smaller competitors); second, has been Jehovah's Witnesses, which appears to be uninterested in contacting its external environment. Absentees, but expressing their interest on the topic, have been Reformat Church and Baptist Church. Unitarian Church did not answer to the our invitation.

It appears that some churches had already been accustomed with the idea, even if they weren't aware of everything that religious marketing implies. In this sense, we discovered that Evangelical Church of Augustan Confession encourages at its higher level the implementation of marketing and Brethren Assemblies already discussed about using some marketing instruments.

Probably Roman-Catholic Church practices marketing at its best as its representative stated that his church wants to present as well as possible their faith, using modern instruments, which are very necessary. He referred to the local churches which practice marketing, saying that they are a visiting-card for Roman-Catholic Church.

Some critics came out too: first, the term of marketing, referring to the market, has been considered as having nothing in common with the church. Yet, religious representatives presented plenty of reasons to introduce marketing into their activity. They asserted the necessity of promoting their faith, principles, programs, creed, intentions, ideologue, doctrine etc. Two of them (Seven Day Adventist, respectively Roman-Catholic at the second) reminded the biblical verse: "For the people of this world are more shrewd

in dealing with their own kind than are the people of the light” (The Gospel according to Luke 16:8). Therefore, the religious leaders expressed their availability to consider the themes treated with wisdom by the “people of this world”, as long as they don’t run counter their fundamental teaching.

A danger that has been presented by the religious leaders is forgetting about God intervention, which often makes the result bigger than they could ever expect or foresight. They fear that marketing, through its fixed process – research, strategy, implementation, and evaluation – favors forgetting the non-human capabilities.

Another sensitive topic has been the adaptation to the specific needs of the parishioner. When it has been approached, the participants have discussed about compromise and manipulation. Still, they have agreed that there are areas where this adaptation is possible without affecting their fundamental values. More, they have supported the opportunity provided by a potential segmentation of the public and an adapted approach for each of the resulting categories.

Another criticized aspect regarding the marketing applied in the religious context was related to the implementation of a win-lose principle while religion demands a lose-win relationship as the clergy is acting in the service of the parishioners. It is to be said that there is not a win-lose relationship within the religious marketing due to its inclusion in the social marketing. Non-profit organizations do not win against those soliciting financial or material support. More, there is a win-win relationship within marketing and this approach should be considered in the religious field too. If marketing concepts and tools will be thoughtfully considered and carefully implemented as to contribute to the reaching of specific objectives of each religious organization, gains will be obtained by the church, through fulfilling its mission and the parishioners that will receive better outputs (services, products and values) in terms of their quality.

The concern for strategic aspects of the religious organizations, even without a strong marketing connotation, is relatively well-known as well as the interest for communication at the level of the Christian religious organizations. The relatively surprising element has been represented in this context by the marketing research approaches developed by some organizations. Thus, some Christian Evangelical Churches are conducting surveys among their parishioners. Also, Evangelical Church of Augustine Confession conducts research activities aiming to find what is the image of the church, what are the parishioners’ expectations and spiritual demands from the church, what is the level of understanding associated to the language of the seventeenth century used by the church. The Adventist Church employs a longitudinal and selective quantitative approach to get information about the relationship between young parishioners and the Holy Book, family, priest and church values.

Most churches practice marketing just in a partial manner paying attention mainly toward communication and, sometimes, research without having a holistic approach. It can be expected that a formal, systematic and scientific approach could bring them significant advantages and support their efforts in fulfilling the specific mission. Still, marketing has also generated several negative effects, mainly in the business environment and from an ethical perspective, when it has been misused: that is why the role of the persons doing marketing and these persons themselves are essential for the marketing effectiveness and its finalities.

Conclusions

The ***Roman-Catholic Church*** use marketing at an international scale, its representative having airiness and availability toward this subject. In spite of the fact that the appurtenance is native, there are favorable factors in adopting the marketing vision, like the concentrated source of power and the efficient way to send messages at inferior levels. The marketing view is reflected into the process of adapting the religious product to different identified target-groups.

The ***Evangelical Church of Augustine Confession*** is the next denomination from the point of view of receptivity to the religious marketing. It enjoys a tendency to marketing at the international level, the other influential factors not having a significant contribution either favorable or unfavorable. The ***Eastern Christian Orthodox Church*** opens itself more and more to communication with the external environment, beginning to promote the concepts of marketing, adapting them to its own peculiar system. The ***Seventh-Day Adventist Church*** seems to be the closest to the category of the churches accepting marketing, although it is obvious that we are now in a different category – the churches which still have restraints toward marketing.

The *Pentecostal Church* has different papers on religious marketing at the international level. Its representative had a rather negative approach although has presented some advantages derived from the usage of marketing in the religious environment. The very high level of adaptation to the believers' needs and their involvement into the organization's life are good premises for a holistic approach of marketing, as soon as its dimensions will be understood and adapted. The *Brethren Assemblies* seems to be divided in two sections — the traditional churches on one hand and the newer local churches, which use marketing techniques, on the other hand. Due to its congregational type of organization, it is difficult to promote a new concept and to hope to be accepted at national level. However, in spite of their congregational type of organization, the churches composing the Evangelical Alliance (The Baptist Church, The Pentecostal Church and the Brethren Assemblies) have the positive experience of promoting leadership principles through the organizations developed by John Maxwell.

The *Greek-Catholic Church* and the *Evangelical Sinodal-Presbyterian Church* hold similar opinions. Their representatives did not express a very definite argument pro or con the usage of marketing in the religious environment. The criteria to compare them does not demonstrate a significant potential of interest for this – the appurtenance natively, the internal orientation, the defensive approach regarding competition etc.

Therefore, we can say the Romanian Churches presented balanced opinions, as if they have expected more details on religious marketing, in order to support or combat it. However, the views expressed until now were rather favorable, probably due to the international trends, but also because of the minority position held by most of the religious denominations in our country.

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PRACTICAL STUDY ABOUT THE IMAGE OF POȘTA ROMÂNĂ ON THE MARKET OF GALATI

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Abstract: The post is unanimously acknowledged as an essential public service that meets a fundamental need, namely the ensuring of the right to communicate. Poșta Română (Romanian Post) is the responsible entity for fulfilling the obligations resulting from Romania's joining the Universal Postal Union. Thus, it has to ensure the conditions of integrating the national postal services in the international ones and adopt the latest technology in the field. As a result of these trends and modifications, we consider as opportune the analysis of Romanian Post's image in order to know, quantify its results and establish a competent management imposed by Romania's integration into the E.U.

Key words: image, satisfaction of target public, strategy

Introduction

In the framework of service carrying out one may speak of services for enterprises and services for population. The economic growth is influenced by the development of services for enterprises. Services for population are the services that population pay through the intermediate of documents of sale and purchase. This category of services include transports, post, telecommunications, insurances, tourism, public food, education, health, cultural and sports activities, fixing and maintaining goods, laundry works, dry cleaners, barber's, hair salons, beauty parlours. The development of market services destined to population is the natural consequence of the whole evolution of the economy, being correlated with the tendency of the economic-social development's main indicators, such as gross domestic product, people's real incomes, unemployment rate, inflation rate, endowment with goods of long-term use, degree of urbanization, duration of spare time etc. Poșta Română is the national operator of postal services that is in charge with the issuing, printing, commercialization of stamps and postal effects and is also a supplier of added-value services such as: software development, currency exchange, consultancy services, and transport services. The postal activity has known profound transformations lately, due to technological development, as well as to the evolution of the society and vision on public services.

The postal service is considered more and more as an economic activity developed on competition basis, in a free market. Many countries changed their internal legislation in order to liberalize the market and to create authorities of regulation to guarantee the observance of competition rules. For ensuring coherence on a long term of the sectoral strategy and necessary predictability to investors, one takes into consideration the evolution till 2025. This horizon has surpassed the date of integration in the E.U. (January 1, 2007) and even the date settled for the next revision of the European directives in the field of postal services (2009). This takes also into consideration the necessity of a stable sectoral policy during and after the adhesion to the EU, as well as during the negotiations regarding the postal services in the framework of the new round of service liberalization, promoted by the World Trade Organization (WTO). The postal activity has transformed a lot the last years, due to technological development, as well as to the evolution of society and vision on public services. The European Union plays the part of pioneer in promoting competition in postal services and is especially concerned with the universal service.

2. Practical study about the image of Poșta română on the market of Galati

For the research, analysis and evaluation of customers' satisfaction degree regarding the services offered by the Romanian Post on the market of Galati, it was carried out a market research on the basis of a questionnaire, on a representative sample of 100 people. At the first question regarding the types of postal services used for the last 30 days, it is noticed that besides company's traditional services, most of the individuals prefer to pay their bills of different utilities, the Romanian Post having concluded contracts with companies such as: Electrica, Distrigaz, Romtelecom, Vodafone, Orange etc.

At the second question regarding the quality of service performance of the front office personnel, for analysing the opinions of interviewees regarding front office personnel, one calculates the score obtained for each assertion using the semantic differential. After receiving answers from individuals, it is noticed that it is needed the improvement of office workers' attitude towards customers. Customers want more amiableness and professional training, but in a higher proportion they want to be more efficiently served and receive more pieces of information about services.

As for the time of waiting at the pay office, the results are the following: 36 % of interviewees have waited for 20 minutes in order to benefit from postal services, 17% have waited between 15 and 20 minutes, 19 % between 10 and 15 minutes and only 6 % have not waited at all. The time of waiting at postal pay offices is especially long for most of the individuals. By using the semantic differential it was estimated the individuals' opinion about: post office's location, aspect and environment, the adequate performance of the solicited service, satisfaction of the target public's needs and their access to information regarding postal services (folders, posters, forms models). The results of the research proved that only the access to information is adequate, while the rest of the analysed problems reflect customers' discontent, which imposes the organization a series of improvement actions.

Regarding postal services' tariffs, one may notice that 66% of the individuals consider that they are accessible, only 14% believe they are not, and the rest of 20% did not have any opinion or abstained from answering. Using Likert's scale one analysed the image of the public interviewed about four statements regarding the distribution of postal parcels. As a result of the obtained global score, it is noticed that the distribution at the right address and arriving of parcels in good condition is in agreement with customers' opinions. Unfortunately, it is noticed that parcels do not always arrive in time. Also postal services beneficiaries do not agree with the attitude of the postman. As for the analysed public's motivation in choosing postal service it was analysed: the safety of dispatch, quickness of dispatch, tariff accessibility, office accessibility, diversification of service offer, extension of territorial network, employees' attitude, level of employees' professionalism. It is noticed that a significant percent of 28% of the respondents are satisfied with the tariffs of postal services, which they consider as acceptable. The post office where it took place the research, being downtown, is preferred by many customers. 11% of the subjects use the post due to the diversification of postal services. A smaller number of respondents have considered as strengths the safety and quickness of dispatch, the wide territorial network, employees' attitude and level of professionalism.

To the question: If you had the possibility to choose for the carrying out of your services, what would we choose? 28% of respondents answer they prefer banks, and a percent of 31% prefers service companies, while only 41% want to benefit from services offered by the Romanian Post. To the question if they consider that the services of Poșta Română should be improved, most of them in percent of 70% considered that it is necessary to improve them, 12% of the subjects were satisfied, and the rest of 18% did not have any opinion. In the relation with Poșta Română only 17% of subjects may do without postal services, while the rest of 83% consider these services as a necessity. The improvement of postal services is considered by 36% of the respondents as a problem regarding the time of waiting at the pay office, a smaller percent, but quite impressive – 23%- want an improvement of pay desk organization inside the post office, 17% want the improvement of the manner of serving customers and the office's environment, and only 7% want more professionalism from employees.

Respondents are of ages between 19 – 45 years old, namely 44%, 36% are 46 – 65 years old. People over 65 years old are only 8% of the total. The young under age are represented by 18% of the respondents. As for the occupational situation, the people interviewed are part of different categories of occupations, but in very close percents. 21% are workers, drivers etc; 22% technicians, office workers, medical assistants etc; 19% students, pupils, unemployed; 17% specialized personnel with higher education; 12% retired people and 8% employers, managers, share-holders. As for the level of education we notice that most of the

respondents have average education, a smaller percent have superior education, the rest having college or gymnasium studies and only 3% having attended only the elementary school. As for life environment, 88% live in urban environment and only 22% in rural one. Most of the respondents – 25% - have an income between 800 – 1,500 lei and only 14% have an income of over 2,500 lei.

Conclusions

Under the conditions where the market of postal services suffered modifications, through the regulations that allowed the liberalization of this market, it took also place the competition growth, The National Company Poșta Română losing its status on the market of postal services, a market characterized by pure monopoly. Liberalization of postal services market is one of the reasons that led to the considerable change of current and potential customers' behaviour. As a result of the research regarding the attitude of postal services consumers in the framework of Romanian Post, we noticed that it is necessary to know their behaviour, the manner in which the decisional process of service performance develops, to allow the organization to achieve a postal offer in accordance with market demands. The orientation towards customers ensures their attracting and renders them loyal, and implicitly leads to profit increase and improvement of organization's image. Any marketing activity cannot find its economic and social end without putting in the centre of its preoccupations the buyer and their problems, without trying to explain the decisional buying process. One noticed that more and more customers become more concerned with the quality of services they benefit from, and the manner in which they are treated by organization's personnel during service performance. An aspect that leads to the making up of a company's not very good image refers to the time of waiting to the counters, most of the customers considering that they wait too long for the respective service.

Generally customers are content with the postal offices location; in exchange one cannot say the same about their aspect and environment, about the access to information referring to postal services that need numerous improvements from customers' viewpoint. Even if Romanian Post has low prices at most of services, customers would not hesitate to go to a bank or other company that performs postal services. Thus, a significant number of customers keep with the Romanian Post only a relation of necessity, because they do not have other options. Although postal services consumers come from different environments, have different ages, a different status in society regarding the level of education, professions, and incomes, most of them are sensitive to the manner in which they are served, as well as the way their problems are solved. That is why the interest in the investigation of their behaviour should concern more the organization management. In order to improve the quality of services, the research of consumers' behaviour must be carried out at the same time with customers' education, with the help of promotional policy, as well as the research of competition behaviour.

Customers' satisfaction and image improvement should begin firstly by permanently training company's employees. Through the development of the training system the company wants its employees to acquire managerial abilities, organizational culture, and knowledge about postal services. An important part is played by the communication between the contact personnel and customers. The performer must know how to address, behave, and show honesty, altruism, the wish to help the others, treat complaints very carefully, know their specific activities. Also, employees should be freer in offering solutions to discontented customers and be able to take certain decisions without appealing to hierarchically superior personnel.

Depending on customers' traffic, diversity of services, the organization's competent departments must decide the staff necessary for each headquarters. Also one must take into account the organization of personnel that perform services for important customers – legal persons. The maintenance of long-term relations with these customers is very important. The customer and performer come to a mutual understanding and in time the performance becomes superior qualitatively speaking. The employee must know precisely what their attributions are, what people expect from them, how their work will be evaluated and what compensations and penalties are applicable.

In order to avoid agglomeration inside post offices, it is necessary a better internal organization of pay offices, by supplementing their number in crowded periods, as well as during the month. Another reason of customers' discontent is the change of shifts at noon. This presupposes that customers wait for 15-20 minutes the change of shifts. With an adequate endowment, with necessary instruments, such as computers, printers, this might be carried out in offices specially arranged, which means pay offices should not close.

In crowded offices one may set special boxes that would allow buying stamps and postal effects by self-service. For a better quality of postal services more offices must be included in the informational system, be modernized and arranged, as well as be brought to a standard of endowment and functioning as high as possible. The achievement of a modern and efficient communication system becomes more than a necessity, respectively an incontestable demand for the Romanian Post to gain and maintain an important position in the market.

As for the distribution policy, an important part is played by the diminution of dispatch time, necessary for letters', parcels', money orders' distribution etc., through investments into infrastructure, periodical replacement of car park with modern vehicles. An essential condition for the development of the national postal infrastructure is represented by the ensuring of the financial resources necessary to investments. These sources may be banking credits on commercial bases, for the implementation of national projects with priority, external financing for research elaboration, for the preparation, organization, implementation and ensuring of important projects' logistics referring to the development of infrastructure etc. Customers need to be permanently informed, to know better the products and services they want to benefit from. This may be realized through a well-conceived promotional policy. In the framework of Poșta Română, postal products and services must be promoted with the help of advertising messages through press, television, internet or directly.

Regarding the internet, the site of Poșta Română needs numerous improvements, such as enrichment and permanent updating of content, as well as a faster downloading of the site, so as visitors would not wait for too long. A better informing about postal services may be carried out through distribution of folders which would contain, besides company's brand, the site address and a telephone number, where people should be able to permanently obtain the necessary information.

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MARKET STUDY IN THE CONTEXT OF GLOBALIZATION

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Abstract

The nowadays globalization process has been generated some significant changes in the field of the international marketing research projects. More and more international market studies must solve specific issues in terms of communications, methodological approach, translation of the market research material and define the type of information based both on the field and desk sources. In this context the authors emphasize on the high value of the direct market research.

Key words: globalization, research project, international project, methodological approach, direct market research

Process triggered a few decades ago, the globalization of consumption and production increased considerable in the last few years due to substantial mutations recorded in world economy and especially, in certain areas of the world, as a consequence of the cold war ending. Multinational companies have extended themselves and today there's no amazement for nobody that, for example, a USA company produces certain goods in Sweden, which then sells them on the markets of Central and Eastern European countries.

Such mutations have been followed continuously by changes in the way to tackle and study the market, which was adjusted to the new information requirements and decision fundamentals. Today is also studied on the national markets, it is true, but it is also studied on market groups, considered to be the 'local markets', and also several national markets, which are tackled, through the marketing activities and considered to be a specific market.

In this context, market study has obtained new values and so the designers and accomplishes of marketing studies have been obliged to solve new methodological and organizational problems. Of course, these problems are numerous and almost each new study project brings yet something that need to be solved. It does not exist in this moment unique solutions or already prepared recipes, but practice has brought to specialists attention certain elements and characteristics, which can be generalized and theorized. This is also the purpose chased in downward steps. We will try, therefore to repeat further some of the most significant problems imposed to market study by the globalization of consumption and production and based on the gathered experience, to give answers to some questions, which already combine the specialists consent.

What do international projects represent in the market study area?

International research projects are basically market studies done simultaneously in several countries with the same purpose and the same marketing instruments. Of course, in temporal perspective, an international research project can be accomplished actually in the same period of time, or with a certain gap, as a consequence of certain restriction of logistic directions or generated by specific elements of a certain market.

The designing of an international market study starts from the formulated requirements of a certain client (usually an multinational company, an international organism, a groups of firms, etc), which asks several marketing research networks to elaborate the research methodology and to design the project, until the

preparation of the research report. Several times, such a client can provide with the methodology project, if he possess a marketing department with professional researchers. It is mentioned that, in present, it exists networks specialized marketing studies, which have branches and associates in considerable number of countries. A question can be asked: why does the client addresses itself to several research networks (usually a minim of three)? The answer is simple: in the market environment the network which offers the most attractive methodology and the most attractive cost is preferred. It must be underlined that not the cost is, in fact, the most important aspect of the choice, but the report between methodology performance and the involved costs.

In return, the specialized in marketing studies network, which was chosen by the client, after the elaboration of the methodology project, must find the material and human resources adequate in each of the countries involved in the study. This is at all easy, inclusively for the big specialized in marketing research networks, because not even these have subsidiaries or associates in all the countries that the client is interested in.

The named network proceeds in a similar way to the client for the selection of the partners from each country: asks for costs, based on the elaborated methodology, from several specialized firms (usually a minimum of three). It is mentioned that the specialized firms are not obliged to cooperate automatically with their subsidiary or with the associated firm from a certain country. It can be chosen any other specialized firm in market research, which presents a more attractive offer for the accomplishment of the project. In this way it is done the study in all the involved countries.

Theoretically, depending on the size of the research project, two or three specialized firms from a certain country, can be chosen for the realization of it.

What are the main problems, which require to be solved in order to elaborate the international market researches?

A first problem, which needs to be overcome is at the communication level and has two main components:

- It refers to the international connections available in each country referring to phone, fax, e-mail, express mail etc. These means of fast communication are not at the same level in all the countries and those in charge of international projects have sometimes difficulties in this area. Additionally, referring to computer use for these sort of communication means (fax, e-mail), it exists numerous incompatibilities of available programs.
- Furthermore, in the communication field are induced some inconvenients caused by the differences of the time zones. Sometimes, contacts and answer are needed immediately, in few hours and the difficulties are obvious, if in a project are countries like Australia, some European countries, SUA and countries from Latin America. The practical solution for these situations is the creation of time reserves, if it is possible, to communicate in an adequate way.
- Another problem, which needs to be solved, in order to proceed with a behavior international research is that, of ensuring a methodology unit of the project. The countries involved in the project distinguish themselves through many things and that is why, the guarantee of a methodology frame is not at all easy. In this sense, the researchers responsible for international projects are confronted with the next most important aspects:
- The insurance of an unitary frame, of comprehension in the same way and spirit, of the different research instruments used (questionnaire, lists, instructions, conversation guides etc). Here appear numerous confusions and conflicts generated especially by the linguistic differences between countries. It is required a great experience in the market study and a perfect knowledge of the national frame, for the realization of adequate translations, practice demonstrating that a lot of times mistakes have been committed, even by professional translators. In this sense, it must be taken into account the fact that, assuming that the questions from a questionnaire are not enough to be translated into the academic form, as they need to be understood in the same way those who are meant for meaning the big audience - the consumers. Things are yet more complicated in the case of the slogans from different advertisements, which almost never, cannot be translated word by word, but in their spirit. That is why, translations from this field are very difficult and they suppose numerous efforts,

taking part at these specialists from the academic areas and experienced researchers from specialized firms in market research.

- Another very important problem related to the metodological homogenization of international marketing studies, refers to the structure of patterns of consumers that will be used in research. Also in this case there are great differences between countries, meaning that, some countries have very well organised patterns: person lists, household lists, firm lists etc., details concerning territorial repartition, the dimensions and characteristics of certain consumers segments are known etc. ,and the acces to this sort of data that is vital for building up the patterns is unlimited. However, in other countries, either this sort of data is not structured so it can be used, or it does not exist at all. Considering this, the ones responsible for projects from the designated networks have encountered numerous difficulties,that are dealt with individually in each country, at least at their first contact with the local market research firms. Later on, as they obtain suitable results, their work is improved.

Finally, between the problems that must be passed in order to accomplish the international research projects, we can count that of the stock and process of information, gathered from the consumers. The main difficulty of this sort is pure technical: the modern software programs for data processing (for example: SPSS, probably the most used in present) are not available in all the countries and then the research networks need to processes in centralized way the data. These are introduced in a special manner called 'a code in a column', in each country that participates at the research, and further at the headquarters of the named network, these to be transferred in adequate programs, with the purpose of being processed.

Information needed for international market research

The research, based on scientific grounds, of international markets is inconcievable without knowing a serious amount of information regarding the processes and mechanisms of a consumers' behavior. That is why researchers have taken into great consideration possibilities of collecting sources of information regarding the study of the consumers' behavior; this led in time to the development of a real „methodology” in this sense. The categories of information needed in order to study consumers' behavior must permit the presence of certain aspects, as follows:

- **Past behaviour**: What has been bought? How much? How? Where? When? In which situation? Who has bought? etc.;
- **Scheduled behaviour (future behaviour)**: What are the intentions of buying? How accurate are they? What sortiments are preferred? From which shop? etc.;
- **The motivation to buy or not to buy**: Why do people buy? How do they buy? Why is something not bought? etc.;
- **Consumers attitudes** regarding goods and services: to which do favourable attitudes exist? How did those attitudes form? Which are the unfavourable attitudes and What determined them? etc.;
- Social-demographic and economical **consumers'characteristics**, those of their families and households and the environment in which they live in etc.;

In this sense, specialists have proposed the grouping of information needed for market and consumer research according to their **source of origin**, as a fundamental criterion, and according to every source, taking into consideration more relevant subcriteria. In essence, the proposed categories are as follows:

A. Desk research:

- ⇒ **after the information bearer**: from statistical evidences, from financial-accounting evidences, from technical-expeditious evidences, from studies, situations, reports, synthesis;
- ⇒ **according to the expression form**: in physical, natural expression, in value expression, in words;
- ⇒ **according to the aggregation rate**: at a microeconomical level and at a macroeconomical level;

B. Field research:

- ◆ **After the place where the collection takes place, information obtained:** in peoples' homes (headquarters of economic agents), in stores, during fairs, shows etc.;
- ◆ **After the period of time it refers to:** permanent, periodical, one time only (ad hoc);
- ◆ **After the observation unit, information that refer to:** a person, a household/ family, a enterprise, institution, store, or any collectivity of this nature;
- ◆ **After the collecting procedure, information obtained through:** interview operators (face to face), selfadministration, email, telefon, combination of procedures mentioned above, telemathic surveys;
- ◆ **After the collectivity from where they are gathered, informations obtained through:**
 - statistical surveys and exhaustiv research;
- ◆ **After the expression form:** in physical, natural expression, in value expression, in words;
- ◆ **After the structuring and aggregation level:**
 - at a microeconomical level and at a macroeconomical level;

Ways to approach international market research

Specialists in this field have proposed two major ways to approach the study of consumers' behavior:

- Indirect study, based on desk research;
- Direct study, based on field research;

Each of this ways of approach have certain particularities, advantages and disadvantages, which enforces the need to take decisions of applying them through each market research according to specific attended goals .

For the better understanding of performances produced by these ways of approaching market research, some important frequencies referring to them are considered useful.

Thus, **indirect research** shows a series of:

- **advantages:** it is relatively easy to make, it has a high level of efficiency, involves, usually, relatively low costs, in comparison to direct research, it doesn't require strictly specialised staff;
- **disadvantages:** it does not cover entirely the problematic area of behavioural mechanisms and processes, it has a descriptive character, being a *post facto* research, it refers exclusively to medium levels of behavioural processes and dimensions, it depends on past situations, being insufficient, when modifying actions of certain factors etc.

As to the application of indirect research methods, the usage of chronological or time series has proved to be very useful in terms of comparing indicators and variables, especially in order to find out trends and certain modifications of different behavioral processes.

Direct research produces information substantially different from the ones existing in chronological series, because of its' particularities:

- it relies on the collection of data directly from the consumers, mainly through statistical surveys. For the projection and accomplishment of this statistical surveys important methodological and organizational aspects need to be adequately solved, on which the quality of the gathered information depends;
- it requires using a specialized staff with a high level of qualification, sometimes even superspecialized;
- it requires the application of sometimes specific methods and technics, for the gathering and the analysis of the information;
- it allows the approach of practically all behavioural processes and phenomenon;
- many times it is the only possible way to apply, because indirect research cannot simply be used for approaching some behavioural processes and phenomenon;
- it requires, regularly, relatively high costs;

Direct research has developed in two **main directions:**

- a first direction, which is linked historically to the beginning of direct research, consists of approaching it in a „cross section”, by realising a thorough study of consumers’ behaviour in a certain moment or period of time. In this way real „photographs” of behavioural manifestations of consumers are obtained, but this fact is usually insufficient for the research goals that need to be followed.;
- recently direct research of *longitudinal type*, as well as *experimental and quasiexperimental* research have been assessed;

This way of direct research study the market and consumers’ behavior as a processes that develops in time, not as an isolated act, „the film” produced by these approaches being much more close to the reality of behavioral processes and manifestation associated to consumers.

Between these two main directions of direct research there are no essential methodological differences, the centre of gravity of the differences locating itself on the analysis, interpretation and quantification of the information.

The combination of the two direct research methods mentioned above proves to be pragmatic and efficient for the market study, on the theoretical, conceptual plan, as well as practically, by the possibilities it offers for the fundamentals of marketing decisions of all categories of economic agents.

Operational situations of international market research

As a result to the numerous applications realized in this field, specialists have reached benefic conclusions as far as the research part goes, in the way that they have highlighted that, on a practical level, the approach of studying the market starting from several operational situations in which the researcher might find himself is useful.

In conclusion, it is all about the following situations:

- The situation in which no information exist or very little aspects regarding certain sides of the market are known. This situation is not particularly common in practice because there are relatively few cases in which no information about a certain aspect or process of the market is available;
- The situation characterized by knowing some aspects regarding different processes or market phenomena, but which require a more profound analysis and a more thorough explanation. In this situation one might refer to the application of numerous methods, technics and investigating procedures: projective testing , scalar analysis, discriminating analysis, typology analysis and segmentation, markovian procedures etc.
- Finally, the situation in which, besides from the analysis and evaluation of behavioral processes and phenomenon, extensive market tests are needed, representative, including market foresights, and a more complex handling of the subject, with significant results for large groups of consumers. In this situation too, the methods and technics one can refer to are numerous: statistical survey, chronological series analysis, elasticity coefficients, factorial analysis, correlation and regression analysis, statistical-mathematical models of foresighting, statistical analysis of comparative type etc. Of course, extensive market testing leads to representative results, both qualitative and, especially, quantitative.

In the context presumed by these operational situations sequential treaties are also useful or even the exclusive approach of several processes or mechanisms of consumers’ or markets’ behavior. However, those that have a great performance are the integrative approaches, because they allow a deeper knowledge of the acts, processes and behavioral and market processes.

In the case of both types of approaches, sequential or more complex, the adoption of a systematic vision over the market processes and phenomenon has to be imposed, in order to accurately place the obtained results in their natural context.

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Competition of Brands by Positioning

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A very specific but quite common modelling of brand competition is analysed where the properties of two goods are represented as points in the two-dimensional Euclidian Space. The analogues of the Cournot and Stackelberg case are considered. The remarkable point about this situation: There is no equilibrium. Competitors are forced to permanently reposition their brands.

Key words: brands, positioning, competition, Cournot, Stackelberg

The problem

A well-known formal description of competition between brands, each characterized by two “properties”, rests on the following modeling:

Assume a two-dimensional Euclidean Space, where each dimension represents a continuously varying property. Then a brand is a point in this space. Assume further that consumers can be represented by their preferred combination of properties; total demand can then be described as a distribution over the Euclidean Space. The properties may be “price worthiness” and “quality” or alternatively “modern style” and “durability” or any other combination.

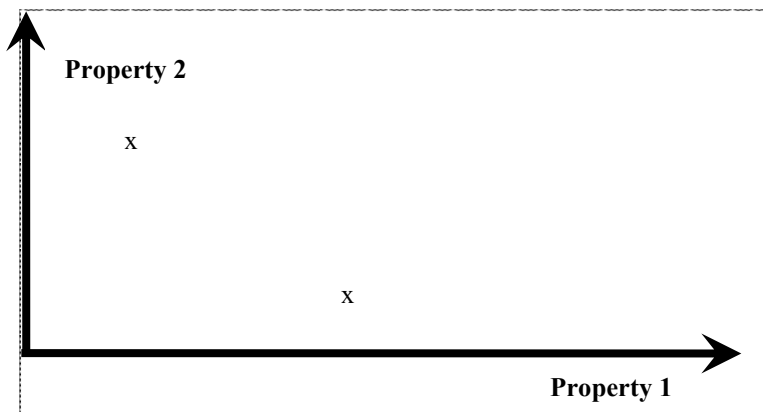


Figure 1. Space of brands

The following assumptions are made:

1. **Any distribution of demand is admissible** (continuous, discrete, or mixed continuous-discrete). It must be, however, restricted to a bounded subset of the E^2 . For plausibility a further restriction to the positive quadrant is possible but not necessary.
2. **Total demand is fixed.** This is a harmless digression from reality; it might be interpreted as a short-run discussion
3. **Demand goes always to the next brand (Euclidean Distance).**

4. If two (or in general more) brands are in **equal distance**, then they get equal **shares of demand**. This assumption proves irrelevant. It is introduced to prevent obvious questions.
5. **Repositioning is costless**. This assumption simplifies the argument but is not essential for the main conclusions.
6. **Positioning of their brand is the only strategic parameter of the competing firms**. This, of course, is not realistic; yet it seems justified to highlight the effects of brand positioning. Economists often scrutinize price effects neglecting all other parameters – and have no bad conscience.
7. **Competitors try to reach a market share as high as possible**. This seems reasonable. It might, however, be in conflict with profit maximization.

The appropriate method to discuss the problem is game theory. It is actually a “two-person-constant-sum-game”. The possible strategies of both competitors are the points of the E^2 . Theory tells us that such games have always at least one equilibrium point in “mixed strategies”. Mixed strategies, however, do not make sense in the given context. They would in general imply the choice of several brand positions with probability, and would therefore not give an answer to the question, which position the brand should hold. Hence a reasonable solution is only an equilibrium point in pure strategies, i. e. – in plain language - a **definite brand position**, (possibly several **alternative positions**). The question is,

- whether such an **equilibrium exists**,
- and how it may be determined.

Both questions shall be answered. For short “**equilibrium**” stands for “**equilibrium point in pure strategies**”.

There are two cases to be distinguished:

1. Both competitors choose the position of their brand **independently** from one another. Each of them knows that he will have just one competitor, but has no knowledge of what the competitor will do. This can be interpreted as a situation, where both enter the market **at the same time**. This corresponds to a **Cournot Duopoly** in the case of price competition.
2. One competitor chooses his position knowing what the choice of his competitor is. The competitor knows this, and tries to make the best out of it. This can be interpreted as a situation where one competitor enters the market first (so that his brand is publicly known), and the other follows. This corresponds to a **Stackelberg Duopoly** in the case of price competition.

The Genealogy of the Problem

II.1. General Remarks

The depicted problem is closely related to two famous problems of the history of economic thought. Both are illuminating theories of economic location decisions. In addition to that they have found application in many other fields. The two problems look quite different. Nevertheless it appears that they are related to one another, too. They are known as the **Hotelling-Problem**²³² and the **Launhardt-Weber-Problem**²³³.

II.2. The Hotelling-Problem

The **Hotelling-Problem** is a special case of the above described situation; insofar as (put in the given context) the case is considered where just **one property** – instead of two - varies by **intensity** (see Fig. 2).

²³² Hotelling Harold: "Stability in Competition", Economic Journal, 1929

²³³ Launhardt, Wilhelm, „Die Bestimmung des Zweckmäßigsten Standortes einer Gewerblichen Anlage“, Zeitschrift des Vereines Deutscher Ingenieure, 1882 ; Weber, Alfred, “Über den Standort der Industrien“, Tübingen 1909

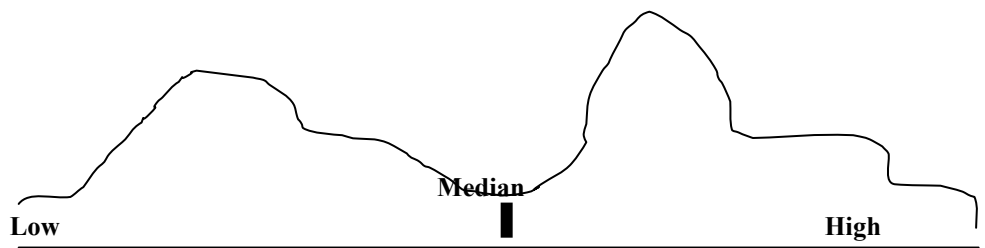


Figure 2. Intensity of property

The solution is the **Median**: Both competing brands will be in equilibrium if they are positioned such that the demand on the left side is equal the demand on the right side. The brands would not be distinguishable – a case not close to reality! The flaw of the conception, of course, is the assumption of only one property. In this case the brands are not noticed as different by customers.²³⁴

II.3. The Launhardt-Weber-Problem

The **Launhardt-Weber-Problem** – again related to brands – allows of the representation of **two properties**. The distribution of demand has to be discrete – no relevant restriction. There is, however, **only one brand** – not really a competition problem! Nevertheless it gives the answer to a reasonable question: **What is the brand position closest to demand?** If demand decreases proportionally with the distance to the brand position (contradicting the above assumptions) the **median generalized to two dimensions** is again the solution.

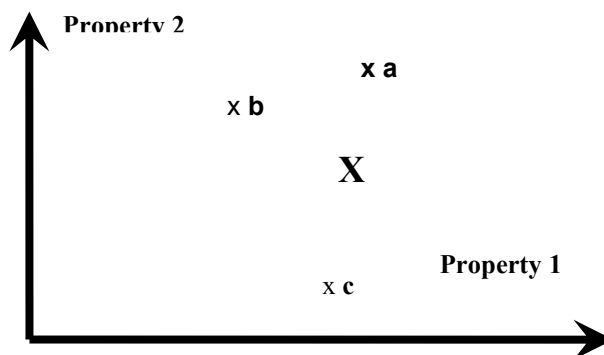


Figure 3. Launhardt – Weber – Solution

In **Fig.3** the demand is concentrated on three locations (a, b, c) in the property space and **X** the solution. **Launhardt** (1879) and later **Weber** (1910) solved the problem for three locations of demand. The **Kuhn algorithm**²³⁵ provides the **generalized median** for an arbitrary number of demand positions.

The Solution of the Competition Problem

III.1. The Existence of a Cournot Point

The starting hypothesis to be checked is the following: **The generalized median is the Cournot point.** This hypothesis, however, proves wrong.

The generalized median does always exist; the Cournot Solution exists only for a number of very special cases of no practical relevance:

²³⁴ See Chamberlin, Edward Hastings: “The Theory of Monopolistic Competition”, 1933 for the case of three competitors, where no equilibrium exists

²³⁵ Kuhn, Harold and Klienene, R.E.:” An efficient algorithm for the numerical solution of the generalized Weber problem in spatial economics”, Journal of Regional Science, Vol. 4, 1962, p. 21-33.

- If total demand is concentrated on a straight line (Hotelling case) or if demand comes “close” to such a situation;
- If demand is “very regularly” distributed on polygons with an even number of edges.

In all other cases (i.e. realistic cases) **there is no Cournot-Solution.**

Theorem 1: If the Cournot-Solution exists it coincides with the generalized median.

The proposition provides a simple check for the existence of an equilibrium point (in pure strategies).

Rule:

Determine the generalized median in the property space (by the Kuhn algorithm). Then it is easy to check, whether it is a Cournot Point, by the criterion of the next section.

*III.2 A Criterion for a Cournot Point*²³⁶

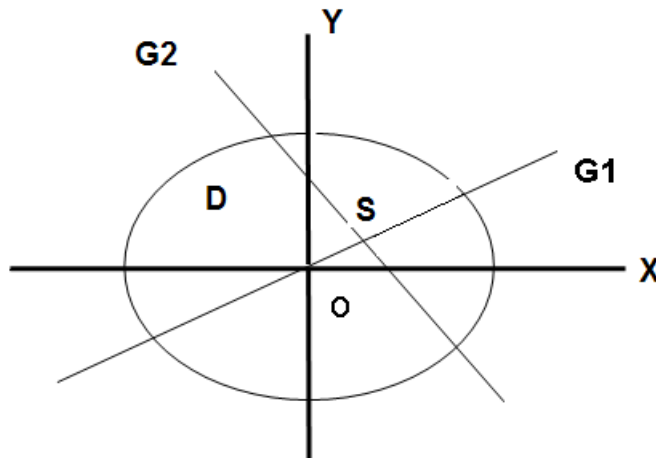


Figure 4. The Cournot Point

The basic idea to determine an equilibrium point can be demonstrated by **Fig. 4**. To simplify the argument we assume that demand is continuously distributed over an area **D** with a density that is nowhere zero, yet otherwise arbitrary. This assumption may be relaxed (see Section I, assumption 1) at the cost of a more complicated argument. The origin **O** is chosen such that it lies in the (unique) generalized median of **D**. Suppose the abscissa **X** divides total demand in two equal parts (through any point in **D** there is at least one such straight line). Suppose further that there are two other straight lines, **G1** and **G2** that divide demand in **D** into two equal parts (**dividing lines**).

Now it follows:

- If a brand (say brand a) settles **outside** a dividing line, then the competitor (say brand b) has the chance to get more than one half of the market share (see **Fig. 5**)

²³⁶ Todt, Horst: „Wettbewerb durch Standortwahl in der Fläche. Die Cournot- und die Stackelberg-Lösung“ in Todt, Horst (editor) Beiträge zur Standortforschung, Schriften des Vereins für Socialpolitik. Neue Folge 1994

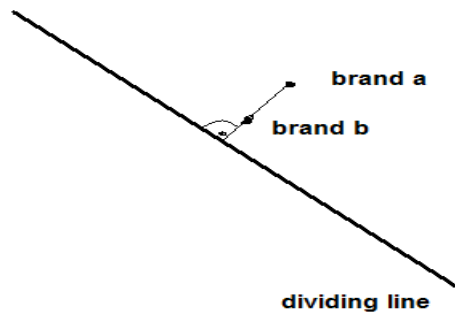


Figure 5. Equilibrium

- If not all dividing lines intersect in the same point (X , $G1$, and $G2$ in Fig. 4) then any brand will settle outside some dividing line. Hence any brand can improve. There is not equilibrium.
- Only if all dividing lines cut one another in the same point, is there an equilibrium point possible: The point of intersection.

The case of a unique point of intersection is possible. Take the case of a constant density of demand on a circle or a square. Usually, however, there are several points of intersection. If there are only two then there is no Cournot point. This is the criterion required.

Theorem 2:

If and only if all dividing lines of the brand space intersect in the same point then this point is the Cournot Point.

From theorem 1 we know, that the Cournot Point – if it exists – coincides with the generalized median. Notice that the generalized median is not necessarily a Cournot Point. The hypothesis of proposition 2 is also required, i.e. a very regular distribution of demand. More laxly formulated:

Rule:

The Cournot Point does normally not exist.

III.3. The Stackelberg Point

The **Stackelberg Problem** has always a solution: **The generalized median is the Stackelberg Point.** If a new brand enters the market it is rational to position it in the generalized median. The next competitor will certainly have the chance to get at least as much a market share as the pioneer in the market did. His success will, however, be at a minimum if the pioneer has settled in the generalized median.

The problem of a normally not existing equilibrium has not become less pressing. Once a second competitor is present in the market there is (normally) no longer an equilibrium realized. The successful intruder may again be attacked by the pioneer and so on.

Conclusion

The final conclusions of all this is the following:

- In real world there exists **no equilibrium** for two competing brands.
- The brands have to be repositioned continuously in the course of a competition process.
- The necessity of repositioning does not depend on changing tastes. Even if people do not change their attitudes need competing firms the help of marketing experts.
- **Hence dynamics without equilibrium is the normal case for brand competition.**

One might object that this is a very special case where just two brands and two dimensions are considered. Without a strict proof at hand plausible arguments stay against the possibility of equilibrium for a greater number of competing brands. A fortiori a greater number of properties would rather increase the tendency to disequilibrium. The chance of a competitor to improve his position in any situation will rise with the number of competitive brands that can be attacked. The sceptic may, however, ask the question, whether customers see themselves in a situation as described.

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ROMANIAN AGRO-ALIMENTARY MARKET'S EVOLUTION FROM THE POINT OF VIEW OF THE REQUIRES MANIFESTED BY POPULATION

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Using as research sample – the secondary data investigation sources, the article presents the Romanian agro-alimentary market's dimension and dynamics by means of few characterization indicators of population's demand. The latest official statistical available data have been used, noticing, after their analysis, that in the 2001-2006 period, the agro-alimentary market from Romania known an ascendant trend, for some categories of products being registered even doublings of the manifested demand. Different rates of change for demand from the different markets also testify changes at the level of alimentary consumption behaviour of Romanian population for the considered period.

Key words (agro-alimentary market, effective demand, potential demand, consumption expenses, expenses for agro-alimentary products, drinks and tobacco)

Using as research sample the secondary data investigation sources, the present article displays the evolution of some characterization indexes of Romanian agro-alimentary products' market, respective characterization indexes of population's demand for this category of products.

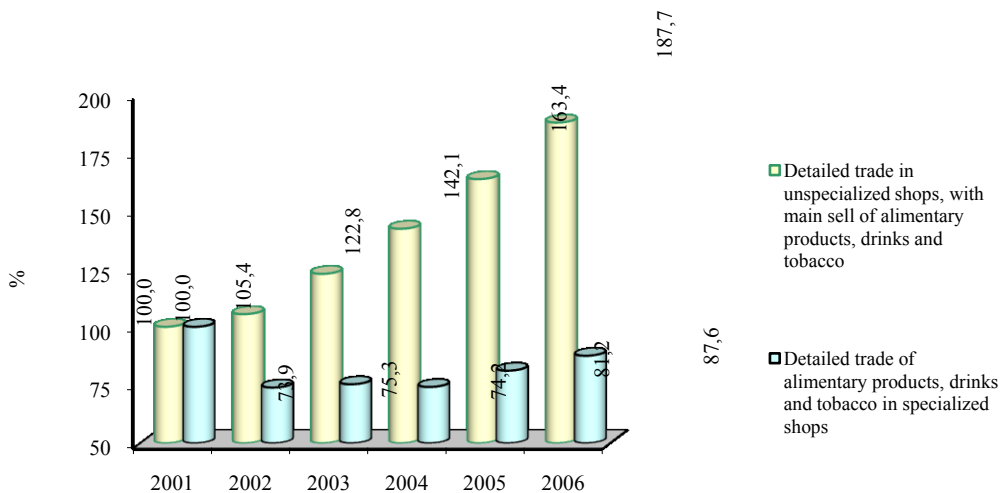
An emphasizing indicator of population's demand's evolution for agro-alimentary products' category is the turnover realized by detailed activity enterprises with such products. It is noticed that, during 2001-2006 period, the turnover of the detailed activity enterprises in unspecialized shops with main sell of aliments, drinks and tobacco, registered an increase in real terms with more than 85%. On this basis, the strict specialized shops has diminished, market that after a period of decreases surpassed the level of 25% (in 2001-2004 period), entered during the last two years of the analyzed period in a slightly ascendant trend.

There are noticed, therefore, changes at the level of purchase habits with the meaning of population's reorientation towards those commercial spaces that offer a diverse range of consumption goods (including the alimentary ones), in the detriment of strictly specialized units that involve a quite long period of time for supplying.

Specification	2001	2002	2003	2004	2005	2006
	Millions lei current prices (RON)					
Detailed trade in unspecialized shops, with main sell of alimentary products, drinks and tobacco	7555	9760	13100	16965	21269	26033
Detailed trade of alimentary products, drinks and tobacco in specialized shops	2316	2098	2464	2714	3238	3723

Source: The Statistic Yearbook of Romania, 2007, time series 1990 - 2006, National Institute of Statistics, Bucharest

Table no. 1. The evolution of the turnover of the detailed activity enterprises for alimentary products, drinks and tobacco, in Romania, during the 2001-2006 period



Note: For real dynamics calculation the average annual IPC was used, communicated by National Institute of Statistics, Bucharest.

Source: The standard of living's coordinates in Romania. Population's incomes and purchasers, 2001-2006 editions, National Institute of Statistics, Bucharest.

Figure no. 1. Real dynamics of the turnover of the detailed activity enterprises for alimentary products, drinks and tobacco, in Romania, during the 2001-2006 period (2001 = 100%)

Referring to total²³⁷ consumption expenses of population for agro-alimentary products, it is noticed that in dynamics there have had a positive evolution. Therefore, in average, in 2006 a household spent approximately 139 RON for purchasing aliments and nonalcoholic drinks and 19,7 RON for alcoholic drinks and tobacco, aspect that in real terms constitutes an increase of approximately 11,2% and respective of 37,2% with respect to 2001. On the total amount of alimentary products and tobacco an increase in real terms of the total consumption expenses was noticed, with 13,8% during the analyzed period²³⁸.

In what the percentage of the aliments and nonalcoholic drinks is concerned, from the total population's consumption, these have met a major decrease during the analyzed period. But, the expenses with alcoholic drinks and tobacco, on the basis of population's purchase increase in Romania, have maintained on certain scale the percentage held in population's total consumption expenses, the increase rates of the two indexes being relative equal. This aspect may be explained by the fact that aliments and nonalcoholic drinks answer on a greater extent to some primary type of needs, whereas, alcoholic drinks and tobacco enter in the pleasure of consumption sphere.

Starting form the idea that in the total value of expenses the self-consumption's counter value from own production is included, the evolution of this indicator does not render a truthful image of the effective market's dimension and dynamics. For the agro-alimentary products case the total consumption expenses index constitutes more likely a measure of the effective and potential demand manifested on the market (appreciation that takes into consideration the physiologic nature of needs to whom the agro-alimentary products are addressed).

In what the evolution of total monetary expenses for alimentary products and drinks is concerned, it is noticed that there have encountered a more emphasized real dynamics than the total consumption expenses' evolution, thus in the period of the 6 analyzed years an increase with 28% was observed. The mentioned differences are mainly generated by self-consumption's counter value percentage decrease in

²³⁷ Total consumption expenses enclose the monetary consumption and the self-consumption's counter value from own resources.

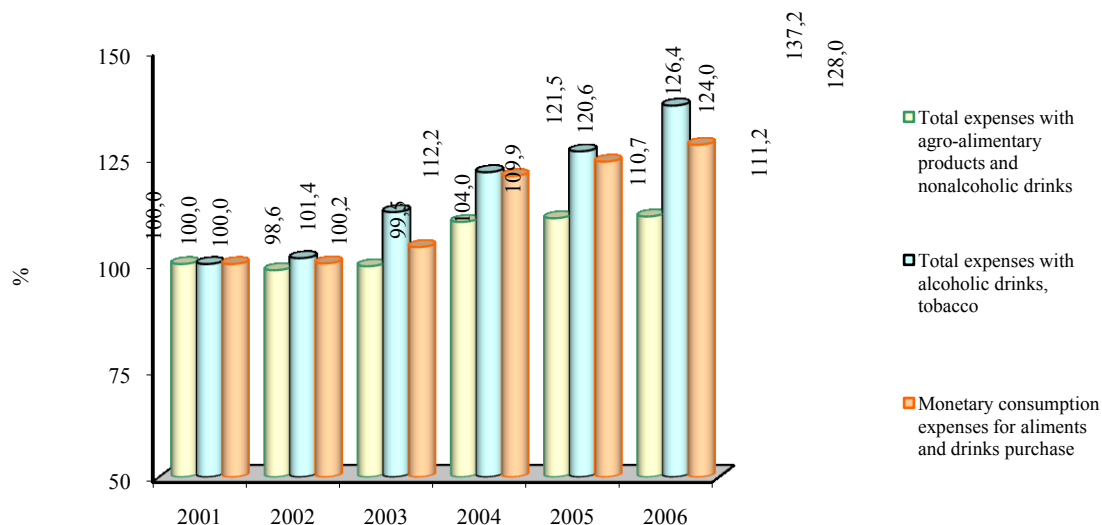
²³⁸ Source: Processing according to The standard of living's coordinates in Romania. Population's incomes and purchasers, 2001-2006 editions, National Institute of Statistics, Bucharest and according to Statistic Yearbook of Romania, 2007, time series 1990 – 2006, National Institute of Statistics, Bucharest.

the total consumption expenses, the dynamics of the latter being sustained by supplementary monetary expenses and not by own production consumption decreases. Therefore during the 2006 year, in average, a household consumed agro-alimentary products form own production in a value of 221 RON, and in 2001 in a value of 1288730 lei, aspect that in real terms constitutes a decrease with 6,6%.

Specification	2001	2002	2003	2004	2005	2006
	monthly average (RON / household)					
Total consumption expenses	376.51	474.47	566.87	752.00	863.89	962.1
from where:	<i>percentage</i>					
- expenses with agro-alimentary products and nonalcoholic drinks	52.2	49.9	48.6	46.4	44.2	42.1
- total expenses with alcoholic drinks, tobacco	6.0	5.9	6.3	5.9	5.8	6.0
from total consumption expenses:	monthly average (RON / household)					
Monetary consumption expenses	287.89	370.99	449.42	615.8	720.27	815.1
from where, for aliments and drinks purchase	121.55	148.81	178.10	236.92	264.47	289.1
The self-consumtionş counter value from own production	88.62	103.48	117.45	136.20	143.62	147.1
	% in total consumption expenses					
self-consumption percentage in total consumption expenses	23.5	21.8	20.7	18.1	16.6	15.1
	monthly average (RON / person)					
Monetary consumption expenses	99.8	128.9	156.2	208.7	245.2	278.1
from where, for aliments and drinks purchase	42.1	51.7	61.9	80.3	90.0	99.1

Source: Adaptation according to The standard of living's coordinates in Romania. Population's incomes and purchasers, 2001-2006 editions, National Institute of Statistics, Bucharest and according to Statistic Yearbook of Romania, 2007, time series 1990 – 2006, National Institute of Statistics, Bucharest.

Table no. 2 The evolution of total and monetary consumption expenses, on total for products, as well as for aliments, drinks and tobacco, during 2001 – 2006 period



Note: For real dynamics calculation the average annual IPC was used, communicated by National Institute of Statistics, Bucharest

Source: Processing according to The standard of living's coordinates in Romania. Population's incomes and purchasers, 2001-2006 editions, National Institute of Statistics, Bucharest and according to Statistic Yearbook of Romania, 2007, time series 1990 – 2006, National Institute of Statistics, Bucharest.

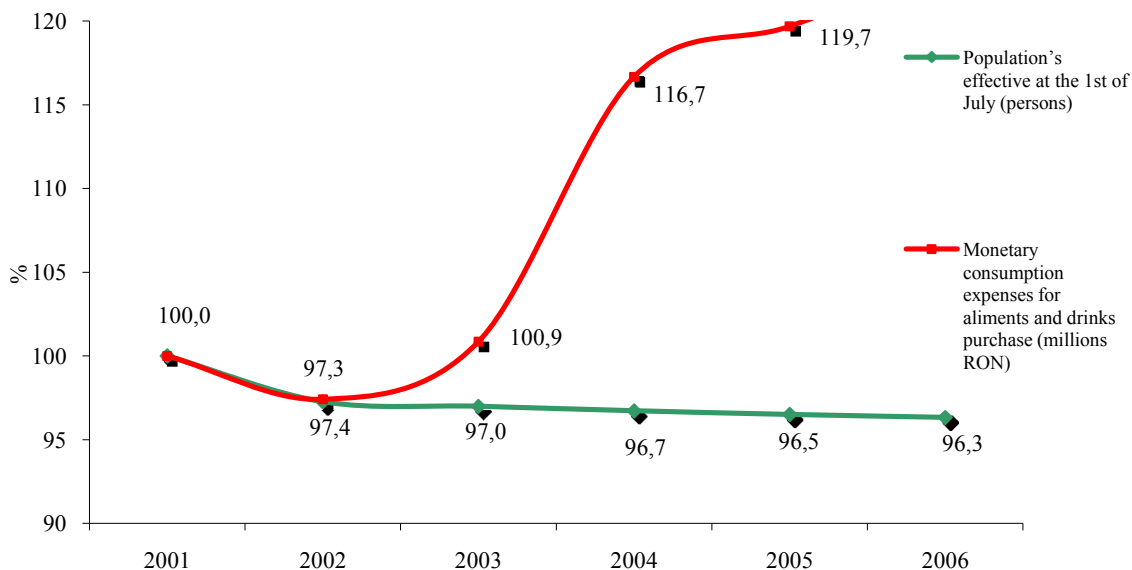
Figure no. 2. Real dynamics of total and monetary expenses for alimentary products, drinks and tobacco – monthly averages per person-, in Romania, during the 2001-2006 period (2001 = 100%)

At the present moment, the agro-alimentary market's dimension expressed by means of monetary expenses generated by aliments and drinks purchase is quoted to 25.637.7 million RON (in increase with 19,7% as with respect to 2001). This increase is exclusively due to population's expenses increase for agro-alimentary products purchase (intensive increase), in the frame that Romania's population registered a decrease during the considered period.

	2001	2002	2003	2004	2005	2006
Population's effective at the 1st of July (persons)	22408393	21794793	21733556	21673328	21623849	21584365
Monetary consumption expenses for aliments and drinks purchase (millions RON)	11329,2	13523,1	16139,3	20887,5	23358,2	25637,7

Source: Processing according to *The standard of living's coordinates in Romania. Population's incomes and purchasers, 2001-2006 editions*, National Institute of Statistics, Bucharest and according to *Statistic Yearbook of Romania, 2007, time series 1990 – 2006*, National Institute of Statistics, Bucharest.

Table no. 3. The population's effective up to the 1st of July and the evolution of annual monetary consumption expenses for alimentary products and drinks, in Romania, during 2001-2006 period



Note: For real dynamics calculation the average annual IPC was used, communicated by National Institute of Statistics, Bucharest

Source: Processing according to *The standard of living's coordinates in Romania. Population's incomes and purchasers, 2001-2006 editions*, National Institute of Statistics, Bucharest and according to *Statistic Yearbook of Romania, 2007, time series 1990 – 2006*, National Institute of Statistics, Bucharest.

Figure no. 3. Real dynamics of monetary consumption expenses for alimentary products and drinks, in Romania, during the 2001-2006 period (2001 = 100%)

Referring to market's evolution of the main groups of agro-alimentary products it is noticed that these have known different evolutions testifying therefore changes in population's alimentary consumption behaviour. Thus, during the 6 analyzed years, an increased demand for all types of analyzed products is noticed, the increase data varying from few percentages up to doublings of the markets' dimensions. From this point of view is remarked:

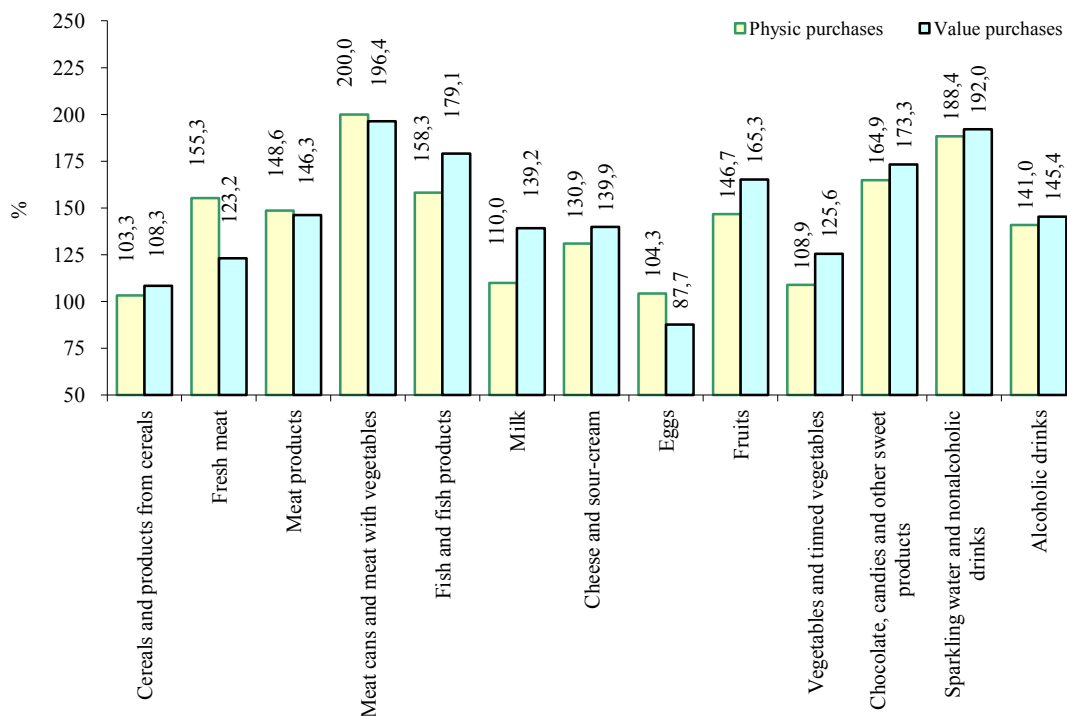
- sparkling water and nonalcoholic drinks market and the one of meat cans – case where the markets' dimensions met a doubling;
- fish and fish products, as well as fruits, sweets, meat and meat products, as well as alcoholic drinks – where the increases approached or have even surpassed the 50% level.

On the other side, the markets of some alimentary products with relative big percentages in the total of the alimentary expenses (cereals and products of cereals, dairy products, vegetables) have not registered major positive evolutions.

Specification	2001		2002		2003		2004		2005		2006	
	Physic purchases	Value purchases	Physic purchases	Value purchases	Physic purchases	Value purchases	Physic purchases	Value purchases	Physic purchases	Value purchases	Physic purchases	Value purchases
Cereals and products from cereals, total (kg.)	10.700	11.068	10.908	12.021	11.588	16.195	11.961	22.724	11.378	21.870	11.053	22.010
Fresh meat, total (kg.)	1.114	7.456	1.221	9.177	1.345	10.121	1.442	12.467	1.573	15.490	1.730	16.860
Meat products (kg.)	0.504	3.530	0.525	4.496	0.568	5.245	0.643	6.633	0.691	8.280	0.749	9.480
Meat cans and meat with vegetables (kg.)	0.022	0.139	0.021	0.165	0.023	0.213	0.033	0.325	0.040	0.440	0.044	0.500
Fish and fish products (kg.)	0.278	1.025	0.294	1.403	0.314	1.674	0.371	2.291	0.410	2.880	0.440	3.370
Milk (L)	3.181	2.657	3.198	3.332	3.244	4.148	3.443	5.401	3.568	6.330	3.498	6.790
Cheese and sour-cream (kg.)	0.553	2.532	0.570	3.241	0.610	4.095	0.645	4.856	0.688	5.730	0.724	6.500
Eggs (pieces)	5.681	1.231	5.713	1.299	5.844	1.558	5.496	1.905	5.869	2.000	5.924	1.980
Fruits (kg.)	1.276	1.836	1.245	2.388	1.410	3.008	1.677	3.877	1.747	4.750	1.872	5.570
Vegetables and tinned vegetables in equivalent fresh vegetables (kg.)	3.939	3.093	3.786	3.877	4.016	4.722	4.070	6.039	3.853	7.060	4.290	7.130
Chocolate, candies and other sweet products (kg.)	0.114	0.660	0.130	0.879	0.143	1.124	0.164	1.514	0.175	1.780	0.188	2.100
Sparkling water and nonalcoholic drinks (L)	1.634	1.050	1.887	1.450	2.212	1.993	2.451	2.652	2.780	3.160	3.078	3.700
Alcoholic drinks (L)	0.788	1.454	0.785	1.755	0.859	2.255	0.922	2.730	1.026	3.340	1.111	3.880

Source: The standard of living's coordinates in Romania. Population's incomes and purchasers, 2001-2006 editions, National Institute of Statistics, Bucharest.

Table no. 4. The evolution of physic and value purchasers among the main categories of alimentary and drinks products, in Romania, during 2001-2006 period (monthly averages per person)



Note: For real dynamics calculation the average annual IPC was used, communicated by National Institute of Statistics, Bucharest

Source: Processing according to The standard of living's coordinates in Romania. Population's incomes and purchasers, 2001-2006 editions, National Institute of Statistics, Bucharest

Figure no. 4. The dynamics of (real) physic and value purchasers among the main categories of alimentary and drinks products, in Romania, in 2006 with respect to 2001 (year 2001 = 100%)

In conclusion, there can be appreciated that the agro-alimentary market from Romania registered an ascendant evolution during the last period. A major increase of agro-alimentary products it is noticed in the frame of consumption countervalue of products from own resources. The most spectacular increases were registered on the sparkling water and nonalcoholic drinks market, the one of meat cans, as well as on alcoholic drinks; for some of the products mentioned registering even doublings of the demand during the six analyzed years.

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A NEW GENERATION OF AGRO-ALIMENTARY PRODUCTS ON ROMANIAN MARKET – NUTRITIONAL PRODUCTS

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The present study constitutes a succinct description of the evolution status of nutritional products on Romanian market, as well as the context of its appearance on the market. Constituting the latest generation of agro-alimentary products, the nutritional products are adapted to metabolic needs of different segments of consumers. Appeared relative late on the Romanian market, nutritional products' penetration in consumption constitutes, at the present time, one of the tendencies manifested in agro-alimentary marketing at the level of European Union, as a result of increased interest of consumers for alimentary safety and security, interest manifested (even though with a more reduced intensity) at the level of the Romanian market also.

Key words (agro-alimentary market, nutritional product, competitive advantage, alimentary safety and security)

There are considered to be nutritional or functional products those products that have suffered certain modifications of their chemical composition, materialized in diminishing, adding or replacing of one or more components, with the purpose of obtaining benefic effects on the health state, physical performances and/or psychic consumer's state. In this frame, nutritional products do not address to market as a whole, but are adapted to metabolic needs of different segments of consumers.

Nutritional products' appearance

With time passing, in the hierarchy importance that diverse agro-alimentary products had in quality appreciation, numerous changes were registered. Not long ago, quality was appreciated, especially, on the basis of sensorial value of products, and the hygienic-sanitary one. Under these circumstances, processors from alimentary industry focused their efforts towards sensorial products characteristics' improvement, on diversity, on maintenance period's increase and providing offers also out of the seasons. All this were possible due to transformation technologies' improvement to an industrial level of agricultural products. But, the results of such processing that supposed a high number of interventions on the raw material, determined a series of unwanted effects, generated especially by the changes produced on the biologic value of agricultural products. There were obtained, thus, very attractive products, with sensorial and hygienic-sanitary proprieties, with a high energetic value, less perishable and easy to prepare. Agro-alimentary products' biologic value reduction, the results of multiple processing operations at industrial level, was materialized in diminishing the vitamins and minerals content.

Processed products consumption increase, with low content of vitamins, mineral elements and alimentary fibers and fruits and fresh vegetables consumption decrease, lead during the last decades, especially in the developed countries, to the appearance of nutritional diseases.

As an answer to these problems, agro-alimentary markets of the developed countries met a series of mutations generated by increased exigencies of consumers, of public opinion, in generally in what alimentary safety and security is concerned. In this frame and with the purpose of further assuring a sensorial and hygienic-sanitary high value of the agro-alimentary products, the producing firms oriented towards the so-called nutritional products, that, even though are submitted to a big number of transformations at an industrial level, there are better adapted to physiologic needs of human organism. Therefore, by means of nutritive value correction of agro-alimentary products, on a significant extent, the nutritional value of raw introduced material is reconstructed (even not on total), the risks for consumers' health being therefore, reduced.

Even though it first appeared in the developed countries, where consumption of products with a high processing degree and low biologic value had a big percentage from the total consumption of population,

and the consumers were more preoccupied and conscientious of the purpose that alimentation has on health and peoples' safety, nutritional products appeared and expanded at the level of other markets also (on a rather low developing level).

Nutritional products categories

Starting from chemical correction procedure of agro-alimentary products the following nutritional products categories are distinguished:

- Nutritional products obtained by nutritive value diminishing
 - It supposes the partial or total reduction of one or more components of the product. There were obtained therefore, products with a diminished content of sugar or without: sugar, caffeine, fat, salt, alcohol. These products are much better adapted to certain segments of consumers: children, elderly people, persons who suffer from different diseases.
- Nutritional products obtained by nutritive value of agro-alimentary products enrichment
 - This procedure follows, especially, the insurance of a surplus of vitamins, mineral elements, and alimentary fibers, materialized in an alternative for traditional products consumption, products poor in such elements. These elements regard the reduction of nutritional disease risk, resulted as chronic uncovering of physiologic needs of human organism for a certain nutritive substance and also answer to physiologic needs of some segments of consumers that lay down physic and/or intellectual effort or that presents certain metabolic affections.
- Nutritional products obtained by replacing some nutritive components with others
 - A significant percentage in this category is held by products, where sugar was replaced by other sweeteners.
- Nutritional products obtained by multiple interventions on chemical composition
 - These kinds of products are: degreasing milk with calcium additive, carbon-gaseous light with vitamins addition, etc.

Nutritional products' competitive advantages

Starting from the presented aspects the competitive advantages of nutritional products may easy be noticed, elements that also justify the ascendant evolution of its market:

- there are products that answer alike to necessities concerning the sensorial aspects but there are also balanced from a nutritional point of view, aspect that is not valid for other products with a high level of processing;
- there are products adapted to metabolic necessities of different categories of consumers: the ones that make physical and/or intellectual effort, consumers with certain metabolic affections, the ones that pay special attention to health state, to silhouette, those who want to maintain "in shape" physically and mentally speaking.

Nutritional products' evolution on Romanian market

In parallel with the expansion registered in Western Europe (especially), the market of the products potential benefic for health is in incipient shape in Romania. Actually, all these products, frequently called "healthy products" – where nutritional products are included – constitute on agro-alimentary products relative new products.

The penetration of these categories of products on Romanian market started especially after 1990, even though at the present moment there can be talked about quite toilsome "beginning", "braked" by very low level of knowledge of Romania's population, in rapport to importance of alimentation for health. Concerns in these directions are noticed especially on consumers' categories that suffer from certain affections or that regards silhouette. For the rest, in most cases the importance of alimentation for population's health is not known, the information from the label or wrapping often are not read, and even read, only in few cases and only partially it reflects the "truth" concerning consumption benefits.

From this point of view (of the measure in which the consumers are interested in the information from the label), a study realized in 2006 at the level of Bacau239 county highlighted that the information from the wrapper are read, partially, by 68,8% from the surveyed persons, only 20% read it fully and 20,2% do not read it at all.

Another major problem that breaks the market of nutritional products development is the consumers' reticence towards what is new. Therefore (in a greater extent than with other products) agro-alimentary products consumers are relative reserved in what "new" is concerned, in the context in which, on a significant percentage, alimentary consumption habits are transmitted by filiation, and the "horizontally" loaning is generally met only with the young consumers category.

Thus, the results of the same study prove that in what agro-alimentary products consumption that have a character of newness (there were considered new from the consumer's point of view those products that were not consumed up to that moment, no matter of the moment of appearance on the market), its frequency being relatively low, the consumers preferring the products that have already experienced. From the total of 950 agro-alimentary products purchasers surveyed, over 70% do not or very rarely consume agro-alimentary products that have never tried. At the opposite level, those who often consume new products (once or many times a week) represents only 17,5% from the total of the investigated persons. Major differences for the interest point of view for the new products is manifested on environments, ages and on categories of population according to incomes, more oriented toward newness are youngsters, with high incomes, from urban environment.

With all "obstacles" generated by low interest of Romanian consumers for information, as well as reticence for what is new, during the last years among the Romanian consumers and public opinion, a higher interest for a healthy alimentation is noticed. Therefore, starting with 2002 the E-s problem (preserving, stabilization, colors, etc), of genetic modified organisms (GMO) started to be more discussed. This has marked the beginning of some changes in consumers' mentality and behavior (or at least at the level of certain consumers segments), in the sense of an enhanced attention (next to price and expiration date) to new concepts such as: ecologic product, biologic, balanced alimentation, etc. Not at least an enhanced attention should be granted by Romanian consumers to these aspects that justify on the basis of horizontally loaning of purchasing and consumption habits, the undertaken studies testifying that at least population with high income categories manifesting real similarities with tendencies registered at the level of purchasing and consumption habits on EU level.

On the basis of the tendencies manifested at the level of public opinion from Romania (of granting a big importance to healthy alimentation), on the national agro-alimentary market appeared also nutritional products. Thus, it is noticed an improvement of "healthy" agro-alimentary products offer in generally and especially of nutritional products offer.

Few aspects that come to strengthen this fact:

- for instance next to white flour some producers offer dark color flour, with a high content of ash, fibers, minerals and vitamins;
- there exist a diverse range of bread and bread specialties with high content of fibers but with cereals adding benefic to different segments of consumers;
- the offer for diary products was made more varied, existing products with low fat content, with adding of vitamins, minerals, essential ferments, fruits, etc;
- the offer for the other cereals for breakfast was also made more diverse – musli cereals, with adding of alimentary fibers, etc;
- it appeared and made diverse the dietetic sweets range (with low sugar content and/or fat, with low calories content, reach in alimentary fibers, sweets that do not contain raw material of animal origin), etc.

Actually, the offer's diversification of agricultural producers by proposing the nutritional products may offer real competitive advantages in the context where the option for this category of products constitutes

²³⁹ Direct research, with exploratory character, on a sample of 950 respondents, using the sampling on quotas as selection procedure of units in the sample

the adopting of an anticipatory vision as with regard to market dimension and confers a real element of difference in rapport to the offer of the other players from the market.

In spite of these, the offer from Romanian market is net inferior, as compared to western markets. Thus, Romanian consumers are restricted to manifesting their preferences, especially because of the reduced diversity of these products. For instance, in the case of dietetic sweets on Romanian markets, especially sweets for diabetics, rich in alimentary fibers are presented. But, products with a low content of carbohydrates or without gluten, ice-cream, fresh pastry or confectionery products without sugar or with a low fat content are either inexistent or present on reduced quantities on markets.

For characterizing the development level reached by a certain market really relevant is the knowledge of penetration degree in consumption of the respective product. Further on, there are presented few of the results of the same research realized among purchasers at the level of Bacau market.

The consumption of agro-alimentary products is a habit for 32,7% of the surveyed persons. It can be noticed that the tendency to use such products is distinct for different population categories depending on a series of criteria such as: age, income, social setting, gender or the presence of children in the household. As far as age is concerned, one notices a greater proportion of younger consumers of such products compared with the situation for persons in the older age groups (it is widely considered that young people are more open to the new than old people are). Similarly, the extent of the orientation towards such products is greater among persons with higher income compared with those with lower income, among persons residing in urban areas compared with those living in rural areas, and also among the female population compared with the male population.

Habitual consumption of nutritional products	Total	on averages		on genders		on ages (years)						on incomes(RON monthly / person)				
		urban	rural	male	woman	18 -24	25 - 34	35 - 44	45 - 54	55 - 64	65 and over	under 300	300 - 600	600 - 900	900 - 1500	over1500
yes	32.7	38.7	26.7	28.5	36.7	37.4	39.6	31.3	31.7	29.4	25	29.4	30.5	46.3	47.3	38.5
no	67.3	61.3	73.3	71.5	63.3	62.6	60.4	68.7	68.3	70.6	75	70.7	69.5	53.7	52.7	61.5
Total	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100

Table no. 1. The structure of agro-alimentary products' purchasers in terms of the nutritional products consumption habits on total and on environment, gender, age, income (%)

- data resulted after a direct researched undertaken at the level of Bacau county, on a sample of 950 respondents -

Chief among the nutritional products that have penetrated consumption by the population are: products without sugar, products with added vitamins and minerals, products without caffeine, low-fat products, products without alcohol, products containing fibers, and products without salt. First in terms of the extent of the market penetration are the products with no sugar, followed by products with vitamins and minerals; over 50% of the surveyed persons who declared that they are consumers of nutritional products consumed such products. Products without salt and with fiber respectively account for the lowest number of consumers (under 20% of total consumers of nutritional products).

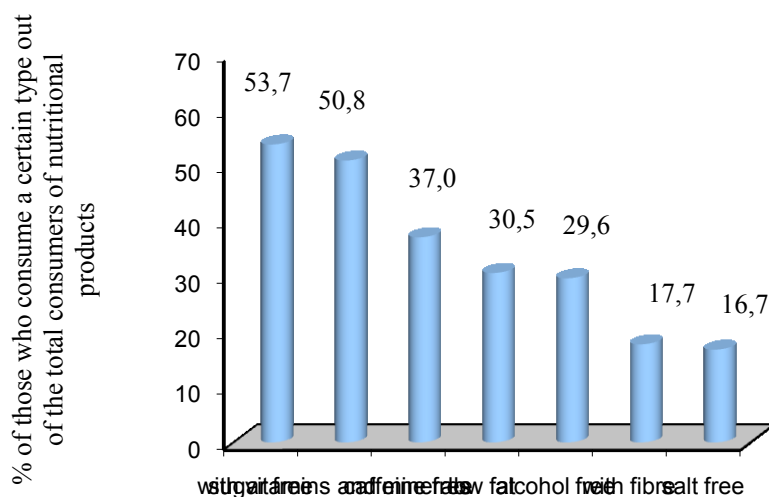


Figure no. 1. The degree of penetration in consumption of various nutritional products – data resulted after a direct researched undertaken at the level of Bacău county, on a sample of 950 respondents -

In terms of the intensity of consumption, among the consumers of nutritional products (who make up 32.7% of the total 950 surveyed buyers of agro-alimentary products), the largest part (46,3%) are those for whom the consumption of this type of products accounts for 25 – 50% of total food consumption. For 42.8% of the persons, the consumption of nutritional products accounts for fewer than 25% of total food consumption, while 10.9% stated that over 50% of their food consumption is made up of nutritional products. In conclusion, there can be estimated that the agro-alimentary market of nutritional products is on an incipient level in Romania, the products from this category being presented recently on the market and on a low range diversity. Nutritional products' appearance is tightly connected to interest increase for assuring a good state of health and of becoming aware of the alimentation's importance for population safety and security. However, the penetration of these categories of products on the Romanian market, starting especially after 1990, was slowly realized, the causes that "braked" this process being the relative low knowledge level of Romania population concerning the alimentation importance for nutritional products category that penetrated in population consumption, and are especially noticed: products without sugar and those with vitamins and mineral adding.

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THE MARKETING POLITICS FOR RECRUITMENT AND SELECTION OF PERSONNEL SERVICES

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In this paper it is presented the marketing strategy development for a company that offers recruitment and selection of personnel services. This company is addressing, mainly, to the customer (companies) which are having the intentions of having top positions in large, and well coated companies.

The recruiting company accomplishes the head-hunting process for finding the best candidate for working successfully at the recommended job. For this recruitment process to be the most efficiently and the most effectiveness, the companies that are offering this type of services must be aware of the existing marketing politics and they also have tot tray to use them talking in consideration their resources and their needs. So, in this paper I have developed the marketing mix specific for the recruitment and selection of the personnel services (the 8th P).

Key words: candidates, services, employers and employee.

Introduction

When you are talking about enouncing the market strategy for different products, indifferent of their nature, you must consider the four basic elements: the product, the price, the placement and the promotion.

For services, these four elements - 4P, aren't enough because the services have many particular things, like: intangibility, heterogeneity (or variability), inseparability, and perishability, too.

The specific nature of the recruitment and selection of the personnel services, especially aspects like involving the clients into the production field and the importance of the time factor, demands that other strategic elements to be included.

That's why in the development of the mix of marketing for the recruitment and selection of the personnel there have been used the 8th P of the services marketing, that are describing the eight variables, very useful in talking the decisions for the recruitment and selection of the personnel services (according to Christopher Lovelock and Lauren Wright).

The mix of marketing in the recruitment and selection of the personnel service

For the recruitment and selection of the personnel services there had been developed the 8th components of the integrated services marketing, these being present in the following:

- a) The product elements
- b) The place, space and time
- c) The promotion and the instruction
- d) The price and other using expenses
- e) Process
- f) The productivity and the quality
- g) People/Personal
- h) Physical elements (tangible)

The right name of the recruitment and selection of the personnel company that we have been studied is not calling it: The X Company.

a) **The product elements** (offered services) are being represented by all the services performance components, which are creating the value for the customer. The managers must select the characteristics of the main product, but also the supplementary package of offered services, about the advantages that it is wanted by the customer and about how well are will compare the services performances with the competition once. In the recruitment and selection of the personnel services, the main product is being represented by the recruitment and selection of the personnel services, which other has to be according with the client specifications (the company that wishes to hire him). Outside the basic service, the recruitment and selection of the personnel companies may offer other elements that may be seen as an added service, such as: a high quality level, that may be given mainly by the quality and the adjustment of the solicited candidate; making a “brand name” in the recruitment and selection of the personnel market, so that the clients may trust into the offered services; the guaranty offered to the customer, concerning the adjustment of the candidate with the job and his integration into the working team, but also the hiring company; instruction services and training offered to the persons that are in the data base, and also at the other companies employees.

This company can be offers the following kind of services:

The recruitment and selection of the high quality personnel services (executive research);

The company that is being studied is focused, mainly, on the head-hunting for top or middle management positions, or on the rarely specialist positions. The head-hunting it is about the best specialists that are in the leading positions. These ones are being hunted by the company consultants for the similar positions in other companies. The potential candidates are being contacted by consultants; it is being presented to them the offer for the job they might be interested in and then are invited to a meeting for a detailed discussion. In this case it means that the candidate:

- is on the recruitment of personnel company list;
- the job and his specialization are being searched on the labour market at that time;
- he/she is good;
- they have a chance, even if its not looking for one, to chance the working environment and his incomes;
- if they are not interested in either of these ones, they remaining with the competence level testing and the expending of the relationship circle.

Audit and consultancy in human resources

Its relatively new service in the human resources field, Romanian and multinational companies are looking for these type of services (consultancy in the human resources):

- The audit of the human resources function means;
- The development and evaluation centers;
- The creation and implementation service of the performance evaluation systems
- Executive coaching;
- The leasing of the personnel/ the contracts of the personnel

Training

The X Firm is starting its cooperation with the companies it is working with the identification of the reasons for which they want to offer their employees training programs and the expectation they have from the employees at the end of the class.

If the training “product” is not the most suitable for what they want, then there are recommended some alternative solutions: The organizational diagnosis, the development and evaluation programs, coaching, recruitment or management style adjustment.

A company is offering classes for its employees to help them develop or /and consolidate their knowledge and abilities, to improve their attitude.

The X Firm offers a serial of classes for the employees' motivation and recommends them especially the ones for the managers, of which role is essential into team development.

The leader is establishing the organization culture and the holding back politics and decides what motivational decisions are applying into the company and if they are applied.

b) Place, space and time

The marketing decisions about when, where and how the client's services will be distributed. The product elements distribution towards the client it involves, decisions about the time and place of the distribution, and the type of the distribution channel: physical and/or electronically, it depends of the nature of the service that it is offered. During the recruitment and selection of the personnel services both types of channels may be used, because the clients can contact their potential employees, through face-to-face dates but through electronic channel also with the internet help.

The mail services and the internet allow the delivery of these services based on information which are distributed through the telephones or the computer, but anywhere and anytime are welcomed for the clients. The recruitment and selection of the personnel services the recruitment and selection sites, but even the human resources compartments may occupy directly with finding the ideal candidates or they can appeal at intermediaries, which means other recruitment companies that have data base with candidates, a lot more, or they can appeal to the other firms services for posting the hiring announcement. When it is about intermediaries these may get a commission for the made services. The client's expectations, about speed and indolence become decisive into the service delivery strategy. The most frequent selection method is the direct approach, combined with the activation of the (networking) contact area.

The activation of the contact area, called networking, is not necessary referring at the data base, but at the activation of all the existing contacts in the data base and as well of the each consultant contacts. It is trying to find detailed information; it is like some information net. Here there are meeting the information from the personal nets of each consultant. The direct approach suppose the accomplish with the client of a target list, a list of companies that have a similar profile, or which could offer candidates with a great potential for the position from the client's company.

The site of the X firm was the first site from Romania supported by an experienced company in the human resources area. The company site offers, company and candidates, a large amount of information about the human resources and it is a reference point for all what means the latest news on the market labor, concentrating especially on the consultancy part.

At this address the candidates may learn more about the carrier opportunities to create a CV, or modify the one that is already in the data base. Here they also find advices, about the interviews for getting a job, and information about the actual tendencies on the labor market.

The site is very easy to be used, and it answers to almost questions about such a vast domain as it is the human resource.

c) Promotion and education

No marketing programs can succeed without an efficient communication program.

This component has three vital roles:

- giving information and necessary advices;
- convincing the clients about the merit of a specific product;
- their encouragement of encouragement of acting at a certain period of time.

In the process services marketing, more communication means education, especially for the new consumers. The companies should learn these consumers about the benefit of these services, where and when to get them and how to participate efficiently at the service process. The communication may be realized individually, throw the sales personnel and trainers or throw the sales personnel and trainers or throw the media such as: television, radio, newspapers, periodicals, etc. The X Firm is using the direct

communication method in the client's relationship applying at the business – to – business method, and the potential candidates are contacted applying at the direct marketing.

d) The price and other expenses of the consumer

This component causes at the consumers the obtaining of the benefit from the service. The responsibilities are not limited at the traditional activities of establishing the sale price towards the consumer, which includes procedures given by the market and establishes the accreditation terms. The recruitment and selection of the personnel companies admit that in practice they are looking to minimize the costs and they are staking and the customers (clients) which might use the service, including the additional financial expenses, time, mental effort and psychological effort, and negative sensorial experience. The recruitment service price: is called a payment (service), (favor) or a practiced tariff, which varieties between: 20% - 50% from the hired person's salary, at which it is adding the recruitment and selection expenses.

At the X firm, the short list has, in generally three persons – the most suitable ones, the pluses and the minuses of each one (in the consultant vision). The decision belongs to the client, and the fee is paid completely by this one.

The sum has nothing to do with the candidate salary; it depends though of the recruitment method selected by the consultant and of the work volume evaluation.

The collected tariff (tax) of the X firm, for the recruitment and selection of the personnel, it is being found as a payment at the end of the service (job). The payment is established by taking in consideration the jobs complexity and how easy the suited candidates are being found.

For the leasing service there is a monthly administration tax or, if the recruitment process for that certain person it exist, then it is finalized a contract for the recruitment and one for the leasing.

e) The process

The process is a private functioning method and serial actions, which involves steps that need to find themselves in a stated succession.

The creation and distribution of the product elements towards the clients, needs the type (model), and the realization of an efficacious process.

One process it describes the method and the sequence in which the current services are doing their jobs into the system. The functioning process of the recruitment and selection of the personnel services that is being developed in most of the recruitment and selection of the personnel companies is sketched into the following in Figure 1.1.

The principles after which the X firm is guiding the X firm are bringing, to the looking for the candidates process, quality but it is admitted the fact that each search is different, so:

9. The analyze of the position and it's specification;
10. The research;
11. Looking – recruitment;
12. The candidates evaluation;
13. Verifying the references;
14. Taking the decisions (in the case of the best candidate);
15. Following the reaching of the objectives.

The firm must understand the client organization, of the specific request, the correct evaluation of the project, are elements without whom the candidates selection process, so it's relation with the hiring company to last, could not succeed. A successful relation can have a good final result only if there is a well trust level between the two, and if the needs are suited. In this process, not just the candidate is evaluated, it very important the initial part, of the project evaluation.

About the candidate, the first criterion (in a chronological order), of selection is obviously, the one of the functional competences. The main difference between the candidates is the profile of the organizational culture of the client. It is being offered to the client a short list of candidates which are the best for him, and

not the best for what the theoreticians from the organization behavior area think that it is the most less wanted from the possible organizations.

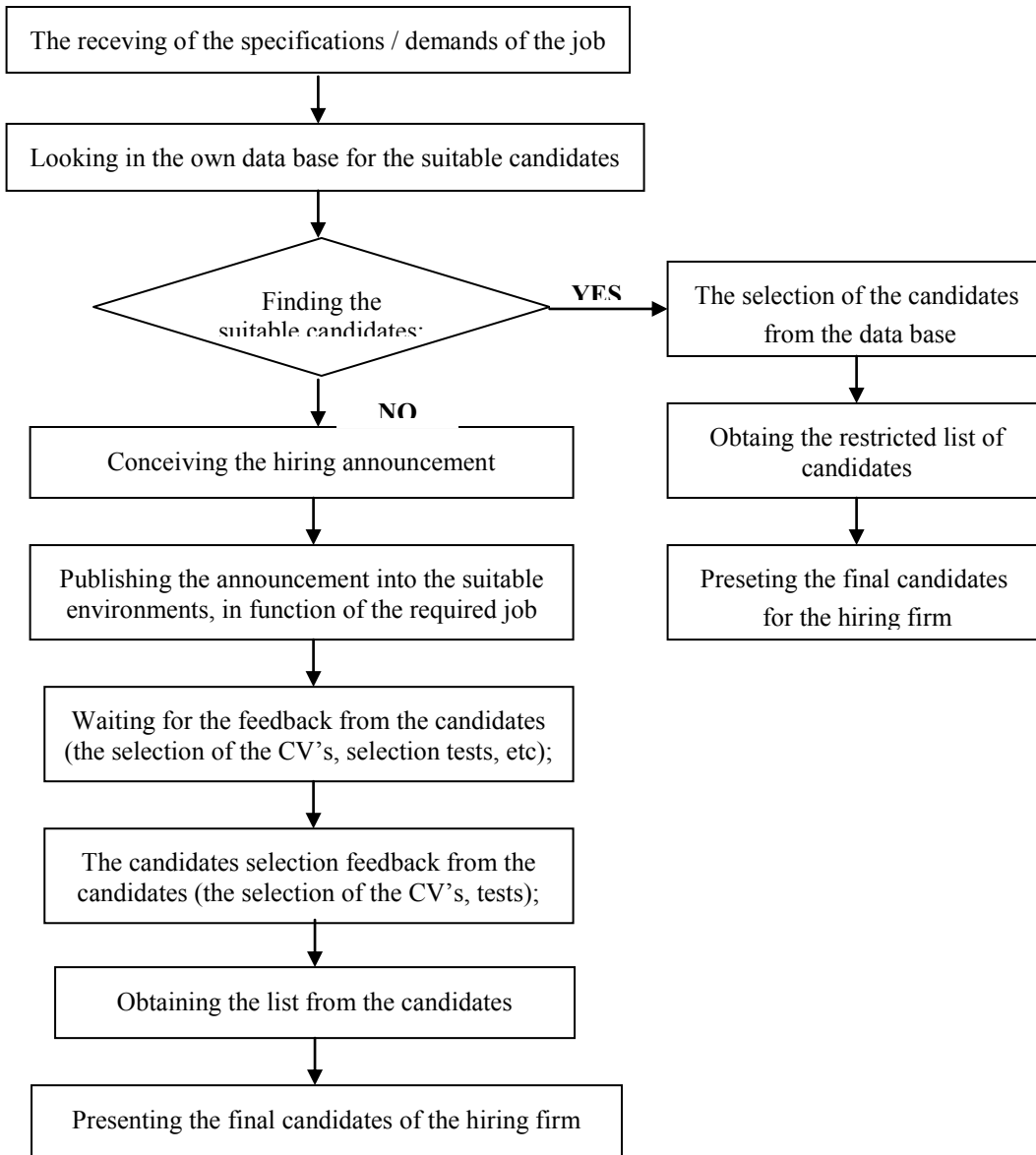


Figure 1.1. The main steps of the production process for the recruitment and selection of the personnel services

f) The productivity and the quality

These are showing how efficient are the entering which are changing themselves into exists and which are giving a value added to the clients (customers). These elements often are treated separately, but it is very good if they can be seen as being two sides of the same coin. No selection and recruitment services firm cannot allow treat the two elements separately. The improving of the productivity is essential for keeping the costs under control, but the managers must avoid making inadequate reductions (costs), in the quality level of the offered services to the customers (also about the employees). So, if the costs are rapidly growing, the services firms are forced to increase the presentation productivity, thing that may be accomplished in many ways. The providers of recruitment and selection of the personnel services may train better the actual employee or they might hire another ones, who would work a lot more, or with a lot more skill. Another way would be that the providers of services to increase the service partially renouncing at the

quality, a way less agreed through. The providers of recruitment and selecting personnel may “industrialize” the service by supplying the endows and by the standardization of the service process, or they may put to work the technology force, with the help of an computerized performing system, might realize rapidly the selection of the candidates from the data base, may rapidly send answers to the appliers, may administrate efficiently the entire recruitment and selection process.

On the other side, a web site hold by the recruitment and selection of the personnel agencies, may allow the clients to obtain the information they need, to explain themselves about the entire recruitment and selection process, practically all the details the clients need might be showed on a well realized site. One of the main ways throw which a company that offers recruitment and selection personnel services might be different from the competition is throw constant supplement of a higher quality than the one offered by the competitive firms.

As well as the product marketers the service providers must identify the client’s expectations that are being watched about the quality of a product. Unfortunately the quality of a service is harder to define, than the quality of a product.

Into the recruitment and selection of the personnel services, also, is not very easy to find a definition of quality of the performance of these services. The keeping of the client’s rate is probably the best measurement of the quality of the service – the capacity of a firm of keeping its clients it depends of the showed consistency in giving the value. The recruitment and selection of the personnel companies must secure themselves, which the clients are benefiting constantly of a higher quality of the prestation service. Even if some problems cannot be stopped from appearing the company may learn to resolve them.

For the growing of the services quality the following aspects ate the most important:

1. The capacity of improving the defficitary service;
2. The authorization of the employees of the contact with the clients for these ones to notice and to be concerned about the needs of the client.
3. The necessity of some higher quality standards of the service.
4. The strict surveillance of the performance in the serving – the own performance as well as the competition one.

g) The people

Lot’s of services depend directly of the personal contact between the clients and the firm employees. During the recruitment services, the firm consultancy is interacting with the clients even since the moment of the request defining for the vacant job.

The consultant must prove professionalism during the pecking the information about the culture of the organization, the values and its objectives, the personality of the one that would be hired for to eliminate any unfitness, adjustment or any problems of this kind.

The recruitment, consultancy and training firms receive the evaluation from that firm. For having success the firms that are offering recruitment and selection of the personnel services make important efforts to recruit, train and motivate the personnel, which especially are in direct contact with the clients.

The X firm is an experimental crew with professionalism abilities that has a strong background in business, psychology, philology and engineering. The consultants have lots of experience in leading the human resources, project consultancy for companies that act in several areas.

The X firm consultants are not specialists in the business area, but they know how a marketing department looks like, which are the attributions of a sales manager of a financial one, they understand the business model of the customer: some are specialized in the backing area, other in IT, and telecom, etc. The quality of a consultant at the recruitment is given of the quality of its own net, the quality of its company. From the personnel relation that they are having with lot of people from the “market” you can find out the most useful information. Each one of us has the duty to develop its own net.

To the contacts net is being added the companies experience on the market (there are between 5 and 15 recruitment projects in the same time), the advices and the guarantee that are being offered to the customers (including the responsibility of replacing the chosen person). Over 70% of the clients are returning as clients at the X firm.

h) Tangible elements

The building perception, the environment, the vehicles, the equipment, the staff members and the other visible clues, all of these are giving a tangible perception about the firm, its style and the quality that it is giving as well. The services firms must build, carefully all these perception because they can have a strong impact on the clients. A discussion between two persons might symbolize the safety that the client might have into the recruitment and selection of the personnel company.

Conclusions

It is very important to be established the relation between the services marketing, operations and human resources. As it had been showed into the components of the model of the 8P, the marketing cannot function isolated from other functions in a services organization. The specialists, who usually have the responsibility of improving the productivity and the quality control, are leading the process that is necessary for the creation and the delivery of the service. Similar, the employees are recruited and specialized by the managers. Even the ones that have direct responsibilities with the clients often are reporting to the managers.

The contact between the client and the recruitment and selection of the personnel service is the time period during which the customers are interacting with the recruitment and selection personnel service. In some cases, the entire service of recruitment and selection of the personnel may be reduced (minimized), at only one contact with the client, involving the command, the payment and the contact might be made through the simple interaction between the client and the employee.

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MARKETING RESEARCH IN ADVERTISING

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21th century advertising might just be the most powerful weapon a marketer has and a quite efficient one if we think about the way it changed our world. But all that power comes with great responsibility: used accordingly by planning everything in the smallest detail possible it can be the best thing that ever happen to a company, used without any kind of strategy it can very well be a large scale disaster. Because of the great costs that advertising is much too often associated with and also the long term affects it has on the consumer a company should never start an advertising campaign without knowing every single last detail concerning their product and consumers. The study of the promotional message will show its capacity to gain the attention of the targeted audience, to stand out from other messages, to be associated with the product/service it promotes, to generate a positive reaction towards that specific product/service and to encourage its purchasing.

marketing, research, advertising

Marketing research in promotional policy issues is the most developed field of research from all the other marketing mix components research fields. The studies, in this field are primarily focused on advertising, being oriented on three main topics: promotional message, promotional channels, and evaluation of advertising efficiency.

The message itself is a pathway to reaching a goal, a way for the marketer to communicate with the consumers, to listen to them, to learn from them and a way to let the world know that the particular product/service is available with all its numerous advantages. In a world dominated by accessible technology is quite hard to be different or to remain unique through the products/services offered and advertising is just the tool to transform an ordinary product or service into an idea as close as possible to the desires and needs of the customers.

The study of the message itself it is being done in two different ways depending on when it is taking place: before or after testing the message. The study of the message before testing it will show its capacity to gain the attention of the targeted audience, to stand out from other messages, to be associated with the product it is supporting, to generate a positive reaction towards the product and to encourage the purchasing of the product. Regarding the method chosen to deliver the message (press, TV, radio...) we can identify the following methods for analyzing the message previously to testing it:

a) **Singular testing** analyzes the effects generated by exposing the subject to only one message and has the following approaches:

- The subjects are being confronted with different forms of the title of the announcement and they are asked to choose the one that they consider as the most interesting. Afterwards they will receive the rest of the announcement and some questions regarding it will be applied. This way the researcher can identify the way in which the title of that announcement gains the attention knowing the fact that in real life the title is the one responsible for standing out in the eyes of the consumer, only afterwards (and if this condition is satisfied) the consumer will actually read the entire message text

- Before being presented with the announcement the subject will be asked regarding their actual intention of purchasing that particular product. This variable will also be analyzed after the exposure to the message in order to establish the way in which the message influenced the purchasing intention for that specific product on that particular consumer. A particular attention should be given to products with a high grade of dedication (like high level electronics, professional tools and equipments) that stand out of the general consumer product category for which the purchasing intention is quite hard to be changed.

b) **File type testing** consists in a set of 6 to 8 announcements among which the one being analyzed, each one printed on a different sheet from the same copy-book. This copy-book will be handled to the subjects to look into and afterwards they will be asked what brands they can remember to be promoted inside and to evaluate the announcements without looking over the copy-book. The next step in this method is showing (again) the announcement being analyzed in order to determine in what manner the respondent trusts the message, is being attracted by it and how clear he understood it. Some of the main advantages of this method are: the short time needed to apply it, low costs, easy understanding of the results and as problems the fact the memory effect depends also on the interest shown by the subjects towards that specific product and not exclusively on the announcement itself. Again it is necessary to know the respondent and its interest towards that specific market product or service, his knowledge in the field being one of the strongest influence factors for the memory effect.

c) **The imaginary magazine method** consists on making a couple of magazines containing some rather interesting subjects and advertisings so they will appear as real as possible. The announcements that represent the subjects of the test will be inserted in some of the magazines which will be distributed thru the postal service or through some designated operators to families from different geographical areas. The respondents will be asked to read the magazine in a usual manner in order to rate the publication. The analyze will be made thru a form that the respondents will return after completing it and which includes among other things (questions regarding the articles and the advertisements in generally) some questions designated to the announcement being analyzed. This last type of questions will determine the memory effect, the way respondents are being attracted by it, the way they trust it and the attitude towards purchasing the promoted product. The questions regarding the product can be used to compare the answers given by families on which the message was tested on and families on which the message was not tested in order to see the effect that the announcement had. As in any research method based on respondents acting on their own, without any assistance from the researcher it vital for the value of the entire research that the selected respondents will behave as instructed and that all the responses received will be analyzed firmly before being taken into consideration.

d) **The consumer panel test** consists on 50 to 100 people that are being presented with a couple of announcements promoting the same brand in order to make a classification after their preferences, their interest towards the message and the influence it had on their purchasing intention. Standard questions for this sort of research will also focus on identifying the way the consumer sees the message transmitted through the announcement, on the way the message is being presented and on the most appreciated parts of the announcement. The test can be applied on individual or group interviews, in the respondents' home or in special prepared rooms. Among the limitations of this particular method there are the influences between individuals in group interviews and the potential classification errors when confronted with a large number of announcements.

e) **The D.A.R. test (Day After Recall)** consists in transmitting a commercial on TV in 3 or 4 designated localities. From those localities the next day after transmitting the commercial the researcher will select a number of people that watched the TV program. They will be asked on the phone if they saw the spot and, if so, to tell what they can remember from it. After this they will be asked to rate the message by its capacity to inform, its credibility and its clarity. The evaluation of the efficiency will be done by comparing the scores obtained from the respondents with other standard scores like the ones obtained by similar products. Also, an interesting thing to test when using this method is what other similar commercial is the one in question being associated with and in what manner this association affects its image and message

f) **The theatre test** consists in inviting a group of consumers in a theatre room under the pretext of watching a pilot TV program. Before the show the subjects will be presented with a list of brands among which the one being tested and asked to chose their favorite one under the pretext of a lottery and they could win the chosen product (the quantities of products will be chosen in such manner that their general

value to be as close as possible). After this moment the consumers will be presented with the actual TV program in which there will be inserted a couple of commercials representing the brands from the lottery including the brand being tested. At the end of the TV show the respondents will be asked again to mention their favorite brands (for another lottery, to increase their chances or to increase the quantity of the product chosen earlier). This way the researcher can measure the way in which viewing the commercials influenced the attitudes of the respondents. In order to maintain the story of a pilot TV shows the respondents will also be asked about the program and other commercials.

In order to analyze the messages before testing them a series of measures based on various equipments and technologies that test the physical reaction of the human body are also available. These methods are based on the fact that the emotions generated by a particular message will provide physical reactions that can be measured and therefore deduce some of the attitudes of the respondents towards the message they were presented with. Such methods are:

a) **The G.S.R. test (Galvanic Skin Response)** uses a device named the galvanometer that analyzes the physiologic reaction of the individuals presented with particular messages. The subjects will be connected with measuring probes (electrodes) to a measuring monitor while different commercials will be running. With the help of the measuring probes the monitor will record the perspiration on the inside of the palms of the subject that is considered as an important indicator for the intensity of the emotions felt. This particular method is not a very popular one due to the fact that it is not able to make the difference between a positive reaction and a negative one and it needs time to adjust the equipment to the body of each individual. Also the way people sweat depends on a large variety of factors such as room environment compared to the outside environment, skin properties, different anti sweating methods used by each person. Because of this is very important for the researcher to normalize the room temperature, to ensure the same conditions for all the respondents, and to establish the normal behavior (the base) for each individual being tester.

b) **The ocular receptor** is an observation technique based on a high sensitivity video camera that follows the movement of the eye retinas when the subject is being presented with the message. By using this technique the researcher can identify the parts of the message that were the most viewed by the respondent and the order in which he read it. The main disadvantage of this method is that it is not able to tell if the respondent is being attracted by the message (if he is actually reading it or looking at some parts of the announcement) or if he is just confused and looks at the message in a random manner. For types of messages that are known to have a standard form (like web pages, articles...) the respondent will be tempted to follow the same known pattern and will be confused when being confronted with something different. Also, when being confronted with color rich graphics the way the respondents react to the black and white form often differs from their reaction to the full color one. The researcher should be informed if some of his respondents are having trouble seeing one or more colors or textures (as an ocular medical affection) and if they are using eye glasses to enhance their sight (if so, what are the differences when viewing the message with and without the glasses)

e) **The PDR test (pupil dilatation response)** measures the degree of pupil dilatation of a respondent when he is being presented with a certain commercial. The theory behind this method says that in similar conditions of lightning in the environment and distance to the screen the way pupils react can show the measure in which the respondent is interested on a part of the message. Studies show that a commercial with a bright white background will score much more than a dark background one no matter how interesting the last one is. Therefore the scores are being normalized with the quantity of light the commercial generates to counter the independent physical reaction of the retina. Also the reaction time of each individual must be carefully tested and recorded to normalize the scores obtained in the real test. The researcher should not look for perfect healthy subjects because that is rarely the case in real life and by doing that the research results will not be that rich.

d) **The diaphanometer test** is based on transmitting a message starting from an unclear presentation and gradually increasing the quality of the transmission in order to measure the reaction of the respondent in different stages of this presentation. Counting on the particularity of the commercial the scrambling of the message can be audible, visual or both. In some variants specialists are using real noises to simulate the normal conditions (traffic noise, colleagues speaking at work, children playing at home, a construction site nearby, rain, sun, graffiti, or other problems affecting the print). Here for the researcher will use as scrambling methods sounds and print alteration simulations specific to the environment where the respondents come from and to the environment where the messages will actually meet the general public.

e) **The tachistoscope test** is about playing the same commercial at different speeds in order to determine the elements memorized by the respondent at different stages. This way the specialist can determine the minimum time needed to send the message with maximum effects and also to determine the elements of the commercial that stand out. The main idea here is to see which is the minimum time needed for the main parts to be understood by the respondent due to the ever increasing price of advertising space. Also a variant of this test was used to determine how fast can a banner go pass the respondent eye so that it will be seen accordingly (the banner print can be on a bus or the respondent might pass it at different speeds and distances). As a result of this technique the very interesting animated frame ads were developed (the coca-cola subway advertisement is a good example here).

Analyzing the promotional message after testing it determinates the effects it had after being practically applied to the consumer through one or more specific media types for which it has designed. The evaluation methods used here can be classified into three main categories: the recognition test, the memory test and the triple association test.

The recognition test, developed by Mr. Daniel Starch, evaluates the degree in which the message gains the attention of the subject when printed in a publication (newspaper, magazine...). The moment on which the test is being applied depends on the frequency of that particular publication. For the publications that are being published weekly or twice a month the test will begin after three to six days after the publication is sent to the shops and for the monthly publications the test starts after about two weeks and can take about three weeks. The selected respondents are readers of the publication, the size of the panel will be between 100 and 150 people. The basic questions used in this method generate the following categories:

- Subjects that do not remember seeing the message
- Subjects that can only remember seeing the message previously
- Subjects that remember seeing the message and associate it to the product/brand it is promoting
- Subjects that read at least half of the announcement

Contrarily to the easiness of using this method there are a number of limitations like: the interest showed by the respondent can also be influenced by the previous interest regarding that subject, the possibility that some confusions regarding the understanding of the message might appear, the situation in which the subjects read more than one magazine with similar adds and the fact that recognizing a product from the add does not mean that the respondent will go ahead and buy it.

The memory test consists in accessing a panel of respondents that were exposed in a particular moment with a certain communication channel (press, TV, radio...) and asking them to speak about the commercials seen or heard. In this sense there is: **unassisted remembering** when the subjects do not receive any information regarding the particular commercial and **assisted remembering** when such information are provided. In the case of assisted remembering the main purpose will be the analysis of the popularity of the message by presenting the respondents with different publications that they read and asking them what ads they can remember from those publications. One of the techniques specific to this method of analysis is the Galup-Robinson technique which has the following steps²⁴⁰:

- a) the respondent must remember and describe correctly at least one article from the publication that is being analyzed;
- b) the respondent is being presented with a number of paper pieces with the names of some brands that were advertised in the publication and also some that were not present in the publication. He is asked to select the brands that he remembers being advertised in the publication
- c) for each brand remembered correctly the respondent is interviewed in order to establish the accuracy and the strength of the information remembered (how many details he remembers and how precise they are)
- d) afterwards the magazine is opened at every ad that the respondent remembered and he will be asked if that is the ad he was referring to when answering the questions and if is the first time he

²⁴⁰ Serbanica, A., Cercetări de marketing în sprijinul politicii de comunicații a întreprinderii, Teză de doctorat, ASE, București, 2005, pp.94-95;

sees it. If that is the first time the respondent sees the add the paper containing that brand will be disregarded in order to focus only on the brands clearly remembered

- e) Finally the information is classified accordingly to the gender, age, education and other socio-demographic data regarding our respondent

The triple association test is based on analyzing the association capacity between three sets of information regarding the distinctive category of product, brand, and promotional message. The respondents are being presented with information regarding two categories and they should provide the third one to complete the set.

Another area in which marketing research is used to assist the decisional process regarding the promotional strategy is the study on the potential message transmitting methods. Such researches help in the substantiation of the decisions regarding choosing the proper communication methods (TV, radio, and press), establishing the channel selection criteria (entertainment, business or news oriented) and choosing the most benefic type of programs when the advertising spots will be transmitted.

The fields covered by this type of research are: the message distribution methods (for example the number of TVs or radios), the people who watch/listen to them, the exposure to the messages, the efficiency of the message. The types of studies vary on the method used to distribute the message.

For the written press the main interests are the distribution of the publication and the main characteristics of its readers. The distribution of the publication means the number of printed issues, the number of sold issues, territorial coverage, the profile of the selected location for the distribution, the fate of the unsold issues (donations, free issues, paper recycling plants...). The profile of the readers of a publication represent the total number of persons who got the chance of reading it even partial and does not limit to those who actually purchase it. The analysis of the readers of a publication is being done through three main characteristics: number of readers (the number of persons that read the publication), structure of the readers community (socio-demographic, psychological and behavior related characteristics of the panel), level of exposure (how many times does a person read the publication, for how long he reads it, number and types of articles read...) ²⁴¹. The general term reader used here there will be understood a person that reads that particular magazine completely or partially in a certain interval of time from the moment it went out on the market, one day before the interview for daily papers, 7 days for a weekly publication... (Practically the interview will be done before the next issue will be out).

The information regarding audience is obtained through inquires. In Romania, these kinds of studies are being developed under the direct supervision of BRAT (The National Biro for Circulation Auditory) as a part of the National Auditory Study research program. This study involves people living in cities with over 50.000 inhabitants with ages between 14 and 64 years. The interviews are taking place in the residence of the respondent, face-to-face, by recording the answers in a printed questionnaire. The field activity is divided into two research campaigns that were established by BRAT after a selection from the offers received: CSOP – the Centre for Marketing Research and Opinion Studies and IMAS – the Institute for Marketing Research, each with 50% of the interviews ²⁴².

In television the audience can be measured through various methods like: random phone call method, people meter an the journal method.

The random phone call method consists in calling random phone numbers and asking them if they are watching TV in that particular moment. If so, they must say what channel they are watching and the TV program that is running at that precise moment. This method is not really proper for evaluating shorter TV programs because there is rather hard in obtaining o representative panel during the show. Also the shows running early mornings or late at night are not suitable for this type of research.

The people-meter is a device that is connected to the TV of each household involved in the research that records the total time in which the TV is on, the time spent watching each program and the number of family members watching. In order for th device to work properly each family member must press a button when joining the other viewers and again when leaving the room, this way the people-meter records not only the time spent watching TV but also the structure of the viewers. The recorded information is sent in

²⁴¹ Haskins, J., Kendrick, A., Successful advertising research methods, NTC Business Books, Lincolnwood, 1993, p. 244;

²⁴² <http://www.sna.ro>

real time to the main server that stores the data from all the panel members and measures the general audience. As good as it might sound in theory this method has a big limitation due to the difficulty of getting all the family members to cooperate by pushing their button each time they enter or leaving the premises of the TV.

The journal method involves asking the selected respondents to register in a journal the chosen channel, the viewing period and the programs watched. The journals are not made for each viewer in part but for the TV no matter who is watching it. This method is cheaper but is often affected by the fact that the respondents will forget to write down some aspects of their behavior or will do so in order to avoid being judged for the programs they watch. Also by using this method there will be a rather big delay between the moment when the behavior happens and when it is recorded in the data server and analyzed.

For radio audience measuring the random phone call and the journal method are also being used. Marketing research plays a crucial role also in evaluating the efficiency of the advertising campaigns using qualitative (interviews, focus-groups) and quantitative research methods for this purpose (the investigation).

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4. <http://www.sna.ro>

IDENTIFYING THE NEEDS FOR INFORMATION OF THE ORGANIZATIONS FROM BUCHAREST, MUNTENIA AND OLTENIA REGIONS²⁴³

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*Resume: This paper is the result of some marketing researches about organizations informations needs. For identifying the needs of marketing informations of the organizations in the south region of the country, a series of qualitative research where made, totalizing two focus groups and 5 in-depth interviews. From the research were detained aspects about: present informations sources, needs of informations, and utility of a new portal with marketing information named **INFOMARK** and the trust in it.*

Key words: Marketing research, information needs, organization from Bucharest, Muntenia and Oltenia

For identifying the needs of marketing informations of the organizations in the south region of the country, a series of qualitative research where made, totalizing two focus groups and 5 in-depth interviews.

The two focus groups took place in the following days Friday the 7th of December 2007, at 18 o'clock and Saturday the 8th of December 2007 at 10 o'clock, in the marketing laboratory "Prof.univ.dr. C. Florescu" of the Academy of Economical Studies fro Bucharest.

The participants were part of the management personnel, with decision attributes in the marketing domain from different companies from Bucharest (mostly) and from the near by districts.

The fifth in-depth interviews were carried on with the participation of the representations of a non-lucrative organization fro Bucharest, a multinational distribution company from Bucharest, as well as the managers from 3 medium firms from Ploiesti, Pitesti and Buzau. The interviews took place either at the firms' quarters or in one case in ASE.

From the analysis of meaning of the in-depth interviews, were detained the following aspects:

a) regarding the present informations sources

- "a sportive Romanian organization can obtain new informations about marketing in sports only from foreign specialized books , from that we can draw the conclusion that the rest of the informations (specially the ones from the Romanian market) are not presenting a highly degree of novelty" (The Romanian Sports an Olympic Committee)
- "at our company level does not exists an allocated budget for purchasing the marketing informations. When it is a obvious need for a specific information, the information is looked in the free sources" (The Romanian Sports an Olympic Committee)
- "the available informations are the ones focused on the price evolutions for: the rough materials, the labor force, the utilities and the offers of our society" (medium firm from Ploiesti)

²⁴³ This paper is based on the dates gather for the first phase of the research project "Research regarding the development of an complex and interactive integrated system for the assistance of marketing decisions in the Romanian organizations in order to rise competitiveness" - Grant CNMP Partnership no. 91-066 / 18.09.2007, Coordinator ASE Bucharest, 2007-2010, amount 2.000.000 RON);

- “the firm does not have a well developed marketing department and for that matter the marketing informations are pretty reduced” (medium firm from Ploiesti)
- “in the present the means for obtaining the marketing informations are modest” (medium firm from Ploiesti)
- “our main source of informations is represented by the specialized publications (like books or articles on the internet)” (medium firm from Ploiesti)
- “the informations used by our company are obtained from the next sources: surveys, discussions with clients, specialized magazines, and others sources of informations specialized in economics domain, Internet, participations at exhibits nationals and internationals. The types of informations used are: statistical ones from the National Statistical Institute reports, analysis and previsions of the specialists from the specialized publications, reports and informs from the Owners Organizations – FEPAIUS, worksheets presented by the participants al symposiums from the textile domain” (medium firm from Pitesti)

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b) regarding de needs of informations:

- „I especially need informations regarding the sponsorship possibilities our organization could benefit from” (The Romanian Sports an Olympic Committee)
- “The organization might need access to an integrate informatics system, witch ensure the access to different detailed sectorial studies and reports, analyzed and truthful, having as reference the Romanian market.” (medium size firm from Buzau)
- “Would be relevant the informations related to the strategies and policy adopted by different firms from both the Romanian and the international market.” (medium size firm from Buzau)
- “The informations we are in need at this moment are the ones regarding the internal market, the evolutions, and the market shares of the main competitors on the segment. As regards the external market, the dates available at this moment there are some materials available on internet about some synthesis and analyses, but not so recent and without having the certainty of an official source. About the Romanian textile market the most recent data found are from the year 2004-2005, the actual situation being complete change, both on national and on international level”. (medium size firm from Pitesti)
- “A study for which I would clearly pay is a monitoring study of the competition prices” (multinational distribution company from Bucharest)
- “The political-legislative situation in general is at interest to as, but not essential, because here you can not change the economical terms, being in the UE.” (multinational distribution company from Bucharest)

c) concerning the utility of INFOMARK and the trust in it

- “You can make studies on one theme, on one market, in-depth studies, not only general ones, to see something related to the consumer behavior. And then it is OK.” (multinational distribution company from Bucharest)
- “A firm, lets say in theory understand that ASE in good, but in practice ASE is for students... it doesn't appeal. It is the reason that a firm makes all its research through other firms that are responsible towards yours projects. A firm that didn't deliver or the delivered product isn't a qualitative one I will not pay it, and I can also ask for damages.” (multinational distribution company from Bucharest)
- “I do not thrust it and others will think alike. You do not have the means to control; I say again, the people when they are not paid, they won't do the job right.” (multinational distribution company from Bucharest)
- “Your men are going to teach the ones from that firms how to do it, people that know only theoretical methods, and the other ones having only the practice. Your people being smart will look in the practice and will see how to integrate the practical dates into the theoretical

models that they know, in order to generate new and useful informations.” (multinational distribution company from Bucharest)

Also, from processing the informations resulted from the focus groups some position standing and some interesting conclusions were acquired:

a) regarding the present informations sources

- The large companies are making direct researches, are buying the results of general studies. The small and medium firms do not have the money to spend on direct research, they are resuming to the official statistical informations, and mostly one the intern (reports from the selling forces, the sales analysis).
- Another information source is the feedback received from behalf of the clients – informations received from the public relations department (if its’ exists), from the sales agents, from the services or form the consumers discussions forum analysis, or the analysis of some blogs.
- “I hade the surprise in doing a research for a product and the result to be a really different one that the one resulted from the customers forums and blogs analysis.”
- “There were also decisions taken on the filings and the personal sense of the managers, even if there were dates from research that stated other else. Even thou, those decisions were a real success.”
- “For advertising you can find money, to convince the bosses to spend money on researches is much more difficult.”
- Large companies are having subscriptions to official statistical publications.

b) regarding de needs of informations:

- “I am having access to dates about competition, but I would want informations about what’s in the consumers mind (the consumer motivations)”
- “I am having good access to informations, and also a peaty good budget for that, I would be interested in informations about the financial stability of the competition, their objectives and strategies, and informations about the political-legislative environment.”
- There is also interest into: Firm image; Consume behavior; Needs, motivations, attitudes; Trends regarding the conduit; Life style;

c) concerning the utility of INFOMARK and the trust in it

- Large firms would rather pay a monthly subscription to have access to a portal like INFOMARK, and would give their approval to participate to researches related to general situations in the market;
- They are afraid by the free of charge information and by the intoxication information given by the competition in order to frighten.
- Would be well received informations about failure that took place in the past in order for them not to repeat the same mistake in the future.

Starting from the content analysis of this study, it was pointed out the actual situation of how Romanian organizations collect their marketing information, the necessity of such information and the openness of the Romanian organizations towards market analysis as a starting point in the marketing activity, and the opinion regarding the utility of the INFOMARK portal. The majority of the organizations declared their interest in this project, one of the information solicited in the content of the portal being those related with presenting some theoretical aspects of the marketing activity, new things in the marketing field, studies regarding consumers buying behavior, presenting research methodologies on studying the competition or consumer loyalty.

The managers mentioned the utility of forecasting the market and its potential from the buying intentions for the next 3-5 years, at local and regional level, demographic indicators, consumption, the amounts of money spent in different kind of goods, consumer profiling and market segmentation using different criteria, retail audits. Other information needed is that related to participating to fairs and expositions (the way a fair is chosen, number of presentation tables, etc), the way a visual identity manual is created, the way the strategy of export is chosen, the distribution channels. There considerate useful statistics related to

import and export in the same branch, studies regarding the profile of audience of the communication mediums. In addition, they need data by which they can verify the potential success of the future projects. The marketing objectives are based mostly on the previous performance of the company and to the market trends and less on the achievements of the industry. The sources for information used by the managers in assisting the marketing decision process are: previous experience, the internet, the company site (contacts, no of visitors), specialized publications (newspapers and magazines), professional associations, market studies, market observations and competition observations, statistics (INSSE), company partners (clients, distributors and suppliers), internal reporting procedures, Finance Ministry web site, web sites of Commerce Chamber, golden pages, yellow pages, e- auction, fairs and exposition, specialized books. Most of the respondents say that the information they have is insufficient. The main printed journals read by the managers are Săptămâna financiară, Capital, Ziarul financiar, Wall Street. The web sites of governmental institutions are less utilized because they tend to be vague and hard to interpret.

The information about competitors are obtained from the clients (in one case, for obtaining the information the company gave a discount to the client), from the internet (with the fact that the internet research consumes lot of time and energy because of the unstructured information) or direct from the competitors. Information about clients and suppliers is obtained from Golden Pages, the internet using search engines, outdoor panels. Most of the interviewed companies do not realize market surveys or if they realize some in house studies, they make them in a rudimentary matter. Only big companies realize such studies in a professional way. However, all the companies consider that market surveys are necessary. The information necessary to forecast is obtained from the press or other internal sources (sales evolution). The manager understands the necessity and utility of forecasting in sales and in consumer behavior. The internet, the fairs and expositions internal and international provides much of the information about new technologies, but also the external partners or suppliers. The companies consider as a necessity the existence of sectorial databases regarding the European funding opportunities, in the financial and accounting field. Most of the companies, especially small ones, don't have a marketing strategy or a marketing plan, don't have a budget for marketing data, but they are willing to invest 3-5% from sales in this area (with a condition that sales have to rise in the future). The respondents suggested that the portal should be divided into domains and sub domains of activity, a search engine being also useful. The portal has to offer information to managers about their suppliers, competitors, distributors and legislative trends. In addition, information about macroeconomic indicators on the sector of activity and geographical area, theoretical information about marketing strategies and practice of marketing should be present on the portal. The managers also mentioned newsletter as an important instrument to keep them informed about the latest information put on the web site. The participants agreed that the portal will work much better if the access to the database should be made on a subscription, because the maintenance team will be in this way motivated, and the information will have a better quality. In many cases, and, in special, in small firms, marketing values are not known, they do not have a corporate culture, and marketing information when they exist is incomplete or not useful. A good point is the fact that the majority of the companies are aware of the necessity of developing marketing activities. The companies want to find more information regarding the market (domestic and abroad), some of the companies developed forms of collaboration with companies from the same industry and they are willing to set a budget for developing the marketing activity in the company.

The companies are interested also in the trends of the market in which they activate, on the consumer behavior and factors that influence it, for these activities, they are willing also to set a budget. From all the interviews conducted, the idea of realizing a web portal was very good received. If the marketing activity in the companies that participated at the discussion the thing are not that clear, all the participants agreed that is important to be informed, in detail, when they have to make a decision regarding the development of their business.

Big companies make their own market research; buy results of some general survey. SME's do not spend money on market research; they use only official statistics, and mostly internal data (sale force reports, sales analysis). Another source of information is the feedback received from the clients, information received by the client service department (where it exist), from the sale agents, from service or by analyzing the users forums, or blogs.

Big companies are willing to pay a monthly subscription in order to have access at an internet portal like INFOMARK, and they would participate at studies regarding general situations of the market. However, large companies are reluctant in using a free portal. The free information is considered of poor quality and

they consider it as a way in which competition wants to scare them. They consider useful information of company failures, things that went wrong in the past, in order not to make the same mistake.

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QUALITATIVE RESEARCH METHODS: A COMPARISON BETWEEN FOCUS-GROUP AND IN-DEPTH INTERVIEW

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Qualitative research methods tend to be used more and more in academic research. The cost for these methods is quite low and the results may be very interesting and useful for many fields of study. However, the utility and the characteristic of qualitative research methods differ from subject to subject and from discipline to discipline. This paper comes close to a comparison of two qualitative research methods (focus-group and in-depth interview) used in investigating the opinion of academics, analyzing by comparison the results founded in a research conducted in the Bucharest University of Economics using focus group and in-depth interviews. The conclusions of the study reveal that apart of the limits states in the literature, there are other elements that can contribute to obtaining unrealistic results.

Key words: Qualitative research methods, focus group, in-depth interview, academic research

Introduction

Rapid social change and the diversity of the world have contributed on a large scale to the diversification of research methods. Limits of quantitative research methods have determined orientation to the qualitative instruments which are more reliable in certain circumstances. There are many virtues of qualitative research that determine a lot of researchers to manifest preference for these kinds of methods: are the correct choice of appropriate methods and theories, the recognition and analysis of different perspectives, the researchers' reflections on their research as part of the process of knowledge production, and the variety of approaches and methods (Flick, 2002:4). Qualitative research explain how it may be useful for exploring "why" rather "how many".

There are various types of instruments used to collect data for qualitative research. Focus groups and in-depth interviews are among the most utilize instruments that researchers are using in collecting their data.

Focus group implies a group discussion in order to identify perceptions, thoughts and impressions of a selected group of people regarding a specific topic of investigations (Kairuz, Crump and O'Brien, 2007). Discussion should be perceived by the participants as no-threatening and free to express any kind of opinion, no matter if this opinion is shared or not by the other participants. Focus groups generate valuable information, especially when the participants represent small groups of interest, ignored by the quantitative research or when the area of investigation.

The in-depth interview is a technique designed to elicit a vivid picture of the participant's perspective on the research topic. During in-depth interviews, the person being interviewed is considered the expert and the interviewer is considered the student. The researcher's interviewing techniques are motivated by the desire to learn everything the participant can share about the research topic.

In depth interview is an effective qualitative method for getting people to talk about their personal feelings, opinions, and experiences. It is also an opportunity to gain insight into how people interpret and order the world. We can accomplish this by being attentive to the causal explanations.

The results obtained through these two qualitative methods varied (among others) according to the subject investigated. As a general rule, in depth interviews, the participants are more confident, more relaxed and they feel more encouraged to express the deepest thoughts about a certain subject. In focus group the

participants act according to their personality; it is the risk that in some situation those with a weak personality to follow those with a stronger personality. There are also some situations when the issue discussed is incommode and the participants are not confident in expressing their real opinions. They are more preoccupied by the image that the other participants will build up on them that to express what they really think about that subject.

The case study

This study tries to identify the limits of using focus group comparing with in-depth interview in identifying the opinions of academics regarding some aspects of academic research. The aspects evaluated through these two qualitative methods were related to the connection between academic research and business environment and to the performance of the academic research.

Both issues are quite very important for Romanian academics and universities management. The performance of academic research (through the results of the research process) is perceived as almost similar with the performance of the university.

Cooperation between academic research and business environment is considered to be one of the proofs that academic research is in the benefit of society, a confirmation of the market utility of universities. Academic research is considered to be efficient and social valuable if it offers solution to real problems that companies confront on. Students seem that are not willing to sacrifice functional expertise in favor of generalist expertise. (Schelfhaudt and Crittenden, 2005)

From universities point of view, collaboration between business environment and universities is an important source of casuistic for the teaching process. It is also an important source of financial resources for universities, and many times sponsorship activity is determined by the implication of business environment in the academic activity. There are cases when industries developed in a perfect harmony with universities (Silicon Valley).

From the students' point of view, those universities with strong connection in business environment are very attractive. It is a proof of the fact that they will have better opportunities to find a job and a confirmation that higher education does not offer only theoretical knowledge, but also practical skills and abilities.

In Romania it is still believed that universities are more oriented to theoretical approach than to practical direction. Universities considered that business environment does not have positive reception for academic research. Business environment is not convinced that universities have necessary abilities to find correct answers for their problems.

Methodology

The purpose of this paper is to present the differences between focus group and in depth interview using these qualitative methods on a subject regarding the academics' evaluation of the performance of academic research and the relation between business environment and academic research. Both focus group and in-depth interviews were conducted in the same university, following the same conversation guide. Some of the academics interviewed by in depth interview method were present in the focus group. The structure of focus group was similar with that of in-depth interviews. Academics were grouped in three categories, according to age and involvement in research. Group A, below 30, group B between 30 and 50 (with two sub-groups, B1 with little involvement in research and B2 with involvement in research) and group C, over 50 (also with 2 sub-groups: C1, with little involvement in research and C2 with involvement in research).

The structure of the conversation guide was around three major themes: *what do you consider about the present evaluation system of academic research, why the performance of academic research in Romania is considered to be low and how do you appreciate the relation between academic research and business environment*. In order to discuss the comparison between these two qualitative methods were selected two questions: the first one, *what do you consider about the present evaluation system of academic research*, and the last one, *how do you appreciate the relation between academic research and business environment*. The reason of selecting these two questions is given by the fact that the first two question offer similar information from this paper's goal point of view.

Also, literature review was used in order to determine the place of this study among other researches. At the international level it is a constant preoccupation in analyzing both the virtues and the limits of focus

group and in-depth interview and some of these studies were consulted in order to sustain the conclusions of the present paper.

Major findings

What do you consider about the present evaluation system of academic research?

On this question, the answers gained in focus group and in in-depth interview were quite different. If both in-depth interviews and focus group all of the participants complained about the present evaluation system, the motives of complains were different.

The participants' attitude in focus group was rather favorable to the research aspects. Nobody mentioned in the focus group pecuniary aspects. All critics expressed by the participants in focus group were related to the relativity of the criteria established by the Ministry "why they are asking for publication in ISI journals, when we don't have such journals in Romania" (X12), to the high pressure that exist on the professors "students are asking for a good professor, evaluation system asks for a good researcher. It is quite difficult to be good on both" (X3, X9, X11). All participants in focus groups agreed that publication should be a criterion of evaluation, but not in this way. A lot of vague aspects were revealed, as "originality of the research", or "the contribution to the field", criteria which are difficult to evaluate and nobody explained what it mean.

In in-depth interviews the critics were very acid. The attitude against research activity was evident. "When I was hired, nobody told me that I supposed to be a researcher. I was thinking that I will be a professor" (X9, X6). "Which is the difference between research institute and universities? We should educate people, not to research" (X12, X10). Financial aspects were also among those reasons invoke the most. "They should first look to our wages and then they should ask us to have similar performances as the western academics" (X2, X7, X5).

The differences between the attitude expressed in focus group and in in-depth interviews have different reasons. One reason is given to the fact that all academics acknowledge that research is an important part of the academic activity and they don't want to admit "in public" that they do not agree with it. The complaints are related to the way of establishing criteria not with the criteria. In in-dept interview, they felt more confident and they expressed their concerning and their rejection regarding an activity which is considered too difficult or unnecessary (for some) from their point of view.

Another reason is given by the differences between generations. Those over 50 are more reserved than those under 30. But those over 50 have more official authority, so they abstain to express negative opinion in order to preserve their image.

How do you appreciate the relation between academic research and business environment?

This issue is one on which focus group and in-depth interviews were convergent. Both in focus-group and in in-depth interviews a certain defensive attitude was revealed. The academics consider that business environment does not offer credit to academic research. "They are not interested in what can we offer. Managers are suspicious; they consider us a sort of spy (X1)". "If you know someone in a company, than you have chances to develop some relation with them, otherwise is almost impossible"(X2). "Let's be realistic. What can we offer? Why should they be interested in our researchers' abilities?" (X7) "They don't need research; they definitely don't need academic research"(X5).

Other opinions consider business environments hostile to collaboration with academic environment. "Our students have many difficulties in finding companies for internship and those which accept students ignore them and do not allowed students to be involved in their current job. "All the time, we receive the same answer from the students when we ask them: what have you done in the company? I answer to the phone; I typed something on computer, things like these....(X6)"

From in-depth interviews, many additional comments appeared in link with the relation between academic environment and business environment. Almost all of them were in the same spirit of malfunction relation, which has roots both in the communist regime mentality and in the perception that universities are mostly oriented towards theory, not towards practice. "In communism, the collaboration between so called 'business' and universities were compulsory and nobody could say no, therefore, it was a formal cooperation, especially in the economic field. Maybe for engineering it was different but for us, it was

totally formal, without any kind of practical results.”(X20,X24, X2) “Companies do not appreciate academic environment because they consider that universities offer only pure theory. Many students are working today and they are saying that what we are teaching them doesn’t apply in practice”(X31).

Why on this question the results were similar? Why the both methods lead to the same conclusion, that business environment is hostile and is not interested in the research that could be provided by academics?

One explanation states in the fact that the collaboration between business environment and academics is a difficult one. Every academics confronted with this difficult cooperation between universities and business environment, mostly through students’ internship activity. As one of the interviewed academics said, it is somehow frustrating to ask the students all the time the same question: “What have you gained from your internship and to receive the same answer over and over again: “Almost nothing because they didn’t allowed me to involve in their business”. It is a real situation given by the insufficient maturity of business environment, on one side, and the struggle of academics to prove their business utility on the other side. We have to accept that Romania is still learning market economy and all the actors are in the middle of a radical transformation process. Business environment in Romania, in general, gives no real attention to the research activity. Many things are done “per se”. Romanian companies are too poor and multinationals prefer to involve specialized companies in their researches, not academic environment. This is not a secret, and academics are aware of this aspect. Therefore, the same opinions are reflected by the focus-groups and in-depth interviews.

Another explanation could be offered by the question itself. Apart from the other two themes, this one is about “somebody else”. It is a subject that concerns all of us, but it involves another “entity”, an abstract one, “business environment”. In focus group nobody was worried that his/her opinion is misunderstood or that the expressed opinions will have any kind of negative consequences. Furthermore, as all of them expressed the same thoughts, there was no fear of a “bad” image perceived by the other participants.

Another motive could be given by the fact that the cooperation with business environment is not necessary assimilated with the personal academic performance. If an academic does not publish, this could be interpreted as a lack of skill or a low performance, but not being involved in cooperation with business environment could be the results of many external factors, which does not necessary should be related with personal abilities or personal performance.

Conclusions

The use of qualitative research methods is considered to be a solution in investigating “Why?” especially when the need to generalize the results is not necessary. Qualitative research methods are also preferable when the investigation is oriented to determine motivation, perceptions or believes.

Focus-group and in-depth interview are among the most used methods. There are some advantages offered by these instruments: low costs and valuable information, which are difficult to obtain from a quantitative research.

The inconvenient of these methods are determine by their limits in generalization the results. Also the results can be altered if the instruments are used in an improper manner. This case study shows that interviews are also especially appropriate for addressing sensitive topics that people might be reluctant to discuss in a group. The question regarding the present evaluation system of academic research was a sensitive one and the results demonstrated that on question like this in-depth interviews are more indicated. On the second question the results were similar using both methods because the subject discussed was suitable for a group discussion too.

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ECONOMIC INFORMATICS

AUTOMATIC MERGING OF WORD DOCUMENTS

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In this article I have presented a tool designed by me to help in multiple document concatenation. I made it available in two flavors, VBA and VB.Net 2.0, both having the same basic functionality: to unite multiple documents automatically. For VB.Net version I used the Shared Add-in technique and also created a menu button in the fluent UI (ribbon). It offers users more options related to how they can merge the selected documents (order, page breaks).

Keywords: Visual Basic for Applications, Visual Basic .Net, Microsoft Word 2007, Fluent UI, Ribbon customization, Shared Add-in, Form, Button, List, Word Document, Document Template, Page break

Introduction

Microsoft Office is the most used office suite both because of its functionality and its integration in the Windows operating system (the most used operating system). The document editing mode is intuitive and with the appearance of Office 2007, the menu system made a big step ahead, practically the menu items becoming lively colored buttons on the fluent ribbon. Another one of the benefits of this new version is the possibility to preview the changes before applying them. This can be easily observed when choosing a different font size, while moving the mouse pointer over the different font sizes we can see how the text is resized automatically, but if we do not choose a different size our text comes back to its original format.

Making the tool

Despite these facilities we can say that this application does not satisfy all needs. There are many cases when we need to automate some processes. Just like automation is needed in many domains, it is needed also in document editing. Of course, we have 'mail merge' for some tasks and many other great features. Sometimes we need specially designed tools for special needs. For example: in the case of scientific sessions we get lots of documents for publishing. This requires ordering, extracting parts, uniting. For exemplification we will consider as the ordering key the file name. It happens that the documents number is in the order of hundreds and because of this, the people involved in this process spend many hours doing repetitive actions.

What are they doing?

They have to open each document and extract the abstracts. Usually they copy them in a centralized document but it happens that they make mistakes in ordering correctly. Also when centralizing the whole documents they need to create a centralized document that will contain all the documents for publishing. So they have to use a lot of copy and paste. Anyone can see how difficult this task is because of its repetitiveness.

In this document I present how to make a tool designed to help in such a case. I succeeded in obtaining different versions of this tool which have the same functionality, but the way that the problem is solved is different.

Before continuing with the making of this tool I will present its functionality. The two versions have a small aspect related difference but in rest they are identical. In the followings I will present you the version created in VB.Net 2.0. To run this tool we go to the Add-ins menu and we chose Combine. The interface looks like in Fig.1.

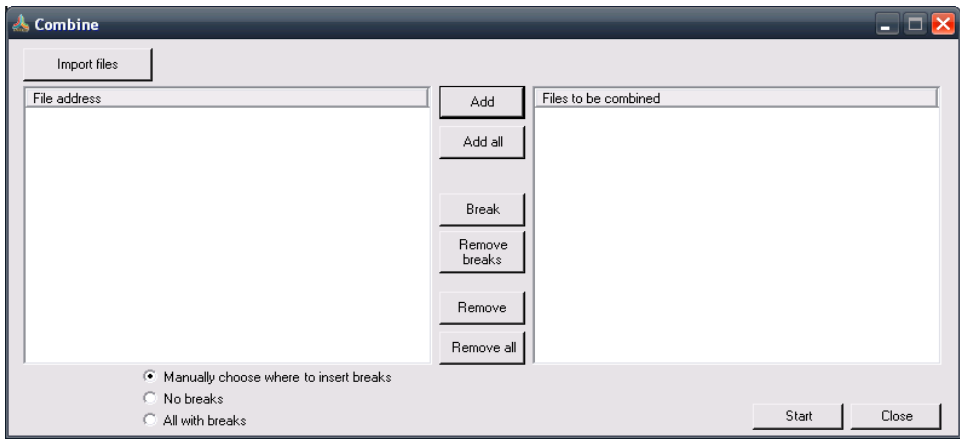



Fig.1 – Main window

The list in the left side contains the documents from which we can choose those that we want to merge. The right side list contains the documents that are going to be merged.

The button  is used to add new files to the left side list. When we push the button another window appears:

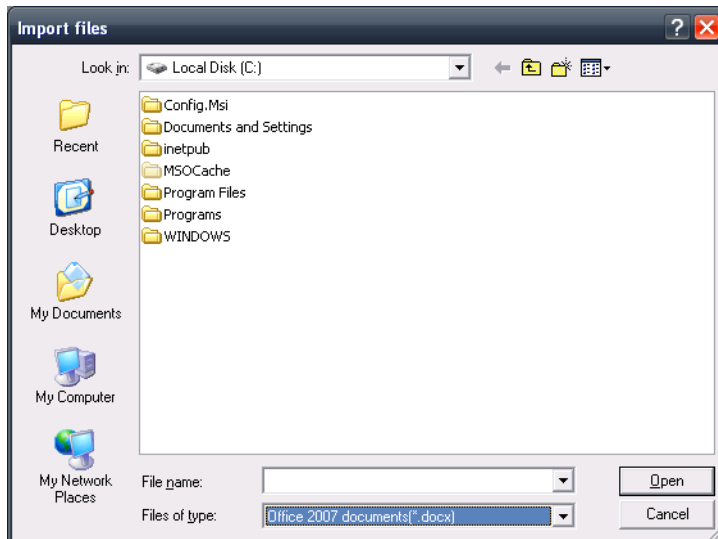

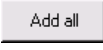
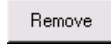
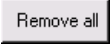
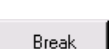
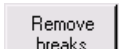
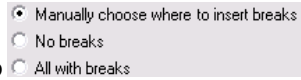


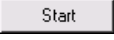


Fig.2 – Import files

With its help we can choose those documents that we want to work with. Ones imported we can find them in the list from the left side.

To move the files from the left sided list to the one on the right side we use the  button. It moves one item at a time. If we want to move all items at once we can use the  button. As you can see we can use for deleting from the right side list either the  button or the  button, depending on one what we need.

The button  is used to manually add page breaks between two documents and the  button is used to remove all added page breaks from between documents.



In the bottom-left corner you can see the following option group. The default option presumes that the application takes in consideration the page breaks introduced manually. The option 'No breaks' tells the application that we do not want to take in consideration the breaks introduced and the option 'All with breaks' means that the application will insert breaks between each two documents. After choosing the desired options and moving all the needed documents to the list from the right side of the window we push the  button which triggers the merging process. To close the application can use any of the following buttons: , .

This version was created using Visual Basic .Net 2.0. I chose to create a Shared Add-in Project for Microsoft Word and let Microsoft Visual Studio to do its job and create all the start files that we need.

The VB.Net version needed coding a button on the fluent ribbon. This code is presented under:

```
Public Sub OnBeginShutdown(ByRef custom As System.Array) Implements  
Extensibility.IDTEExtensibility2.OnBeginShutdown
```

```
On Error Resume Next
```

```
btnStart.Delete()
```

```
btnStart = Nothing
```

```
End Sub
```

```
Public Sub OnStartupComplete(ByRef custom As System.Array) Implements  
Extensibility.IDTEExtensibility2.OnStartupComplete
```

```
Dim oCommandBars As Microsoft.Office.Core.CommandBars
```

```
Dim oStandardBar As Microsoft.Office.Core.CommandBar
```

```
On Error Resume Next
```

```
oCommandBars = applicationObject.CommandBars
```

```
oStandardBar = oCommandBars.Item("Standard")
```

```
btnStart = CType(oStandardBar.Controls.Item("Combine"),  
Microsoft.Office.Core.CommandBarButton)
```

```
If btnStart Is Nothing Then
```

```
btnStart = CType(oStandardBar.Controls.Add(1),  
Microsoft.Office.Core.CommandBarButton)
```

```
With btnStart
```

```
.Style = Microsoft.Office.Core.MsoButtonStyle.msoButtonCaption
```

```
.Caption = "Combine"
```

```
.Tag = "Combine"
```

```
.OnAction = "!<MyCOMAddin.Connect>"
```

```
.Visible = True
```



```
End With
End If
```

```
oStandardBar = Nothing
oCommandBars = Nothing
```

```
End Sub
```

This is the code I used to initialize the add-in:

```
Public Sub OnDisconnection(ByVal RemoveMode As Extensibility.ext_DisconnectMode, ByRef custom As System.Array) Implements Extensibility.IDTExtensibility2.OnDisconnection
```

```
On Error Resume Next
```

```
If RemoveMode <> Extensibility.ext_DisconnectMode.ext_dm_HostShutdown Then _
```

```
Call OnBeginShutdown(custom)
```

```
applicationObject = Nothing
```

```
End Sub
```

```
Public Sub OnConnection(ByVal application As Object, ByVal connectMode As Extensibility.ext_ConnectMode, ByVal addInInst As Object, ByRef custom As System.Array) Implements Extensibility.IDTExtensibility2.OnConnection
```

```
applicationObject = CType(application, Microsoft.Office.Interop.Word.Application)
```

```
addInInstance = addInInst
```

```
If (connectMode <> Extensibility.ext_ConnectMode.ext_cm_Startup) Then _
```

```
Call OnStartupComplete(custom)
```

```
End Sub
```

```
Private Sub btnStart_Click(ByVal Ctrl As Microsoft.Office.Core.CommandBarButton, ByRef CancelDefault As Boolean) Handles btnStart.Click
```

```
Dim combine As frmCombine
```

```
combine = New frmCombine
```

```
combine.application = applicationObject.ActiveWindow.Selection
```

```
combine.Show()
```

```
combine = Nothing
```

```
End Sub
```

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OPTIMIZATION AND LAUNCH OF A GOOGLE ADWORDS CAMPAIGN

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Abstract: *The case study was performed for a company that develops its activity in the baby articles sale field. The respective firm decided that, besides the sale it had developed in the 7 own shops in Florida, it would pass on to the online sale, considering that this market offers it a real development possibility. The company's decision was that the web site should remain in the initial form and that it should be opened a new site for the online sale (decision that significantly delayed the results in the natural search motors).*

Key-words: *on-line sale, commercial, pay-per-click*

As the online Developer shop was new on the online market, its optimization for the natural search motors was to develop in the next few months, the results for the natural search in terms of traffic being estimated to appear only after 8-12 months. Thus appeared the need to substitute, at least partially, the lack of the natural traffic by traffic generated by the PPC (pay-per-click) system.

It means that, the purpose of the PPC campaign was, on the one hand, the substitution of the lack of natural traffic (which, at that moment, was the objective of the company) and thus the increase of the sale volume (otherwise almost inexistent in the same period of time), on the one hand, and the email addresses collection of the potential clients with the end to create a data base, which were to be used subsequently for sending the newsletters/special offers. At the basis of taking the decision of creating the data base it stood the consideration that it is harder to win a new client than to maintain a relation with the already existing ones (especially if the last ones are also pleased of the services they have benefited of). As the purpose and the location of the campaign are settled, it was passed to the implementation stage of the campaign.

Audience Selection. The first step: **choosing the audience**, *the selection of a public-* the identification of the best potential purchasers. The audience selection was based on the principle more does nor always mean better; it was chosen a middle way: the selection of the **search syndication**. The three possible levels are: **1)** The first level: **no syndication** – the announcements appear only on *the result pages of the search motors*. **2)** The second level: **syndication of the search** – the announcements appear on *the result pages of the search motors* and on a chosen group of search motors, which have associated (for Google AdWords: AOL, AskJeeves, Netscape, Froogle). **3)** The third level: **syndication of the content** – in the case of Google AdWords the announcements appear contextually on partner sites, such as: *howstuffworks.com, business.com* and *nytimes.com*. The syndication of the content also means that the advertisement may be added to the email messages for the users of the GMail services from Google as well as in the letters based on the permission request sent to the company's subscribers like *iVillage.com*. And, of course, the announcement can also be displayed on each of the numberless sites associated to the chosen (in the case of Google and of Google AdSense).

Geo-location. Both the web site and the campaign were performed in English. Due to the large number of Spanish speakers from the United States, it was suggested the creation of a version in Spanish language, but the firm did not take that into consideration. On the other hand, both the campaign and the sale politics are limited to the USA borders; the company has not disposed (and does not consider it necessary) the extension abroad.

Search Words Selection. With or without a position on the first page of the search motors, a PPC campaign offers a way of improving the business, offering a relatively constant number of visitors – potential clients. As most of the articles it bases its activity on have relatively low prices (\$5-\$25), with a profit equally reduced, the PPC type advertisement has proven not to be useless, but inefficient; the effort to bring visitors/potential clients on the site was converted in a very low profit. Therefore, for the PPC campaign, it was decided the removal of the accent on the products that could offer a higher profit, thus

justifying the effort and the expenses. After a valuation of the list of the products that the company disposed of, the situation was as follows:

Table 1.: Gross Examination of the /Products/Potential PPC Campaigns

Produse	Pret mediu/produs	Click-uri/zi (Estimare grosiera)	CPC Mediu (Estimare grosiera)	Cost/Zi	Pozitie medie
Baby bathtime skin care	\$7	< 0.1	\$0.05	\$0.00	1.0
Baby books	\$8	28.0	\$0.24	\$6.62	3.2
baby cards	\$5	18.0	\$0.19	\$3.35	2.4
baby carriers	\$45	7.0	\$0.24	\$1.68	5.9
baby clothing	\$17	290.0	\$0.24	\$70.52	2.9
Baby towels	\$6	< 0.1	\$0.05	\$0.00	1.0
Baby Toys	\$18	64.0	\$0.25	\$15.77	3.8
strollers	\$140	600.0	\$0.25	\$148.32	4.0

Excepting the cloths products and the prams, the rest of the products represent the generation of a relatively low traffic, and even worse, of a truly dangerous profit limit. Taking into account the above mentioned, it was passed to the analysis of the possibility of deploying a PPC campaign for prams. It must be remarked, at that moment, the firm was selling the following brands: Graco²⁴⁴; Peg Perego²⁴⁵; Bugaboo²⁴⁶. It was passed to the analysis of the search terms and of the possible generated traffic, by using the 2 instruments: Yahoo! Search Marketing Keyword selector tool (previously Overture, previously Goto.com)²⁴⁷ and WordTracker²⁴⁸.

Table 2.: Estimation of the search frequency and terms derived from the keyword "strollers"

SEARCH TERMS: „Stroller(s)” – Yahoo! Search Marketing	SugestiONS GOOGLE AdWords	SEARCH TERMS: „Strollers” – WORDTRACKER
95085 MACLAREN STROLLER	STROLLERS BABY	STROLLERS 341
58584 STROLLER	STROLLERS	BABY STROLLERS 224
23967 BABY STROLLER	JOGGING STROLLERS	DOUBLE STROLLERS 150
20611 DOUBLE STROLLER	GRACO STROLLERS	DOUBLE STROLLER 135
9274 JOGGING STROLLER	MACLAREN	STROLLER 100
7559 GRACO STROLLER	STROLLERS	GRACO STROLLERS 99
5169 BUGABOO STROLLER	DOUBLE STROLLERS	SIT AND STAND
4489 COMBI STROLLER	COMBI STROLLERS	STROLLERS 99
4338 PET STROLLER	PEREGO STROLLERS	PET STROLLER 97
4140 DOUBLE JOGGING STROLLER	PEG PEREGO	PET STROLLERS 96
4132 TWIN STROLLER	STROLLERS	JOGGING STROLLERS 90
	ZOOPER STROLLERS	SIT AND STAND STROLLER

²⁴⁴ Site oficial Graco: <http://www.gracobaby.com/>

²⁴⁵ Site oficial: <http://www.pegperego.com/>

²⁴⁶ Site oficial: <http://www.bugaboo.com/>

²⁴⁷ <http://searchmarketing.yahoo.com/rc/srch/>

For more informaion:

http://en.wikipedia.org/wiki/Yahoo%21_Search_Marketing

²⁴⁸ www.wordtracker.com

4026 UMBRELLA STROLLER 3968 PEG PEREGO STROLLER 3228 JEEP STROLLER 3072 GRACO DOUBLE STROLLER 2982 DOG STROLLER 2965 CHICCO STROLLER 2874 TRIPLE STROLLER 2811 BOB STROLLER 2750 SIT AND STAND STROLLER 2563 ZOOPER STROLLER 2326 EDDIE BAUER STROLLER 2147 CAR SEAT STROLLER 2089 DOLL STROLLER 1845 STROLLER TRAVEL SYSTEM 1823 TANDEM STROLLER 1803 BABY TREND STROLLER 1725 QUINNY STROLLER 1685 MCLAREN STROLLER 1358 LIGHTWEIGHT STROLLER 1315 EVENFLO STROLLER	UMBRELLA STROLLERS TWIN STROLLERS JOGGER STROLLERS INSTEP STROLLERS JOG STROLLERS	89 DOG STROLLER 77 JOGGING STROLLER 77 BERTINI SIMO TWIN CARRIAGE STROLLER 76 DOG STROLLERS 74
--	---	--

Search Terms Analysis. The search terms analysis was performed individually, based on: Report product price/CPC; Report Profit/CPC; Competition valuation; Traffic possibilities valuation; Moreover, taking into account the fact that it was intended the implementation of a AdWords campaign, the estimations were, primarily made in the light of the tool offered by Google (Google Traffic Analyze Tool) and only afterwards based on the instrument provided by Overture (at the respective moment it was Overture): **1)** The use of the negative terms in order to make the campaign more efficient. The elimination of the terms that may lead the campaign in a “wrong” direction. a) “review/reviews/testimonials” -although these elements usually help the increase of the traffic, they are terms generally addressing those in search for *information* that are not yet in the proper purchase stage, having a pretty high share in the conversion dilution; b) “wholesales”; c) “Reebok” - term, especially associated with “jogging strollers”, which is not in the company’s offer; d) “triple/twin” – though a heavy traffic can be observed, as being generated by these terms, this traffic is more likely the result of curiosity, than of the desire/determination to buy, so they were excluded; e) “dog/pet/cat” – refers to a different category of products; f) “car seat” – similar; g) “doll”. **2)** It was intended to cover all the possible variants: synonyms inclusion, singular/plural terms, frequent spelling mistakes (e.g: *stroler, Gracco, Bugabo, Bogaboo*) and separate words. **3)** Though it proved not to be significantly relevant in the search based on these terms, it was decided to include those words that urged to action: “buy”, “find”, “discount”, “cheap”. Choosing the matching time: it was chosen the “*Exact match*”, but also the *Phrase match*.

Creation of Advertisements Group. *The advertisement grouping on categories is important for the management of the company. It was chosen the advertisement grouping based on the selected search terms (more exactly, on brands: Graco, Peg Perego, Bugaboo and Jogging Strollers). Once the search terms were split into groups, it was looked for their division, based on the estimated traffic (Yahoo! Search Marketing Keyword selector tool (formerly Overture, formerly Goto.com)²⁴⁹ and WordTracker²⁵⁰). There was a selection of the terms that should have a search frequency: more than 1000 searches/month and less (the limit may vary depending on the reference field), as follows:*

Table 3.: Search words/phrases selection (and negative terms emphasis) for the term “graco strollers”

GRACO STROLLERS> 1000	GRACO STROLLERS< 1000
7559 graco stroller	666 graco travel system stroller
3072 graco double stroller	443 graco metrolite stroller
1217 graco baby stroller	437 graco duoglider stroller
	361 graco doll stroller
	290 graco twin stroller
	286 graco mosaic stroller
	226 graco stroller part
	222 graco quattro tour stroller
	214 duo graco quattro stroller tour
	200 graco car seat and stroller
	181 duo graco ionic quattro stroller
	173 graco quattro stroller
	161 graco snugride stroller
	141 graco duo stroller
	140 graco duoglider double stroller
	136 graco sit and stand stroller
	133 graco literider stroller
	127 ashley graco laura stroller
	126 graco baby doll stroller
	108 graco jogging stroller

In a similar way, it was performed the search term selection for the other campaigns: **Peg Perego, Bugaboo and Jogging Strollers**, taking into account each one’s specifications. Moreover, in certain contexts, there were combined “action” words.

Advertisements Writing. It is obvious that, according to the recommendations and specialty studies, the advertisements were written by taking into account a few important elements: 1) As a general rule, the repetition of the search word in the title and, depending on the possibilities, in the text of the advertisement has a significant positive impact over the person initiating the search, strengthening his conviction that the link he is about to enter is the one he was looking for. 2) The first line of the advertisement text describes in short, the product/service offered: “Save 7% on with coupon GRACONOW” – an excellent service/offer. 3) The second line of the advertisement text presents the possible benefits: Guarantee Quality & free Shipping. 4) The second advertisement, the one dedicated to the term “Jogging Strollers” presents another particularity: it was passed from a logical cumulating of the 35-35 characters, actually resulting in a single line (logical) of 70 characters. “Full line of high Quality Jogging---Strollers”. 5) Still, it seems that in the advertising field, usually the title/description/benefits are the optimum solution, just the way it was settled...80 years ago by Claude Hopkins²⁵¹.

Advertisement Testing. *The system “Split testing” is implemented including as part of the Google AdWords campaign, which proves the fact that it is not optional, but even necessary. It is worth mentioning that, when performing the test, the option “Google automatic ad optimization” was switched on OFF, in order to get a relevant data set; otherwise the Google AdWords system had the tendency of showing more than once the advertisements with a higher CRT. In general, the testing was performed for a number of 25*

⁶<http://searchmarketing.yahoo.com/rc/srch/> For additional information:

http://en.wikipedia.org/wiki/Yahoo%21_Search_Marketing

²⁵⁰ www.wordtracker.com

²⁵¹ http://en.wikipedia.org/wiki/Claude_C._Hopkins

repetitions/variant, which was considered sufficient to issuing pertinent conclusions, related to the respective advertisement.

Dynamic Keywords Insertion. When a PPC advertisement is written, it is extremely important that the terms, the search is performed on, were identifiable in the text of the advertisement and especially in the title²⁵². For exemplification, if there was performed a search for “graco metrolite stroller” the advertisement should look like:



For this option implementation, the syntax is: {*Keyword*: *Default Title*}

Where *Keyword* must be written just as it appears, and *Default Title* is replaced by the title, which desired to be general, by means of this syntax, it was succeeded the automatic insertion of the desired terms, so that they have fused with the performed searches. If the search terms overpass the admitted limit (title – 25 characters or description – 35) the Google AdWords system will use the term declared *defalut*.

Campaign’s Budget. Due to the fact that the firm that was going to roll PPC advertisements had never operated online before, it was not known the conversion rate of the virtual shop, so that it was passed to an estimation of the conversion rate based on the previous cases, where it had varied between 10-14 %. For more safety, it was worked at the budget estimation with an average ratio of 11.8%; during the tests it raised up 12.3%, and, during the first three months, by continuing the successive testing, both of the landing pages and of the search advertisements/terms it reached 12.9%. The calculation formula for the maximum sum attributed for a price offer: **Net profit /sale x conversion rate = maximum amount for price offer.** For example, for a net profit of \$21, with a sale rate of 11.8% we have concluded a maximum admitted value of \$2.44/offer. Anyway, the value is established under this sum, in order to also be able to get a profit, in the end.

Advertisement Positioning. Once the estimation of the maximum price payable for obtaining a visitor was complete and once the daily maximum budget was calculated, in the “Graco” campaign case it resulted that:

Table 4.: Traffic estimation – Google AdWords

Estimates for the maximum CPC: \$1.22 USD and daily budget \$400.00 USD

Keywords ▼	Predicted Status	Estimated Avg. CPC	Estimated Ad Positions	Estimated Clicks / Day	Estimated Cost / Day
Search Network Total		\$0.85 - \$1.22	1 - 3	52 - 68	\$50 - \$90
-accessory					
"ashley graco laura stroller"	Active	Not enough data to give estimates. ?			
[baby graco stroller]	Active	Not enough data to give estimates. ?			
-car					
-doll					
-double					
-duo					
[graco baby stroller]	Active	\$0.72 - \$1.08	1 - 3	0	\$1

²⁵² According to a study from 2002 of a marketing company AC Nielsen, almost 50% of the persons are inclined to click on an online advertising generated by the PPC system, at the time it advertises the search terms both in the title and in the description.

"graco stroller"	duoglider	Active	\$0.80 - \$1.20	1 - 3	0 - 1	\$1
"graco stroller"	jogging	Active	\$0.86 - \$1.23	1 - 3	0	\$1
"graco stroller"	literider	Active	\$0.78 - \$1.17	1 - 3	0 - 1	\$1
"graco stroller"	metrolite	Active	\$0.78 - \$1.17	1 - 3	1	\$1
"graco stroller"	mosaic	Active	Not enough data to give estimates. ?			
"graco stroller"	quattro	Active	\$0.72 - \$1.08	1 - 3	0	\$1
"graco stroller"	quattro tour	Active	\$0.71 - \$1.06	1 - 3	1	\$1 - \$2
"graco stroller"	sit and stand	Active	Not enough data to give estimates. ?			
graco stroller		Active	\$0.86 - \$1.22	1 - 3	49 - 64	\$50 - \$80

and using the following list of negative terms: double, duo, twin, doll, part, parts, car, seat, review, reviews, testimonial, testimonials, replacement, accessory, accessories, toy. It can be seen that the real situation is varying, which "Google's Average Cost-Per-Click" estimates to be wrong most of the time, as the traffic rate is higher than the one being declared.

Landing Page Variants Testing and Results Pursue. This stage assumes both the advertisements testing and the landing page variants testing. Thus, for the landing page presentation there were performed more page variants. It was set out from the "Success" formulas, taking into account the data organization method already proven efficient; in all the page variants there were included key elements for favoring the sale.

Fraud in the PPC System. SEMPO (Search Engine Marketing Professional Organization) published a study²⁵³ related to the way this problem is being considered by the campaigns' initiators. It is worth noticing that, though the fraud problem in the PPC system has been acknowledged as important for more than 70% of the adversaries, only 25% of them have tried to pursue the problem in their campaigns as part of the different testing. "The traffic generated by the search motors is the most valuable (traffic) for a web master, due to the psychical state (preparation) of the person performing the search. The fraud in the PPC system, the payment for the traffic that does not convert, may poison the world ..." Kevin Lee, SEMPO.org²⁵⁴. In order to test the vulnerability of the system offered by Google as part of the campaign, there was performed the following experiment: it was created a campaign displayed for search "ppoppuiuyy"; this way, the attempt for fraud could not alter the other Google AdWords participants' results (as there is no one else search campaign4s this search term). Thus, there were noticed the following:

Table 5.: Simulation of a Fraud Attempt on Google AdWords

Fraud attempts on Google AdWords system		
Fraud attempts	Successive clicks	Clicks registered by Google

²⁵³ <http://www.sempo.org/press/click-fraud.php>

²⁵⁴ <http://www.SEMPO.org>

Individual click on an advertisement	25	0
Individual click on an advertisement using proxy	10	1
Click on an advertisement using another computer, the same IP address	10	1

As a result of this experiment, it was noticed that the system cannot be influenced by usual, common methods, by an individual or a group of individuals. Although, pleasing enough, this experiment do not answer the much more elaborated fraud problem from the sophisticated systems/technologies or from the uninterrupted human labor (the cheap manpower from the countries considered “the third world”²⁵⁵). Moreover, experiments performed by dedicated firms tend to demonstrate that the real results are different. As a result of some experiments performed by SEMPO, the organization using INCUBETA²⁵⁶ application, there were deduced the following: Approximately 30% of the clicks generated are fraudulent; The fraud possibility is increasing on the measure of the offer increase; Google detected only a small part of the fraudulent clicks.

We can deduce the fact that (intuitive and predictable – this experiment) the fraud in the PPC system is a major problem of all the participants to the system, trespassing the admissible limits of the search motors. In order to emphasize the fraud there were settled the following measures: 1) To attentively monitor the possible rapid conversion collapse, especially related to the pinnacle of the increase in the company’s costs. Such a rapid change in the company’s figures could, most of the time, mean manipulation attempts. 2) To implement pursuing applications. 3) To follow the “click-through rate” and this the fraud over the advertisement display numbers. 4) To follow the search terms which were deactivated during the proper campaigns due to a low CTR conversion, especially if the respective company rolled with good results for a time and, suddenly, the search phrase has been deactivated; this could be a fraud sign. 5) To report any fraud in order to take measures at the level of the system (in our case, Google AdWords). 6) To daily monitor the traffic. 7) As a general observation, the more the PPC motor depend on the affiliation network, the less safe the traffic.

Conclusions. Although, at a first glance, it does not look like a special business opportunity, the calculations demonstrate that, in the case of Graco campaign: **1)** The conversion rate started from an estimation of 11,8% and, as a result of the successive testing, reached 12,9%. **2)** Net profit/sale: \$21.00. **3)** The estimated traffic is 68 visitors/day, but in this practice it is 75 (still, the calculations will be performed for 68). **4)** Maximum cost for bid/day is \$1.22. **5)** Maximum estimated cost per day: \$82.96. **6)** Sales/day: For a conversion rate of 11.8%: 8.25; For a conversion rate of 12.9%: 8.77. **7)** Income/day: For a conversion rate of 11.8%: 8.25x21=173.25; For a conversion rate of 12.9%: 8.77x21=184.17. **8)** Profit/day: For a conversion rate of 11.8%: 173.25-\$82.96=90.29; For a conversion rate of 12.9%: 184.17-\$82.96=101.21. **9)** Profit/month: For a conversion rate of 11.8%: 90.29x30=2708.7, For a conversion rate of 12.9%: 101.21x30=3036.3. Extrapolating the other 3 campaigns’ results (though the data varies, the results may be linearly multiplied), it resulted: Profit/all the 4 PPC campaigns/month: For a conversion rate of 11.8%: 2708.7*4=\$10834.8; For a conversion rate of 12.9%: 3036.3*4=\$12154.2. This may not be the most profitable business, but, taking into consideration the fact that it is a net profit and that the company performing the service is not a very large corporation, the results were very good. Furthermore, the limitation imposed by the product range offered is for the company’s disadvantage; after only 5 months of PPC campaign, it diversified quite significantly its product range and rolled in no less than 8 PPC campaigns at a time. In addition to that, the PPC advertisement is a relatively stable market and does not vary in terms of the so frequent indexation modifications/algorithm, being a very good alternative and a business increasing method.

1. www.gracobaby.com/
2. www.pegperego.com/
3. www.bugaboo.com/
4. www.searchmarketing.yahoo.com/rc/srch/
5. www.wordtracker.com

²⁵⁵ [Webmasterworld.com](http://www.webmasterworld.com) -

²⁵⁶ <http://www.marketingexperiments.com/ppc-seo-optimization/click-fraud-detection.html>

6. www.en.wikipedia.org/wiki/Claude_C._Hopkins
7. www.sempo.org/press/click-fraud.php
8. www.SEMPO.org

STRATEGIC AND FINANCIAL PERFORMANCE USING BUSINESS INTELLIGENCE SOLUTIONS

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In order to achieve better strategic goals, business intelligence has to provide employees with the right information at the right time. To make this happen, a business intelligence solution should be comprehensive, secure, integrated with all operational systems (in both ways, as capture of data and as feed-back is concerned) and always available. In concrete terms, business intelligence process manages to help decision makers by providing data models, statistical analysis and forecasting for comprehensive data analysis. Improved sales and financial performance is a major objective of a global sourcing strategy.

The research is trying to present the way of transforming existing data, gathered from different data sources in powerful managerial information, integrating “business intelligence” solutions in Romanian’s companies, with the help of some famous companies which create BI products.

Keywords: Business Intelligence, business performance management, decision support systems.

Introduction

Today, the time available for making operative decisions in a business environment is decreasing: decisions must be made within days or even hours. Just two decades, similar decisions still took weeks or months (Tiemeyer, 1995).

The process of decision making, regardless of the size of the company, is a rather complex one, implying data processing, information and knowledge. Usually, the data inputted in the IT systems of the company are very numerous, sometimes heterogeneous or provided from heterogeneous sources, are widespread into the system, and their transforming in information which can be analyzed for taking decisions is, in most cases, a lengthy and difficult process. The data warehouse (DW) and business intelligence (BI) systems, as well as the Decisions Support Systems (DSS) are designed to help the companies to answer in real time to complex questions. There are more different techniques in this respect, and the choice of the right instrument leads to finding the relevant answers for a certain company. The process is a dynamic one, and these answers are changing along with the business strategy of the respective company.

Many organizations do not have well-developed global sourcing measurement strategies in place, and thereby lose out on attractive business opportunities. Realizing these opportunities requires a detailed understanding of global sourcing performance, which can be facilitated through Business Intelligence (BI) concepts applied in other areas of supply chain management.

The present article is structured in two parts, which include:

- a presentation about the significance of business intelligence (BI), why is so important to have a business intelligence solution in your company, what can we do with a BI solution and which are the types of problems that BI can resolve;
- the second part describes some BI solutions used in these days in Romanian companies.

1. Business Intelligent – overview and importance

It is difficult to give an exact definition to a complex solution which can vary depending on the analyzed context. In an abstract way, it can be said that BI is the process of „combining” the information from several sources, and presenting the result in a form which can be used in taking the business decisions. This aspect is more obvious if we are going to analyze the iterative character of the business intelligence processes, where the steps of analysis, planning and improvement need the harmonious join of the information from the data base offered by the business intelligence with the right managerial decisions taken on the basis of all this information.

„Understanding the business or the intelligence of the business”, the translation mot-à-mot of the Business Intelligence expression is obtained precisely through the analysis and refining of the data regarding the operations of a company. It is a process which results from the data collected at the company level from various internal activities (marketing, sales, production) and/or external (customer behavior or competition behavior as a reaction to the internal activities). This collection is iterative and cyclical and this is why the collected data should be organized to facilitate their transformation in information (reports, queries, analyses or presentations). The final purpose of these processes is a set of decisions which affect the functioning and the productivity of any business, and the solutions which sustain this process are extremely important and have decisive effects, but they cannot guarantee the effect if a lot of elements (organizational, technical, procedural) are not properly set up.

BI applications include the activities of decision support, query and reporting, online analytical processing (OLAP), statistical analysis, forecasting, and data mining” (Sauder School of Business, 2000).

A business intelligence solution brings information to the hand of the users that need it: analysts and experts (multidimensional analysis, statistics), consumers (dynamic queries and simple analysis) and information users (reports). (Microsoft, 2004)

According to a study published by **Data Warehousing Institute** in 2000, (Data Warehousing Institute, 2000), named: *“Harnessing Customer Information for Strategic Advantage: Technical Challenges and Business Solutions”* the technologies DATA WAREHOUSE and BUSINESS INTELLIGENCE allow the companies to collect, to integrate and to analyze the information related to customers so that this will enable the companies to understand the intentions and the behavior of the customers. Being aware of these information and knowledge flows, the companies can optimize the interaction with the customers at all levels, which will lead directly to the increase of revenues and profit.

BI applications allow the ability for aggregate and summaries on specific and detailed categories at the same time. As part of the analysis of different processes, these kinds of applications show exact information and expel moreover elements. Thus, the managerial team can monitor the business performance variables. As an example of the various categories of variables, which we can see in the table below, we can mention: the value or the volume of sales on a specific region (area), on product, on spell or the rate of products return for different reasons, the rate of discard from the guarantee period, the analysis of the customers behavior in a specific situation or in a predefined context.

Type of BI application	Activities that can take place / Questions that can be answered
Product analysis	<ul style="list-style-type: none"> • Which is the product which has the highest profit margin or the highest contribution to the absolute value of the profit? • Which are the products which bring the lowest profit margin (unprofitable products)?
Marketing analysis	<p>Demographical analysis using information about customers and sales data, price sensitivity (elasticity of demand), consuming preferences. For example: • Which are the products preferred by consumers belonging to the market segment with a monthly income lower than a certain level?</p> <p>Using this information we can estimate the efficiency of the publicity campaigns and of the marketing activity.</p>
Sales analysis	<p>Identifying trends, season analysis, and association of complementary products (buying a package of products).</p> <ul style="list-style-type: none"> • Which is the sales tendency (trend) in the stores from a specific demographical area? • Which are the products with growing sales and which are the customers that buy products like these?

Retail analysis	Data analysis regarding retail orders, supplies analysis, stocks analysis. Through these analysis it will be possible to estimate stocks better, to schedule deliveries better, to make proposals for the price promotions for certain products and for the delivery calendar.
Financial analysis	The analysis of the profitability on departments, category of products, geographical locations, seasonality. A particular case is represented by financial institutions (banks, assurance companies) where the financial analysis plays a key part in carrying on the activity: defining bank's packages of products and services, scoring analysis as a method of synthesizing of information about the financial situation of a certain customer, in an aggregate criteria of evaluation as rating or score type on the basis of which it is possible to obtain a credit facility
Budget planning	The increase of the efficiency of a manufacture process by costs reduction, increasing the production, planning the next fiscal year (forecasting the balance sheet of incomes and expenses, cash-flow statement, etc)
Balanced scorecard	Defining performance indicators from a specific area, calculated from the existing information from the system. We can follow the entire performance of the company or the performance of some groups as against others from the same area.
Project management analysis	The analysis of the resources way of allocation, analysis of projects portfolio.

Table 1 - Activities and questions in terms of BI application's types

2. Business Intelligence solutions

Once we have distinguished the importance and benefits of BI, we can move on to present and point out the features and attributes of specific BI solutions. In this way, we can say that in Romania the continuous increasing of the competition between market sectors makes a must to adopt BI solutions adequate to the business specificity. The companies are interested in finding out which are the best products on the market, the most profitable customer and which are the new products they need to be more profitable. Alongside competitively, as a generic element, to adopting BI solutions contributes also the necessity to optimize processes and to take better decisions, the bigger volume of data accumulated in operational systems and the European and international standards addressed to different industries.

We are going over some BI solutions presented also in Romania and trying to point out their strengths in the area:

- a) Microsoft is one of the companies which offer integrated, powerful and comprehensive solutions of business intelligence which allow performing data mining analysis, reporting solutions with the support of Microsoft SQL Server Analysis and Microsoft SQL Server Reporting Services. Here we talk about **Microsoft SQL Server 2005**, fated by his technical resources to provide new and comprehensive possibilities of exploring data in order to offer companies an effectively competitive advantage, to help taking decisions that will make it in direct advantage.

The solutions of business intelligence are conceived to include multiple data sources, from a large area of operations, easy to integrate with the support of Integration Services ready to explore and improve data, getting an integrating vision of all analyzed data and building extended business analysis as OLAP (On Line Analytical Processing), data warehouse, data mining (finding patterns and applying them over the business operations, using a flexible and accessible platform), tools for data extract, transform, and load using multiple and different data sources (ETL tools), balanced scorecard, etc, with the support of Analysis Services.

The **SQL Server 2005 BI Workbench** suite is made of five basic tools (Monaco, 2004):

- SQL Server Relational Database – used to create relational database;
- Analysis Services – used to create multidimensional model (measures, dimensions and schema);

- Data Transformation Services (DTS) – used to extract, transform and load data from sources to the data warehouse or schema;
- Reporting Services – used to build and manage enterprise reporting using the relational or multidimensional sources;
- Data Mining – used to extract information based on predetermined algorithms.

Analysis Services Architecture

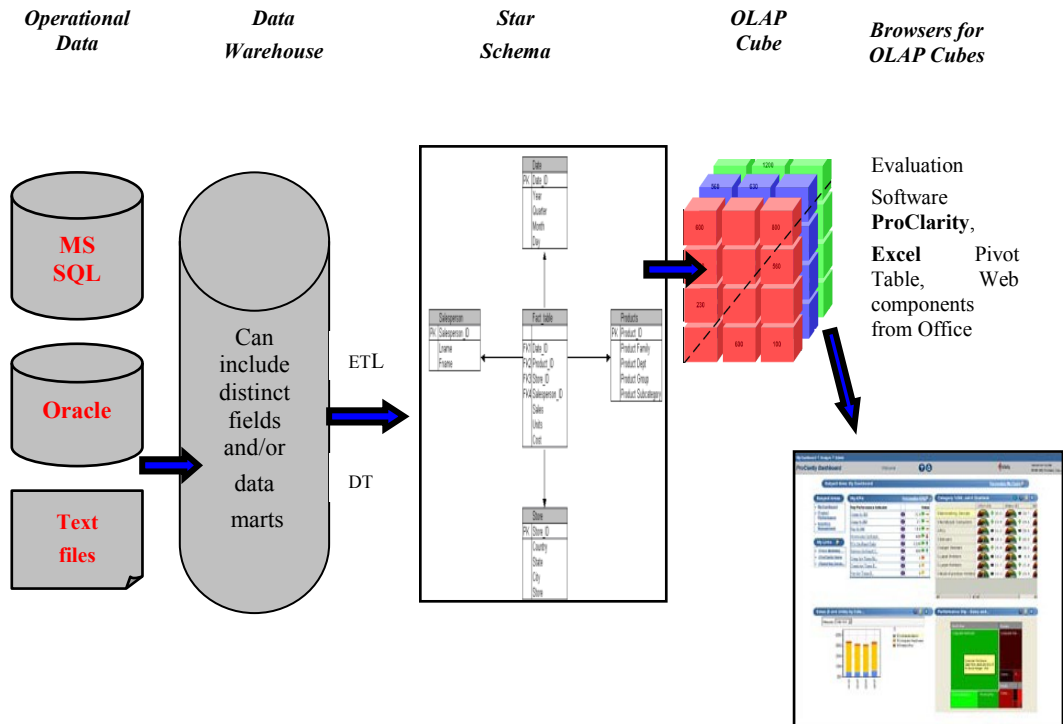


Figure 1 - Analysis Services Architecture: relationships between different technologies levels involved in Analysis Services (Source: processed after Monaco, 2004)

- b) **Cognos 8 Business Intelligence** is the only BI product to deliver the complete range of BI capabilities needed for corporate performance management: scorecarding, reporting, analysis, dashboards, and business event management as well as data integration, on a single, service-oriented architecture (SOA). Author, share, and use reports that draw on data across all enterprise sources for better business decisions. (Cognos Corporation)

Complete BI capabilities in one product, BI platform contains: accessing quality data, system administration and management, architecture and software environment. Both for the business and for IT users the product includes a framework manager, an administration console and a good integration with Microsoft Excel (Cognos Corporation).

Cognos 8 Business Intelligence has a lot of customers, over 23,000 and we can mention among other IBM, Tyson Foods, Inc., BearingPoint, etc.

- c) **BISS – Business Intelligence Software Solutions**, part of RomSys group offers a complete suite of tools, named Business Objects Portal: Crystal reports, Web intelligence and OLAP intelligence. Among BI platform products we can distinguish: BusinessObjects Enterprise, BI platform, Crystal Report Explorer, BusinessObjects Auditor, etc.

BI platform has a set of services for distributing and administrating business intelligence facilities. Users facilities include access to business intelligence portal, ways of interacting with the shown content and the administrating facilities must include security components, data access and audit.

The products and services of BusinessObjects Enterprise Information Manager allow the integration and the improving of performances. Corporate performance management (CPM) is the area of business intelligence involved with monitoring and managing an organization's performance, according to key performance indicators (KPIs) such as revenue, return on investment (ROI), overhead, and operational costs. For online businesses, CPM includes additional factors such as page views, server load, network traffic and transactions per second. CPM is also known as business performance management (BPM) or enterprise performance management (EPM).



Figure 2 - Performance management from Business Objects Platform

(Source: <http://www.businessobjects.ro>)

Each of the IT solutions presented above has its advantages, records an impressive number of customers and is continuously developing from 1 day to another, through the addition of new packages of analyse and reporting which to guide the persons in charge in order to take the best decision at the proper moment.

3. Conclusions

A Business Intelligence platform large enough to comprise and integrate all data, to analyze them and report them in customized way can help any company to move from the desire to obtain performance to action through better and faster decisions.

More and more business solutions are emerging and their efficiency is increasing, as they try to answer to a larger number of questions about the performance of the companies. No matter what solution you may choose, the business intelligent system must help the top management to make better, more informed business decisions, to increase their competitive edge and to respond more quickly evolving customer needs. Many advantages can rise from a BI solution wise chosen, so that the management will be able to answer in real time to complex questions, to maximize profit and to take appropriate decisions based on all relevant information and will also allow it to monitor the impact of its decisions with timely correction and adjustments.

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SOLVING THE PRODUCER-CONSUMER PROBLEM USING C ω

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C ω is an extension of the C# language with two new concurrency constructs based on the join calculus: asynchronous methods and chords. We will describe both of them and we will apply to solve some variants of the Producer-Consumer Problem.

Keywords: Producer-Consumer Problem, asynchronous methods, chords

1. C ω Language Overview

The C ω language was designed in 2002 by a team from *Microsoft Research* led by *Nick Benton* and *Luca Cardelli*. The new language is described by *Microsoft* as a strongly typed, data-oriented programming language to bridge *semi-structured hierarchical data (XML)*, *relational data (SQL)* and the *.Net CTS (Common Type System)*. Additionally, C ω extends C# with new asynchronous concurrency abstractions, based on the *join calculus* [2,5].

The language provides a powerful, and yet simple, model of concurrency which is applicable both to multithreaded applications running on a single machine and to the large event-based applications communicating over a wide area network.

The *.NET* execution engine provides a multi-threaded execution environment with synchronization based on locks [4]. The C# language includes a lock statement, which obtains the mutex associated with a given object during the execution of a block. Also, the *.NET* libraries implement a couple of traditional concurrency control primitives such as semaphores, mutexes and reader/writer locks, as well as an asynchronous programming model based on delegates. However, there is a serious mismatch between the 70's model of concurrency on a single machine

(shared memory, threads, synchronization based on mutual exclusion) and the asynchronous, message-based style that one uses for programming web-based applications and services.

Conventional methods, inherited from C# language, are *synchronous*, so the caller must wait until the call is completed. In opposite, if a method is declared *asynchronous* then any call to it is guaranteed to complete immediately. Asynchronous methods never return a result or throw an exception.

The asynchronous methods are declared by using the *async* keyword instead of *void* in the header of the method. The call of an asynchronous method is like sending a message or posting an event. Since asynchronous methods have to return immediately, they can be used to schedule for execution a method which needs a long time to be completed. This usage is actually rather rare in C ω . More commonly, asynchronous methods are defined using *chords*, as described below, and do not necessarily require new threads.

A *chord* consists of a header and a body. The header is a set of methods separated by '&'. The declaration of a chord must include at most one synchronous method (which must be first written in the header) and at least one asynchronous method. The body is only executed once all the methods in the header have been called. Method calls are implicitly queued up until/unless there is a matching chord.

Let's consider, for example, the class below [2]:

```
public class Buffer
{
    public async Put(string s);
    public string Get() & Put(string s) {
        return s;
    }
}
```


The code above defines a class *Buffer* with two instance methods, which are jointly defined in a single chord. The method *string Get()* is a synchronous method taking no arguments and returning a string, and method *async Put(string s)* is asynchronous, so it returns no result and takes one string argument.

If *b* is an instance of class *Buffer* and the call of the synchronous method *b.Get()* occurs, then we have two possibilities:

1. if there was previously an unmatched call to *b.Put(s)* then there is now a match, so the pending *Put(s)* is dequeued and the body of the chord runs;
2. if there are no previous unmatched calls to *b.Put(s)* then the call to *b.Get()* is blocked until another thread supplies a matching *Put()*.

Conversely, if a call to the asynchronous method *b.Put(s)* occurs, the caller never waits, but there are two possible behaviors with regard to the other threads:

1. if there was previously an unmatched call to *b.Get()* then there is a match now, so the pending call is dequeued and its associated blocked thread is awakened to run the body of the chord;
2. if there are no pending calls to *b.Get()* then the call to *b.Put(s)* is simply queued up until one arrives.

2. The Producer-Consumer Problem for a Running Belt with Finite Length

Firstly, we review the terms of this variant of the *Producer-Consumer Problem*: "*A producer makes objects and places them, one by one, at an extremity of a bounded running belt. At the other extremity of the same belt the consumer takes objects, one by one too, and uses them. The producer cannot place an object on a full belt and the consumer cannot take an object from an empty belt. At any time, either the producer or the consumer can access the belt.*"

The program below solves this problem, using the concurrency constructs which are provided by the language *Cω*, starting with the theoretical solution described in [1,3]:

```
public class Belt
```

```
{
    private async FreePlaces();
    private async OccupiedPlaces(int x);

    public Belt(int length) {
        for (int i=0; i<length; i++) FreePlaces();
    }

    public void Put(int x) & FreePlaces() { //First chord
        Console.Write("P " + x + " ");
        OccupiedPlaces(x);
    }

    public int Get() & OccupiedPlaces(int x) { //Second chord
        Console.Write("C " + x + " ");
        FreePlaces();
        return x;
    }
}
```

```
public class Test
```

```
{
    private static Belt b = new Belt(3);
```

```

private static Random r = new Random();

private static async Producer() {
    int i=10;
    while (i<100) {
        Thread.Sleep(r.Next(10));
        b.Put(i++);
    }
}

private static async Consumer() {
    while(true) {
        b.Get();
        Thread.Sleep(r.Next(30));
    }
}

public static void Main()
{
    Producer();
    Consumer();
}
}

```

The Producer and the Consumer act in the following manner:

1. the constructor of *Belt* class makes a number of calls of the asynchronous method *FreePlaces* equal with the length of the belt;
2. the Producer can place an object on the belt, calling the synchronous method *Put*, if the belt isn't full. In this case the body of the first chord is executed, which will make a call of the method *OccupiedPlaces* to update the configuration of the belt;
3. the Consumer can take an object from the belt, calling the synchronous method *Get*, if the belt isn't empty. In this case the body of the second chord is executed, which will make a call of the method *FreePlaces* to update the configuration of the belt.

3. The Producer-Consumer Problem for a Running Belt with Infinite Length

Firstly, we review the terms of this variant of the *Producer-Consumer Problem*: "A producer makes objects and places them, one by one, at an extremity of an infinite running belt. At the other extremity of the same belt the consumer takes objects, one by one too, and uses them. The consumer cannot take an object from an empty belt. At any time, either the producer or the consumer can access the belt."

The program below solves this problem, starting with the theoretical solution described in [1,3]:

```

using System;
using System.Threading;

public class Belt
{

```

```

    public async Put(int i);
    public int Get() & Put(int i) {
        Console.Write(" C" + i);
        return i;
    }
}

public class Test
{
    static Belt b = new Belt();
    static Random r = new Random();

    static async Producer() {
        for (int i=10; i<100; i++) {
            Console.Write(" P"+ i);
            b.Put(i);
            Thread.Sleep(r.Next(20));
        }
    }

    static async Consumer() {
        int i;
        do{
            i = b.Get();
            Thread.Sleep(r.Next(30));
        }while (i !=99);
    }

    public static void Main()
    {
        Producer();
        Consumer();
    }
}

```

In this variant, the Producer can make any number of calls of the asynchronous method *Put* (due to the infinite length of the belt). When the Consumer will invoke the synchronous method *Get* the body of the chord from class *Banda* and he will get one object from the belt. It's easy to see that the body of the chord can be executed only after a minimum one call of the method *Put*, so the Consumer cannot try to take an object from an empty belt.

4. Conclusions

The concurrency is an important factor in the behavior and performance of modern programs: these type of programs are difficult to design, write and debug. Moreover, most popular programming languages treat concurrency not as a language feature, but as a collection of external libraries and this fact has undesirable consequences. The *Cω* language advantage is that it has such features embedded in the language, so the

compiler can analyze them, and can produce better code and warn programmers of potential and actual problems.

On the other hand, asynchronous events and message passing are more and more used at all levels of software systems and very often we find situations where there are many asynchronous messages to be handled concurrently, and where many threads are used to handle them. Threads are still an expensive resource on most systems, so the it's a big advantage to use the messages and threads behind a language mechanism, because a compiler may optimize the generated code.

For these reasons we suppose (and hope) that the *C ω* language will be used on a larger scale in the development of distributed applications.

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AUTOCHTHONOUS APPROACHING IN THE MANAGEMENT OF THE SECURITY RISK

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An optimal management for a corporation, no matter what size the corporation is, it must contain the management of the security risk. On the importance that is given to the risk management can depend the well functioning of the corporation. An important role in this process has the owner of the business and the way that this one understands the risk. A good understanding of the risk by the owner will have as effect the allocation of sufficient funds to implement controls meant to bring the risk level in order to be an acceptable one. The autochthonous corporations, in a great part even because of the inexistence of reglementations in this domain, have an empiric approach of the phenomena.

Keywords: approaching, autochthonous, controls, resource owner, risk, risk analysis, risk level, risk management, security, vulnerability.

The restriction to the data access must be a permanent concern of the corporation. Completing or not this will have benefits upon the corporation or, by the contrary, negative effects. The absence of the security measures can be as harming as having too much security measures. A security policy permitted for own users and for the collaborators or clients can have as effect covering security deficits that can be used by the malefactors. Using too many security measures will have as effect complicating the work of its own employees and even the collaborators or clients. What a corporation has to do to maintain an optimal security level of its own data? Can the corporation assure and maintain this security level? Do the owners of the business understand the necessity of the security of data?

For many people the security of data represents the only method for maintaining the business of the corporation, ignoring the other potential threats: the economic environment, the natural environment, the financial environment, public environment, technological environment, etc. In the next lines, we will refer at risks as being only security risks.

For assuring the security measures in a corporation, this can be based on people (preparation, responsibilities, knowledge, and organization), processes (policies, procedures, standards) and technologies (infrastructures, applications)

The risk security management in a corporation represents the process to determine an acceptable level of risk and maintaining or reduced, as is possible, the risk level. The confusion between the risk management and the risk analysis must not be done. Risk analysis has as purpose identifying and classifying the risk in the corporation, and works only in one phase, while the risk management is a permanent process.

The corporations must adopt a risk management formed on four stages (or three in some cases) (figure 1):

1. Risk evaluation.
2. Coordination of the decisional process.
3. Implementing controls.
4. Measuring program effectiveness.

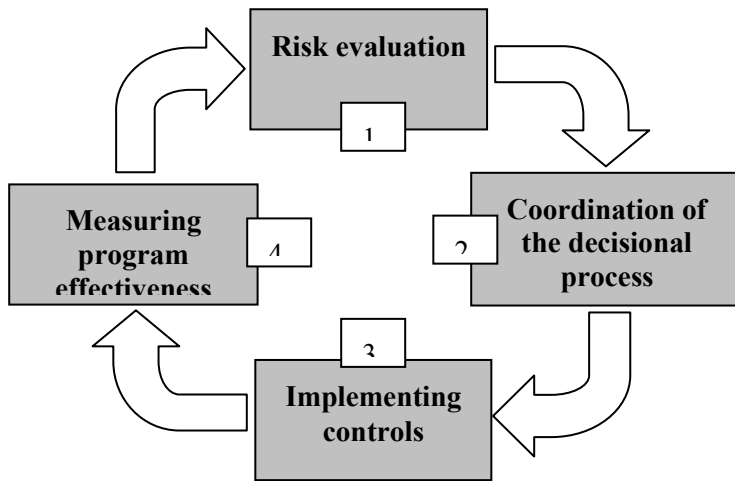


Figure 1. Risk management cycle

Risk evaluation will contain activities meant to identify and classify risks that can affect the corporation's business.

Coordination of the decisional process is meant to identify and evaluate the measures and the control solutions taking account of the report costs-benefits.

Controls implementation means implementation and developing control measures meant to lower or to eliminate risks.

Measuring efficacy, analyzing the efficacy of the adopted control measures and checking if the applied controls assure

the established protection level.

It is necessary for the corporation to work permanently and periodic the operations from the risk management cycle to assure at least a controllable risk level.

As concerning the level touched by the risk management, this can be situated in one of the next levels:

1. **Inexistent** - the corporation doesn't have security policy well defined and documented.
2. **Ad-hoc** - the corporation realizes the risk. The risk management efforts are made in a hurry and chaotic. The policies and processes are not well documented. The projects of risk management are not coordinated and chaotic, and the results can't be measured and evaluated.
3. **Repeatable**- the corporation has knowledge about the risk management. The process of risk management is repeatable but immature, insufficient documented. There is no formal instruction or a communication concerning the risk management, responsibility being left to the decision of the employer. The corporation does efforts to get better.
4. **Defined** - the corporation adopts a formal decision for the implementation of the risk management. The objectives and the ways to measure the results are clearly defined. The employees are formally instructed at a base level
5. **Controlled** - the risk management is well known in all the compartments and levels of the corporation. There are well defined control and lowering the risk procedures. Efficacy can be measured. The personnel is instructed. The resources are sufficient. The benefits are viewable. The risk management team works to improve permanently the processes and instruments that they use. A large part of the risk evaluation processes, of identifying controls, of analysis of cost-benefits are manual.
6. **Optimized** - the process of risk management is well understood and atomized using specific instruments developed in the corporation or taken from corporations that are specialized in this domain. The sources of risk are identified and are taken measures to limit their effect. The employees are differentially instructed. It is worked on optimizing the processes.

The ideal thing would be that corporation should be at least on the **repeatable** level and to do efforts to gain the **optimized** level. Accessing one of the indicated levels, even if they have to represent a priority for managing the corporation, in many cases, for the autochthonous corporations, this desideratum is hard to gain.

The owner of the business has an important role in this case. He takes part in **two important moments** of the cycle of risk management.

The first moment is the one from the beginning when they must establish what is important for the corporation, that means to define an acceptable risk for the corporation.

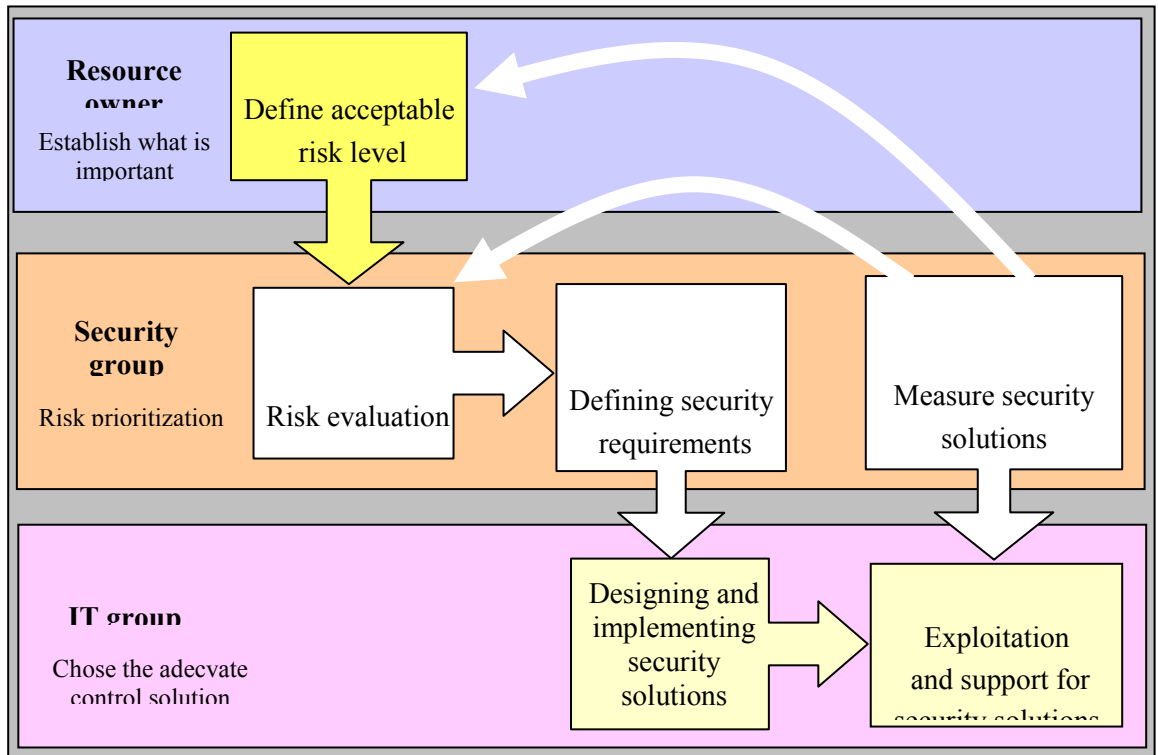


Figure 2. Rules and responsibilities in the security risk management process.

The second **moment** is the one when they **will be able to allocate funds to implement, maintain and improve security**. Because of this it is important for the owner of the business to understand firstly what security risk implies and the fact that this can be lowered or eliminated by investing money. *I consider that the greatest risk that a corporation can have is the risk not to understand the meaning of the risk.*

In this situation a **first** approach of the owner of the business, referring to risk could be:

- this can't happen at my company, and on risk analysis is made and the investments in security are equal with 0, risk management being inexistent.
- the necessity of security is partially understood but because having no money, it's not invested in security, just like the situation that we mentioned earlier.

The **second** approach goes from the premise that something must be done. In this way, all the job must be done by the IT group, if there is one. If there is no IT group, all the work must be done by the person that has in charge the IT section and who has only elementary knowledge about security. We can't even talk about risk analysis anymore. In this situation we can say that the company has an Ad-Hoc type of risk management (chaotic would better suite this situation).

The **third** approach will lead to a repeatable risk management level, that tends to be defined. We meet this situation when the owner of the business is not made only by one person, but by a group of people, and these people can cooperate, not totally, necessity of security. In this case the investments in security exist, even if these investments do not cover all the security deficits.

The **fourth** approach has constrictive aspects or it has important elements. This will lead to a controlled risk management level and even optimized. The defining elements in this situation are:

- the company belongs to a domain in which security has priority;
- the company is in a collaboration process with another company that has an optimized risk management process;

- the company, even if it is autochthonous. Has an external management.

If the company belongs to a domain in which data sensitivity has priority, then there are strict regulations that the company has to obey to function in the domain. In this category there are included companies or organizations from the defensive, internal affairs, banking population evidence domains. For the companies and organizations from the United States there are regulations mentioned in Orange Book of Security.

In case of collaboration with a company that has an optimized risk management level, it is necessary that the company should obey at the security demands proposed by the partner. No company that has a high level of security and a controlled or optimized management will not risk to share data with a partner that has a lower level of security.

There are companies that even from the beginning take measures for lowering the risk. This situation is met in the most cases at the companies that come with a management from western countries.

This last approach is based on a very well understanding of the risk and of the necessity of security, that will generate enough funds for investments meant to reduce the risk level for the company.

The main reason for which autochthonous companies do not invest in security is represented by the costs. There are situations when, even if all the steps for developing controls that are meant to lower the risks were made according demanding in domain and by specialized personnel, the sum that was allocated was lower than it was demanded. In this case we can talk about a **financial enforced security**. The group named to implement controls had to do different things to be able to have enough money, sometimes some vulnerabilities being left discovered.

The second reason is represented by the fact that even if this thing is demanded there are no companies or specialized personnel for such a thing. Preparing your own personnel is extremely expensive because of the initial prepare and payment but even with the ulterior costs. Companies that are specialized in this domain are few and not known. Lately these companies began to be seen on the market. Demanding specialized companies presents many advantages: the existence of specialized personnel and lowering the costs by externalizing security services.

The next facts must be understood in order to assure an optimal security level:

- Investments in security do not create direct benefits but have the great advantage because they lower the potential loss. In many of the cases, 20% of the costs are reflected in 80% of the benefits, concerning lowering the risk and assuring security.
- Assuring the corporation's data security is like an "insurance policy" in case of a disaster.
- A minimal security level is preferred in case any kind of level does not exist. A minimal level of security does not represent the optimal of security.
- Assuring the security must be a continuous process, implemented by the strict risk management cycle.

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KM AND LEARNING ORGANIZATIONS

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The Knowledge Management (KM) infrastructure is essential to support learning organizations. A learning organization has embraced a KM initiative and is moving towards becoming a knowledge-based organization. KM infrastructure (tools and technologies) provide the platform upon which learning can be built. Effective learning is associated with increased information sharing, communication, and understanding. There are essentially two key contributors that can create learning organizations-people and technology. The importance of learning organizations and the dominant role of such organizations in a knowledge economy is only just being understood.

Key words: knowledge management, learning organizations, knowledge economy

Introduction

The nations that will lead the world into the next century will be those that can shift from being industrial economies based upon the production of manufactured goods to those that possess the capacity to produce and utilize knowledge successfully (Porter, 1990).

The new organizational form will rely on clusters of self-organizing components collaboratively investing the organization's know-how in product and service innovations for markets, which they have helped to create and develop. Such organizations can best be described as cellular, suggesting a living, adaptive organization, able to respond rapidly to new demands (Bukowitz & Williams, 1997; Nonaka, 1991).

In such a dynamic environment, the concept of a learning organization, one that continues to change and adapt to the demands of its environment, is critical if the organization is to survive and thrive (Popper & Lipshits, 2000). Hence, greater attention needs to be given by organizations towards building learning organizations. Learning is connected with a company's ability to adapt to a rapidly changing environment. Essential to learning is the gaining of germane knowledge and the increasing of the existing extant knowledge base (Ellerman, 1999; Ellinger, Watkins & Bostrom, 1999; Wickramasinghe & Schaffer, 2005). Through learning, organizations are better equipped to react faster and to fully exploit opportunities thereby placing themselves in a position of competitive superiority.

Theory Fundaments

Learning organizations: definitions

Learning is defined as acquiring new knowledge and enhancing existing knowledge (Huber, 1991).

The concept of the "learning organization" to the business world was introduced by Senge in 1990 (Senge, 1990) Such a learning organization represents a complex interrelationships of systems composed of people, technology, practices, and tools designed so that new information is embraced (Simon, 1999). Learning organizations are organizations that have embed institutionalized learning mechanisms into a learning culture (Popper & Lipshits, 2000). Every organization has the potential to become a learning organization; some organizations learn explicitly address both the learning and unlearning that is needed for keeping abreast with the changing dynamic reality of the business environment (Senge, 1990, 1994).

A learning organization is an organization that has an enhanced capacity to learn, adapt, and change (Levine, 2001). Learning takes place at two levels - individual and organizational. Learning within organizations, as with individuals, is evidenced through the change or growth of the extant knowledge base (Wickramasinghe & Schaffer, 2005). While organizations do not have brains per se, they have cognitive

systems and memories that play a key role in organizational learning activities (Popper & Lipshits, 2000). As individuals develop their personalities, personal habits, and beliefs over time, organizations develop their views and ideologies.

A learning organization consists of employees who are continuously enhancing their capacity to learn in the corporate culture (Huber, 1991; Popper & Lipshits, 2000). It is here that learning processes are analyzed, monitored, developed, and aligned with the organization's goals (Kapp, 1999). Most companies underestimate the importance of intangible assets such as knowledge, creativity, ideas, and relationships; yet all these account for more value in a knowledge economy than the more easily measured and highly prized tangible assets (Probst, Raub, & Romhardt, 2000).

Organizations are growing more knowledge-intensive in order to learn from past experiences and from competitors to reshape themselves and to change in order to survive and prosper. Organizations need to utilize knowledge across processes and functions, to become knowledge-driven organizations or learning organizations (Nevis, DiBella & Gould, 1997). Hence, the organization that becomes a learning organization will have a significant advantage over its competitors because of its ability to learn faster and thereby adapt faster and more successfully to its environment. Learning organizations are generally described as those that continuously acquire, process, and disseminate knowledge concerning markets, products, technologies, and business processes (Roberts, 2000). This knowledge is often based on experience, experimentation, and information provided by customers, suppliers, competitors, and other sources (Ellinger et al., 1999; Senge, 1990, 1994).

Learning organizations have to continually expand their capacity to be creative and innovative. The only way to sustain competitive advantage is to ensure that your organization is learning faster and more effectively than the competitor is. Organizations are realizing that their human capital (people power) and structural capital (databases, patents, intellectual property, and related items) are the distinguishing elements of their organizations.

Types of learning

As with knowledge, organizational learning is not a homogenous construct. At its very simplest, there exist two types of learning (Argyris, 1977; Argyris&Schon, 1978, 1996; Huber, 1990):

- Incremental: learning that is characterized by simple, routine problem solving and that requires no fundamental change to your thinking or system.
- Radical: Breakthrough learning that directly challenges the prevailing mental model on which the system is built.

Learning can be further classified as adaptive and generative learning (Argyris, 1977; Argyris & Schon, 1978, 1996).

Adaptive learning and generative learning

The current view of organizations is dominated by the perspective of adaptive learning, which has its roots in biological sciences where organizations learn and adapt to survive in their environment (Huber, 1990; Senge, 1990).

According to Senge (1990) increasing adaptiveness is only the first stage; companies need to focus on generative learning or "double-loop learning" (Argyris, 1977).

Generative learning emphasizes continuous experimentation and feedback in an ongoing examination of the very manner in which organizations set about defining and solving problems. In Senge's (1990) view, generative learning is about creating- it requires "systemic thinking", "shared vision", "personal mastery", "team learning" and "creative tension".

Generative learning, unlike adaptive learning, requires new ways of looking at the world. Generative learning requires seeing the systems that control events. When we fail to grasp the systemic source of problems, we are left to "push on" symptoms rather than eliminate underlying causes. The secret of the learning organization is to find the leadership, institutional arrangements, and culture elements that result in generative learning as a continuous process. Table 1 provides the 10 steps of systems thinking that have been designed to support generative learning (Senge, 1990).

Step	Description
1	How is the system defined?
2	What business or businesses is the corporation in?
3	How is the corporation organized?
4	How does the corporation actually operate?
5	What are the policies, practices, strategies and tactics currently in place?
6	What is the management style?
7	How has the corporation performed in the past and how is it performing now?
8	What/who are the corporations stakeholders?
9	Who are the competitors?
10	What are the laws and governmental regulations and how do they affect the corporation?

Table1. Ten steps of systems thinking

Source: Senge, 1990

One of the characteristics of a learning organization is that it moves beyond simple employee training to more of an environment that stresses problem solving, innovation, and learning. Organizations that embody the traits of such an environment consist of live areas, or disciplines, that make a learning organization what it is (Senge, 1990):

- Personal mastery. This discipline allows people to clarify and focus their personal vision, focus energy, develop patience and see the world as it really is. Employees who possess a high level of personal mastery can consistently generate results, which are important to them through their commitment to lifelong learning.
- Mental models: These are internalized frameworks, which support our views of the world, beliefs in why and how events happen, and our understanding of how things, people, and events are related.
- Building shared vision: Developing “shared pictures of the future” together so that people are genuinely committed and engaged rather compliant.
- Team learning: Teams as a vital element of a learning organization. Hence there is great significance in the ability of teams to learn (Price, 2000).
- Systems thinking: People in an organization are part of a system. Systems thinking is a discipline which integrates the other disciplines in a business. It allows the “whole” (organization) to be greater than the parts (people, departments, teams, equipment, and so on).

The five disciplines are connected to one another. By themselves, they do not provide guidance on how to build a learning organization. In order to transform an organization from a goods and services producer, for example, to one with a focus on integrating learning in their business practices of producing goods and services, a commitment must be made to establish a learning infrastructure. Learning must be institutionalized (Buhler, 1999; Dodge, 1991).

Discussions

Importance of KM for learning organizations

KM is inextricably linked with capitalizing on an organizations human skills, expertise, and intellectual assets (Duffy, 2001; Lee, 2000; Thorne & Smith, 2000). Taken together, these intangible assets including human capital (tacit knowledge and competencies), structural capital (intellectual property, methods, and policies), social capital (relationships), and organizational capital (customer relationships and agreements) provide an organization with its key unique strengths. Building on these unique strengths there are then two

levels of organizational learning – the contribution level (where people learn, collaborate and innovate) and the multiplier level (where what comes from the contribution level is passed along to the rest of the organization through processes such as mentoring, networking and inspiring (Brown & Druid, 1991; Clegg, 1999; Davenport & Prusak, 1998).

To remain competitive, organizations must efficiently and effectively create, locate, capture, and share their organization’s knowledge and expertise. Hence, the KM infrastructure is also essential to support learning organizations. It is indeed fair to say that a learning organization is one that has embraced a KM initiative and is moving towards becoming a knowledge-based organization. Thus, KM infrastructure (tools and technologies) provides the platform upon which learning can be built. As has already been discussed, the KM infrastructure includes repositories for unstructured data, structure data (data warehousing, generation, and management), and groupware that supports the collaboration needed for knowledge sharing. It also includes tools like e-mail for other forms of interpersonal communication required for the efficient, time and location-independent exchange of information (Croasdell, 2001; Davenport & Prusak, 1997, 1998; Davenport, Jarvenpaa & Beers, 1996; Duffy, 2001; Garvin, 1993). From the standpoint of a learning organization, it is the interaction of knowledge workers with the KM infrastructure that ensures that organization learning both single and double loop takes place.

Organizational learning vs. learning organization

Organizational learning and learning organization are terms that permeate much of the business literature and are often used interchangeably. However it is important to note that organizational learning is the ability of an organization to gain insight and understanding from experience through experimentation, observation, analysis, and a willingness to examine both successes and failures (Brown & Duiguid, 1991) and thereby a process. In contrast, a learning organization described an organization that supports the process of organizational learning, has implemented KM initiatives and is or is transitioning to become a knowledge-based enterprise (Sharma, Wickramasinghe, & Gupta, 2004; Wickramasinghe, 2003). Figure 1 highlights these differences and the connection between KM and both organizational learning and the concept of a learning organization.

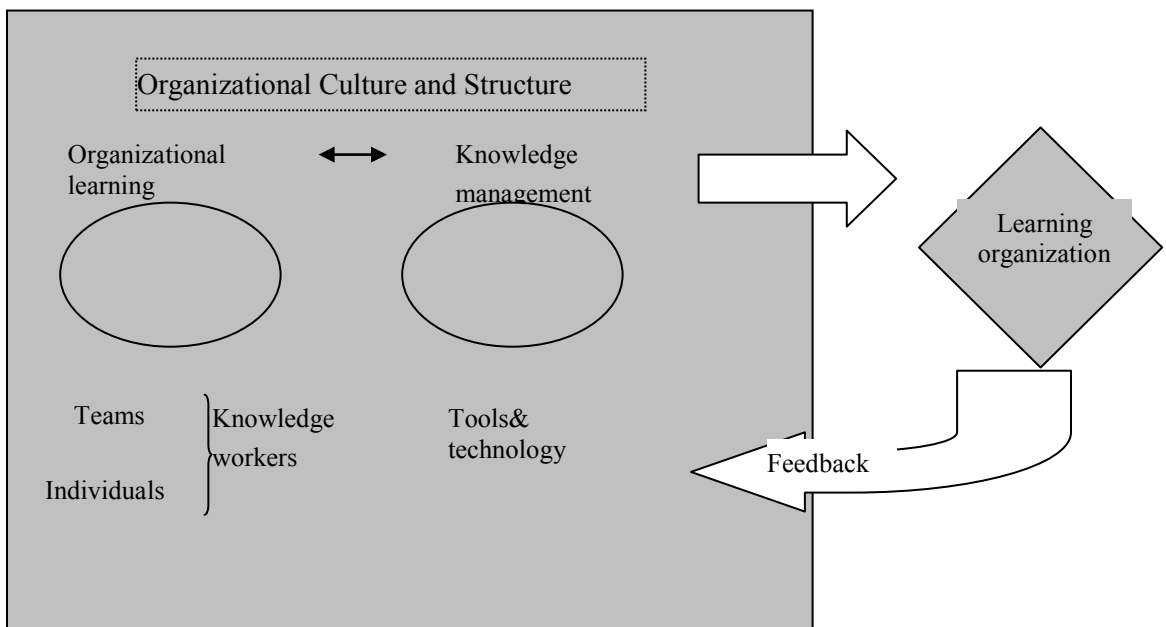


Figure 1. The fundamental elements for building a learning organization using knowledge management

Source: Wickramasinghe, von Lubitz, 2007

CONCLUSIONS

The concept of a learning organization that strives continually to develop its people and processes will be an accepted philosophy of all competitive organizations in the future. Within business, learning is a conscious attempt on the part of organizations to improve productivity, effectiveness, and innovativeness in uncertain economic and technological market conditions. Effective learning is associated with increased information sharing, communication, and understanding. It is for these reasons the concept of “learning” is probably more pronounced in business than any other area.

These are essentially two key contributors that can create learning organizations- people and technology. It is the combination of these two factors with new business processes and business models that will underpin success in the next decade. The power of learning from customers, employees, and suppliers will provide considerable advantage to learning organizations and play a vital role in establishing and maintaining a competitive advantage. The importance of learning organizations and the dominant role of such organizations in a knowledge economy is only just being understood. However, what is of most significance is that it is not possible to have a learning organization without incorporating KM, it is not possible to support the process of organizational learning without KM nor is it possible to have a truly successful KM initiative without incorporating the processes of organizational learning or developing a learning organization. Hence, a knowledge-based business is also a learning organization.

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OPERATIONAL GAME AS SIMULATION METHOD

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In this work, we'll show some theoretical and practical aspects about operational game such as modern method for optimization of decisional act.

Operational game is a simulation way wherein there are observed, in artificial conditions, the people who take the decision in reality.

The utility of operational games as optimization methods is limited but they can represent an efficient heuristic instrument for the development of models of some situation which demand the meeting of several people.

Keywords: *operational game, simulation, similarity, analogical model.*

1. GENERAL ASPECTS CONCERNING MODELING OF CONFLICT CASES

Into an environment of concurrence, taking decisions cannot base only on intuition and experience, being known that adopting of every decision is accompanied by a risk produced by unfavorable events which make changes of waited profit or of the relations between business and partners.

In mathematic programming, graph theory or scientific management of stocks, there are used mathematical models which allow finding of optimal decisions in a certain time. In such cases there is only a side interested in knowing optimal solutions; that is the manager.

Within market economies there are often cases whereat least two parts participates to: physical persons, collectives, directed systems, with interests which are in bigger or smaller disagree called „conflict cases”. In these cases, there are at lease two sides interested in optimal solution. Interest conflict is quasi-present in concurrence economy, in social and politic life or in military problems.

Starting from the study of society games, E. Borel and John von Neumann founded mathematical bases of the study of conflict situations and/or cooperation. However this science of human behavior in conflict or only competition cases concerned, under several aspects Kepler, Galilei, Pascal, Fermat, Bernoulli and, recently, Polish mathematician Hugo Steinhaus, first book „*Theory of Games and Economic Behavior*” appeared in 1944 having as authors J. Von Neumann and the economist O. Morgenstern. After this date, numerous works appeared which contributed to development of competitive case theory and its applications in very many domains [1, 10].

Competitive situation between two economic agents having economic relations based on a statute – a protocol – can be considered as a game with two rational opponents but there are economic competitions wherein one of the partners isn't rational but his behavior is established by a happen set of rules. This partner named nature, influences human's activities through overflows, droughts, or certain conjuncture cases like, for example, govern dropping, work breaks, war starting, launching of a new product etc.

In these games, called „games against nature”, nature is considered to take the most unfavorable state for the opponent. For this reason, as the player – statistician – not to be more in complete ignorance, he has in most cases, possibility to get certain information about nature strategies through the experiences he can make and which give him the possibility to decrease the losing which nature reserve to him. In these cases, the games are named statistic, and their mathematic theory is due to A. Wald (1951).

Statistician can decrease the risk to take wrong decisions (because of not knowing nature strategies), making experiences. This thing is fenced by the following circumstances: experiences need time, in most cases decision must be taken fast and on other side, experiences imply expenses that can be bigger than the advantage brought by knowledge excess which experiences deliver it [6].

But there are cases wherein the risks wherewith decisions are taken can be not known either at least in likelihood and these are named situations of whole incertitude. There is decision theory that analyzes such cases. It must be mentioned that „nature” that acts wholly random, is not perforce against the man.

2. OPERATIONAL GAME AS SIMULATION METHOD

Under the conditions of the growth of structural and functional complexity of enterprises, of rising of technical level of installations, and corresponding to some strong specializations of the professions, new problems have been put, the decision person having to take optimal or almost optimal decisions

Thus, additionally to traditional procedures relied on intuition and experience, a series of scientific, modern, taking decision procedures are necessary, which are characterized by o theoretic foundation based on mathematic methods, with keeping of a general directing, practice and realist. Within this action, production process modeling and simulation is an upper stage, absolute necessary to decision act optimization [2].

Modeling represents reality and simulation imitates it. A simulation method wherein decisions are taken by one or more real persons is named operational game. The term is sometimes used only for the situations that imply participation of two or many persons.

Last decade, the games began to be used on a bigger and bigger scale in the study of the complex military and industrial operations. Nowadays, they are also used in the research of some problems of administration at municipal or national level and even in external politic. The games are used since many years ago in military domain but their using as research instrument is relatively recent. The games began to be used more and more to stuff selection and training, for his familiarization with operations which occur in a complex system or for explain the ideas which are in the base of these systems [12].

In research problems, games can be used in the following three scopes:

1. at the elaboration of a decision model;
2. at the finding of optimal solution of the model;
3. at the evaluation of purposed solutions for the problems modeled through a game.

Games can help to model building, offering a base for test degree of importance of the variables and functional form of the model (of the relations between variables). Also, sometimes „games” allow us to discover mew action possibilities or to compare several found solutions. In some cases, we can get from the model only partial description of the strategy but not a complete one; the effect of the strategy will be able to be established, however, by the helping of a game.

Operational games are, essentially, experiences wherein it is viewed decision person’s behavior in checking conditions. They are different form the most of psychology and sociology experiments only because they have place outside the lab, in condition that to allow us a better knowledge of certain circumstances. Hence, intentionally, experimental situation is built so to represent an intuitive or analogical model of real case which interests the researcher.

Often, games have been elaborated without have a clear idea about the kind of how they could or would have to be used. Occasionally, it proposed effort reasoning but generally models have been built either as a scientific exercise or as for explore eventual applications. It pretended that games are useful in stuff selection and training or for describing of complex system operating but till now, nothing about the efficiency of these applications is known.

Some researchers largely exposed methodological problems about games using as research mean. Despite of the lack of a logical and rigorous foundation, operational games give whose use them an outstanding trust in their results. Sometimes, a result a little believable is accepted even for this reason with a strong satisfaction. Believable results are often taken without a critic analyze [8].

In a game formulation, we are in the evidence of contrary objectives which make us to hesitate in our exigencies formulation. On a side, game solution must be as right to conflict situation we study, as possible. This demand encourages adding other details too, in the hope of approaching more and more to

real case. On other side, the game must be able to be solved, at least having demanded rightness degree. This condition imposes to abandon more and more details.

General tendency which represents futile embarrassment of operational games, can be other example that to show how wrong „reality approaching” is understood. This is a trap within there is easy to fall. To research „reality essence” is a difficult and embarrassing thing, and the recognition of the objective is difficult. Often is thought that through the incorporation of more and more details into the model, essence reaching is surer. If, so how it happens about operational games, the increasing of solving difficulties escapes from attention, temptation to develop the model becomes stronger and stronger [11].

But right in games case, it would be able to put against this tendency, otherwise disillusion won't be late. Not only the solving efficiency is reduced to half, but, as a consequence of excessive charging of model, even solution study becomes difficult. There is the tendency to forget that the game doesn't represent the reality itself. Reality appearance, so useful in teaching process, becomes dangerous in applications.

3. ANALOGY AND ANALOGICAL MODEL

In usual application of operational games there is the tendency to confound the notions of analogy and analogical model. They aren't the same thing. Analogy generally allows us to get a few results (when it is possible), but whose sometimes it grants them a trust that they would worth only if they have been deduced by the means of an analogical model.

There is important to understand the difference between analogical model and analogy, in the sense wherein these terms are used here. In both cases, we use a case as model of other case. The difference consists of what we know about the correspondence between model and „real” case. In analogy, there is known whether the two cases have certain common properties but we know nothing about the correspondence existing between their features [5].

In consequence, in analogy, we don't know the function F which establishes the link between variables and result and therefore we don't know how well or how bad is represented the structure of real case. Within an analogical model, we consciously introduce a feature that, on analyze or experience base, we consider it acceptably fitted to the real one.

The structure of a game corresponds to that of modeled situation, in the sense that the same decisions bring in both cases to the same results. We must insure of the existence of this correspondence before can draw conclusions about the reality, relied on the game.

The existence of a correspondence between properties doesn't prove that it would exist also a correspondence between features. We can build a game and act over its feature till the same data will bring to the same results like in real case. So, the game might be used for the exploration of structural relations which produce certain dependence between data and results. But in an established value domain, the same dependence between data and results can be produced by a big number of different features. Hence, there would be dangerous that, relied on this dependence, to draw conclusions about the results for data outside the domain wherefore it was established. Therefore, it is also important to clarify the limits within data can vary for gotten structure to generate corresponding results to real case. Last observation is similar to the affirmation that a *S-shape curve* can be well approximate as a line, in certain domain of its variation, but outside it, the approximation is bad [4, 5].

The more the game represents several features of reality, the more difficult becomes structure analyze of it (that is structure representing through a mathematical model). On other side, if the model doesn't contain enough relevant aspects, it cannot be a correct reflection of reality. The right rapport between simplicity and complexity cannot be gotten than experiencing over the game itself. Building of a game, to prove good for solving studied problem, needs much more time than game using, after it has been gotten.

If a game doesn't adequately correspond to reality or if there is difficult to establish how large this correspondence is, the researcher remains interest in this game more for his own pleasure than to use it as analogical model. In this case, the game becomes a usual „experiment” or it is used for other scopes, for example, for stuff training but not for research.

4. OPERATIONAL GAME USING FOR GETTING PRACTICAL CONCLUSIONS

Some games have been built as, on their base, to be deduced an approximate solution of a real problem. These games are generally easy and imply the existence of a mathematical model, which to enfold the most part of „real” case. In the following example, there is formulated a game which to contribute to solving of a non-competitive problem [7, 9].

In a problem it must be established the order wherein several products follow to entry in fabrication. Organization expenses, associated to every product, depend on the last product existing in fabrication. The problem, consisting of the minimization of the sum of organization expenses, with some restrictions demanded by the stocks, can be represented as a matrix containing organization expenses corresponding to every pair of products. The matrix is not symmetric because making of *A* after *B* implies different expenses to those needed for making *B* after *A*. There is viewed that there is got an „bagman’s asymmetric problem” Studying the problem, we can identify a series of decision rules that, apparently, would bring to expenses reducing, in rapport to the cases wherein production planning is made based on intuition and experience. Found rules don’t show what decisions must be taken in all cases, thus the intervention of enterprise management is still necessary.

The researchers have re-planned the production of last three yeas using gotten decision rules and taking themselves the decision when management intervention was necessary. Comparing real expenses with obtained results, there has been observed a clear decay of these ones. It remained to view whether who managed in reality production planning, would have been able to get such improvements.

There was made a game wherein it has been demanded to decision stuff who established the order of making products, to re-plan last three year’s production. The results gotten by them, have brought to the same improvements as those found by researchers team. On this base, the new rules have been adopted and then, a continuous improvement of results has been observed, comparing to those found applying the old method.

We don’t argue that result improvements, observed through the application of decision rules in proposed game, would be a logical warranty that the same improvement would make in reality if those rules have been applied.

4. CONCLUSIONS

Making, modeling and finishing of a game needs long time (measured in years) and also, a big amount of work from a complex team consisted of economists, mathematicians, engineers, informatics stuff, programmers.

Main inconvenience of operational games used now, consists of that it cannot establish a strong link between game and reality. A model, either game or equation, is always a simplification of reality and even for this reason, it is useful in science. It is important to know the nature and the means of this simplification because only thus, the conclusions gotten basing on the model will be valuable in reality. The large game which to surprise more and more real cases, can be realized only by helping of electronic computer.

We can consider the implementation of an operational game as an investment, in the sense that it implies big sums of money and time at staring, previewed results appearing after several years.

Within an operational game, Monte Carlo simulation method can be used when random variables or Forrester’s simulation techniques occur, besides the large form of operational research or statistic-mathematic methods. Operational games allow dynamic simulation of some sequential decisions. Among main scopes of operational games using is that of formulation, at management stuff, of the skills in solving real cases wherewith they meet often in practice.

Another aim is that of the development of complex approaching skills, systemic of simulated process. By the means of operational games, experts can test a series of hypothesis about the nature of the decisions fallowing to take, with establishing of probable effect of several decisions. In this sense, we can say that the game offers the possibility of amount experience in problem, before real development of economic processes, allows anticipation of the consequences of using resources in the most different cases, of course, without their effective using.

When we refer to operational game advantages, we needn't neglect psychological effects of them over participants, who can entirely show their personality, to check assimilated knowledge, power of generalization, of phenomena abstraction, power to ration correctly, all these directed for development of response feeling for taken decision, of the implication of it for enterprise „destiny” and enterprise good financial-economic way.

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DATA SETS (BASIC 2008)

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The most important thing to know about data sets is the fact that they are organized into tables. Every single table contains rows and columns, also called information fields. Every row/line within a table has the name of record. The data that are organized in such manner (into independent relational tables) are relational data. The software application used for arranging data in such way is called relational database. SQL (Structured Query Language - programming language for querying) is the most frequently utilized programming language, being used for the retrieval and management of data stored in relational databases. The Visual Basic controls for databases play a significant role in establishing the connections between applications and data. Every table contains a primary key, which is used for the unique identifying of database's recordings. In other words, the value of a primary key within a table can not be duplicated throughout the recording processes. For instance, a primary key could stand for a personal identification number, an e-mail address or another unique identifier (the persons' names are not usually chosen as primary keys because there might be the possibility of a repetition).

Keywords: Basic, Connect to Database, Tables, SQL Server

In order to initiate a database working session, this has to be activated. For connecting to an existing database or to create a new one, the *Server Explorer* Window might be utilized (if it doesn't appear, one may need to launch the window from the menu: *View, Server Explorer*). One needs to use the *Add Connection* option from the contextual menu by using the *mouse right-click* on *Data Connections* (the system *Tools* menu could also be accessed, followed by *Connect to Database...*). Using this dialogue one may select different types of databases, such as: *Microsoft Access, SQL Server Database File, Oracle Database*. Because the *Visual Basic's* native database is *SQL Server Database*, one may specify the name of such database which exists within the personal computer or create a new one (*Personnel* for example, fig. 1):

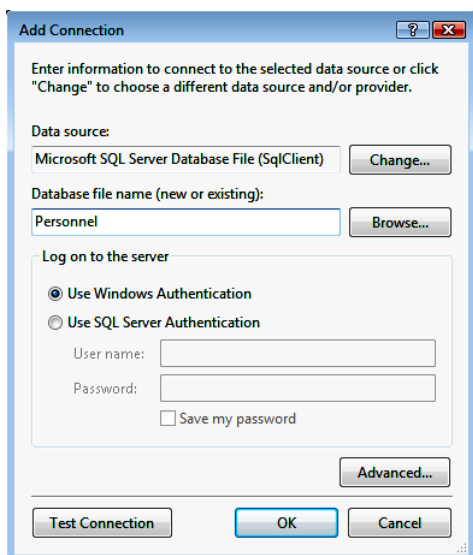
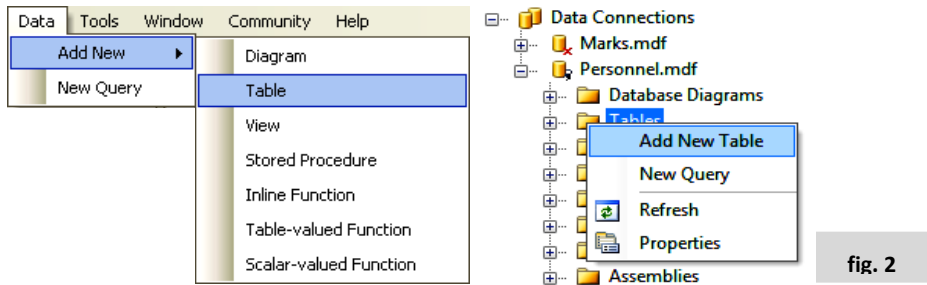


fig. 1

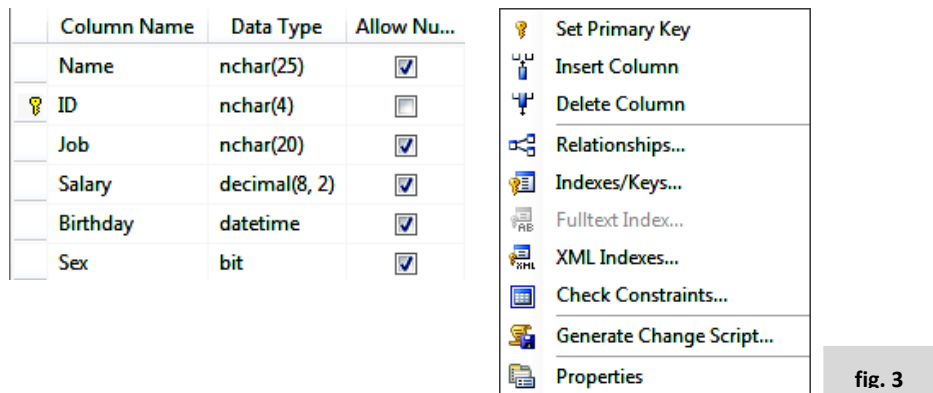
One may add a new table within the database (*Personnel.mdf* here). The *Data* option appears in the *Visual Basic* menu, but the contextual menu might be also utilized when *right-clicking* on *Tables* (fig. 2).



Data table's structure definition (Table Designer)

Within the *Table Designer* window one may define (*Table Definition*, fig. 3):

- the field names names (*Column name*);
- *Data Type* within the field (character lines, decimals, date time, logical, etc.);
- the number of characters which is required for typing the field values;
- the number of decimals needed for the numerical data- for instance: *decimal (8,2)*;
- the fields which don't require a completion (*Allow Nulls*);
- the primary keys (Set Primary key) – right-click on the field name.



Example:

- ✓ The *Employee* table will be defined in the *Personnel.mdf* database (fig. 4):

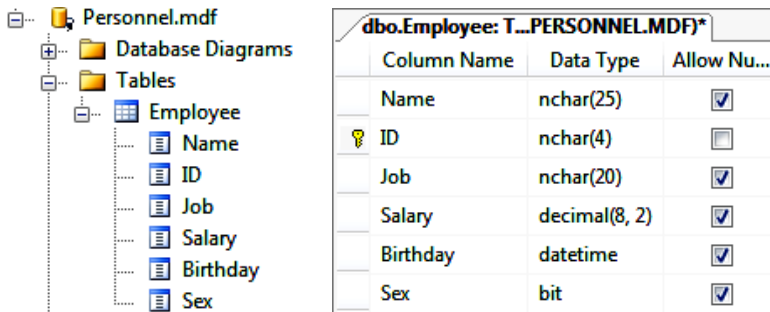


fig. 4

- ✓ The ID field is defined as a primary key.
- ✓ In order to define the data table's structure (*Open Table Definition*) or its content (*Show Table Data*), one may utilize the contextual menu or the *Data* option from the main menu (fig. 5).

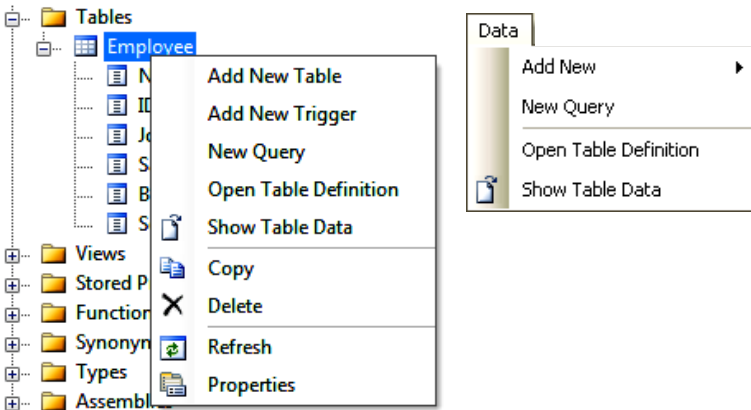


fig. 5

- ✓ Table's content (fig. 6):

Employee: Query...SPERSONNEL.MDF)						
	Name	ID	Job	Salary	Birthday	Sex
	Pop Stefan	157	President	4500,00	12.12.1950 ...	True
	Popescu Constantin	158	Accountant	2017,00	11.01.1968 ...	True
	Dumitache Florina	161	Secretary	960,00	25.06.1971 ...	False
	Toma Dumitru	163	Referent	1230,00	06.06.1953 ...	True
	Petriu Stefan	177	Engineer	2100,00	12.02.1968 ...	True
	Vasiliu Alina	202	Secretary	950,00	13.01.1970 ...	False
	Musat Luminita	204	Secretary	979,00	26.03.1973 ...	False

fig. 6

- ✓ In order to visualize the form's data (introduced within the project) one should activate the *Add New Data Source...* link for establishing a *New Connection...* with the *Personnel.mdf* database (fig. 7):

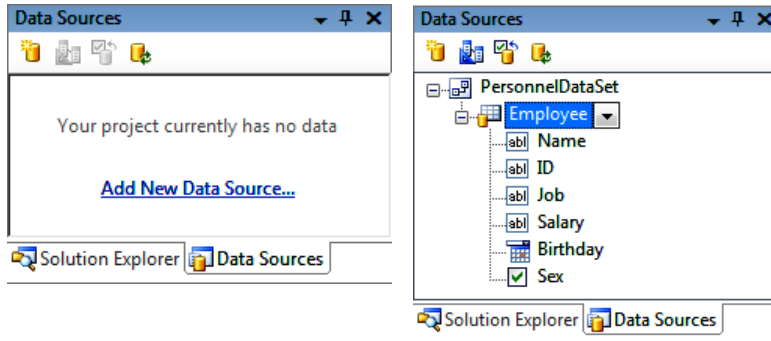


fig. 7

- ✓ The *Solution Explorer* window contains the project's elements. Please notice the *PersonnelDataSet.xsd* element – data set, database's copy, on the local computer (fig. 8):

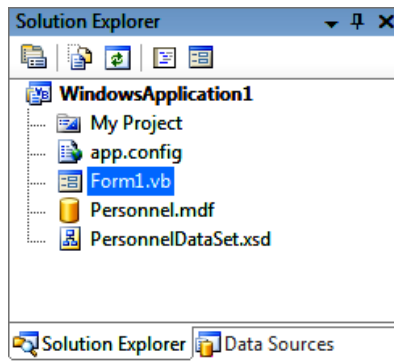


fig. 8

- ✓ *Visual Basic* creates automatically the **BindingNavigator** and the **DataGridView** objects by dragging (using the *mouse*) the tables from *Data Sources* into the form. It also creates: **DataSet**, **TableAdapter**, **BindingSource** and **BindingNavigator** (fig. 9):

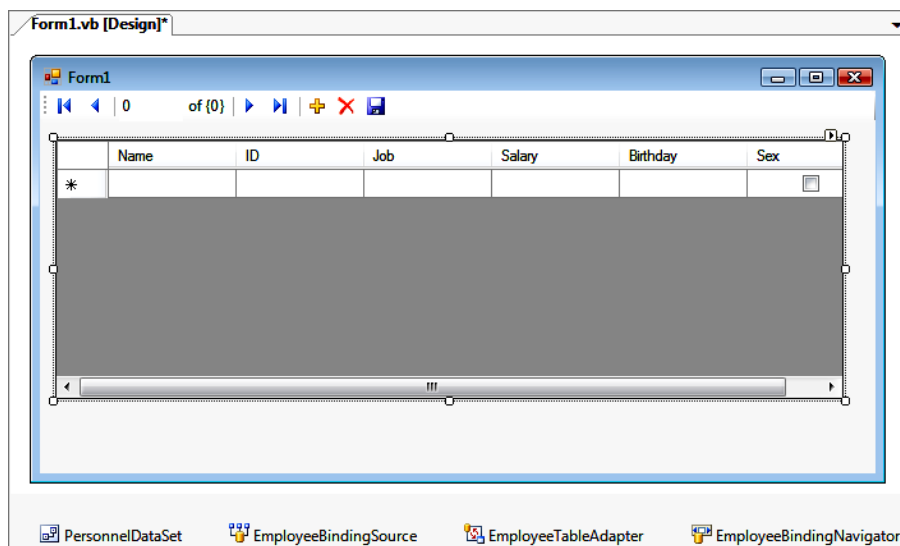


fig. 9

The program memorizes the data within the **DataSet** object which represent the entire database (fig. 10). The **TableAdapter** object copies data between database and **DataSet**. It also includes methods to facilitate the operations in relation to the database (the selection, the insertion, the update, the deletion of recordings). The **BindingSource** object encapsulates all data from inside the **DataSet** and controls the data movement actions, as well as the procedure of elements' addition and deletion.

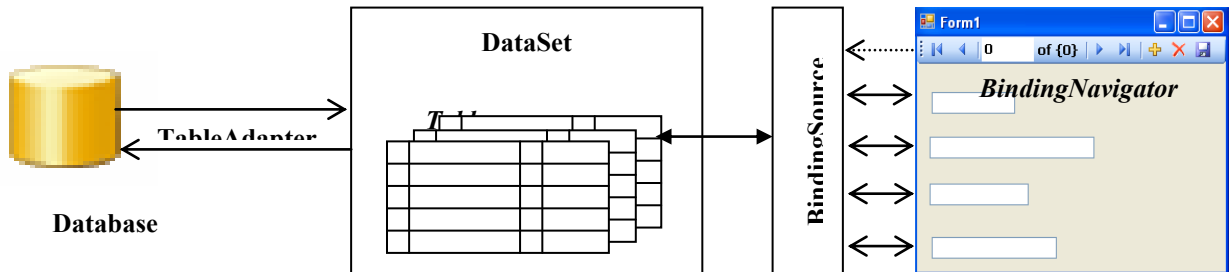


fig. 10

BindingNavigator offers the interface through which the user may interact with the data source.

Visual Basic generates automatically code sequences. When loading the form, these instructions intermedate the data copying (through the **TableAdapter**) from the database into the **DataSet**. The **StudentiBindingNavigatorSaveItem_Click** event (control from **Binding Navigator**) allows the tables' modifications to be saved in the database.

```
Public Class Form1

Private Sub EmployeeBindingNavigatorSaveItem_Click(ByVal sender As...
    Me.Validate()
    Me.EmployeeBindingSource.EndEdit()

Me.EmployeeTableAdapter.Update(Me.PersonnelDataSet.Employee)
End Sub

Private Sub Form1_Load(ByVal sender As System.Object, ByVal e As...
    'TODO: This line of code loads data into the
    'PersonnelDataSet.Employee' table. You can move, or
remove
    'it, as needed.

Me.EmployeeTableAdapter.Fill(Me.PersonnelDataSet.Employee)

End Sub
End Class
```


By using **DataGridView** and **BindingNavigator** controls, one may visualize on the form, data within the *Personnel* table (fig. 11):

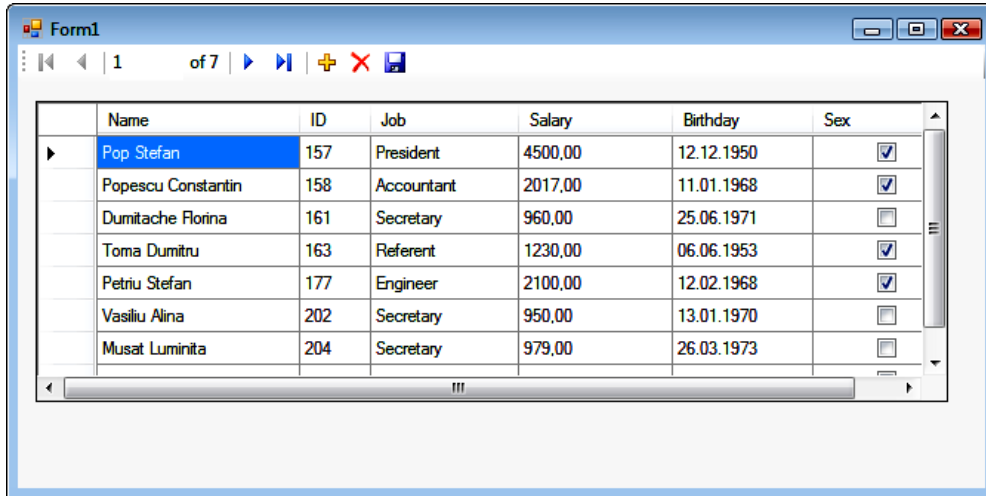


fig. 11

One may add other controls on the form, for instance, a button that displays the income tax. The recordings within the table can be scanned sequentially, from the first to the last, each field's values being available (fig. 12).

```
Private Sub btnIncomeTax_Click(ByVal sender As...
    Dim i As Integer, name As String
    Dim Salary, IncomeTax As Integer

    For i = 0 To PersonnelDataSet.Tables("Employee").Rows.Count - 1

        name = PersonnelDataSet.Tables("Employee").Rows(i).Item("Name")
        Salary = PersonnelDataSet.Tables("Employee").Rows(i).Item("Salary")
        IncomeTax = Salary * 0.16

        MessageBox.Show(name & " " & IncomeTax)

    Next

End Sub
```

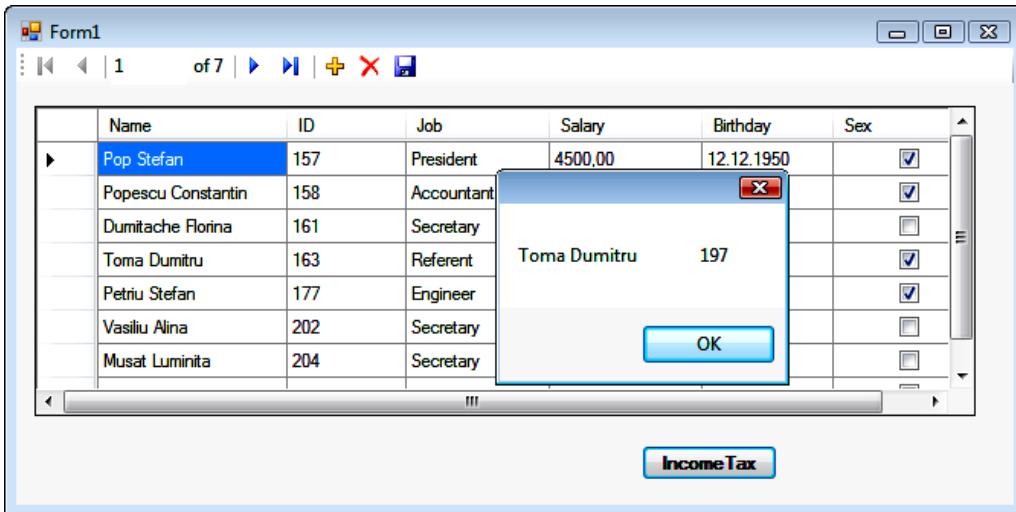


fig. 12

Even if it may be perceived as a difficult manner at the first sight, in order to grant access to the elements within the data set, one should demand a hierarchical class structure (collections and properties) that is to be represented in the following way (fig. 13):

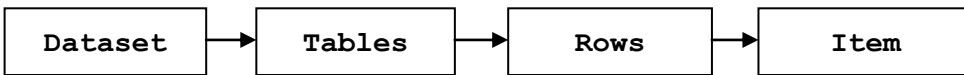


fig. 13

The application steps should be followed in the prescribed order:

- The form loading (*FormLoad*);
- The execution of the **Form1_Load** event procedure where the connection with the database is established and where the *Fill* method is used for filling the local data set.
- The database interrogation should be executed and the result is sent in the **PersonnelDataSet**.
- When pressing the *Income Tax* button the recordings within the local set are examined and the fields' values are displayed.

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MENUS (VISUAL BASIC 2005)

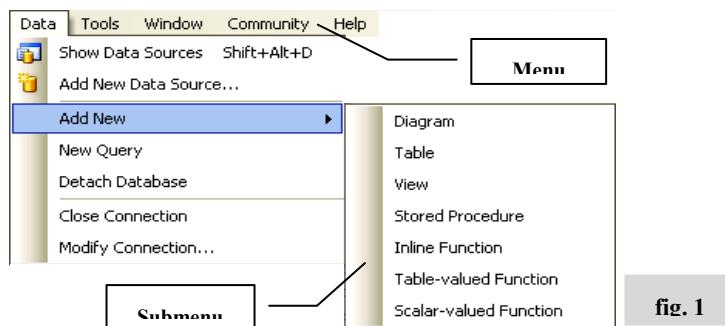
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The **menus** are interface objects that offer the user a series of options, which allow the selection and running of some processing operations. In one way or another, almost every graphical interface contains a menu. A menu appears usually at the top of the application windows, has a standard structure, and, generally, every operation that could be executed within an application must have a corresponded in its menu in order to perform. The user creates for him/her a mental model of the application's structure by simply analyzing the menus and the menu articles, the menu representing a way through which the user communicates the system what operations to do at a given time.

Keywords: Basic, Financial Functions, Menus, Submenus, MenuItem, MenuStrip

A menu usually consists of a bar – (*Menu Bar*, zero level menu), which contains many elements (options). Every menu element can have an own list of menu elements that groups within a submenu. The elements included in a submenu can also have their own submenus (in this case, the submenu has sometimes the name of menu). Those are connected to a vertical submenu that is going to be activated only when choosing the option. The user's choice of vertical menus options may launch a processing operation or the display of a new vertical submenu (fig.1).



Although there is no theoretical limit to the number of submenus that may be introduced when running an application, it results practically that there is a limit of two submenu levels that succeed the main menu. When a menu element contains a submenu, an arrow appears on its right side. The corresponding submenu appears when placing the *mouse* cursor on that particular menu element.

■ Main menus

Internal, the zero level menus consist of the *MenuItem*s collection of the *MainMenu* control. The menu items create another *MenuItem*s collection, each of it being attached to the menu it belongs to. Regarding the visual aspect, the zero level menus are also *MenuItem* type objects, just the same as every element included within a menu or a submenu situated within a lower menu hierarchy.

Example:

- ✓ When having an opened form within the design environment (*Text Property: Financial Functions*), one should select the *MenuStrip* control from the *Toolbox*. This will be added to the form, having the name of **MenuStrip1**, but it may change (*Name Property*) to a suggestive name (ex. **MnuFunction**). One may type the menu's text value after selecting the *Type Here* box within the form, which stands also for the menu's title (here *Function*). After introducing the text related to

the first menu, a new *Type Here* box will appear for adding either an element from submenu, or another zero level menu (fig. 2):

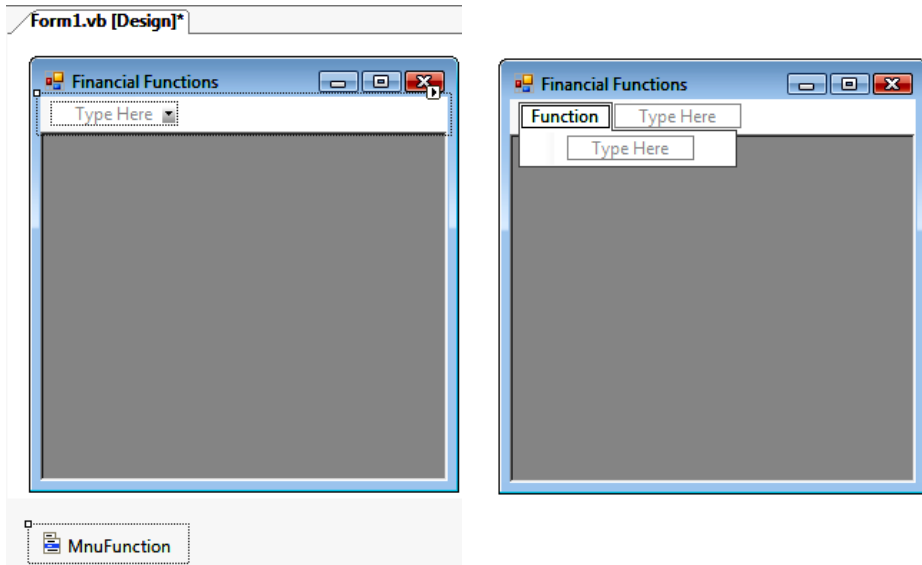


fig. 2

- ✓ Within the zero level menu, one should introduce successively the desired options in the *Type Here* box (fig. 3).

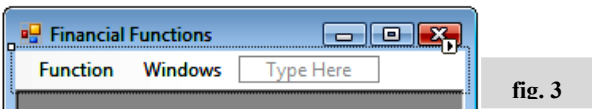


fig. 3

■ Submenus

Example:

- ✓ The submenus have to be introduced (fig. 4):

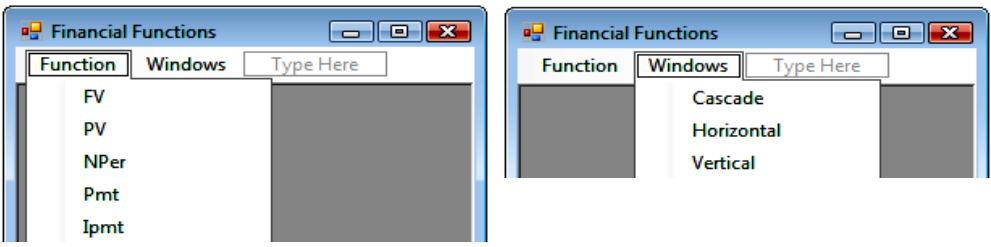


fig. 4

■ Menus Up to Date

- The introduction of a new element. One may select the menu element that is located at an inferior position to the new element's location. *Mouse* right-click on: *Insert*, *MenuItem* (fig. 5).

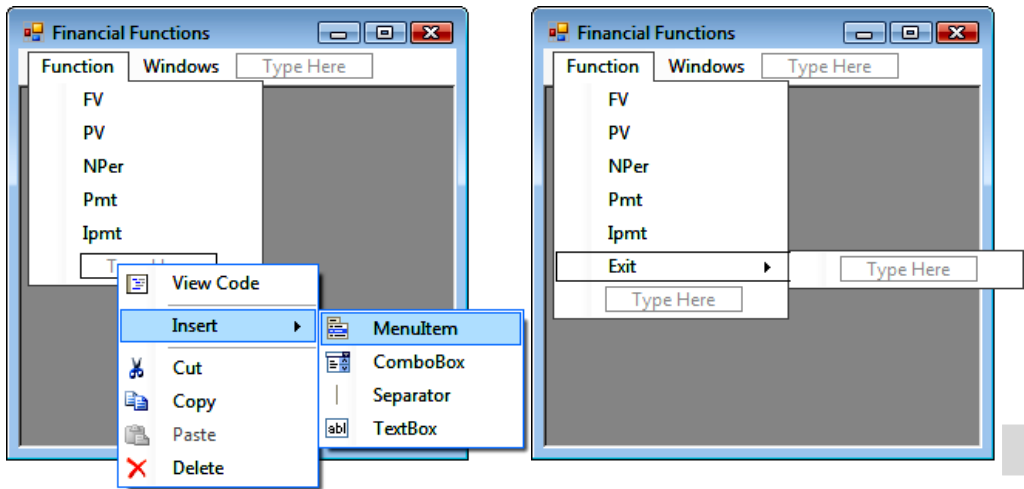


fig. 5

- The deletion of an element. One should select the menu element, *mouse* right-click, *Delete*.
- The introduction of a separator. One may select the menu element that is inferior to the place where the separator will be located. *Mouse* right-click: *Insert*, *Separator* (fig. 6).

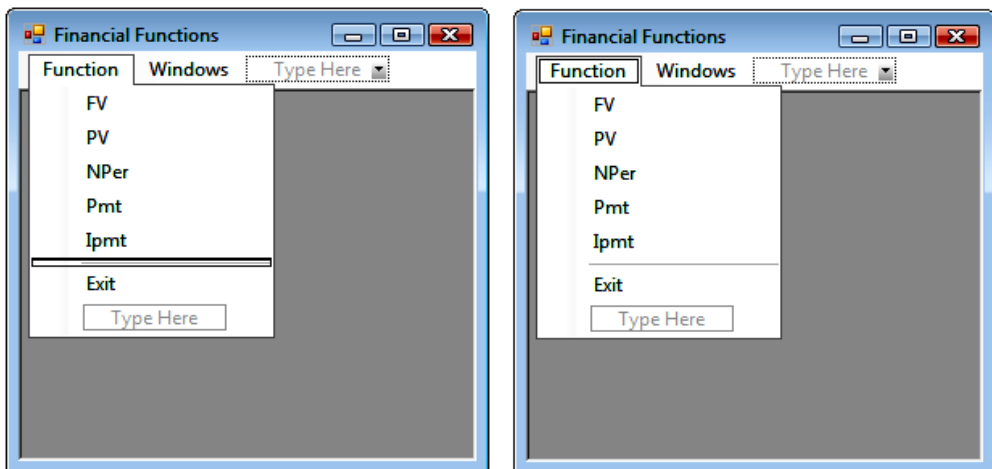


fig. 6

■ The addition of a contextual menu

Example:

- ✓ A *Button* type control should be added to the form. This button will be connected with the contextual menu, therefore the elements included in it will become visible when the user right-clicks on the button.
- ✓ One should add the *ContextMenuStrip* control from the *Toolbox*. The control will be visible in the reserved area that is located inferior to the form.
- ✓ The text value of the first contextual menu element should be introduced within the text box that is situated under the *ContextMenuStrip* location, and afterwards, other elements could also be introduced.
- ✓ Within the *Properties* window, for the introduced button, the *ContextMenuStrip1* value has to be placed within the *ContextMenuStrip* property (fig. 7).

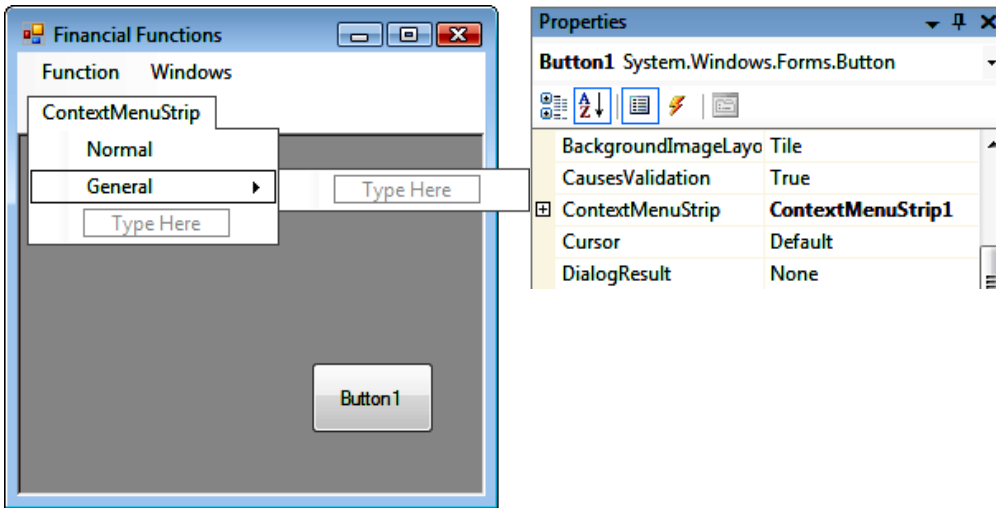
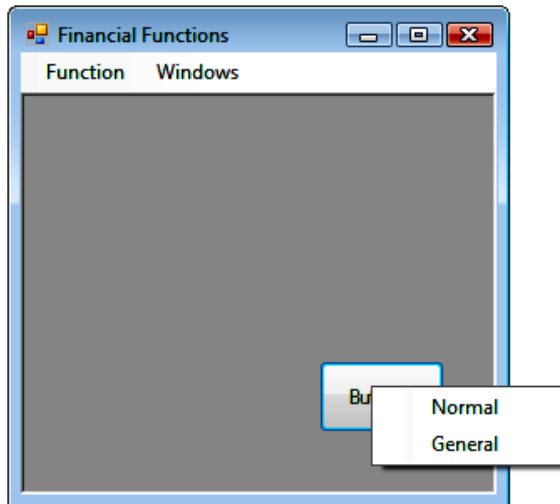


fig. 7

MnuFunction ContextMenuStrip1

When running the program, the contextual menu elements will be displayed if one right-clicks on the *Button1* control (fig. 8):



■ Access keys

fig. 8

The access keys allow the user to run over a menu hierarchy by pressing different keys together with the *Alt* key. For instance, if the access key of the *Function* menu is *F*, and the access key of the *PV* element from the *Function* menu is *P*, then the *Alt+F* keys combination followed by pressing the *P* key, has the same effect as selecting, using the *mouse*, the *PV* menu element from the *Function* menu. When introducing the text value of a menu element, if one places an *ampersand* (&) before the letter, this will be defined as an access key and therefore will appear underlined (fig. 9).

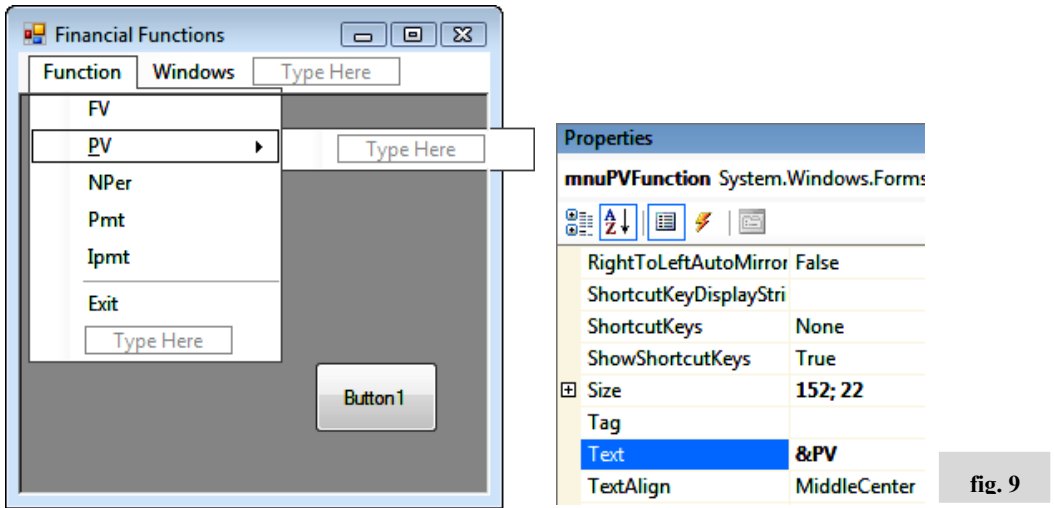


fig. 9

The standard principle of the graphical interface utilization is the fact that every menu element should be accessible by means of using an access keys combination. The access keys for the zero level menu should have no duplicate and all access keys for the menu elements belonging to each individual menu should also be unique. Although the access keys are mostly consisted of the first letter of the menu element's title, in order to avoid the duplicate, one may use another letter within the word. For example, using *E&xit* in the *Exit* option, allows the *Alt+X* key combination to become the access key for the *Exit* menu element.

■ Shortcuts

Keyboard's *shortcuts* (**ShortcutKeys** property) invoke the menu elements' functionality. Shortcuts are actually keys combinations; for instance, *Ctrl+P* is the combination for the *PV* option of the *Function* menu (fig.10).

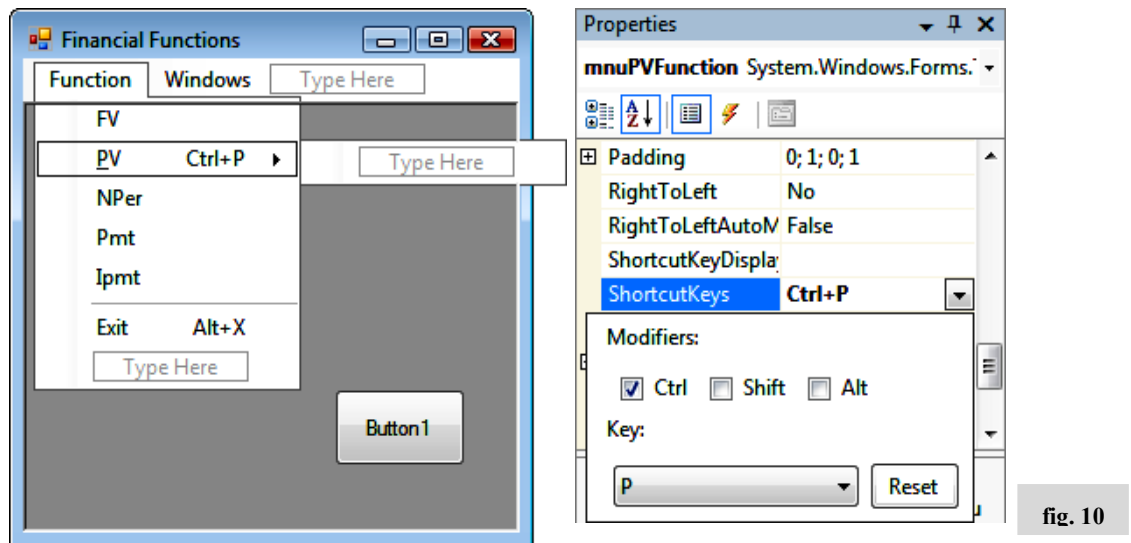


fig. 10

Shortcuts are composed of the control keys (*Ctrl*, *Shift*, *Alt*), the functional keys, the letters and the ciphers. For instance, the shortcut for the *Exit* element could be defined as the *Alt+X* combination.

■ The names of the menu components

The text values that are introduced within the *Type Here* boxes do not actually represent the name of the menu or of the menu elements. These text values – as *Function* or *Windows*- are just the menu elements' titles, namely their visual impress. On the other hand, the *name* of a menu element is an identifier used in the program sequences of the *Menu* object and it is never seen by the users. It is not recommended to

utilize the names of the menus or of the menu elements given by the *Visual Basic* programming environment (the name of every menu or menu element is formed by the concatenation of the word *ToolStripMenuItem* together with a number representing the order in which that particular menu or menu element has been added to the form).

A better approach would be to give some significant names to the menu elements – at least to those introduced within the program code. A helpful convention for menus would be the utilization of the *mnu* prefix, followed by that particular menu's title – for example, *mnuFunction* and *mnuWindows*. Regarding the menu elements, the element's title will be attached to the menu's name – for instance, the *PV* menu element of the *Function* menu has the name of *mnuFunctionPV* (fig.11).

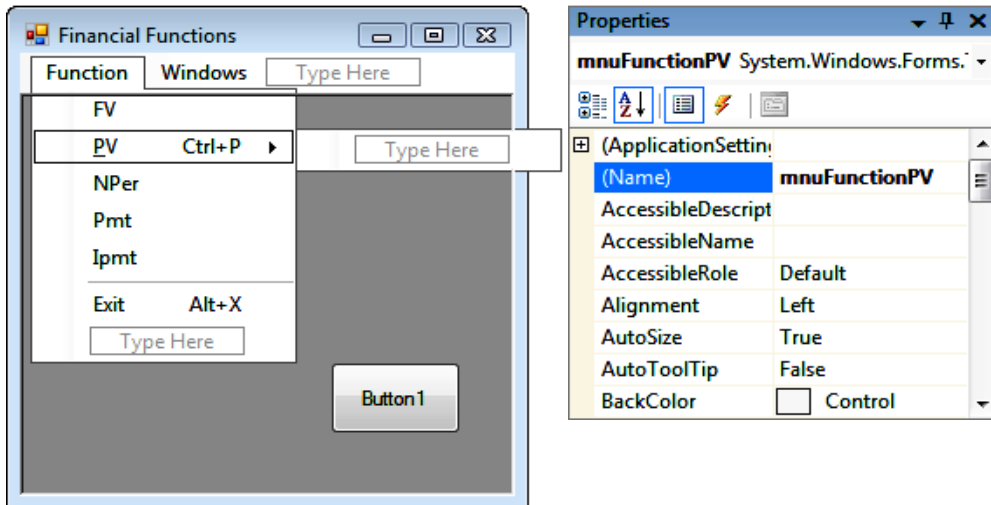


fig. 11

■ Events launched through menu

When the user selects a menu element (**Click** event), one code sequence may be activated just the same way as the click event is generated by a button type control. The event procedure of the *Exit* element (the name **mnuFunctionExit**) may be edited using the code editor (double-click on the menu element) (fig.12):

```
Private Sub mnuFunctionExit_Click(ByVal sender As ...  
    MsgBox ("Exit!")  
    Me.Close()  
End Sub
```

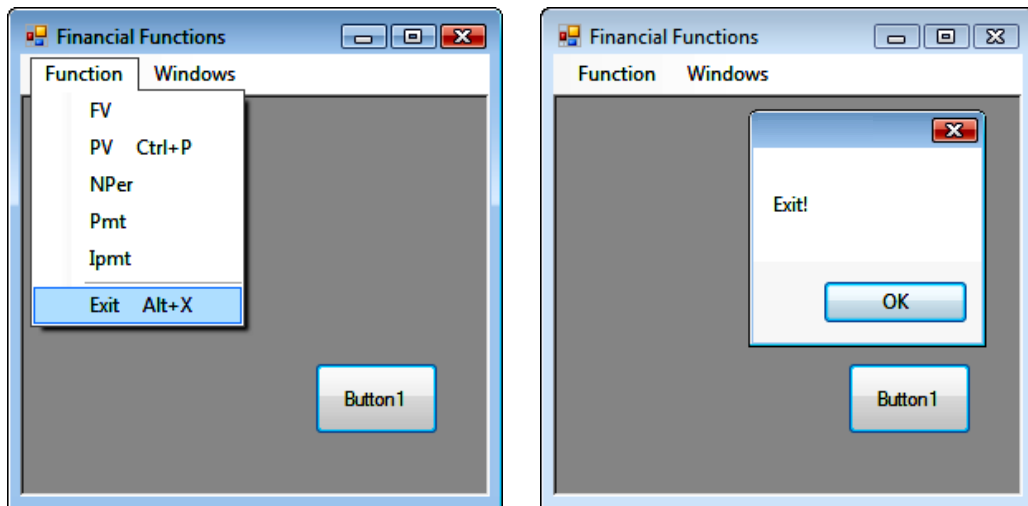



fig. 12

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OPTIMIZATION METHODS FOR PPC CAMPAIGNS

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Abstract. *Generating traffic has not been an exclusive matter of optimization for natural search purpose for a long time. The PPC (pay-per-click) method generates an important amount of traffic, especially for the online large-size business. Many PPC services tendered are by far GOOGLE (by means of the Google AdWords service), Yahoo! Search Marketing (the former Overture) and MSN AdCenter. The system assumes that, depending on the search terms, the result of the search will preferentially advertise/will favour the beneficiaries of these services, the clients that pay for the respective search terms. The payment depends on the number of the received CPC (Cost Per Click) clicks, each listing position corresponding to a price that is established according to a bidding, which may reach amounts of 10-12\$/click for premium positions (1-3).*

Key words: *PPC (pay-per-click), CPC (Cost Per Click), marketing*

Optimization of the Advertisement Text

The writing of advertisements for the PPC site is especially aggravated by the standard structure of the advertisement, that also comes accompanied by the limitation of the number of characters. In Google AdWords system, it consists in 3 lines: the title– 25 characters, the body of the advertisement– 2 lines maximum 35 characters each, followed then by a URL address, which normally is the domain's address, even though the address, which is referred to, supports up to 250 characters.

As directory lines, it is advisable to go straight to the situation presentation, being no space for the artificialities used in the classic advertisements. The important thing is that the communication to the potential client was accomplished. In the light of John Steinbeck, American novelist "*Your audience is a single reader*", every individual that read the ad and is a potential client must be taken into consideration; it means that the advertisement must be written in order to direct towards this specific unique person,

Anatomy of an Advertisement. Each advertisement launched in the PPC campaign must respect the following sections: 1) Title of the advertisement: - 25 characters for Google and Microsoft adCenter, 40 for Yahoo!. 2) Search Marketing, 50 for Miva and 60 for Mirago and Thomson's WebFinder. 3) The content of the advertisement, usually divided into two columns: The presentation line of the product/service/offer. The second presentation of the benefits/assuring the quality and another advertising opportunities. This section may have 70 de characters for Google and Microsoft adCenter, 190 for Yahoo! Search Marketing, 200 for Miva, 180 for Mirago and 140 for Thomson's WebFinder. The fourth line is reserved for the URL address. It will consist in an address that will be annexed (normally the domain of the web site), but actually the link will lead to another page, dedicated, that can be found on the respective site.

Testing the Search Terms: Implementing the Specific Search Phrases

In order to perform the searching term testing, in the case of a PPC campaign, oriented towards selling, it starts from the considerations that: 1. In order to optimize the results, it must focus especially on the visitors/clients that are in the searching process stage and 2. In order to focus on the above mentioned visitors/clients, it is advisable the implementation of *specific search phrases (long tail keywords)*. **Which are the specific search phrases and why are they so important?**

The specific search phrases are those groups of words (normally made up of 3-4 words) which endorses directly and punctually the object of the PPC campaign. That is how, every time a client uses a *specific search phrase*, he tends to be looking for exactly what he has the intention to **buy**. In all these cases, these specific searches have a higher conversion rate than the *generic* searches, which tend to adapt more to the investigation type that the customers use in the first stages of the purchase process. Thus, it is well known that, in order to determine a sale: 1) The customer becomes informed about the product. 2) The customer is

looking for information about the respective product, getting ready for a possible purchase. 3) The customer evaluates the alternatives to the product (characteristics, price, etc...). 4) The customer performs the acquisition choice. 5) The customer completes the transaction (most of the time, in the Online environment, with a credit card). 6) The customer evaluates the purchased product and decides if he desires to keep or to return it. Using the six steps process pattern, as part of a company using PPC, by means of *specific search phrases*, the one that is taken into consideration is the customer who already is in the 4 item, *The customer that makes the decision to buy*, because once he decides he wants to **buy** something, he starts using specific search phrases, in order to find the looked for product. Moreover, these phrases **tend to be easier to classify and emphasize** than the generic phrases, made of one or two keywords. For example, let's say that the web site for which the PPC campaign has been organized is selling trips in the Tirol Region, during the whole year: **Tyrol Ski Accommodation**. In an initial stage, it may seem that, hinting for a word like: **Ski**, is the solution for gathering as much traffic as possible. If it had gone on like this, the site that performs the campaign would have been in direct competition with *ski.com*, *IfYouSki.com* or *goSki.com*, etc. It is not very likely that the site leading the PPC campaign were as big as they are and, that is to have a budget as large as they have, affording more a branding campaign than a sale one. Secondly, this is not even wanted to happen. Even more important, *ski* is not the best search word to be looking for. And that's because everybody, who is searching, using this search term, refers to the type of *ski equipment*, *ski areas*, or just make a general search related to the place where they would like to spend their winter holiday. Even though more specific phrases were hinted, like *ski accommodation*, it would still remain in competition with much stronger competitors, such as *hostelbookers.com*, *Hotels-And-Discounts.com* or *travelocity.com*. It is then obvious the necessity of the services offered, with which it may begin the cataloguing, the traffic and the immediate sale generation.

These are just few of the example. There could be found many others, for certain, but: 1) The long tail keywords are **much** easier to catalogue. 2) The persons searching, by using long tail keywords, may very likely become buyers! 3) Even though, individually, they are not going to bring an impressive traffic, the combining power and their specificity convey to a large conversion ratio.

Landing Pages Optimization. A landing page is a web page that can be accessed as a result of a click on a link displayed as part of a PPC campaign. This page may be developed in order to serve exclusively a PPC campaign, may be one of the pages of the site or, though entirely in disagreement, may be the main page of the site. In order to obtain the best results, the landing page must contain the exact elements described in the advertisement that was clicked on and the content of the landing page. Let's say that a *Ginkgo Biloba* nutritional supplement advertisement is being rolled. Some one, who have just clicked on the advertisement, is interested in buying – or at least to receive information about the respective product. You do not send him to the home page, forcing him go around the site, looking for the product. Send him directly to a page that contain data about *Ginkgo Biloba* in all its greatness, with letterheads, characteristics and the benefits described in the advertisement, clearly displayed. By doing this, it is created a sense of continuity, safety and satisfaction for the client, **the landing page being the vivid expression of the advertisement itself**. When the client clicked on the advertisement, he created a bond. The last desired think is the interruption of the continuity. That is the reason why it is important that they present a page, which harmoniously continue from where the advertisement has left them. The landing page can do this. Here is an example of three web sites that roll PPC campaigns Google AdWords and Yahoo!Search Marketing competing on the searching term: *Ginkgo Biloba*:

1. WholeHealth.com
(http://www.wholehealthproducts.com/index.cfm?fuseaction=product.display&Product_ID=87&CFID=320680&CFTOKEN=21224494)
2. PhysicianFormulas.com
(<http://www.physicianformulas.com/store/Scripts/prodview.asp?idproduct=263&name=Ginkgo-60mg>)
3. OrganicPharmacy.com
(<http://organicpharmacy.org/search.php?searchterm=Biloba&imageField.x=18&imageField.y=15>)
4. Drugstore.com
(<http://www.drugstore.com/search/search.asp?search=gnc+ginko&aid=336064&aparam=xsp111157>)
5. HerbalRemedies (<http://www.herbalremedies.com/herbal-remedies-usa/>)

In the first two examples, the landing pages include a photo of the product, followed by information about Ginkgo Biloba, and an easy and obvious way to purchase.

- In the first case, the ways the client could be distracted to some other part of the site are minimal, *WholeHealth.com* being an example of page sale optimization.
- In the case of *PhysicianFormulas.com*, though the site respects a visitor's needs, the presentation of certain alternatives (the right side column, above the selling area) may be confusing for the potential client, who may pass from page to page, and thus, the purpose of his visit is diluted (paid on the site, anyway).
- Cases 3 and 4 offer a page with many related products, the potential client having more dimensions and productions available, but also a higher possibility of being disoriented and leave the site, not being able to decide over the desired product. Ideally, it is intended the restriction of the client's choice range from the landing page and the attraction of the attention towards the performance of the so called *the desired response (MDR –Most Desired Response)*. It seems that, at least in this specific case, *WholeHealth.com* created an ideal landing page, succeeding in leading the client towards to the shopping basket in a minimum number of steps.
- The last case, *HerbalRemedies.com* advertises for the term „Ginkgo Biloba”, but send the visitors to a generic nutritional supplements page, the identification of the product for which the click has been made being practically impossible. Now, the client is forced, redirections his efforts in order to find the product he is looking for and use the search motor of the site. All these distract from the purchase process. It is a sad fact that, many of the business still send their clients to the home page, where the client is left alone to find whatever he is interested in. Let's not forget that a visitor offers us approximately 7-8 seconds for a web page, which means little enough, unless we capture his attention.

The home page is not a “landing” page. Generally speaking, the home page is the public face of the company. It is the place where people go for an overview of what the business offers. In opposition, a landing page is entirely dedicated to completing a sale of a certain product. It must encounter the expectations of a precise audience that has clicked on the advertisement, looking for information or for a specific product. As a rule, the landing page does not need to be part of the main site; it could be an independent page. It offers the possibility of being creative in marketing, without causing integration problems. In certain case, such as the short-term offers, promoted by PPC campaigns, it is advisable to avoid the index of the pages. Thus, when the offer expires, the PPC campaign may be stopped and the page may be dropped without possible losses from the point of view of the traffic.

Characteristics of the Selling Pages. Besides the continuation of the conversation started with the client by means of the campaign's message, it is compulsory the observance of some crucial characteristics:

- **Concentration on a Single Objective**

Regardless of the conversion methods taken into consideration, the landing page must contribute to the accomplishment of the determined objective. The visitor must not be distracted with irrelevant products and offers. Normally, **the fewer the links on the landing page, the better**. It is desired the leading of the buyer towards a specific action, not following a link that could direct him somewhere else, to an irrelevant part of the site, or worse, to a totally different web site.

Elimination of the Disorder. Navigation towards the rest of the landing page sites is not necessary. What is intended is the limitation of the clients' options and not the enlargement. Any element on the landing page, *which was not created* to require this reaction, diminishes the ability of the landing page of fulfilling its purpose. There is just one exception: **a page – a response**. Not every client that reached the landing page is ready for an acquisition, no matter how good the selling copies are. But, if, as an exchange, there can be gathered e-mail, then he could be closely followed afterwards. It allows establishing a relation with the potential client and his information concerning the product or service. Of course, a motive needs to be implicated for him to send the e-mail address, and this is a domain where the testing is essential. Notifications concerning the deductions, informative bulletins, the affiliation to a club, comparative studies about the product, and so on, may be included in a prospect list to which the clients have no access unless they have registered first. The principle is: **It is offered something with a high perceived value, but with an effective reduced cost. The higher the prospector perceives the value of the product, the wilier he**

is of giving his personal data (for example, his email address). That is why **testing is essential** in this case, too. By testing it can be determined the change formula to which people respond better. In the end, it is obtained the contact information along with the permission to keep in touch. Remember that the *observation value* is the key. Everything offered need to be *useful*. People will not register just for receiving advertisements – and if this is everything they receive, they will not stay registered for a long time. It must be supplied something valuable for the prospector *while* he is converted in a purchaser.

• **Advertisements that Emotionally Urge and Detonate an Action.** Good advertisements determine people to take part in the action. It is made an appeal to their emotions, desires (to be better, smarter, richer, prettier, happier, healthier, safer, stronger, more loved – these are the main reasons). It is said that *man is spending most of his time trying to improve his nature. The desire* to do that is intrinsic in the human nature – and the advertisement needs to communicate the ways in which the product or the service leads to the fulfillment of their desires. If there is a „secret” in making good advertisement, this is it! While it is true that not everybody can be a famous author, it is also true that most of the techniques of creating good advertisement can be taught. There are both elementary information, which may be known, and formulas that simply function. It is obviously that the range of possibilities cannot be covered, but some of the “tricks” used by the professionals are: **Title:** it is the most important element of an advertisement that sells well. The title (and the subtitle) must emphasize the beneficiary of the product as well as *the unique sale phrase*. The title must also fit the advertisement that brought the prospector on the sale page – it is the continuation or the reaffirmation of the AdWords advertisement. **The Use of an Attractive First Sentence** - which captivates the reader and determines him to listen to the story. The opening paragraph should help him see that his pain is understood and clearly suggest that the solution for what he is searching is found. **Presentation of the Whole Story** - all and entire story!...and the creation of a perspective of being in his shoes. There are displayed the benefits, the comparison of the characteristics and different confessions. If the person is interested indeed, he will be pleased to read the whole story, *as long as it is not boring*. **Re-elaboration of the Unique Sale Proposal**, (Example: Get 20%off. Use coupon). **Establishment of the Credibility.** the use of the confessions, the company’s references, trust, certificates and membership seals. **Re-elaboration of the Offer.** Clear elaboration. Include each detail related to what the purchaser could expect to receive and how every single detail is applied in order to help him improve his possibilities. **Establishment of the price in Terms of Accessibility.** The compensation of the product cost with benefits that will be derived in terms that should demonstrate that the price deserves much more than the published price. **Assurance of a Bonus** with a high perceptive value but a low price. Example: Order until [date] and will receive [something with a high perceptive value]. **Addition of the Urgency.** It must be drawn the attention about the limited stock. Set up a *response until* a date related to a bonus with a high value of distinction. It must be created a *plausible* reason for buying now, risking to lose the offer in case of delay. **Elimination of the Risk** to warrant any time possible. The warranty is established so that the product or service purchase implies no risk from the part of the client and so that it could not be ignored. **Preparation of the Conversion:** the sail must go smoothly and in fewer steps. This is the last chance of appearing interruptions during the sale process. A good selling modality will have all these ingredients, each time for an example that includes all these ingredients, there can be visited the GoogleCash²⁵⁷ sale page).

Management of a Page Use. The use studies have shown that when a client arrives on a page for the first time, he rapidly scans the left up corner of the display, then on the length of the page on the right side before turning back and stop in the centre of the page. All these last no more than a second. That is how it happens when people *scan* a page – usually with no conscience of the fact. On the whole, it means that the *acronym* should be placed up in the left corner, in order to help the clients orient, but not that prominently as to distract them from the *title*, which is *the most important element* of the selling page. The information, necessary to assure the client, but nor essential for the product sale (such as the recommendations and the safety seal), may be discreetly placed on the right side of the display, alongside with a link, maybe, to the shopping basket, but carefully **not** to distract the attention from the title or from the advertisement, which should be displayed prominently, from the top to the bottom, in the centre in the lower part of the page. The studies have proven repeatedly that there is a small window of opportunities in order to draw the attention of the client, once he arrived on the landing page. In a few seconds he cannot be convinced that he is on the right site, there are big chances that he will click somewhere else and thus he would be lost as a potential client. The fastest way of letting the client know he is in the right place is **exposing the title use**

²⁵⁷ <http://hop.clickbank.net/?plansen/googlecash>

in the advertisement they initially clicked on. Anyway, as there is so much space on the landing page, the re-elaboration must not be repeated word by word – the goal should be the creation of a powerful sense of continuity from the *advertisement* to the *landing page*. The same logic applies to the characteristics and benefits. If there were well enough to determine someone to click on the initial advertisement, then assure yourself that they are prominently displayed on the landing page, in front and in the centre. If you have a long presentation page, position the information so that the client did not have to roll in order to find the re-elaboration of those benefits and characteristics (even though they are on a display resolution of 800x600). After the best advertisement has been placed on the display, there must be included **photos, prices and technical specifications** of the product, applicable anytime. Neglecting any of these items, give the client an extra-reason not to finish the sale (remember: there must be told the *whole* story). Here will be placed all the ingredients of a successful business, mentioned above. If the price cannot be specified, it often happens that when there are offered business-to-business services (such as consultancy), it must be specified a price range. It helps to the elimination of the prospectors who do not afford these services anyway. The so called **negative qualification** helps filtering the clients that would never buy anyway. Ideally, the negative qualification should start from the AdWords advertisement that means that filtering those prospectors *before* they click on the advertisement, which includes a cost. The AdWords shopping basket button – *Order now!* – should always be placed at the end of the sale presentation. Controversially, it can be placed up, in the right side of the page for those who already know what they want to order. Additionally, it could be found a proper location in the middle of the presentation – at an item where “the sale” could be a logical choice for prospectors that “have read enough” in order to know how they desire to acquire. It is advisable to be prominently placed closed to the end, where the people are expecting to see it. It must be easy to find. The trust certificates, the contact information of the company and the putting down of the copyrights must be placed in the low part of the sale presentation, as the visitors are not interested in this information until AFTER they have decided to become clients. Only *then*, the contact information of the company, alongside with the trust certificates will become an important element in the sale equation. If it is not a giant respectable corporation, with a prominent brand name, it is a premature habit to present this information earlier during the process.

Page Testing. The most useful testing method has proven to be the split testing A/B (A/B split testing). It is tested separately, both variants of the advertisements of the PPC campaign, and variants of the landing pages. At the A/B split testing of the advertisement, there are applied different titles, patterns, images and offers, but not all at once. Once again, with the purpose of gathering significant information from the testing, it is advisable that each component were tested individually, making sure that you have a clear idea of what defines the success. Is it desired an increase of the sales, whenever a new title is tested? Or maybe more email addresses? The duration of such testing depends on the results obtained. If the tests do not roll long enough, we will not have enough information to finally conclude which of the test pages should be *kept* and which should be removed. If one of the page versions sells more than the other, then it can be known is about 20 impressions (10 for each of the two testing versions) which of the landing pages are good and which are not. These results are seldom significantly different. Under these conditions, in order to have a consistent result, it is considered the testing of at least 50 impressions (25 for each page).

Conclusion. In addition to that, the PPC advertisement is a relatively stable market and does not vary in terms of the so frequent indexation modifications/algorithm, being a very good alternative and a business increasing method.

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Hierarchical organization of information, in relational databases

Demian Horia

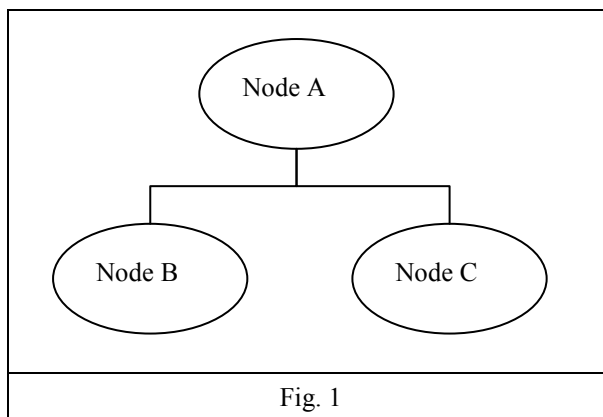
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Abstract: In this paper I will present different types of representation, of hierarchical information inside a relational database .I also will compare them to find the best organization for specific scenarios.

Keywords: hierarchy, relational databases

In many situations it is necessary to organize information like a tree. The classical tree looks like the one presented in the figure below



To represent this information inside of relational databases we need, a table with the following structure:

Nod	idNod	idNodPrec	Nod
idNod	1	1	Node A
idNodPrec	2	1	Node B
Nod	3	1	Node C

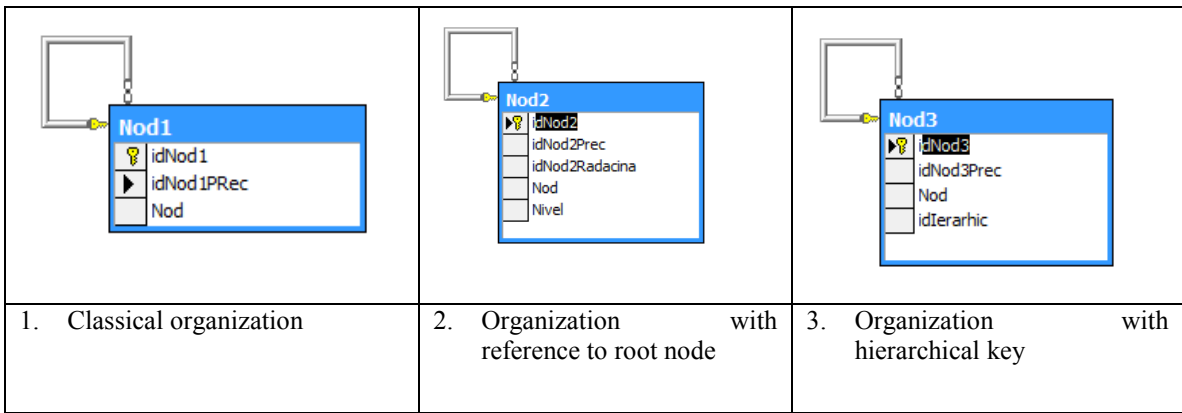
Fig. 2

In my studies I will try to find other methods for organization of hierarchical data, and I will compare them, to find the best solution. In practice there are a few very necessary operations. These operations were used in my tests.

For these tests I used three methods of representation:

1. Classical organization
2. Organization with reference to root node
3. Organization with hierarchical key

To better understand these types of organization I will present the table structure for each one



Data looks like this:

1. Classical organization

idNod	IdNodPrec	Nod
1	1	Desktop
2	1	Horia
3	1	Public
4	1	Computer
5	4	Local Disk (C:)
...

Fig. 3 Organizarea tabelara a unui arbore

2. Organization with reference to root node

idNod	IdNodPrec	idNodRadacina	Nod	Level
1	1	1	Desktop	1
2	1	1	Horia	2
3	1	1	Public	2
4	1	1	Computer	2
5	4	1	Local Disk (C:)	3
....				

3. Organization with hierarchical key

idNod	idNodPrec	Nod	idIerarhic
1	1	Desktop	1.
2	1	Horia	1.1.
3	1	Public	1.2.
4	1	Computer	1.3.
5	4	Local Disk (C:)	1.3.1.

...	
-----	-----	-----	--

One of the operations which I have tested was to obtain a sub tree beginning from a specific node.

1 In case of classical organization and organization with reference to root we need to create a function like this one

```

CREATE FUNCTION dbo.FN_NOD1_ARBORE ( @idNod1 INT)
    RETURNS @ARBOREDEST TABLE (
        IDNOD1 INT
        ,IDNOD1PREC INT
    )
AS
BEGIN
    DECLARE @ARBORENOD TABLE (
        IDNOD1 INT
        ,IDNOD1PREC INT
    )

    DECLARE @ARBOREPREC TABLE (
        IDNOD1 INT
        ,IDNOD1PREC INT
    )

    DECLARE @KOD SMALLINT
    SET @KOD = 0
    --INSERAREA NODurilor DE PLECARE(cele de ultim nivel pentru care exista produse publicate)
    INSERT INTO @ARBORENOD
    SELECT
        N.IDNOD1
        ,N.IDNOD1PREC
    FROM
        NOD1 N
    WHERE N.IDNOD1 = @IDNOD1 --nodul de la care pornim

    INSERT INTO @ARBOREDEST --ACEASTA VA CONTINE DOAR parintii
    SELECT
        IDNOD1
        ,IDNOD1PREC
    FROM @ARBORENOD
    WHILE (@KOD = 0 ) BEGIN
        --CAT TIMP MAI EXISTA NODURI CE FAC REFERINTA CATRE NODURI DIN PARINTE
        CONTINUAM PARCURGEREA ARBORELUI
        DELETE FROM @ARBOREPREC --GOLIREA BUFFERULUI DE noduri parinte
        INSERT INTO @ARBOREPREC --ACEASTA VA CONTINE DOAR nodurile de nivel inferior ce nu au mai
        fost inserate
        SELECT DISTINCT
            A.IDNOD1
            ,A.IDNOD1PREC
        FROM NOD1 A
            INNER JOIN @ARBORENOD AN
            ON A.IDNOD1PREC = AN.IDNOD1
            AND A.IDNOD1PREC <> A.IDNOD1 --NU FACE REFERINTA SPRE
    EL

```

```

IF @@ERROR<>0 OR @@ROWCOUNT=0 BEGIN
    SET @KOD = 1 --NU MAI SUNT COPII
END
INSERT INTO @ARBOREDEST
    SELECT
        IDNOD1
        ,IDNOD1PREC
    FROM @ARBOREPREC
--GOLIREA BUFFERULUI DE NODURI
DELETE FROM @ARBORENOD
--COPIEREA COPIILOR IN NOD
INSERT INTO @ARBORENOD
    SELECT
        IDNOD1
        ,IDNOD1PREC
    FROM @ARBOREPREC
END
RETURN
END

```

3. In case of organization with hierarchical key we can use a simple SELECT command
Select A.*

From Nod3 A
Where A.idlerarhic LIKE'1.3.%'

	1. Classical organization	2. Organization with reference to root node	3. Organization with hierarchical key
Space used for data	200 840 KB	243 272 KB	302 432 KB
Space used for indexes	59 288 KB	176 696 KB	208 064 KB
Number of records	5 380 845	5 380 845	5 380 845
Time in which we can obtain the records for the seven level	531 441 records in 41 seconds	531 441 records in 3 seconds	531 441 records in 11 seconds
Obtaining the child nodes for a specific node	9 records In 0 seconds	9 records In 0 seconds	9 records In 0 seconds
Obtaining a subtree order by level	66 430 records in 1 seconds	66 430 records in 4 seconds	66 430 records in 2 seconds
Obtaining the leaf nodes	4 782 972 records in 24 seconds	4 782 972 records in 29 seconds	4 782 972 records in 99 seconds
Obtaining the leaf nodes of a	59 049 records in 4 seconds	59 049 records in 2 seconds	59 049 records in 3 seconds

specific subtree

For these tests I used SQL Server 2000 Desktop Engine, installed on a computer with Intel Core 2 Duo processor at 2GHZ, with 2GB of Ram.

After I obtain this results I decide to compare them, using global utility method.

	1	1	1	1	1	1	1	1	1	R
Coefficienti	1	1	1	1	1	1	1	1	1	
Minim/Maxim	Minim	Minim	Minim	Minim	Minim	Minim	Minim	Minim	Minim	
Variante/Criterii	spatiu ocupat	spatiu ocupat	obtinerea nod	obtinerea cop	obtinerea unu	Noduri frunza	Noduri frunza	overload de pi		
Arbore1	0	0	41	0	1	24	4	1	3.00	
Arbore2	0	0	3	0	4	29	2	2	3.60	
Arbore3	0	0	11	0	2	99	3	4	1.95	

Situation 1.

	1	1	1	1	1	1	1	1	1	R
Coefficienti	1	1	1	1	1	1	1	1	1	
Minim/Maxim	Minim	Minim	Minim	Minim	Minim	Minim	Minim	Minim	Minim	
Variante/Criterii	spatiu ocupat	spatiu ocupat	obtinerea nod	obtinerea cop	obtinerea unu	Noduri frunza	Noduri frunza	overload de pi		
Arbore1	200840	59288	41	0	1	24	4	1	5.00	
Arbore2	243272	176696	3	0	4	29	2	2	4.39	
Arbore3	302432	208064	11	0	2	99	3	4	1.95	

Situation 2.

Observations:

1. When the space used by data is not important, the second method of organization hierarchical data was the best choice.
2. If space used for data need to be very small, the classical organization of hierarchical data was the best choice.
3. The third method gave us very good performance in situation in which we need to obtain a sub tree.
4. In each of this situation we obtain a very long time when we are trying to obtain the leaf nodes.

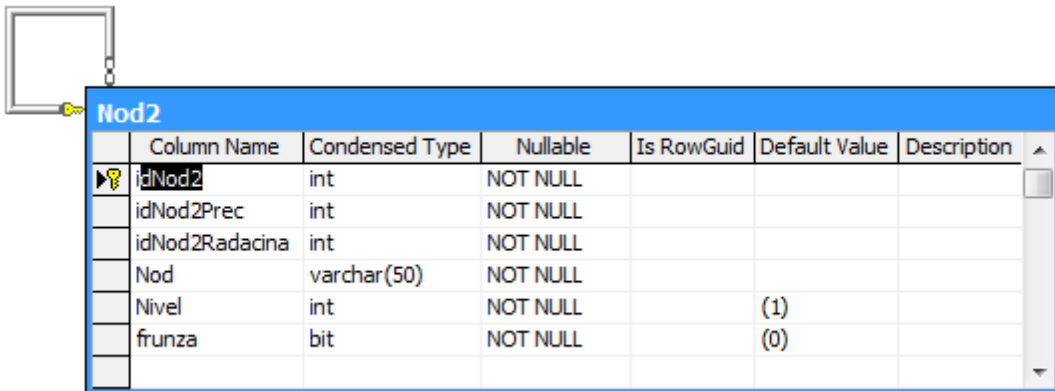
To improve performance I decided to try to reduce the time in which we obtain the leaf nodes. To do this we had to modify the structures of this table and to have additional information in these. I

	1. Classical organization	2. Organization with reference to root node	3. Organization with hierarchical key
Space used	217 944 KB	251 584 KB	307 152 KB
Space used by indexes	59 888 KB	176 712 KB	207 672 KB
Number of records	5 380 845	5 380 845	5 380 845
Level 7 nodes	531 441 records in 9 seconds	531 441 records in 2 seconds	531 441 records in 10 seconds
Command tested	select * from	select IDNOD2,IDNOD2PREC	SELECT IDNOD3,IDNOD3PREC

	dbo.fn_nod1_Arbore_nivel(10,7)	from nod2 where idNOD2RADACINA = 10 AND NIVEL = 7	FROM nod3 WHERE idierarhic like '10.%.%.%.%.%.%' and not idierarhic like'%.%.%.%.%.%.%'
Obtaining child nodes	9 records in 0 seconds	9 records in 0 seconds	9 records in 0 seconds
Command tested	select * from nod1 where idnod1prec=66440	select * from nod2 where idnod2prec=66440	select * from nod1 where idnod1prec=66440
Obtaining a subtree order by level	66 430 records in 1 seconds	66 430 records in 1 seconds	66 430 records in 2 seconds
Command tested	select * from dbo.fn_Nod1_Arbore(21)	select * from dbo.fn_Nod2_Arbore(21)	select idnod3,idnod3prec from nod3 where idierarhic like '10.1.2.2%'
Obtaining leaf nodes	4 782 972 records in 26 seconds	4 782 972 records in 28 seconds	4 782 972 records in 33 seconds
Command tested	select * from nod1 where frunza=1	select * from nod2 where frunza=1	select * from nod3 where frunza=1
Obtaining leaf nodes for a subtree	59 049 records in 2 seconds	59 049 records in 2 seconds	59 049 records in 2 seconds
Command tested	select * from dbo.fn_nod1_arbore(21) n inner join nod1 n1 on n.idnod1 = n1.idnod1 and frunza = 1	select * from dbo.fn_nod2_arbore(21) n inner join nod2 n1 on n.idnod2 = n1.idnod2 and frunza = 1	select * from nod3 n3 where n3.idierarhic like '10.1.2.2%' and n3.frunza = 1

Conclusion:

The best result which I obtain was when the structure of table look like this one:



	Column Name	Condensed Type	Nullable	Is RowGuid	Default Value	Description
	idNod2	int	NOT NULL			
	idNod2Prec	int	NOT NULL			
	idNod2Radacina	int	NOT NULL			
	Nod	varchar(50)	NOT NULL			
	Nivel	int	NOT NULL		(1)	
	frunza	bit	NOT NULL		(0)	

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THE PROTECTION OF THE ECONOMIC INFORMATION IN COMPUTER NETWORKS

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The Article „The protection of the economic information in computer networks” emphasizes the importance of securing the economic information in computer networks, the Internet network respectively.

It is described one of the most used encryption algorithms such as the DES algorithm ,also its improved alternative: the triple DES (3DES). In order to have a good understanding of the described algorithms, first there are presented the preliminary ideas from the cryptography domain, for example: the objectives aimed by a cryptographic algorithm, definitions, the criteria which must be accomplished so that the cryptographic system to be considered secure and efficient.

Main words : cryptographic system, computer networks, encryption algorithms

Preliminary Ideas

The beginning of the new millennium finds the modern society in an informational structure depending on the acceleration of the information and communications technology; the essential condition of the informational society success is the adoption of the information and communications technology in all the domains.

The new rules of the informational society are applied to the economic level, leading the new economy, as well as the political, social, administrative, cultural levels, transforming the reality into a new way of virtual perception; The used terms at the level of the modern society include: e-business, e-commerce, e-learning, e-mail, e-government, e-health, at the European level, as well at the Romanian level.

During the XX century, the biggest technological and in the same time social event was the setting up of the Internet as a concrete implementation, in big proportion, of the computer networks, concurring to the distributed exploitation of the economic information.

The development of the Internet obviously depended by the technology, but also by the social factors which had been combined with the technological factors, so that the Internet to become what is today.

In general, the computer networks, especially the Internet, do not represent only a technologic phenomena but also a social phenomena due to the users' participation to its present structure. The development of the electronic businesses such as e-business, as well as the existence of other Web services, led to a necessary new level of security which is a lot maximized. The Internet became the tool used by hundreds of millions of users, thus its vulnerability becomes directly a new and important vulnerability of the human society.

A component of the field „security of the information” is represented by the cryptography.

Its objectives are the followings:

1. *Confidentiality*: the quality of keeping the information secret in order to be used only by the authorized persons;
2. *The data integrity*: the quality of avoiding any kind of unauthorized modification of the information (insert, delete, substitute);
3. *Authentication*: The quality of identifying an entity according to the certain standards.

It is formed by the followings:

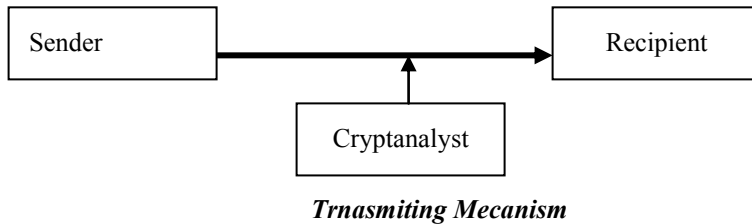
- (a) Authentication of one entity;
- (b) Authentication of the information source;
4. *Non - repel*: The quality which prevents the neglect of some previous events.

The other objectives concerning the information security (authentication of the messages, digital signatures, authorization, validation, the access control, certification, reception confirmation, revocation) can be derived from these.

The cryptography is the study of the math methods concerning the information security, capable to ensure the confidentiality, authentication and non-repudiation of the messages, as well as the integrity of the data.

The term „cryptography” means secret writing. The domain includes the encryption operation of a text, as well as the possible decipher trials and finding the crypt key. In some works the general work frame is named cryptology, the term „cryptology” meaning only the legal cipher and decipher.

The general situation of the cryptography is the following:



The sender would like to send a message to the recipient through a communication channel which has a high level of uncertainty. This uncertainty is represented by a cryptanalyst rival who wants – from unknown reasons – to know and eventually to modify the content of the message, even though the message is not intended for him.

This confidentiality requested by sender and recipient it is usually solved through the transformation of the message so that it can be understood by nobody. The respective transformation is named „encryption”.

The algorithm which realize the described operations it is called the „encryption system”.

The encryption system is a structure (P, C, K, E, D) , where:

- $P = \{w \mid w \in V^*\}$ is the multitude of” clear texts”, written over an vacuum alphabet (customary $V = \{0,1\}$).
- $C = \{w \mid w \in W^8\}$ is the multitude of” encrypted texts”, written over an vacuum alphabet W (customary $W=V$).
- K is the multitude of elements named keys.
- Each key $k \in K$ determines a encryption method $e_k \in E$, and a method of decryption $d_k \in D$.

$e_k : P \rightarrow C$ and $d_k : C \rightarrow P$ are functions which have the quality $d_k(e_k(w)) = w, \forall w \in P$.

In general, it is considered that $C = \{\alpha \mid \exists a \in P, \exists k \in K, \alpha = e_k(a)\}$.

The function e_k is obvious injective; if e_k is biinjective (so $d_k = e_k^{-1}$), the encryption system is named”symmetrical”.

In order to be considered good, the encryption system, needs to fulfill three criteria (stated by Francis Bacon in XV II century):

4. 1. Being given e_k si $\alpha \in P$, it is easy to determinate $e_k(\alpha)$;
5. 2. Being given d_k , si $w \in C$, it is easy to determinate $d_k(w)$;
6. 3. α is posibil to determinate from w , without knowing the d_k .

The last criteria defines – sunder a vague form – the ideaa of”security” of the system.

Bacon adds a forth rule to all above criterias:

4 The encryption text must be a trite text, without suspicious.

This condition is used today only by the strict sub domain of cryptography, named stenography.

The encryption system DES

In May 1973, The USA National Standards Office had launched in the Federal Registry (the official journal of the government) an appeal to the construction of the official encryption system which will be named Data Encryption Standard (DES). The company IBM built this system – published in the Federal Registry at 17 March 1975, modifying an older system named Lucifer. After many public discussions, at 17 January 1977 DES was officially approved as an encryption standard. Since then, it was revalued at each fifth year, presently being the most popular encryption system with symmetrical key.

The description of the DES system

The DES system encrypts a clear 64 bits text block into an encrypted text of as well 64 bits using a 56 bits key. The algorithm includes 3 steps:

1. Be α the initial clear text of 64 biti. It is applied an initial fixed permutation IP,

obtaining $\alpha_0 = IP(\alpha) = L_0R_0$. L_0 is formed from the first 32 bits of α_0 , and R_0 – from the last 32 bits.

2. It performs 16 itineraries (ways) of a function which will be specified later. At each way will be calculated L_iR_i ($1 \leq i \leq 16$) using the rule:

$$\begin{aligned} L_i &= R_{i-1} \\ R_i &= L_{i-1} \oplus f(R_{i-1}, K_i) \end{aligned}$$

where \oplus is or - exclusively (XOR) of two binary sequences, f is a function which will be specified later, and K_1, K_2, \dots, K_{16} are sequences of 48 biti calculated from the K key. It says that K_1, K_2, \dots, K_{16} are obtained from the diversification of the key schedule.

3. The initial permutation invert is applied to the block $L_{16}R_{16}$ order to obtain the encryption text $\beta = IP^{-1}(R_{16}L_{16})$.

The system of equation swchich defines the encryption at each tour can be inverted in order to obtain the equations of the decryption tours. These are:

$$R_{i-1} = L_i, L_{i-1} = R_i \oplus f(L_i, K_i)$$

The encryption function $f(A, J)$ has as arguments two binary sequences one of 32 bits, and one of 48 bits. The result is a sequence of 32 bits. The calculus steps of the function are:

1. The argument A is extended to 48 bits using an expansion function E. $E(A)$ includes the A's bits situated in a certain order, some bits being written twice.

2. It is calculated $B = E(A) \oplus J$ the result is divided in 8 subsequences of 6 bits each:

$$B = B_1B_2B_3B_4B_5B_6B_7B_8.$$

3. There are used 8 S – boxes S_1, S_2, \dots, S_8 , each of them being a picture of 4×16 with elements, whole numbers from the interval $[0, 15]$. For a sequence $B_j = b_1b_2b_3b_4b_5b_6$ will be calculated a number of 4 bits $S_j(B_j)$ such as: bits b_1b_6 give the binary representation of the index of a line r ($0 \leq r \leq 3$) from S_j ; the other bits $b_2b_3b_4b_5$ give the binary representation of the index of a column c ($0 \leq c \leq 15$) from the picture. Then $C_j = S_j(B_j) = [S_j(r, c)]_2$ ($1 \leq j \leq 8$). ($[x]_2$ is the representation in base 2 of the whole number x).

4. The sequence $C = C_1C_2C_3C_4C_5C_6C_7C_8$ – of a length of 32 – is rearranged using a fixed permutation P. The final result is $f(A, J) = P(C)$.

The diversification process of the key K includes 4 steps. K is a sequence of 64 bits, from which 56 define the key, and 8 bits from the positions 8, 16, 24, \dots , 64 are parity bits ,arranged in such a way that each octet to contain an odd number of 1. These 8 bits are ignored during the diversification process.

1. From the key will be eliminated the parity bits, and for the rest of the bits will be applied a PC1 permutation, obtaining $PC_1(K) = C_0D_0$ (C_0 are the first 28 bits from the sequence, and D_0 – the others 28 bits). The permutation PC1 is:

57 49 41 33 25 17 9
 1 58 50 42 34 26 18
 10 2 59 51 43 35 27
 19 11 3 60 52 44 36
 63 55 47 39 31 23 15
 7 62 54 46 38 30 22
 14 6 61 53 45 37 29
 21 13 5 28 20 12 4

2. For $i = 1, 2, \dots, 16$ it is calculated

$$C_i = \text{LS}_i(C_{i-1})$$

$$D_i = \text{LS}_i(D_{i-1})$$

and $K_i = \text{PC}_2(C_i D_i)$. LS_i is a circular rounding to the left with one or two positions, depending on the value of i : a position if $i = 1, 2, 9, 16$, otherwise the rounding is of two positions.

The permutation PC_2 is:

14 17 11 24 1 5
 3 28 15 6 21 10
 23 19 12 4 26 8
 16 7 27 20 13 2
 41 52 31 37 47 55
 30 40 51 45 33 48
 44 49 39 56 34 53
 46 42 50 36 29 32

The decryption is realized starting from the encrypted text β and using the same algorithm in revert order; it will be used in random order the following keys: K_{16}, \dots, K_1 .

Do to the length of the work key and the elementary operations used by the algorithm, there are nor special problems regarding the software; the only observation is that the algorithm is slow due to the way of working (with data sequences, with tables, etc.).The way of conception makes it an perfect hard (inside the cip), which was already realized, existing multiple variants of machine hard of coding.

Triple DES (3DES)

Triple DES (known also as 3DES or – rarely – DES – ede) is system derived from the DES, propose by Walter Tuchman (the team chief of IBM who built DES). The official name is FIPS Pub 46 – 3.

Officialy, 3DES is defined through the formula

$$c = \text{DES}_{k_3} (\text{DES}^{-1}_{k_2} (\text{DES}_{k_1}(m))).$$

where:

m is a clear text block (64 bits),

e is the resulted encrypted text block

k_1, k_2, k_3 are keys DES (of 56 bits),

DES_k : encryption DES with key k ,

DES^{-1}_k : decryption DES with key k .

The introduction of decryption at step 2 does not affect the algorithm's security. The advantage consists in using the DES implementation for 3DES.

Using three steps (*ede* or *eee*) is essential for protection against the attacks such as *meet-in-the-middle*. In case of a double encryption, this attack is efficient enough.

Indeed, we can consider an encryption system block where n is the size of the key. A double encryption with two different keys will use actually a single key with a length of $2n$. For a given clear text m , let's suppose that we can stock $e_k(m)$, for the whole possible K .

Be x an encrypted text after the formula $x = e_{k_2}(e_{k_1}(m))$, where keys k_1 and k_2 are secrets.

For each key p exists a unique key thus $d_p(x) = e_q(m)$. Particularly, exists exactly 2^n possible keys determined by the even (m, x) , keys which can be found in approximately $O(2n)$ steps.

If the number of the keys which can be stocked is $2^p < 2^n$, the algorithm can be modified in order to know all the possible keys in about $O(2^{2n-p})$ steps.

In case of one of the situations

$$k_1 = k_2, k_2 = k_3, k_1 = k_2 = k_3,$$

DES – *ede* is reduced to a simple DES, a thing frequently used in order to verify the compatibility.

The key for the Triple DES has $3 \times 56 = 168$ bits, at which can be added $3 \times 8 = 24$ parity bits; in total are 192 bits.

The encryption system 3DES is not yet broken that is why there are a lot of systems which are using it; as recent examples are the bank cards (MasterCard and partial – Visa) which are configured, since 2002, based on the encryption system. Moreover, the mobile system Zapp has as encryption system the system 3DES.

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L'IMPLANTATION DE L'ERP : FACTEURS CLES DU SUCCES ET IMPACTE SUR LA PERFORMANCE

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Résumé. L'implantation d'un ERP (acronyme pour "Enterprise Resource Planning systems") est un projet d'entreprise qui suppose la refonte du système d'information et surtout la remise à plat des procédures de gestion au sein de l'organisation. L'ampleur et la complexité des ces projets demande un cadre théorique et des « pratiques optimales » pour modeler et évaluer les facteurs clés de succès de l'implantation et analyser son impact sur la performance de l'organisation.

La problématique de notre communication se décompose en trois questions de recherche :

Quel cadre conceptuel pour l'implantation de l'ERP ?

Quel sont facteurs clés du succès l'implantation de l'ERP ?

Quel lien entre l'implantation de l'ERP et la performance de l'entreprise ?

Mots-clés : Entreprise Ressources Planning (ERP), changement organisationnel, intégration, Facteurs Clés de Succès (FCS), performance de l'organisation

1. Introduction

Les progiciels ERP, acronyme pour "Enterprise Resource Planning systems", connaissent un véritable succès auprès des organisations (privée ou publique) de toute taille et domaine d'activité. Le choix de l'implantation d'un ERP est motivé par : le remplacement des systèmes propriétaires fonctionnels; la simplification et la standardisation des systèmes; l'amélioration des interactions et de la communication avec fournisseurs, clients et d'autre partenaire d'affaires; l'acquisition d'un avantage stratégique; le lien avec les activités globales (Mabert & al., 2000). L'ERP remet en cause la conception d'une organisation fondée sur la spécialisation fonctionnelle. L'organisation devient transversale, elle n'est plus découpée par grandes fonctions mais par des macroprocessus qui traversent les principales fonctions de l'entreprise (Davenport & Short, 1990 ; El Amrani 2004).

L'étude empirique que nous avons réalisée auprès d'une population d'entreprises roumaines nous a permis de considérer parmi les déterminants de la réussite de l'implantation d'un ERP (Dumitru, 2007): l'implication du management, l'inclusion des promoteurs du projet dans le système décisionnel, la définition exacte des critères d'acceptance, la motivation des acteurs impliqués dans le projet, la définition claires et précise des latitudes décisionnelles, la formation des utilisateurs, la qualité du centre de compétence, l'approche processus et qualité totale, l'intégration de la dimension spatio-temporelle, la conduite du changement, la réalisation rigoureuse de l'étape d'analyse fonctionnelle, le choix d'une solution ERP et le management des risques.

A la base de ces déterminantes de la réussite de l'implantation on peut constituer un modèle d'analyse des facteurs clés du succès (FCS) de l'implantation de l'ERP.

2. Concepts et principes de base

Le concept ERP (Entreprise Ressources Planning) désigne un progiciel comprenant divers modules qui utilisent un référentiel unique (une base de données unique) et qui assure la cohérence organisationnelle entre les fonctions de l'organisation et les niveaux de gestion. Pérotin (2002) définit l'ERP comme un logiciel de gestion intégré regroupant un ensemble d'applications informatiques paramétrables et modulaires, qui visent à fédérer et optimiser les processus de gestion de l'entreprise en proposant un référentiel unique et cohérent et en s'appuyant sur des règles de gestion standard. Les dernières années, les ERP intègrent aussi les processus inter-organisationnel (management des relations client, management des relations fournisseurs) ainsi que les processus de business intelligence (BI) et de gestion des connaissances (KM).

L'approche processus, est l'un des principes de management de la qualité identifiés dans la norme ISO 9000:2000. Cette norme définit le processus l'ensemble d'activités corrélées ou interactives qui transforme des éléments d'entrée en éléments de sortie. Le management par les processus consiste à rompre avec l'approche verticale traditionnelle pour adopter une vision transversale de l'entreprise, par un alignement coordonné et un pilotage des différentes activités créatrices de valeur pour le client, ce dernier étant de plus en plus exigeant.

L'intégration implique l'existence d'une base de données unique partagée par toutes les composants de l'ERP (gestion comptable et financière, gestion des ressources humaines, gestions des achats, ...). Par l'intégration on assure que les données sont enregistrées qu'une seule fois tout en prenant compte, dès le début, de tous les traitements possibles à chaque étape du processus de la gestion. Les potentialités des technologies d'informations et de communications (TIC) ouvre la perspective d'intégration de l'information (figure 1) qui vise les données structurées et les données non structurées (le contenu).

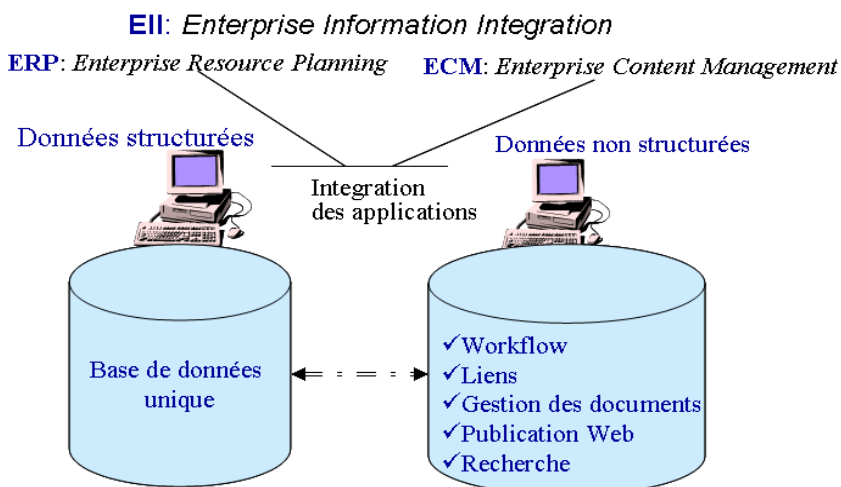


Figure 1. Intégration de l'information

Le changement doit être perçu comme une solution permettant à l'organisation de répondre au problème de management qualité et d'adaptation au regard aussi bien de son environnement que d'elle-même (Florescu & Dumitru, 2007). Un plan de conduite du changement est en mesure de réduire les résistances au changement dans l'organisation et de faire adhérer l'ensemble des collaborateurs au projet de l'entreprise.

La gestion des risques a pour objectif l'anticipation et la gestion des nombreux risques liés au projet ERP:

- Risques liés à la mobilisation des acteurs : mobilisation continue des équipes projets autour des objectifs, portage du projet par le management de proximité, capacité à mobiliser les ressources internes

- Risques liés à la taille et à la complexité du projet : nombre d'utilisateurs impactés, multiplicité des sites, déploiement vers des entités aux cultures et aux modes de fonctionnement différents, réactivité des processus de décision, prise en compte des disparités locales...
- Risques liés à l'atteinte des objectifs de performance : décalage outil/besoins, rejet de l'outil par les utilisateurs, modes de fonctionnement hétérogènes/attentes...
- Risques sociaux : sentiment de contrôle des activités, recherche de productivité, réduction des effectifs cibles, etc.

Le cycle de l'implantation fait référence aux étapes critiques à suivre dans le processus d'implantation de l'ERP (De Rongé, 2000) :

- le choix d'une solution ERP, l'organisation précise les besoins à combler par ses systèmes d'information et analyse les solutions offertes sur le marché selon des critères d'adéquation pertinents;
- l'analyse des processus de gestion, une analyse visant à comprendre pleinement le fonctionnement des processus organisationnels et les systèmes d'information en place ;
- Le réingénierie des processus, pour reconfigurer optimalement les processus avant d'entamer l'implantation du ERP;
- la particularisation des modules de l'ERP, pour son adaptation à des besoins particuliers;
- la mise en place, qui pose de difficultés de transition, de formation et de communication.

Trois principes de base caractérisent un ERP :

- le principe fondateur d'un ERP est de construire des applications correspondant aux diverses fonctions citées précédemment de manière modulaire sachant que ces modules sont indépendants entre eux, tout en partageant une base de données unique et commune au sens logique. Les modules peuvent être particularisés en fonction des besoins spécifiques de l'organisation par ce qu'on appelle paramétrisation ;
- l'usage d'un moteur de workflow, qui permet, lorsqu'une donnée est enregistrée dans le SI, de la propager dans les modules qui en ont l'utilité, selon une programmation prédéfinie ;
- la standardisation et l'intégration, la solution informatique ERP exige qu'on standardise l'information et qu'on y intègre les processus appropriés. La standardisation vise également l'interface avec l'utilisateur.

3. Les facteurs clés du succès de l'implantation de l'ERP

Les recherches relatives aux FCS de la mise en place d'un ERP relèvent l'importance de cinq dimensions (figure 2) sur lesquelles on analyse les facteurs clés du succès de l'implantation d'un ERP.

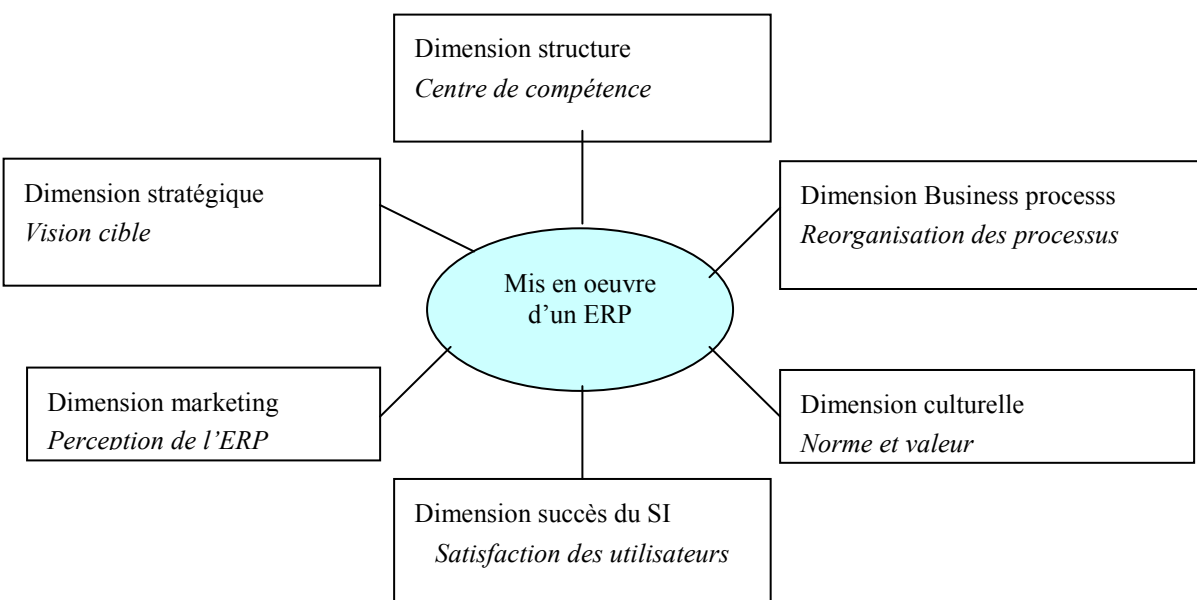


Figure 3. Dimensions de la mise en oeuvre d'un ERP

(Inspiré du modèle de Chaabouni (2006))

La dimension structure fait référence à l'organisation et au fonctionnement du centre de compétence constitué des membres de l'équipe projet ERP. Un centre de compétence apporte une réelle valeur ajoutée sur des projets dont la durée de vie est longue et qui seront amenés à évoluer fortement dans le temps. La mise en place d'un centre de compétence doit s'accompagner de la définition d'un contrat de services et d'indicateurs de performance.

La dimension stratégique fait référence à l'importance de la vision organisationnelle cible (El Amrani, 2003). Dans le cadre d'un projet d'implantation d'un ERP, la définition d'une vision organisationnelle cible consiste à tracer clairement les grandes lignes de l'organisation future et la direction que doivent emprunter les acteurs du projet pour l'atteindre.

La dimension Business process fait référence à la réingénierie des processus d'affaires. Il faut décider d'un changement des processus comme préalable de l'implantation de l'ERP. La mise en place d'ERP s'accompagne d'une standardisation des processus internes à l'entreprise.

La dimension culturelle part de l'idée que la principale raison de l'échec des projets ERP réside dans le fait qu'on prête très peu d'attention à la culture des organisations et à ses effets très importants sur les processus de planification, de l'implantation et de mise en marche du projet. Dans une culture de gestion de changement pour réussir la mise en place de l'ERP deux éléments sont considérés essentiels :

- la formation, pour assurer les compétences et la capacité des personnes à utiliser efficacement le système ERP. On part du principe que la compétence et la capacité des personnes à utiliser efficacement le nouveau système sont primordiales pour assurer le meilleur fonctionnement du système ERP ;
- l'implication des utilisateurs dans l'implantation de l'ERP constitue un facteur clé de succès pour la conduite du changement ;
- l'implication de la direction générale est considéré un des FCS de la mise en oeuvre de l'ERP (le projet d'implantation d'un ERP doit obtenir l'approbation et le soutien de la direction générale).

Il est important que le projet d'implantation d'un ERP devienne le projet de toute l'entreprise, du top management jusqu'aux opérationnels.

La dimension marketing fait références à l'intention d'utilisation de l'ERP. Le TAM (Technology Acceptance Model) a postulé que l'utilisation des TIC est déterminée par une intention comportementale d'utiliser un système, et cette dernière est conjointement déterminée par l'attitude des personnes et l'utilité perçue (Legris & al, 2003).

La dimension succès du SI fait référence à la satisfaction des utilisateurs afin d'assurer le succès de mise en place du système ERP. L'évaluation du succès des SI constitue un domaine d'intérêt pour la recherche en management du système d'information (DeLone & McLean, 1992 ; McGill, Hobbs & Klobas, 2000 ; Maaloul & Mezghani, 2003). Le modèle proposé par DeLone & McLean démontre que le succès des SI est évalué par : la qualité du système, la qualité de l'information, l'utilisation, la satisfaction des utilisateurs, l'impact individuel, l'impact organisationnel. Ultérieurement ce modèle a été ultérieurement enrichie, notamment par l'ajout d'une nouvelles dimensions : l'implication des utilisateurs et l'ingénierie du changement.

4. L'impact de l'implantation d'un ERP sur la performance

Dans notre travail de recherche nous avons opté pour une typologie de performance qui différencie : performance économique, performance organisationnelle et performance humaine (Florescu, 2007).

La performance économique, qui réside dans la survie de l'entreprise et sa capacité à atteindre les objectifs fixés, elle se mesure en indicateurs financiers. On parle aussi d'une performance économique non strictement quantifiable qu'on peut mesurer par la qualité totale et la position concurrentielle de l'entreprise. L'utilisation d'un ERP impacte positivement surtout sur la « *qualité totale* » et même sur la « *position concurrentielle* ».

La performance organisationnelle est étendue comme étant « la manière dont l'entreprise est organisée pour atteindre ses objectifs et la façon dont elle parvient à les atteindre ». Kalika (1988) et Chaabouni (1992) dégagent quelques critères d'évaluation de la performance organisationnelle : la qualité de la circulation de l'information, les relations entre les services, la coordination, la coopération, le degré de contrôle, la communication, la décentralisation, la flexibilité et l'intégration.

La performance humaine s'analyse à travers le résultat obtenu par les salariés sur les postes de travail dans un groupe, un service ou une entité entière. Par ces potentialités, un ERP constitue un vecteur de l'amélioration de la performance humaine, tant au plan individuelle que d'équipe.

L'investissement dans un outil ERP n'est pas en soi le garant de la performance de l'entreprise. L'ERP, comme tout système d'information, doit être considéré comme un actif de l'entreprise et non un support de ses activités.

5. Conclusion

Nous espérons avoir atteint l'objectif principal de notre travail de recherche : la compréhension de la problématique de l'implantation d'un ERP.

Nos recherches vont se poursuivre dans deux directions :

- l'enrichissement des modèles de recherches empirique de l'implantation de l'ERP
- la construction d'un référentiel de bonnes pratique pour l'implantation et l'utilisation des ERP dans les organisations.

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INFORMATION SECURITY MANAGEMENT SYSTEM

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Information Security Management System plays a critical role to protect the organization and its ability to perform their business mission, not just its IT assets. Risk Management and Risk Assessment are important components of Information Security Management System Risk management is the process of identifying risk, assessing risk, and taking steps to reduce risk to an acceptable level. Information and communications technology management and IT security are responsible for ensuring that technology risks are managed appropriately. The research starts with the conceptual framework of the Information Security Management System and provides an analysis of the IT risks management to the level of the financial institutions in Romania.

Key words: information security management system, risk management, risk assessment.

1. Introduction

The acceptance of an Information Security Management System (ISMS) constitutes a strategic decision of an organization, the development and the implementation of such a system being influenced by the needs and the strategic objectives of the entity in case. Practically, this system will assure an adequate and proportional selection of the security measurements to protect the information resources.

The research starts from the conceptual framework of the ISMS based on the requests of standards:

- ISO/IEC 27001(2005) “Information technology - Security techniques - Information security management systems – Requirements” and
- ISO/IEC 17799 “Information technology - Security techniques - Code of practice for information security management”.

These standards, recognized also to the level of the Romanian organizations, offer the methodological framework for developing and implementing an efficient security management system to the level of a certain organization. Concomitantly, the ENISA agency (European Network and Information Security Agency), through the Risk Management / Risk Assessment portal (<http://enisa.europa.eu/rmra>), offers a series of tools and methods for analyzing and assessing IT risks.

The present paper offers also an analysis of implementing IT risks management to the level of the financial institutions in Romania, underlining the most important IT problems pointed out by the respondents in the last year and the most efficient measurements taken by the top management for solving them.

2. The conceptual framework of the Information Security Management System

The information security management system (ISO 27001, 2005) is defined as that part of a global management system, based on a certain approach of the business risk, through which it is establishing, implementing, analyzing, monitoring and improving the security of the information. This system includes organizational structures, politics, planning activities, practices, processes and resources. Information security should be an integral part of the organization’s operating and business culture. In ENISA vision, the methodological view of developing an ISMS necessitates the covering of 6 steps (figure 1):

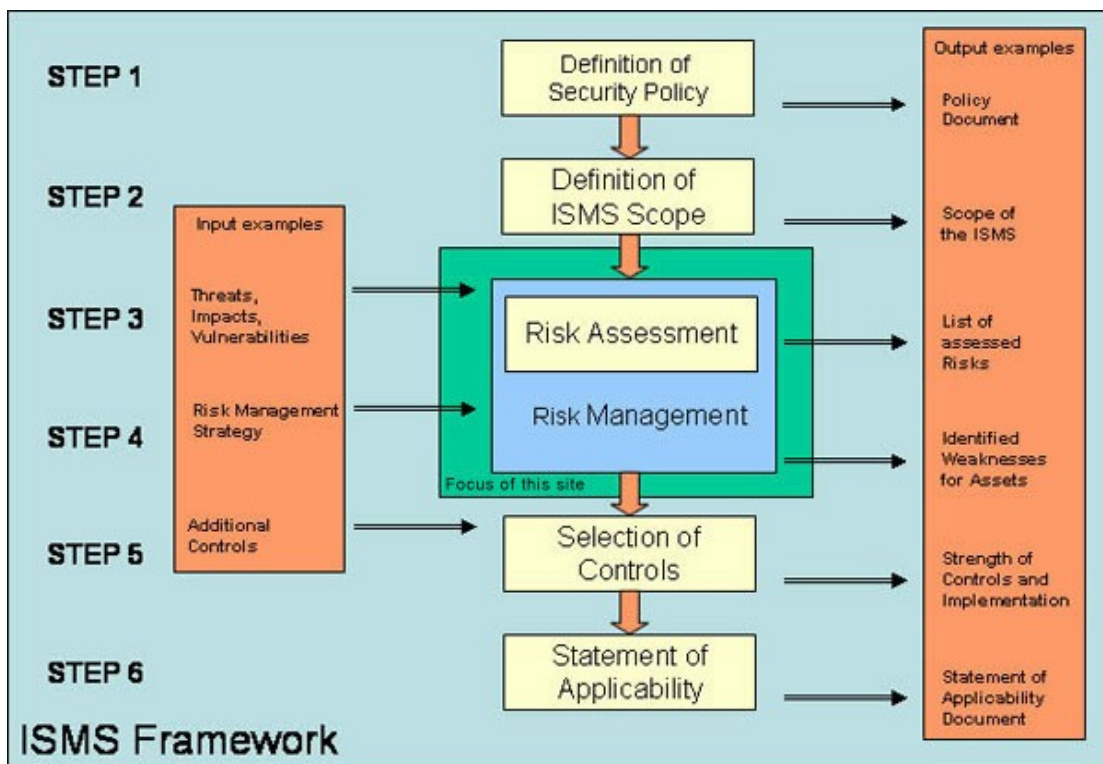


Figure 1. The steps of process developing of the information security management system
 (Source: <http://www.enisa.europa.eu>)

1. Definition of Security Policy,
2. Definition of ISMS Scope,
3. Risk Assessment (as part of Risk Management),
4. Risk Management,
5. Selection of Appropriate Controls and
6. Statement of Applicability

Steps 3 and 4, the Risk Assessment and Management process, comprise the heart of the ISMS and are the processes that “transform” on one hand the rules and guidelines of security policy and the targets; and on the other to transform objectives of ISMS into specific plans for the implementation of controls and mechanisms that aim at minimizing threats and vulnerabilities.

The processes and activities related to the steps 5 and 6 do not concern information risks. They are rather related to the operative actions required for the technical implementation, maintenance and control of security measurements. Appropriate controls may either be derived from existing sets of controls or mechanisms, usually included in information security standards and guidelines, or the outcome of a combination or adaptation of proposed controls to the specific organizational requirements or operational characteristics.

In both cases, step 6 is the documented mapping of the identified risks, applied to the specific organization with the technical implementation of security mechanisms the organization has decided to deploy.

Finally, although the ISMS is a recurring process as a whole, in most of the types of organizations mentioned above, steps 1 and 2 recur on a longer cycle than steps 3, 4, 5 and 6. This is mainly because the establishment of a security policy and the definition of the ISMS scope are more often management and strategic issues while the Risk Management process is an everyday operational concern.

Risk Management and Risk Assessment are major components of Information Security Management System (ISMS). Risk management can be defined as “the process of identifying vulnerabilities and threats within the framework of an organization, as well as producing some measurements to minimize their impact over the informational resources”. This process of the risk management includes some basic processes, as we can see in the figure below (figure 2):

1. *Risk Assessment* requires the covering of three steps: risk identification, risk analysis and risk evaluation. Every organization is continuously exposed to an endless number of new or changing threats and vulnerabilities that may affect its operation or the fulfillment of its objectives. Identification, analysis and evaluation of these threats and vulnerabilities are the only way to understand and measure the impact of the risk involved and hence to decide on the appropriate measures and controls to manage them.
- 7.
2. *Risk Treatment* is the process of selecting and implementing of measures to modify risk. Risk treatment measures can include avoiding, optimizing, transferring or retaining risk. The measures (i.e. security measurements) can be selected out of sets of security measurements that are used within the Information Security Management System (ISMS) of the organization.
- 8.
3. *Monitor and Review* is a process for measuring the efficiency and effectiveness of the risk management of the organization processes is the establishment of an ongoing monitor and review process. This process makes sure that the specified management action plans remain relevant and updated.
- 9.
4. *Risks Communication, Awareness & Consulting* means a process to exchange or share information about risk between the decision-maker and other stakeholders inside and outside an organization. The information can relate to the existence, nature, form, probability, severity, acceptability, treatment or other aspects of risk.

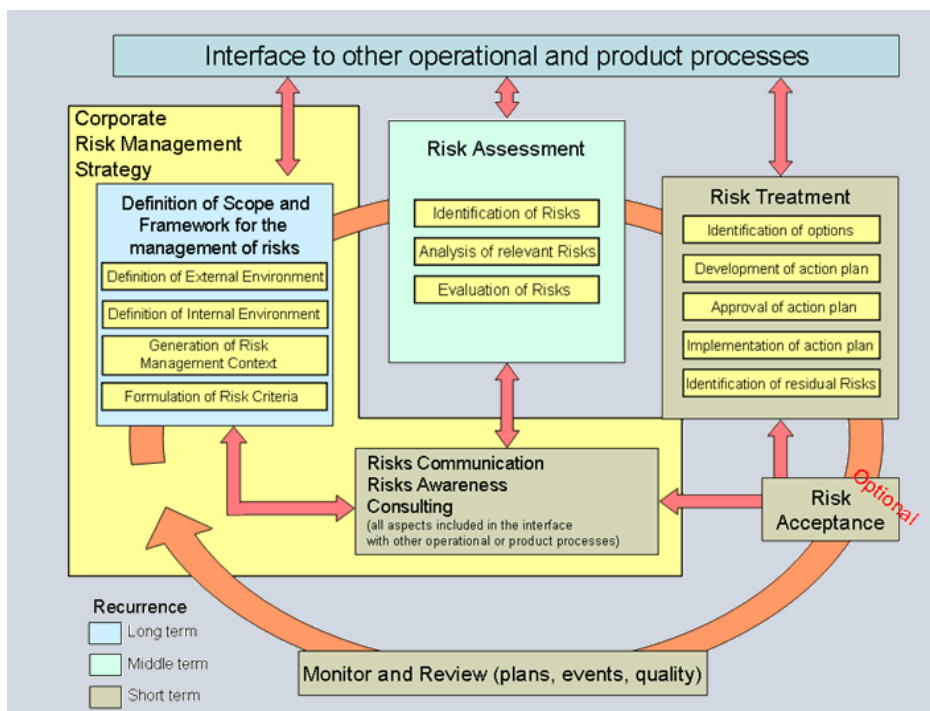


Figure 2. Risk Management Process

(Source: <http://www.enisa.europa.eu>)

5. *Risk acceptance* is the decision to accept a risk by the responsible management of the organization. For each risk area, the options are:
- reduce: lower the risk through controls, or technology;
 - transfer: offload the risk by placing it on some other entity;
 - accept: decide the risk is acceptable based on the benefit;
 - ignore: choose not to reduce, transfer or accept the risk - this is equivalent to accepting the risk, but without due diligence.

3. The analysis of the IT risk management to the level of Romanian's financial institutions

To the level of financial institutions in Romania, the European requests for Basel II implementation have had major implications in the governance way of the information technologies. For many information systems in the banks is absolutely necessary an architectural rethinking which will allow a consolidated and, also, flexible approach of the market, as well as the selling of some complex products and financial services adequate to the permanent change of the economic environment. Basel II involves a bigger responsibility in the well functioning of the banks informatics systems both for the IT department and for the management of the bank.

In our research, the analysis of the IT risk management has been based on the data gathered from a number of 30 subjects (financial institutions) through a questionnaire. The gathered information allowed us to point us the following:

- the most severe IT problems distinguished by the respondents in the last year,
- the most efficient measurements taken into consideration by the top management for resolving the pointed out problems.

As we can notice also in figure no. 3 the most severe IT problems pointed out in the last period (year 2007) have been bonded by the personnel (staff problems 24%) and high cost of IT with low improvement of ROI (19%). We can also mention between stringent problems serious IT operational incidents and low IT performances (both with 13%).

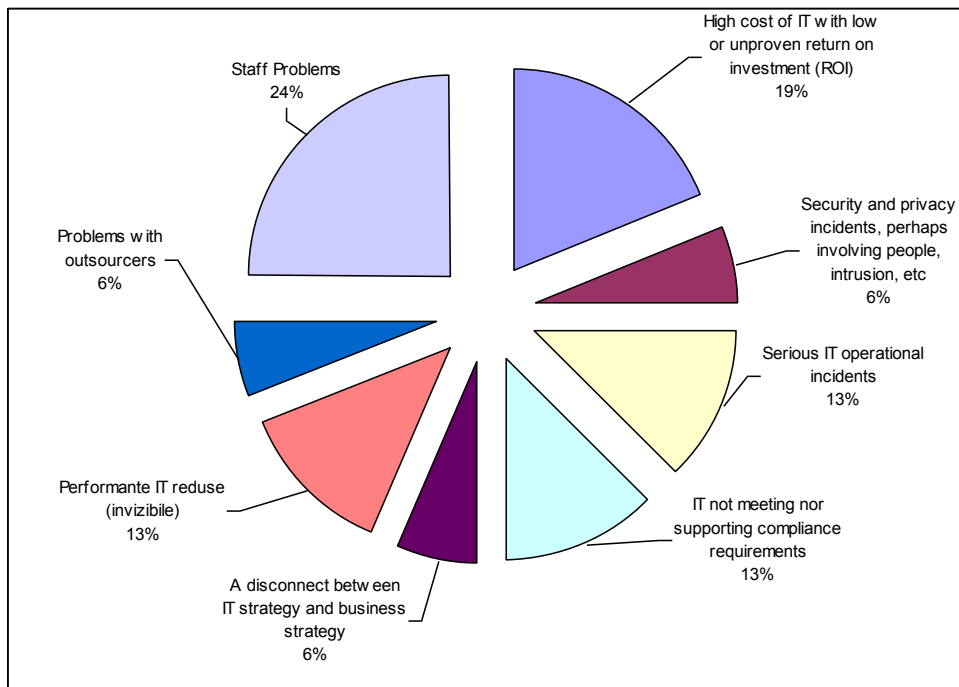


Figure 3. The most serious IT problems pointed out in the last year

The most efficient measurements taken into consideration by the management for resolving their problems have been the following: the alignment between IT strategy and overall strategy and a more efficient IT risk management.

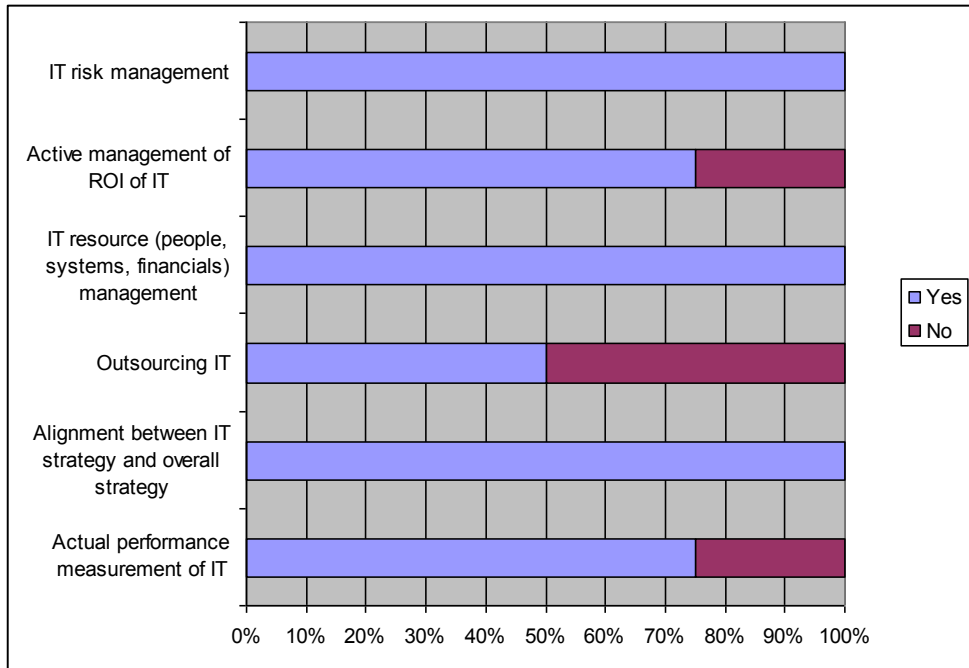


Figure 4. The most efficient measurements taken into consideration by the management for issuing pointed out problems

In conclusion, although the last years have been remarked through rapid changes to the level of informational architecture of the Romanian financial institutions, which implicated major investments, the efficiency of the IT management risks is valuated and the real issues in the area aimed more the human side than the technical one.

4. Conclusions

Therefore the establishment, maintenance and continuous update of ISMS provide a strong indication that a company is using a systematic approach for the identification, assessment and management of information security risks. Furthermore such a company will be capable of successfully addressing information confidentiality, integrity and availability requirements which in turn have implications for:

- business continuity;
- minimization of damages and losses;
- competitive edge;
- profitability and cash-flow;
- respected organization image;
- legal compliance.

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DATA QUALITY IN BUSINESS INTELLIGENCE APPLICATIONS

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To survive an organization must develop a strategy. To develop a successful strategy it must be capable to forecast the future circumstance. This is why nowadays business intelligence applications are essential for the success of a business. The decision support system is the eye through which the business strategist can look out on the organization's environment and detect behavior trends. Making decision on poor quality data can dramatically affect the strategy of the organization. This white paper addresses issues concerning data quality from business intelligence applications, the sources of poor quality data and possible ways to overcome these problems.

Keywords: business intelligence, data warehouse, data quality, ETL, data mining

Introduction

Business Intelligence is a broad category of applications and technologies used to collect, archive, analyze and access data, which helps users in decision making at an economic entity level. In fact Business Intelligence is an environment in which decision makers get reliable, consistent, comprehensible, easy to use and timeliness data. Using this data, decision makers can perform analysis that offers a broader view of the entity position in the past, present and the near future.

Therefore, why does an organization need Business Intelligence? To survive an organization must develop a strategy. To develop a successful strategy it must be capable to forecast the future circumstances. Understanding the past is the best method in trying to predict the future. This is the reason why information is considered the main ingredient of a strategy. The decision support system is the eye through which the business strategist can look out on the organization's environment and detect behavior trends.

Today the central element of business intelligence architecture is represented by the data warehouse, although there are people that use the terms "business intelligence" and "data warehousing" on an interchangeable basis. According to **Larissa Moss** business intelligence is a framework of *cross-organizational disciplines* and an *enterprise architecture* for the construction and management of an integrated pool of operational as well as decision support applications and databases that provides the business community *easy access* to their business data and allows them to make *accurate business decisions*" while "data warehousing is a subcomponent of and a vehicle for delivering business intelligence".

Issues concerning data quality in Business Intelligence applications

However the participants at the economic activity, the analysts and the clients set up an alarm signal about the decisions that are frequently made on the basis of data of low quality, data that is not set up to date because of the failure of the process of data cleaning. Knowing the impact of the poor quality of data it is "tormenting" to see the careless way in which most companies manage critical resources. Most of the companies don't create programs that produce quality data in a proactive, systematic and regular manner. According to a TDWI study, more than half of the companies don't have any plan to manage quality of the data.

The sources for the low quality data are uncountable. An important source is the process of data introduction that produces most of the problems and the systems interfaces. There is no wonder that the

employees at the introduction of data are blamed for most errors. In general the source of data errors falls into the following categories:

The lack of validation routines is a source responsible for bad data introduced on the Web or in the operational systems

Valid, but incorrect data: validation routines can miss the typing mistakes that respect the validation rules. A value can be valid but it doesn't mean it is also correct

Wrong syntax format and structure. The organizations try to introduce the data from more systems. In these cases, the ETL systems have to map these differences to a standard format before starting to clean the data.

Unexpected system changes. This situation occurs for instance when the database administrator adds a new field or a new code in the database and forgets to notify these changes to the systems administrator that makes the import

The multitude of interfaces. Complex architecture of nowadays systems leads to a multitude of interfaces which are difficult to update.

The lack of referential integrity check. In order to increase performance many administrators deactivate the check of the referential integrity when importing data.

Errors of data conversion. The programmers do not allocate enough time to understand the source and destination data model and, consequently, they write code that generates errors. One change in the migration program or in the interface systems can create thousands of wrong entries.

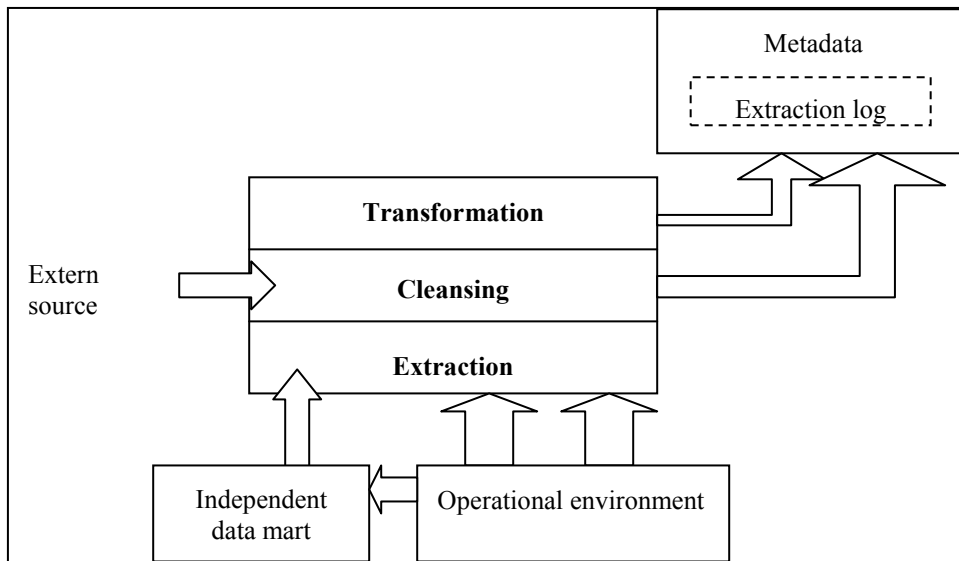
Fragmenting the definitions and the rules. A bigger problem comes from splitting the company into departments, divisions and operational groups, each of them with a different business process managed by distinct system. Slowly and unavoidable, each group starts to use slightly different definitions for common entities – “clients” or “suppliers” – and apply different rules for the computation of the same things – “net sales” and “profit before tax”.

Slowly changing dimensions. Slow changes in the dimensions can create data quality problems according to the expectations of the users that watch the data. For instance, if an analyst wishes to compute the total of the fixed assets bought from one company in the last year, but this company merged with another one from which we also bought goods, problems may appear.

The ETL process and its role in data quality

ETL processes in a data warehouse environment extract data from operational systems, transform the data in accordance with defined business rules, and load the data into the target tables in the data warehouse. There are two different types of ETL processes: *initial load* and *refresh*.

The initial load is executed once and often handles data for multiple years. The refresh populates the warehouse with new data and can, for example, be executed once a month. The requirements on the initial load and the refresh may differ in terms of volumes, available batch window, and requirements on end user availability.



Extracting data from operational sources can be achieved in many different ways. Some examples are: total

Figure 1 The ETL process

extract of the operational data, incremental extract of data (for instance, extract of all data that is changed after a certain point in time).

Data integration is the process of collecting data from the operational system in a central repository for analysis. Operational databases are the main source of a data warehouse and the integration process must assure a coherent environment for data used in analysis. The integration process consists of two operations: data transformation and data cleansing.

Data cleansing is the process in which errors are removed from the input data and it is a part of the integration process. It is probably one of the most critical steps of a data warehouse project. If the cleansing process is faulty, the analyst may not confide in the data warehouse and even a more serious scenario involve taking decision using bad data.

An efficient cleansing process can improve not only the quality of data from the data warehouse but also from the operational environment. The data administrator can verify the extraction log in order to identify the source of errors. Sometimes it is possible to detect errors that originate in the operational environment. Some errors can be generated by the original operational application or they can be simply typing errors. In both cases the data administrator must report these errors to the person responsible for data quality from the operational environment. Some errors can be generated by metadata, when the cleansing process doesn't intercept a metadata transformation or metadata used in the cleansing process are incomplete or incorrect.

There are debates concerning the actions that must be undertaken when input data mistakes are detected. Some consider this data must be returned to the operational environment in order to be corrected and send back to the data warehouse once the correction process is complete. Other thinks these errors should be corrected and integrated in the data warehouse whenever it is possible. Errors should be still reported to the operational environment. As a conclusion the data administrator must assure that there is a correspondence between data warehouse and operational environment. Otherwise a lack of confidence concerning the data warehouse can appear.

Data cleansing process cannot detect all errors. Some errors are simply typing errors. Other errors are more serious and put to test the data administrator competence. An example of such errors is the one in which the sales representative, instead of using each client unique identifier they use some generic identifiers that are accepted by the system.

Data cleansing is an important premise in a successful data warehouse project. The data administrator must have an active role in detecting and removing errors. While there is no ingredient that can guarantee the data warehouse success there are for sure some that can assure its failure. A faulty data cleansing process or a not very careful data administrator are certain premises of the failure.

Data transformation is the process in which data from operational systems are transformed into one consistent format. Each operational system contributing to the data warehouse must be analyzed to

understand data and their formats. Once these elements have been selected and defined, an integration process must be defined that will generate consistent data. Data transformation mainly concerns data description, data encoding, the units of measure and data format.

The ETL process is one of the most expensive and time consuming component of a data warehouse development process. If a decade ago the majority of ETL were hand coded, market for ETL software has steadily grown and the majority of practitioners now use ETL tools instead.

Joy Mundy identifies a series of advantages and drawbacks of ETL tools. The main advantages are:

Structured system design. ETL tools provide a metadata-driven structure to the development team and this is valuable for teams that build their first ETL system

Operational resilience. Unlike home-grown ETL which present many operational problems, ETL tools provide functionality and practices for operating and monitoring the ETL system in production

Data-lineage and data-dependency functionality. Most analysts expect to be able to see the way a certain value from a report was obtained (its source, its transformation etc). Unfortunately few ETL tools supply this functionality.

Advanced data cleansing functionality. Most ETL tools offer either advanced cleansing and de-duplication modules (usually for a substantial additional price) or they integrate smoothly with other specialized tools.

Performance. It is not proven that using an ETL tool leads to increased performance. It's possible to build a high-performance ETL system whether you use a tool or not

There are also presented some **disadvantages** of ETL tools: Software licensing cost which varies from several thousand dollars to hundreds of thousands of dollars Uncertainty seen as misinformed ETL teams that sometimes are uncertain about what an ETL tool will do for them and reduced flexibility.

The key element of a successful ETL system is the practice of designing ETL system before development begins. Efficient ETL system implements standard solutions to common problems but also offer enough flexibility to deviate from those standards where necessary.

Conclusions

In order to make decisions that support the strategy of a business, the decision makers must confide in data they analyze. A series of studies discovered that many business intelligence projects failed because the poor quality of data in the phase of data warehouse's feeding. In order to increase the quality of data a series of steps must be followed. Among that we remember: **the launch of a program of data quality, the creation of a team for the quality of data, the reviewing of the business processes and the data architecture, continuous monitoring of the data, the use of intelligent application that integrate data mining for the validation of data.** We insist on the last one of the steps presented because it presents a series of advantages. First, the validation decisions are taken without needing any code to be written. The data mining algorithms learn the functioning rules of the entity directly from the data, setting the user free from the concern of discovering these rules and developing specific code for their description. On the other hand the data validation is made in different ways for each client. Using the data mining the rules are deducted from the client's data generating logic of validity that is automatically specialized for each particular client. Also the data mining process allows the application logic to be automatically updated in a simple processing process. The rewrite, recompilation and deployment of applications are not necessary because they are always available, even in the moment of processing.

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KM AND DATA MINING

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Abstract: The exponential increase in information, primarily due to the electronic capture of data and its storage in vast data warehouses, has created a demand for analyzing the large amount of data generated by today's organizations so that enterprise can respond quickly to fast changing markets. There are various tools that can be used to capture and codify knowledge, include databases, data mining techniques, and various types of artificial intelligence. The paper outlines these techniques, which dominate the technical tools for deriving knowledge from an organizations data assets.

Key words: knowledge management, data mining, knowledge, data assets

1. INTRODUCTION

Knowledge is increasingly being recognised as a vital organisational resource that provides competitive advantage. The role of information technology (IT) in knowledge management (KM), is an essential consideration for any company wishing to exploit emerging technologies to manage their knowledge assets.

Knowledge management (KM) tools encompass the technologies and techniques of collaborative computing and the soft issues of team work, cooperation, and group dynamics. Companies increasingly recognize knowledge management's potential to unlock corporate information resources- both implicit and explicit- as they seek to improve business practices and processes, deliver innovative products and services, and gain competitive advantages (Wickramasinghe, von Lubitz, 2007). Internet technologies provide the necessary competitiveness and interoperability, offering a low-cost, standardized, future-proof, backward-compatible network infrastructure- a so called intranet.

KM tools enable the collection, coordination, and distribution of information and knowledge so that team members can collaborate effectively in pursuit of a common goal. It is useful to think of major KM tools and techniques in terms of their social and community role of organization be it in:

1. the facilitation of knowledge sharing and socialization of knowledge (production of organizational knowledge);
2. the conversion of information into knowledge through easy access, opportunities of internalization and learning (supported by the right work environment and culture);
3. the conversion of tacit knowledge into explicit knowledge or information, for purposes of efficient and systematic storage, retrieval, wider sharing and application.

2. Theory fundamentals

There are various tools that can be used to capture and codify knowledge. These include databases and various types of artificial intelligence (AI) systems including experts systems, neural networks, fuzzy logic, genetic algorithms and intelligent or software agents.

2.1 Databases

Databases store structured information and assist in the storing and sharing of knowledge. Knowledge can be acquired from the relationships that exists among different tables in a database. These relational databases help users to make informed reliable decisions, which is a goal of knowledge management. Discrete, structured information is still managed best by a database management system. However, the

quest for a universal user interface has led to the requirement for access to existing database information through a Web browser.

2.2 Data mining techniques

The exponential increase in information, primarily due to electronic capture of data and its storage in vast data warehouses, has created a demand for analysing the large amount of data generated by today's organizations so that enterprises can respond quickly to fast changing markets. These applications not only involve the analysis of the data, but also require sophisticated tools for analysis. Thus, data mining techniques, and the newer techniques of business intelligences and business analytics, which basically combine the major data mining techniques with key business objectives, drivers, and outcomes critical to the generation of knowledge from data assets, dominate the technical tools for deriving knowledge from an organizations data assets.

The relationship between KM and data mining is depicted in figure 1.

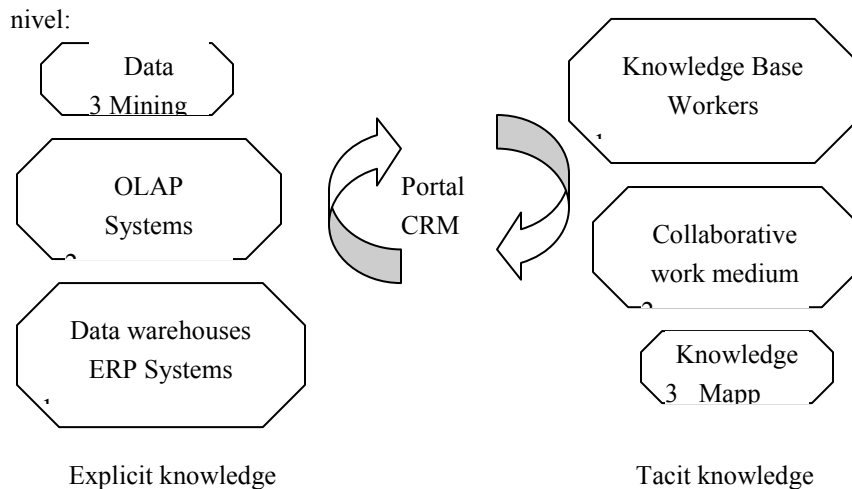


Figure 1. Relationship between KM and data mining

Source: Rosca, Bodea, 2006

For explicit knowledge, data mining is considered the higher level, because it needs data organized abilities (level 1), data querying and viewing (level 2), and learning automating technologies from artificial intelligence domain.

It is essential for a data mining process to discover new knowledge without previous states of assumptions. The goal of using data mining is not to verify assumptions, but the discovering of new unexpected and unintuitive knowledge, which can even be opposite with intuitive perception.

According to Fadlalla and Wickramasinghe (2005) there are four key data mining techniques:

1. Decision tree
2. Clustering
3. Neural networks
4. Association rule

The first two technique are used for exploratory data mining, the later two techniques are used for predictive data mining. In figure 2 are depicted the major techniques of data mining.

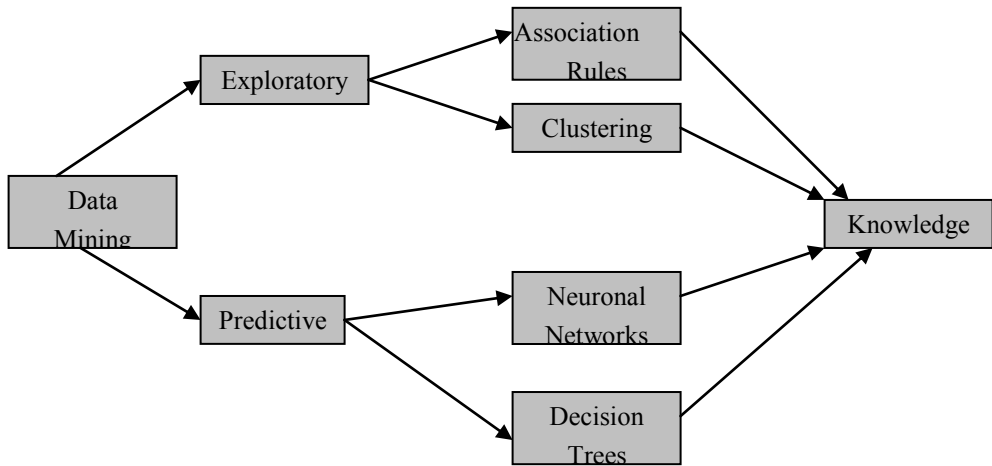


Figure 2. Major techniques of data mining

Source: Wickramasinghe, von Lubitz, 2007

Data mining is the non-trivial process of identifying valid, novel, potentially useful, and ultimately understandable patterns from data (Fayyad et al., 1996). Data mining algorithms are used on databases for model building, or for finding patterns in data. When these patterns are new, useful, and understandable, we say that this is knowledge discovery. How to manage such discovered knowledge and other organizational knowledge is the realm of knowledge management.

Data mining is a step in the broader context of the knowledge discovery process that transform data into knowledge. Figure 3 shows the knowledge discovery process, the evolution of knowledge from data through information to knowledge (Fayyad et al., 1996) as well as the types of data mining (exploratory and predictive) and their interrelationship. Data issues that data mining helps us wrestle with include huge volume of data, dynamic data, incomplete data, imprecise data, noisy data, missing attribute values redundant data and inconsistent data. Furthermore, data mining offers a wide variety of models to capture the characteristics of data and to help knowledge discovery including summarization, clustering / segmentation, regression, classification, neural networks, rough sets, association analysis, sequence analysis, prediction, exploratory analysis, and visualisation (Wickramasinghe, von Lubitz, 2007).

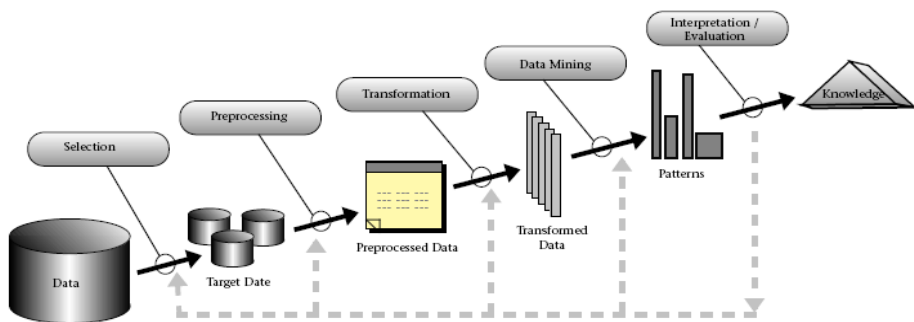


Figure 3. Data mining and the KDD process

Source: Fayyad, et al., 1996

The terms Knowledge Discovery in databases (KDD) and Data Mining are distinct. **KDD** refers to the overall process of discovering useful knowledge from data. It involves the evaluation and possibly interpretation of the patterns to make the decision of what qualifies as knowledge. It also includes the

choice of encoding schemes, preprocessing, sampling, and projections of the data prior to the data mining step. **Data mining** refers to the application of algorithms for extracting patterns from data without the additional steps of the KDD process.

We see in figure 3 that data extracted from the large pool of data is not the final outcome intended. It typically contains a significant amount of erroneous information that should be excluded prior to inputting the correct data to be processed by the data mining algorithms; thus, data goes through the following process steps before being used for any decision-making or prior to any of the previous techniques being utilized effectively (Fadlalla, Wickramasinghe, 2005; Fayyad et al., 1996).

- a) Selection: Selecting the data according to some criteria;
- b) Preprocecion: This is the datacleansing stage where certain un wanted information is removed which may slow down queries;
- c) Transformation: The data is not merely transferred across but transformed in that overlays may be added;
- d) Data Mining: This stage is concerned with the extraction of patterns data. It includes choosing a data-mining algorithm, which is appropriate to search a particular pattern in the data
- e) Interpretation and evaluation: The patterns identified by the system are interpreted into knowledge by removing redundant or irrelevant patterns, and translating the useful patterns into terms that can be understood by users.

3. The four data mining techniques

a. Decision Tree (Fadlalla, Wickramasinghe, 2005; Fayyad, et al., 1996)

Data mining techniques are used to find the most pertinent information and data to facilitate superior decision making. The decision tree technique achieves this by closing the gap between the facts and real understanding. Decision tree represents the knowledge or the available information in tree-like form and a method for treatment is selected. The decision is usually made on the choices of outcomes. Decision trees are built through recursive partitioning, which is splitting the data into partitions and subsequently splitting it further.

Advantages of the Decision Tree Technique:1. The decision tree as a whole is a graphical representation since visually the tree structure itself supports the location of the correct split or accurate decision. 2. The model of the decision tree helps in reasoning and can be used to examine and justify a decision choise.

Disadvantages of the Decision Tree Technique: 1.The Decision tree cannot predict a continuous response variable. Specifically, all the splits are dependent on the previous splits. Hence, the model has high order interactions. The decision tree cannot discover a single rule based on the ration when two values are given a new variable has to be defined to specify a simple rule.

b. Clustering (Fadlalla, Wickramasinghe, 2005; Fayyad, et al., 1996)

This technique is a type of undirected data mining. The purpose of undirected data mining is to find the structure as a whole and then the decision is made using decision tree or neural network technique. Clustering is a classification, which enables us to find specific factors. Clustering can also be used for maintaining the records about students. The most used method for clustering is k-mean. This is a geometrical method, which uses the average location of all members from the particular cluster. The whole field is divided into numbers and then these numbers are normalized. The value of each field is interpreted as the distance from the origin along the corresponding axis. Here the centers are initially defined and the adjusted using predefined algorithms. To start a clustering session, a random set of centers are chosen which are then adjusted by adding to and removing centers during analysis. The clustering technique is dependent on the two main criteria:

- The cluster must be homogeneous.
- Each group or cluster must be mutually exclusive.

Advantages of Clustering: 1. The main strength of clustering is that it is an undirected knowledge discovery technique. 2. The can be used as a preparatory technique for other data mining technique such as decision tree or neural networks.

Disadvantages of Clustering: 1. Clustering represents a snap shot of a data at a certain point in time and thus may not be as useful in highly dynamic situations. 2. Sometimes the clusters generated may not even have a practical meaning. 3. It is possible not to spot the cluster sometimes since you do not know for what you are looking.

c. Neural Networks (Fadlalla, Wickramasinghe, 2005; Fayyad, et al., 1996)

The technique of neural networks is modelled after the human brain and consists of many input nodes, one or more hidden (middle) layer nodes and one or more output nodes. The input and output nodes relate to each other through the hidden layer. The input layer represents the raw information that is fed into the network. The hidden layer represents a computational layer that transforms the inputs coming from the input layer into inputs to the output layer.

The most important application of neural network is pattern recognition. The network is trained to associate specific output patterns with input pattern. The power of neural networks comes into play in its predictive abilities (i.e. associating an input pattern that has not previously been classified with a specific output pattern). In such case, the network will most likely give the output that corresponds to a pre-classified input pattern that is least different from the new input pattern.

Some advantages of Neural Networks are 1. Neural Networks are good classification and prediction techniques when the results of the model are more important than the understanding of how the model works; 2. Neural Networks are very robust in that they can be used to model any type of relationship implied by the input patterns.

Some disadvantages of Neural Networks are 1. The key problem with neural networks is the difficulty to explain its outcome. Unlike decision trees, neural networks use complex non-linear modelling that not produce rules and hence it is hard to justify ones decision. 2. Significant preprocessing and preparation of the data is required. 3. Neural networks will tend to over-fit the data unless implemented carefully. This is due to the fact that the neural networks have a large number of parameters, which can fit well into arbitrary data set.

d. Association Rule mining (Fadlalla, Wickramasinghe, 2005; Fayyad, et al., 1996)

Association Rule are used to discover relationships between attribute sets for a given input pattern. Such relationships do not necessarily imply causation, they are only associations. These patterns (associations) are not easily to discovered using other data mining techniques. The support of an association rule is percentage of cases, which include the antecedent of the rule, while the confidence of the association rule is the percentage of cases where both the antecedent and the consequence of the rule are displayed. Only rules whose support and confidence exceed predetermined thresholds are considered useful.

Advantages of Association Rule: 1. The association rules are readily understandable. 2. Association rules are best suited for categorical data analysis.

Disadvantages of Association Rule Mining: 1. Generate too many rules and sometimes these are even trivial rules. 2. The association rule are not expressions of cause/effect rather they are descriptive relationships in particular databases, so there is no formal testing to increase the predictive power of these rules.

3. Applications of data mining techniques

a. Decision Tree

The Decision Tree helps select statistics or statistical techniques appropriate for the purpose and conditions of a particular analysis. Decision tree classifiers show a great deal of potential in many pattern recognition problems such as remotely sensed multisource data classification, medical diagnosis, speech and character recognition, to mention a few.

b. Clustering techniques have been applied to a wide variety of research problems. Hartigan (1975) provides an excellent summary of the many published studies reporting the results of cluster analyses. Clustering algorithms can be applied in many fields, for instance:

- *Marketing*: finding groups of customers with similar behaviour given a large database of customer data containing their properties and past buying records;
- *Biology*: classification of plants and animals given their features;
- *Libraries*: book ordering;
- *Insurance*: identifying groups of motor insurance policy holders with a high average claim cost; identifying frauds;
- *City-planning*: identifying groups of houses according to their house type, value and geographical location;
- *Earthquake studies*: clustering observed earthquake epicentres to identify dangerous zones;
- *WWW*: document classification; clustering web log data to discover groups of similar access patterns.

c. Applications for Neural Networks

Neural networks are applicable in virtually every situation in which a relationship between the predictor variables (independents, inputs) and predicted variables (dependents, outputs) exists, even when that relationship is very complex and not easy to articulate in the usual terms of "correlations" or "differences between groups.

- *Detection of medical phenomena*. A variety of health-related indices (e.g., a combination of heart rate, levels of various substances in the blood, respiration rate) can be monitored.

- *Stock market prediction*. Fluctuations of stock prices and stock indices are another example of a complex, multidimensional, but in some circumstances at least partially-deterministic phenomenon.

- *Credit assignment*. A variety of pieces of information are usually known about an applicant for a loan. For instance, the applicant's age, education, occupation, and many other facts may be available. After training a neural network on historical data, neural network analysis can identify the most relevant characteristics and use those to classify applicants as good or bad credit risks.

- *Monitoring the condition of machinery*. Neural networks can be instrumental in cutting costs by bringing additional expertise to scheduling the preventive maintenance of machines. A neural network can be trained to distinguish between the sounds a machine makes when it is running normally ("false alarms") versus when it is on the verge of a problem.

- *Engine management*. Neural networks have been used to analyze the input of sensors from an engine. The neural network controls the various parameters within which the engine functions, in order to achieve a particular goal, such as minimizing fuel consumption.

d. Application of Association Rule Mining

It is widely used in hospitals to maintain patient's records.

4. Conclusions

The exponential increase in information, primarily due to the electronic capture of data and its storage in vast data warehouses, has created a demand for analyzing the large amount of data generated by today's organizations so that enterprise can respond quickly to fast changing markets. Knowledge discovery technologies, in particular the techniques of data mining, are the essential technologies that help to analyze data, find significant relationships between data and then help to find reasons behind observable patterns. Such new discoveries can have a profound impact on design business strategies.

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REAL-TIME MANAGEMENT AND ANALYSIS OF DSS PROJECTS

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The management and analysis of student projects become a real challenge for the teaching assistant, when dealing with a large number of students during an academic semester. Detecting fraud and guaranteeing students' originality tends to be considered a difficult human task. The use of Web technologies can significantly ease the gathering, the management and the analysis of these projects. The application we have built serves as a facilitator for increasing the student projects' originality and reduce the similarity with the sample projects discussed during the teaching classes. The Web application deals with Decision Support System projects generated from Microsoft Excel and InfoHarvest Criterium DecisionPlus, but can be easily extended to be an interface to other DSS generators.

Keywords Project evaluation, Decision Support Systems; Fraud Detection

1. Introduction

The evaluation of the students' projects has always been a challenge for the teaching assistant when facing an increased number of students. Assuring originality and reducing fraud tends to decrease with the number of students attending a teaching class. For this reason, academia is continuously searching for possible solutions in order to improve the students' originality, which can be a preamble of their innovativeness later in their lives.

A commonly encountered problem when dealing with students' projects as evaluation assignments is the fact that they tend to be conformed to the *Principle of Least Effort* ([1], cited by [2]). The use of materials discussed during the teaching classes, presented in a different format as individual student projects, does not guarantee the student's comprehension of the course's main concepts. Hence, the teaching assistant (which usually has the task of analyzing student's practical contribution to the academic course) must develop a technique for limiting fraud during project's presentations and increase the student's effort to develop original projects.

Recently developed researches [3, 4] employ data mining clustering techniques in order to point out students' behavior. The main disadvantage of these techniques is the fact they analyze the student's behavior *after* the behavior was completed, based on data gathered from students' surveys. In this article, we consider the case of analyzing the student's behavior *as it happens*, generating an output based on student's contribution and suggesting possible solutions to improve the quality of the student's assignment.

The paper is organized as follows: the subsequent section describes our research problem and the Web architecture we use to manage and analyze students' projects. The third section deals with discussing the findings resulted from analyzing students' project and measuring their degree of originality, whereas the fourth section points out the conclusions of our work and highlight future research directions in the field of the real-time management and analysis of the students' projects.

2. Materials and Method

Although it is still hard to believe that a fully automatic system can manage and analyze students' assignments and projects without human intervention, domain-specific approaches are an immediate solution to the problem of detecting students' fraud and increasing their contribution to creating original projects.

In this paper, we take into consideration the case of analyzing the projects assigned to students from the 3rd year's „Decision Support Systems” course. The fact that the projects were to be made using *Microsoft Excel* and *InfoHarvest Criterium DecisionPlus* [5] did not request for the use of automatic management and analysis methods. Instead, the number of students (around 400 in the whole year) implied the search for a semi-automatic technique that deals with the tasks of managing and analyzing the submitted projects.

Let us consider the case of collecting the projects. The use of a simple Web interface is sufficient for this purpose, as students are familiar with various Web mailing systems. The simple collection of the project

does not guarantee student's originality, as simple Web interfaces like the email ones allow the posting of any content without filtering or any prior verification. Thus, our system must also deal with a series of issues, like:

- collecting Microsoft Excel and InfoHarvest Criterium Decision projects and rejecting other types of projects;
- parsing posted projects and compute projects' similarity with previous posted projects;
- render mistakes and suggest possible corrections.

The **Figure 1** describes the resulted architecture of our Real-time management and analysis system's interface:

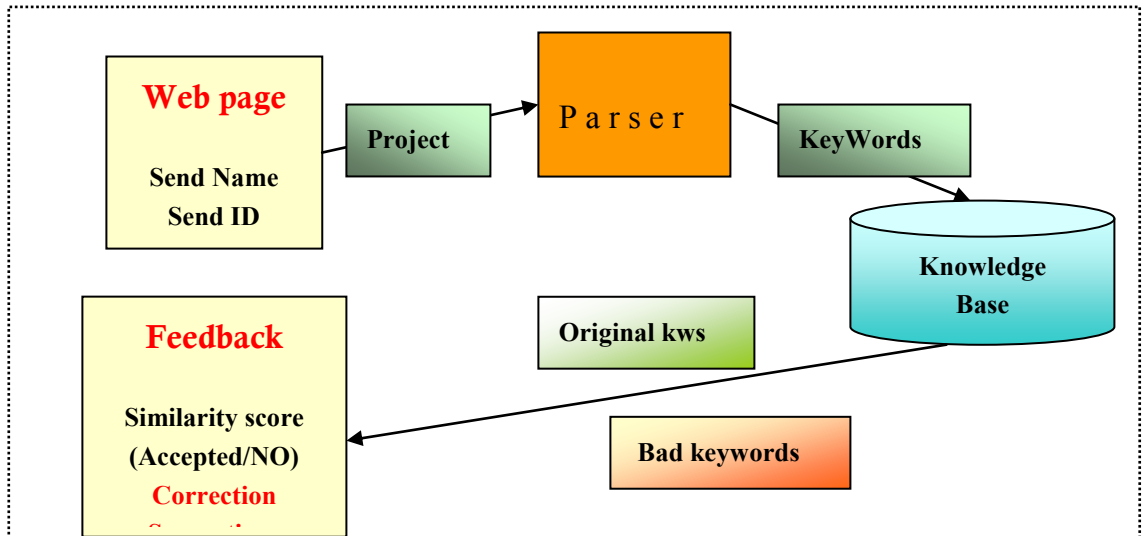


Figure 1. The Architecture of the Real-Time Management and Analysis of DSS Projects System

The Web-based system (available online at [6]) functions as follows: the student sends us his name, personal student ID and posts the project as text file. We have noticed that both *Microsoft Excel* and *InfoHarvest Criterium DecisionPlus* exhibit an *Export to text file* interface (*Microsoft Excel* provides the format *Text file -Tab delimited-* for saving worksheets). The project (saved as text file) is sent to the Parser, which computes the list of the keywords extracted from the project. We consider as keyword any text segment (formed by a word or group of words) that appears in a different Excel cell or in a different *Criterium DecisionPlus* project's goal, criterion or alternative. Furthermore, we query the Knowledge Base to classify keywords as *Original keywords* (keywords that did not appear in any previous projects) and *Bad Keywords* (keywords that did appear in previous postings). Based on the list of *Original Keywords* and *Bad keywords*, we compute the project's similarity score and conclude that it shall be accepted by the system in the case that the similarity score is below 60%. The Feedback page displays the total number of extracted keywords and the number of classified *Bad keywords* and highlights the keywords that should be changed to improve originality.

Before publishing the Web application, we computed two minimal *Knowledge Bases*, formed by the projects discussed during the lectures: we shall call them KB_E (for the Knowledge Base of the collected *Microsoft Excel* projects) and KB_C (for the Knowledge Base of the collected *InfoHarvest Criterium DecisionPlus* projects). The minimal *Knowledge Bases* shall be used to compare the students' projects with the one already discussed as teaching material. These *KBs* shall be updated with original keywords as students post projects, in order to further checking projects' originality between students' creations.

We should also mention the fact that we separately save different types of projects, as we would like to compare the results of both *Excel* and *InfoHarvest* projects. Thus, students' contributions conducts to the creation of the two datasets DS_E (containing DSS projects developed by use of *Microsoft Excel*) and DS_C

(containing decision models generated by *Criterion DecisionPlus*). In the next section, we analyze the resulted datasets and discuss the students' originality of the DSS projects.

3. Results and Discussions

On performing our research, we have considered two strategies for gathering student projects: for the building of the first knowledge base, we manually collect students' projects saved as exported text file (as a result to the above-specified option, available from Microsoft Excel) and pass them to the system one by one. For the second knowledge base, we make use of the Web application: students contribute with their projects to the update of the Knowledge Base. They are aware of the fact that the system has the capability to deal with unoriginal projects (to compute the degree of similarity with past-submitted projects) and their task is to contribute with original projects that adhere to the highlighted rules.

The results of the analysis are depicted in the subsequent table:

	KB _E	KB _C
Number of projects	75	75
Unoriginal projects	70	56
Unoriginality from didactics	54	39
Unoriginality above threshold	4	0
Extracted Keywords	1839	1266

Table 1: Results from the analysis of KB_E and KB_C

The unoriginality scores show a decrease in the degree of unoriginality of *Criterion DecisionPlus* scores, compared with the *Excel* projects. We explain this finding as the students were aware of the fact that their projects were to be analyzed in real-time by the Web application. Having the same number of input projects into the knowledge bases (75 *Excel* projects and 75 *Criterion DecisionPlus* projects), the degree of unoriginality decreases from 70 (93%) to 56 (75%). The degree of unoriginality derived by using parts of the projects discussed during lectures also decreases from 54 (72%) to 39 (52%), whereas the number of unoriginal projects which surpass the unoriginality threshold (60% of the keywords in one project can be taken from previously submitted projects) decreases from 4 to 0.

Despite the fact there are no unoriginal projects classified by the system as *unoriginal above threshold* in the second knowledge base, the number of unoriginal projects is still high (75%). The phenomenon is, to some extent, unexpected, but explainable: some students did not understand quite well how to deal with the Web system: they submitted a project, then obtain the results, then resubmitting the same project with minor changes. The system considers unoriginal the second project, even if it comes from the same student. The fact that the system allows the submission of any number of projects without restriction from any student contributes to the raise of the *unoriginality of the projects*. We plan to restrict this drawback with future upgrades to our system.

The unoriginality in terms of similarity with the projects discussed during the lectures also decreases. There are two factors which influence the result: the use of the real-time analysis system forced students to contribute with more original projects, as they were expecting to obtain a bad result when contributing with unoriginal material. The second factor comes from the building of the *Criterion DecisionPlus* project: it consists of only blocks, classified by the software as *goals*, *criteria*, *subcriteria* and *alternatives*, with a reduced number of extracted keywords, when compared with the number of keywords extracted from the *Excel* project. The last row of Table 1 depicts the numeric results of the fall in the number of extracted keywords, as *Criterion DecisionPlus* projects are more structured than the *Excel* projects and more restricted (the maximal number of blocks is set to 20 when using the Student Version of the software).

We also compare the most cited 5 projects, extracted from the data contained in the two knowledge bases. We call that the project *A* cites the project *B* if any of the keywords extracted from *A* were previously extracted from the project *B*. The following table highlights the results, which we discuss later on.

Most cited projects	Project ID KB _E	Citations KB _E	Project ID KB _C	Citations KB _C
1.	0378	54	5374612	24
2.	5334531	16	0482	18
3.	5397267	15	540465	9
4.	5402483	13	5412330	7
5.	5252489	13	5735631	6

Table 2: Results of the “Most cited projects” analysis

The table depicts the top 5 most-cited projects’ IDs, extracted from the knowledge base. To ensure the privacy of the students, we have previously encrypted the IDs. Our hypothesis was that without any prior information on the project restrictions, the students were going to use the projects discussed during lecture as the basic theme of inspiration (and unoriginality). The hypothesis is confirmed, the projects which starts with a 0 being lecture projects. We also notice the differences in citing the teacher’s project and other student projects (coming in the 2nd, 3rd, 4th and 5th place).

The last two columns of the *Table 2* highlight the results from the “*Most cited projects*” analysis performed on the second Knowledge Base. The results are surprising, as there is a project which surpasses in the number of *citations* the lecture project. We manually inspected that project and concluded that it contained an error: the student forgot to weight the *Goal* of her decision model with the criteria from the *second level* of the model. Being the first project electronically submitted to the Web system by a student and the first accepted project, her colleagues took it as an example of correctness and acted according to the accepted example. The number of citations of the *Criterion DecisionPlus*’ top level project shows how much the error propagated to the student projects, 24 of all the 75 projects containing the error. The error propagation is a well-known phenomenon in academics, uniformly distributed among the disciplines and the correction of the propagated errors becomes more difficult, as thoroughly discussed in [7].

4. Summary and Conclusions

We have presented the architecture of the Web-oriented Real-time Management and Analysis System of Decision Support Systems projects, which we have used during the DSS seminars. We have built two knowledge bases extracted from automatically processing the projects. The Knowledge bases highlight the unoriginal projects and the projects which surpass the admitted threshold of unoriginality (set at 60% of unoriginality).

The results show that our Excel project was the primary source of support for building the Excel projects, whereas a student error conducted to an error propagation among a significant part of students’ *Criterion DecisionPlus* projects. In the near future, we plan to extend the usage of the system to a larger number of students. We also plan to lower the *unoriginality threshold* for analyzing master students’ projects and investigate which threshold is better suited for both undergraduate and M.Sc. students.

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PROBLEMATIQUE DE LA GOUVERNANCE DU SYSTEME D'INFORMATION

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Le développement durable, dans un contexte de globalisation, exige un pilotage des activités, celles de la direction système information (DSI) inclus, sur des critères de performance et de conformités. Les dernières années on assiste à l'intensification des recherches ayant pour thème la définition du cadre méthodologique et la construction d'un référentiel de bonnes pratiques pour assurer le manageant et le contrôle du system d'information des organisation en mettant en jeu les trois acteurs clés de l'entreprise : les actionnaires (le pouvoir Patrimonial), les administrateurs (le pouvoir Managérial) et les systèmes d'informations (informatiques).

Notre papier fait une revue de la littérature et présente nos réflexions au sujet de la gouvernance du système d'information (GSI) : (1) les concept de GSI, (2) principes de la GSI, et (3) les référentiels des bonnes pratiques pour la GSI.

Mots clés: Système d'Information, gouvernance du système d'information, alignement stratégique, management des risques informatiques, référentiels de bonnes pratiques, pilotage du SI

1. Introduction

La tendance actuelle à la mondialisation de la concurrence pousse les entreprises à conquérir sans cesse de nouveaux marchés et à mettre en œuvre des stratégies fondées sur la performance de toute activité et sur la conformité. Transformées en prestataires de services internes, les Directions des Systèmes d'Information se voient demander de justifier de leur efficacité, de leur productivité ou encore de leurs dépenses. La gouvernance du système d'information (en anglais, IT Gouvernance) devient un support important de la gouvernance d'entreprise (Corporate governance).

Selon le Cigref (2004) la gouvernance du système d'information peut apporter :

- Une meilleure prise de décision concernant l'ensemble du système d'information afin d'accroître son efficacité ;
 - Une clarification des rôles des différents acteurs afin de créer des synergies ;
 - Une meilleure définition des responsabilités des acteurs afin de faire prendre conscience des droits et devoirs de chacun ;
 - Une meilleure connaissance du processus clés liés au système d'information afin de faire partager la compréhension de la complexité de leur mise en œuvre.
- La mis en œuvre de la gouvernance du système d'information dans les organisations exige un cadre méthodologique de gouvernance (Chamfrault, 2005) et l'accompagnement par de réflexions et de plans d'action concernant l'alignement stratégique du système d'information, la valeur ajoutée du système d'information et l'urbanisation du système d'information.
- Le cadre méthodologique de la GSI s'appuie sur un ensemble des modèles, référentiels des bonnes pratiques (ITIL-IT Infrastructure Library ; COBIT- Objectifs de Contrôle de l'Information et des Technologies associées) et normes (Audit du système d'information de l'ISACA-Information Systems Audit and Control Association ; ISO 27001- Management de la sécurité de l'information ; ISO 19011- Management qualité et environnemental). Le contrôle du système d'information vise aussi sa mise en

conformité avec les - très - nombreuses réglementations de gestion des données financières (Sarbanes-Oxley Act, Loi de Sécurité Financière, Bâle II, ...) tout en assurant la transparence.

Notre travail de recherche a pour objectif d'assurer compréhension de la problématique de la gouvernance du système d'information : concepts, principes et référentiels de bonnes pratiques.

2. Les concept de gouvernance du SI

La GSI a pour mission fondamentale d'assurer aux dirigeants d'entreprise ainsi qu'aux actionnaires que la fonction système d'information est parfaitement gère. Le terme gouvernance du système d'information est maintenant fréquemment utilisé pour désigner les activités d'orientation et de contrôle relevant de l'instance administrative supérieure d'une organisation, soit celle qui tient le gouvernail. La Gouvernance du SI est vue comme un processus de management, fondé sur des bonnes pratiques, qui permet à l'entreprise d'optimiser ses investissements en « système d'information » dans le but d'attendre un ensemble d'objectifs (contribuer à ses objectifs de création de valeur, accroître la performance des processus informatiques et leur orientation clients, maîtriser les aspects financiers du système d'information, développer les solutions et les compétences en système d'information dont l'entreprise aura besoin dans le futur, garantir que les risques liés au système d'information sont sous contrôle) tout en développant la transparence (Leignel, 2006).

La « gouvernance du SI » est la transposition au niveau « SI » des principes de Corporate Governance (figure 1)

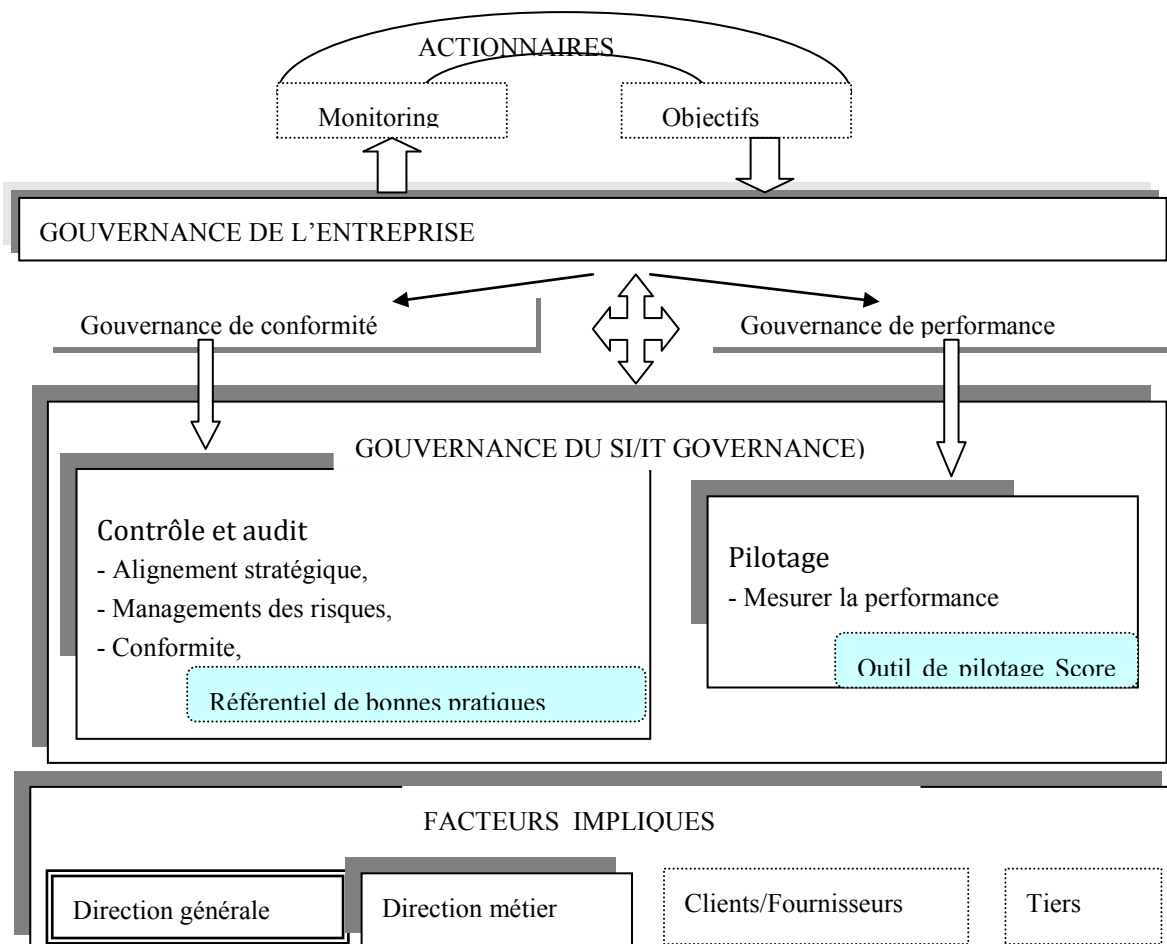


Figure 1. Cadre général de la ITGI

(source : Florescu & al (2007))

Les facteurs impliqués de la gouvernance du système d'information de l'entreprise sont :

- Les actionnaires (le pouvoir Patrimonial), qui fixent les objectifs et assurent le monitoring ;
- Les administrateurs (le pouvoir Managérial) avec de responsabilités pour la réalisation des objectifs en condition de performance et conformité et en toute transparence;
- Les services systèmes d'information (Direction SI), qui gère les ressources et les processus SI.

Dans le processus de la gouvernance on fait appel aux référentiels de bonnes pratiques (tel que le référentiel COBIT) et aux outils de pilotage (tel que IT Scorecard).

3. Les principes de la gouvernance du système d'information

La GSI est fondée sur cinq principes de base : alignement stratégique, la fourniture de la valeur, la mesure de la performance, la gestion des ressources et la gestion des risques (figure 2).

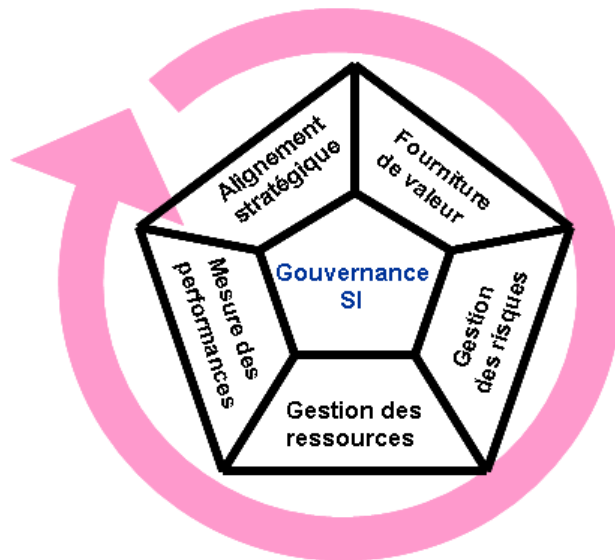


Figure 2. Principes de la gouvernance du SI

Source : Delavaux(2007)

L'alignement stratégique (IT Strategic Alignment), concerne l'alignement de la stratégie du système d'information à la stratégie d'affaires (Henderson & Venkatraman, 1993 ; Florescu & Tamas, 2006).

La fourniture de la valeur (IT Value Delivery), concerne l'amélioration de la valeur des services de l'entreprise par le biais du système d'information (Corbel & al.2004).

La mesure de la performance (Performance Measurement), concerne l'analyse des pratiques en matière de pilotage et de contrôle de gestion informatique (tableaux de bord, reporting, etc.).

La gestion des ressources (IT Resource Management), il s'agit d'analyser la connaissance et les principes de gestion des actifs matériels et logiciels, des ressources humaines, ainsi que des politiques de sous-traitance et d'externalisation.

La gestion des risques (IT Risk Management), il s'agit d'analyser la connaissance du risque pris par l'entreprise à travers ses systèmes informatiques (cf. cartographie du risque informatique) et ce, en termes d'impact métier.

Les principes de gouvernance du système d'information sont en phase avec les pratiques managériales fondamentales : établir une stratégie efficace, disposer d'outils de pilotage pertinents, démontrer la valeur et la contribution de ses actions, connaître les risques encourus et gérer le patrimoine informatique.

4. Referentiels des bonnes pratiques

4.1. Classification

La littérature qui traite de la gouvernance du système d'information cite plusieurs référentiels de bonnes pratiques, qui présentent d'intérêt pour la gouvernance du système d'information :

- ITIL (Information Technology Infrastructure Library), élaboré par les autorités britanniques et dédié à optimiser les services informatiques au sein de l'entreprise ;
- COBIT (Control Objectives for Business & Related Technology) développé par l'ISACA (Information System Audit & Control Association) *et* dédié à la gouvernance et l'audit des systèmes d'information ;
- CMMi (Capability Maturity Model intégration) dédié au développement de systèmes et logiciels (www.ssi.fr/html/presentation/cnmi.html) ;
- ISO 27001, norme pour assurer la sécurité du système d'information.

Dans ce travail de recherche notre intérêt porte sur les référentiels COBIT, le plus complet et à la fois intégrateur.

4.2. Le référentiel COBIT

A l'origine COBIT a été conçu ISACA (Systems Audit and Control Association (www.isaca.org) pour les auditeurs (figure 3).

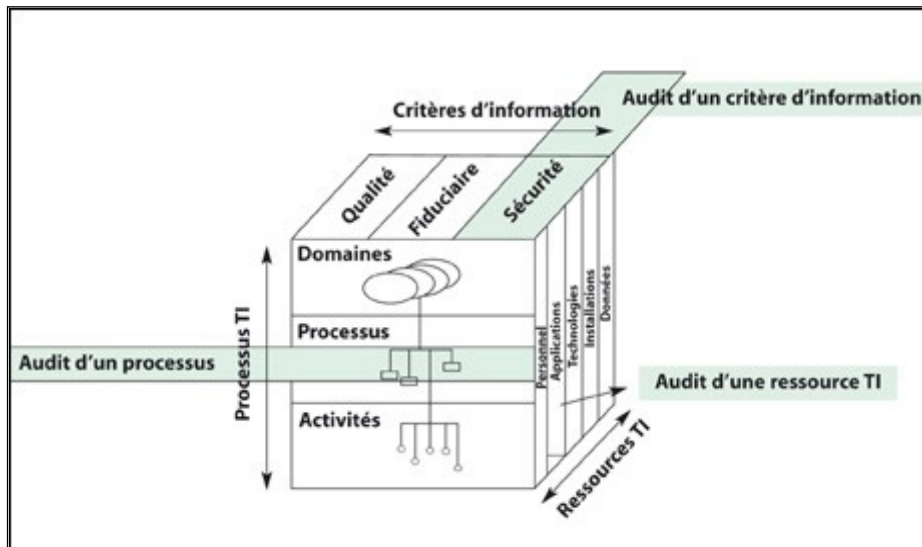


Figure 3. COBIT pour les auditeurs

(Source : Moissand Dominique, Doc. AFAI)

Ultérieurement l'IT Governance Institute (www.itgovernance.org) a développé COBIT (sa quatrième version de COBIT on assure l'harmonisation des termes et des principes pour faciliter l'intégration de COBIT et des référentiels ITIL, CMM, COSO, ISO 27001, 19011) qui est devenu ainsi :

- Un norme de gouvernance et un référentiel de bonnes pratiques à utilisés pour mettre en oeuvre la gouvernance informatique et améliorer les contrôles du système d'information ;
- Un modèle de maturité, on peut évaluer l'atteinte d'un ou plusieurs objectifs généraux sous forme d'une échelle ;
- Un outil de management, comprend des conseils pour les conseils d'administration et tous les niveaux de management ;
- Un outil d'audit du système d'information ;

- Un outil de conformité (voir la réglementation Sarbanes-Oxley).

Dans le cadre du référentiel COBIT les processus et les contrôles sont repartis en quatre domaines:

Le domaine Planification & Organisation, concerne la stratégie et les tactiques, l'identification des moyens permettant à l'informatique de contribuer le plus efficacement à la réalisation des objectifs commerciaux de l'entreprise.

Le domaine Acquisition & Mise en place, concerne la réalisation de la stratégie informatique, l'identification, l'acquisition, le développement et l'installation des solutions informatiques et leur intégration dans les processus commerciaux.

Le domaine Distribution & Support, concerne la distribution des prestations informatiques exigées, ce qui comprend l'exploitation, la sécurité, les plans d'urgence et la formation

Le domaine Surveillance et évaluer, permet au management d'évaluer la qualité et la conformité des processus informatiques aux exigences de contrôle.

Chaque domaine regroupe des processus qui sont décomposés à en activités.

Les bonnes pratiques à mettre en œuvre s'appliquent aux vecteurs suivant de la Gouvernance du SI (Leignel, 2006) :

- planification du SI et intégration dans le processus global de planification de l'entreprise ;
- gestion du portefeuille de projets orientée création de valeur ;
- alignement de l'organisation informatique par rapport aux processus métiers ;
- urbanisme et architecture d'entreprise ;
- transparence des budgets et des coûts et du contrôle de gestion ;
- maîtrise de l'optimisation de l'efficacité des projets ;
- fourniture de services d'information et optimisation des processus informatiques vis-à-vis des services aux clients ;
- gestion et maîtrise des risques liés au SI ;
- gestion prospective des compétences informatiques ;
- gestion et mesure de la performance du SI ;
- gestion de la communication relative au SI.

La mise en œuvre des bonnes pratiques pour chacun de ces vecteurs, dans une approche Qualité, permettra de tendre vers une bonne GSI.

5. Conclusions

Stratégie et gouvernance apparaissent comme deux vecteurs indissociables d'un changement induit par de nouvelles pratiques de management et de performance organisationnelle, recherchée par de nouveaux modèles de création de valeur dans les entreprises de toute taille. Dans le cadre du contrôle interne, le COBIT vient s'insérer dans le cadre des actions du COSO (Committee of Sponsoring Organizations of the Treadway Commission - Internal Control). L'ISO 27000 et l'ITIL peuvent être considérés comme des mises en application du COBIT dans le domaine du service SI et de la sécurité.

Une question inspirée de la littérature professionnelle traitant de la GSI: L'activité « système d'information » pourrait disposer d'un standard définissant les critères d'information à communiquer aux shareholders ?

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INFORMATIONAL TECHNOLOGIES SOCIETY KNOWLEDGE ENGINE

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***Summary:** Investment in informational technologies (IT) can represent the winning bet so much for Romania but also for the economical agents that will become aware of the importance of the implementation of performance informational systems in the context of high competition. The last years case reflects an obvious increase in the IT sector, thus in 2006, the value in the Romanian sector of the informational technologies and communication (IT&C), was 4.8 billions euro, having a 4,19% contribution in GDP (Gross Domestic Product). At the same time, the value of software & service exports was estimated at 380 millions euro for the year 2006. The firsts reports of 2007 confirm the increasing forecast of this sector, as a exemplification the IT services market only increased with 20%, reaching at over 210 million €, towards only 176,5 million € in 2006. The IT&C market is the most dynamic sector, analyses study realized by IDC, predicting also an increase by about 20% and for the year of 2008.*

***Key words:** Informational technologies, telecommunication, society knowledge.*

The IT&C market is the most dynamic sector, a analyses study of the economical impact of the IT industry, realized by IDC, at the Romania Microsoft Company order, estimates a medium rate of annual increasing by 10%, the forecasts for 2009 being 1,3 billion \$. The study analyzes the impact of the IT industry regarding at: creating new working places, establishment of new companies, local expenses for IT and taxes income.

The increase in software is significant at the level of the entire sector, shows the quotation study: until 2008, the Romanian software market will double toward 2003, reaching 200 million \$. At the level of the six countries analyzed (Romania, Bulgaria, Croatia, Macedonia, Slovakia, Serbia Montenegro) the expenses for software represents 16% from the total IT market in south-east Europe and are increasing by a 13% annual rate.

Regarding Romania, 1450 companies are involved in the IT domain. These have paid to the budget 122 million \$ under the form of fees and taxation. Summarized, the IT expenses in Romania, in 2004, were \$ 818 million. Over 45.000 persons are being engaged in the IT domain, and the local communication industry.

In Romania the employment in software industry represents 52% from the total number of working places in IT, estimating that in 2009 this percentage will reach 65%.

For the region countries Romania, Bulgaria, Croatia, Macedonia, Slovakia, Serbia& Montenegro, the economical impact of the IT industry is estimated as follows: between 2003 and 2009 the estimations are of about 35.000 new working places. As regarding the taxes at the budget in the next 5 years, these are estimated at \$.1.4 billion. The software expenses represent 15% from the total IT expenses. The number of persons from the IT industry will increase by 23%.

Roughly 50% from the total number of IT employees in south-east Europe are involved in developing software distribution and software services. Roughly 50% from the income collected from taxes in the IT sector derives from software connected domains.

So much in Romania as much as in the analyzed countries there are emerged markets. In those markets exists a community of IT experts, large as dimensions and big as potential. The engross capacity is yet frugal. Generally, the resources granted in world are strongly connected with the engross capacity.

The impact of the IT industry over the economical development of Romania can be resumed like this:

- the IT market records a transition to software and IT services;
- the process of brains migration from the IT domain has slacken;
- telecommunication market is completely liberalized;
- the Government is concerned and encourages the automatization of the public sector;
- there is a need and increase of the IT expense in the most vertical markets;
- IT services are recognized more and more often as activities with high added value;
- the process of the privatization in the energetic sector and other utility sectors unfolds at normal parameters (until the half end of this year the liberalization of this sector is anticipated);
- premises for the increase of foreign investments are created – which will have a strong impact over IT expenses.

Regarding the impact of the IT industry over the economical development in the region we can limit the next issues:

- the increase of the IT sector in the region is strong and will follow a upward trajectory also in the next period;
- the expenses with software represents 16% of the total IT consumption from the South-East Europe region and increases yearly by 13%;
- roughly 47% from the IT sector employees are involved in the creation, distribution, support or software applications maintenance.

Unique way – the knowledge society. Re-launching the Lisbon strategy

In Lisbon in March 2000 within the framework of The European Council Summit, the Presidents of the European Governments committed themselves to achieve until 2010 the objective of making from the European Union the most dynamic economy in the field of knowledge. On the occasion of this meeting it has been desired a more complex and deep approach, having as a discussion topic an economy based upon knowledge, as a whole and much too high objectives have been fixed. Romano Prodi, the president of the European Commission between 1999 and 2004, well known for its sharp declarations, states for the Financial Times at the end of 2004 that the Lisbon Agenda has proved to be “a Great Failure” and one from the main factors leading to this failure being the obstinacy of the European Union member states to use the veto against the economic initiative proposed by the European Commission. The former Dutch prime minister Wim Kok ended his report with the same conclusions as Prodi when speaking about the Lisbon Strategy.

The report entitled “*Confronting Challenges: Lisbon Strategy for the Growth and Occupation of the Labor force*”, published on the 1st November 2000 illustrated the fact that the spread between the USA technology and the European one instead of becoming smaller, it became larger. This report was an important issue for the Mid Term Review of the European Council in 2005. On this occasion it has been decided the re-launch of the Lisbon agenda, the main directions aiming the change of Europe into a space much more attractive for investments and working opportunities, the promotion of innovation and knowledge, the creation of new jobs. In order to achieve these objectives a better partnership between the European Union and the member states should be developed²⁵⁸.

Speaking about the information technologies, at the level of Europe there should exist a unitarian strategy. The idea is not very new. It has been stated since the Lisbon declaration. Starting form 1994, many personalities in the field of the science, business and politics, coordinated by Martin Bangemann (European commissioner responsible for the information industry and technology) draw up the report “*Europe and The Global Informational Society*”²⁵⁹. The document was adopted on the occasion of the reunion of the Heads of States in Corfu and represented a major step for acting in the direction of an informational Europe.

²⁵⁸ Commission Statement “Working together for growth and jobs. A new start for the Lisbon Strategy”.

²⁵⁹ <http://europa.eu.int/ISPO/infosoc/backg/bangemann.html>

The main points in the report are:

- *The informational society – new ways of living and working together*: The informational society is considered a huge challenge for the decision factors in any field of activity, politics, economy, culture, that should adapt to the information revolution as it is itself an expression of the human knowledge. This revolution adds new ways of acting for the human intelligence constituting the source of change in the way of living and working together.
- *The revolution determined by the market* – the group recommends to give up some policies based upon some old principles belonging to the period before the informational technology revolution took place and in some cases adapting them to the new market requirements: the liberalization of the communication instruments market, the annulations of the non-commercial policies and budgetary constraints existing inside the IT&C field.
- *The Information Society foundation*: there are ten applications proposed to constitute the base of this new society:
 - a) distance work – more work places, new work places within a more and more dynamic society;
 - b) distance learning – “long-life learning” within a continuously changing society;
 - c) the creation of some network centers for research and study within the universities – the Europe intelligence management;
 - d) distance services for small and middle enterprises – the SME are the “engine” of the European economy; by making at their disposal e-mail services, files transfer, electronic data exchange systems, video-conferences, distance learning, the economic growth will improve and the rate of unemployment will decrease;
 - e) a road traffic management systems – a road informatization for a better life quality;
 - f) the air traffic control – the creation of a integrate communication system at the European level for the air traffic control;
 - g) health services integration – lower costs and better quality services for the Europe citizens by integrated the divers health systems;
 - h) auction electronic systems – the creation of an electronic auction system at the European level by adopting of some electronic procedures for the public acquisition;
 - i) the interconnection of the public administration systems at the European level - a better administration with lower costs by the implementation of an electronic data exchange system between the administrative entities;
 - j) the implementation at the level of the cities of the informational highways – the creation of a high speed communicational infrastructure allowing the use of multimedia applications within a real time for the local, regional and national level.

The Bangemann report constituted the first step in establishing of a general action framework, many of its recommendations being also present in the *Lisbon Agenda*. Bangemann group has proved to be too optimistic as concerns the established terms for the actions to follow. The initiators of Lisbon Agenda proved not to be so aware of the fact that their optimism did not materialized in concrete actions. Thus after 10 years from the Bangemann Report and 5 years after the Lisbon Agenda it was necessary to re-launch the Lisbon Strategy (the ideal being that it does not resemble the Matrix, which was reloaded and it would be good that a third part should not be initiated, and if it would happen, this should be entitled the Lisbon Revolution).

The objective of Lisbon Strategy, re-launched in 2005, proposes the changing of the Union into a more attractive space for investments and work, the promotion of knowledge and innovation and the creation of work places more numerous and of a better quality. For the period of financial schedule 2007-2013, the member states were asked to allot some amounts coming from the structural funds which are to be received in order to finance the projects linked to the fulfillment of Lisbon Strategy objectives. Thus, each member state should elaborate the Reforms National Program for the Re-launched Lisbon Strategy.

The power horses of the IT industry. E-Readiness

E-Readiness measure the degree at which the world states are ready for the Information Society, their adapting level for the advantages offered by the IT&C field.

Economist Intelligence Unit, beside the *IBM Institute for Business Value*, a leader in the field of *e-business* strategies, have published an annual classification about the training level in the IT&C field of the largest economies of the world from 2000 until present day. The classification evaluates the technology, economical, political and social activities from 68 countries and their impact on informational economy.

The level of training in the field of IT&C is desired to be a deep analysis of the infrastructure of the new technologies of a country and of the consumer, business environment and governments' ability to use IT&C for their own benefit. Whenever at the level of a country there exist more "online" or wireless activities – the premise is that the economic activity will become more efficient. Our classification permits to the governments to measure the success of their technological initiatives in online operations a large approach of the most promising investments in the world.

The E-readiness classifications evaluate about 100 quantitative and qualitative criteria, classified into six different categories, each of them measuring the different components of the social, political economical and technological development of a country. The basic principle is that the digital affair stands at the core of the business and in order that the digital transactions be adopted at an extended level and become efficient, they should flourish within a holistic support environment. E-readiness does not only refers to the number of computers, broad band connections or mobile phones existing in a country (although they form an essential component of the classification) but it also depends upon the capacity of the citizens to use the technology with ability, business transparency and linked systems and of the governments decision to encourage the use of digital technologies.

It has only existed one step from e-commerce to the e-business because at present everything has become *e-something* (even the food we are consuming is full of *e.s*). We are already discussing about e-leaders when referring to those states that have already arrived at the level of implementing information technologies. The advantages these states obtain are comparable with the advantages obtained two hundred years ago by the countries which were the first making the step towards industrialization (and in many of the situations these states remain the same).

At the level of the year 2006 the hierarchies in the field of the IT&C are almost unchanged. It has been witnessed although an up-rising convergence among the countries situated in the top group of IT&C training. At the same time one may state that many from the countries situated in the low groups witness major progress. There is also a visible and quite rapid migration of the countries situated at different development stages towards the further generation connection.

"The economic progress is more and more depending upon the innovations concerning the use of IT&C technologies", states George Pohle. "Within the economies fully using the Internet and information technologies, the future competitiveness is motivated by the creation of new services capable to exploit the infrastructure. For the developing nations it still remains a necessity, a steady investment in creating the infrastructure. Those responsible to create strategies should concentrate themselves upon such educational approaches permitting in future the creation of a tight connected world.

Having more than 1 billion Internet users and 2 billions of mobile phone users in the entire world and with a permanent progress at the most qualitative development levels in the field of technology, the world at the beginning of the 2008 may be considered much more "e-ready" opposite to the previous periods.

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PRACTICAL AND THEORETICAL APPROACHES REGARDING IFRS4 – ASSURANCE CONTRACTS EDGING THE ARTIFICIAL INTELLIGENCE

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Abstract: The economic entities, which now deal with the international circulation of capital and trading operations, have spread their operations through the globalization process of companies’ interests, process which is determined by multiplication factors, competitiveness and competition.

The new dynamic of their commercial and financial international activities and the integration of financial markets, which are mainly supported by the IT development, have brought out new organizational and operative issues.

The purpose of this paper is to highlight the connection between the evaluation of insurance contracts (according to IFRS4) – insurance contracts, accountancy and calculation of indispensable technical reserves of insurance companies, and the evaluation carried out by expert systems.

Keywords: technical provisions, expert systems, accounting standards, insurance contracts

A large number of financial companies were able to rapidly adapt to opportunities or threats of new market dynamics. The duty of reporting to national standards, which are different from homeland standards or those given by the Communitarian Legislative Institution, has lead to an increased need of general orientation; as for the internal and external information users, this lead to the need of an efficient informational system, realistic and appropriate, which should build a real support for the decisional process and for helping the companies to easily build internal and external relationships in the business environment.

The modern financial market, characterized by a high level of efficiency in using economical-financial informational system, has certain limits determined by its instability, threatening the trust of the investors and sets unfair current market values, leading to financial crises. A transparent and match able informational system accedes to an efficient functioning of global markets of capital and each internal national market, allowing fair price estimation of financial services, an efficient resource allocation, a simpler credit-financing and an increase of the investors’ trust over the market.

In conclusion, the elimination of the financial markets’ instability and an improvement on the informational system are now targets which no one should ignore. It is very important to internationally apply a set of accounting standards in order to draw annual financial sheets; but this comes with certain disadvantages, not only in theory but in praxis also. One can identify 3 main objectives that come with IAS/IFRS implementation:

- Guaranteeing a proper functioning of capital markets
- Common accountancy methodologies, avoiding trouble caused by false information

- ensuring the balance sheet receivers, the necessary information for the decisional process
- protecting the investors through an effective comparative process of data generated by the company

But what are there 2 symbols used for the international accounting standards? The IAS presents strictly the accounting character. In time, these principles have been partially modified by introducing the current standards (IFRS), which are able to guarantee the information transfer at a high quality level, having accounting and financial character for presenting and drawing annual financial sheets.

According to paragraph 27 from IFRS Introduction, the IFRS standards are accounting standards that set the evaluation, presentation and description requirements referring to transactions and events that are important when it comes to drawing financial sheets; they can also establish requirements for transactions and events in specific fields. The IFRS are generally based on a main frame that approaches the basic principles of the information needed for financial sheets.

The IFRS are established on an international procedure that includes: accountants, financial analysts, business environment, stock markets, legislative and controlling authorities, professors and other persons or organizations from all around the world.

In the perspective of globalization and integration of financial markets, harmonizing the financial-economical information at an international level is a main priority which should be immediately solved, in order to create a universal accounting language. We can state that the accounting globalization is already real, and the national accounting principles are progressively replaced with a set of international recognized standards and procedures.

At a communitarian level, the insurance segment has 2 types of accounting regulations:

- Accounting directives - 91/674/CEE Directive – referring to annual accounts and fixed accounts of the insurance companies. Directive IV (No 78/660/CEE) referring to annual accounts of certain types of companies, Directive VII (No 83/349/CEE) referring to fixed accounts
- The Regulation of European Commission No. 1606/2002 (IFRS Regulation) which states the compulsory character of certain types of IFRS at a communitarian level, through CE regulations, for quotable companies to draw their financial sheets, starting from 1st of January 2005

In our country, the insurance companies will have to apply the OMFP 907/2005 stipulations, according to which they will draw a set of financial sheets accordingly to IFRS and to Regulation No 1606/2002, which states that the stock market quoted companies would have to apply IFRS for their fixed financial sheets, starting from 1st of January 2007. The transition to IFRS will not only be available for the accounting segment, but it will have more complex implications, from basic activity planning, up to strategic management.

Technical provisions for general security and life insurance, assets that cover the technical provisions, and dispersion of assets that cover the gross technical provisions

Any insurance company must consider the investment of its assets, which will cover the gross technical provisions[6], safety and investment performance. When the companies invest their assets, they will have to ensure the dispersion of their assets. This dispersion follows certain rules and well established principles. At the most, the insurer can invest the following:

- a) 90% of its gross technical provisions in depots and disposable assets existent in credit institutions, but no more than 25% out of the gross technical provisions by one of the credit institutions. The gross technical provisions are the calculated technical provisions before the transfers into reinsurances. It is important to see that the biggest proportion of the investments from the gross technical provisions of an insurance company are depots and disposable assets existent by credit institutions, with a high liquidity ratio, which can be easily used by insurance companies to pay the insureds' losses, and it is also a investment that generates profits such as deposit interests.
- b) 50% of its gross technical provisions in stocks operated on a controlled and supervised stock market and participations by collective investment companies. This restriction is due to the fact that the stock investments have an increased risk level, but the profits can be also very high.
- c) 40% of its gross technical provisions in land and buildings, whereby 10% can be invested in any land or building(s) that are close enough to each other to be considered effectively as one

investment. The 10% limit is compelled as a measure of reducing the investment risk in that particular land property or building due to the possibility of the depreciation of their current market value.

- d) 10% its gross technical provisions in tangible assets, other than land properties and buildings, because the tangible assets are assets of greater value, that are for long-term use and their liquidity ratio is small
- e) 5% of its gross technical provisions in stocks and other titles such as negotiable securities, bonds, credits and other instruments emitted by the same entity, due to forethoughts in investments that have a high risk level.
- f) 5% of its gross technical provisions in unsecured loans, including 1% for any single unsecured loan, other than loans granted
- g) 3% of its gross technical provisions in cash-disposables. One can see that the insurance companies have strict rules in relation to the cash in hand; they can keep only 3% of their assets in cash, because keeping this money in cash is no investment, and it brings no profit.

Principles commanded by the Insurance Supervisory Commission

The principles commanded by the Insurance Supervisory Commission are referring to:

- a) Diversification and dispersion of assets that cover the gross technical provisions, so that there is no excessive usage of certain categories of assets, investment market or of an investment.
- b) Caution over investments in certain asset types that either have an increased risk level, nature of the asset, or the situation of the issuer.
- c) Limits over certain asset categories in the case of reinsurance contracts
- d) Operating with the assets of other branches is made similarly, when the assets include an investment in a branch that manages all or a part of the insurers' investments.
- e) The percentage of the non-liquid assets that cover the gross technical provisions must not exceed 10% of the total assets.

Principles used to determinate the technical provisions

The value of the technical provisions for the life insurance [7] is calculated through a prudent actuarial prospective evaluation, including all future engagements that are stipulated in the insurance contract, containing:

- a) All the guaranteed benefits, including the surrender guaranteed costs
- b) Bonuses for the beneficiaries of the insurance contracts, and all available options for the insured, based on the insurance contracts
- c) Expenses, including factorage, out of which one will subtract the cost of the future owned premiums

Referring to the evaluation of technical provisions, we can say that a careful evaluation is not an evaluation "according to the best estimation", but it will need to carefully carried out, due to certain elements that influence the value of the technical provisions.

The chosen asset evaluation method is also very important. It is vital to specify that the technical provisions are determined separately for each contract, although accepting a simplification and approximation of the result, on condition that the result is similar with the approximation. The life insurance contracts that stipulate the present of the insurance provider to the benefits obtained from the mathematical provision, one will need to calculate the benefit and return provision. The mathematical provision is calculated as net value. Another benefit-category is that of insured technical interests or other types of assurances; these benefits are included in the life insurances related to investment contracts that stipulate a complementary establishment of technical provisions for the cover of the benefits.

For a life insurance company, calculating the premium provision and loss provision is very important. The premium provision is calculated monthly by summing the shares from the gross underwritten premiums of the unexpired periods of the insurance contracts, so that the difference between the volume of the

underwritten gross premiums and this provision would reflect the gross premiums allocated to the fraction of risks that are no longer available at the calculation date, for each and every contract.

The loss provision is available for the losses that had already been reported, and it is calculated for each insurance contract whereby the event has been modified, event which had been formerly ensured by the insurance contract. The loss provision depends on the predicted expenses, which will be allocated for the clearance of those losses.

The expert systems are one of the most important achievements of the Artificial Intelligence. They support the human ability of solving problems, and the development of this particular field should be seen as an evolution of knowledge. The interest in expert systems technology and similar applications is constantly growing, even though the funds allocated to this field are rather small.

The last years show an improvement of the entire artificial intelligence field, which evolved as an active discipline and it is constantly growing. Nowadays, most research subjects are focused on Artificial Intelligence, especially on Expert Systems. The main research fields are the following:

- Causal configuration
- Strategic rationing
- Explanatory system
- Gathering and validating information
- Anatomic reasoning
- Temporary reasoning
- Intelligent training with computer assistance
- Integrating the natural language with medical expert systems

A large number of expert systems evolved in many medicine fields. At the same time, the expert system technology was applied successfully in other fields. This development brought to the improvement of the knowledge gathering process, by using genetic algorithms, and intelligent agents for creating Internet applications (intelligent search engines and Internet browsers) and for e-commerce applications (intelligent customers or sales, methods based on artificial intelligence for the agents' communication).

The developed countries are spending billions of dollars to plan and build the economical infrastructure: computer networks. This electronic and informational structure, which is frequently based on satellites, brings together entire companies, connecting them through computer networks and buyer-seller networks. Also there are other networks that are connected.

The man's intellect has always searched to improve his living conditions. Nowadays, the technology is so high-evolved, that man wouldn't even dream of such things in the past. And it will not stop here. A similar phenomenon corresponds to the expert systems. It's up to our imagination to see what these expert systems really are. But one thing is for certain: nowadays, the expert systems are highly important. This vast informational universe can be found in numerous fields. And so the purpose of this paper, that of the implications of expert systems, is only a starting point in their study.

The virtual world changed the way we think. That is why the economical entities must understand the increased importance of expert systems. Globally, one can identify the following trends of expert systems:

- Creating powerful KBS (Knowledge Base Editor- source / editor), that are perfectly adaptable to a particular field, based on which one can create expert systems
- Creating tandem system which combine knowledge based solutions with procedural solutions
- Setting standards to certain concepts and ideas
- Connecting the expert systems with the data bases

By introducing the artificial intelligence into a company, at a large scale, then the entire organization must be transformed. If we analyze the three most important factors: organizational structures, activity differentiation and decentralization, one can see a large impact. At the financial and accounting activity level, the differentiation must consider the transparency of the financial-economical information. Furthermore, one must consider setting standards to the decisional process and decision decentralization. By conducting a large number of surveys, one can reduce the expert system costs.

The ingenuity of the expert systems' methodology consists in the connection between the three main elements: knowledge basis, inference engine and user communication interface. The expert systems do not act isolated from the other elements of the exterior environment where they are implemented. It can be used by other external programs or it can send information to other programs. Most expert systems are interactive systems; this imply that their interface features communication channels with human users, it gathers information and data with the help of special sensors: form data base management programs up to table calculation systems or even programs that manage simple files. Furthermore, the expert systems are able to create and analyze data bases; they can draw reports or control various devices and instruments.

Creating the interface and integrating it in the environment is not always similar for all expert systems. That is why one needs different interfaces depending on the inputs and outputs necessary to the operating environment. Based on this fact, the expert systems are divided into 4 categories:

- a) Intern controlling systems
- b) Toll payment systems
- c) Financial planning systems
- d) Systems for law interpretation, other than laws that refer to toll payment

The expertise is an intensive knowledge and understanding of the specific field, knowledge gathered through training, reading or experience. The following knowledge categories are examples for what an expertise might include:

- Insurance facts
- Insurance theories
- Insurance rules and procedures
- Rules referring to what procedures should one follow in certain situations, for solving the occurred problems
- Global strategies used for solving insurance cases
- Metaknowledge

All these allow the experts to rapidly take better decisions than non-experts. It takes a long time and a vast experience to become an expert, and this way even beginners or intermediates can become experts. The main feature of an expert system is to be able to conduct an expertise, which is in fact the ability to execute the expertise at least at the level of a human expert. This includes not only the ability to solve the problem, but to solve it as fast as possible (faster than a human expert). An expertise implies that the knowledge base of the system must be comprehensive and rich. An expert from a certain field has always high proficiency in knowledge, as compared to a beginner. The experience is probably a major factor to be taken into consideration.

Conclusion

Given the existence of a modern and motivating management, experienced professionals, competent and motivated users, the premises of creating an expert system are similar to those of creating new investments. This will allow the expert system to be implemented as a practical, efficient, high-performance system which will help the economic entity in its activities.

In conclusion, an expert system can be created not only for simple and small problems, but also for complex ones. Small problems stress the human expertise less, whereby the knowledge base can be easily done. As for more complex issues, the human expert is more stressed and creating the knowledge base can take ever longer. This is why one must create an expert system that will solve not only small, but also complex problems.

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THE IT AUDIT – A MAJOR REQUIREMENT FOR THE MANAGEMENT QUALITY AND SUCCESS IN THE EUROPEAN BUSINESS CONTEXT

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A requirement for the improvement of the quality management for the Romanian companies that are integrated in the European environment is represented by the development of an informational partnership between the actors involved in the company network. This partnership must be characterized by credibility, conformity, performance and security. The IT&C system represent the hardware and software support of this partnership, and the IT audit is the process that certify it's conformity. In the audit process, the main accent is on the security audit due to the importance of the vulnerabilities, threats and IT risk analysis. The list of measures that are proposed at the end of the audit to company management should be incorporated in the company security policy, that is the starting point for the ISMS – Information Security Management System, part of the company general management system. The implementation of the Business Continuity and Disaster Recovery Plan is one of the most important measures in order to increase the confidence level of the business partners and to provide safe environment for business continuance.

Key words: Management, IT&C Systems, IT Audit, ISMS, Security Policy, Business Continuity, Disaster Recovery Plan.

1. Management, informational partnership and IT audit

In the space of business environment extended at European level, between the multiple requests of a quality management, it retrieves the necessity of increasing of the competitiveness together with enhancing of the cohesion and cooperation between of the actors integrated in the company's business network logistics chains.

The business relations between suppliers, producers, outsourcing companies, transporters up to the final customer, the consumer, should be based on an informational partnership characterized by *credibility, conformity, performance and security*.

Credibility refers to the confidence in the results and reports provided by the company. The Sarbanes-Oxley Act, adopted in audit, states and straightness this mandatory condition for running out the normal economical processes.

Conformity refers to legislation, standards and norms conformity regarding the application of the best practices in the company's business activity.

Performance is regarded as the effectiveness and efficiency of the activity performed in the logistics system of the company.

Security refers to the plurality of the four attributes: information confidentiality, integrity, availability and no repudiation.

The IT&C systems provides the hardware and software support for the informational partnership between the company and the business network members developed by it. The IT audit certifies the quality of the informatics system and by this, the managerial quality of the electronic information.

The Romanian companies, members of the European economic environment are now obliged to approach the IT systems audit according to the international standards, the most used of them being CobiT developed

by ITGI/ISACA. In accordance to this, the BSI certification – British Standard 7799 for Information Security can be obtained.

The relationship between the management quality and the information security is important and it has three coordinates which illustrates the economic dimension of the information security. This three coordinates are: consolidation of the management capacity to protect the company structure and resources; development of the management ability to guarantee the business integrity and efficiency; assurance of a stable economic environment and continuity of the company business activity.

The IT audit, according to the CobiT standard, performs a control examination of the IT entity. The audit, as it is presented by ISACA - International System Audit Control Association, is a process that is used for evaluation of the audit evidence, in order to determine if the physical protection of the IT&C assets (controls from the CobiT standard) and the management measures by which the data integrity is insured, leads to an efficient utilization of the company resources and carrying out the company goals.

2. Types of IT audit

Analyzing different methodologies and opinions of various authors, we consider that the audit missions performed in practice correspond to a complex typology. For this typology we recommend four criteria for structuring: the audit organization mode, the moment of the audit, the audit scope and the audit area it covers.

Regarding the audit organization mode, the way the audit activity is organized, it can be differentiate the *intern audit and the extern audit*. The intern audit represents an evaluation or an organized monitoring made by a company's own department, while the extern audit is performed by an independent auditor organization.

Regarding the moment when the audit is performed, it can be differentiate the *preventive audit and the corrective audit*. The preventive audit is defined as an examination of the operations made before they are effectively done, having the advantage that it can prevent a loss before it appears. The corrective audit is defined as an examination of the way the operations are made. It can lead to loss recovery; it can prevent the same mistakes to be repeated in the future thru establishing responsibilities for the guilty persons.

When establishing the scope of the audit, we can differentiate three audit categories: the conformity audit, the attestation audit and the performance audit.

The conformity audit certifies the responsibility regarding the transactions and the reports made based on the respective transactions. The attestation audit refers to the credibility of the final statements, attesting or not, if they present a fair view of the company and the transactions it realizes. The performance audit examines the performance in relation to the economic inputs and the outputs by analyzing the resource allocation under the economic efficiency principles.

The area covered by the IT audit are that the most important criteria. Regarding this criterion, the members of the audit team can handle the following segments of issues: *systems and applications, information processing environments, development systems, IT management and the Client/Server architecture*.

All these five audit segments focus on auditing the information security and refer to the following aspects: the physical security of the data centers and the logical security of the databases, the networks security and the applications security.

3. Risk analysis

The management – audit relation is best reflected by the management's responsibilities in the company regarding defining, implementing and monitoring of the internal controls that assure the decision processes feedback in the company.

The most significant problem regarding these controls refers to the analysis and risk management, especially due to the fact that the Internet contributes to an internationalization of threats and consequently to the risk exposure. IT risk is evident through its own components: threats, vulnerabilities and impact. The threats exploit the vulnerabilities of a system causing by its impact losses and managerial difficulties. Generally speaking, the risks associated to an information system regard:

- the physical security risk, regarding the existence of the security, detection and fire alarm systems, protection systems against tension fall-down, robbery, natural catastrophes, physical protection of the memory devices;
- the communication risk that may arise from connecting to the public network and it needs a firewall, antivirus protection, utilization of encoding techniques and the virtual private networks – VPN;
- the risk regarding the data and transactions integrity;
- the access risk regarding assurance of the information and network confidentiality, data and database integrity and their availability. The passwords management, monitoring and incidents resolving report is considered;
- the risk regarding the information system documentation and the personnel risk;
- the unpredictable situations risk management (the availability risk) is the risk associated to natural dangers, disasters, system fall-down that may lead to irrevocable data losses, in the absence of activity monitoring procedures and disasters recovery plans.

Only inventorying the risks is not sufficient, the IT audit should also contain a risk evaluation, the impact of the risks, from point of view of the losses they may cause. In practice, it operates with quantitative and qualitative methods to evaluate the respective losses.

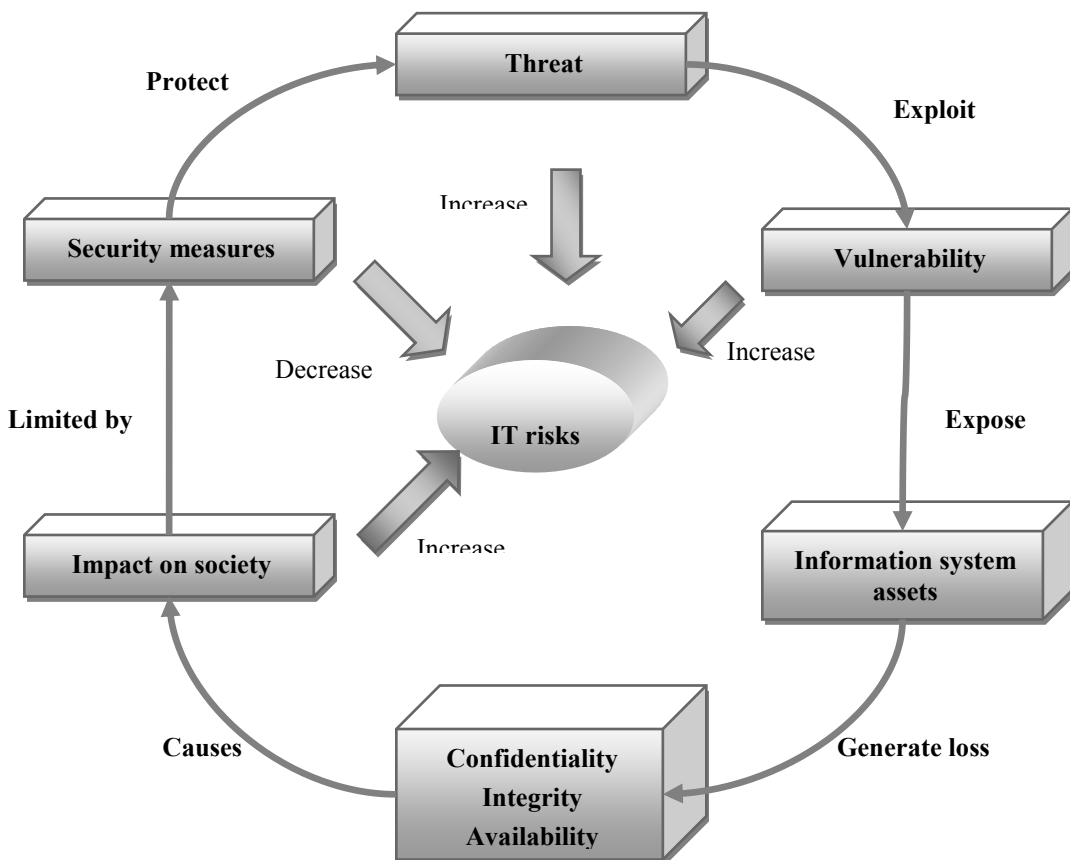


Fig. 1 IT risk components

4. Business Continuity and Disaster Recovery Plan

The most important measure recommended from the IT auditors to the company management, in order to lift up the partner level of trust and ensure the success undisturbed by the incidents. The principal reason for a company to develop a Business Continuity and Disaster Recovery Plan is the assurance of the company ability to operate efficient in the case of severe disruption of the normal operations. The severe disruption can appear from different sources:

- Natural disasters (fires, flows, earthquakes etc.);
- Equipment or processes fall-down (disks, programs, databases etc.);
- operating errors, sabotage;
- Terrorism or premeditated informatics criminality acts (for example, “denial of service” actions, hacking, viruses, worms, etc.);

The prevention of such events is not possible, but it is important to resume as fast as possible the essential operations of IT&C system. We should differentiate the loss prevention plans from the disasters recovery plans.

The loss prevention plans focus on minimizing the organizations exposure to the elements that may threat the normal operations. They basically contain activities planned on a regular basis like backups, authentication and authorization in the system, scanning for viruses and monitoring of the system usage.

The disasters recovery plans focus on a set of actions that must be realized by an organization in order to restore the normal services and operations in case of a serious loss. Generally, such plan will not describe the actions for every type of possible disaster, but it would search for common elements of the possible disasters, like information losing, personnel losing, equipment losing, the loss of access to information or facilities.

Conclusions

The projection into practice of these major requirements of a quality management in the European context means the implementation of a special component dedicated to the information security, called ISMS - Information Security Management System, in the informatics system of a company. The IT&C audit will focus on this system, without the resource consumption that is realized today for the classic IT audit.

ISMS is the frame for establishing, operating, monitoring, reviewing and developing controls and measures for assuring the information security in the context of an IT governance into an organization. ISMS become an organic component of the IT system and, as a consequence, a part of the general management system of the organization. ISMS is presented in ISO/CEI 17799 – 2000 standard, that has been taken over and adopted in Romania also by ASRO as an Information Technology Standard – practice code for the information security management SE ISO/CEI 17799 : 2004.

The security policy represents the central element of the ISMS. The security policy is made of a set of measures accepted by the management of the company, which states clear, but flexible rules that determine the standard operations and technologies required in order to assure the security. The security policy represents a document that states the main requirements or rules that must be known and implemented for assuring the security.

Audit certification, by obtaining the BSI Certificate awarded by the UK Accreditation Services – UKAS, even on-line, regarding the way an organization deals with the information security, respectively the control objectives, the security measures, the information security politics, procedures and processes, become a basic condition of an efficient management at European standards for the Romanian companies.

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THE PATTERNS DEVELOPMENT PROCESS FOR E-BUSINESS APPLICATIONS

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The main aim of this paper is to show how e-business represents an order of magnitude increase in the complexity and sophistication of systems used by large organisations, and how the IBM initiative can help address associated problems. The most significant contributing factor to this complexity is the high degree of integration required by virtually all the systems that contribute to the basic act of buying and selling goods and services.

In present, it seems likely that the ability to handle complexity, and deliver systems in a timely manner, will ultimately become business critical factors; the "Patterns for e-business" initiative is a frontal assault on proliferating complexity and integration.

Keywords: *e-business applications, patterns, best practices, integration of systems*

E-business applications

The specialists characterize these applications in this way:

- There is no longer a simple choice between buy and build. Systems architects and designers are faced with build, buy, rent, connect, or any combination.
- The consequence of errors and downtime with applications that interface to customers and trading partners are often major, and simply cannot be tolerated.
- It is often stated that Internet time runs several times faster than normal time. Speed of response is critical. If calling on accumulated experience means that a system is delivered significantly faster, then the business benefit will probably be very significant.
- E-business application development technologies are more complex and require very high levels of skill. The complexity of tasks means that Java and C++ are essential tools, and reuse of design components would reduce workloads considerably.
- The number of issues that systems need to address has become much larger. This includes availability, security, systems management, extensive integration with other systems, and increased application complexity.

Just as many other areas of business are using benchmarking and best-practice to establish a starting point for their activities, so IT professionals increasingly need a set of architectural and design 'best-practices' as a starting point for their activities. And the Patterns for e-business can be considered like this.

The importance of best practices in application development

The Internet is an excellent medium for communication, but, more importantly, it has evolved into a powerful business tool, a place where companies get real work done, establish real competitive advantage, and generate real growth and profits.

In March of 2000, Lou Gerstner, the chairman of IBM, predicted a major fallout in the Internet industry, not because the technology or medium itself was inherently flawed but because many companies experimenting with e-business were not adhering to sound business practices. The trends and new requirements proven *the importance of using best practices in the development of successful e-businesses.*

This rule of using best practices also applies when developing the applications and systems that run today's e-businesses. Application developers require proven techniques for building systems to take advantage of this new communications and business medium.

“Patterns for e-business” initiative of IBM

Patterns for e-business address a wider set of issues, such as design, development, integration, deployment, operation, and management for Web-based applications. These issues will become even more important over the next few years as systems architectures become more complex in response to the need for highly integrated, real-time corporate e-business applications. The complexity and variety of systems will ultimately expose businesses to unacceptable systems architecture risks, unless experience is gathered and abstracted as it is with the “Patterns for e-business” initiative.

The complexity of Web-based applications goes well beyond that of traditional enterprise systems. Security, systems management, interoperability, performance, availability, and many other issues are amplified in importance as soon as systems face into the external world. This is compounded by a need to integrate with existing legacy applications for processing of core transactions and for other activities such as on-line cross selling. The array of technologies needed to address these issues is bewildering and it is, of course, imperative that they all work together. This is why it is so important that “Patterns for e-business” addresses the runtime architectures with instantiations detailing actual products used. Simply knowing that a portfolio of products can work together is a highly valuable piece of information.

IBM has compiled the collective wisdom and experience gained from more than 20,000 successful Internet-based engagements and transformed that wisdom into the IBM Patterns for e-business. These Patterns provide the best-practice blueprints and tools to facilitate the application development process and enable companies to shorten time to market, reduce risk and, in general, see a more significant return on investment.

No matter the methodology driving an application development project, the major steps in successful projects are essentially the same.

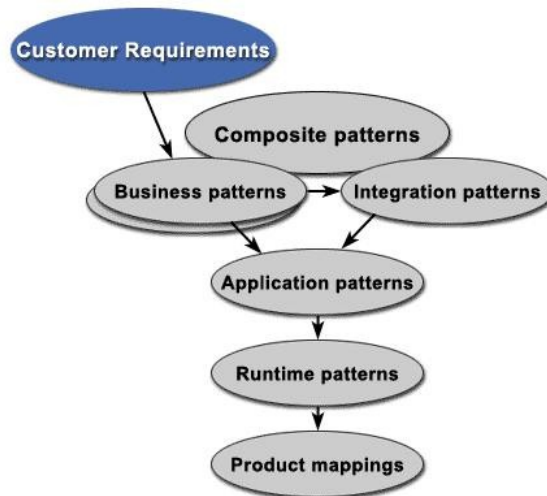


Fig.1. The Patterns for e-business layered asset model

Source - <http://www-128.ibm.com/developerworks/patterns/>

The Patterns provide assistance in all phases of the development process, beginning with requirements gathering. As a development team puts together requirements, the Patterns Web site helps match those requirements to the appropriate pattern, **Business pattern**. As the team refines the requirements and determines which existing systems, data stores and infrastructure will be integrated into the system, they can use the **Application pattern** to develop how application components and data within a business solution interact.

After choosing the Application pattern, the team can match **Runtime patterns** topology based on the existing environment and business needs. The Runtime pattern establishes the components needed to support the chosen Application pattern. Without advocating a particular vendor, this pattern defines the

logical middleware nodes, their roles and the interfaces among these nodes in order to meet business requirements.

Developers must now determine which products to use for the actual development. At this point, the Patterns provide a wide range of options and lend the developer significant assistance. Developers can access from the Patterns Web site **Runtime Product Mappings** that identify tested, optimal software implementations for each Runtime pattern. Associated with each Runtime Product Mapping on the Web site are best-practice application, design, development and management guidelines that have been gleaned in the process of developing these patterns. Developers can use them to access a wealth of information about other, similar development efforts.

Conclusions

The most significant contributing factor to this complexity is the high degree of integration required by virtually all the systems that contribute to the basic act of buying and selling goods and services. This integration is not confined to systems within the enterprise, but increasingly includes systems belonging to trading partners, third-party trading exchanges and perhaps most importantly those that face out to the customer.

The Patterns development process is a live project, ever-evolving and being updated as new products are released and are used in the building of real applications. IBM has constructed the Patterns and the Patterns Web site to enable development teams to work through the development process using their preferred methodology or the methodology suggested by consultants engaged to assist in the project.

Application development, regardless of the complexity of the project or the methodology, will benefit greatly by employing a best-practice approach to the process. While some aspects of an application development project may be unique, all development process generally follow the same major steps.

The IBM Patterns set the foundation for scalable e-business objectives. Companies can find the tools to build their first Web-based application, or link to additional services and products that will enhance even more complex projects. Using open-source standards, the Patterns take a vendor-neutral approach that accommodates today's complex environments and leverages the value of a company's existing infrastructure investment.

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THE SOFTWARE DEVELOPMENT PROCESS OF ECOMMERCE SYSTEMS

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*Today, in the new economy, while the possibilities for software are seemingly limitless, so is the growing demand. The problem is that speed and quality have typically been opposing forces in software development, and they still are. In the past, businesses could sacrifice software quality to respect the deadlines, or compromise on software features to meet time-to-market deadlines. In the new Internet economy, it have no choice: the software developers **must produce higher quality software**.*

For this reason in the paper, we described the key points of software development process in the new economy, trends and major characteristics, the evolution of this process. In particular, the ecommerce system development methodologies which resolve the problems of e-business applications.

Keywords: *ecommerce systems, software development process, CMS-Content Management Systems, new economy, new business*

The major characteristics of new business

“Software is the world's most critical industry and will be for years to come. Yet most companies are spectacularly unprepared to create the software that will redefine how they interact with customers or that will help deliver their goods and services in new ways. “ – affirm Mike Devlin, Chief Executive Officer, IBM and Paul Levy, CEO, Rational [2].

Technology still drives the new economy, the e-economy. The difference is, the stakeholders in the new economy have remembered how important profitability is. The Internet - with the software and communications technologies that drive it - is changing everything.

But, software is everywhere, from the cars we drive to military equipment (today, 80% of a fighter jet's capability is performed by software, compared to 6% in 1960); to the cell phones that are allowing us more freedom and mobility. As software is becoming more present in more places, so too is the Internet impacting every business in this e-business world. become For businesses the world over, the Internet continues to drive more change and more opportunity.

Today, in the new economy, to be competitive, every business must embrace the technologies of its customers, its supply chain, and its partners. Software is increasingly used as the basis of this connection.

It has made so many surveys in this direction and the conclusions are:

- Software will continue to become increasingly complex.
- The new economy requires software that can be continuously updated.
- There are unlimited possibilities for software's growth.

Grady Booch has often said, *"We cannot reduce complexity in how we build software. The best we can do is manage it."* Today, the software developers are pressured to deliver more complex applications that require more mastery of more computing concepts and techniques than ever before. In building for the Web, the trend is toward even more concurrent, more distributed, and more connected applications.

In the past, most new software systems were developed by an internal IT organization, and the predominant value of software was in reducing the cost of doing business. Today, the new demands are competition, revenue and ever-faster cycles of development and upgrade. Indeed, the Internet has revolutionized the ability to both include the user during development and deploy software products transparently to a broad user base.

This need to support continuously evolving systems has driven today's software development processes away from the traditional sequence of waterfall development activities toward a highly iterative model. In the past, many software domains drew a distinct line between development and maintenance, but future software projects (legacy system upgrades, new applications, or some combination of the two) will not differentiate much between development and maintenance.

Iterative development and the Internet are also driving software engineering toward a more homogeneous software management approach. This includes process frameworks, advanced requirements and design notations, and Web-based architectural patterns.

Evolution of information system development methodologies, in particular ecommerce systems

First of all, the term *information system* is often used. A special type of information systems is *web information systems*. The development of complex, data-intensive web applications is becoming simpler due to the usage of content management systems [3]. Conventional information systems development methods as well as web application development methods do not cover the specific needs of a method for web content management implementations.

A large number of information system development methods are available (fig.1). Many specialists considered that web applications can be seen as a subtype of information systems. Using data-intensive Web applications raised new problems concerning consistency, navigation, data duplication, content audit and control, tracking of content and mapping the website workflows on the business processes [7].

The solution for these problems was found in content management. *A content management system* (CMS) makes it possible to create, archive, search, control and publish information from within a flexible and integrated environment [1]. A special type of content management systems are CMS-based Web applications, which are defined as Web applications for the management and control of information [5].

In academic and professional literature no specific methods on this subject exist. Currently, established information system and Web application development methods are being used, but these methods are not able to cover specific content management aspects.

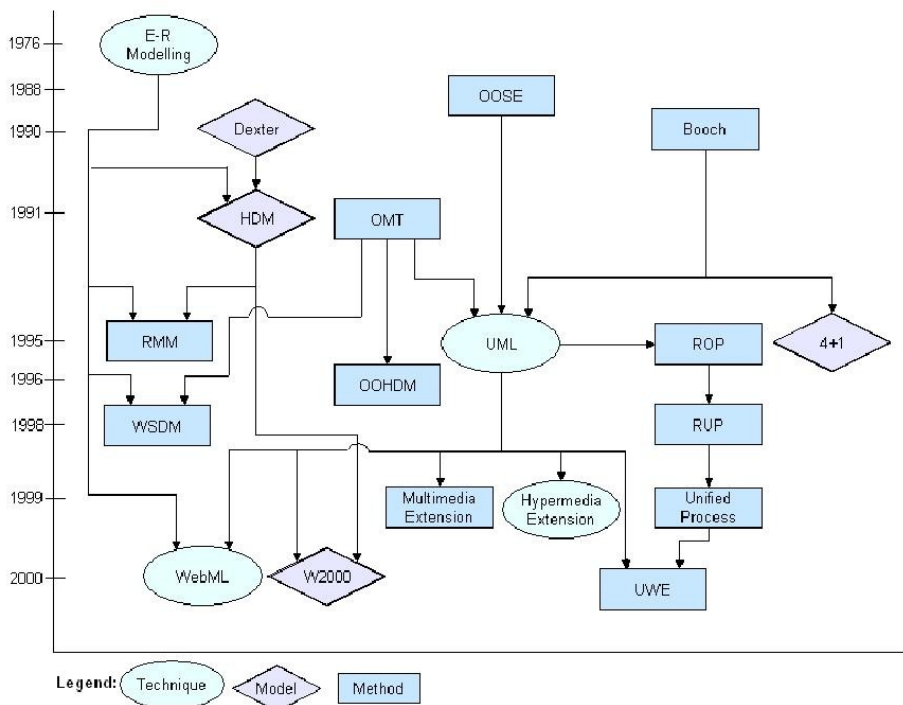


Fig.1. Relation between design method , model and technique

Source - Inge van de Weerd, *WEM: A Design Method for CMS-based Web Implementations*, technical report Utrecht University, 2005, pag.18

The software development process of ecommerce systems

IT professionals, web designers, engineers, IT managers or executives, everyone must understand how to apply software engineering concepts for ecommerce systems, for better integrate their software with the needs of their business. IT professionals need to establish a methodology that resolve all the problems of e-business applications. Those software developers who understand the concepts of analysis, architecture and design, will have the success in developing ecommerce systems.

It is important to understand the ecommerce systems that a new and unique form of software development which must not be build with the same methodologies necessary to build any information system. The development of successful ecommerce systems depends on powerful analysis, design and implementation.

The software developers must be able to understand the customer needs, provide user interface requirements, establish security, network architecture, ensure integration with legacy systems. Standard methodologies tend to depend on the existence of homogeneous conditions in business, but this fact didn't exist for ecommerce systems.

Because it doesn't speak about the information system analysis or design without the approach of software life cycle; for ecommerce systems, IT specialists must use a life cycle witch integrates creative design, advertising, marketing concepts (distinctive characteristics of the Web) and software engineering requirements. This life cycle must combine the traditional software life cycle with the spiral life cycle. The spiral approach develops each component of the total project independent, as such should have its own life cycle, each component can be middleware component, objects or reusable applications. The traditional approach is used for analysis, design or implementation.

In this way, it takes the best from both cycles.

Conclusions

Over the past two decades, the software industry has moved unrelentingly toward new methods for managing the ever-increasing complexity of software projects.

Two important remarks must mentioned:

- **Software will be the key differentiator for every business in the new economy.** It connects businesses to customers, suppliers, and partners. It empowers everyday devices.
- **Reduce complexity and improve processes at all levels of software engineering.**

The full integration of electronic communications and the business sector happened. Indeed, it is happening now as ever more modular ecommerce systems are being developed and deployed into the marketplace.

It is important to understand the ecommerce systems that a new and unique form of software development which must not be build with the same methodologies necessary to build any information system. The development of successful ecommerce systems depends on powerful analysis, design and implementation.

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IMPLEMENTING E-MANAGEMENT IN SMALL AND MEDIUM ENTERPRISES

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This article presents the practical aspects of the e-management concept applied to SMEs (from Romania, but applicable to any new EU member): what is actually an e-management system, why to implement it in a SME and what are the key aspects to consider. The theory is demonstrated with several case studies (both positive and negative) to emphasize the importance of each step from the e-management implementation.

SME, e-Management, e-Commerce, e-Business, Internet, Management, IT

Understanding e-Management, e-Business and e-Commerce

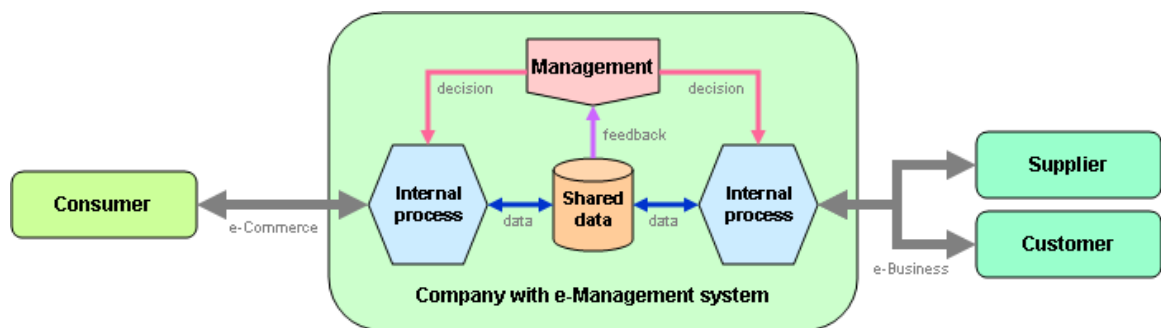
In the past decade there were a lot of discussions around those new terms, and they were marketed as the magic solution to all company problems. As any new technology they remain mostly only at theoretical stage, and were implemented first on large companies.

SMEs didn't use those type of technologies until recently, mostly because of implementation costs and lack of expertise on those domains. Since Internet and computers are now common things – like facsimiles once – it's trivial for any company to have at least a website. But a website is not any of those terms above, a website it's about marketing – or e-Marketing.

e-Management is about taking all the company's internal and external organizational processes to the next level: using software tools to centralize the data, to interconnect systems and customers and to use the feedback from those tools to take appropriate action. Using basic tools like "Microsoft Excel" or "Microsoft Access" is not quite e-Management, but is an intermediary step from paper-work to the true e-Management.

e-Management systems allow the interconnections of all SMEs suppliers, partners, customers and consumers, providing accurate measurements for all indicators required for an effective management decision – *you cannot manage what you cannot measure*.

Implementing an e-management system is not an easy – and not cheap, so accurate planning must be prepared before taking action. But the costs will be covered by the benefits if the company is expanding and the processes have an increased complexity.



Data flow in e-Management

e-Business is about connecting more companies using an integrated system, and this can be a part of the e-Management system. e-Business is the next level of fax and email orders, like connecting a company with a supplier or with an outsourced company.

e-Commerce is very common those days, and is about connecting the customer with the company. The typical cases are on-line stores from the Internet.

Using those new approaches is not mandatory for a SME, but since Europe become a single market exploring the new opportunities and meeting the new demands will soon impose e-Management as a new standard for any successful SME. Any Romanian SME working with other European companies which already have standards applied (ISO, TUV, etc) will have to implement an e-Management system.

Internet is usually the main channel where all the data flows, and due to mobile technologies, managers can have access to key information about their business anytime, anywhere – so travel times are no longer “dead times”, the manager can actively control the business even if they are not in the office.

E-Management provides the necessary support for a company to achieve the objectives using a clear path, measurable and predictable.

Arguments for Implementing an e-Management System

To implement an e-management system a SME must be first of all sure it needs one. Without a rigorous planning the new system can soon become a bottleneck and using it can cause disaster in the company.

Arguments to implement an e-management system:

- The company has many internal processes (manufacturing, shipping, customer support).
- Communication between the internal processes is performed using basic tools (phone, papers).
- There are many cases when production is delayed because of lack of stock.
- There is no (or poor) control of product’s life cycle (who manufactured it, who tested it, who packed it, when, etc).
- The management cannot identify the source of customer complaints
- Partners and customers are located in a different geographic region (country) or they use a different language
- There is a clear view of all processes and of metrics required from each process.
- There is a budget for e-management implementation (time costs, training, equipment, framework development).
- Employees, partners and customers have an acceptable technical IT level.

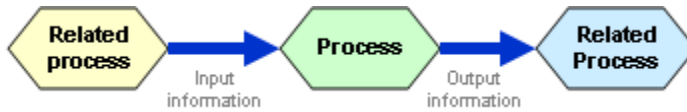
Arguments to not implement an e-management system – or to delay it

- The company has a limited number of customers, or the customer feedback is not vital.
- Customers and partners are located close to the company and they have very tight relations.
- There are few processes and they are simple and straight forward.
- There is already a simple process implemented for keeping record of production flow, which provides acceptable results.
- There is no budget for implementing a new e-management system, including the cost of staff training.

Steps to Implement an e-Management System

Any form of e-management implementation must go through the following steps. Skipping any of those steps can lead to future disasters in the company.

1. Documentation of all processes – all internal and external processes must be documented. For every process there will be described the actions performed, the responsible for every action, the information used (from other related processes) and the information provided to the next processes. A definition of metrics and performance indicators for every process is also required.



2. Definition of requirements – what SME management expects from the new e-management system: what global system indicators should be provided, when they will be calculated, and how those indicators should be calculated. A detailed descriptions of all capabilities will be also defined – in order to be more accurate, it's a good approach to describe also what the system should not do (this will avoid further confusions). The requirements will describe where and how the data will be presented – in a computer application, on the internet, will be sent by email, etc.
3. Provider selection: usually there are two main options: buy a (software) tool that meets the requirements or contact another company to develop a custom (software) tool according to the requirements. The decision here must consider several factors, besides costs:
 - How many requirements can be met by using the off the shelf products – most of those products meet some general requirements, but may not meet some key requirements which disqualify them.
 - What customer support is offered by the provider and what are the service terms. Training for all company staff will be required and those aspects should be treated with care, especially if the system will be implemented and customized by another company.
 - If there are options to develop and implement the system in several stages, for a flexible depreciation schedule.
4. Purchasing/development – if “of the shelf” products will be used for the e-management solution, they will be purchased in a custom configuration (if possible) with documentation and training programs. An extended support contract is useful. If the e-management tools will be developed by another company it's better to keep close relationship with the development team. For a successful final product, intermediate product snapshots can be tested during the development cycle, so adjustments can be made earlier.
5. Testing period – depending on the complexity of the e-management process, there will be a testing period of the new system. In this period there will be used both methods in all processes – the old method and the new one – to ensure the continuity of the production process and to check if the indicators provided by the e-management systems are reliable. This phase should be ended after all the staff is accommodated with the new system, the company went thorough all possible cases (including end of the year backups and reports), and after all requirements were successfully tested. The e-management solution should be modified if there are any discrepancies.
6. Future improvements and maintenance – during the e-management usage period new opportunities will be opened, and there will be some point when the e-management system should be improved, so the implementation process will be repeated with the same steps, with the amendment that this time provider selection can be the same as before, to ensure continuity and less effort and costs.

The steps above are a general description of e-management implementation. For an already established SME it's easier to define the goals and the requirements for the e-management system, but implementing it without major time costs and production delays can be a challenge, depending of the size and complexity of the SME.

For a new SME will be easier to implement an e-management system from scratch, but defining an accurate set of requirements, indicators and processes can be difficult without some management expertise. Lessons learned from other similar companies and case studies can help preventing future disasters: if wrong requirements are defined, the e-management system will be slow down the company growth.

Internet is usually the meeting point and the interaction platform for the e-management system, and special precautions must be taken to prevent data losses and to protect confidential information. Besides the bad publicity of the Internet environment (hackers, attacks, etc) it can be a safe place if some security

requirements are met. Those aspects should not be neglected when defining the requirements for the e-management system.

Case studies

Following there are several case studies of SME which implemented e-management systems.

Textile Company Case Study

This company produces textile subassemblies in outsourcing mode for its German partners, has around 15 employees and 12 production machines. The company manufactures several types of products, and the average number of pieces manufactured monthly is around 30.000 pieces.

One of the main management's challenges is to keep track of all products, which is a strong requirement of the German partners, which is an ISO certified company. All defects must be tracked and an archive of 5 years of all production must be kept. In order to integrate with the partners e-management system, the company has to provide monthly reports in a fixed electronic format with all production records (around 15 items for each product).

The other major challenge was stock management, especially handling different wire coil colors. The same color can have different shades which cannot be mixed for the same product, so precise management is required.

To keep up with those demands this company implemented a basic paper tracking system, which afterwards was manually translated to electronically format, send and archived manually. This system introduced many errors and the final reports were not accurate which caused a lot of complaints from the German partners. The stock management was poor, using some basic worksheets and manual operations, causing frequent chaos and production delays.

The company management contacted a software development company to implement a custom e-management system, which had to overtake all manually work. The main requirements were:

1. All production data to be centralized into a single electronic database, accessible from several production units and from management offices
2. All data inputs to be automated into a user-friendly software tool, with very strong proof (most human operators didn't have any computer-usage knowledge). The manual human inputs should be minimized, so inputs from weighting machine and bar codes will be automated.
3. Stock will be handled automatically – the only inputs will be just entries. Warnings will be issued when items are below thresholds and data aggregation with reporting features for the management.
4. Several reports and data aggregation will be available to the management, which will provide manufacturing status and times per machine and per human operator, number of defects, wire color usage, packed products and products ready to be shipped.
5. The data will be automatically exported to the format required by the German partners, and all information and reports will be automatically archived for future usage.

The system was developed and implemented in three months time, with two weeks of trial period. After several month since the implementation, the management feedback stated total control of stock with huge improvements in production times, a speed-up of the production and no delays or errors. Due to defect-orientated reports, the management could easily identify machines with high defect rates and replace the part in time to minimize losses. The German partners are also pleased with the accuracy of the data provided.

The company made a step further and implemented a production calculation feature to enhance short-term planning and future company strategy. The e-management system will be also the platform the ISO 9001 certification process.

Visual Effects Studio Case Study

This is a small company with 5 employees which provides visual effects and video animation services. The team works in the same time at multiple projects, and the challenge is to keep track of the time spend for each project, because there are many last-minute requests and changes from the customers.

The job specific requires a lot of customer reviews before the final delivery, so a team member must meet the customer and spend some time for reviewing and recording comments. This implies a lot of production time lost with meetings and travel. Customer communication was done by phone and by email, and after several communication sessions the track of customer requests is lost or misunderstood.

They contacted a company to develop an online e-management system with the following requirements:

1. Every team member will use an online website interface (for mobility) to keep track of all actions performed on a specific project (time spend, modification of requests, comments, prices offered, etc).
2. The team and the management will have access to visual reports for deadlines, resources load, total time spend for each project and other related information.
3. Customers will have a dedicated client area on the website, and they will be able to visualize their products online, with the ability to post comments. The team members will address those comments and will be able to respond, also online.

After the implementation of this e-management system the company management was able to invoice correctly for each project, according to the time spend for each project. The mobility and productivity of the team increased, since they didn't have to travel so much, and they could see from any location the status of the project and customers demands or comments.

Negative Case Studies

As stated in the previous chapter, not any form of e-management system is successful: a auto garage management wanted to implement a form of system for keeping track of employees time spend on each operation and to generate an invoice automatically. Because the garage management didn't contract a support service as well, the employees weren't able to handle the new system and it was soon abandoned because generated more delays than before.

Another SME from the logistics segment acquired an "off the shelf" system for an e-management implementation. But the system didn't meet an important requirement: accepting data input formats from partners, so without this key-feature it was soon abandoned.

Conclusion

e-Management is not rocket science and in the following years will become a requirement for any SME which aims for the European market and success. It will be something imposed both by the competition and by the customers.

Any SME management just has to realize that it needs an e-management system.

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HEALTHY BUSINESS AND INFORMATION TECHNOLOGY

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The events in the life of an organization flow rapidly and the socio-economic architecture changes while the managerial actions can modify the web of significances and the health of the business. The genesis and the consacrations of the market economy is a complex process that supposes mechanisms and institutions that guarantee values, norms and principles that are adequate for competition. The future imposes more and more the decrease of functional borders, promoting competition as a solution for ensuring success in a complex and dynamic environment.

Key terms: business health, socio-economic architecture, competition

Introduction

From the perspective of an enduring development, the management has as objectives creating jobs, reducing poverty, access to education and health services. The essence of competition is influenced nowadays by the correct way in which the management of the organization know and perceive the most relevant economic tendencies. These tendencies are determined by the essential transformations that occurred in the business environment (globalization, the increase of the services sector, competition based on a time factor, client's behavior).

Practice shows that the companies with the biggest success in business are those that focus their efforts on satisfying the needs of the customers while remaining profitable, searching for ways in which this objective can be achieved in a more performant manner than competitors.

A company survives and prospers when it satisfies the requests of the clients in a more profitable and efficient way than the competition. For doing this, the company has to elaborate a plan with strategic implications in terms of products and markets on which they focus their efforts with a special focus on identifying those elements that can ensure high levels of value as perceived on the market while bringing added value.

Companies can become performant only if the managerial system ensures conditions, by its decisions and actions, for identifying markets and categories of consumers. Managers can't ignore the importance of creating adequate price strategies and ways for promoting the products as efficiently as possible, while being connected to the specific of the conditions on the market.

In any organization, the management is based on information which shows that new technologies are not necessary to any manager, at any level of an enterprise in order to take healthy decisions, for choosing strategies and a certain policy. The availability of advanced technologies of information (computers with Internet or an Intranet network) ensure the communication between employees that is mainly written (information will no longer be truncated). The genesis and the consacrations of the market economy is a complex process that supposes mechanisms and institutions carrying values, norms and principles that are adequate for competition.

1. Diagnosing a business

The high dynamics of the IT society determines the organizations of any kind to continuously adapt to an environment in a continuous change. A periodical evaluation of a business represents a vital routine for its success. Either the organization employs a consultant or it does the evaluation internally, as a retrospective, it is necessary for finding the strengths and the weaknesses of a business

The management is continuously asked to answer the following questions:

- Which is the control panel structure of the management of the business?
- How are weaknesses of the business identified?
- How are computed and what is the significance of financial indicators?
- How can financial information be used to make the general management of the company more efficient?
- What is the role of the business plan?
- How are elaborated the budgets of the company?

In order to answer these questions the following will be used:

- Commercial diagnosis** through which is underlined the portfolio of clients and the types of projects implemented for these (or the products sold to them). It will also be attempted to approximate the degree of satisfaction. Thus, a structure of sales based on categories of projects/products/services sold/accomplished, the importance of various managerial decisions. Another aspect that has to be considered is the marketing policy of the company, underlining strengths (successes), weaknesses, opportunities and threats in a SWOT analysis.
- Diagnosis of the internal potential** in order to obtain an overview of the employees is needed to evaluate them at least annually. In this way there can be noted the positive aspects, the performances in the last period and the aspects that need to be improved can be identified. The evaluation has to be done by a constructive and open dialogue with the employee, so that it'll have as a result an improvement of his performances
- The organizational diagnostic of the company.** The following elements will be taken into account: the structure inside the company (how is the the communication between departments, who needs whom inside a project), the way in which decisions are taken regarding different projects, etc. The weakness of the organization of the company will be identified and how can these be improved. It is a good idea to create diagrams of the company with connections between departments in order to illustrate the above aspects.
- The cultural diagnostic** aims at checking if the team is working well together. The management of the company has to get involved in cultural aspects, creating team buildings, parties for employees etc. These things have to be mentioned in the global evaluation of a business.
- The technological diagnostic** attempts to verify if the company is making efforts to follow the international trends. Studying the IT infrastructure of communication can offer important information about the way a company works.

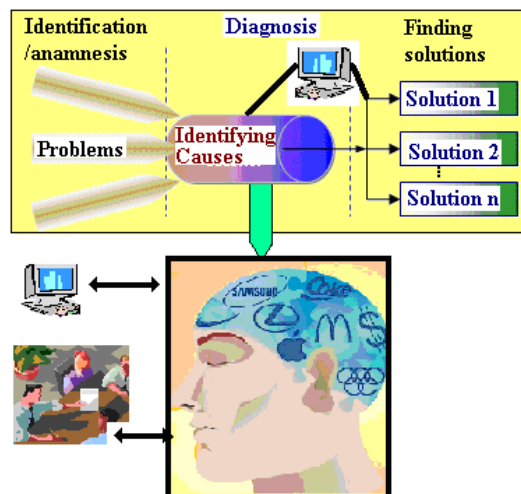


Figure 1 The process of diagnosis

- The financial diagnosis** of a company aims at studying the activity of the company statically,

dynamically and comparatively in order to evaluate the results obtained, the financial balances, the resources and their use, in connection with the efficiency of the invested capital.

In indexes computed based on accounting and financial information and the yealy financial situations allow drawing conclusions on the financial and economic state of the company. Starting from these indexes one can express the financial strength, the way in which capital is managed, liquidity and solvency, the efficiency of using the assets, the state of financial balance or imbalance, economic and financial profitability. By comparinf standard values with the results of the computations, based on real data, one can have a correct image over the economic and financial position of a company in its industrial branch and/or on the market share it refers to.

2. Information and communication technologies - supporting a business

Information management assumes performing some specific activities: designing and updating strategic information technology projects, applying coherent restructuring solutions, defining and following standards of aquiring, transmitting, processing and storing data, a high level assistance to final users.

In order to be successful and to be able to measure the level of success achieved, an enterprise has to establish some goals. The goals of the company have to take into account selecting strategies that would lead to achiving the objectives with the aid of a series of information and communication technologies.

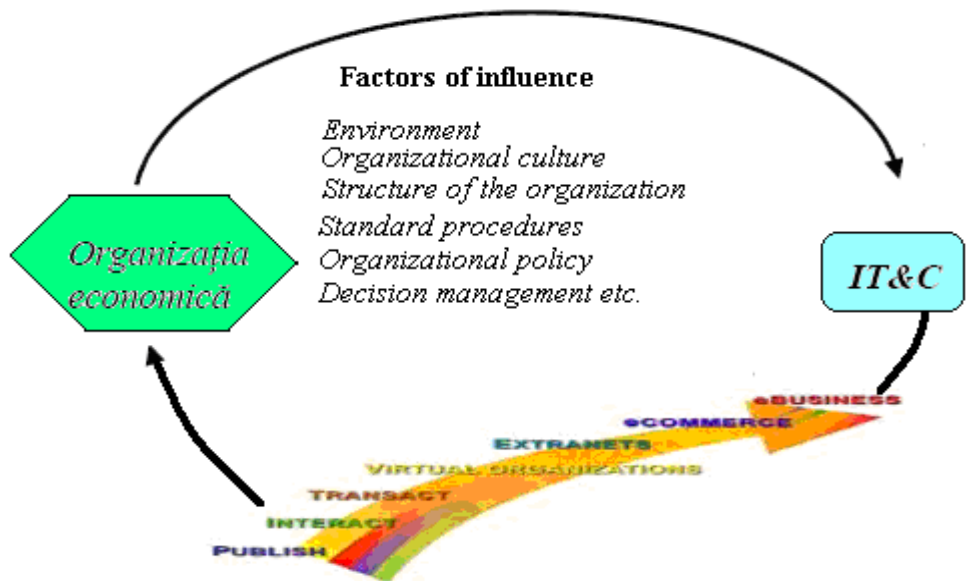


Figure 2 The relationship of information and communication technologies with the economic organization

The interactions between the informatic system and the members of the economic organization are extremely complex and in a continuous dynamic and in the future the functional borders will b reduced, promoting competition as a solution for esuring success in a complex environment.

Modern companies have to answer an increased need for „freedom”, of expression of the imagination, of fantasy and pleasure to work. That’s why organizations have to:

- Be temporary systems, capable of adaption and in a permanent change, depending on the evolutions of the environments and on individual needs.
- have groups of persons with different qualifications that would rapidly adapt to the changes in the internal and external environment
- Have a management that plays a role of connection between groups with a capacity of understanding the scientific language without asserting that he knows and directs the activity entirely.
- Have the management of the groups of specialists in an „organic” manner, rather than a „mechanic” one, the creation of groups depending on the problems that appear, and the command being given to those who are most capable of solving problems, not to those who have a certain rank.

The visions over the modern information technologies show that they represent a multidisciplinary domain that contributes to the creation and functioning of economic systems. For example the manager's success depends on his emotional competences and there is more and more research lately about the role of emotional intelligence in the professional activity.

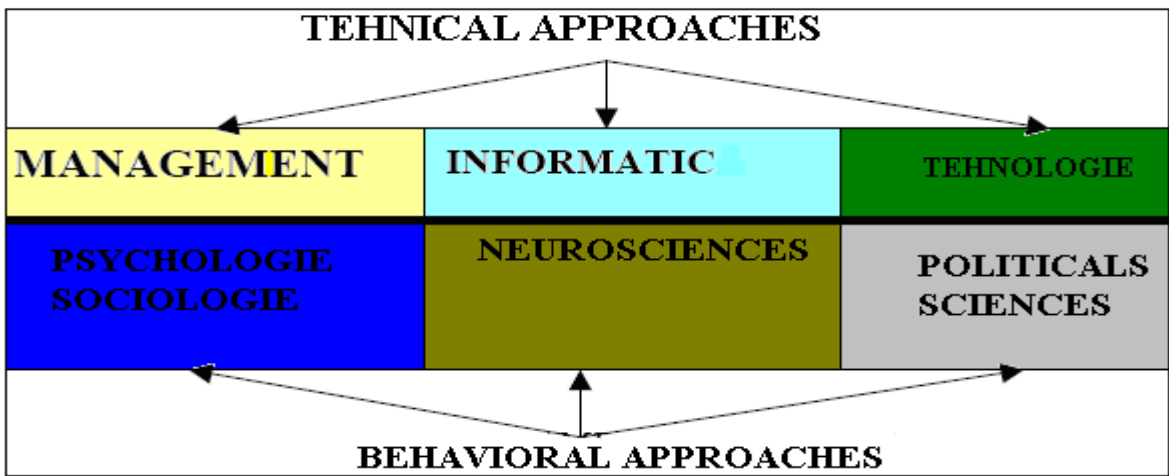


Figure 3 Interdisciplinary approach of information and communication

Another problem is what the technical or human limitation is until which web technologies can be applied for recruiting work force and in the same time it is extremely important to sense very early the intelligence level of a candidate to predict his chances of integration in the team and in the company.

The contemporary research is mainly transdisciplinary and less disciplinary, more experience based then experiment based.

3. Options for new network informations technologies

New technologies transform the way of communication between human and company entitites, simplifying and improving (or worsening) the relationship between people. The researchers are elaborating new communication technologies in an attempt to perfect the instruments (mainly multimedia) used for more and more people. Studies aim at obtaining a miniaturization, a simplified usage and the mobility of these technologies and component miniaturization (for example portable computers, mobile phones etc) in order to permanently maintain the connection with the workplace or the family. Thus we can easily make calls, we can send or receive facsimile or we can enter the Internet, from anywhere. For example a PDA (Personal Digital Assistant) represents a real communication center, combining the functions of an electronic agenda, a telephone agenda, a text processor, a facsimile and e-mail.

Neurosciences contributed to the new technologies as is the case of the tactile screens, computers where most functions are verbally transmitted or dictating a text directly or the new camera that focus automatically the image that the eye focused to.

In the same time, there are attempts to create programs that allow the control of the computer directly from the brain, that are use in the military and medicine.

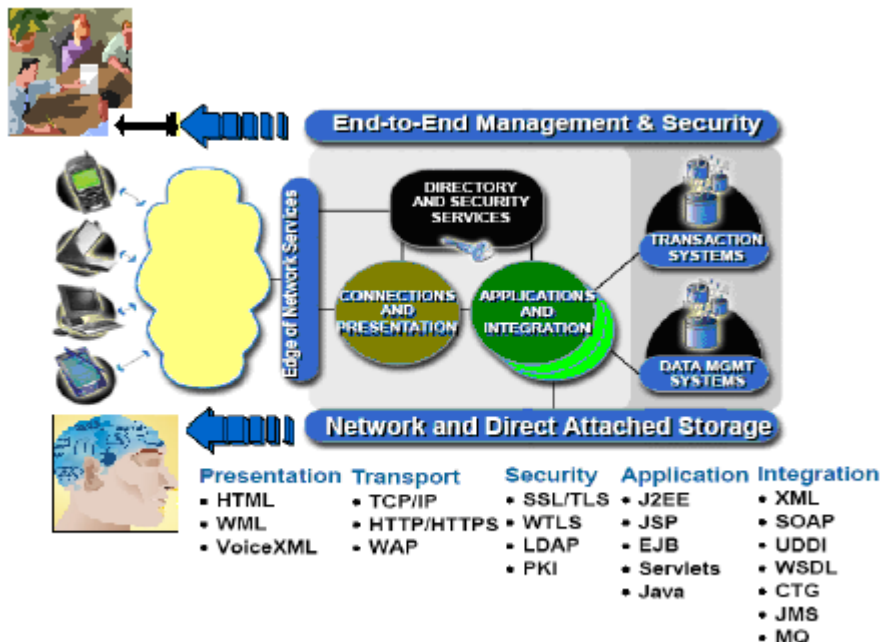


Figure 4 Types of NNIT

The most important technologies used in e-business and implemented by IBM Software Strategy for e-business are: Java, Extensible Markup Language (XML), Java 2 Platform, Enterprise Edition (J2EE), Presentation layer, Web application server, Integration server, Protocols, Objects, Struts, Eclipse, MVC pat-terns, Common Object Request Broker Architecture (CORBA), Transactions.

Many of these technology choices continue to evolve and expand as the open standards specification evolves to include a broader view of the enterprise architecture. The figure 4 demonstrates some of the common e-business technologies. Some technologies, such as Java and XML, can apply to more than one layer.

Conclusion

1. The direction toward Web services will particularly help “Net Generation” (companies that are born on the Web) to become successful by allowing their services to be easily discovered world wide and easily integrated with other services ranging in scale from other Net Generation services to enterprise-scale services.
2. The technological assimilation process resembles more the harmonisation of an orchestra to perform a concert rather than the individual study of a particular instrument. Individual virtuosity is a prerequisite, but on their own, an instrument and one musician only cannot replace the orchestra, the conductor, rehearsals and the continuous adjustments that are commonly agreed upon.

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EXCELLENCE IN BUSINESS THROUGH THE NEW IT TECHNOLOGIES

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Abstract No matter what branch of activity, dimension or maturity of its business, an organization should have a management framework to survive, to have success and to obtain excellent results in the domains of key performance as well as in the relationship with clients, personal and the impact on the society. Excellence supposes discussing the current situation as well as the implementation of a set of systems, processes and interdependent and relational data, which bring changes through learning, innovation, capitalization of the opportunities of improvement that bring added value using the new IT. Modern business aims at eliminating the geographical barriers for exchanging information, experience and communication with the decision centers.

Key terms: performance, added value, excellence, modern business, new IT.

Introduction

The economic actions require each other, are inter-conditioned, are complementing, extending and shrinking according to a behavior that is a consequence of the nature of the economic activities. In this way have grown the contemporary economies, as distinct entities, that vary from area to area, from country to country, but can be justified through their own extent of applying the existing legislation provided by the economic sciences.

The economic agents are trying to answer with as adequate as possible initiatives to key questions, by giving an interpretation of the functioning mechanism of the economy, through all its complexity: who produces? who consumes? what it produces? how much it produces? how much it consumes? how it produces? how it consumes? Overall, the economy has always answered these questions, but in different ways and with different results in various countries.

Starting from the criteria of belonging to the system of statistic evidence of the national accounts, the economic agents can be grouped in:

- agents that produce goods and services, such as companies
- consuming agents, as are the households
- financial agents, represented by the financial and credit institutions
- administrations
- the rest of the world, representing the agents belonging to other national economies

1. The relationship management - excellence

In the current phase of development of the market economy, the activity of the manager is a continuously ascending process. Depending on the mutations that occurred in the society, the management is called to solve compromises between the need for usefulness and the available resources, laying the basis of the policy and strategy, implemented by people, partnerships, resources and processes, with the aim of obtaining excellent results in the domains of key performances, as well as in the relationship with clients, personal and in the impact on the society.

Modern business are based on the sum of activities of study and analysis of the existing technical solutions, of the materials, technologies and costs, as well as in the elaboration of methodologies and computing procedures for the functional and dimensional preestimation of the adopted solution.

According to the international standards, the quality of a business is the sum of properties and characteristics that enable the third parties to satisfy some explicit or implicit necessities. We may note that

the notion of quality results from matching the sum of characteristics to the needs of the beneficiary. Quality can be expressed explicitly, using a set of special characteristics, as reliability, maintainability, availability and security, exactly defined mathematically.

Quality depends on several factors:

- conception
- production
- use

These factors form the conceptual model called “the quality loop”.

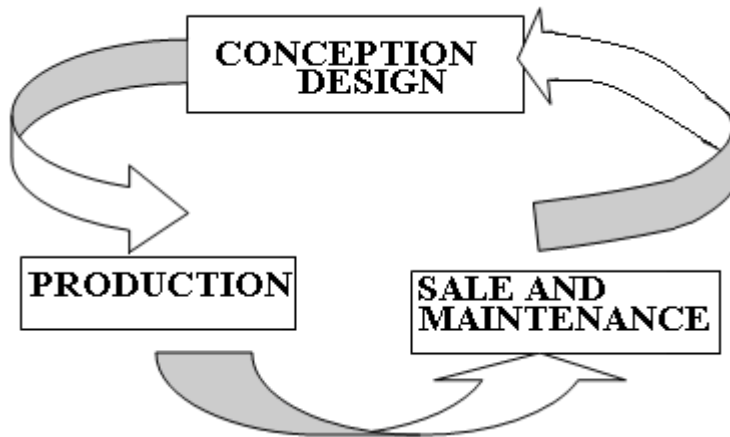


Figure 1 Quality loop

Based on the concept of quality loop, we'll consider the following as components of quality: design quality, production quality and sales quality to which can be added the elements of the reference to maintenance. A high quality of a business is the premise for obtaining excellent results based on a high management.

The values promoted by management are:

- Excellence
- Objectivity
- Empathy
- Determination
- Integrity
- Honesty
- Ethics

Some decision factors still believe that intuition and a set of rules represents the quintessence of a modern economical thinking, taking decisions that justify only the regulations from which result orders that are executed unconditionally.

The relationship between the management of a business and the excellence model is best reflected in the link with the clients, and the solutions aim at measuring and monitoring client satisfaction as an evolution from satisfied to charmed clients. The business success of any enterprise is determined by its capacity to identify the needs of the consumers and to offer products and/or services to satisfy them.

In order to increase clients' satisfaction the aim will be:

- achieving abilities in managing the relationships with clients;
- knowledge of the typology of the client and adopting an approach related to this typology.
- The excellence model is a practical approach that can be used in a variety of ways
- as an instrument of auto evaluation;

- as a means of Benchmarking with other organizations;
- to identify the areas of continuous improvement and to coordinate the various initiatives in the branch;
- as a basis for a common vocabulary and way of thinking;
- as a structure for the management system of the organization.

The excellence model allows various approaches for obtaining results in all areas and is based on the premise that the management of the company lays the basis of the policy and strategy, and these are implemented by people, partnerships, resources and processes, aiming at obtain results in the domains of key performances and in the relationship with clients, workers and in the impact on the society.

1.1 Fundamental concepts of excellence

Excellence refers to *determinant factors* and to the *results*. Determinant factors evaluate the activities performed with the aim for getting the results. The results are caused by determinant factors and the determinant factors are continuously improved on the basis of the **feedback** received from the results.

A business based on the model of excellence is (see figure 2)

- **oriented towards results.** Excellence means obtaining results that charm all the interested parties;
- **oriented towards clients.** Excellence means creating sustainable value for the clients and also added value;
- **leadership and excellence.** Excellence means a visionary leadership, charismatic and persevering;
- **management based on processes and data.** Excellence means managing the organization with a set of systems and data that are interdependent and relationated;
- **involvement and development of the worker.** Excellence means maximizing the contribution of the employees through their involvement and development;
- **learning, innovation and continuous improvement.** Excellence supposes discussing the existent situation and applying change through learning, innovation and using the opportunities for improvement;
- **developing partnerships.** Excellence means developing and maintaining partnerships that bring added value;
- **public responsibility.** Excellence means exceeding the minimum legal requirements for operating a company and the effort of understanding and answering the expectations of the interested parties from the society.



Figure 2 Model of excellence

1.2 The SWOT analysis (Strength-Weaknesses-Opportunities- Threats)

SWOT is one of the most used methods of analysis of the level of performance of an organization with the aim of analysis the position of an organization or of a department in relation with its competitors and identifying the major factors that affect the activity, with the aim of creating a future strategy (figure 3).

SWOT is an extremely simple to apply instrument which can be adapted to the requirements of various organizations. This analysis method helps identifying the strengths, the weaknesses, the opportunities and the threats characteristic to an organization or to certain elements inside it.

SWOT allows the identification of *internal and external factors* that affect the organization and quantifying their impact on the organization. The *internal factors* corroborated with the strengths and weaknesses are: the structure and the culture of the organization, its resources and shareholders. The *external factors* are related to the opportunities and threats represented by the clients and the competitors of the organization. We can also enumerate here other factors: political, technological, individual, economic and social problems.

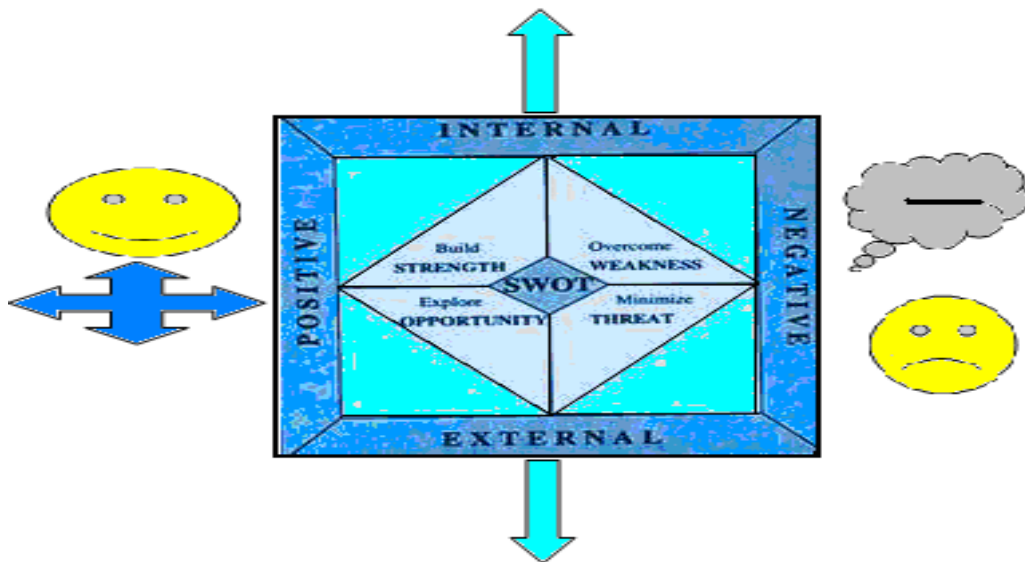


Figure 3 Factors of SWOT

1.2.1 The SWOT method

Applying the SWOT method supposes identifying:

Strengths are defined and measured in the domains in which the organization is excelling, that is:

- Witches are the strengths of the business?
- How strong is the company on the market?
- Does the company have the latest technology?
- Is there a clear development strategy?
- Is the culture of the organization favorable for a positive working environment?

Weaknesses are defined and measured by measuring the weaknesses by answering the following questions

- What can be improved in the activity of the company?
- What are problems faced by the company?
- Are there problems related to cash-flow?
- Is there a lack of financial resources for the projects?

Opportunities are defined and measure the opportunities, that is:

- Are there favorable circumstances on the market?

- Are there opportunities to extend to new markets?
- Is the integration of new technologies a priority for the company?

Threats are defined and measure the threats to which the company is exposed

- Which are the obstacles the society can face?
- Can rapidly changing technologies affect the market share?
- What are the changes produced in the companies of the competitors and how can these affect the company?
- Can changing policies in the field and changing laws affect the activity of the company?

1.2.2 The SWOT matrix

The SWOT analysis can be a synthesis of the key strengths and weaknesses of a society in a matrix. First of all it groups the problems and the advantages in four SWOT categories, allowing a simple identification of a strategy and of some ways of developing a business. Moreover, the method can be easily adapted to the specific needs of various business processes. The SWOT analysis can contribute to creating a strategy and rapidly adapting them to the excellence requirements.

	Strengths Favorable characteristics and the advantages of the used situations and techniques	Weakness Negative characteristics and the disadvantages of used situations and techniques
Opportunities	Strengths analysis - Opportunities How can strengths be used to develop opportunities?	Weaknesses analysis - Opportunities How can be overcome the weaknesses taking into consideration the development of opportunities?
Threats	Strengths analysis - Threats How can strengths be used to counteract the threats that have a tendency to block attaining objectives and following opportunities?	Weaknesses analysis - Threats How can be overcome weaknesses to counteract the threats that have a tendency to block attaining objectives and following opportunities?

Table 1 Matrix of SWOT

2. Managerial intelligence as a key factor for the success of a business

Managerial intelligence represents the global capacity of knowledge, rational thinking as well as the capacity of coping with the changes of the economic, social and political environment. Adapting the individual to the environment in which he lives can be achieved through cognitive elements as well as non-cognitive elements. The non-cognitive aspects of intelligence include emotional, personal and social factors, essential for the success of the individual and are essential for predicting his abilities for success.

Measuring intelligence is equivalent to measuring the rate of adaptations that allow a good understanding and solving of problems. If assimilation is superficial and adaptation (information processing) is done in a slow and insufficient manner, then the intelligent equilibration is insufficient.

Psychologists evaluate that together with the intellectual factors, there are non-intellectual factors that determine an intelligent behavior and shape *multiple intelligence*. All psychologists appreciate that starting from the adaptive role of the affectivity, it has been noted that people that have a high IQ or a well developed academic intelligence cope well in time, and another category of subjects, although they have a lower IQ compared to the first category, have better results in practice, given by the abilities to solve problems, verbal abilities and social competition.

The difference between the two categories of persons is done by:

1. *motivation* that is an important ingredient of academic intelligence, with such attributes as: dedications, persistence, hard work are considered as distinctive for intelligent persons.

2. *replacing the social component* with specific attributes of *practical intelligence* with attributes such as sensitivity, honesty, frankness.

Success is implanted on intelligence, whose variables are: linguistic, biologic variable, mathematic logic, spacely, musicality, kinesthetics, interpersonal and intrapersonal relationships that vary not only from individual to individual but also from culture to culture.

Gardner talks about “*personal intelligences*” meaning interpersonal abilities and an intra physical capacity. Thus, interpersonal intelligence is split in:

- leadership abilities, meaning the ability to maintain an interpersonal relationship;
- ability to keep friends;
- ability to solve conflicts;
- ability to do analysis.

This vision of intelligence offers a richer view the ability of a person and his potential for success than the standard intelligence coefficient can offer.

The interpersonal intelligence is the ability to understand others: what motivates them, how they act and how can one cooperate with them. Intrapersonal intelligence is the key of self knowledge, which includes access to own feelings and ability to discriminate and to draw based on a behavior guide and in the same time ensured the success in daily life is, on one side, distinct from the academic (theoretical) intelligence but, on the other side, constitutes a kind of specific sensitivity towards practice and inter human relationships.

In the current conditions it can be remarked that the emotional intelligence is an ability which implies a creative relation with the states of fear, pain and wish. It can be remarked that the IQ and the emotional intelligence are not opposite components but rather complementary ones.

Forming the emotional intelligence is made through

- perceptive evaluation and expression of emotion;
- emotional facilitation of thinking;
- understanding and analysis of emotion and using the knowledge of emotion;
- emotional adaptation in order to provoke emotional and intellectual growth.

The components of emotional intelligence are:

- the intrapersonal aspect (acknowledging ones own emotions) that is self awareness, represented by self knowledge, the capacity of knowing who you are and what you want from life. The management of one’s own emotions represents the capacity of managing one’s own states, impulses and resources in different situations. The emotional management includes understanding the implications of the social actions on emotions and controlling one’s emotions and those of the surrounding people. It is also appreciated the development of such skills in others – coaching;
- motivation represents the emotional tendencies that guide and facilitates attaining goals;
- optimism (asertivity), respect for oneself, auto achievement, independence;
- interpersonal aspect (empathy, interpersonal relationships, public responsibility, social openness that supposes social adaptability and persuasive and influencing capacity);
- team work and collaboration in creating a group synergy in following the goals of the group;
- catalist of change (initiating and managing change);
- adaptability (solving problems, testing reality, flexibility);
- stress control (tolerance to stress, impulse control);
- general mood (happiness, optimism).

For a manager knowledge and cultivation of positive emotional moods as: optimism, hope, abnegation contributes to individual performance, to group and leadership performance, to social interpersonal changes and adaptation to changes. The management of emotions plays an important role in preventing

wearing out and for keeping a high motivation and for preventing emotional crises. Emotions, when correctly managed and controlled, lead to loyalty and engagement, bringing increases in productivity, originality, team and organizational achievements.

Managers that have emotional intelligence have been seen as inspiring employees, giving them enthusiasm to perform in their activities and when they are involved and motivated, emotional intelligence can be more important than cognitive intelligence and combined technical talents.

3. Management – marketing- neuro marketing in business

The current business environment imposes to the management of any company to develop the best marketing activities. Marketing is considered by some specialists as a function of management, representing a concept as well as a planning and execution process of the activities of maintaining a relationship that would satisfy the individual and organizational objectives. That's why the management of the marketing plays an essential role in obtaining the competitive advantage by any company.

Business success of any enterprise is given by its capacity to identify the consumer needs and to offer products and services to satisfy them. From a marketing perspective the result of an enterprise is a satisfied client.

When a new generation appears, the needs of the consumers change. Thus, a product often seen today, such as the mobile phone, was unknown to the generation of 1960. The *king client* has become a reality, and the competition between enterprises for serving at high performance standards has become tougher. Indeed, the client is the one who chooses, the one who gives the verdict in the keen confrontation between companies. He is the one who decides the winners from the losers.

For a couple of decades, client satisfaction does not represent an aspect related only to the sales and marketing activities of an enterprise, but also influences all its activities. That's why numerous enterprises and organizations have adopted a policy that is directed towards the client.

The concept of marketing is based on the following fundamental principles:

- 1) the enterprise/company exists in order to identify and satisfy the needs of its customers (orientation towards customer)
- 2) satisfying the needs of the consumers supposes an integrated effort made by all the compartments/departments of the enterprise/company.
- 3) the company has to focus its efforts towards obtaining a long term success.

The marketing function of a company has the role to prospect the market and to project the efforts of the company in such a way that would ensure maximum profit, while satisfying an as complete as possible request. Unlike the commercial function that has a tactic value, the marketing function of a company has a strategic value and is always referring to the future. The marketing function is composed by a multitude of activities such as:

- elaborating market studies
- animating the sales force
- achieving product promotion
- determining an optimum distribution system
- identifying competitive ways of payment
- consequent and systematic realization of direct contacts with different categories of the public.

The analysis of the environment has to be the starting point of the management of any marketing activity because the changed of environment (internal, as well as external) can affect the capacity of the company to create and maintain profitable clients

The external environment of a company has the following forms of manifestation:

- stable environment;
- unstable environment;
- turbulent environment.

No	Forms of manifestation of the external environment	Essential characteristics
1.	Stable environment	-slow and easily predictable changes of the components of the environment -the management of the company has few adaptation problems
2.	Unstable environment	-frequent changes of the majority of components of the environment (micro and macro economic); -the management of the company adopts a prospective attitude.
3.	Turbulent environment	-sudden and unpredictable changes of the components of the environment; -the management of the company faces difficult adaptation problems and even the uncertainty of the company's survival.

Table 1 Forms of manifestation of the external environment

A good managerial process in a company supposes identification and a good knowledge of the components of the marketing environment of the company. Companies try to find out the answers to questions like:

- who buys?
- what buys?
- why he buys?
- how he buys?
- when he buys?
- from where he buys?
- how often he buys?

In the attempt to find answers to these questions we'll use neurosciences (neurology, psychology, psychiatry) and other disciplines (sociology, literary analysis, symbolically, cognitive science). Thus the neuromarketing is a combination between two sciences, the neurology and the marketing. The set of scientific disciplines considered "hard", from which neurosciences is a part, and more recently the biotechnologies, are offered to collaboration with the market logic of televisions, given that they are the extremely active supporters of a *scientism* that reintroduces the dualism mental-body.

The neuromarketing uses the technology of transmitting images through magnetic resonance – MRI (technology used in medicine for detecting cerebral tumors) which permits reading the way in which the brain receives, processes and interprets various images that are presented to it. Neuromarketing uses psychiatric tools to grant that the advertising message remains permanently and efficiently in the brain of the audience.

People who work in this branch can find out how the human brain answers to the advertising message and they can perfect their options of promoting a brand, by using a sample of consumers to which are presented images while they are introduced in a machine and are subject to some radio-magnetic waves.

The fragmentation of mass communication has determined an equally strong fragmenting of the way in which the consumers react. It is well known that Internet allows, click after click, following the behavior of the consumer. Implicitly, the big corporations search for as exact as possible means for targeting the advertising message.

4. The support offered by the new IT technologies for excellence in business

Knowledge has always been the real vector of any transformation and economic progress. Intimate knowledge of the brain of the consumer can only incite enterprises and their advertising representatives, to evade from the spaces which are normally allocated to them for communication. The conditions of receiving a brand are judged more favorable if the „target” is not really conscious that it is targeted. That's how the rapid development of advertisement can be explained, this hybrid mix of advertising and entertainment.

Nowadays, especially (but not only) in the postmodern, postcapitalist and postindustrial economies, developed and educated, there is a need for knowing the way in which knowledge takes place. Information is a very important resource for the society. The XXIst century is marked by an abundance of information on one side and on the other side by perfecting technologies of transmitting, treating and selecting information.

The practical problems that the management has to solve are:

1. The access of the employees to the up to date and pertinent information they need in order to accomplish their tasks (for example those who have an office activity have to be connected to Internet). It is also a good idea that the employees have at hand any other written materials they might need in order to work well and quickly.
2. Equipping offices with the required technology for receiving and transmitting information (for example, enough computers, so there will be no 2 employees competing for a computer, telephone, fax, printer etc.).
3. Designing communication channels inside the organization so that the time lost for establishing connection between employees to be as short as possible (for example, the offices of those who collaborate constantly should be next to each other). For medium and big size organizations establishing an Intranet network solves many communication problems. IT is a good idea that each employee should know precisely what his colleagues responsible are with (to know with whom he'll work and what will be the collective tasks) and whom he can ask questions (usually, his direct boss).
4. The access of employees to information in a more profound sense. It is well known that in all professions there are alert changes, so there is a need for a continuous professional learning. The manager has to understand and to create conditions (for example a modified or flexible working program) to allow the employees to go to trainings (for example courses for taking the European Computer Driving License ECDL). Such an attitude will contribute to increasing efficiency through the fact that the employees will be better trained and they will also be more motivated to work well.

The problems that appear in the access to information are inevitable, no matter how well designed are the communication channels and the performance of the technologies. There will sometimes be blockages. Their resolution is a task of the general manager and of the medium level managers.

The prompt and correct information of the employees on the decisions taken and the way of fulfilling them through meetings, circulation (spreading written materials to inform about the decisions that have been taken) or the existence of advanced informing technologies (computers connected to Internet or Intranet, when the communication between employees is mainly written – information will not be lost)

There is a risk that some of the employees with office tasks to be tempted to use Internet to look for information of personal interest. As a consequence the work tasks will be done superficially and in a hurry. For such cases there should be found efficient motivating strategies

The main methods for obtaining information are

- studying the sources of statistical data: data can originate from inside the company or from outside (i.e. INS)
- Media channels and Internet
- Books, manuals
- The marketing experiment supposes testing in lab conditions for an advertising campaign (rarely used in Romania)
- Marketing simulation: creating an artificial system, necessary for testing a natural system and also for testing, to prepared and training personnel
- direct research of an information source (individual/family/household).

Depending on the way of obtaining information there are two methods of direct research:

1. *Observation*: obtaining information from the direct source without involving him in a discussion (without him knowing)
2. *An inquiring* to obtain information from the researched subject with him knowing it and with his consent. This method reveals the declared behavior, not the real one (sometimes there can be differences of 10-15%)

Inquirings are of two categories

- *totals*: obtaining information from all its sources (i.e. census, governmental health screening programs).
- *selective*: taking information from a sample.

Conclusions

1. The real substance of a prosperous society is represented by the quality of knowledge and creativity. Thus, some economic structures can be defined as post epistemic economies and the globalization of world economy goes hand in hand with the process of unifying knowledge, knowledge having no physical boundaries.
2. The components of a business are the material and technologic resources, the employees (the workgroup), the international resourced, the time. A special component of a business in the interaction with the outside is the image, whose quality can influence efficiency and productivity.
3. The manager is the connection bond between the organization and the outer world and has a symbolic role especially in the case of the relationship of similar organizations that can promote values of excellence, but he has to communicate efficiently and to find a common ground using his intelligence.

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ONLINE DECISIONAL SUPPORT FOR SELECTION OF THE BUSINESS PARTNERS IN THE CASE OF SMALL AND MIDDLE-SIZED ENTERPRISE

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***Abstract:** From the great amount of problems the organization management is confronted to, our interest field aims at one of the current problems met by a decision factor of a small and middle-sized enterprise, namely selection of business partners. The present study has established as main objective the accomplishment of an architecture of a decisional support regarding the selection of potential business partners. From the various number of decision support systems, we will focus on those where the management sub-system of certain large data volumes constitute the dominant technological component. Data will be stored as a data warehouse so that we will can analyse it from many point of view, including economical and financial analysis, using data mining. The result of these analysis will be interpreted by a special expert system and then the final results will be display using an internet interface.*

***Keywords:** data warehouse, expert system, DSS, data mining, decision*

Introduction

The increase of current business environment complexity, business globalization, digital economics, having a direct impact upon the management of an organization, lead to the enhancement of studies regarding the development of certain methodologies, techniques, instruments, with the purpose of granting a considerable support for all the aspects of the decisional process.

From the great amount of problems the organization management is confronted to, our interest field aims at one of the current problems met by a decision factor of a small and middle-sized enterprise, namely selection of business partners. Taking into account that the entire economic activity carried out by an organization is highly connected to the business partners, including both entrances and exists, the proper functioning of the organization is directly proportional to the amount of trust invested in them, from all points of view. As insignificant as it seems at a first glance, the decision of selecting a business partner is of high complexity due to its strong and unstructured character, lacking a faultless modality that should guarantee completely the success of the selection made. Nevertheless, due to their memorizing and processing capacities, the informatic systems are able to offer a substantial support within decision making process. The present project has established as main objective the accomplishment of such an computerized decisional support, as a working instrument of a financial counseling agency regarding the selection of potential business partners.

Used methodology

The process of selection from a multitude of decisional options, according to certain decisional criteria, the one deemed the most appropriate or satisfying, has as final stage the enforcement of a decision. In order to make the best decision possible, the thorough knowledge of the decisional process is necessary. We took into discussion the pattern of decisional process as seen by Simon. Briefly, it consists of four major stages:

- problem identification and definition;
- problem shaping or projection;
- choosing the solution;
- solution implementation and assessment of the effects obtained as a result of solution application.

We consider the Simon pattern one of the most general ones and our statement is supported by the patterns subsequently occurred and that concern the decisional process. The mentioning of Mintzberg's pattern from 1976, Holsapple's and Whinston's patterns from 1996 or Dumarest's pattern from 2001 are sufficient enough to realize the impact and generality of this pattern. Moreover, on Simon's pattern of decision

making relied the well-known conceptual architecture of a decision support system proposed by Sprague and Carlson.

Among others, IT field had, has and will have a considerable influence in granting a substantial support for the accomplishment of decisional process. According to our opinion, in the current economy, the computer systems are playing a critical role in the carrying out of the organization activity. Moreover, the computer systems, if designed and enforced in an appropriate manner, may become a decisive factor in the enhancement of an organization competitiveness and efficiency. The computer system, having as a prevalent function the support of all the stages of decisional process, with the purpose of finding solutions to certain complex problems, with a high degree of unstructuring, using a natural and familiar manner to decision factors bears the name of decision support system.

The capacity of expert systems to capture the auditing kept by one or several human experts in a computerized form, under the shape of a data base, the possibility of enforcing certain judgments, as in the case of human experts, the capacity of explaining their reasoning and the conclusions drawn following the judgment enforcement may extend in a benefic manner the capacity of a computer system to assist a decision.

From the various number of decision support systems, we will focus on those where the management sub-system of certain large data volumes constitute the dominant technological component. According to Power's classification from 2001, they are named data-oriented decision support systems.

The process of extracting new information from existing data collections within an organization bears the title of data mining. The extension of data mining techniques lies, among other, in the extremely comprehensive data volumes purchased by companies, related to different types of transactions, carried out throughout several years. For a long period, these were stored by virtue of a need for filing. The continuous growth of competition, the increasing market requirements made companies be aware of the potential inherent to those data files. The information obtained through data mining are of predictive and descriptive nature and are useful during actions like classifications, group analysis, optimizations.

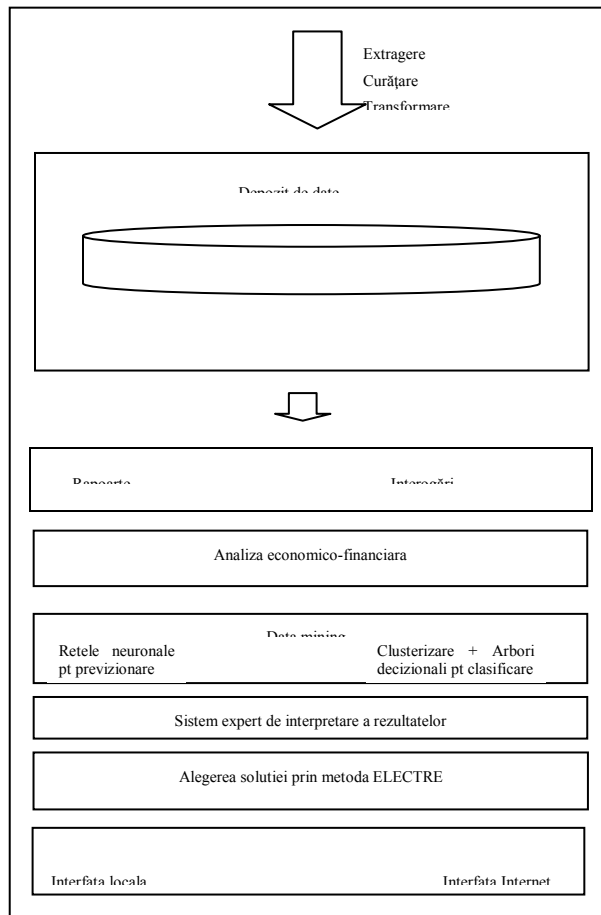
Taking into account that we are placed in a strongly unstructured decisional environment, classical mathematical patterns fail to grasp different unforeseen situations of reality, where interdependences within a pattern are described by procedures that may be solved solely by means of computer, the simulation instruments are resorted to. The simulation instruments have the capacity of performing experiments, describing the behavior of each business partner over a longer period of time. The economical and mathematical pattern, to which such procedures are joined, results in a simulation pattern. One of the most frequent simulation method encountered in the economical practice is the so called "Monte Carlo" method. It is an excellent approximation method and may be easily adapted to the analyzed problem.

There is no doubt that the Internet has the main value of an environment for communication, collaboration and knowledge sharing in a decision support system. Moreover, by means of certain special instruments for information extraction according to certain requirements, the huge data volume may be converted in any moment in consistent data and knowledge storage. The Internet portals will meet an unparalleled development and the Internet agents will constitute indispensable information intermediaries for each person in particular.

Architecture of the DSS

As we mentioned before, our global objective is the accomplishment of a computerized decisional support, as a work instrument of a financial counseling agency regarding the selection of certain potential business partners.

The below chart illustrates in a relevant manner the working frame associated to the accomplishment of the desired decision support system.



The working frame associated to the DSS

The building process of the decision support system will comply in all aspects with the classical strategy of life cycle, development of a computer system, according to which we distinguish stages like project preparation, system analysis, design, implementation and operation.

During the building process, we will take into consideration the following aspects. Firstly, the decision-assisting computer system must offer support to all stages of the decisional process, as they are highlighted in the Simon's decisional pattern. Furthermore, our conviction is that human decision factor is essential for finding solutions to some intricate problems, due to his creativity. That is why, within the framework of the decision-assisting computer system, both the existence of a manual decision making approach, as well as an automatic one are imperious, where the intervention of the decision factor is consultative, reduced to minimum, but still existing. In order to prove its complete usefulness, in our opinion, a decision support system must be an excellent collaborator of the decision factor, relieving him from certain routine tasks, signaling him the occurrence of certain dangerous or benefic situations, suggesting opinions related to the subject under analysis at a certain moment. Last, but not least, one must take into account the inconsistency of the business environment, requiring a perpetual adaptation to the new conditions, a flexible behavior, non-rigid, which imposes a permanent collaboration with the beneficiary, requesting the final decision.

Data source of the decision-assisting computer system will be essentially represented by the existing data in different reporting situations of a small and middle-sized enterprise to the state competitive bodies. In order to facilitate analysis from multiple perspectives, we are of the opinion that data organization in a multidimensional structure of a data storage is of much relevance. Consequently, analysis may be performed by 2 means: through classical instruments of interrogation and reporting, as well as the OLAP multidimensional analyses and data mining algorithms. To fulfill this purpose, we will use as technical support the facilities offered by SQL SERVER 2005.

The entire economic and financial analysis of the organizations included in data storage will be assigned to a group of agents having the responsibility of this task, each one of them being incorporated with knowledge and specific algorithms on the most important economical and financial analyses performed within the present economic environment, at the small and middle-sized enterprise level.

In order to supervise the key indicators with the purpose of forecasting their behavior depending on the dependent factors (established in the correlation matrix), we consider that the most adequate machine learning technology is the one belonging to neuronal networks. We resorted to this technology, as the relations that could be grasped by a neuronal network are higher in complexity than those caught by the mentioned statistic method. The neuronal network foresees the future evolution of a phenomenon on the basis of main factors involved in the performance of the shaped pattern.

For each key indicator a previously learned neuronal network will be launched, so that subsequently, by means of certain time releases, procedures for learning neuronal networks should be periodically launched, meaning procedures for adjusting their share, thus adapting to the new environmental tendencies.

To the values foreseen through neuronal networks will be added those resulting from Monte Carlo simulation method, reducing or enhancing trust in the obtained values.

By clustering process (K-means method), we will attempt a segmentation of business partners according to several pre-established criteria. After having identified these groups, through decisional trees method (ID3 and C45), we will proceed to their structural configurations, so that in the end we should be able to establish several classifications of business partners, according to different criteria.

All the analyses previously mentioned will be interpreted by an expert system especially designed for this purpose. Through the audit captured from different field experts under the shape of a knowledge base (in the production rules format), this system will operate the inferences necessary for the identification of the most plausible interpretation.

We are aware of the fact that deciding means choosing from a multitude of decisional options, depending on certain decisional criteria, the one deemed the most profitable for reaching the proposed objectives. Following the classification of the results related to each analysis type, the best decisional alternatives adequate to different analyzed angles may be identified. Those might be taken over and analyzed through the well-consolidated method for assessing decisional options - ELECTRE, resulting the most propitious option, compliant with the decision factor's preference.

The interface between system and user will happen by means of an interface module. Communication between module and user will take place naturally and what can be easier than communicating in a natural language, using DCG grammars. An interface agent must be endowed with a fundamental quality – adaptability to user's behavior. This requires mainly the existence of different modalities of data logging and posting, in compliance with user's profile. As a common fact, the decisive factors may be relieved from fulfilling some routine assignments, by transferring this task to the system, in a much more efficient manner. According to our opinion, the best modality to state a routine task is registering at the beginning all the user's steps taken for the fulfillment of the task under the shape of a mackerel, so that subsequently this task might be automatically called and executed by use of a key of key combination, click or double click.

We are foreseeing the execution of an Internet interface with the designed system, to such extent that its results could be also accessed on-line, from a remote distance. The Internet interface will take the shape of a site on the Internet, conceived as a small virtual store, trading a set of data access packages and economical and financial analysis packages placed at the client's disposal against an established and posted fee.

Conclusions and perspectives

As concerns the impact registered by introducing the mentioned decision-assisting computer system, we mention:

- the enhancement of decisional capacity by:
 - use of actual methods and concepts;
 - thorough analysis of phenomena;
- the substantial reduction of decision making period;

- increase of objectivity and impartiality degree as far as decision making is concerned;
- a better quality of the taken decision;
- a lower degree of dependence to experts in different fields due to the captured audit.

The decision support systems represent one of the most adequate instruments for assisting decision making process at an organizational level, in the contemporary society, characterized by a high degree of complexity of the business environment, global competition, informational bursting, uncertainty, marked versatile character. Without replacing the decision authority, the decision support system, due to its components placed at our disposal for granting assistance in each stage of the decisional process, may facilitate the work of the person incumbent with decision making by offering some useful clues necessary for problem solving or opportunity grasping. But taking into account that the final users of these systems are mainly average and top managers of an organization, with reduced time availability due to their busy schedules, with different decisional trends, there occurred the strong need for computer systems as friendly, natural and easy to handle as possible, that could offer a rapid and relevant answer. This assertion entitles us to consider that in the near future, the decision-assisting information systems and executive information systems will merge.

The capacity to learn, understand, know from experience and cope with old and new circumstances, this intelligence accompanied by information collection, processing, preparation of decisional alternatives and finally decision making propelled the artificial intelligence among the main technologies used in building decision-assisting informatic systems.

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LES PROJETS INFORMATIQUES ET LES RISQUES DE LEUR REALISATION ET IMPLEMENTATION

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Because informatics projects are filled with risk, effective project management demands that solid risk management perspectives be factored into the overall management effort. For the most part, the best way to handle risks on projects is to carry out the project effort in accordance with good general management practice. Thus, you should plan well, monitor the team's performance carefully, communicate clearly, treat your employes with respect, and so forth.

Keywords: informatic project, risk, management risk

Les risques apparaissent dans le cadre de toutes les activités socio-économiques, pour chaque d'entre eux ayant des formes particulières, en fonction de leur type, mode de manifestation et intensité. Le risque représente l'incertitude de l'apparition d'un phénomène qui, dans les conditions qu'il se produit, a un effet positif ou négatif sur les objectifs d'un projet. Le risque exprime l'impact direct d'un événement dans le futur sur les projets actuels et il exprime le degré d'écartement des objectifs proposés, des standards proposés. Toutes les activités supposent connaître les risques et les assumer. Pour avoir du succès il est nécessaire d'identifier tous les risques possibles, leur quantification, assumer les responsabilités tout au long du déroulement de l'activité.

Le projet informatique représente un cas particulier du concept du projet. Pour tout projet il doit exister un support financier propre pour permettre la mobilisation des ressources nécessaires à aboutir les buts (ressources humaines, matérielles, informationnelles, informatiques). Pour chaque projet il doit exister une équipe de gestion du projet, avec un gestionnaire du projet qui soit capable d'orienter ses actions selon les fonctions de la gestion traditionnelle (planifier, organiser, diriger/coordonner, contrôler). Dans la mesure dans laquelle il s'agit des actions spécifiques au domaine informatique d'une organisation, c'est à dire: l'informatisation d'une fonction à l'intérieur, la modernisation d'un investissement informatique plus vieux ou des activités qui ont comme but la réorganisation des procès du domaine informatique, nous pouvons dire que le projet qui les réunit est un projet informatique.

Ce qui sépare le risque de projet d'autres types de risques est le fait que nous avons déjà une idée sur les types des problèmes que les équipes engagées dans le projet puissent les rencontrer. Nous savons qu'il y aura des sources prévisibles des problèmes organisationnels, des efforts inévitables pour gérer les besoins et les demandes et des problèmes liés à la planification et le contrôle inadéquat. Nous savons aussi qu'une source importante des problèmes peut être une estimation inadéquate. Ces problèmes sont universels et ils tiennent de la nature des projets et leur gestion. Si on comprend les sources des risques du projet, la possibilité que des événements défavorables pourraient apparaître, peut être réduite, et d'ici même leurs effets. Parce que une grande partie des risques sont liés des problèmes organisationnels, l'attention devrait être concertée sur l'identification de ces problèmes et sur le développement d'une stratégie pour leur gestion. Par exemple, l'expérience nous montre qu'au moment où des ressources empruntées sont utilisées, les gestionnaires rencontrent des difficultés dans leurs propres convictions de s'engager dans des efforts, d'être plus responsables envers leur mission, envers le projet. Ainsi, ils rencontrent un risque prévisible - celui dans lequel les membres de l'équipe du projet ne donnent pas toute leur attention au projet. C'est une réalité inévitable et ils devraient développer plus d'acharnement par rapport au projet. Certaines techniques de former une équipe, employées par les administrateurs s'appuient sur les systèmes de récompense et l'utilisation d'une puissante note personnelle dans le travail avec les membres de l'équipe. Alors quand on travaille avec des ressources empruntées on rencontre les risques d'un engagement réduit des efforts de l'équipe. Pour tenir tête à ce risque, on doit s'impliquer pour parcourir certaines étapes explicites pour développer l'engagement de l'équipe. La même logique s'applique / est valable pour deux domaines de problèmes prévisibles du projet: la gestion des besoins et des demandes et la planification et le contrôle adéquat. Par exemple, un problème besoins - demandes qui peut affecter tout le projet est celui de l'ajustement, cet état où les nécessités se change pour se plier avec les échanges dans la demande qui vient

de la part des clients, des managers et des membres de l'équipe du projet. Le résultat cumulatif de ces petits changements peut être destructif. Cependant il est possible d'apparaître des dépassements des coûts et des dérèglements dans le programme établi parce que le projet abandonne ses coûts et son plan initial. La prédilection pour ajuster ou changer est universelle. La meilleure méthode pour tenir tête aux risques est d'établir des puissants processus de contrôle du changement et de les appliquer dans le projet.

Le risque de rencontrer des problèmes à cause de la mauvaise planification ou contrôle peut être administré par s'assurant que tous les projets suivent des principes efficaces en ce qui concerne la planification et le contrôle doit utiliser des instruments adéquats. En dehors de ça, les membres de l'équipe doivent connaître ces principes et instruments et doivent les utiliser constamment. Si les principes concernant le contrôle et la planification sont bien utilisés, alors les problèmes produits par une mauvaise planification se réduisent beaucoup.

La meilleure méthode pour administrer le risque du projet est de suivre les procédures standardisées de la gestion des risques. Il faut planifier les efforts de la gestion des risques, identifier les risques, faire des analyses qualitatives et quantitatives sur l'impact du risque, établir des stratégies de la gestion des risques et surveiller et en même temps contrôler les risques dès le début du projet.

La gestion des risques comprend les méthodes et les moyens par lesquels l'incertitude peut être contrôlée comme important support des facteurs du risque, ayant comme but l'acquisition des objectifs exprimés dans le cadre du projet. La gestion du risque ne doit pas être regardé d'une seule perspective dans le chapitre composant la gestion globale d'un projet, à cause de sa complexité, elle étant située dans la catégorie des sciences de frontière qui nécessitent généralement la corroboration des informations des plusieurs domaines: économiques, techniques, juridiques, statistiques et psychologiques. La gestion des risques dans le projet informatique est un processus cyclique ayant plusieurs étapes distinctes:

- a) *L'identification du risque*, c'est-à-dire chercher et localiser les risques avant qu'ils se manifestent. Pour chaque risque identifié on rédige un plan de risque.

L'identification des risques associés à un projet informatique se réalise en utilisant plusieurs techniques: la réalisation d'une liste avec des risques possibles, la réalisation d'un profil de risque, établir des risques selon des expériences précédentes, comparer les risques avec ceux survenus dans le cadre des projets similaires, établir les risques qui puissent se manifester au cours du déroulement de l'activité et établir le budget.

La réalisation d'une liste avec des risques possibles est nécessaire pour consulter toutes les personnes impliquées dans le déroulement du projet sur les facteurs qui puissent contribuer directement ou indirectement à influencer d'une manière négative les activités ou les résultats des propos pour le financement, les modalités principales de leur constitution étant les réunions de brainstorming, les interviews et les questionnaires.

L'utilisation du profil de risque est utile en général dans le cas où les gestionnaires peuvent utiliser leur expérience accumulée dans le cadre des projets précédents, pour identifier les facteurs de risque spécifiques qui se retrouvent dans la nouvelle structure du projet, en réalisant une questionnaire qui s'adresse aux principales zones d'incertitude existantes dans le cadre du projet: l'équipe du projet, les clients et la technologie utilisée.

L'un des plus importants facteurs de prédiction pour les activités futures est d'employer l'expérience acquise dans le déroulement des projets antérieures, un bon gestionnaire de risque ayant la possibilité de s'en tirer des conclusions après avoir analysé les facteurs de risque qui ont été rencontrés avant.

La gestion de risque contribue à illustrer les activités planifiées ayant une opportunité d'identifier les risques. Pour réaliser cette analyse en détail pour chaque activité composante, il est nécessaire de réaliser une planification et une estimation du budget qui dans la plupart des situations est difficile à rédiger à cause des facteurs d'incertitude.

Dans l'étape de l'identification du risque on mesure les potentiels dangers, les effets et les probabilités de leur apparition pour décider quel risque doit être prévenu. Le processus d'identification des risques est régulier et il doit tenir compte aussi des risques internes, que de ceux qui viennent de l'extérieur.

Les risques internes sont ceux qui apparaissent à la suite de l'activité organisationnelle et ils peuvent être contrôlés par les gestionnaires par un règlement des activités. Les risques externes sont ceux qui ne tiennent pas de l'activité de l'organisation, mais ils peuvent l'influencer. Ces risques ne peuvent pas être

contrôlés par l'équipe de gestion, mais ils peuvent être connus, analysés et on peut prendre une décision pour minimaliser leurs effets ou même les éliminer.

Les risques internes d'une organisation peuvent être :

- Des risques dans le processus de la production (accident de travail, arrêt de la production etc.);
- Des risques dans le processus de gestion (implémentation d'une décision, l'utilisation des certains sources de financement);
- Des risques informationnels (inefficacité du système informationnel, l'utilisation des informations incorrectes etc.).

Dans la catégorie des risques extérieurs on peut distinguer:

- Des risques législatifs (l'apparition d'une législation défavorable à l'organisation);
- Des risques survenus à la suite des modifications de milieu économique (modifications des intérêts, inflation, monnaies d'échange etc.);
- Des risques technologiques à cause de l'apparition d'une technologie qui peut avoir des erreurs de projection (l'apparition d'un virus);
- Des risques causés par la relation avec les syndicats (le risque de grève).

L'identification des risques de l'extérieur de l'organisation peut se réaliser par désigner une personne capable de participer à des réunions des associations professionnelles, à des conférences et qui puissent suivre les publications dans le domaine, personne qui doit être continuellement informer sur les modifications de milieu et des éventuelles apparitions des risques nouveaux.

b) *L'analyse du risque* signifie la transformation des données qui font référence au risque dans des informations pour pouvoir prendre une décision. Cette étape comprend :

- Des analyses préliminaires: identifient les risques qui puissent intervenir dans le déroulement d'un projet ou d'une activité;
- Estimations du risque: calculent la probabilité de l'apparition d'un risque;
- Evaluation du risque: établie l'impact qu'un phénomène de risque peut l'avoir sur le projet ou sur une autre activité;
- Le contrôle du risque: assure la correction des écarts de la planification du risque.

c) *La réaction au risque et sa surveillance* a comme but les stratégies suivantes:

- L'acceptation du risque regarde la modalité dans laquelle le gestionnaire d'un projet comprend le risque, sa probabilité de se réaliser, les conséquences estimées qui en apparaissent et la décision de ne pas actionner pour son écartement. Une telle stratégie est utilisée d'habitude, alors quand la probabilité d'apparition d'une catégorie des risques est très petite et /ou les conséquences sur le projet ne sont pas significantes.
- Eviter les risques représente une stratégie utilisé dans des certains conditions pour minimiser les risques. La réduction des risques ne signifie pas éviter s'assumer des décisions de gestion ou l'exclusion du risque dans le cadre du projet. Cette stratégie est utilisée en général dans la situation du changement du but ou quand on annule une partie du projet;
- La diminution du risque représente un assemble des actions qui essaient de minimiser les effets produits par l'apparition du risque jusqu'à son encadrement dans des limites acceptables pour les gestionnaires du projet: la planification des activités, apprendre le personnel, réprojeter les activités;
- La répartition des risques est un instrument pour que les parties acceptent soit une part ou la responsabilité entière en ce qui concerne les conséquences du risque. Ce processus est un transfert du risque à une autre institution spécialisé pour assurer des compétences supérieures pour gérer et contrôler le risque. Il y a des modalités de transfert indirect des risques, comme par exemple l'embauchage d'un expert dans le cadre du projet pour évaluer ou surveiller le développement des certaines activités, représentant aussi une forme de transfert du risque vers une autre personne que le responsable du projet. On peut aussi utiliser dans le cadre du projet le contrat de service comme un autre forme de transfert du risque. Ainsi, le risque technologique est transféré à la compagnie qui assure contre remboursement des services pour le bon fonctionnement du système tout entier. Un chapitre important dans la gestion du risque est constitué par les coûts remboursables. Ceux-ci se

réfèrent aux paiements de quelques travaux sous - contractés par d'autres sociétés commerciales ou des matériaux utilisés dans le cadre du projet;

- La surveillance assure le renseignement continu sur les facteurs de risque;
- La feedback assure le transfert des informations dans le cas où le risque apparaît pour diminuer ses effets.

Les questions auxquelles un gestionnaire doit répondre sont les suivantes:

- Quels sont les risques pour le projet;
- Quelles sont les pertes dans le projet rapportées au total des coûts;
- Quelles sont les pertes assumées du projet;
- Quelle est la gravité des pertes dans la situation où les prévisions les plus pessimistes pourraient devenir réalité;
- Quelles sont les alternatives pour dépasser la situation de crise;
- Comment peut on éliminer ou réduire les pertes;
- Les alternatives décisionnelles acceptées conduiront-elles vers la supposition des risques plus grands ?

A la suite des réponses enregistrées aux toutes ces questions, on peut identifier dans une première forme les principaux risques qui puissent conduire vers un échec ou vers des situations critiques. En réalisant une analyse globale, les gestionnaires peuvent définir dans une forme primaire leur stratégie d'actionner dans le cadre du projet. Le gestionnaire du projet va s'assumer seulement la partie des risques majeures, capable de conduire à ne pas réaliser l'objectif du projet.

Le manager du projet, même s'il possède des qualités spéciales, il ne sera capable d'identifier tous les facteurs de risque existants dans un projet et d'ici résultera son impossibilité de le gérer. Il est nécessaire d'apercevoir et d'administrer les principaux facteurs de risque capables de conduire à la perturbation de la finalisation des objectifs du projet, ou même à son échec. Pour pouvoir décider quels sont les facteurs du risque majeur acceptables dans la sphère du normal, il faudra une connaissance a priori de ces facteurs et de la gravité des conséquences.

Une source majeure du risque des projets informatique est liée des difficultés de pouvoir gérer les besoins et les demandes. Si les besoins n'ont pas été identifiés correctement et si les demandes ne captent pas les nécessités réelles, alors le projet est destiné à l'échec parce que ses résultats ne vont pas correspondre aux besoins et aux désirs des consommateurs. Une gestion adéquate des besoins et des demandes est une condition nécessaire pour le succès d'un projet.

Les problèmes commencent avec les essais d'identifier les besoins. Une difficulté assez souvent rencontrée est l'identification des consommateurs. Les utilisateurs sont les consommateurs, ils sont ceux qui travailleront avec les résultats, les biens fournis par l'équipe du projet et leur satisfaction est importante. Mais l'identification des besoins des consommateurs peut être difficile parce que les utilisateurs n'ont pas une vision monolithique sur leurs besoins.

Un autre problème est la création d'une liaison entre les affaires et les solutions techniques nécessaires pour s'adresser aux besoins. Le problème surgit au moment où les membres de l'équipe technique ont des faibles connaissances sur l'affaire, et cependant les personnes impliquées dans le projet ne comprennent pas la technologie nécessaire pour l'implémentation de leurs produits.

Si de point de vue formel il est important d'identifier les éléments de risque majeur, au niveau pratique, une importance similaire doit être accordée à l'identification des solutions concrètes pour réduire et effacer ces facteurs. De telles mesures peuvent être:

- L'identification des zones de risque et de leurs composants pour chaque zone;
- La structuration des facteurs de risque impliqués;
- La gestion optimale des ressources propres;
- L'identification et l'analyse des alternatives possibles pour réduire les facteurs de risque;
- La sélection des meilleures alternatives pour chaque facteur de risque;
- Obtenir un feed-back pour identifier les actions de succès.

L'un des plus importants aspects pour le manager du projet est la délimitation exacte des zones de risque. Les principales zones de risque, liés aux projets informatiques concernent la projection, les données, les coûts et le domaine d'opération des systèmes.

Le projet informatique peut être incompatible avec la structure, la culture et les objectifs organisationnels. Les risques existent si le projet n'ait pas en vue que les besoins courants, sans être flexible aux besoins futures de l'organisation.

Les données utilisées peuvent avoir un haut niveau d'imprécision ou inconsistance. Les informations peuvent être erronées, équivoques ou présentées aux utilisateurs dans une manière inadéquate.

Les coûts du projet informatique peuvent, dans certains cas, dépasser les budgets établis initiaux; les frais afférents ne peuvent pas être justifiés par la valeur que le projet l'apporte à l'entreprise.

Les informations ne sont pas fournies très vite pour être utiles, peuvent être dans un format impossible à comprendre ou à utiliser ou contiennent des données incorrectes.

On a identifié trois dimensions qui peuvent influencer le niveau du risque: la grandeur du projet, sa structure et son niveau technologique.

Les projets grands sont plus instables que les projets petits.

Les projets ayant des structures plus compliquées sont plus risquant que ceux pour des petites unités. Les projets moins structurés s'appuient sur une implication significative des utilisateurs dans toutes les étapes de leur réalisation.

Dans le cas des projets informatiques avec un haut degré de risque technologique, les membres de l'équipe doivent avoir une expérience technologique plus solide et participer à l'établissement des objectifs et des termes pour les réaliser. Le risque du projet va croître si l'équipe qui établit le projet et les spécialistes ont une manque d'expérience technique. Si l'équipe n'est pas familiarisée avec les équipements, le soft de système, le soft d'applications ou le système de gérer les dates pour le projet, alors le risque peut croître considérablement. Dans la sélection du personnel engagé au projet il est nécessaire d'appliquer le principe d'utiliser les personnes compétentes et non pas ceux disponibles. Les risques peuvent apparaître dans toutes les phases de réalisation du projet informatique.

Les risques peuvent se manifester dans toutes les phases d'un projet informatique.

Dans la phase d'analyse du projet peut apparaître une série de risques déterminés par les aspects suivants:

- On n'a pas accordé des suffisants ressources, temps et argent pour étudier le problème; les objectifs sont vagues;
- On n'a pas réservé le temps nécessaire pour une planification préliminaire; les standards n'existent pas;
- Les demandes informationnelles sont obtenues à la suite d'une documentation faible, les utilisateurs refusent s'impliquer à côté de l'équipe du projet, pour établir les demandes informationnelles;
- Le personnel du projet n'est pas bien sélectionné;
- Les spécialistes en informatique promettent des résultats impossibles à atteindre;
- Les analystes du projet ne peuvent pas interviewer les utilisateurs dans une manière adéquate.

Des risques peuvent apparaître dans l'étape de projection aussi: les spécifications fonctionnelles ont une documentation inadéquate ou le projet n'est pas flexible aux besoins futures de l'organisation. Si les utilisateurs finals ne sont pas impliqués dans l'équipe de réalisation du projet, il est possible que le projet ne corresponde pas à la structure, aux activités, à la culture de l'organisation et aux priorités du management.

Si le projet informatique concerne la réalisation d'un logiciel, les risques peuvent sortir dans l'étape de programmation, c'est-à-dire le temps et l'argent nécessaires pour la réalisation du projet sont insuffisants, les programmeurs ne reçoivent pas des spécifications complètes ou ne bénéficient pas de l'avantage des technologies orientées objet ou de celles de planification structurée.

Dans l'étape des tests pour le produit obtenu, les risques peuvent surgir parce que l'équipe n'a pas réalisé un plan des tests correspondant, le temps et l'argent nécessaires pour la réalisation des tests sont sous-estimés, le management ne fait pas la révision et n'accepte pas les résultats des tests ou les utilisateurs ne sont pas assez impliqués dans les opérations des tests.

Au cas où il s'agit de la réorganisation ou la modernisation d'une fonction informatique; il peut se dégager des activités de conversion même, des conversions de données spécialement. En ce cas on peut surgir des risques au sujet de l'allocation des fonds, ou sommes d'argent insuffisantes pour soutenir ces opérations. De même, si la maintenance est inadéquate, il y a moins de personnes instruites pour assurer la maintenance du produit obtenu ou pour tenir tête aux changements nécessaires.

En présent l'accent ne se met plus sur l'écriture du code, mais sur les étapes qui précèdent ou qui suivent l'écriture de code. La qualité d'une application réside dans la qualité de la technologie des spécifications, de l'analyse du projet et de son projection, de contrôle, documentation et de la manière de le diriger. L'habilité de collecter des spécifications de plus en plus complètes des clients, et en même temps de déterminer le client voir la fonctionnalité du futur produit, va se refléter dans la satisfaction ultérieure du client envers le produit. L'analyse et la projection sont considérées aujourd'hui les étapes clés d'un projet et elles devraient couvrir 40% de la durée totale du projet. Pour cela on a développé des méthodologies d'analyse RAD (Rapid Application Development) ou OO (Object-Oriented) et des instruments CASE (Computer Aided Software Development).

Les risques pour réaliser des projets informatiques sont liés aussi de la partie financière. Pour calculer correctement le budget d'un projet, il est important que chaque partenaire connaisse la somme qui doit être investie pour le financement correct du projet. Le principe fondamental qui se trouve à la base d'une décision de financement est de trouver les heureuses combinaisons entre la source de financement et la modalité d'utiliser l'argent.

Degré de risque	Le type de projet	
Bas	Une expansion d'échelle Des produits fortement associés La même clientèle Des connaissances en ce qui concerne la technologie existante	Le même produit et le même marché
Moyen	Expansion d'échelle Canal de distribution différent Clientèle différente Technologie vérifiée, mais pas aucune expérience ou connaissance dans la technologie respective	Produit nouveau ou marché nouveau
Grand	Projet de recherche-développement Dépendance de la technologie non vérifiée dans la pratique	Produit nouveau ou marché nouveau

Table no.1. Classification des projets en fonction du degré de risque financière

Le succès d'un projet dépend dans une grande mesure des options qu'un manager les fait au moment où il adopte des décisions qui concernent les risques que celui-ci soit disposé d'accepter.

Conclusions

Dans le cas de chaque projet informatique il faut qu'on ait de l'intuition pour prévoir les hypothèses concernant le futur, tout en analysant le milieu interne et celui externe de l'implémentation. Après avoir identifié les hypothèses on va évaluer le risque associé à chaque activité. Le risque signifie la probabilité d'apparition d'un obstacle qui va bloquer le succès de l'activité. Une activité qui a une grande probabilité d'échouer est soumise à un grand risque. Les types de risque auxquels sont soumis les projets sont: les défections techniques, l'insuccès sur le marché, les difficultés de réalisation, l'impossibilité de les finaliser à temps, ne pas finaliser le plan de recherche, une évolution inattendue, des chutes dans la projection ou dans la fabrication, des obstacles techniques insurmontables, des résultats imprévisibles, des incertitudes normatives et législatives, des événements imprévisibles, un know-how inadéquat.

Un bon gestionnaire de projet doit connaître et gérer les facteurs critiques qui puissent transformer le projet dans un succès: relations de collaboration étroite entre les membres de l'équipe de projet, clients et gestion, plan du projet et la direction à suivre, des responsabilités claires et indicateurs spécifiques pour mesurer le progrès dans l'exécution du projet, communication constante et efficace entre tous ceux impliqués dans le projet, le contrôle des compétences.

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E-COMMERCE TRENDS, CAUSES AND CONSEQUENCES

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The exponential increase in internet connectivity and in electronic commerce is likely to have a lasting effect on the conduct of business activities. Consequently, the already observable changes indicate only the beginning of a long-term phenomenon, which might be labeled with the term new economy. The rapid spread of the internet as a means for business transactions has not yet been accompanied by corresponding modifications of the international framework. The potential that e-commerce has in productivity and competitiveness terms is so significant that any delay in ensuring the technological and infrastructure premises necessary to its spreading on a larger scale attracts the risk of the deepening of the digital difference and implicit of remaining behind related to the aspect of integration in the global and European structures.

Keywords: new economy, ECommerce, framework

The rapid diffusion of the internet and electronic commerce changes the way business and international trade take place. The new economy poses new challenges to the international and European regulatory framework, since small distortions due to differing sets of regulations and taxation between countries might grow to non-negligible dimensions. The rapid spread of the internet as a means for business transactions has not yet been accompanied by corresponding modifications of the international framework. An interdependent transborder network of business activities requires international policy coordination in order to ensure clear, predictable and non-discriminatory rules. A failure to establish these kinds of rules will restrain investment and, consequently, growth. For the new economy, important standardization issues concern questions like who determines the network norms, who decides on domain names, how is the compatibility between software programs ensured or how can new improved technological advances substitute obsolete, but still widely spread practices. The overriding principle to answer these question should be the desire to guarantee open network access and open electronic commerce practices. This means, that the use of existing business approaches can yield the benefit of common standards while the possibility of introducing enhanced applications or processes limits the monopoly power of the established firms. The frequent interaction between market participants encourages the formation of uniform standards within networks and e-commerce in a gradual market oriented approach.

The question is, how to build trust of consumers to eCommerce and increase security of the Web? Building of trust in eCommerce is not only a technological or judicial problem. It is related to overall strategies of Internet shops, branch organisations, as well as state authorities.

In many countries, apart from branch organisations, that are like the Internet self-government, special state committees for building trust were established (e.g. USA, UE, Singapore), which should help in quick and sound development of eCommerce.

What the State should do for building trust and security?

Main tasks of state bodies are:

- law regulations, which create friendly environment, where minimum of consumers. laws, especially concerning privacy as well as security, is protected by state,
- promotion of proper behaviours, credibility of Web-Sites and culture of security within the Web, what is especially important for private users.

- big companies feel danger and spend millions dollars for IT security - expenses for IT security and business continuity grow at 35% yearly (Ernst Young). After 11th September, number of organisations having business continuity plans during the system outage strongly increased (Ernst&Young 2003). Bigger problem is security of private users. It is a problem of lack of money as well as knowledge of proper behaviour.

The electronic cash systems operating currently offer high level of security . making payment through the Web safer than in a restaurant, where data can be easily stolen. However, users must check who is their partner. If a shop does not use proper technology, data could really be easily stolen by the shop itself or by hackers. So, the important task for state organisations is increasing awareness of users. Internet, if properly used, is safe.

We can list the following law problems connected with creating trust in eCommerce:

- protection of consumer rights,
- protection of privacy,
- making transactions in the Web,
- law frames for Alternative Dispute Resolution (ADR),
- localisation of the responsibility for materials in the Web,
- regulations for international eCommerce.

Because of specific position of the consumers in the Web, law regulations should secure especially high protection of their rights. Law regulations in Poland and EU fulfil this condition, e.g. assure possibility to return goods in defined time after purchase. Law extortsthat offers published in the Web should include complete information concerning offered goods, conditions of contract and guaranty, payment process, and final price including especially taxes, and cost of delivery. In case of privacy protection, law should ensure the minimum level of security of personal data of the Web users. Rules of registration and transmission of files with personal data, scope of information which may be collected, where data may be transferred, as well as how they should be kept to ensure proper security, all of this should be especially regulated.

In making transactions, the most important thing is to define the moment when transaction is contracted, the elements necessary for validating transaction, as well as establishing frames for legal recognition of the electronic signature.

The consumer has right not to fear about security of his data and its availability to other organisations. Why should he trust the Internet company about which he knows almost nothing? There is necessity to help them. This can be done with the declaration of proper *Privacy Policy*. But it is only, also in the case of the most rigorous policy, the declaration of goodwill. Researches show that leaving this problem to shops only is not a good solution.

We can indicate two models of privacy protection: first, based mainly on law instruments or market instruments, and second, based on self-regulation of the market.

The need for uniform technical standards is especially pronounced for electronic commerce that is depending to a wide extent on functioning and compatible networks. The provider of standards is, however, able to achieve a kind of monopoly power, and there might be a danger of commercial policy abuse by establishing standards and norms that favor one specific company or the companies of a specific country. Of course, the preeminence of the US companies within most sectors of the new economy will cause certain dependencies of such policy authorities on the US government or large US

firms. Furthermore, examples like the persistence of the English "QWERTY" and the German "QWERTZ" typing keyboards show that ingrained standards are sometimes very hard to replace. Nevertheless, in order to maximize overall welfare, it will be decisive to approximate as closely as possibly an open access approach to networks and electronic commerce.

Electronic commerce has, in a broad sense, a much deeper impact upon the evolution of the business and encompasses, in fact, not only the new commercial acquisitions, but also the total amount of activities which support the marketing goals of a company and which can include, for example, advertizing, sales, payments post-sale activities, clients oriented services etc. As a result the range of services which supports and lends assistance to this new business field has been expanded. These services refer to the Internet suppliers, to the security systems and the electronic signatures, to the on-line transactions or the shop

networks, as well as to the services of a more general nature, such as consulting, web design, site creation etc. This evolution has a major impact upon economy as the creation of new companies, the diversification of the existing ones and, especially, the potential of the labour market and its future degree of employment are concerned.

However, what is unique about e-commerce over the Internet and the efficiency gains it promises is the premium placed on openness. To reap the potential cost savings fully, firms must be willing to open up their internal systems to suppliers and customers. This raises policy issues concerning security and potential anti-competitive effects as firms integrate their operations more

closely. Another source of efficiency associated with e-commerce is the opportunity for “boundary crossing” as new entrants, business models, and changes in technology erode barriers that used to separate one industry from another. More generally, e-commerce illuminates differences that may exist between products, industries and countries, thereby highlighting the need to reform inconsistent regulations. While e-commerce can dramatically reduce some production costs, it does not offer a “friction free” environment. Rather, owing to new costs associated with establishing trust and reducing the risks inherent in this type of activity, it requires new intermediaries. Widespread “disintermediation” (producers selling directly to consumers without aid of any intermediaries) is not likely, but the nature of intermediary functions is expected to change. The translation of cost reductions into price reductions is not automatic. It is contingent on sufficient competition. Currently, price reductions attributable to e-commerce have only been evident in a few sectors. However, the lower costs associated with e-commerce should lead to greater product, market and international competition, especially in services, and thus to greater price competition.

It is clear that electronic commerce will change the structure, if not the level, of pricing as more and more products are subject to the differential pricing associated with customised products, fine market segmentation and auctions, and as the ease of changing prices increases. While these changes will generally improve economic efficiency, they may raise some consumer concerns. While consumers are accustomed to paying different prices for products such as cars, they may be less comfortable with differentiated pricing for smaller, common purchases. In addition, the more widespread use of variable pricing, the advent of greater price competition, and the ability to change prices quickly may affect expectations about prices and therefore have some bearing on monetary policy. In any case, changes in the structure of price setting will affect the ability to measure changes in prices and inflation accurately. Electronic commerce is transforming the marketplace by changing firms’ business models, by shaping relations among market actors, and by contributing to changes in market structure. Given the dynamic nature of these processes, the impact of electronic commerce will be firm-, sector-, and time-specific. Even if cyber-traders do not present a new commercial paradigm today, they play a catalytic role for other, more traditional companies that are entering electronic markets. Key market actors can thus contribute to the evolution and diffusion of e-commerce by forcing e-commerce solutions in sectoral and national contexts and, particularly, on suppliers. Electronic commerce does not always lead to greater market competition, but it changes firms’ competitive advantages, the nature of firms’ competition, as well as the market on which firms compete. The open, and potentially global, nature of electronic commerce is likely to increase market size and change market structure, in terms of the number and size of players and the way in which players compete on international markets. But the extent to which firms can reorganise in the new electronic environment will crucially depend on the flexibility and adaptability of the work force. The impact of e-commerce on the marketplace will also depend on the existence of a critical mass of consumers. A novel aspect of e-commerce is the emergence of virtual communities in online networks. E-commerce favours the combination of streamlined business processes, flat organisational hierarchies, continuous training and skills acquisition, inter-firm collaboration, and networking. All these elements contribute to a favourable environment for innovation and improve performance.

The speed with which information technology is transforming the economy and society makes it difficult to determine with absolute confidence the full range of social impacts and the net balance of social benefits and costs. It is clear, however, that fundamental changes are taking place at virtually every level of society, prompted by the growth of the Internet, electronic commerce and other applications of information networks. One of the hallmarks of electronic commerce is that, by drastically reducing transaction and search costs, it reduces the distance between buyer and seller, enabling businesses to target very small niches, develop individual customer profiles, and essentially provide a means of marketing on a one-to-one basis. The ability to realize this goal will largely hinge on the climate of confidence businesses are able to

create in their relations with their business partners and customers. Assurances about protection of privacy and personal information play an important role in building that confidence.

Both the public and private sectors need a fuller understanding of the requirements for

fostering confidence in electronic markets, particularly among consumers. E-commerce and other information and communication technologies reduce the importance of time as a factor that dictates the structure of economic and social activity. It both raises the potential of saving time as consumers shop more efficiently, but also could reduce leisure as the technology provides a continuous electronic link to work.

Regardless, many find that the pressure to perform tasks quickly is increasing. Linked to this is the broader question of the ability of policy-making apparatuses to accommodate.

In spite of its complex and multidimensional nature the e-commerce should be approached with complete seriousness by the political decision factors as well as by the business community in Romania if there is wished the capitalization of the opportunities that it is opening in terms of economical growing, of competitiveness and integration. The gains related the productiveness and efficiency generated by the e-commerce on the economy ensemble are so promising so that practically any attempt to ignore this new channel of business life development would be against productiveness and the pressure exercised by the big companies do not let to the Romanian companies other option than the one of the fast integration in the new electronic environment, if they want to maintain their competitiveness. The Romanian companies that are involved or that are intending to involve in the international commerce and want to derive gains from globalization must accelerate the incorporation of the new technologies and e-commerce in their business strategies. As the result, by the adopting of the electronic commerce the Romanian companies have the possibility to be part to the global production and distributing systems. At present, this seems to be the most efficient solution for the integration in the world economy and for the rendering more valuable the advantages of the present globalization wave.

The easiness entering on the market in some fields, associated to the decrease of the transaction costs, to the diminishing of the vertical integration advantages and of the companies dimension are opening new opportunities for the producers and consumers in Romania. Facilitating the small and middle companies access to the markets, to the information and other resources, otherwise inaccessible, the Internet and the e-commerce may place our country into a very favorable position to use the international trade and other tools of the globalizations (labor force fluxes, technology transfer, etc.) as instruments of the development.

The computers nor the Internet themselves cannot make an economy more productive or more competitive as well as the e-commerce is not a substitute for the export strategies. The on-line access to the markets and information do not themselves solve the ensemble of the issues related to the companies' competitiveness. Radical productivity and competitiveness bonuses may be expected providing that Romania shall built its capacity to exploit in a real manner the potential of the new TIC and of the e-commerce to make more efficient the economical processes. Making valuable the new opportunities inherent to the e-commerce in terms of efficiency as well as the globalization advantages by a more intense involvement in this commerce is not an easy task, because it depends on a huge variety of factors and conditions and the expected positive changes shall appear in time. Romania should have to confront numerous challenges and to cross over the many obligations that need to be approached concomitantly on more domains: economical, social, judicial., etc.

Romania must develop and consolidate its technological and informational infrastructure (facilities of telecommunications, TIC equipments, computers, etc.) needed by the acceleration of the diffusion of the e-commerce at the level of the whole economy. This means, firstly, the extension of the access to the telecommunications and Internet services at the level of prices, quality and speed supposed by the e-commerce. Related to this, Romania should develop the last technological progresses as well as the positive international experience related the reforms in the field of the regulation the telecommunications and the other infrastructure services.

Strongly connected to the efforts of consolidating the physical infrastructure and to the promoting of business environment favorable to the expansion of the e-commerce, there is the need of development of an advanced structure of services meant to stimulate the diffusion of the electronic transactions in its double quality of support and of content of those transactions. This is the reason that among the prioritizing in terms of industrial policies should be registered the extension of the Romanian offer of services as well as volume and as diversification, quality and efficiency degrees – as a premise and platform for the “taking-

off” and the dynamic expansion of the e-commerce. The competition stimulation on the services market by the mediation of the privatization, non-regulating and liberalization is a major requirement for the productive capacities strengthens of the Romanian sector of services and implicit for the increase of the efficiency on the national economy ensemble.

The experience of the developed countries shows that the Internet development and diffusion claims the involvement of numerous actors – governmental authorities, research universities and institutions, private companies and business associations, international agencies and bodies, etc. – as well as strong cooperation among them. If the modernization of the Internet and telecommunication infrastructure must be let as much as possible on the private sector investors the government belongs a significant role in the facilitating and promoting the e-commerce by the creation of a stimulating economical environment.

If Romania succeeded to adopt in a relatively short time the fundamental acts and legal norms needed to the operation of the e-commerce in national level and respectively, European level (for ex. E-commerce law, electronic signature act, etc), this should prove the same preoccupation for the steps at the multilateral level too, for the agreeing the game rules meant to govern the global electronic market, steps that are under evolution being supervised by the competent international authorities. The potential that e-commerce has in productivity and competitiveness terms is so significant that any delay in ensuring the technological and infrastructure premises necessary to its spreading on a larger scale attracts the risk of the deepening of the digital difference and implicit of remaining behind related to the aspect of integration in the global and European structures.

Conclusions

The exponential increase in internet connectivity and in electronic commerce is likely to have a lasting effect on the conduct of business activities. Consequently, the already observable changes indicate only the beginning of a long-term phenomenon, which might be labeled with the term new economy. In short, the paper has argued that it is particularly important to eliminate existing distortions. affecting the spread of electronic commerce and has pointed out the crucial importance of a certain set of criteria for international rules and regulations. The rules that govern the new economy have to be transparent, non-discriminatory, simple, enforceable, and consistent.

The separate frameworks of the countries can differ and it is neither likely nor desirable that the regulatory treatment of electronic commerce will converge to a single and exclusive corpus of legislation. Rather the different regulatory frameworks of the countries have to be compatible to each other in order to ensure the participation of all countries in the worldwide (digital) exchange of goods, services and ideas. Such an approach will enable further investment and growth in the new economy and will help to spread the benefit of the new economy to all countries.

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A FUNCTIONAL SKETCH FOR RESOURCES MANAGEMENT IN COLLABORATIVE SYSTEMS FOR BUSINESS

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Abstract: This paper presents a functional design sketch for the resource management module of a highly scalable collaborative system. Small and medium enterprises require such tools in order to benefit from and develop innovative business ideas and technologies. As computing power is a modern increasing demand and no easy and cheap solutions are defined, especially small companies or emerging business projects abide a more accessible alternative. Our work targets to settle a model for how P2P architecture can be used as infrastructure for a collaborative system that delivers resource access services. We are focused on finding a workable collaborative strategy between peers so that the system offers a cheap, trustable and quality service. Thus, in this phase we are not concerned about solutions for a specific type of task to be executed by peers, but only considering CPU power as resource. This work concerns the resource management module as a part of a larger project in which we aim to build a collaborative system for businesses with important resource demands.

Keywords: resource management, p2p, open-systems, service oriented computing, collaborative systems

1. Introduction

Nowadays businesses are becoming more and more dependent on technology. Applying a technology in a business can often increase returns. For example, a company can use the Internet in order to widen its market segment, employ a collaborative system to increase control over the production activity or to make the management process more efficient. Any of these situations may require innovation as a premise for a particular business progress. A new product, service or business idea requires building lots of scenarios and running simulations to conclude over the feasibility of the idea, which is the main pall for any investment.

Small and medium companies generally don't afford to buy access to computing resources for running their simulations. Computing services access is then a backset for small and medium companies.

Our work is related to the resource management module for a collaborative system that aims to meet small and medium companies' needs for computing resources. The service of access to computing resources is based on aggregating resources from all participating units. These entities are thought as collaborating nodes overlaying Internet.

In sections 2 and 3 we investigate technologies for achieving an economically efficient resource management for the mentioned collaborative system. Section 4 presents our work on establishing a functional model for the resource management module. Therefore, we discuss the general aspects of the module and assess alternative paths for the module behavior. In section 5 we conclude over the resource management module and the overall collaborative system, also presenting our future intentions concerning this work.

2. Technologies

2.1. Grids

Grid systems try to solve the following problem: the coordinated resource sharing and problems solving in dynamic, multi-institutional virtual organizations [5]. The CoreGrid network of excellence defines the grid as being "a fully distributed, dynamically reconfigurable, scalable, autonomous infrastructure to provide location independent, pervasive, reliable, secure and efficient access to a coordinated set of services encapsulating and virtualizing resources in order to generate *knowledge* [4].

The nowadays classical grid systems poorly fulfill the autonomy, scalability and dynamicity attributes of the above/listed definition. There are systems performing resource aggregation in a centralized manner building computing structures like TeraGrid [16] in USA, National Grid Service [17] in UK, Grid5000 [18] in France or the EGEE Grid [23] the project of the European Commission toward a global grid in Europe and world wide. Therefore, universities, research institutes, other selected organizations contribute with resources in this grid systems. These systems are used for running various scientific experiments that require huge resources, in various domains (particle physics, chemistry, biochemistry, medicine, Earth sciences, Life sciences, astronomy etc.). For participating in such a grid, an institution should follow a long and difficult process to get on with the technologies required to deploy the grid. To run experiments on the grid, a user should obtain security certificates, proving that the user already belongs to an agreed organization and it has a motivated research program for using the computing resources. Private companies are only very few involved in these grid systems. They prefer to build in-house closed grids to aggregate resources. Classical grid systems are based on middleware software platforms like Globus [19], Unicore [20] or gLite [21]. All the above mentioned platforms have problems to realize the scalability, autonomy and dynamicity attributes of the grid, because they are designed on a centralized coordination.

Classical Grids are relative closed systems, regarding the possibility of someone to enter the grid and contribute with resources. To outrun the organizational borders of the classical grid, the “grid economics” proposes the usage of methods from Economics for assessing and pricing the resources, for obtaining economic efficiency out of resource management [2]. Therefore they create the premises that each resource would have an associated value, users are able to pay the resources in correspondence with the utility they perceive from consuming the grid service. Therefore, negotiation between producers and consumers holds when allocating resources or when creating the so-called virtual organizations. The efficient exploitation of the grid is due to be realized through the usage of economic models. Economic-based resource management will be performed in a standardized framework, where the negotiation results will be described in the Service Level Agreements (SLAs), resources will be virtualized as web services. OGF [22] intends to standardize the WS-Agreement [15] language for SLAs. Part of the CoreGrid network of excellence, there are activities in this direction.

These research results are very promising, but, the classical grid systems still move to slow in this direction, also due to their centralized structure. Classical grid systems are mainly used for other scientific research, the money to support the grid are provided mainly from research councils or from the government; therefore, they do not push toward making the grid economically-efficient.

Up-to-date, the trust assumption holds in classical grids: the grid partners are trusted for delivering the quality of services they conceded to. This assumption does not hold on open systems that collect resources from various unsafe environments, or for systems that allow logging-in anonymous users. To tackle this problem, reputation models such as [13] are required for the grid to minimize cheating-users effects. This reputation model is based on the satisfaction perceived by the user and also intensively uses the huge amount of data supplied by the existing monitoring infrastructure.

2.2. Peer-to-peer

At the opposite side exists the P2P systems, which are applications that benefit from the resources (computing power, storage, network bandwidth) collected from Internet users [9]. These systems proved to be scalable because of the lack of centralization, auto-adaptable – they succeed to solve the absence of structure using internal mechanisms, and they are also very dynamic. In a remarkable vision paper, Foster and Iamnitchi [6] argue for the unification of grid and P2P, considering that both of these perform resource aggregation and sharing and each one has to solve problems that are identified in its counterpart system.

P2P is very popular for data distribution and sharing (Gnutella, Kademia, BitTorrent), but are almost inexistent for sharing computing cycles. These systems are based on reciprocity. If one user wants to download a file, she would have to deliver other files to the system or to help the file distribution to other users. Technically, P2P systems are based on structured or un-structured networks of peers. Structured networks are organized on so-called DHT (dynamic hash tables), like Chord [14], CAN [10] or Pastry [11]. These systems provide with a structure and an algorithm for message routing and information retrieval. Unstructured P2P networks allow a free collaboration between peers. Usual, they have some fairness rules [3], which directs the collaboration to the general goal of the P2P network. An important advantage in P2P networks is that malicious behavior usually affects only small parts of them. There are developments

showing out possible attacks on the structure of a P2P network and possible solutions to fight against these attacks [12].

2.3 Desktop grids

After presenting in sections 2.1 and 2.2 grid and P2P networks, in what follows we will describe Desktop Grids (DG), which, in general, supplies with the same functionalities like a classical grid but, apart from classical grids, they collect the computing resources of the (desktop) PCs spread over the Internet or over some computer network. In particular, if the computing resources are collected from volunteer users in the Internet, we say that we built an Internet Desktop Grid (IDG) and we deal with volunteer computing. Considering that most of the DGs are also IDGs, in what follows, we will simply use the expression “Desktop Grids” for mentioning IDGs.

Actual DGs are technically built on a master-worker computational model [8]: the master delivers tasks to workers and collects and verifies the results. Although the resources are collected from distributed Internet users, a master exists – being a centralization issue. The master distributes tasks and data related with those tasks and coordinates the whole activity of a DG project. The success of DGs resides on the fact that is cheaper and more flexible to manage a “master” in a DG, rather than to manage a supercomputer. Therefore, the computing power becomes available “on demand”, any time the user request it and at a fair price.

However, there are papers that try to design a desktop grid as a P2P system. We can mention the system proposed by researchers from Maryland University USA [7]. They analyze the situation that each peer can inject tasks in the DG, rather than only to contribute with resources. For the people to trust and use such DGs, these must be “trustable” and secure. In a P2P system, a peer joins in if it finds a benefit from joining the network. A peer will not participate in the system if the system will not offer him enough security warranties. In [7] the authors do not mention the mechanism that would attract volunteers to join the system and how to protect the system against sabotage, as in classical DGs. They omit the problem of protecting the volunteers against the risk that a peer to inject malicious code (viruses) or corrupted data into the system.

3. Resource management module

3.1. Overall system

We will shortly present now the main issues that determine our collaborative system. As a consequence of the previously presented technologies, we chose to design our system by employing P2P architecture. This ensures scalability of our system and openness to the aggregated resources. As a general view, the system gathers (buys) resources and then distributes (sell) them to different types of customers considering a SOA (Service Oriented Architecture).

The behavior of the system is wanted to be fully generated by economic rules (such as offer and demand rules). An important target which is not discussed in this paper but proposed for future work is the government of economics over our collaborative system. We are focused on finding a workable collaborative strategy between peers so that the system offers a trustable and quality computing service. Thus, in this phase we are not concerned about solutions for a specific type of task to be executed by peers, but only considering the computing capacity as resource.

3.2. System infrastructure

As Internet overlays, P2P systems can globally access resources. This is a key-advantage since by rule any resource is wanted in greater and greater quantity. Another reason is that resources in these networks are fast and cheap available. We will employ structured P2P architectures, because of their advantages over the unstructured ones. Such strong points are scalability, fault-tolerance resistance and guaranteed resource location. The structured P2P architectures evolved since their start, still being improved and this highly supports our target for global resource aggregation. We are not focused yet on a particular architecture, so we will make this decision based on results from simulations of our aimed resource management module on several P2P systems such as: Chord, CAN, Pastry, Kademia, comparing the different specific results.

3.3. Resources aggregation

An overview on the resource management issue raises certain demands on how the system should act in terms of resource gathering and delivering. Therefore, each participating node holds a specific resource quantity available for the system. The way a peer announces its capacity could be made in a web-service manner by publishing this information (resource offer), this being a common habit in SOAs. In our system, the web interface will be replaced with other types of connection-based communication.

After the announcement of individual available computing capacity, there comes the aspect of aggregating these resources. In this context, we will establish a method for maintaining resource-offer aggregated information. This means a place or a method for accounting the aggregated resource. This could be done in two ways: either using leader-peers to centralize information about resources or defining an algorithm for searching through the network to satisfy ad-hoc resource demand. The algorithm searches and gathers computing capacity until the needed quantity is reached.

The approach of creating leader-peers brings into discussion hybrid-p2p scheme, which premises weaknesses points to the system. Therefore, certain nodes must be endowed with server capacities in order to centralize and deliver information about the aggregated resources. The challenge is, here, to determine which nodes and under what circumstances should become leaders (reputation criterion). The disadvantage of this presumed solution is that the centralized information must be updated as the network evolves and vulnerability of the system concerning the leader-peers. As P2P systems are highly dynamic networks we intuit an overcharge on the leader-nodes, but we are not sure about certain consequences unless testing the solution.

The second possible solution to gathering the resources employs pure-p2p architecture. In this situation, peers are functionally equivalent. When a service-customer wants to access the aggregated resource, it only contacts at random a node in the system. To ease the reference to this node, we will call it *initiator*. In response to the request, the initiator will run a *gather* procedure in order to build a list with those nodes in the system that will “work” for this same request. This hypothetical method has no threats about a single point of failure, since no information or functionality is centralized. However, an obvious disadvantage would be a certain delay from the moment the service-request was placed in the system until enough nodes are co-opted so that the requested capacity is reached. The question that arises here is about the size of the system segment from which the leader-node should centralize information. As presented in [14], managing information about all other nodes in the system is not scalable in P2P architecture, so an alternative such as keeping capacity and availability information about neighbors should be taken into consideration. Manifestly, the results of this approach will be highly influenced by the kind of P2P system architecture, since each scheme tackles the neighbors issue differently.

When the initiator searches for nodes, it traverses the network and asks nodes of their current available capacity. Based on this answer, the initiator infers whether a specific node is available at that moment at all. This aspect resembles with the behavior of nodes in BitTorrent network (reference), where a node can temporarily refuse under certain circumstances requests from other nodes. A key issue here is that the searching mechanism is very tight to the employed P2P architecture since routing mechanism and topology differs from one to another.

3.4. Resource owner

In this section we will discuss the aspect of resource ownership and how this influences the negotiation for resource. From a real situation depicture, as in figure 1, a resource can be available from an individual, or from a group of nodes. In this particular case, the group is controlled for example by a company that invested in computing resource for own use. Since there are moments when the resources are not used (or used at partial capacity) for own interest, the company is motivated for making them available to our system in turn for money. This trade can for example lead to a shorter amortization period. For a greater efficiency of our system, we are motivated to consider that a node from the group will represent the entire group when negotiating resources. This node will keep track of the availability and capacity of any other member in its group, being the negotiator of the company in our proposed system. The other possibility of resource existence is an individual computer at a certain physical location.

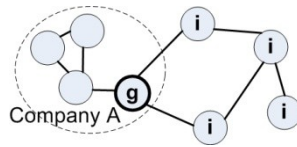


Figure 1: group-role node and individual-role nodes

From the discussed resource ownership aspects we draw the conclusion that a participating node can play one of the following two roles: individual-role, when the node acts for itself in the system and group-role for interfacing a group. The latter role makes the node to act in the system as if the resources of the whole group were its own. In figure 1 nodes with individual role are marked with “i” and the one with group-role with “g”. The g-tagged node represents resources for company “A” in the system.

3.5. System trust

Since our proposed system globally aggregates resources, their heterogeneity must carefully be taken into consideration. This aspect does not concern as much the capacity and type of the resource as its availability and correctness. By resource correctness we mean all implied characteristics of a resource and its delivery so it is according to the negotiated parameters values. Therefore, our system should be endowed with a reputation mechanism, to reflect the quality parameters of a resource identity. Such a mechanism would contain pointing rules that maximizes the total score if the resource is stable (stays up for long time) and correct (doesn’t cheat).

The cheating aspect has the most important influence on the system trust. If there are nodes that receive a resource request and they agree but finally deliver an intentionally wrong result the system will be suspected and abandoned by customers. Consequently, the system failed from its target.

3.6. Peer specialization

In P2P systems, nodes are free to come and go as they wish. Therefore, our system will consider a mechanism for avoiding possible losses determined by a sudden node failure. A suitable approach for our system would be replication, as a common technique presented in structured P2P papers (struct.P2Particles). In our system situation, replication would mean periodically copies of a “working” node state to one or several of its neighbors. Therefore, the node that holds the copy would periodically check the presence of the node from which it received the copy. The moment no answer is received from it, a recovery action would take place.

Based on the presented resource management functionality of our system, we intend to build an upper layer on it, in order to differentiate resource identities by functionality semantic. While the resource management discussed in previous sections only concerns raw resource availability and delivery (hardware resources), this layer groups nodes into service-type classes (software resources). That is, the resource at a node can be used to perform a specific action, such as: physics-specific computations, accounting operations, graphic analyses, and so on. This layer plays an obvious role, since computing resource can only be used by running specific algorithms on it.

Having the second layer in mind, one can imagine our system as a large group of nodes with available resources, each of them being capable of performing a strict set of operations. When a customer needs complex information processing, it places a request on the system, which is further analyzed, decomposed and processed by certain resource entities in the system.

The upper layer acts for the system just like division of labor in human society, where each individual is a potential resource, but which becomes a full-resource when acting in a specific way. The specific behavior of an individual means specialization which is a brick in a particular workflow wall. If we consider the workflow of a complex activity, each piece of it would be carried out by adequate specialized nodes in our system.

3.7. Resource atomicity

There are two reasons for which we consider that the system should comprise different levels of resource aggregation. The first is that an individual-role peer represents a too small resource unit as compared to the

total resource demand for a resource request placed by a customer. That is, when searching for peers, the initiator must negotiate with many nodes in order to reach the demanded resource quantity. This problem resembles with the need of measuring or representing a long distance with a very small length measure unit, which is an arduous task. The second aspect is when payment for the service is done. If the customer gets to the moment of payment, it is not concerned at all about how many resource units needed its request and what is their identity. Thus, the payment must be centralized, implied resource units being transparent for the user. These two reasons lead us to creating leader peers, which represent, thus negotiate and receive payment in the name of a certain number of individual peers.

Individuals from a group are considered to form an alliance, since by this way, they can obtain a better price for their individual resources compared to the situation of acting alone. This is because a customer with a large resource demand would deal with a group much easier than with many individuals.

Figure shows our system as groups of resource individuals, represented by leader peers. Leader peers are tagged with “g”, since they play a group-role and the individuals from a group with “i”.

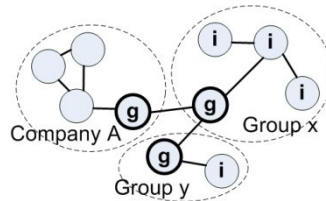


Figure 2: System viewed as groups of resource individuals

Two of the challenges here are to settle a rule to maintain the leader peer as the network evolves and to establish the size of a group.

3.8. Resource brokerage

When a user places a resource request in the system, a certain peer should handle it. This node is the access point of the customer in the system. Consequently, all actions that lead to delivering satisfactory results to the customer start from here. Once the conditions for the resource request are established by the user, the system must gather resources in order to accomplish the request according to those conditions. An example of such restriction would be the price that the customer is willing to pay for the resource. The finding of the available resources corresponding to the user conditions could be made through a negotiating process. Thus, we propose the broker peer role, as functionality responsible with finding user-restrictions-compliant resources in the system. In an implementation, the broker role could overlay the leader role since they both represent centralized, apart functionality.

4. Conclusions and future work

As mentioned in section 3.1, we are not aware of system behavior when employing a particular P2P architecture, so a future target is to test several architectures, compare the results and choose the most appropriate solution according to our functional design.

An important issue that concerns our model is the service currency. We have discussed functionality of the resource management module but haven't specified the motivation of different entities for making available their resources. Thus, we are concerned to find a realistic, workable and economically-driven scheme for determining participants to share and access resources. This target will consist of studying the implications of economics in the resource management module behavior.

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TIME-SERIES DIAGNOSTICATION AND PREDICTION WITH PATTERN RECOGNITION TECHNIQUES AND NEURAL NETWORKS

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Abstract. The paper presents some aspects regarding the joint use of classification and recognition techniques for the activity evolution diagnostication and prediction by means of a set of indicators. Starting from the indicators set there is defined a measure on the patterns set, measure representing a scalar value that characterizes the activity analyzed at each time moment. A pattern is defined by the values of the indicators set at a given time. Over the classes set obtained by means of the classification and recognition techniques is defined a relation that allows the representation of the evolution from negative evolution towards positive evolution. For the diagnostication and prediction the following tools are used: pattern recognition and multilayer perceptron. The paper also presents the REFORME software written by the authors and the results of the experiment obtained with this software for diagnostication and prediction of the degrees of economical development during the years 2003-2010.

Keywords: time-series, pattern recognition, neural networks, multilayer perceptron, diagnostication, prediction

1. Introduction

The paper presents a method based on mixed combination of some tools specific for the artificial intelligence for diagnostication and prediction regarding the evolution of an activity. The following techniques are used:

- pattern recognition and classification;
- multilayer perceptron.

The assessments of the development level for a specific activity can be carried out by using the analysis of the evolution of the indicators describing both the quantitative level as well as the qualitative mutations in time.

The diagnostication related problems are solved using pattern recognition dedicated techniques, implemented in the REFORME software. The data corresponding to the evolution in time of the activity considered are processed using the methods already mentioned, methods assessing the overall evolution trend of the indicators. The output is a qualitative variable representing the result of the assessment.

The general architecture of the system is presented in Figure 1.

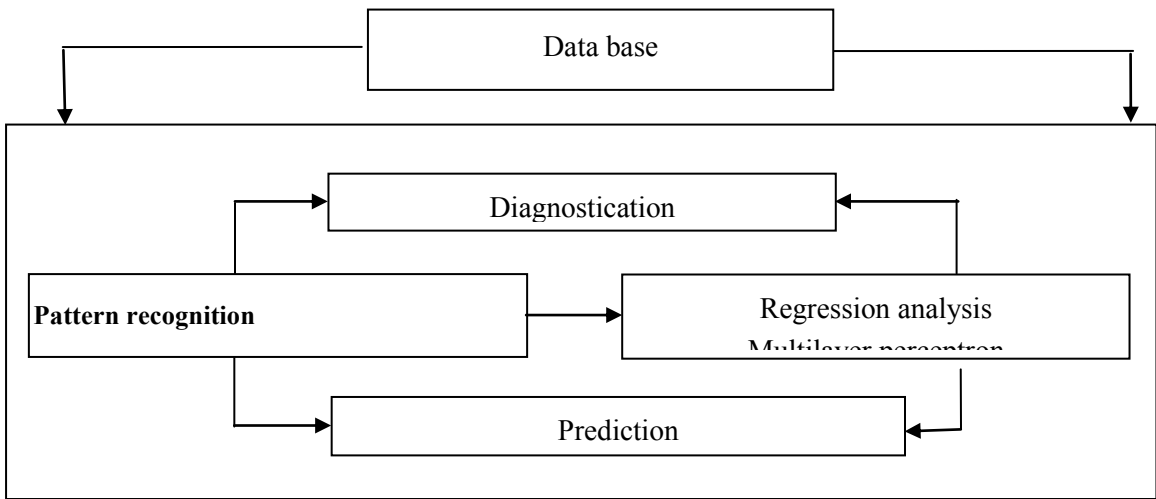


Figure. 1. The conceptual diagram of the intelligent system for diagnostics and prediction

The database includes the data referring to the specific indicators and the achievements per indicators organized as tables. A minimal database with a high degree of flexibility includes the tables INDICATORS and VALUES having the structure described below:

INDICATORS table

Codeind	indicator code
Nameind	indicator name
Umind	measurement unit used for the indicator

VALUES table

Codeind	indicator code
Date	report date
Value	indicator value

2. Pattern classification and recognition techniques

2.1. Pattern recognition

If we note x_1, x_2, \dots, x_n the characteristics set and x is a form defined by these characteristics, then the x form can be considered as a vector $x(x_1, x_2, \dots, x_n)$. The N parameters of the vector x are subjected to different processing methods: data normalizing, linear and nonlinear transformations, reducing and pattern selection, [3],[6],[7]. A supervised recognition problem can be formulated as follows:

Given a partition in classes of known forms, a new form must be included in one of these classes taking into account the existing classes.

The unsupervised recognition consists of dividing the space forms in classes using algorithms. The simplest grouping algorithm, named the threshold algorithm is based on the initial determination of a minimum distance between two forms, the threshold distance.

According to the algorithm mentioned above, two forms belong to the same class if the distance between them is smaller than the threshold distance. Using the threshold algorithm, the value of the threshold establishes the number of classes and the classification process can be reapplied for different values of the threshold until the best classification is obtained.

If the values of the parameters are of different magnitude, then the parameters with high absolute values will have a greater influence over the classification results and the values of the parameters must have the same order of magnitude. The method frequently used is the domain adjusting method, the following transformation of the parameters values being applied:

$$X_{i,new} = \frac{(X_{i,old} - X_{i,min})}{X_{i,max} - X_{i,min}} \quad (2.1)$$

If P_1, P_2, \dots, P_m are the reference patterns (the prototypes) and C_1, C_2, \dots, C_m are the corresponding classes, then the minimum distance classifier will assign the input pattern X to the class C_i if the distance $d = |X - P_i|$ is minimum. The most used distances are derived from the general Minkovski distance:

$$d_{Minkovski} = \left[\sum_1^n (x_i - p_i)^k \right]^{1/k} \quad (2.2)$$

For $k=2$, the Euclidean distance is obtained:

$$d_{Euclid} = \left[\sum_1^n (x_i - p_i)^2 \right]^{1/2} \quad (2.3)$$

For the determination of the class to which a pattern belongs, starting from a training set with known classification, one of the most frequently used method based on the minimum distance principle is the nearest neighbor method.

Let $F = \{f_1, f_2, \dots, f_n\}$ be a set of training patterns and C_1, C_2, \dots, C_p the classes in which the set F was divided using a classification algorithm. The rule of the nearest neighbor can be mathematically wrote as:

$$\text{if } d(f, f_a) \leq d(f, f_k), k = 1, 2, \dots, n \text{ and } f_a \in C_i \text{ then } f \in C_i$$

2.2. Neural networks

An artificial neural network with an input layer and an output layer divides the input vectors in two semi plans. Solving complex problems implies the need of complicated decision regions, problem that can be solved by using networks with one or many extra layers between the input and the output layer [1]. Such a network can be treated as a generalization of the perceptron, being known as the multilayer perceptron (MLP) presented in Figure 2.

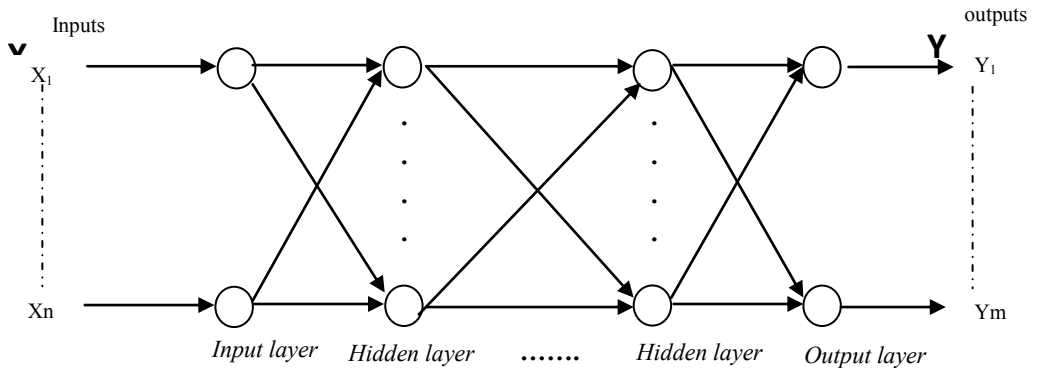


Figure 2. the multilayer perceptron architecture

For such architecture, the input layer is made up from linear neurons whose goal is not to compute but to propagate the input signal to the corresponding neurons on the next layers.

Excepting the neurons on the input layer, for each neuron is computed the activation (the sum of products between the inputs and weights) and then the activation function is applied obtaining the output of the neuron. The output of the previous neuron becomes input for the neuron from the next layer.

When chaotic time series are involved, prediction is a difficult problem and can be viewed as temporal pattern recognition task, for wich purpose neural networks suit very well.

The predicted value $x(tk+1)$ of a variable x at a future time $tk+1$ is based on k previous values $x(t1), x(t2), \dots, x(tk)$. Figures 3, 4 shows neural network structures for univariate and multivariate prediction [2]:

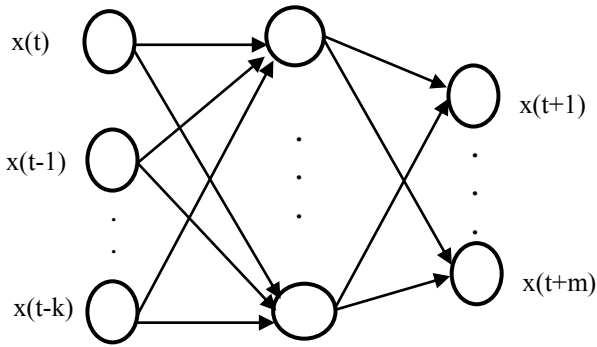


Figure 3. Connectionist univariate time-series

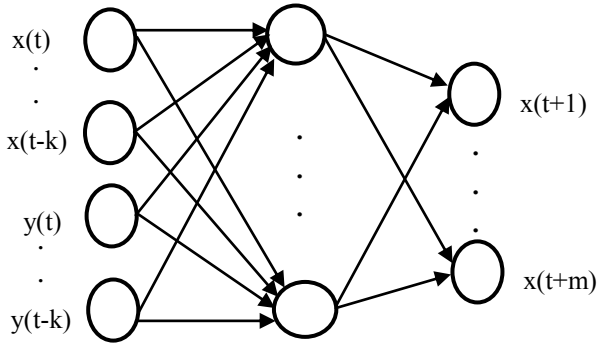


Figure 4. Connectionist multivariate (two) time-series

The dependent variable subject to prediction can be different from the past data variables (independent variables), but both are on the time scale.

Backpropagation method

The backpropagation method is the most important and used method for multilayer feed forward neural networks training that minimizes the mean squared error using the gradient method. The method determines the minimum of a function of many variables or parameters through successive iterations.

We consider a network with I neurons of the input layer, H neurons of the hidden layer and O neurons for the output layer. Also, we consider a X(I) vector of inputs, Y(O) vector of outputs, W(H,I) the matrix of weights, connections between the input layer and the output layer and finally V(O,H) the matrix of weights, connections between hidden layer and the output layer.

For the f sigmoidal function of activation we have:

$$f(x) = \frac{1}{1 + e^{-x}} \quad (2.4)$$

With here derivation

$$f'(x) = f(x)[1 - f(x)] \quad (2.5)$$

The algorithm for the neural networks training with a single hidden layer through backpropagation method is presented bellow.

Read I, O, H

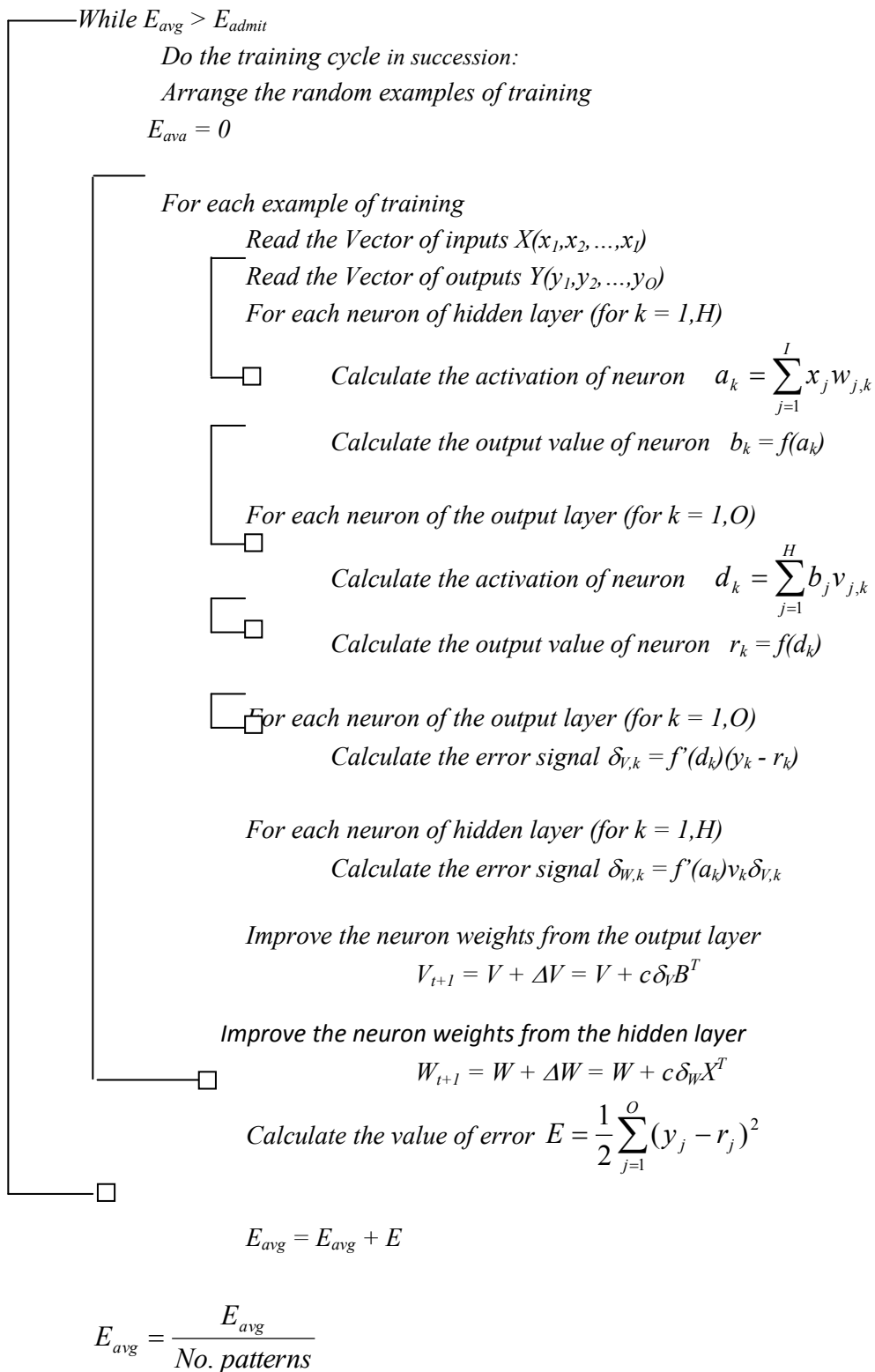
Initialization of the weights with random generating subunit values

Read the value (rate) of training $c \in (0,1)$

Read the admit error E_{admit}

$E_{avg} = \text{high value (99999999999)}$

Determining the numbers of patterns for training (No. patterns)



3. REFORME – A software PRODUCT for pattern recognition and classification

REFORME is a software designed for pattern classification and recognition using specific techniques [4]. The user interface of the program is presented in Figure 5.

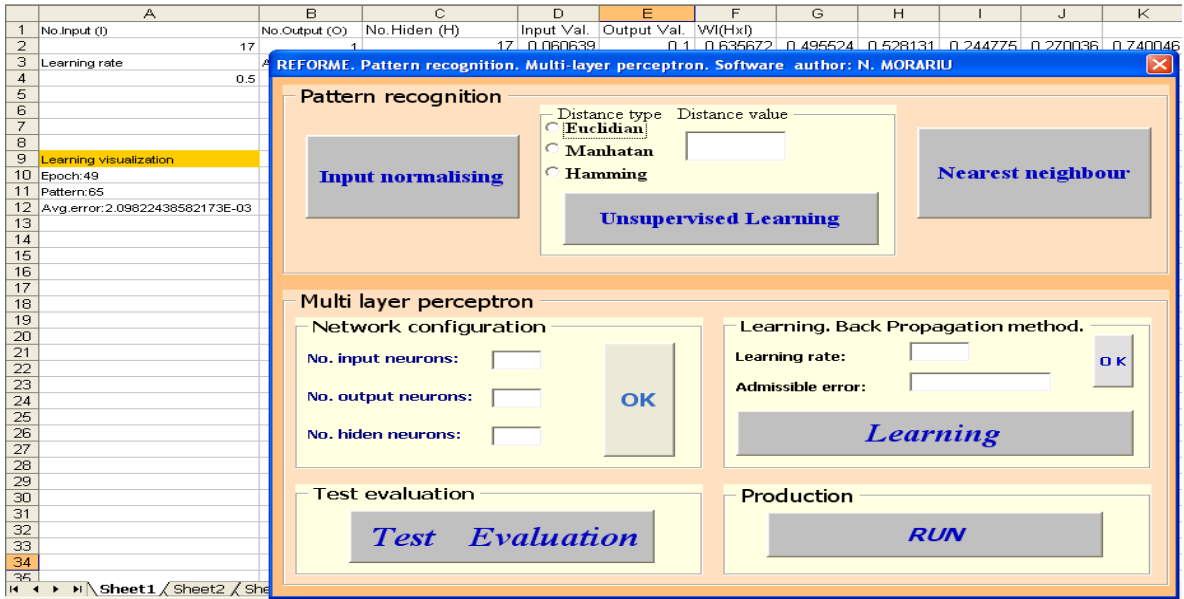


Figure 5. REFORME – Software for pattern recognition and

In this software we make use many of the pattern recognition and classification techniques referred to earlier in 2 sections. The program has two components:

- pattern recognition;
- multilayer perceptron

and allows the combined use of the two pattern and classification techniques for a common data set imported from Excel each of the imported pattern being one row in the spreadsheet.

The module “pattern recognition” has the following tasks:

- normalizes the inputs by means of the domain adjusting method;
- classifies unsupervised using the threshold algorithm with a classifier minimum distance based for the type of distance selected (Euclidean, Manhattan, Hamming) and specified threshold value. The classes resulted will be numbered from negative evolution toward positive evolution using an algorithm that induces the relation “<” over the classes set.
- determines to which class belong an unknown pattern and also determines the pattern at the minimum distance from the unknown pattern by means of the nearest neighbor rule.

The module “multilayer perceptron” accomplishes the following tasks:

- defines the network architecture
- learns supervised using the back propagation error algorithm
- test and assesses the network
- pattern recognition based on the results obtained in the training step.

The configuration of the network consists in:

- the specification of the number of neurons I on the input layer;
- the specification of the number of neurons H on the hidden layer;
- the specification of the number of neurons O on the output layer.

According to the values communicated for these data, that will be stored in Sheet1, the WI(HxI) and WO(OxH) random subunit weight matrix are generated corresponding to the connections between the input layer and the hidden layer, the hidden layer and the output layer respectively, also stored in Sheet1.

For the supervised learning phase there are specified the admissible error and the learning rate. A number of epochs are executed until the error condition is satisfied or until the specified number of specified epochs is completed. From one epoch to another the patterns are randomly sorted and the weight matrix will be replaced with the new weights calculated using the backpropagation method.

After the completion of a specified number of epochs, the training phase can be resumed with another number of epochs and another learning rate. The mean error at the end of each epoch is displayed on screen on a visible area of the Sheet1.

The assessment – test phase comprises the assessment of the result during the training process for a test data set.

The network previously trained for the unsupervised classification of a specified pattern set is used during the pattern recognition phase, with the weights resulted from the training phase.

4. Graphical representation of the evolution of analyzed activity

A graphical representation of the evolution of the activity in a coordinate system xOy can be obtained as follows: each pattern represents a point on a plane, the axis x being the time period corresponding to the pattern and y is the class that the pattern belongs to as shown in Figure 6. The accuracy of the representation depends on the number of classes. This representation implies first to sort and then renumber the classes taking into consideration the evolution direction (from negative evolution towards positive evolution).

To order the classes, for each class c is assigned a number M(c) that is calculated as presented below.

Let $x(x_1, x_2, \dots, x_n)$ be a pattern that belongs to the class c, with normalized parameters x_i . For each parameter x_i of the pattern x is assigned a weight p_i , representing the importance of the parameter x_i (the weights can be computed for instance as the partial correlation coefficients or can be set up by the expert).

For the pattern x, D(x) is calculated using the equation:

$$D(x) = \sum_{i=1}^n p_i x_i \quad (4.1)$$

D(x) represents a measure of the activity described by the pattern x.

For each form belonging to the class c the similar method is carried out, M(c) being defined as:

$$M(c) = \left(\sum_{x \in c} D(x) \right) / p \quad (4.2)$$

where p is the number of forms belonging to class c.

The class c1 is in relation “<” toward the class c2 if $M(c_1) < M(c_2)$.

An order relation over the class set has been defined. Renumbering the classes taking into account this order relation, a plot can be drawn representing the evolution of the activity analyzed as shown in Figure 7.1.

Given two time intervals t_1 and t_2 , $t_1 < t_2$ and $D_{t_1}(x)$, $D_{t_2}(x)$:

- If $D_{t_1}(x) < D_{t_2}(x)$ then the activity defined by the patterns x has a positive evolution at the moment t_2 toward t_1 ;
- If $D_{t_1}(x) = D_{t_2}(x)$ then the activity defined by the patterns x is stationary at the moment t_2 toward t_1 ;
- If $D_{t_1}(x) > D_{t_2}(x)$ then the activity defined by the patterns x has a negative evolution at the moment t_2 toward t_1

A similar interpretation can be done considering M(c).

A much accurate representation of the activity evolution in a coordinate system xOy can be obtained as follows: each form represents a point in plane, x being the time range that corresponds to the form and y is D(x) as shown in Figure 7.2.

5. Case study – Macroeconomical prognosis

We consider the next macroeconomic indicators. (Reference [8]):

modification toward previous year

COD	INDICATOR	U/M	2003	2004	2005	2006	2007	2008	2009	2010
I1	Gross Domestic Product	billion RON	197.6	246.4	287.2	330.3	372.3	414.2	453.3	492.1
I2	Goods export (average)	million. EURO	15614	18935	22255	25500	29150	33100	37300	41800
I3	Goods import (CIF)	million EURO	21201	26281	32569	38620	44300	50450	56900	63500
I4	Goods import (FOB)	million EURO	19569	24258	30061	35650	40910	46600	52550	58650
I5	Occupational populations (average)	thousands pers.	8274.6	8087.7	8095	8105	8120	8135	8150	8165
I6	Average number of employees	thousands pers.	4590.9	4468.8	4575	4675	4760	4825	4895	4945
I7	Gross Income (average)	RON	664	818	958	1080	1200	1310	1430	1545
I8	Number of unemployment (the ending of the year)	thousands pers.	658.9	557.9	523	520	508	495	485	480

Taking into consideration the specific problems regarding macro economical prognosis, the indicators represents the parameters of the pattern and a pattern X_t is defined by the values of the parameters for an year.

For diagnostication is considered the interval between 2003 and 2006, and for prediction the interval between 2007 and 2010.

The input data are processed in Sheet3. Each row of the datasheet represents a pattern and characterizes the degree of economical development for the year considered.

After the data normalization, classification (unsupervised recognition using the threshold algorithm) with REFORME software, the distance used being the Euclidean distance and the threshold value =1., results the division of the patterns into 4 classes, the ordering and the renumbering of the classes as well as the representation of the plot for the evolution using the two solutions (classes, $D(x)$).

The results obtained are presented in Figure 6 and Figure 7.1., 7.2.

B1		fx (A=Learning, T=Test evaluation, P=Recognition, AT=Learning+Test, X=Unutilised)											
	A	B	C	D	E	F	G	H	I	J	K	L	M
1	ID_Pattern	(A=)	I1	I2	I3	I4	I5	I6	I7	I8	Class	D(x)	M⊙
2	A-2003	A	0.0000	0.0000	0.0000	0.0000	1.0000	0.2564	0.0000	1.0000	2	2.26	1.98
3	A-2004	A	0.1657	0.1268	0.1201	0.1200	0.0000	0.0000	0.1748	0.4354	1	1.14	2.28
4	A-2005	A	0.3042	0.2536	0.2688	0.2685	0.0391	0.2230	0.3337	0.2404	1	1.93	
5	A-2006	A	0.4506	0.3775	0.4118	0.4115	0.0926	0.4330	0.4722	0.2236	1	2.87	
6	A-2007	A	0.5932	0.5169	0.5461	0.5461	0.1728	0.6115	0.6084	0.1565	3	3.75	4.62
7	A-2008	A	0.7355	0.6678	0.6915	0.6917	0.2531	0.7480	0.7333	0.0838	3	4.60	
8	A-2009	A	0.8683	0.8282	0.8440	0.8439	0.3333	0.8950	0.8695	0.0279	3	5.51	
9	A-2010	A	1.0000	1.0000	1.0000	1.0000	0.4136	1.0000	1.0000	0.0000	4	6.41	6.41
10													
11	Minim		197.60	15614.00	21201.00	19569.00	8087.70	4468.80	664.00	480.00			
12	Maxim		492.10	41800.00	63500.00	58650.00	8274.60	4945.00	1545.00	658.90			

Figure 6. The result after the data normalization, classification (unsupervised recognition using the threshold algorithm) using Euclidean distance and the threshold value =1.

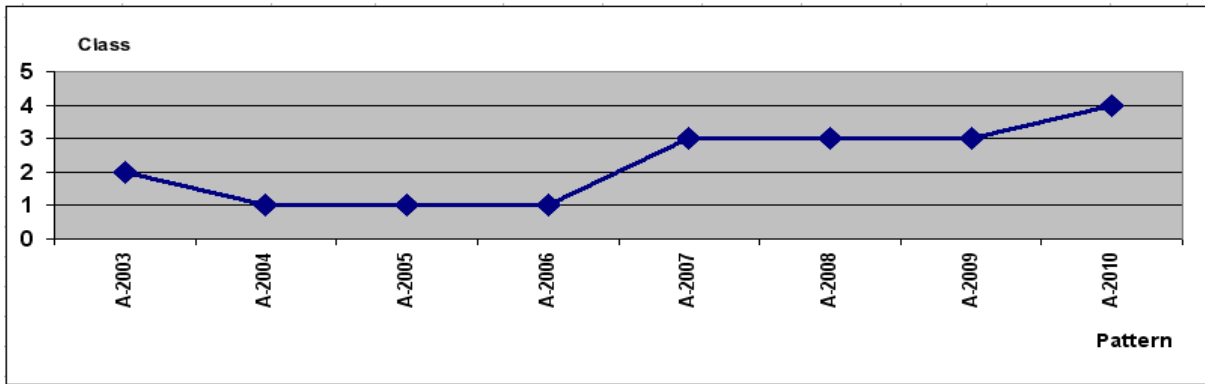


Figure 7.1. Graphical representation of analyzed activity by classes
 $M(1)=1.98$ $M(2)=2.28$ $M(3)=4.62$ $M(4)=6.41$

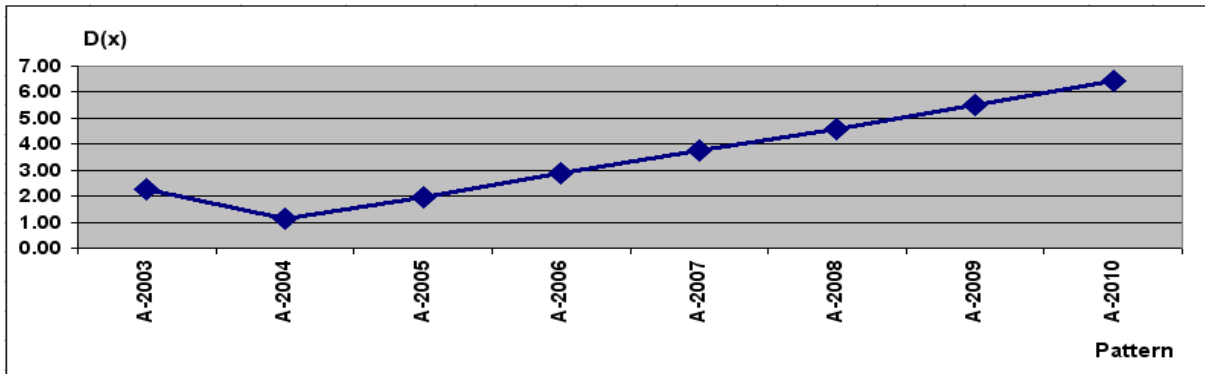


Figure 7.2. Graphical representation of analyzed activity by D(x)

For a better approximation one solution would be the design of specific models for nonlinear systems [2], [5].

For the prediction of the values corresponding to the next year the following neural architecture is defined: 8 neuron on the input layer, 8 neurons on the hidden layer and one neuron on the output layer. The network architecture is presented in Figure 8.

For training, the network uses the inputs for time t and the $t+1$ output is obtained.

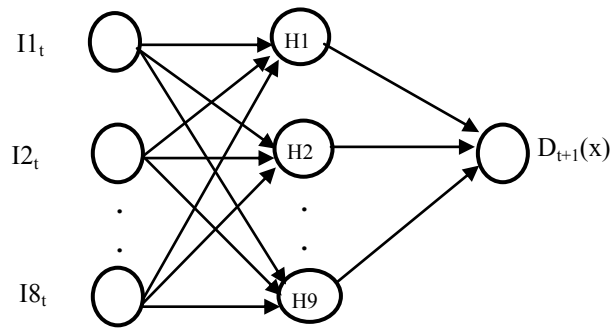


Figure 8. The network architecture for the next year prediction

The results obtained with the software REFORME (using sigmoid activation function for the hidden layer and identity function for the output layer) are presented below.

The training process is made in three phases as well presented in figure 9.1, 9.2, 9.3. The training begins with the training for a number of years and then the prediction for the next years is carried out. The training is then restarted including in the training set the values predicted and the next prediction for the next interval is carried out.

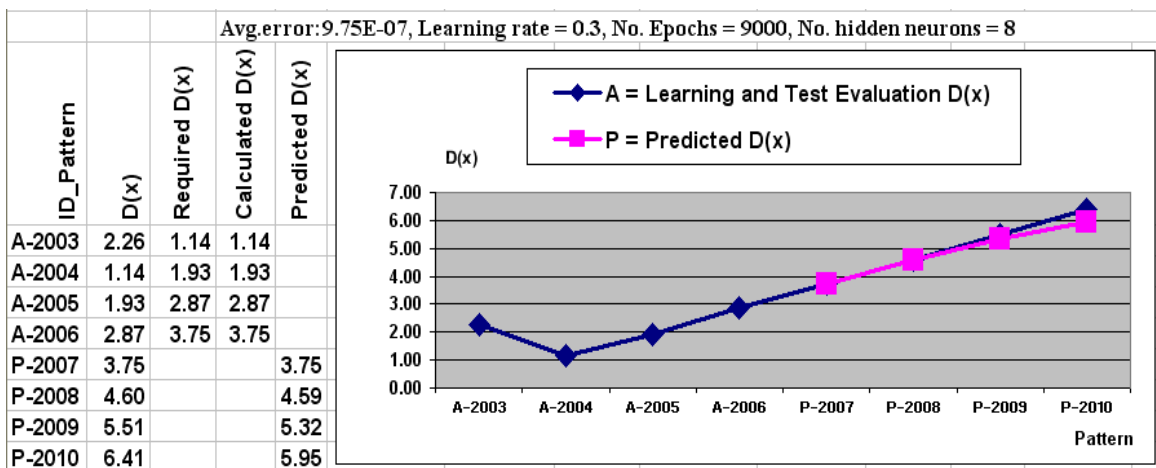


Figure 9.1. The results of network training and prediction - phase 1.

Avg.error:4.03E-07, Learning rate = 0.3, No. Epochs = 2430, No. hidden neurons = 8

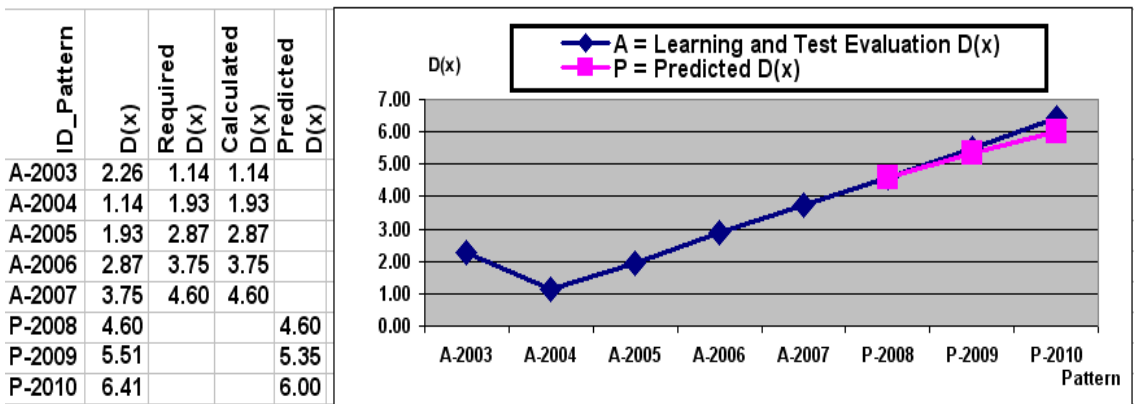


Figure 9.2. The results of network training and prediction - phase 2.

Avg.error:1.09E-04, Learning rate = 0.1, No. Epochs = 5000, No. hidden neurons = 8

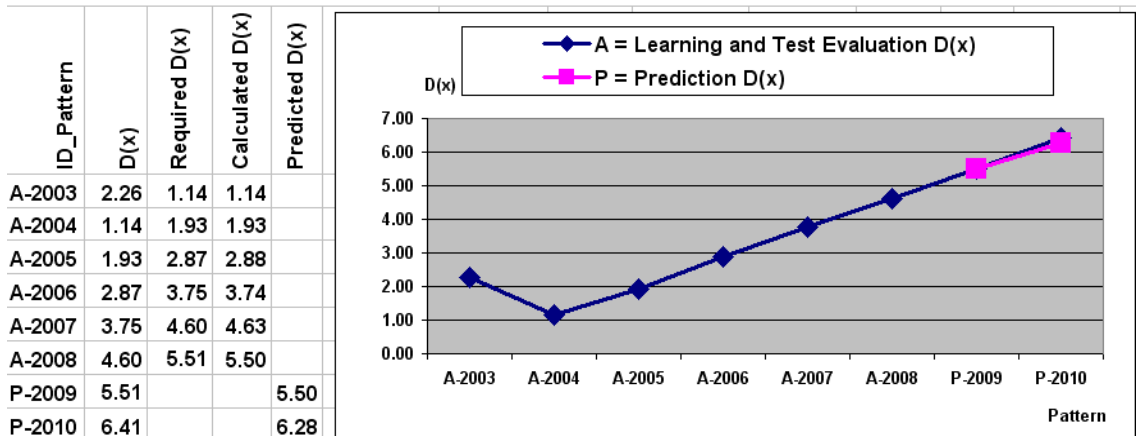


Figure 9.3. The results of network training and prediction - phase 3.

6. CONCLUSIONS

The paper describes a method that quantifies and represents the evolution of an activity. Starting from a set of indicators that characterizes an activity, are defined a scalar $D(x)$ that allows to measure an activity described by the x patterns and an order relation “ $<$ ” over the set of classes resulted using unsupervised classification techniques for the graphical representation of the activity evolution using classes.

One of the methods used for solving diagnostication and prediction problems is the regression analysis. In the case of linear systems the regression approach has practical relevance. Because of their ability to detect nonlinear dependences in the input data set, neural networks represent an efficient alternative to the existing methods.

The prediction of the evolution of the nonlinear system is a difficult problem and sometimes impossible to solve. The obtained results confirm that prediction for a shorten period of time (1 year) is exactly, but for a long period of time (4 years) the results are approximately.

The researches in the field take into consideration other approaches that are using concepts specific to chaos theory such as: the phase space, attractors, fractals and Lyapunov coefficients measuring the sensitivity to the initial conditions, one of the main characteristics of the chaotic systems.

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WEB APPLICATION FOR ON-LINE STATISTICS OVER A SQL SERVER RESPONDENTS TABLE

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The application presented in this article was developed under Microsoft Visual Studio 2005 (based on ASP.NET 2.0 platform) and Microsoft SQL Server 2005. It describes a way in which some statistic information about the data from the records of a SQL Server database can be acquired and how these data can be grouped by a continuous frequency distribution.

Keywords: on-line statistic, Sturges' rule, grouping of statistical data, continuous frequency distribution, SqlConnection, SqlCommand, Web application

Statistical data

General statistic information

The first type of statistic implemented in the application offers general statistic information about the records of the respondents table, such as:

- the percentage of respondents who has declared their email;
- the percentage of male, women or undeclared sex;
- the percentage of urban, rural population or undeclared type of residence;
- the percentage of respondents belonging to a category of job (budgetary, private, pupils, students, retired or undeclared type of job)
- the percentage of respondents which live in a specific country.

To obtain these percentages is used the well known formula:

$$\% \text{ of respondents} = \frac{\text{given amount} \cdot 100}{\text{total amount}} \quad (1)$$

Grouping of statistical data by a continuous frequency distribution

The second type of statistic made by this application is that of grouping statistical data by a continuous frequency distribution. A frequency distribution represents the division of a sample of observation into a number of classes (groups), together with the number of observations in each class. Each group is in order of magnitude in the data series. The results are presented in a table in which the data are grouped into classes (groups). For each class, is recorded the frequency of occurrence.

Based on data recorded, it is searched the minimum and the maximum value of data we want to group:

x_{\min} and x_{\max} .

Then, it is determined the amplitude of variation (**class range**): $A = x_{\max} - x_{\min}$ (2)

The number of classes is determined using the **Sturges Rule**: $r = 1 + 3,32 \cdot \log_{10} n$ (3)

where r = number of classes

n = number of data items to be classified

Size of the class interval is obtained by using Sturges rule: $k = \frac{A}{r}$ (4)

After the size of the class are obtained, there are computed the lower and the upper limits of each one. The method used in the application is that where the upper limit of the current interval is taken over as a lower limit of the next interval:

$$x_{i\min} \leq x_i \leq x_{i\max}, \quad i = \overline{1, r-1} \quad (5)$$

The Application Database

The SQL Server database, named *Sodaj (Pool)*, has two tables: *clienți (client)* and *respondenți (respondent)*. In the *clienți* table are stored the clients who command the pools and in the *respondenți* table the persons which are added to the database when they join an opinion pool. The structure of these tables is presented in figure 1. The *clienți* table has 10 records and the *respondenți* table has 1000 records. All the records are fictive.

Table - dbo.client		Summary
Column Name	Data Type	Allow Nulls
IDClient	int	<input type="checkbox"/>
ClientNume	nvarchar(100)	<input checked="" type="checkbox"/>
Clientemail	nvarchar(100)	<input checked="" type="checkbox"/>
ClientFirmaDen	nvarchar(100)	<input checked="" type="checkbox"/>
ClientFirmaAdr	nvarchar(255)	<input checked="" type="checkbox"/>
ClientNrSondajeComa...	int	<input checked="" type="checkbox"/>
ClientTipAbonam	nchar(10)	<input checked="" type="checkbox"/>

Table - dbo.articol_respondenti*		Summary
Column Name	Data Type	Allow Nulls
IDResp	float	<input type="checkbox"/>
RespLastName	nvarchar(255)	<input checked="" type="checkbox"/>
RespFirstName	nvarchar(255)	<input checked="" type="checkbox"/>
RespEmail	ntext	<input checked="" type="checkbox"/>
RespAge	float	<input checked="" type="checkbox"/>
RespSex	nvarchar(255)	<input checked="" type="checkbox"/>
RespBaseIncome	float	<input checked="" type="checkbox"/>
RespOverIncome	float	<input checked="" type="checkbox"/>
RespStudies	nvarchar(255)	<input checked="" type="checkbox"/>
RespJob	nvarchar(255)	<input checked="" type="checkbox"/>
RespCountry	nvarchar(255)	<input checked="" type="checkbox"/>
RespRegion	nvarchar(255)	<input checked="" type="checkbox"/>
RespVillage	nvarchar(255)	<input checked="" type="checkbox"/>
RespVillageType	nvarchar(255)	<input checked="" type="checkbox"/>
RespAddress	nvarchar(255)	<input checked="" type="checkbox"/>
RespNrOfInvitation	float	<input checked="" type="checkbox"/>
RespNrOfAccepted	float	<input checked="" type="checkbox"/>
RespDataInput	datetime	<input checked="" type="checkbox"/>
		<input type="checkbox"/>

Figure 1. The tables of the database

The Application

For the design of the application it was used a *menu* control, dynamically created controls like *PlaceHolder*, *Label* and *TextBox* and a new ASP.NET characteristic: master pages. The application has five pages: *Home*, *Database tables*, *Respondents general statistic*, *Respondents age statistic*, and *Sturges rule for respondents' age*. The *Home* page is presented in figure 2.

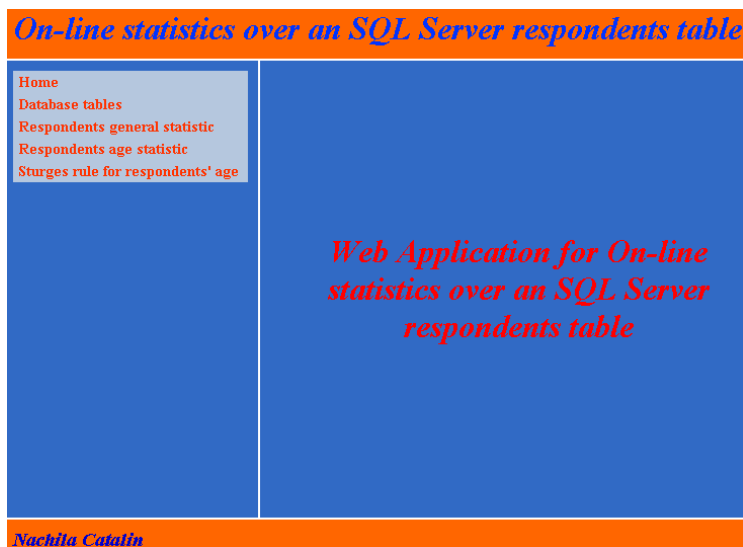


Figure 2. Home page

3.1. Page “Database tables”

In this page the user can display the records of one of the two tables of the database. The tables are selected from a *DropDownList* control. After the *action click* event of the *OK* button, the records are displayed on a *GridView* control like in the figure 3.

IDResp	RespLastName	RespFirstName	RespEmail	RespAge	RespSex
1	a	a	a	12	F
2	Nume 2	Prenume 2	nume2@yahoo.com#http://nume2@yahoo.com#	16	F
3	Nume 3	Prenume 3	nume3@yahoo.com#http://nume3@yahoo.com#	17	M
4	Nume 4	Prenume 4	nume4@yahoo.com#http://nume4@yahoo.com#	18	F
5	Nume 5	Prenume 5	nume5@yahoo.com#http://nume5@yahoo.com#	19	M
6	Nume 6	Prenume 6	nume6@yahoo.com#http://nume6@yahoo.com#	20	F
7	Nume 7	Prenume 7	nume7@yahoo.com#http://nume7@yahoo.com#	21	M
8	Nume 8	Prenume 8	nume8@yahoo.com#http://nume8@yahoo.com#	22	F
9	Nume 9	Prenume 9	nume9@yahoo.com#http://nume9@yahoo.com#	23	M
10	Nume 10	Prenume 10	nume10@yahoo.com#http://nume10@yahoo.com#	24	F
11	Nume 11	Prenume 11	nume11@yahoo.com#http://nume11@yahoo.com#	25	M
12	Nume 12	Prenume 12	nume12@yahoo.com#http://nume12@yahoo.com#	26	F
13	Nume 13	Prenume 13	nume13@yahoo.com#http://nume13@yahoo.com#	27	M
14	Nume 14	Prenume 14	nume14@yahoo.com#http://nume14@yahoo.com#	28	F
15	Nume 15	Prenume 15	nume15@yahoo.com#http://nume15@yahoo.com#	29	M

Figure 3. Respondents table

The general syntax for displaying the record from a SQL Server table using a *SqlDataSource* is:

```
SqlDataSource user_name_of_data_source = new SqlDataSource  
(string data file, string select command)
```

In the application the following syntax is used for the *OK* action click event:

```
SqlDataSource SursaDeDateSQL1 = new SqlDataSource(@"Data Source=DELL;  
Initial Catalog=Sondaj; Integrated Security=True",  
"SELECT * FROM " + DropDownList1.SelectedValue + "");  
GridView1.DataSource = SursaDeDateSQL1;  
GridView1.DataBind();
```

3.2. Page “Respondents general statistic”

In this page, the general statistics for the respondents’ characteristics are displayed (email, sex, type of living residence, job and country). The results page is presented in the figure 4.

Because the way in which the information is obtained, calculated and displayed is similar for each statistic, it is presented only the one which regards the sex of the respondents. The number of the respondents for each category (men, women or unspecified) is obtain using a *SqlDataSource* which has a SQL aggregate function (*Count*) for the string select command. The number is placed in a *GridView* control and then memorized in a variable. After that, the number is transformed in a percentage and displayed using dynamically *Label* controls. The syntax is:

```
SqlDataSource SursaDeDateSQL4 = new SqlDataSource(@"Data Source=DELL;  
Initial Catalog=Sondaj; Integrated Security=True",  
"SELECT COUNT (*) AS numar4 FROM articol_respondenti WHERE  
(RespSex !='M' AND RespSex !='F');");  
GridView2.DataSource = SursaDeDateSQL4; GridView2.DataBind();  
numar_sex_Unspecified = Convert.ToInt32(GridView2.Rows[0].Cells[0].Text); ...
```

```

procent_sex_Unspecified = Math.Round((numar_sex_Unspecified * 100 /
number_of_respondents), 2); // ... similar syntax is used for the other categories
((Label) (Placeholder2.FindControl("Labelh2"))).Text = "" +
procent_sex_Unspecified + "%"; // ... similar syntax is used for the other categories

```

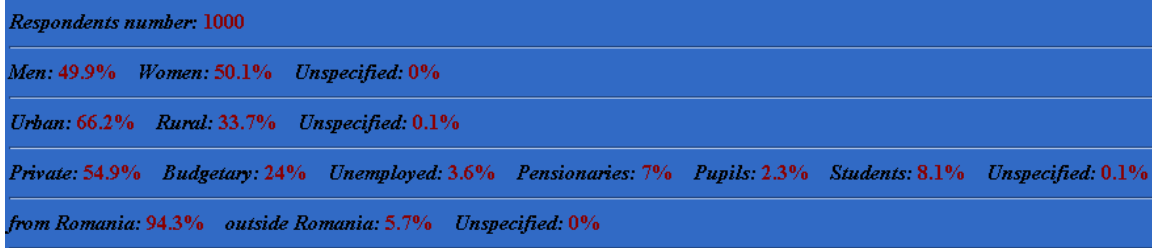


Figure 4. Respondents' general statistic

3.3. Page "Respondents age statistic"

This page is used to present the characteristics of the respondents' age. First are computed and displayed the minimum and maximum values of the respondents' age. Then, the respondents are numbered for each value of age (from the minimum to the maximum). The values are transformed in percentages. The results page is presented in the figure 5.

To obtain these values, there are used some classes derived from `DbProviderFactory`:

- **connection class** – used for the creation of a connection with the database (in our case: `SqlConnection`);
- **command class** – used to create and execute SQL commands or stored procedures over a SQL Server database (in our case: `SqlCommand`); the command classes have two properties: `CommandText` (contains the string of the command which will be executed over the data source) and `CommandType` (indicates whether the command is a SQL statement, the name of a stored procedure, or the name of a table);
- **data reader class** – the data reader objects provides fast, forward-only and read-only reading capability to quickly loop through the records; it can't navigate through it at random, and it can't use it to update the data source; a `DataReader` can only be returned from a call to the `ExecuteReader()` method of a command object; we can't instantiate it directly.

There are three distinct ways to execute a `SqlCommand`:

- `ExecuteReader` – returns a `DataReader`;
- `ExecuteScalar` – returns a single value;
- `ExecuteNonQuery` – to use when no data will be returned from the query (example: a SQL UPDATE statement).

The syntax for the minimum value of the age is:

```

string ConexiuneSQL1_interogare = "SELECT MIN (RespAge) AS minim FROM
    articol_respondenti WHERE (RespAge !='')";
string ConexiuneSQL1_String = "Data Source=DELL; Initial
    Catalog=Sondaj; Integrated Security=True;";
SqlConnection ConexiuneSQL1 = new SqlConnection(ConexiuneSQL1_String);
ConexiuneSQL1.Open();      SqlCommand ComandaSQL1 = new
SqlCommand(ConexiuneSQL1_interogare, ConexiuneSQL1);
SqlDataReader DataReaderSQL1 = ComandaSQL1.ExecuteReader();
while (DataReaderSQL1.Read())
    {   minimum_age = Convert.ToInt32(DataReaderSQL1["minim"]);   }

```

```
DataReaderSQL1.Close(); Label2.Text = "" + minimum_age;
ConexiuneSQL1.Close();
```

To obtain the number of respondents for each age it is used a for statement where the variable i represent the age of the respondent:

```
for (double i = minimum_age; i <= maximum_age; i++)
{ string ConexiuneSQLactual_interogare = "SELECT Count(RespAge) AS
numar1 FROM articol_respondenti WHERE (RespAge =' " + i + "')"; // ...
SqlDataReader DataReaderSQLactual = ComandaSQLactual.ExecuteReader();
while (DataReaderSQLactual.Read())
{ actual_age_number = Convert.ToDouble(DataReaderSQLactual["numar1"]);
```

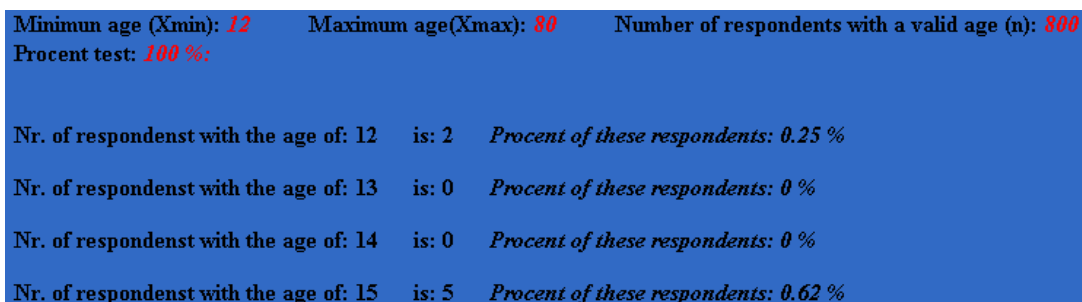


Figure 5. Respondents age structure

3.4. Page “Sturges rule for respondents' age”

In this page the number of classes and the size of the class interval are computed by using Sturges rule. Based on these values, the respondents' age can be grouped by a continuous frequency distribution. The results page is presented in the figure 6.

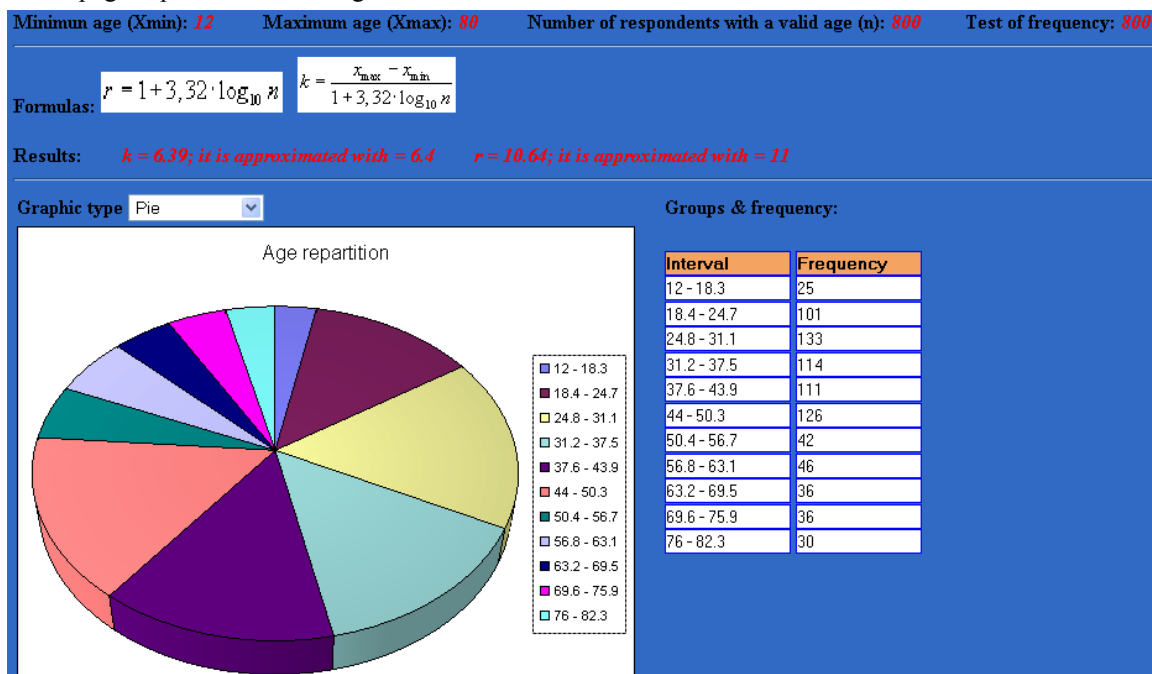


Figure 6. Respondents age structure

Based on the minimum and maximum age of the respondents, the formulas (3) and (4) are computed with the following code:

```
groups_number = Math.Round(1 + 3.32 * Math.Log(nr_resp, 10), 2);
groups_number_aproximated = Convert.ToInt16(nr_de_grupe + 0.5); // 0.5
is used because it must have an integer value for the number of groups
k = Math.Round((xmax - xmin) / groups_number, 2);
k_aproximated = Math.Round(k, 1);
```

The groups are created with the code (it is used a double number of `groups_number` because for each class we have two values: lower and upper limit according to the formula (5)):

```
interval_array[1] = xmin; for (int i = 2; i <= groups_number_x_2; i++)
    { interval_array[i] = interval_array[i - 1] + k_aproximated; }
```

The frequencies are computed by using a SQL aggregate function (*Count*) for the string select of a `SqlCommand` and a `DataReader` in a `while` statement:

```
string ConexiuneSQL1_interogare = "SELECT COUNT (RespAge) AS frequency
FROM articol_respondenti WHERE (RespAge >= '" + interval_array[i] +
'" AND RespAge<' + interval_array[i + 1] + "')"; // ...
SqlCommand ComandaSQL1 = new SqlCommand(ConexiuneSQL1_interogare,
ConexiuneSQL1); // ...
SqlDataReader DataReaderSQL1 = ComandaSQL1.ExecuteReader();
while (DataReaderSQL1.Read())
    {frequencies_array[i] = Convert.ToInt32(DataReaderSQL1["frequency"]);}
```

The results can be displayed in numeric or graphical way. The numeric results are displayed on dynamically created `TextBox` controls placed inside on `PlaceHolder` controls. The graphics are created using chart object from *Microsoft Office Web Component 11* (OWC11). Because the graphical data must not depend on specify values of frequencies and lower and upper limit of each class, the charts are created in a different page named *graphics.aspx*.

By using a `DropDownList1` control, the user can choose the type of the chart he wants. The available types are: *Bar*, *Bar3D*, *Line* and *Pie*. The type of the chart, the frequencies and the groups are transmitted to the *graphics.aspx* page using a `Response.Redirect()` command placed in the `SelectedIndexChanged` event of the `DropDownList1` control:

```
string DropDownList_selection = DropDownList1.SelectedItem.Text;
this.Image4.ImageUrl = "graphics.aspx?Value1=" + Categories
+ "&Value2=" + Values + "&Value3=" + DropDownList_selection;
```

These values and the options are taken over in the `Page_Load` function of *graphics.aspx* page. After the chart is created, it is converted to *gif* format and returned to the “Sturges rule for respondents' age” page for displaying in an `Image` control. The code for the pie chart is:

```
string Categories = Request.QueryString["Value1"], Values = Request.
QueryString["Value2"], chart_type = Request.QueryString["Value3"];
ChartSpace Chart_spatiu = new ChartSpaceClass();
ChChart Chart_obiect = Chart_spatiu.Charts.Add(0);
Chart_obiect.Type = ChartChartTypeEnum.chChartTypePie3D;
Categories = Categories.Remove(Categories.Length - 1, 1);
```



```
Values = Values.Remove(Values.Length - 1, 1);  
Chart_obiect.SeriesCollection.Add(0);  
Chart_obiect.SeriesCollection[0].SetData(ChartDimensionsEnum.chDimCategories, (int)ChartSpecialDataSourcesEnum.chDataLiteral, Categories);  
Chart_obiect.SeriesCollection[0].SetData(ChartDimensionsEnum.chDimValues, (int)ChartSpecialDataSourcesEnum.chDataLiteral, Values);  
Response.ContentType = "image/gif";  
Response.BinaryWrite((byte[])Chart_spatiu.GetPicture("gif", 500, 400));  
Response.End();
```

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THE SIMULATION OF A PROJECT CONCERNING THE MENU ENGINEERING IN A FOODSERVICE ORGANIZATION

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The paper emphasizes the techniques referring to the strategic analysis of menu engineering with the support of specialized software – Menu Engineering. In the first part of the paper I presented a famous model in hospitality industry literature elaborated by Kasavana and Smith and the strategies applicable to each type of menu article (star, puzzle, plowhorse and dog). In the applicative, I realized the simulation of a sales project in a foodservice organization in order to manage efficiently a range of articles from a menu.

Keywords: menu engineering, foodservice, information technology

1. General considerations regarding menus' engineering

The menu represents a marketing support that helps the managers of the public alimentation units to promote their services and products. There are more instruments to measure the efficiency of the menus, to make the necessary adjustments in order to create a new menu meant to improve the profitability of the restaurant and the client's satisfaction, due to the improvement of the marketing mix.

The elements taken into consideration for the menu analysis are: the price of the products, the quantity of the sold products, the costs of the raw materials, the turnover, the profit contribution margin and the popularity index.

The menu engineering can be defined as the menu evaluation to establish its profitability. It is recommended that this menu evaluation process should be carried out at least once a month after the opening of the restaurant and at least once in three months after the first year of activity [1]. It is considered that the change of the menu once in three months can be tiresome for the client. At present, many restaurants develop, so that a 'fixed' menu will have less pleasant consequences and less visits from the loyal customers. In a unit of public food service, the concept must be coherent, which means that the personnel must be in harmony with the 'house' image, the dishes must be based on a specialty: either a patented method, or a type of product (grill products) or a regional gastronomic thematic. The framework must be in harmony with the concept, as well as the proposed serving manner (table serving, delivery in catering system).

A pattern of strategic analysis of the articles included in the menus of the public food service units, which is considered a reference point in specialty literature, was established by Michael Kasavana and Donald Smith [2], professors at Michigan Public University and famous counselors in this domain. The analysis they made resulted in a matrix that points out a classification of the menu articles in four categories, according to two dimensions: the products' popularity index and the profitability degree. (figure no 1.)

An article in the menu is very popular if the percentage of the menu mix or the popularity index is higher than the average and an article is very profitable if the profit contribution margin exceeds the average.

A strategy applied by most of the public food service companies consists in placing the most profitable articles in the superior side of the menus. For example, in the case of a restaurant which offers sandwiches, appetizers and snacks, most of the clients order sandwiches, characterized by a lower profitability; the restaurant's manager must place in the first pages, special offers with the appetizers and snacks that contribute in a large measure to the profit and the sandwiches in the central part of the last page in the menu; the client that really want them, will find them and those who haven't decided, will order an article with a higher profit.

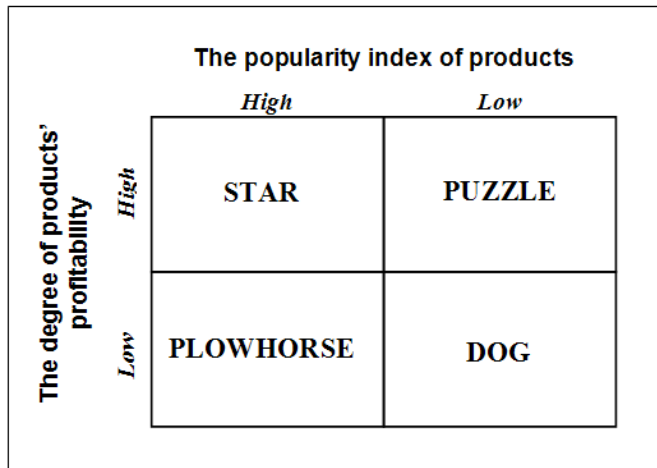


Figure no. 1 – The classification of a menu's products according to Kasavana&Smith model

The strategies available for the four categories of articles in the menu are the following [3]:

★ **STAR products:**

- the maintenance of the present standards (quality, quantity, training, presentation);
- the emphasis of these products by including them in promotional campaigns;
- the testing of the prices' increase on the clients' behaviour.

⊙ **PUZZLE products:**

- the drop in prices for the launch of the products' consumption;
- if it is an important products (at the profit margin level) – its promotion by means of aggressive marketing campaigns;
- if the product's popularity is diminished – its elimination;
- the restriction of the puzzle products number in the menu.

⊙ **PLOWHORSE products:**

- the testing of the prices' flexibility by means of their progressive increase;
- the decrease of costs diminishing the quantities;
- the restriction of the investments in the promotion of these products.

⊙ **DOGS products:**

- the increase of the distribution margin by diminishing the costs;
- the drop in sale prices for the launch of the consumption;
- the elimination of the product from the menu.

From the price strategies point of view of the four articles categories in a menu, the price for PLOWHORSE products can increase, but in a small measure so that it is accepted by the loyal clients; otherwise, drastic drops of orders may occur; the price increase strategy for STAR products is not recommended because these articles are part of the stars category (if we refer to BCG analysis) and attract a large number of clients by their high level of popularity; PUZZLE articles are often characterized by high prices due to their uniqueness in the restaurants' offers and the effect of some price reductions can be tested;

A price increase of the DCG products would inevitably lead to their elimination, the only reason they are kept in the menu is that they are preferred by some loyal clients or there are still some ingredients on the stock for their preparation. If, after a week from the launching of a new menu, a product is of the DOG

type, a change is imposed, which may be represented by a promotional activity in order to increase the product's popularity or even a change of the portion's size and its presentation on the plate.

2. The strategic analysis of menus by means of the MENU DESIGN MAKER information application

The menu management carried out with the Menu Design Maker information application presupposes an analysis of the sales, prices and costs' history, associated to each article from a menu of a public food service unit. The menu engineering presupposes the calculation based on the data stocked in a profit and distribution margin data warehouse of each article in the menu in close connection with the other articles in a certain period of time.

This software allows the implementation of two processes specific to the public food service domain: **the menu analysis**, which refers to the effects of the changes in the menu the manager of a restaurant could carry out and **the menus' management**, which consists in the determination of the maximum profitability for all the categories of articles contained in the menu, but it also involves the evaluation of the networks for an efficient administration of costs.

The manager of the Menu Design Maker software project, *Andreas Breidfuss*, presents the main **benefits** of the use of this information application [4]:

- it represents a support for the increase of the average net profit per customer;
- it offers replacement opportunities of the non-performing articles in a menu with profitable articles;
- it generates rapports in which there are presented the costs of all the ingredients used for preparing food and drinks;
- it identifies the most profitable articles in the menu which require a special attention from the managers of the public food service units;
- it provides up-to –date information, necessary for the determination of the price strategies for each category of products in the menu;
- it generates tendencies of the products' consumption within the menu;
- it evaluates each article in the menu and places it in one of the four categories of strategic analysis: star, puzzle, plowhorse or dog.

The **MENU ENGINEERING** software offers the managers of the public food service units the possibility to introduce all the articles in the menu, grouped on categories in the *Menu Items* tab and the profitability analysis of the products portfolio by means of the *Menu engineering* tab.

The main functions of the *Menu Items* tab, that illustrates the operational perspective of the software, consist in the insertion, edition or deletion of some articles in the menu, the introduction for each menu article of its cost as well as its sale price, guiding buttons to every article in the menu and the list of the data base that contains all the products introduced by the user of this software. (figure no. 2)

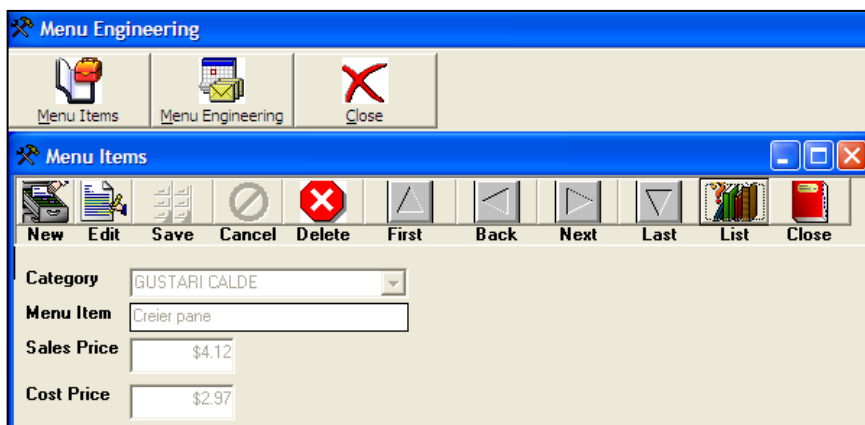


Figure no. 2 – The presentation of the Menu Items functions

To carry out the strategic analysis of the articles in a menu by means of the **Menu Engineering** information application, we selected a set of three categories of specific products in the menu of a public food service unit (warm snacks, cold snacks and basic products) and for each category we have inserted a representative sample of products, as well as the costs and sale prices presented in the menu. (figure no. 3) The data base can be accessed with the **Menu Items List** button and permanently updated by the manager of the public food service unit.

Menu Items List				
	Category	Menu Item	Sales Price	Cost Price
▶	GUSTARI CALDE	Creier pane	\$4.12	\$2.97
	GUSTARI CALDE	Crochete cascaval	\$3.10	\$1.68
	GUSTARI CALDE	Ochiuri cu sunca	\$3.32	\$1.67
	GUSTARI CALDE	Pui de balta meunier	\$3.86	\$2.87
	GUSTARI RECI	Biftec tartar	\$4.10	\$2.76
	GUSTARI RECI	Gustare Lloyd	\$3.45	\$2.14
	GUSTARI RECI	Gustare taraneasca	\$3.35	\$2.16
	GUSTARI RECI	Salata Caesar	\$3.67	\$2.11
	GUSTARI RECI	Salata de cruditati	\$2.95	\$1.78
	PREPARATE DE BAZA	Cotlet Palermo	\$6.10	\$4.24
	PREPARATE DE BAZA	Escalop Zingarra	\$4.86	\$3.10
	PREPARATE DE BAZA	File salau	\$5.67	\$3.56
	PREPARATE DE BAZA	Friptura curcan	\$5.86	\$3.91
	PREPARATE DE BAZA	Papricas pui	\$6.16	\$4.12
	PREPARATE DE BAZA	Saramura crap	\$4.67	\$3.17
	PREPARATE DE BAZA	Steack Hawaii	\$5.81	\$4.05
	PREPARATE DE BAZA	Tocanita vacuta	\$5.15	\$3.87
	PREPARATE DE BAZA	Tochitura Haiduc	\$7.12	\$4.19

Menu Engineering
Engineering your menu for profit

Figure no. 3 – The listing of the menu articles from the Menu Engineering software database

The analytical perspective of the *Menu engineering* software emphasizes the criteria on which basis the articles in the menu will be classified (the profitability rate and the sales volume) in the four categories known in the specialty literature: STAR, PUZZLE, PLOWHORSE and DOG. (figure no. 4

The screenshot shows the 'Menu Engineering' software window. At the top, there is a toolbar with icons for New, Edit, Save, Cancel, Delete, First, Back, Next, Last, List, and Close. Below the toolbar, there are input fields for 'Period : Starting Date' (11/26/2007) and 'Ending Date' (12/5/2007). The main area is divided into tabs: 'Instructions', 'Units Sold', 'Statistics', 'Statistics', and 'Graph'. The 'Instructions' tab is active, displaying the following text:

Instructions
Set correct period starting date and ending date
Enter the quantity of units sold in the 'Units Sold' tab
Click on the statistic tabs to see and print the menu statistics

Key

- Star = High profit margin and high sales item
- Plowhorse = Low profit margin but high sales item
- Puzzle = High profit margin but low sales item
- Dog = Low profit margin but low sales item

What to do with this item

- Star: Keep this on your menu and possibly raise your price
- Plowhorse: Keep this on your menu and possibly raise your price
- Puzzle: Make this a house specialty or make an incentive up for the staff to sell this item
- Dog: Not much use in keeping this one

Menu Engineering
Engineering your menu for profit

Figure no. 4 – The determination of the classification criteria for menu's articles based on Menu Engineering analysis

The manager of the *Menu Engineering* software project offers a series of suggestions to the program's users in order to increase the efficiency of the marketing strategies; in this context, STAR products, characterized by high profitability and sales volume indicate the fact that they fully satisfy the expectations and demands of the customers and involve a high marketing budget and every price increase could generate the decrease of the sales volume; PUZZLE products, characterized by a high profitability and a low sales volume, must be included in the promotional campaigns launched by the marketing managers of the public food service units in order to increase their attractiveness and implicitly, their sales volume, which will determine their transformation in STAR articles; the recommendation of the *Menu Engineering* project manager for PLOWHORSE products is to increase the price slowly in order to enlarge the profit contribution margin, even if this thing will have negative consequences on the sales; in his opinion, this is the test PLOWHORSE products have to pass in order to be transformed in PUZZLE or STAR articles. Referring to DOG products, they have to be maintained at least for a short period of time until they are eliminated from the menu, because they can be launched by means of marketing campaigns towards certain segments of target customers.

The access of the **Units Sold** tab implies the determination of the carrying out period of the strategic analysis project of the articles in the menu and the connection of the software to the POS information system or to the sales manager's laptop, which will transfer the sales registered in the analysis period. The simulation we have carried out, emphasizes values of the sales deducted in four weeks, in the period 25.11.2007 – 23.12.2007 (figure no. 5).

Instructions	Units Sold	Statistics	Statistics	Graph	
Menu Item	Category	Qty Sold (Week 1)	Qty Sold (Week 2)	Qty Sold (Week 3)	Qty Sold (Week 4)
Crochete cascaval	GUSTARI CALDE	21	24	22	18
Escalop Zingarra	PREPARATE DE BAZA	38	31	29	40
File salau	PREPARATE DE BAZA	26	28	23	26
Friptura curcan	PREPARATE DE BAZA	23	19	25	27
Gustare Lloyd	GUSTARI RECI	31	29	20	19
Gustare taraneasca	GUSTARI RECI	26	30	32	31
Dechiuri cu sunca	GUSTARI CALDE	18	26	21	25
Papricas pui	PREPARATE DE BAZA	28	32	34	29
Pui de balta meunier	GUSTARI CALDE	13	17	16	16
Salata Caesar	GUSTARI RECI	39	35	35	36
Salata de cruditati	GUSTARI RECI	21	26	24	27
Saramura crap	PREPARATE DE BAZA	41	26	42	33
Steack Hawaii	PREPARATE DE BAZA	25	25	28	24
Tocanita vacuta	PREPARATE DE BAZA	21	20	26	24
Tochitura Haiduc	PREPARATE DE BAZA	21	25	26	24

Figure no. 5 – The sales simulation of a public food service unit on a determined period

The first version of the **Statistics** tab (figure no. 6) illustrates the total number of sales in each article from the menu (*total sales mix*), the sale price of each article (*Sales price*), the unitary cost of each product (cost price), the gross profit margin obtained for each article (*CM margin*), the incomes of each product (total revenues), the costs associated to the sales generated by each product (*Menu cost* – determined by multiplying the total sales with the unitary costs of each product), the profit margin of each product, as a result of the sales in the period submitted to the analysis (*Menu CM*) and the category associated to each product (star, puzzle, plowhouse and dog), which shows the contribution of each product to the profitability of the menu of the public food service unit.

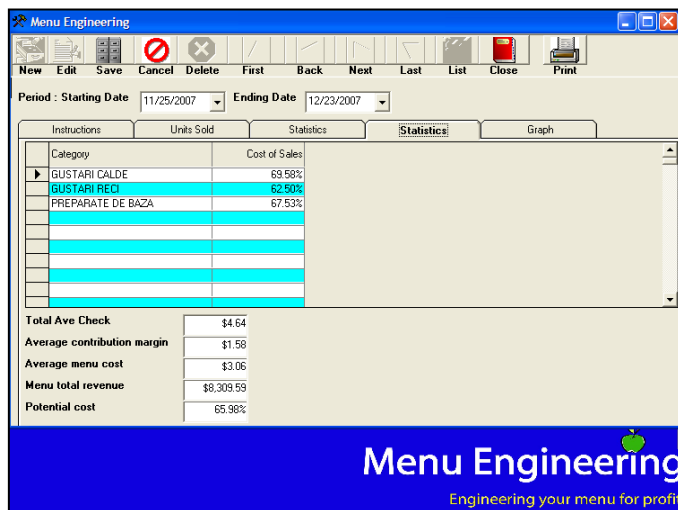


Figure no. 6 – The determination of the statistic indicators associated to the profitability analysis of the articles in the menu

The second version of the **Statistics** tab (figure no. 7) emphasizes the share of the costs in the sale price within each category of products (cold snacks, warm snacks and basic products), the sale price average of the articles in the menu, the average of the medium total cost and the profit margin on each article and the total incomes generated by the articles in the menu in the analysed period.

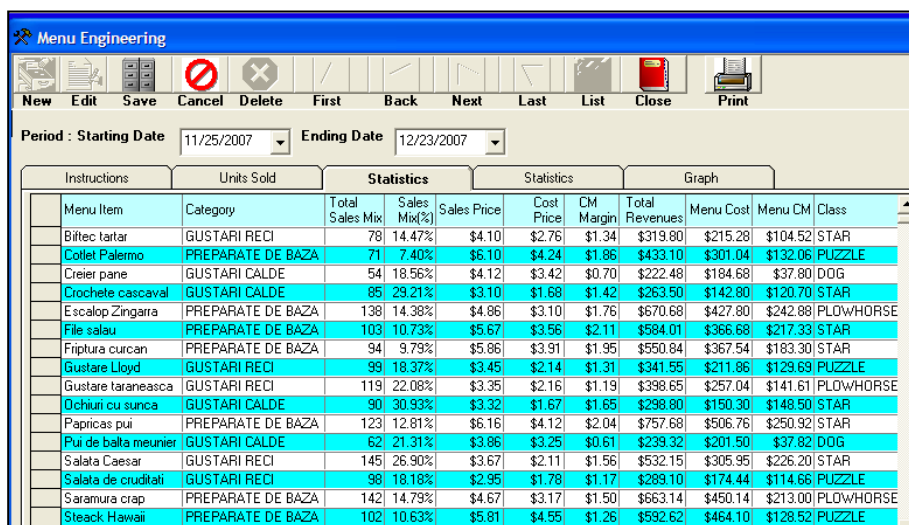


Figure no. 7 – The determination of the statistic indicators associated to the profitability analysis of the articles in the menu

3. Conclusions

The main advantage of the **Menu Engineering** information application consists, in our opinion, in the integrated vision on the set of indicators that ensure the performance of the sales of a public food service unit, thus, eliminating the sheets of chart calculation that are necessary for such operations; moreover, the software generates automatically the classification of the articles in the menu in the standard categories (star, puzzle, plowhouse and dog), offering the possibility for a quick adaptation of the marketing strategies to the customers' preferences.

The information technologies and programs dedicated to the marketing management in the public food service domain offer a real support for the elaboration of the marketing strategies, the possibility to connect the front – office and back – office functions of the profile units in an information solution oriented towards the quick satisfaction of the customers’ needs and demands, the capacity to collect and analyze information in order to anticipate the customers’ needs and to build a profitable relation on a long term, as well as the collaboration along the processes with added value by the access to personalized information derived from the data bases in which the information referring to the clients is gathered.

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THE LINE UP OF ROMANIA TO THE EUROPEAN GEOSPATIAL INFORMATIC SYSTEM GEO-SPATIAL DATA PROCESS AND ACQUISITION

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Over the past few years, within the European Community for Geographic Information a large data base has been set up in order to create the European Infrastructure for Geographic Information. The main objective is the contribution to the foundation of the Romanian Informational Society in a specific area, that of GIS, through a national spatial data infrastructure (INDS). To this end, the most recent acquisition and processing techniques for geospatial data were borrowed and implemented. In what follows we will speak about some of these techniques and about the integration of Romania in the European geospatial Infrastructure.

Key words: geo-spatial, geodatabase design, the process and acquisition method, geographic information.

Geographic information in the European Union

Over the past few years, within the European Community for Geographic Information a comprehensive data base has been set up aiming to create the European Infrastructure for Geographic Information (EGII). Geographic information represents a complex part in the European Politics given the importance and continuous development of the information society. Geographic information applies to governments, business and national and international affairs and research. IG is important because of the content and value of spatial electronic information for planning, marketing, environment, recuperable energetic resources, emergency services, healthcare, political analyses and many other fields. Although newer IG technologies have already appeared and applications develop rapidly, further development in Europe is difficult because there are discrepancies in the way IG are collected, stored and distributed across countries and commercial and governmental sectors.

European infrastructure for geographic information

The main obstacles in the way of spreading and of successful use of IG across Europe are not technical but rather political and organisational. The lack of a European warrant in IG delays the development of common IG strategies, produces useless costs, blocks new goods and services and reduces competitiveness.

The difficulty in national/federal IG approaches both in Western and Central Europe interferes with information exchange and it harms both businesses abroad and the market within the UE which is no longer free. This situation can be improved through a European Infrastructure for Geographic Information which should be realized at European level and operated by and for the IG community. As for the countries of the central and eastern Europe, during the second forum CEEC/EU regarding Global Information Society, GIS was included as one of the main problems for the set up of the Information Society for the Eastern and Central Europe.

Generally speaking, an IG infrastructure presupposes a system for data exchange/transfer. This requires a few components:

The technical infrastructure through which data can be transferred (for instance : WAN, access to WWW or something similar):

- A set of standards for data transfer (sometimes called IT standards or operationals)
- Standards for the interpretation of specific thematic and geographic data aspects (semantic or thematic standards)
- Organizational agreements including economic agreements between the participants.

Technical infrastructure is a sine qua non condition for an IG structure and for many similar IT applications. Most of the CEE countries understand the importance of this technical infrastructure and make pressure for the set up of a largely distributed network. Together with this network there comes a set of low level standards for data transfer (IT standards, for instance the set of standards used on the internet and WWW).

The thematic standards which make possible the effective use of IT infrastructure for the set up of the IG network are being pushed to different levels. Efforts are made to standardise ISO and CEN (for instance CEN WG 278, CEN WG 287, ISO WG 211) and the correspondent groups for national standardisation. Under many circumstances national groups work for particular national standards and for the adjustment to international standards. The most important thing is the ensurance of an approach for Open System Architecture for GIS) and this concept is vital to the setting of a IG work infrastructure because it goes beyond the standardisation of data transfer folder by folder but it allows the intelligent access to a program which operates/runs (ruleaza) in a computer when data are provided on the central server.

The construction of IG infrastructure requires the sistematic pick up of spatial data and the description of quality and the content of the data set. A systematic method should be used to distribute this metainformation. This is currently the subject of intense research at international level.

The national spatial data infrastructure

The main objective is the contribution to the foundation of the Romanian Information Society in a particular area which is GIS, through the set up of spatial data national infrastructure (INDS)

In this case INDS is mainly a “coverage” of for politics, standards, partnerships between various sectors and subject matters which will promote the effective production and the use of high quality geospatial data.

INDS consists mainly of :

- - Organizations and individuals generating or using spatial data;
- - Technologies that facilitate the use and transfer of spatial data;
- - Actual spatial data;
- - Relationships and interactions between these entities.

And it has the following components:

- Data sources;
- Spatial data bases, spatial meta-data, data banks;
- Politics and standards for data generation and use;
- Data network and media for data transfer;
- Technologies affecting data bases, politics, standards and computer networks;
- Institutional agreements affecting data bases, data standards and networks;
- Spatial data users.

Naturally these components are parts of a system which function in a place very much influenced by culture, legislation, finance and education.

The word infrastructure is used to denote “ structures and services for accessing and for the use of geographic information as effective as possible” (in Groot, IL, "From geodesy to geometrics: A challenge of Information Society", in Proc. Of Int. Symp. Operationalization of Remote Sensing, 1990). It can encompass communication channels, transfer standards, educational support, maintenance facilities, legislative agreements to control the access the use and payment of taxes.

The infrastructure also includes:

- A register of the general survey;
- Standards for the classification of information and for digital qualification and communication;
- Thematic data bases which are spatially defined;
- Technical and legal bases for world connectivity to the world data base and legal interconnectivity rights;

Meta bases describing the content and components of data bases.

Geo-spatial Data Process and Acquisition

Acquisition procedures of graphic data

The photogrammetrical method

It represents the most well-known process of data collecting. The development period brought changes regarding the data process (digital sensory process) as well as regarding the new exploitation technique of the stereo-pattern, through digital working establishments. The digital image can be acquired by aero-photographing with ADS40 digital cameras. Thus, we get a 7908/15468 pixels digital image composed from four image segments. We can also get a digital image by scanning the photograms on the shadowgraph / film. By groups images shaping process or by aero-triangulation we obtain the stereo pattern, a 3D image, real tract correlated. The image can be exploited to draw out 3D vector information, ortho-images, digital patterns and 3D objects.

The cartographic method

The most usable sources for obtaining a geo-spatial database are represented by the cartographic background. This is a content of Stereo 70 or Gauss-Kruger plans and maps projections. The plans have representative scales between 1:500 up to 1:25 000 and the maps have scales between 1:25 000 up to 1:1 000 000. A plan or map content is built up from: the number of conventional marks, the authenticity and real degree of the representation. In the topographical plan, the elements are represented by their horizontally projection. The position of a certain shape in space is determined by its coordinates.

The cartographic projection is a mathematical proceeding of the Earth curved surface representation, correlated with its particularization and importance.

The regulated and defined projection for our country is Stereo70, a stereo-graphical projection characterized by the following elements:

- the view shape is situated on the sphere, exactly contrary to the central projection juncture,
- in this case the projection plan may be considered tangent or secant,
- keeps the angles unmodified,
- modifies the lengths,
- they are concordant projections.

Acquisition methods of descriptive data

An important component of GIS databases are the descriptive data. In many cases, the descriptive information regarding the cartographic objects are of big dimensions and represent a higher complexity. That is the reason why a new abstracted data apply is needed, using correlated database systems: client-server, or mono-user database systems. In order to people the correlated databases users, interfaces are developed and the clients have access to the correlated database resources server, introducing specific information for which it has been developed.

At the end of the people process, many interrogations are defined and affect the result of dynamic sets of descriptive data that contain specific information about the certain cartographic object.

The logical timing along the graphic elements and the information resulted from the dynamic set of the correlated data is made based on some exclusive indicators. These indicators have the same value in both data sets. In this way descriptive information regarding cartographic elements can be collected and can be easily attached to the end of database dissemination with specific information.

The Process and Acquisition Method of Airy and Satellite Images

The Primary Image Process

Digital Images

Any image is a bidimensional set of data. The images have in their constitution, certain elements called "pixels", equivalent to the picture form data. Their values can be represented by a natural, real or complex number, correlated binary as a volume of bytes. The images are divided into two main categories, depending the data type from the dimensional structure:

SCALAR IMAGES

In every content there is a certain unique number (scalar). In this category, the binary images (monochrome) and the grey level images are also included.

VECTORIAL IMAGES

Any content represents a vector of numbers. In this category stand the colour images with the three basic colour elements:

Several elements constitution images – in this category are also included the stereoscopic images, formed by images of the same stage taken from different pictures. The element from one picture may represent the radiant intensity source (particular cases).

Images used for GIS and teledetected systems may be classified into two main categories:

- *Non- visible images* (several spectrum images) - acquisitions of certain bidimensional fields of physical parameters (temperature, density etc.) – in this category are included pictures taken with airy difgital cameras (e.g.. ADS 40 - Leica) or teledetected satellite systems.
- *Visible images* (of lightening) are primary images (photos, maps, plans etc) obtained from operations as:
 - airphotography – using airy-digital or analogous cameras systems (the conversion between analogous and digital was further accomplished),
 - analogous - digital conversion of the cartographic existing documents (plans, maps).

There are two types of scalar images:

- **Strength images** – the value of each pixel represents a direct measure of the lightening intensity (e.g. grey level), expressed in real or natural values.

- **Index images** - the value of each pixel represents a natural index which helps finding information on the associated colour of the certain pixel. The information is stocked in a colouring table (LUT), specific for the indexed image, the table has a structure matrix and contains registrations. Each registration contains an order number of the LUT line and relative red, green and blue strengths that compose the certain colour through an additive mixture. LUT – requires a searching and finding method (indetification – extraction) of the associated information of an unique identification key.

Conclusions

In the nowadays context, using a large number of information requires an administration method as accurate as possible, completely adapted to the data. Thus, the information may be grouped into two categories: spatial information and qualitative information. These kinds of data may be incorporated in the same administrative system of information by creating a Geographical Information System (GIS).

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A DOCUMENT MANAGEMENT SYSTEM MODELING

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The authors propose in this paper a model for a document management system, describing, briefly, the document management system and the model concepts, as well as, the Unified Modeling Language characteristics. Finally, they are presented some more important diagrams of this language.

Key words: Model, Document Management System, UML, Class Diagram, Use Case Diagram

Introduction

Business processes streamlining and productivity increasing are fundamental concerns for any organization (private, public or non-profit) [10]. In an increasingly strict regulatory environment, the document and records management is one of the major objectives of any organization.

The electronic document management has represented a continuous concern for computer scientists from all over the world and has developed as an important activity in the document archiving and retrieving field in the documentation centres. Although, almost all the documents from an organization are electronic documents, they can not be effectively used if they are not integrated into a management system. The present technologies, both hardware and software technologies, allow the presentation of the electronic document management concept in a new context, the collaboration and cooperation context in a knowledge based economy. The document management term is a part of a wider concept that covers the communication and knowledge management aspect of an organization [6].

The *document management* is an information system that allows the transfer, the storage and the retrieving of any electronic documents with connecting facilities with other information systems or electronic devices [1]. In the figure 1 it is presented the document management life cycle.

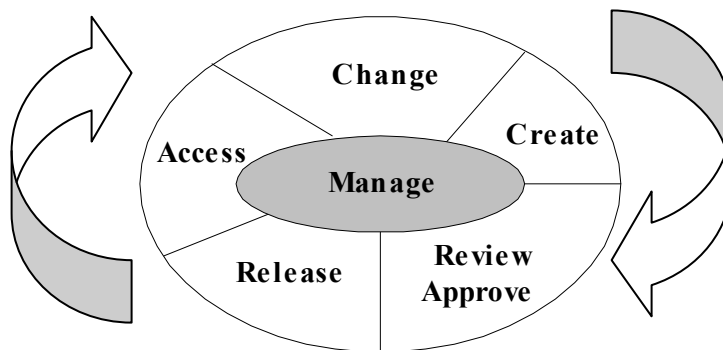


Fig. 1. Document management life cycle [9].

The *electronic document and records management* contains the capture, storage and retrieval of documents and records, potentially both paper and electronic, including workflow, content and knowledge management. The reality has proven that electronic documents and records are here to stay, at least for the foreseeable future. Every email is a record and every file is a source of information that carries a cost. Organizations avoid the challenge but they must accept the need to effectively manage their electronic documents [11].

The authors propose in this paper a model for a document management system (DMS). For that purpose, they are defined, briefly, the DMS and the model concepts, they are described the UML language characteristics and, finally, they are presented some more important diagrams of this language.

UML characteristics

The model is an abstract representation of a system that allows system performances planning, study, analysis, conception and control before its proper achievement, as well as, the design documentation creation, facilitating at the same time the communication between the design teams [3]. This model construction implies using of a modeling language, i.e. a communication mean for all the persons involved (designers and users) to understand the same thing.

Currently, the object modeling industrial standard is UML (Unified Modeling Language). UML is a fundamental graphic language that is defined round three diagrams categories, each of them being used in representation of some information system particular concepts. The first category describes the functional services, the second one represents the system static structure and the third one refers to the dynamics of the system running [4].

UML is the standard language for specifying, visualizing, constructing and documenting the artefacts of a software system [8].

UML – a specifying language

In the software engineering, the *specification* means to elaborate precise, complete and without ambiguities models. A visual specification, such as UML specification, is exposed to the risk of generating ambiguities in the communication process in a higher degree than the formal specification. However, a visual specification of the solution in all the software system development stages is preferred due to the importance of better communication between the software engineering specialists (users and beneficiaries) as partners in the same project [2].

UML – a visualizing language

UML emphasizes the *visualizing* of a software solution to remove the biggest part of the communication problems that can arise between different participants' categories at a software development [2].

UML – a constructing language

The models elaborated in UML can be easily translated in numerous programming languages. This state of things suggests the natural mapping possibility of a model in languages like Java, C++, Visual Basic etc. [2].

UML – a documenting language

A real software company produces all kind of components additional to executable code obtaining of a software system like [2]:

- requirements regarding software system;
- system architecture describing;
- design specifications;
- source code;
- development plans etc.

The UML language version 1.0 uses ten types of diagrams (fig. 2) that can be, thus, classified [5].

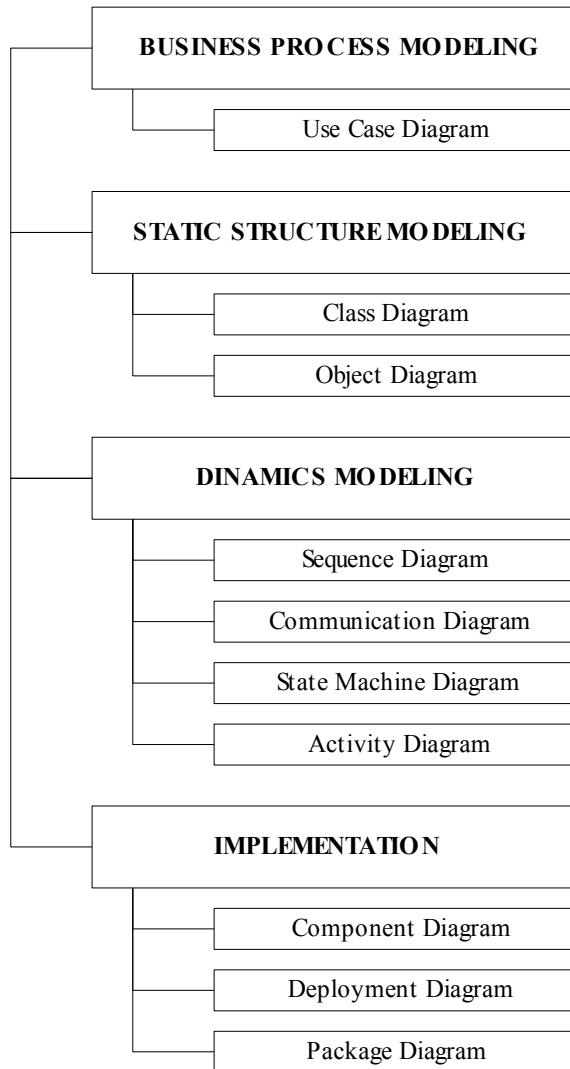


Fig. 2 UML Diagrams.

The current version (UML 2.0) adds three more diagrams: composite structure diagram, interaction overview diagram and timing diagram.

The functional model is represented in UML by the use case diagrams that describe the system from the user point of view [7].

The object model is represented in UML by the class diagrams and object diagrams that describe the structure system in terms of classes, objects, attributes, associations and operations [7].

The dynamic model is represented in UML by the sequence diagrams, communication diagrams, state machine diagrams and activity diagrams that describe the system intern behaviour [7].

System analysis and modeling

For system modeling the authors have used the Visual Paradigm for Unified Modeling Language development environment. This environment was created by the Visual Paradigm Company for designing of some information system object-oriented models and for generating, finally, the adequate code in Java Language [3, 12]. In Visual Paradigm are available all the diagrams, both static diagrams and functional and dynamics diagrams, the development environment allowing their creation and maintenance in the smallest details.

The authors presents, further, the Use Case Diagram and the Class Diagram regarding the DMS.

The Use Case Diagram produces a first view upon the system structure, a design point of departure, an identification of the objects and sequence diagrams [3]. This diagram's elements are: the actors (interns, externs, subsystems), the use cases and the relations between use cases.

The Use Case Diagram proposed by the authors is presented in figure 3.

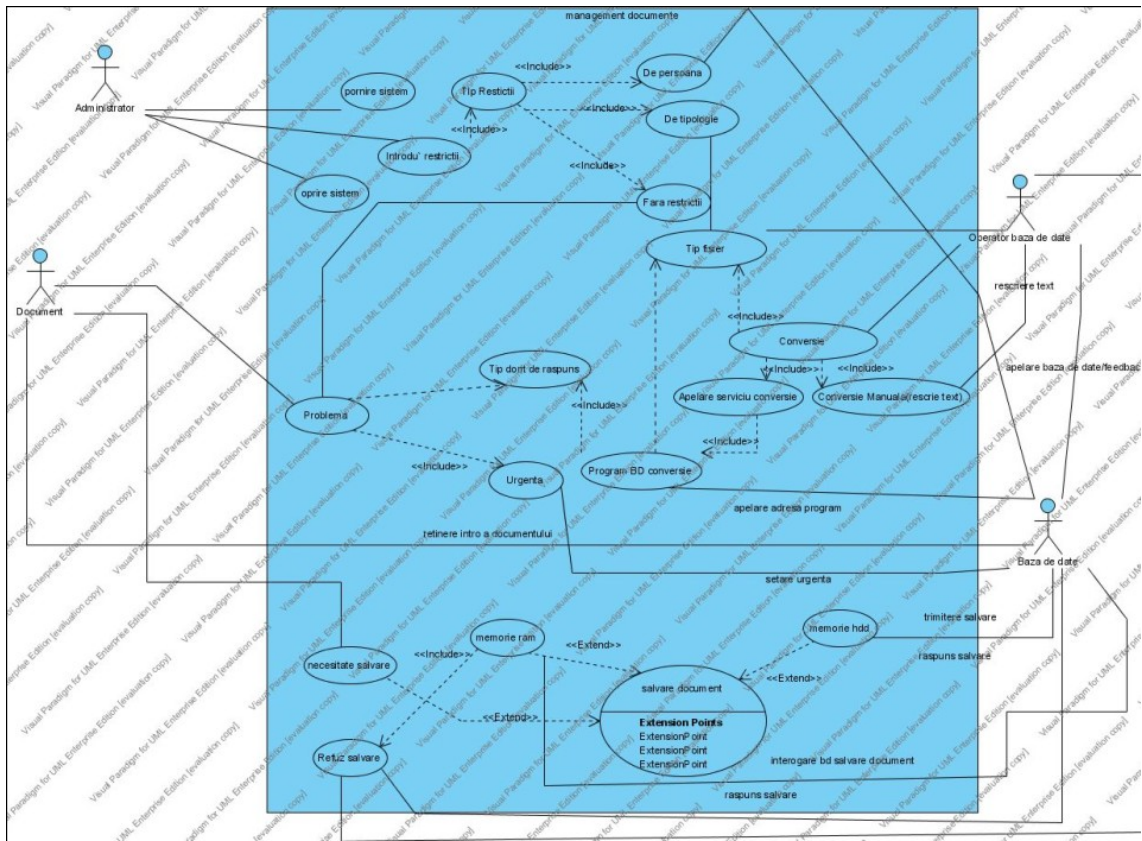


Fig.3 The Use Case Diagram.

In the case of DMS, *the actors*, i.e. the roles which the users are playing with the respect to the system, are: the system administrator, the database operator, the database and the document.

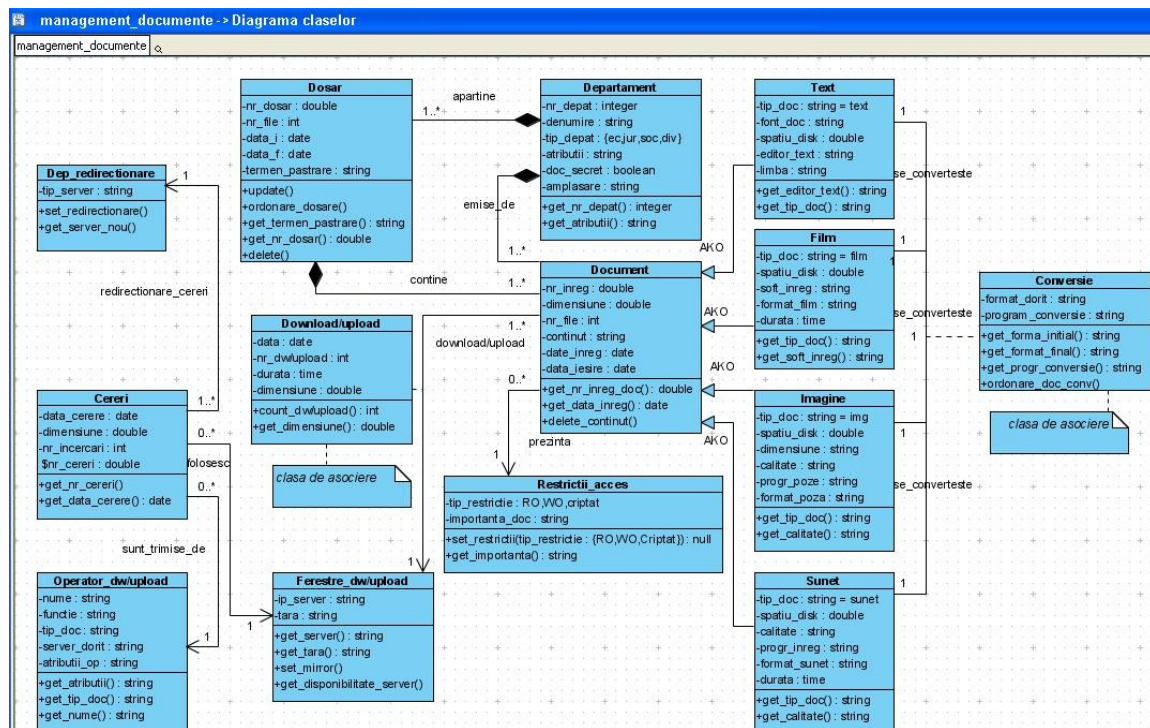
The use cases contains a set of actions sequences indicating what must be designed (conversion, document saving, deny saving).

The Class Diagram is the most important diagram in the object-oriented analysis and design. The diagram's purpose is to *structure the static nature of the classes* in terms of *attributes, operations and relationships* [5].

This contains classes and relationships between classes. A *class* is a model for objects with similar structure, behaviour and relationships. Each class has a name, attributes and operations.

Analysing the activity regarding the document management, the authors have identified and defined 8 object classes : the existing documents (Document), the departments that issued the documents (Departament), the files in which are the documents are included (Dosar), the access restrictions (Restrictii_acces), the downloading or uploading mirrors (Ferestre_dw/upload), the access requests (Cereri), the redirecting departments (Dep_redirectionare), the operators (Operator_dw/upload) and 4 subclasses regarding the document type (Text, Film, Imagine, Sunet). There are, also, 2 special classes Conversie and Download/upload that are *association classes* (figure 4).

Fig. 4 The Class Diagram.



A Class Diagram can contain both relationships between classes and relationships between classes' instances.

Relationships between classes are represented by generalization, dependency and realization. The diagram from this paper includes only *generalization relationships*. Generalization is a subclass-class relationship. According with the figure, in the diagram there are 4 generalization relationships between Document superclass and Text, Film, Imagine and Sunet subclasses (any instance of the Text, Film, Imagine and Sunet subclasses is, also, an instance of the Document class, inheriting the attributes and operations of this class).

Relationships between classes' instances are represented by association, aggregation and composition. In the application are traced:

- 3 compositions between Document and Dosar, Dosar and Departament and Document and Departament classes (e.g., an object of the Document class is a part of an instance belonging to the Dosar class and it can't be a part of other instance);
- 3 "one to one" bidirectional associations between Text, Film, Imagine and Sunet classes (e.g. a film document can be converted in one and only one text document and vice versa);
- 5 "one to many" unidirectional associations between Cereri and Dep_redirectionare, Cereri and Operator_dw/upload, Cereri and Ferestre_dw/upload, Document and Ferestre_dw/upload and Document and Restrictii_acces classes (e.g., a mirror can dispose of all of its requests while a request can't know what mirror have used).

Conclusions

The authors have realized a model for DMS using UML language. The UML language has the following advantages:

- is easy to use by the users;
- ensures extensibility;
- formulates specifications independent of a certain programming language and system working processes.

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THE XML TECHNOLOGY IMPLEMENTED IN MICROSOFT SQL SERVER

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The scripting languages from the Server (ASP and ASP.Net then PHP or JSP) are nowadays advanced and mature technologies that offer the possibility of developing new and complex applications on the Web.

Despite the existence of these technologies, basic changes took place lately regarding informational needs or equipments used by a large variety of users. Therefore, today not only the computers are connected to Internet but also hand- held devices. . Taking into account these necessities it is strongly required an universal language that can be understood by all these different devices XML proved to be the answer to this need, representing a new superior stage from all points of view. In the evolution of the information age data exchange is enabled among various equipments.

Key words: HTML, XML, IP, database, query language, web services

Definitions regarding XML

XML (Extended Markup Language) represents the center of a great number of technologies, presently forming the most used language. XML is the simplest and most efficient way of sending data through Internet.

The latest version of database administration systems of client-server type (Oracle, MS SQL Server or IBM DB2) generated a support for the XML technology. The users have the possibility, through extra parameters of SQL instructions, to realize all the operations they desire in a very simple manner.

We will show some facilities offered by Microsoft SQL Server 2000 for the XML technology. The theoretical elements on this subject will be followed by practical examples. We will present the integration manner of SQL Server along with the Web Internet Information Server (IIS), explaining at the same time new options specific to the SQL language, capable of offering support for XML.

XML or “Extended Markup Language” constitutes the base of all the elements that form the Web Services technology. Regarding the platform independence, XML represents the search engine that makes possible the data transfer through Internet, and it also constitutes the WEB services basis.

XML is related to the HTML HyperText Markup Language) language. Between the two types of languages there are some similarities but also a few differences that under no circumstance may be neglected. First of all we have to mention that both of them have the same origin, represented by SGML (Standard Generalized Markup Language). This is a general language that offers the users the possibility to structure their documents and data in an electronic format, through similar mechanisms of classical grammar.

HTML uses the same set of tags which help define the manner that the information will be displayed in the used Web browser.

The HTML private tag set is limited and unspecialized, being generated through SGML technology. In these conditions there is no possibility to particularize your available tag sets according to your desires and needs. The mentioned lack of flexibility could represent, in some cases, an important obstacle. Thereby, in applications for database exploitation, the usage of HTML language is improper for delivering data, which does not represent a major impediment.

Unlike HTML, the XML language offers the user the possibility to build up his own tag set that will be used for a certain document setup. In this manner there is a special flexibility because this element is needed to define electronic specialized documents.

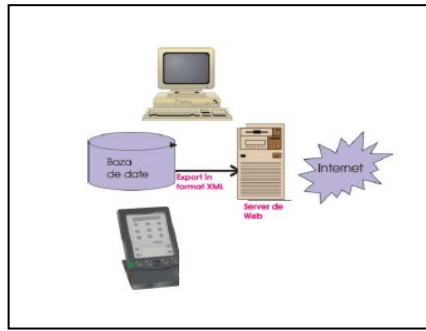


Chart 1 XML and Web services form a basic solid hardware equipment variety

Structure of XML folders

Like HTML folders, for XML structures text format for stocking the information is used. In this manner the transferability of data on any platform or device is assured. Essentially, all the elements evolved in XML technology are as follows:

- The proper XML folder that contains a set of tags and the proper information, delivered through it.
- The validation regulated and all types of data declaration, included in the document, realized by DTD (Data Type Declaration) language. Using DTD language the set of tags used to mark up the document will be defined. DTD has the function to validate the content and the structure of XML folders. In the present time there is a series of DTDs dedicated to certain domains from which we mention: HL7 – element particular for human health domain or MathML – particular element for mathematical equations. Using DTD elements the information can be organized on specific domains much easier. In the latest years, XML Schemas was recommended for describing data included in XML folders. This kind of technology constitutes an evolution in time from the classical DTD data descriptive language.
- Sheets of XSL type will be used to particularize the XML browser folder information display manner. The type sheets have a similar function to CSS (Cascading Style Sheet) formatted folders. In this manner, we may establish a table structure, containing display data, colors and formatted fonts of the information, as well as other formatted data included in the XML folder.

XML and database connections

XML represents the simplest and the most efficient manner to transfer the information on the Internet. In the past every time a data transfer was needed on different platforms, the text folders were used. The data were separated through commas or other specific marks. Once XML language was born, this transfer manner was forgotten. Reported to other types of data information transfer, XML has the advantage of being very simple, having efficient structures of the information, as well as information transfer on any platform or device.

For operating and transfer the database information through XML language, several operations must be followed successively:

- The user sends a demand to the Web server, asking for example the stock exchange rates for the shares he wants to buy or sell.
- The Web server send the demand to the database server under a SQL interrogation, the former sending back the demanded set of registrations.
- The sent data to the database server are covered by specialized solutions and delivered through the Web server.
- On the personal computer of the user that made the request, the data are assumed and transferred in the local data base.

These steps make a great example of interrelation and inter-operations of the XML technology and Internet. It is mandatory to mention that the second and third steps will form a single step; therefore most of the administration database systems have incorporated direct export facilities of data in XML format, without using additional applications or accessories. SQL Server 200 and Access 2003 include a complex support for XML.

XML support used for SQL Server

In order to use XML support it is mandatory to install the SQL Server 2000 version. For installing the database server it is necessary to select the IIS component of SQL XML Support . This element offers the possibility to inter-operate with the Web Internet Information Services (IIS) server database. The Web IIS server offers the possibility to realize interrogations upon the database and to obtain results through a simple Web browser.

The XML support configuration for SQL Server requires the following operations:

- a) By applying the SQL XML Support in IIS the New – Virtual Directory option is selected. After that the interaction between the database server and the Web server will be established.
- b) Creating a virtual named directory and a physical directory where Web pages or specific elements will be stocked. Supposing that the virtual directory was called “XML”, through the browser, Web pages or SQL interrogations based on XML technology may be accessed, using the following address: “http://server name web/XML”. Instead of the name of Web server, it may also be used the IP address, according to it. In those situations when these interrogations are locally tested, on the personal computer, it is necessary to introduce the following URL addresses: http://localhost/XML and “http”//127.0.0.1/XML”.
- c) Through the “Security” section, it is possible to introduce a valid username and a password for accessing a SQL Server database we want to export through XML technology. Furthermore, if we established a mixed identification manner, we may access the database through a SQL Server account and also using a standard user account of the Windows operational system.
- d) “Data Source” section allows the SQL server to be accessed in the database we use. When you will access the server on the local network, it will be mandatory to mention the IP address. If you intend to test the local settings, you must mention the (local) SQL Server identification.
- e) “Settings” -sets the manner the interaction between the database server and the Web server will be realized through XML technology. Regarding these, two important options may be established:
 - “Allow ULR Queries”- option realizes SQL-XML interrogations, directly through SQL interrogations as supplementary parameter at the ULR address.
 - “Allow Template Query” – option realizes interrogations using a series of pre-defined patterns.

There are also other configuration options that allow the directory settings and the XSL folders configuration schemes to be stocked.

SQL and XML interaction

The interrogation allowance through old SQL instructions was realized by adding additional sets of supplementary parameters that allow establishing ways of database registrations in XML format. Therefore, at the SQL standard registration a FOR XML AUTO provision was added. Supposing that we want to interrogate the data in an “Employees” chart, we will realize the following interrogation: “SELECT*FROM<CHART NAME>FOR XML AUTO”.

Instead of the AUTO parameter, there is also the possibility of using the “Raw” option, offering the option of using the “row” tag for identification each database registration exported in XML format. Additionally, the SQL Server facilitates the possibility to import registrations-available on XML folder, into the database. Therefore, in order to accomplish this operation the “OpenXML” function is needed, being used as a parameter of the SQL Insert command.

SQL-XML interrogation manner

Implementing all the options of the IIS and MS Sql server, an efficient interrogation of the SQL interrogations are available. These return the database registrations from a database format into a XML one.

There are two fundamental manners of implementing these operations:

- a) a) Directly addressed interrogations- If the “Allow URL” option was activated, there is the possibility to realize the interrogation by introducing the SQL instruction, directly as a parameter of the accessing address of the Web server. Accomplishing this operation opening the Web browser and introducing the following address it is necessary:
- b) “**http://localhost/XML?sql=SELECT+*+FROM+name_table>+FOR+XML+auto&root=roo t**”.
- c) The first part of the address identifies the Web server and the XML virtual directory. The SQL instruction it is present by using the “?sql” parameter and the keywords of the interrogation have been separated using “+”.
- d) At the interrogation the “&root=root” section has been added stressing the presence of the root element of the XML document. Therefore, the root tag ”root” has a similar function as the “HTML” tag, specific for HTML language. Also, in a similar manner, the XML folder will be closed using the “/root” tag.
- e) b) The usage of interrogation patterns – Interrogations realized by introducing SQL instructions as a ULR parameter address it is harder to realize because it is needed a direct SQL instruction through the browser. For eliminating this disadvantage there is the possibility to use interrogation patterns. Introducing a SQL instruction in a XML folder a predefined tag may be used “sql:query”. Here is an example of a XML folder where a SQL instruction from a database chart was introduced: <ROOT xmlns:sql=”urn:schemas-microsoft-com:xml-sql”>

```
<sql:query>
  SELECT
  FROM <name_chart>
  FOR XML AUTO
</sql:query>
</ROOT>
```

For using the SQL interrogation on the Web browser, we used the following URL address:

<http://localhost/XML/interrogation.xml>.

When these interrogations are changed in the browser, as a result we will have a unformatted XML folder. When we want to individualize the manner the information are presented from the XML folder into the browser, it is necessary to use the XSL style sheets. These style sheets have a similar function with the CSS (Cascading Style Sheet) folders. In this way will a chart structure of presenting the data be established, the colors and the formatted fonts of the information, as well as other formatting elements included in the XML folders.

Stocking procedures

The stocking procedures represent a pre-collected set of SQL instructions, saved on the database server under a name and after that unitary processed. They enable the user to realize complex operations on the database through a single signal sent by the source application. The user may also use declared variables, conditioned instructions and other strong programming elements. The stocking procedures are always present in the relational database systems, based on the client/server (MS SQL Server or Oracle) technology. In the stocking procedures case, for MS Sql Server database, the Transact-SQL language it is used.

This language constitutes the standard manner to communicate among the resulted applications and the database server. Transact-SQL it is a language based on Structured Query language (SQL), the ANSI standard for interrogation database languages. They enable the chart creation, establish access rights for various elements and insert, modify or delete registrations from the database. In the stocking procedures

cases, Transact-SQL presents a supplementary set of instructions, reason that transform it from an interrogation database language into a genuine programming language.

Conclusions

By using the XML technology, one may easily change the stocking procedures on the server through a simple Web browser. For completing this procedure is mandatory the use of the “Execute” command, as a changing parameter to the URL address that accesses the Web server.

The interrogation of XML support into SQL Server 2000, allows an efficient data transfer among the various information systems.

Regarding economical applications, the XML technology offers an overflow inter-operational level, as well as many integration possibilities with different practical solutions.

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MARKETING DATABASES – THE SHORTEST WAY TO CLIENT’S HEART

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The aim of this paper is to present the potential which could be offered by managing databases in direct marketing through gathering the information that could offer the shortest and efficient way to the clients needs. The paper includes the necessary steps to make this activity a real success.

Keywords: databases, marketing direct, customer database, information, databases update

The direct communication with the customer – The essence of a successful direct marketing activity

The process of defining and establishing direct *communication objectives* is a very important element of communication with the customer. Without clearly specified objectives, the target of direct marketing communication program can easily fail. Also, the objectives serve as reminders of what the economic organization is attempting to do with its communications to various customers.

The objectives of the communication with the customer are derived from promotion marketing objectives, which tend to be general because they relate to entire marketing plan and they also can be measurable. Communication goals are depending on the stage in the buying process that is addressing to. According to Kenneth E. Clow and Donald Baack, the *major direct communication objectives* address to both compartmental and psychological issues and regard the following issues:

- Build customer traffic
- Change customer beliefs of attitudes
- Develop brand awareness
- Encourage repeat purchases
- Enhance firm image
- Enhance purchase actions
- Increase category demand
- Increase market share
- Increase sales
- Reinforce purchase decisions²⁶⁰

Database marketing objectives

The *objective and role of the database in the direct marketing and communication* determine the structure and the content of the database. The typical questions posed concerning data collection include:

- What kinds of data are currently available?
- When and how often will information be collected?

²⁶⁰ Clow, Kenneth E., Baack, Donald – Integrated Advertising, Promotion and Marketing Communications, Prentice Hall, New Jersey, 2007, page 101

- When and how often will information be updated?
- What additional data are needed?
- Why certain data are needed and not other types?
- How will the data be used and who will use it?
- Where will the data be located?

Answers to these questions allow the marketing and information system departments to design the specific database. It is important to make sure the information helps the company maintain a successful communication program.

The objective related below may be changed or be modified as time passes depending the company's actualized needs but the essential information remains relatively consistent. Regarding these, the objectives *for direct marketing database communication with customer* can include the following issues:

- Provide useful information about company's customers
- Create information about why customers purchase the products they do
- Share information about customers as companies prepare advertisements and promotional materials
- Reveal contact points to be used in direct marketing programs
- Generate information about members of various buying centers in business to business operations
- Track changes in purchasing behaviors criteria used by customers²⁶¹

The steps to a successful direct marketing communication

In order to create a complete communications and promotion program, 8 steps are necessary according to Philip Kotler²⁶²:

- The first step is to **identify the market target**. The company must identify the target market from the beginning if it wants to know who it is addressing to. The target can be formed by: potential customers for the company's products, current users of company's products, decision factors and influence factors.
- The second step consists in **determining the communication objectives**. Once the market target is identified, and also its characteristics, the company that releases the message must decide what kind of answer wants to get.
- It follows the **creation of the message**. Knowing what kind of answer the company wants to get, the message must be created in that manner to achieve that objective.
- **Choosing communication channels** is the next appropriate step. The company must choose efficient communication channels to distribute its message. Many times these channels must be different and more than one.
- Next step is – **setting the promotion budget**. To set the promotion budget is one of the most difficult marketing decisions which companies are confronting with. Mostly there are 4 major ways to establish the promotion budget: the method based on the company's possibilities, sales percentage method, the method based on competitive priorities, objective and task method of budgeting
- It follows the step of **establishing the promotional mix** – the elements that compose the promotional mix are: advertising, personal selling, sales promotion, public relations, and direct marketing.
- **Determining the results of the promotional activities**. After the implementation of the promotional plan, the company must evaluate the impact produced on the market target.
- The final step is **the organization and the coordination of marketing communications**. To reach the communicating objectives, the companies must use more than one communication tools referring the promotional mix.

²⁶¹ Clow, Kenneth E., Baack, Donald – Integrated Advertising, Promotion and Marketing Communications, Prentice Hall, New Jersey, 2007, page 350

²⁶² Kotler, Philip – Principiile marketingului, Ed. Teora, Bucuresti 2000, pag. 1048

Customer Database – the tool which can bring the real advantage in knowing customers' needs

The first thing that must be presented in this section is the database definition. A database is a collection of data/information that is organized so that it can be easily accessed, managed, and updated in order to select desired pieces of data depending on combined selection criteria.

Referring to marketing, a definition of marketing database according to TechTarget (www.techtarget.com) is “Database marketing is a systematic approach to the gathering, consolidation, and processing of consumer data (both for customers and potential customers) that is maintained in a company's databases. Although databases have been used for customer data in traditional marketing for a long time, the database marketing approach is differentiated by the fact that much more consumer data is maintained, and that the data is processed and used in new and more sophisticated ways. Among other things, marketers use the data to learn more about customers, select target markets for specific campaigns (through customer segmentation), compare customers' value to the company, and provide more specialized offerings for customers.²⁶³” (TechTarget provides enterprise IT professionals with the information they need to perform their jobs - from developing strategy, to making cost-effective IT purchase decisions and managing their organizations' IT projects - with its network of technology-specific Web sites, events and magazines.)

So, a customer database is a structured collection of records including information about customers or potential customers. A good customer database is the key for developing efficient customer relationships. But what does it mean “a good customer database”? What kind of information must it contain? Is it enough to know information like: name, address, age, marital status, etc.? The idea of using databases is to manage customer relationships to increase both sales and also the customer satisfaction. In order to get customers satisfaction, next to information like:

- demographics: address, telephone, age, birthday, marital status, occupation, etc.,
- information like:
- psychographics: activities, interests, opinions, buying patterns, etc. – are also needed.
- An appropriate database can offer important information about the customers needs, wants and buying patterns, and also information such as the most and the least profitable customers. This process containing methodologies, software, and usually Internet capabilities that help a company to manage the relationships with its customers in an organized way, is called Customer Relationship Management (CRM), and it plays an important role in many small business' sales and marketing strategies. The role of the Customer Relationship Management – CRM – consists in helping companies to understand, so that to anticipate, the needs of current and potential customers. One of the most important information the CRM system may offer is to determine the most profitable customers and also, what common characteristics do they share. But, first of all, in order to offer appropriate and essential information about the customers, a CRM is based on an effective marketing database.

Customer database development

- The first step in building a customer database, management must first determine the **company's primary objectives**. Some of these objectives may be:
 - future promotional activities;
 - introducing a new product and service;
 - to sell different products/services;
 - distributing information about an event;
 - thanking them;
 - creating customer loyalty programs;
 - determine the most profitable customers;
 - and many others.
 -

²⁶³ http://searchcrm.techtarget.com/sDefinition/0,,sid11_gci939072,00.html

The second step is to determine what kind of data a company needs about its customers, in order to achieve the objectives. In order to developing a good marketing database, the management must know that it also must include details of **prospective**, as well as existing customers. Not only existing clients must be targeted, but also the potential clients. This is one important principal a customer database must refer.

Source Data for Customer Databases

- The information kept in a customer database comes from different data sources. These sources can be internal or external.
- **The internal data** are the data that refers to the existing customers and comes from the inside of the company. The internal data may refer to: client files, orders recordings, information selected from customer reclamations, data referring to customers' satisfaction, reactions to promotions actions, market research, questionnaires, etc.
- **The external data** is the data which comes from outside, for instance by renting a list of names and addresses or by changing data with another company.
- Each marketing department must determine the particular source data which is needed in order to get all necessary information for their customer database. This depends on specific products or services, the domain of activity or even the competitive situation of the company.

Customer Database Accuracy

Database accuracy is essential for an effective Customer Relationship Management system.

First of all, the quality of data and the quality of the customer database maintenance are very important. They must be updated frequently because some data are changing often. Problems may appear when data from different sources are mixed, for instance data from internal sources with data from external studies.

Wrong data as: duplicates, wrong addresses, personalization errors, etc., may drive not only to losses in the company's budget, but also can affect the marketing strategy by giving wrong information.

Customer Database Using

The using of customer databases in marketing is a very powerful and competitive weapon for companies because it helps them to stay close to the customers, to understand their needs, to treat them well after the sale, and this way to develop a fidelity program. Using the information kept in the customer databases, advertising campaigns' messages may be tailored to specific segments of the market or even to the individual customer. In conclusion, there are many ways a customer database can help companies to improve their activity by: profiling existing customers (looking at customers to identify common characteristics between them), keeping in touch with the customers, customer segmentation (people with similar attributes tend to have similar tendencies in purchasing patterns), customer scoring, customer retention (to identify groups that are likely to leave (potentially to rival providers)), cross-selling (in order to sell other products to existing customers), up-selling (in order to sell more expensive products or services to existing users of the same type items).

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THE ROLE IN ENABLING GOVERNMENT TO ORGANIZE AND OPERATE ITSELF IN A MORE EFFICIENT AND COST-EFFECTIVE MANNER BY USING THE INFORMATION TECHNOLOGY

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This paper illustrates the value of interoperability in the delivery of Government e-services: Government-to-Government, business-to-Government and citizen-to-Government. It describes the many issues involved in achieving successful interoperability programs—together with the tools, technologies and standards that help make this possible.

The information technology, the delivery of Government e-services, successful interoperability programs

1. Generals considerations

Government systems are generally purchased on a solution-by-solution basis, and driven by the need to acquire the best solution for a specific purpose. The result of this is the creation of a wide range of separate information and data islands across Government—with no easy way of unlocking the valuable information assets they collectively contain to support more useful and productive processes.

Interoperability programs can help resolve these problems. A well-structured approach to interoperability helps open up data and information silos and enable information to be exchanged more easily and usefully between systems. Business applications can then take advantage of that integrated information to provide greater insight, better control and improved operational efficiency in information handling. The net outcome can be better-informed and more time decision-making and related cost efficacy.

E-Government interoperability programs need to be based on a clear set of publicly accessible technical standards and policies that act as a foundation for the overall e-Government strategy. Such technical standards range from those defined by the numerous open standards bodies (like ISO, ECMA, ETSI, ITU and ANSI-accredited developers), to those proprietary standards adopted by companies across the marketplace. For example, HTML and TCP/IP are widely recognized open standards, while Adobe's PDF format, the Microsoft[®] Office XML file formats and the Java and Win32[®] APIs are widely accepted proprietary standards. Yet each of these standards provides proven interoperability between different systems and applications.

Successful interoperability programs exploit existing Government investments—and provide a means of enabling those existing systems to participate in a wider ecosystem of information systems. By exploiting best interoperability practice, Government systems are able to achieve improved data exchange and more integrated systems and application access. The result is more effective use of information not only within the public sector, but also between the public sector and citizens and businesses.

Establishing an agreed approach to interoperability can help lead to a step-change improvement in Government services through, for example, internal efficiencies and the provision of better online access. The adoption of interoperability initiatives by various Governments around the world has already provided a powerful means of ensuring true interoperability across public sector systems and between the public, private and voluntary/not-for-profit sectors.

2. Microsoft and Interoperability

As a well-established and recognized industry leader, Microsoft has long embraced the importance of interoperability. It has been one of the leading players in designing interoperable products, licensing its

intellectual property to enable interoperability, developing interoperability standards such as C#/CLI, IPv6, USB, XML and Web services, and collaborating with partners and competitors to provide interoperable solutions (such as the Nokia-Microsoft mobile music solution, the Cisco-Microsoft security initiative, the Sun-Microsoft interoperability Agreement, the palmOne-Microsoft e-mail interoperability effort, and Siebel-Microsoft effort to enhance interoperability)

The European Union's IDA (Interchange of Data between Administrations) program has also acknowledged Microsoft's practical commitment—both now, and in the future—to meet interoperability requirements.

Microsoft has consistently invested in helping customers integrate our platform and applications with a broad array of popular (and even not so popular) hardware, software and networks ... As a result of these efforts, Microsoft offers a comprehensive portfolio of interoperability software capabilities, from the operating system to individual applications. Our software works with a vast array of technologies in the marketplace, whether they shipped last week or decades ago. Microsoft software can talk to mainframes and minicomputers from IBM and other manufacturers; other operating systems such as the Mac OS and various UNIXes including Linux; NetWare or AppleTalk networks and native Internet protocols; dozens of programming languages, ranging from COBOL and RPG, through C++ and Java, to the latest experimental languages; hundreds of databases including Oracle, Sybase and DB2; popular business applications like SAP or Siebel; vertical industry standards like SWIFT or HL7; email systems; and infrastructure products providing message queues, directory, management and security.

Microsoft's practical delivery of interoperability reflects a long-standing drive for continuous improvement in software quality to support better and more predictable software experiences, even in a highly interconnected environment. Microsoft is committed to enabling interoperability between Microsoft products and other companies' technologies to meet customers' present and future needs.

Microsoft Office, for example, is not only a familiar desktop office suite but also provides strong support for interacting with existing information systems, enabling the smart use of data drawn from multiple underlying information systems. Using Office in this way minimizes training (since users are already familiar with Office) and enables more efficient interactions with new and existing data, regardless of the underlying systems in which such data resides.

Beyond the significant development time Microsoft spends to ensure interoperability between old and new generations of software, it incorporates hundreds of industry standards into its products to enhance their interoperability with third-party products and services. Microsoft also participates in many formal and informal industry standards organizations to help define the specifications that are a prerequisite for interoperability.

We publish APIs, protocols and software development kits, and we also license our underlying intellectual property associated with this and other technology, to help others deliver interoperable software. And we work with a wide array of partners, some of them direct competitors, to deliver interoperability solutions that work well with our products. In the last year alone, Microsoft entered into interoperability agreements with AOL and Yahoo! (instant messaging interoperability); Cisco (interoperable security solutions), Oracle (database interoperability), palmOne (e-mail interoperability), Sun Microsystems (Windows Client and Server and Java/.NET interoperability); and Vodaphone (PC-mobile interoperability).

The design and development of the Microsoft platform creates compelling opportunities for third-party software and hardware—something that is only achievable if the platform provides interoperable mechanisms. This is further underpinned by the increasing transparency provided to the industry (for example, documented Windows interfaces and access to the Windows source code for Governments under the Government Security Program).

In addition to the extensive support for open standards across its product range (such as, for example, the features in Microsoft Office System that enable it to use open standards such as XML and Web services), Microsoft provides other products specifically focused on helping ensure interoperability between systems (linking for example the world of XML data interoperability with those of proprietary applications and technologies). These help to ensure the kind of cross-system integration necessary to underpin online service delivery and e-Government programs.

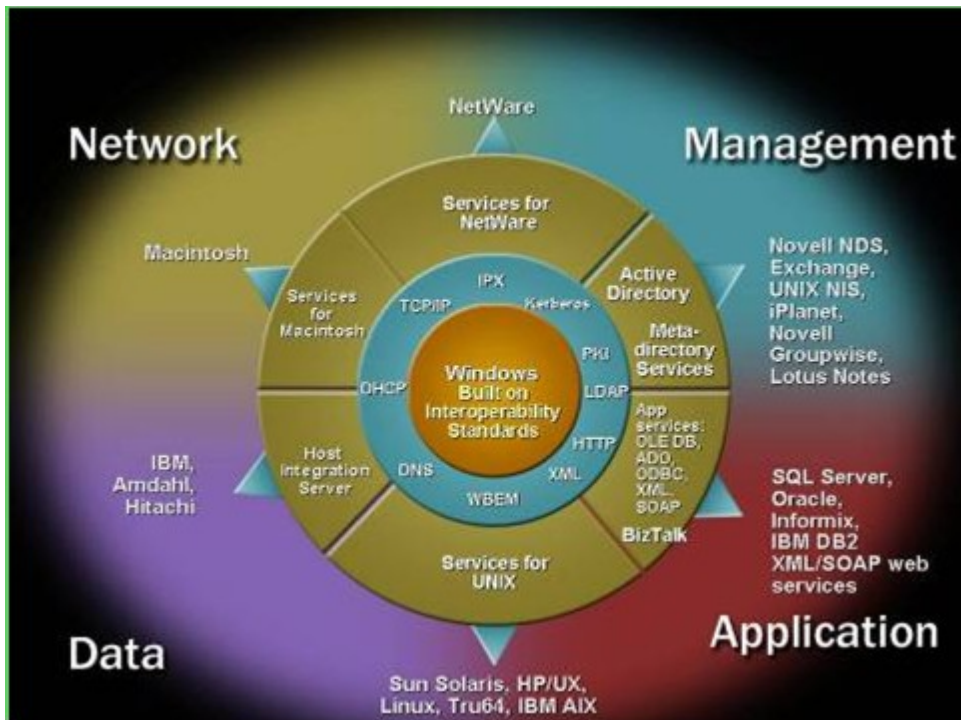


Figure 1-: Microsoft Interoperability

As illustrated in the preceding graphic, the result of Microsoft’s commitment is that we offer a comprehensive portfolio of interoperability software capabilities, from the operating system to individual applications. Specifically, Microsoft software can talk to mainframes and minicomputers from IBM and other manufacturers; other operating systems such as the Mac OS and various UNIX derivatives including Linux; NetWare or AppleTalk networks and native Internet protocols; dozens of programming languages, ranging from COBOL and RPG, through C++ and Java, to the latest experimental languages; hundreds of databases including Oracle, Sybase and DB2; popular business applications like SAP or Siebel; vertical industry standards like SWIFT or HL7; email systems; and infrastructure products providing message queues, directory, management and security.

An important feature of Government interoperability programs is that they interact successfully with systems in use in the wider IT marketplace—notably the private and voluntary/not-for-profit sectors. Government systems do not exist in isolation and need to interact with external systems, taking advantage of the same industry standard applications and technologies that the competitive world of private business enjoys. For this reason, successful Government interoperability frameworks are built on adoption of the systems, specifications and standards in widespread use—including open and proprietary standards—together with published interfaces, file formats and protocols.

3. The New Applications to Portal with E-Government Interoperability Engine

The government of Romania has added new interoperability capacity to its e-government portal and National Electronic System (NES) to support a large range of applications. The NES was built by the General Inspectorate for Communications and Information Technology in 2003 in partnership with Microsoft. The solution employs the Microsoft® .NET Framework development system and Microsoft BizTalk® Server 2004 at its orchestration layer, along with Web services for the delivery of new electronic services. The solution has become an integral part of the government’s administration reform programmer and been the impetus for the full realization of e-government in Romania.

The NES works as a data interchange hub that ensures interoperability with back-end systems across government.

Romania has hundreds of public-sector agencies—from ministries to regional and local government. Each organization has its own procedures, information systems, and Web sites. Traditionally, there was little or

no interoperability among these different parts of government. Processes were usually paper-based, and with the lack of integration, citizens and businesses often had to go from office to office, filling out a number of different forms, to obtain a service.

Romania's transition to the information society started in 2001 with its first 30 e-government pilot projects. Led by the General Inspectorate for Communications and Information Technology (IGCTI) on the basis of the European Commission's eEurope framework, the pilots provided basic online services to citizens and businesses.

One of the key goals of the e-government initiative was to ensure the "back-end" of the public sector—each of the existing systems and processes involved in service delivery—could feed into new "front-end" entry points such as Web sites and mobile devices. This is where citizens and businesses can access and use electronic services.

The difficulty for government deploying online services is to ensure its back end and front end work together in a secure and coherent manner. We needed to resolve this technological issue to create the right environment for e-government and develop one-stop, citizen-centric services. But we also needed to go a step further and ensure that we added new interoperability capacity to the National Electronic System (NES). This would make it easier for third parties to add new applications to enrich the service and make it more flexible for users.

The IGCTI—together with Microsoft and Softwin, a leading provider of computer software and services in Romania—developed an e-government portal (<http://www.e-guvernare.ro/>) and the NES as a pilot in 2003. The IGCTI and Microsoft worked together to roll out the solution nationally in 2005 with modifications to accommodate specific requirements for local government services. All Romanian public institutions are now legally required to provide access to their online services through the portal and NES.

Built using the Microsoft® .NET Framework development system, the portal runs Windows Server® 2003 and Microsoft Internet Information Services to provide a single point of contact for accessing public services from different government departments. The NES serves as the portal infrastructure, routing service requests to a back-end system using XML-based Web services.

Microsoft BizTalk® Server 2004 is used to call on Web services for interactions between the NES and disparate operating systems and databases from IBM, Oracle, and other vendors used within different government ministries.

In this way, the NES works as a data interchange hub that ensures interoperability with back-end systems across government. A citizen or business accesses the portal, signs on, and fills in and submits a form directed through the NES to the relevant government agency.

With the help of Microsoft Services, the IGCTI is now planning to build a delivery engine for new services to be added to the NES. The new functionality, which is still a work in progress, will support third parties that want to offer new applications through the NES system, giving them the benefit of code and templates. We want to get as many Microsoft partners as possible to back the project to provide an even richer environment than at present.

4. The NES marks the beginning of a general digital reform in Romanian society

The Romanian government is enriching its e-government service by making its award-winning portal fully interoperable for new applications. Its best-value solution, developed in partnership with Microsoft, is breaking down a legacy of silo working.

With interoperability between the NES and new applications, the Romanian government can provide even better one-stop, citizen-centric services. The NES provides a central authentication service so people can access all services using a single password and digital certificate issued by the IGCTI. The portal helps citizens and businesses access public services anytime, anywhere, in a fast, simple, and secure manner.

The first services to go online were primarily aimed at the business community, including the filing of tax and VAT returns and declarations for unemployment, healthcare, pensions, and other social insurance payments. Further services are being extended as more agencies automate their back-office processes and connect their systems to the NES.

The NES makes facilitate the conditions for others to provide electronic services and it possible for all public service providers to interconnect through electronic means. This does not imply the elimination of

over-the-counter service delivery, but it is a necessity for creating an alternative that did not exist before and offering citizens a choice.

Conducting transactions electronically and ensuring the governments front-end and back-end systems work together coherently is also essential for rationalizing costs and improving administrative efficiency.

The portal and the NES are an integral part of Romania's programmed for administration reform and it changes the way in which each and every citizen or company interacts with government. The technological capabilities for integration can help break down the silo approach of service delivery, citing as an example the creation of a single set of accurate data that can now replace costly, overlapping, and redundant data collected manually by different agencies. Together with the migration from paper to electronic workflow, this will result in substantial cost savings and faster and more efficient processes both within and between administrations.

The ability to interact with government electronically further provides a stimulus to Romanian companies to invest in IT and modernize their own business systems, contributing to the long-term competitiveness of the country's economy. Digital certificates have been issued to about 1,400 primarily large businesses so they can use online services, and efforts are being made to register small and medium-sized companies as well.

It is still a young project, but the benefits for the businesses using the NES are already there and they can submit documents from anywhere and receive instant feedback rather than have to come into Bucharest every month to hand in hard copies of their statements.

The NES and the E-Government Portal have been the impetus for the full realization of e-government in Romania. With a common environment for integration and service delivery, the IGCTI has encouraged government agencies to work with the same protocols and concepts for whole-of-government goals.

Conclusions

The NES marks the beginning of a general digital reform in Romanian society and demonstrating that e-government is the best way of organizing public management to increase efficiency, transparency, accessibility, and responsiveness. It also helps to reduce bureaucracy and corruption in the inner management of the public sector and in its daily relations with citizens and business users of public services. The Romanian government's strategic partnership with Microsoft has been a key factor in the success of the NES and portal. Microsoft technologies have proved scalable and flexible for future expansion because of their use of open standards such as XML. Large technology companies usually have their own way of working with the public sector, but with Microsoft, the IGCTI built the system in partnership and could deploy a best-value solution that met its specific needs and requirements.

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INFORMATIONAL APPLICATION FOR THE SUPPORT OF OPERATIONAL MANAGEMENT

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The development of the informational and communicational technology makes possible the use of a diversity of systems, instruments and technologies that offer to the decisional factors sharp and safe informations and also proper ways to process and analyse those informations in order to achieve an efficient development of their activities. We chose the internet - for theoretic and also for practical reasons - as informational technology because it stays at the base of other informational, decisional and communicational technologies - the intranet, the extranet, the web, the e-commerce, the groupware etc. Among the practical reasons we mention: low costs, fast communications and the performances inside the office and in relation with other people, especially with the clients; the market's development and the easier acquisition and fusion processes.

Key words : the management's data base, the federative data base systems, the client/server architecture, the internet/intranet technology, the distributive application.

The perfection of the informational system of an organization is placed within a strategy of global improvement and durable of the organization's performances. In approaching the general aspects of perfection of the informational system we start from two premises. On the one hand, **the development according the levels**, in order to formalize the new system in different hypostasis: contributions to the strategy of the company, the usage of administration rules, organizational states and technique, for which it is appealed to modern techniques of formalization, such as the conceptual models and logical models. On the other hand, **the development according the phases**, which allows a hierarchy of the decisions that are to be taken during the period of projection and operations of the new informational system. Thus there can be better dominated the **risks** (costs, terms of realization, influences over the employees implicated in this process) and **effects induced by the new informational system** over the company's activities, among which: the efficacy of administering the problems that appear, the improvement of the registered performances, the amplification of the commercial impact and others. At the same time the double approach favors the assimilation of the new technological concepts (data basis oriented on the object, technology Internet), but also the evolution of the informational system, according the changes that intervene in the activity of the organization or in the environment in which it is integrated.

At present many organizations and professionals who realized the informational systems rethink the traditional way taking into account the new technologies, creating a diverse literature of specialty and sometimes controversial for the computer users and, starting from the requests of the organizations for more cheap practices of realization, more productive and faster. In the practice of elaborating the complex systems, among which those distributed, there are distinguished more methods of projection that make the object of referential classifications from the literature of specialty. Thus there can be distinguished methods

of the functional decomposition; methods of the data fluxes; methods oriented towards information or popularized data from the informational engineering of James Martin but also by the approach of the diagrams entity-relation of Chen; methods oriented on the object.

Since it appeared the necessity to write programs for the computer it was also felt the need for instruments of work that could automate and ease the work of programmers. Between these there are found also the CASE instruments that are capable to ensure the necessary support for one or more specific activities of the engineering of programming. Their usage shapes a methodology of later-day that combine the elements of success from the traditional methodologies with the requests of the informational society due to the possibilities of realizing an equilibrium between the organization's requests, the technological opportunities and the risk associated with the inevitable substantial changes that appear frequently.

The interdependence of the data from the data base imposes a federative approach of the data base of the organization. The data base of the organization is conceived as a federation of data basis connected functionally (according the organization's functions) or by process (according the processes of leading on hierarchical levels). The main component of these federations is constituted by the operational data basis, because it represents the main source of data for the other data basis that, in fact, contain data resulted by the aggregation of the data from the operational data basis.

In the case of organizations dispersed on the territory the data basis work in federative systems open towards Intranet/Internet (fig. 1).

The informational base contains the informational nucleus formed by the totality of attributions necessary for the processing of the informational system and the informational structure represented by entities between which there are established correspondences and connections.

The content of the informational base is determined according the variants of approach of the chosen general projection.

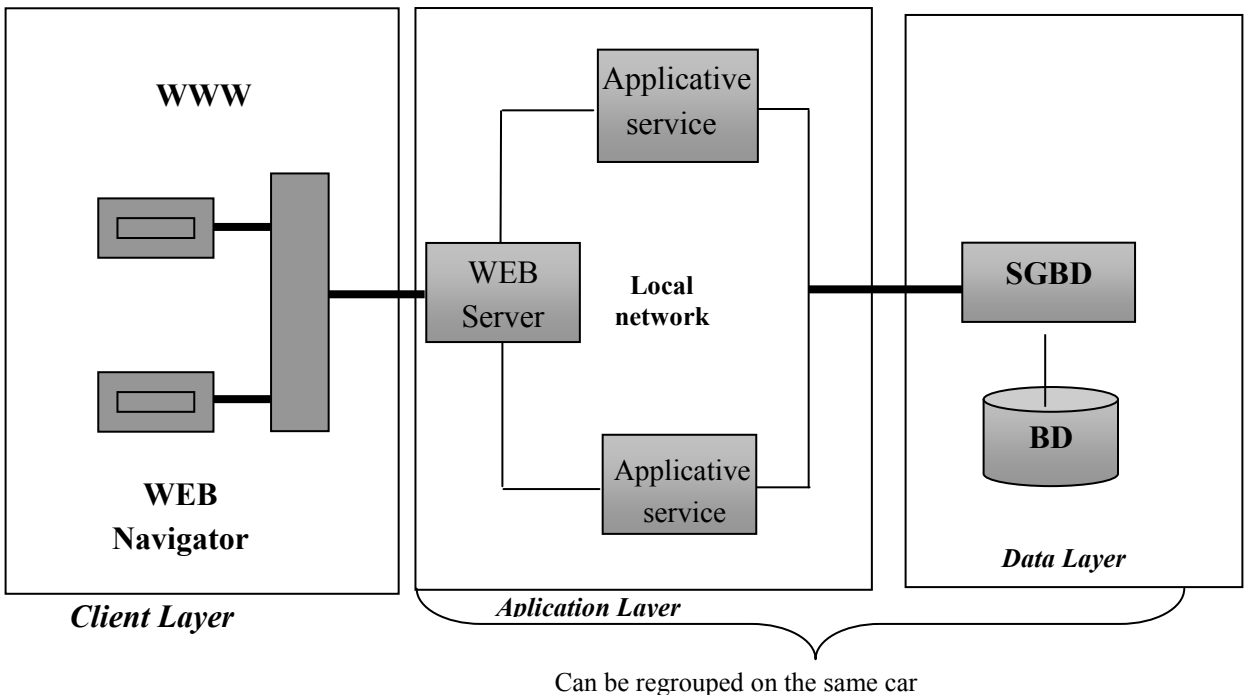


Fig. 1 Federative systems open towards Intranet/Internet

In the variant exits-entrance the content of the informational base is determined according the proposed objectives concretized in the situations of exit. The informational base will be constituted on the solicited exits and will be modified during the whole time of exploitation of the system in accordance with the dynamic of the phenomenon and the processes from the benefiting unit.

Data base for technological analysis is formed by the extraction from the primary data base of those files that contain the evolution in real time of the parameters and files which reproduce different phenomenon and incidents (signals, preventive and of alarm).

Data storehouse for management

From the primary data base, operative reports and the results of the technical analysis it will be built a storehouse of data designated for the level of technical and economic manager. The information extracted from this storehouse is presented in adequate forms (graphics, tables, diagrams) to the factors of decision and constitute a support for decisions and corrections.

Within the technological framework of the last years, which led the power of calculation to prices wide accessible, and the evolutions to open systems allow an almost total connectivity to any type of data sources and interoperability between the different platforms, it is questioned: the existent operational systems, the data can be accessed anywhere, the need for information is acute, and the power of calculation and storage is cheap. It is felt the need of a new paradigm: data storehouses.

The data storehouses represent an acute request of modern organizations (enterprises, banks or administration) and at the same time a technological relationship frequently put into practice. The current vision over the data storehouses is concentrated upon their role of informational base for the managerial decision, thus keeping a high level of generality and allowing to the multiple implementations to enter into the sphere of this notion.

So, the role of storehouses is that of offering an informational base for the foundation of managerial decisions. Likewise, the definition given by Bill Inmon is extremely concise: a data storehouse is a collection of data for the foundation of the process of making managerial decisions, oriented on the subject, integrated, variable in time and non-volatile.

From the point of view of the operational system, the analysis of incidents is qualitative and exhaustive, being realized individually, pursuing the registration realized during the incident and correlating the behavior of different elements. But managers are interested by a qualitative analysis, complex of the incidents, correlating their frequency and intensity in time with the variation of the rivers' flow, the meteorological conditions, the hours of changing the shifts etc., in search of schemes of production of the incidents.

Within the data storehouses, the data is naturally set on hierarchies and sediments, according their semantic, on levels. Thus, for production there will be gathered all the data of process that will allow detailed analysis for each incident or phenomenon appeared during the period of detail pre-established. They are extremely useful for the discovering of defections before accidents are produced or for the deduction of the probabilities of some immediate defections, by the technical personnel especially trained.

Because the informational system of a company is in continuous interaction with the informational system of other companies or of other governmental institutions, it is imposed the necessity for correlating the own informational system with the informational systems of the others. Within this context the exits of an own informational system can constitute entrances in other informational systems, while the exits of other informational systems can be exits into the projected informational system.

These inter-conditions can be realized through the computers that will ensure the connection between associated data basis, between which it is realized the exchange of data.

The architecture client /server is constituted as a versatile infrastructure, based on messages and modular, that was born from the intention of improving the use, flexibility, interoperability and scaling of the software applications. The client is defined as a solicitor of services, and the server is defined as the supplier of services taking into account that one and the same station can be the client and also the server, according the software configuration. The client and the server communicate through message exchange.

Any client / server system is composed of minimum three main components:

- the interface with the user (operation system environment / graphic)
- the application (the processing or the processes)
- the system of administration of data basis

In practice, there are more modalities of distributing the functions between the client and the server

- *The model distributed interface.* The code afferent to the user interface is divided between the client platforms and the server, and the application and the SGBD are, both, resident on the server. It is the model of a classic architecture with a central host computer to which are coupled the passive terminals (the Romanian mini-computer systems INDEPENDENT, CORAL, the mini-systems PDP of the company DEC).
- *The model deported application.* The code afferent to the interface is placed on the client platform, while the application and the SGBD are situated on the server (X Windows run under sub Unix).
- *The model distributed application.* Presupposes the localization of the interface on the client-computer, of the SGBD on the server-computer, while a part of the application is resident on the station and the other part on the server.
- *The model deported data base.* The interface and the application are resident on the client-platform, while the SGBD is placed on the server. It is the model of the architecture client / server 'classic', on whose logic are realized the majority of the systems commercialized under the title 'client / server'.
- *The model distributed data base.* The interface, the application and a first part of the SGBD are found on the client-system, while a second part of the SGBD is resident on the server.

Many organizations applied mixed solutions, on the basis of combining the facilities of two or more methods, according the specific of the unit, the stage of information (equipments, programs, specialists), resources and culture of the enterprise in the field of informational systems.

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SPREADSHEET-BASED DECISION SUPPORT SYSTEMS

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In this paper we will present an important category of Decision Support Systems (DSS), spreadsheet-based DSS. After a short review of literature, we will specify the main characteristics that make Microsoft Excel 2007 an appropriate environment for DSS building. Then, we will analyze the instruments throughout we can enhance the spreadsheet capabilities. We will conclude presenting our view about the use of spreadsheets as DSS generators.

Key words: decision support system, spreadsheet, models

1. Literature review

According to Peter Keen and Charles Stabell, the concept of decision support evolved from “the theoretical studies of organizational decisionmaking done at the Carnegie Institute of Technology during the late 1950s and early '60s and the technical work on interactive computer systems, mainly carried out at the Massachusetts Institute of Technology in the 1960s” [Power, D. J., (2003)]. An earliest definition of decision support systems appeared in an article written by G. A. Gorry și M. S. Scott-Morton in 1971. They defined these systems as “interactive computer-based systems which help decision makers utilize data and models to solve unstructured problems.” [Mora, Forgionne, Gupta, (2003), p. 102]. Another definition is the one given by G. M. Marakas: “a decision support system is a system under the control of one or more decision makers that assists in the activity of decision making by providing an organized set of tools intended to impose structure on portions of the decision making situations and to improve the ultimate effectiveness of the decision outcome.” [Marakas, (2003), p. 4].

In general, decision support systems applications are made up of three components: model management, data management and dialog management (user interface management). More and more DSS include also a knowledge management component which provides the necessary expertise and knowledge for resolving difficult and complex problems. We can classify DSS applications in many ways. One of the classifications is based on the dominant components of DSS application. D. J. Power identified five specialized types of DSS: data-driven DSS, model-driven DSS, knowledge-driven DSS, document-driven DSS and communications-driven DSS [Mora, Forgionne, Gupta, (2003), p. 24]. Holsapple and Whinston categorize DSS into six frameworks: text-oriented DSS, database-oriented DSS, spreadsheet-oriented DSS, solver-oriented DSS, rule-oriented DSS and compound DSS [Turban E., (2000), p. 113-114]. At the beginning, most of DSS applications were model oriented and were using accounting and financial models, optimization models, representational models, etc.

A paper spreadsheet is an accounting ledger page with columns and rows that organizes data about transactions and shows quantitative information useful for managing a business. Paper spreadsheets have been used in accounting for hundreds of years. A spreadsheet shows the expenses, revenue, taxes, etc. and the columns and rows represent either debit or credit sides. Professor Richard Mattessich had an important contribution in the development of computerized spreadsheets. Between 1960 and 1967 he wrote a number of papers and books on computer spreadsheets in which he developed the following subjects: the use of matrices or spread sheets, the simulation of financial events, financial spread sheets and the calculation that support each matrix cell. Later, in 1978, Daniel Bricklin, student at Harvard Business School, came up with the idea for an interactive visible calculator and, along with Bob Frankston invented and created the first spreadsheet software named *VisiCalc*. Electronic spreadsheets became popular only after the introduction of Personal Computers, in 1980s. In the early 80s, spreadsheets were also used for building model-driven DSS [Power, D. J., (2004)]. In an electronic spreadsheet information are organized into software defined

columns and rows. The data in the worksheet can be summarized using diverse functions. The most popular spreadsheet programs are *Microsoft Excel*, *Lotus* și *QuattroPro*.

A DSS can be built in two ways: using a DSS generator or using primary tools. Sprague and Carlson defined a *DSS Generator* as “a *package* of related hardware and software which provides a set of capabilities to quickly and easily build a Specific DSS” and *DSS Tools* as “hardware and software elements which facilitate the development of a specific DSS or a DSS Generator” [Sprague, H. R., Watson, J. H., (1993), p. 9]. A generator is software that provides a number of instruments for building a DSS, it does not automatically generate the system. Spreadsheet packages can be used as DSS generators because: they offer instruments for building a variety of models (statistical, financial, optimization, simulation, representational), they offer graphic capabilities for data representation, can perform what-if analysis and can be use to develop quickly and easy a specific DSS.

Decision support systems that are built using spreadsheet software can be called spreadsheet-based DSS. [Power, D. J., (2004)]. Spreadsheets can be used to build data-driven, model-driven DSS and solver-based DSS. Spreadsheet are appropriate for building a DSS with small models, for building a DSS prototype or for testing the DSS models, etc. The user interface can be build using buttons, lists and the operations can be automated using Macros or *Visual Basic*. For data-driven DSS data can be imported from a DBMS, a web site or a text file. If one wants to use a DSS generator for creating a specific DSS can choose between the well-known software products: Microsoft Excel, Lotus 1-2-3 (IBM Lotus Development Corporation’s product) or *Quattro Pro* (Corel’s product). These programs are included in Office Suites: *Microsoft Office*, *Lotus SmartSuite* and *Corel WordPerfect Office*. In our paper we choose Microsoft Excel in order to examine the capabilities of spreadsheet and their importance in DSS development.

2. Building DSS using Microsoft Excel 2007

A great number of customers are using *Microsoft Excel* in order to realize calculations, analyses and reports necessary for decision making process. Due to the fact that it is the most used software for spreadsheet, the DSS creation in Excel facilitates the accessibility and the easiness of use for customer. As a result of the new facilities included in *Microsoft Excel 2007*, we consider it as being an appropriate environment for DSS building. Our reasons are:

- contain instruments that can be used for developing the main DSS components: data management, model management, dialog management and knowledge management;
- for data management component the input data can be imported from external sources and can be updated using *Data Connections Library*. It is easiest to import data from external sources if the data connections libraries are customized. Microsoft Office contains drivers that facilitate the data import from the following data sources: *Microsoft SQL Server Analysis Services*, *Microsoft Access*, *dBASE*, *Microsoft FoxPro*, *Microsoft Office Excel*, *Oracle*, *Paradox*, *text files*, *OLAP databases*. Also, it can be used ODBC drivers. In order to use the latest data, *Microsoft Excel 2007* offers to the customers the possibility of data refresh from the external sources;
- using *Microsoft Query* component, the user has the opportunity to: connect to external source of data, create queries, import the selected data using queries and refresh the data in order to synchronize them with the data from the external sources. The *Web query* instrument can be used to import data from web sites, if the data are organized in a table;
- high performance: in *Excel 2007*, a worksheet contains 1.048.576 rows and 16.384 columns. This allows the import and the process of a great quantity of data and eases the calculation process. Using Excel we can solve linear programming exercises with tenth thousand variables and other kind of problems with a great number of variables;
- the new version has a friendly interface – using the *Office Fluent* interface - oriented to results - the new version is easiest to use due to the fact that the commands and the options are logically grouped;
- we can create the DSS interface using *Visual Basic for Applications*;
- has a diversified collection of charts that can be use for the data and results presentation. The charts are easy and rapidly to make;

- the cells and the tables can be simply formatted using the *Cell styles* and *Table styles*. The tables contains *Autofilters*, while the typing of formulas inside the table cells is easy to make using the conditional formatting option;
- allow the conditional formatting of cells data: this facility can be used to highlight some values, to give a graphical image to the numerical data from the spreadsheet. Using color gradients, data bars and illustrations we can discover and illustrate important trends or exceptions;
- for DSS building, Excel offer a great number of statistical, financial, math and other functions. *Excel 2007* has an resizable formula toolbar and permit the formula autofill;
- permit *PivotTable* creation – one-dimensional or two-dimensional reports that present data in synthetically manner, easy to understand by the customer. Using pivot tables the spreadsheet data can be grouped and summarized. To create a pivot table the data must be organized in a list. The Excel lists have the following characteristics:
 - each column contains only one type of information;
 - the first row contains the columns label;
 - the list does not contain blank fields;
 - the list is bounded by blank row and columns;
- allow to group, sort and filter the data: in Excel, data can be grouped, summarized (using different criteria) and sorted by diverse fields. The functions *Filter* and *AutoFilter* display only the information that verifies the imposed conditions (the other are temporary hidden). *Excel 2007* has new filter and sort options, like multiple selection in *AutoFilter*, filter or sorting by color or quick filters for some types of data;
- *Microsoft SQL Server 2005 Analysis Services* allow the business data query. With the *cube* function we can build a customized report from an OLAP database;
- due to *Excel Services* integration and to the new file format *XML Microsoft Office Excel* introduction, *Excel 2007* facilitates the share of spreadsheets. Using *Excel Services* a Excel worksheet can be dynamically displayed in HTML format and can be seen by other users through a web browser. With the help of a web browser, *Excel Services* can be used to browse, sort, filter, bring in parameters and interact with the data contained in the spreadsheet. The possibility to save the worksheets in XML, PDF or XPS formats eases the share of data in *Excel 2007*. XML (*Extensible Markup Language*) represents a standard code, universally for data schemes definition. XML simplify the data exchange, recognition and interpretation between different applications;
- using *Office SharePoint Server 2007* the reports and the charts can be shared with other persons from the enterprise;
- allow *What-If* analyses;
- facilitates the solve of some problems using *Solver* or *Goal-seek*;
- permits the realization of various scenarios.

Even if the final DSS will be realized with specialized software, *Microsoft Excel 2007* can be used to build the DSS prototype. In Excel the models are easiest to test and analyzed.

3. Add-ins for Microsoft Excel

The spreadsheet capabilities (functions) can be extended using add-ins products. The integrated set of products offered by Palisade (*Decision Tool Suite*, *Neural Tools*, *Palisade Developer Kits*, *@Risk*, etc.), Frontline Systems' *Solver*, Decision ToolPack (*Decision Tree Add-in*, *Sensitivity Analysis Add-in*, *Monte Carlo Simulation Add-in*) provided by Decision Toolworks or *Crystal Ball* offered by Decisioneering are examples of such add-ins tools. Next, we will present the main characteristics and functions of such products.

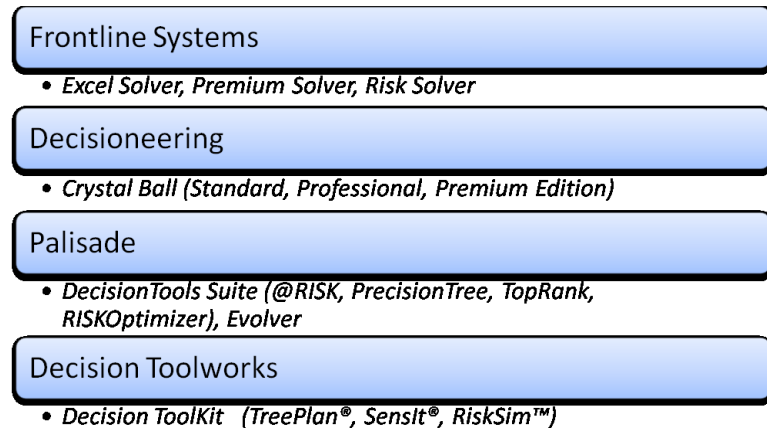


Figure 2. Excel Add-Ins

1. *DecisionTools Suite* include the following tools:
 - *@RISK* – is a risk analysis add-in for Excel that can be used to identify hidden opportunities and avoid pitfalls. This product uses Monte Carlo simulation and allows the replacement of uncertain values in a spreadsheet with *@RISK* distribution functions and simulate. Based on historical data the user can obtain a distribution of possible outcomes and the probabilities of those outcomes occurring. The obtained results can be presented using presentation-quality graphs and charts.
 - *PrecisionTree* – is a decision analysis add-in for Excel which is used to create decision trees and influence diagrams in spreadsheets. The main functions of decision tree are to facilitate the communication and to model the decision making process. The results are presented using statistical reports, sensitivity charts and risk profile graphs.
 - *TopRank* – determine the most critical factors in spreadsheets automatically. The use of *What-If* analysis narrows the user’s analytical focus in seconds. *TopRank* scans your entire spreadsheet and identifies which cells affect the bottom line the most, and then ranks them in easy-to-understand Tornado charts and statistical reports.
 - *RISKOptimizer* – this optimization add-in solve tough combinatorial problems in Excel. Use genetic algorithms to find the best possible combination of controllable factors to lead to a desired result. The user can run a Monte Carlo simulation on the scenario to see the effects of uncontrollable variables. This product is available in *DecisionTools Suite Industrial*.
 - *Evolver* - is an optimization add-in for Microsoft Excel. *Evolver* uses innovative genetic algorithm (GA) technology to quickly solve complex optimization problems in finance, distribution, scheduling, resource allocation, manufacturing, budgeting, engineering, and more. *Evolver* is available in three versions: Standard, Professional, and Industrial.
2. *Frontline Systems* developed the Solver in Excel for Microsoft and therefore all their products are upward compatible from the standard Excel Solver included in Microsoft Excel.
 - *Frontline Systems’ Solver Products (Excel Solver, Premium Solver)* improve the simulation capabilities of spreadsheet with solvers for a variety of optimization problems. With the solver offered by *Frontline Systems* the user can solve much larger problems, much faster than with the standard Solver, and also can solve entirely new types of problems.
 - *Risk Solver* is a powerful tool for risk analysis in Excel. It uses Monte Carlo simulation that is up to 100 times faster than simulation using Excel alone.
3. *Decision ToolPack* is produced by *Decision Toolworks* and contain the following analysis tools:
 - *TreePlan* is specialized in building a decision tree diagram in an Excel worksheet using dialog boxes. Decision trees are useful for analyzing sequential decision problems under uncertainty. *TreePlan* automatically includes formulas for summing cash flows to obtain outcome values and for calculating rollback values for determining optimal strategy.

- SensIt performs sensitivity analysis on Excel a worksheet what-if model. SensIt automates sensitivity analysis and creates simple plots, spider charts, and tornado charts. In a decision situation, sensitivity analysis helps you determine which of your input assumptions are critical so that you know where to focus your effort for gathering more information or reducing uncertainty.
 - RiskSim provides random number generator functions as inputs for user's Excel worksheet model, automates Monte Carlo simulation, and creates charts. RiskSim automates the simulation by trying thousands of what-ifs consistent with user's assessment of the uncertainties and displays the results in both histogram and cumulative distribution charts.
4. Crystal Ball automate "what if" analysis with Monte Carlo simulation. Quickly assign ranges of values to user inputs and automatically calculate thousands of different outputs and their probabilities. Record the results for in-depth analysis or summarized reporting with Crystal Ball's many reports, charts and tools. There are three versions of this product: Standard, Professional și Premium version.
- *Crystal Ball Professional*: include all the elements from Standard version plus some advanced features - OptQuest®, for finding the optimal solutions, CB Predictor™ for creating precise predictive models, Developer Kit to customize own models and Extreme Speed to run simulations up to 100 times faster.
 - *Crystal Ball Versiunea Premium*: include all the elements from Professional version plus Real Options Analysis Toolkit.

Crystal Ball has also a component available as an Application Programming Interface for the Microsoft .NET Framework. OCB provides a framework of classes that can be use to perform Monte Carlo simulations and optimizations.

There are also other tools that can be used in order to build a DSS. In our paper we mentioned only some of them. Due to the great number of DSS generators existing on the market it is practically impossible to know all the available products, to compare these products and to choose the most suitable for developing a certain DSS application.

Conclusions

The main purpose of DSS is to support managers in decision making process, to improve the quality of their decisions and to reduce the necessary time to make a decision. DSS improve managers' activities and the way the problems are solved. DSS support all phases of the decision-making process.

Spreadsheet programs are the most popular modeling tools because its incorporate financial, statistical, mathematical and other functions. The spreadsheet programs have evolved into an important tool for analysis, planning and modeling. Choosing Excel as a DSS generator has a number of advantages: is accessible, is known by a great number of business users, is easy to use, can perform a lot of analysis – optimization, simulation, sensitivity analysis, what-if analysis. We think that the development of spreadsheet programs had a great influence on the development of DSS, especially of the model-based DSS. The great number of Add-ins existing on the market proves that the decision analysis tools are considered as being important in companies' activities.

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INFORMATIONAL TECHNOLOGIES IN LIFE INSURANCE

Stofor Ovidiu Ilie

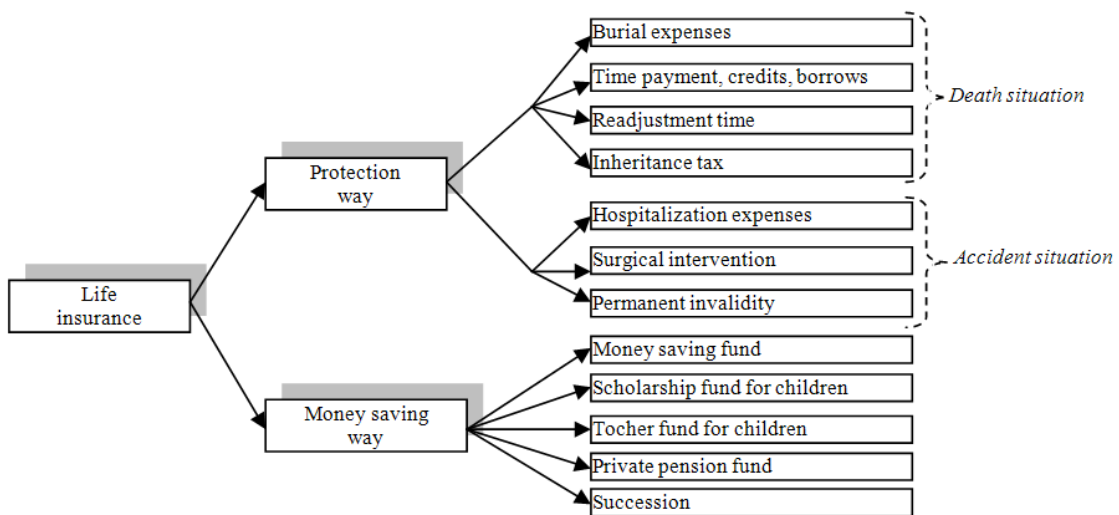
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Informational technologies can increase the efficiency of the mediation in insurance by supporting the marketing activity, both through simple presentations which offer a high level of attractiveness, and by using database, simulations or graphic representations to define as well as possible the parameters existing in an insurance program.

Key words: insurance, informational technologies, insurance marketing

Life insurance – a real need

Life insurance is a way to make things easy on one's own account or his family at a difficult time. It can say a life insurance represents *white money for black days*. A premature death is always tragic but an undesired accident is hurtful. There is a scheme with life insurance's components.



The components of a life insurance

In the West insurance is part of the quotidian, people having any kind of insurance (for life, medical, for car or home insurance). Unfortunately, Romanian experience showed that, for a lot of people, the word “insurance” offers some meanings, away from the actual ones:

- activity that bothersome people develop by nagging and confusing people until they “swallow the bait” and become their clients;
- financial operation through which, when a person concludes a long-term credit, some money are being held from him for the safety...of the bank;
- investment program through which one invests money but does not receive anything in return;
- amount of money for which I, as a potential customer, can surely find a better use than placing it in a financial investment...

It can remark, by comparison between Romania and Germany, especially to the person insurance chapter, we have more needs.

Country \ Insurance type	Germany	Romania
Non-Life Insurance	39%	80%
Health Insurance	17%	0%
Life Insurance	44%	20%

Insurance situation in Romania and Germany, on segments of assurances

Source: http://www.ghiseulbancar.ro/articole/8/7445/Romanii_au_cele_mai_putine_asigurari_dintre.htm
(accessed on 24.10.2007)

Informational technologies for life insurance marketing

An insurer must keep up with the market dynamics, and this is impossible without a modern IT system. Data which is inserted and processed can also be useful in the post-sale activity, since they offer helpful information in establishing long term relationships with the clients.

Only those who have comprehensive knowledge in this domain can create an informational technology which would correspond to the complex needs that life insurance companies have.

Introducing informational technologies in insurance is more than necessary both for accounting the activity, thus reducing the time needed to perform operations, decreasing costs and minimizing the risk of errors, and for the marketing in this area. Quantity, nature, the quality of the information gathered, processed and capitalized formed the elements of progress, in all the stages of the social development.

Informational technologies can increase the efficiency of the mediation in insurance by supporting the marketing activity, both through simple presentations which offer a high level of attractiveness, and by using database, simulations or graphic representations to define as well as possible the parameters existing in an insurance program.

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Only those who have comprehensive knowledge in this domain can create an informational technology which would correspond to the complex needs that life insurance companies have.

The more and more frequent legislative modifications in insurance, the necessity of an efficient increase by reducing costs as well as the reports to CSA impose to the insurance companies the implementation of some highly complex computational systems.

Until not long ago, paper was the base of information and its accounts were held manually. The spectacular development of electronic technique opens to the informatization the path to the insurance system. Computers help insurers to calculate insurance prices rapidly, to fill in agreements and insurance policies, to highlight data, to confirm the insurance agreements' validity. Besides, computers hold book keeping and technical-operative accounts. The consequences can only be benefic:

- efficiency in data gathering,
- complex documentation database,
- on-line intercommunication system,
- web site insurance offers,
- the possibility of an on-line insurance and documentation via Internet

So, informational technologies can improve speed and consistence through integrated sales tools and advanced user interface.

Implementing a suitable informatics platform is the premises of the improvement of services offered to clients, of developing new insurance products, but also developing marketing and branding strategies; all this absolve companies' management of a series of additional tasks. An important element in influencing the purchasing behavior can be the presentation of some precise, calculated insurance offers. Obviously, it is more difficult to do, every time, the differentiated calculus of the different components of an insurance

system (insurance premium, insured sum, the supplementary reserve, the final sum, the duration of an insurance etc.), without using various computerized simulations.

More specifically the tasks that electronic insurance applications accomplish are:

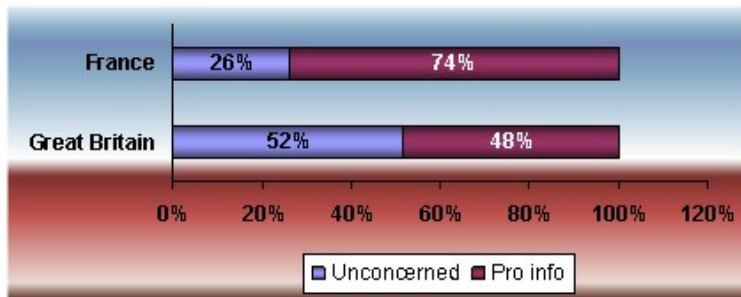
- Provide the client with web forms of different insurance offers.
- Make an online validity of the data the user inserts in the form.
- Receive the electronic applications via web.
- Make the offer/application pricing and registration and return to the client official printings of the insurance offer.
- Offer the client the chance to check his financial status on-line.

According to a study of the BearingPoint Company, the share of insurance companies that own a business processes' technological automatization system is about 30%. This way, insurers who use computational systems in database administration and in the administration of services offered to the customers or of administrative processes registered a total cost reduction of 30% but also a significant increase of efficiency in the activity they develop.

According to a study of the public opinion poll agency, GLOBAL Switch, over 50% of Europe's insurance companies do not have the IT infrastructures needed to correctly establish the premiums.

According to a poll on a population of European profile companies with a number of at least 1000 employees, computational systems are not an essential element in the insurers' daily activity.

Thus, only 48% of the participants on the Great Britain profile market think that the calculating technique is an important element in establishing the premiums' dimensions, whilst France is the only country in Europe in which this share rises to 74%.



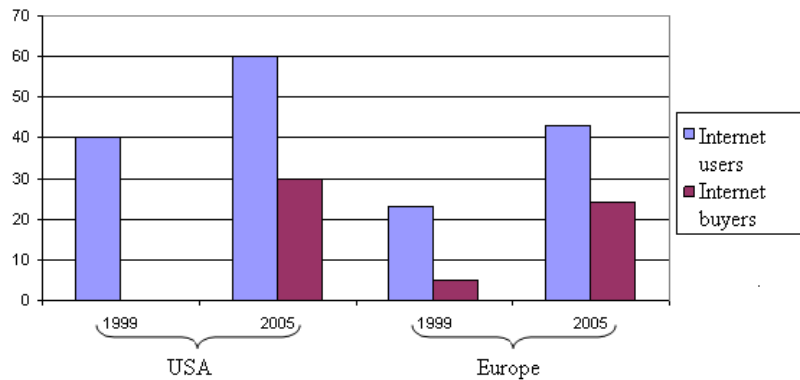
The share of actors on the profile market who think that computational technologies are necessary in establishing premiums' dimensions

Source: <http://www.lasig.ro/Sistemele-informatice-un-factor-cheie-pentru-asiguratorii-articol-2,3,117-19306.htm>

An insurance marketer can use a variety of tools depending on his purpose: Internet, database, multimedia, client-server technologies.

Maybe the most important technological (and social) event of the 20th century has been discovery of *Internet*. Societies which wish to launch their activity on the Internet have to radically change their strategy of development. Entry costs on the virtual market are minimized because the cost of developing the classic distribution network from man to man disappears.

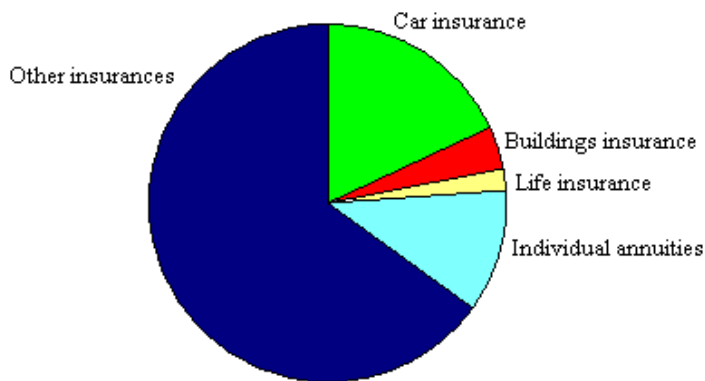
It can be stated that the Internet itself can be considered a good intermediary in the insurance activity; using it in insurance brokerage can be an advantage when realizing an efficient marketing. The accessibility that the Internet offers to potential clients requires a well thought out advertising to make an insurance program as attractive as possible. The Internet have developed in different proportions like in this figure.



Internet users/buyers

Source: Dobrin, M., Tănăsescu, P., *Teoria și practica asigurărilor*, Ed. Economică, București, 2003, p. 261

Not all insurance products can be sold via Internet. Generally, introducing a certain product to be commercialized on the Internet depends on how much assistance is needed to complete a contract. The more complex product is and the more it supposes the transaction of bigger values, the more the client is willing to pay for specialized consulting. The connection between the complexity of the product and the possibility of introducing it on the Internet is shown in the following figure.



The percentage of insurance products that can be distributed on the Internet

Source: Dobrin, M., Tănăsescu, P., *Teoria și practica asigurărilor*, Ed. Economică, București, 2003, p. 262

To insurance, introducing the concept of *database* means that data is registered once and can be linked to other information inside the database. For example, an account name can be linked to multiple policies, or a certain policy can be linked to multiple damage records. From the broker's point of view, database can be a good background for advertising campaigns, and on the grounds of these databases useful analysis can be made and thus influencing future strategies.

Multimedia means using the computer to present and mix texts, graphics, sounds and video images; the instruments employed in these processes allow the user to navigate, to interact, to create and to communicate. This definition contains the four essential components of multimedia:

- the computer which coordinates the user's actions;
- links that facilitate access to information;
- navigation tools;
- methods of collecting, processing and transmitting information and ideas.

These multimedia tools can increase the force of conviction of potential clients, by realizing presentations as attractive as possible (e.g. PowerPoint slides, Macromedia files etc.).

Client-Server architecture ensures the full control of connections and transactions as well as data safety. In this kind of architecture there is a server that is usually the database, and a client which inquires the database and executes applications.

On the client-computer small software applications (such as Java applets) can be embedded in html pages. These applications implement the e-forms and handle the connection and data interchange with the server.

For any connection received from a client the application initializes a respective server-thread that undertakes the service of the particular client. For any separate action the server-thread needs (as the pricing or the editing process) a new respective thread is initialized. When the action is completed then the respective thread is stopped and closed. Finally when the connection purpose is completed then the server-thread is stopped and closed.

Actually, any economic domain is practically dependent on the client-server technologies; these realize a real-time and efficient interaction between seller and buyer.

Besides the preponderant marketing aspect, by using computational technologies one can hold strict accounts, other than book keeping, regarding as many details as possible on the customer, on the consultants with whom one collaborates and eventually, on the relationship with the superiors.

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BUSINESS INTELLIGENT INSTRUMENTS FOR SALES MONITORING

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Abstract. The managerial structures need a powerful instrument for measuring, monitoring and tracking down the key business processes. Under harsh competitive conditions, managers are now forced to solve complex problems, often not sufficiently clearly- defined, which have multiple-planned implications. Their reactions to the business demand must be not only quick, but also the right ones. They must achieve short-term results, but also have long-term orientation. The BI solutions have appeared as a response to managers' demands to obtain quickly matched synthesis information, with explanatory details, associated with the displayed synthesis. In this article, I will present a BI solution, implemented through QlikView Application, thanks to which it is possible to monitor the company sales, (by establishing the performance pointers).

Keywords: sales, business intelligence, QlikView, monitoring, evolutions

The IT revolution which invaded all the domains of human development could not ignore the world of sales. The reasons why Business Intelligence needed to be introduced, at a certain moment, in the activity of a company or institution in our country are not only due to the need to face the competition imposed by the European market, to the standards and the legislation that have to be observed, but also to the acute need to save time and to enhance performance.

An efficient solution for Business Intelligence must not be limited to a single department of the company. Its beneficiaries must be from all the hierarchical organizational levels so as maximum of profit can be taken from this application. Business Intelligence is also needed because all the companies need information in order to make decisions.

The Organizational Management considers Business Intelligence to be a vital means of activity improvement, gaining of competitive advantage and meeting the strategic goals.

In Romania, the market of Business Intelligence solutions, together with that of ERP solutions (Enterprise Resource Planning), experienced an impressive evolution due both to the national economical development and to meet the need of companies to remain competitive on the market.

The work instruments which Business Intelligence applications offer give the managerial department of the company the possibility to get involved and to begin analyzing data, without having to wait for the IT departments to hand in complex reports.

To be more precise, such applications can do many operations and, what is more, they can be done in various departments of the company. One of the activities performed by this application is marketing analysis.

In this way, demographic analysis are done by using the information about clients and the data of sales, the response to price, the preferences regarding products. By using this information, the marketing campaigns can be better planned and their effect can be measured. As for the analysis of sales, the system identifies the tendencies, analyzes the seasonableness and establishes matches between products. By using this information you can set sales aims and you can measure the progress with regard to these aims.

In order to build the monitor of sales application we made use of the QlikView application, a strong and complete pack of Business Intelligence software and of data analysis which offers a better means of handling the data of a business.

The strong engine Business Intelligence of QlikView analysis uses the revolutionary technology AQL (Associative Query Logic), which accesses structured information from various sources in an interactive and dynamical way, propelling the selections of analysis throughout the entire available data basis in order to build an associative, non-relational and extremely efficient data basis.

AQL offers QlikView the possibility to work with millions of data cells and yet to answer the questions within less than a second. By replacing the classic relational technology with AQL, QlikView replaces the need of pre-aggregation of data.

Furthermore it gives the possibility of connecting to any source of data (ERP, CRM, Microsoft Excel, logs, Access data bases), thus achieving the gathering of the pieces of information generated by the multitude of independent applications used within a company.

Any objective in QlikView – from lists to graphics and tables – is accessible through a “click”. QlikView enables the users to find their own way towards the analysis and understanding of things.

To give an example we considered a company that deals with product distribution. The company has got several warehouses situated at different addresses and furnishes products to several clients from all over the country. The used information refers to:

- Articles characterized through: Product Code, Product Name, Weight, Product Group, Group Type;
- Customers defined through: Customer Code, Customer Name, Location Code, Customer Location Name, Customer Group, Customer Group Type, Department, Town, Invoicing Code;
- Invoice heading which comprises: ID, Invoicing Code, Date, Warehouse Location, Warehouse and Bill
- Invoice lines consisting of: ID, Product Code, Quantity and Price.

The most important operation that can be done very easily with QlikView is the “Filter” spreadsheet. This allows visualizing several pieces of information at the same time. The operations that can be made on this page are:

- The simple or multiple selection: for example if we select a certain product we can visualize information about the name, the customer’s type and location to whom the product was distributed, about the group of product to which the particular product belongs, the warehouse, the delivered quantity and the price of the product, about the bills released for the sell of the product.
- The search: for example, if we want to find a bill number in order to see the information comprised in this particular bill (sold product, date of release, quantity, price), we have to select the thing corresponding to the bill and introduce the number of the bill. As the numbers are being introduced, all the bills that have the specified values comprised in their number are selected (see fig. 1).

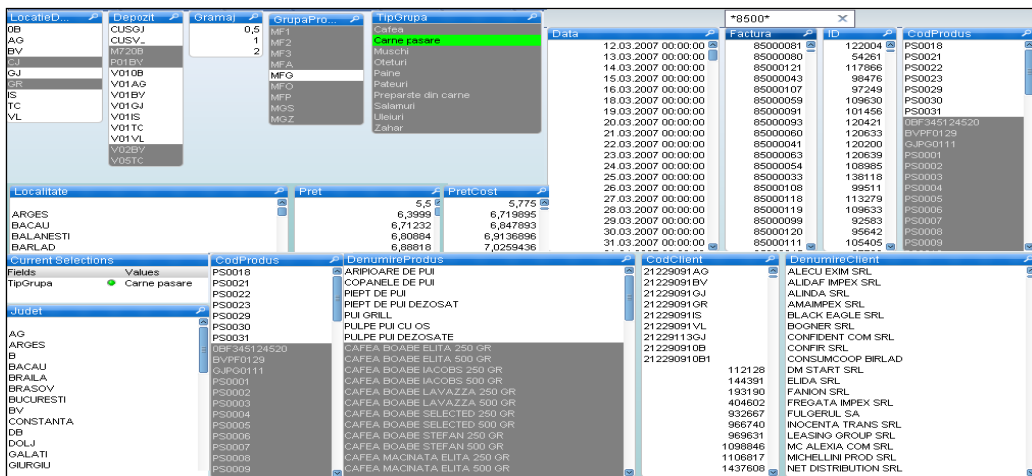


Figure 1 - Filter Page

A very important thing for the drawing of all the spreadsheets is the dimension established as representative for them. Thus we used as dimensions: time, location of warehouses, customers, products, etc. These can be selected and altered on each sheet and we can use combinations of these dimensions in order to define groups. Using the information taken from the database information above we made the following spreadsheets:

1. **Sales map:** where the sales in each warehouse are graphically represented for the selected period. We can get a clear picture of the sales from each day, week or month, for a certain group of products, or for a certain group of customers. (see fig.2)

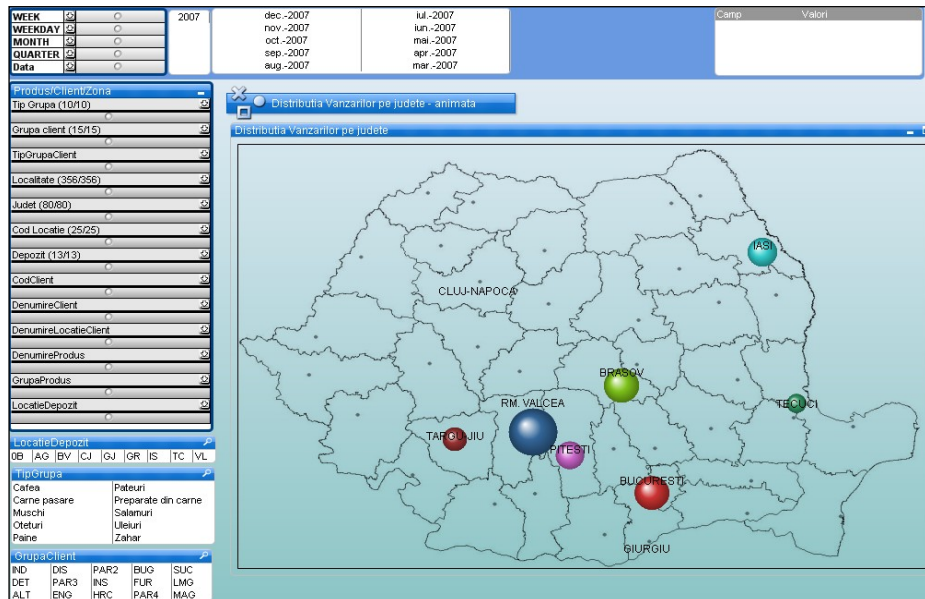


Figure 2 - The Sales Map

2. **Q, RON, PM** which contains the following graphics:

- Periodical evolutions. It is a graphic representation of the sales from each month following several dimensions, such as: value, pieces, average price.
- The number of clients, products and sales volume. Here we analyze the sales from the monthly point of view.
- Top 10 customers. It displays the first ten clients in the order of the sold values.
- Comparisons. Here we draw graphics in which we can change axes depending on the values used(see fig. 3)
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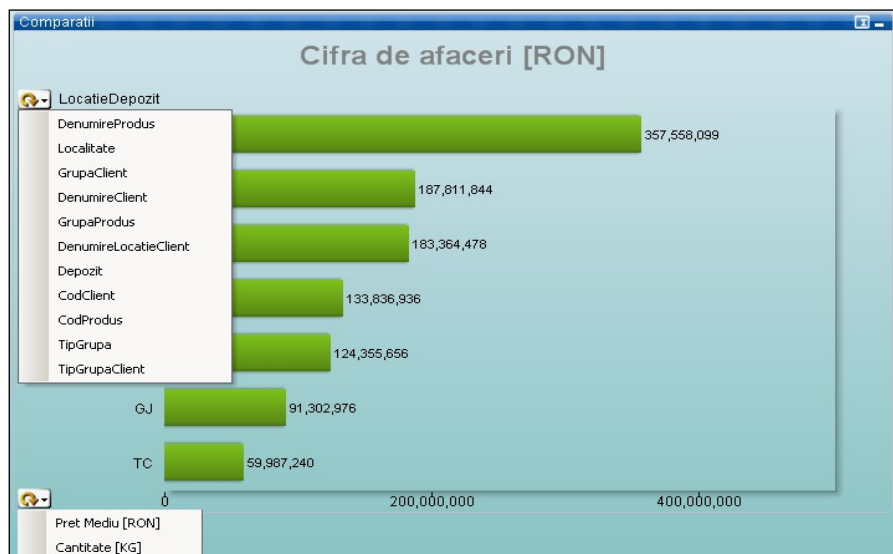


Figure 3 - Comparisons

Region sales. We build the annual or monthly evolution of sales for each warehouse.

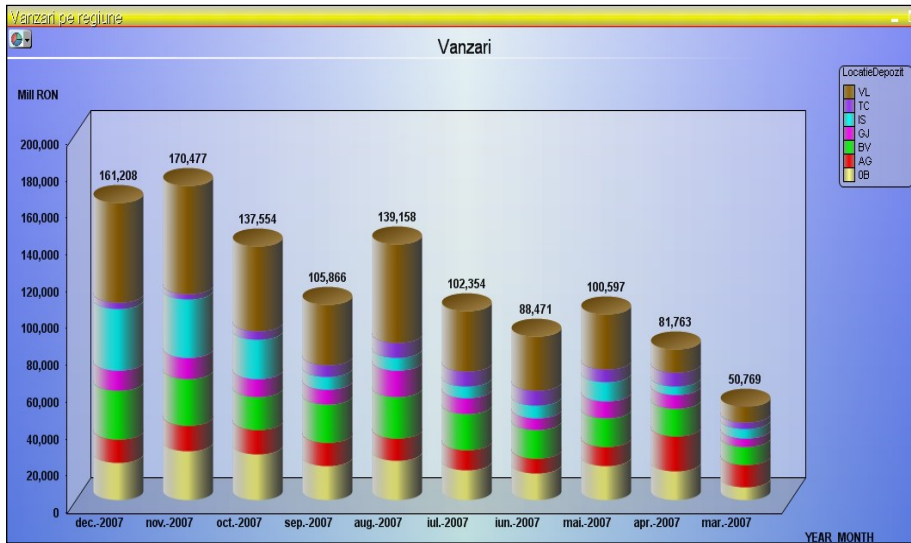


Figure 4 - Region Sales

3. **Comparative evolution** where we make a detailed analysis of the sales following several dimensions graphically represented on one axis or two. Here we can establish if there is or not logical correlation between the chosen dimensions, on certain periods of time, for example between the average price and quantity (we can study what happens to the quantity if the average price rises, or the other way) (see fig. 5)

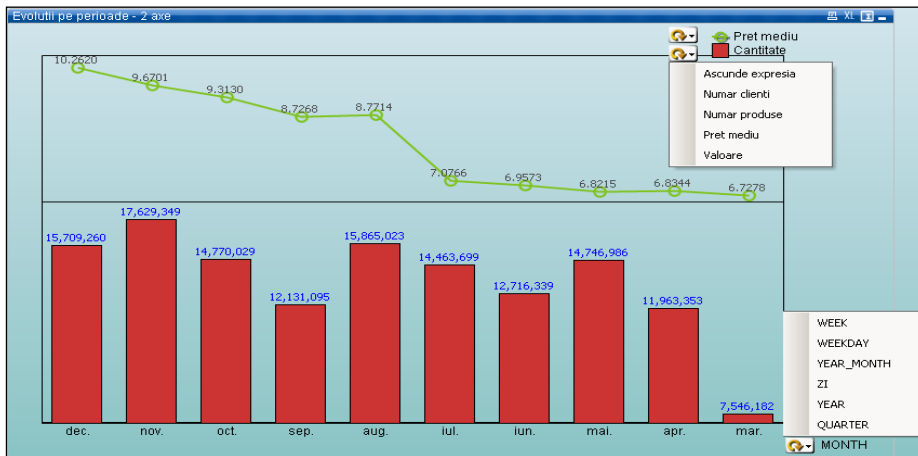


Figure 5 - Comparative evolution

4. **Comparisons on certain periods** such as:

- Comparisons between the days of the week. We build the evolution on a certain day of the week of the value, average price and sold quantity. For example, establishing the date of 01.08.2007 we get specific data for the three dimensions only for the day of Wednesday from the current or previous

month (we take in account the last 4 weeks) and we compare these days to one another in order to establish if there was or not an evolution of the sales.

Evolutie zi - Valoare RON								
LocatieDepozit	T-0 (01.08.2007)	T-7 (25.07.2007)	T-14 (18.07.2007)	T-21 (11.07.2007)	Coloana2/ Coloana3	Diferenta a T0-T7	Diferenta T0-T14	Diferenta T0-T21
t	4,344,112	4,634,616	3,949,187	3,687,886	83.73%	-290,504	394,926	656,226
AG	259,812	320,942	483,697	465,338	80.95%	-61,130	-203,895	-205,526
BV	655,476	683,099	843,129	699,785	94.57%	-37,623	-187,654	-44,309
TC	293,085	424,314	273,638	308,544	69.07%	-131,229	19,447	-15,459
IS	270,244	282,547	195,321	166,160	95.65%	-12,303	74,923	104,084
VL	1,249,132	1,920,804	987,698	1,103,699	65.03%	-671,672	261,434	145,433
GJ	402,850	363,064	321,544	205,321	110.96%	39,787	81,306	197,530
OB	1,213,513	629,845	864,159	739,040	192.67%	583,669	349,354	474,474

Evolutie zi - Pret Mediu								
LocatieDepozit	T-0 (01.08.2007)	T-7 (25.07.2007)	T-14 (18.07.2007)	T-21 (11.07.2007)	Coloana2/ Coloana3	Diferenta a T0-T7	Diferenta T0-T14	Diferenta T0-T21
t	8.1836	7.5772	6.8173	6.5507	108.00%	0.6064	1.3663	1.6329
IS	7.8514	6.8770	7.7202	7.2591	114.17%	0.9744	0.1312	0.5923
GJ	7.8178	7.1077	6.5836	7.0605	109.99%	0.7100	1.2342	0.7572
BV	7.8154	7.7810	7.0314	6.5603	100.44%	0.0344	0.7840	1.2551
AG	7.5902	6.6283	6.2392	6.2253	114.51%	0.9619	1.3510	1.3649
VL	8.5382	7.9768	7.1032	6.9411	107.04%	0.5614	1.4350	1.5971
TC	8.1639	7.7182	7.2487	6.4498	105.78%	0.4458	0.9152	1.7142
OB	8.3934	7.3055	6.4432	6.0212	114.89%	1.0879	1.9502	2.3722

Evolutie zi - Cantitati KG								
LocatieDepozit	T-0 (01.08.2007)	T-7 (25.07.2007)	T-14 (18.07.2007)	T-21 (11.07.2007)	Coloana2/ Coloana3	Diferenta a T0-T7	Diferenta T0-T14	Diferenta T0-T21
t	530,830	611,653	579,290	562,978	86.79%	-80,823	-48,460	-32,148
VL	146,300	240,800	139,050	159,010	60.76%	-94,500	7,250	-12,710
TC	35,900	54,976	37,750	47,838	65.30%	-19,076	-1,850	-11,938
AG	34,230	48,420	74,320	74,750	70.69%	-14,190	-40,090	-40,520
IS	34,420	41,086	25,300	22,890	83.78%	-6,866	9,120	11,530
BV	83,870	89,076	119,910	106,670	94.16%	-5,206	-36,040	-22,800
GJ	51,530	51,080	48,840	29,080	100.88%	450	2,690	22,540
OB	144,580	86,215	134,120	122,740	167.70%	58,365	10,460	21,840

Figure 6 - Days of the week comparisons

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- Period comparisons era done using the same dimensions, but we establish a certain period for which we want to visualize sales evolution. For example, if we use a 7 days period, this does not mean that we built the evolution for that week, but for a 7 days period previous to the analysis date.
- Monthly comparisons – we draw the sales evolution following the three dimensions for each of the 12 months previous to the analysis date.

Conclusions

The need of Business Intelligence solutions is obvious, especially in those companies where the top-management realizes they cannot make tactic decisions in due time based on the existent information under certain forms inside the company, they cannot harmonize the strategies in order to reach the aims and the are dangerously heading towards a competitively risky situation on the market. Taking the current dynamics into account, the data a company holds must be used 100%. They must be translated into information which can answer the critical questions of the management. In the cases where the reports still represent the main support for decision making, presenting all the necessary data but not an analysis or interpretation of these, the need for a Business Intelligence software will, sooner or later, impose itself in a clear way. That is because the current business environment does not accept anything else but well-founded, fast and based on reliable information decisions which, once taken, gain credibility and extra value for the company.

Evidently, when we take into account the implementation of such a solution, one of the questions that arise concern the possibility of customizing of the application taking into account the needs and aim of the company. Not only is the answer a positive one, but it also constitutes one of the main advantages such an application offers.

The benefits of implementation of a Business Intelligence system are:

- It simplifies the analysis for each person in the company;
- It is easy to use – the ultimate users do not need training;
- It is flexible – unlimited dimensions that can be changed within seconds;
- It is integrated – solution of business analysis integrated with the ERP system and other independent applications used within the company;
- It is strong – immediate response for huge bulks of data.

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THE TRADITIONAL TEACHING-LEARNING METHOD VERSUS MULTIMEDIA TECHNOLOGY. USING THE WILCOXON TEST AND THE GAUSS REPARTITION

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Abstract. This article highlights the ways of applying various statistic methods with the purpose of comparing modern teaching methods, which are based on the implementation of information technology, with the traditional teaching methods, tested, for a period of two years, in parallel groups: experimental and control groups.. Thus, the Wilcoxon (T) test is used for processing data in case of exams and a creativity task within the experimental and the control groups. This test applies in case of comparing ordinal dependent values and is used with the purpose of determining the correlation of indexes, within one and the same selection, measured in two distinct situations. Outlining the results is done with the help of Gaussian comparative curves for both groups (experimental and control).

Keywords: test, creativity task, experimental group, control group, Wilcoxon test, Gauss distribution

The Wilcoxon test

„The Wilcoxon test statistic is based on the study of differences which appear between a couple of observations, taking into consideration both the sign of the differences, and their absolute values” [0]. Let us consider two independent series of data:

$$\begin{aligned} X; &x_1, x_2, \dots, x_n \\ Y; &y_1, y_2, \dots, y_m \end{aligned} \quad (1)$$

which are extracted from two correlated samples, of size n, which characterize the stages of independent values, generated by the first (series X) and the second (series Y) measurement, within the experimental and control groups.

Considering : X- the test results from the experimental groups; Y – the test results in the control groups; D_i – the result of the subtraction ($D_i = X_i - Y_i$); R_i - the rank of the subtraction; $|R_i|$ - the absolute value of the rank of the subtraction.

The application of the Wilcoxon(T) test for the processing of data, regarding the completion of the test, is done as follows:

- a) The validation hypotheses are elaborated:
 - The Null Hypothesis H_0 : $D_i=0$, (the equality of the distributions) the repartition of the measured index for the experimental group and the repartition of the measured index for the control group in the case of both examinations is the same, which means that the changes by means of increases in grades are purely random;
 - The Alternative Hypothesis H_1 : $D_i \neq 0$ (distributions are distinct), which means that the distribution laws of the index are different and that the increase of the grades as a result of applying multimedia technology in the teaching-learning process are predictable.
- b) The test statistic is obtained by following these steps:
 1. The observed differences are calculated;

<i>Experimental Group</i>	<i>Control Group</i>	<i>Difference</i>
x_1	y_1	$x_1 - y_1$
x_2	y_2	$x_2 - y_2$
....
x_n	y_n	$x_n - y_n$

Table 1. Observed Differences

3. null results are eliminated and the following series is obtained: d_1, d_2, \dots, d_k , with $k \leq n$;
4. the series of non-null results in absolute value is sorted ascending: $|d_1| \leq |d_2| \leq \dots \leq |d_k|$;
5. ranks are attributed to the series obtained, following the procedure of the Mann-Whitney test;
6. the sum of ranks corresponding to the initial positive differences (T^+) and the sum of the ranks corresponding to negative differences (T^-) are calculated;
7. the T test statistic is the minimal value of the two sums calculated within step 5:

$$T = \min(T^+, T^-). \quad (2)$$

The decision in the test involves the following [0]:

- b) In the case of the bilateral test: the H_0 hypothesis is rejected in favor of H_1 , if the calculated value is smaller or equal to the critical value for the bilateral test;
- c) In case of applying the one-sided test: the H_0 hypothesis is rejected in favor of H_1 , if the calculated value is smaller or equal to the critical value for the one-sided test.

In case of smaller sizes of the samples ($n < 27$), the critical values for the Wilcoxon test are outlined in correspondent table [4]

The statistic data for testing the experimental and control groups, processed with the aid of the Wilcoxon criterion, are outlined in table 2

No.	Grade exper. group	Grade control group	Difference $D_i = X_i - Z_i$	Absolute value of difference	Rank of the absolute value of the difference
1	5.67	6.00	-0.33	0.33	1.5
2	7.67	7.33	0.33	0.33	1.50
3	8.67	8.00	0.67	0.67	3.50
4	9.33	8.67	0.67	0.67	3.50
5	8.67	7.67	1.00	1.00	5.50
6	6.00	7.00	-1.00	1.00	5.50
7	9.67	8.33	1.33	1.33	7.50
8	7.33	6.00	1.33	1.33	7.50
9	6.33	4.67	1.67	1.67	10.50
10	10.00	8.33	1.67	1.67	10.50
11	8.00	6.33	1.67	1.67	10.50
12	8.33	6.67	1.67	1.67	10.50
13	8.67	6.67	2.00	2.00	13.50
14	9.00	7.00	2.00	2.00	13.50

No.	Grade exper. group	Grade control group	Difference Di=Xi-Zi	Absolute value of difference	Rank of the absolute value of the difference
15	10.00	7.33	2.67	2.67	15.50
16	7.00	4.33	2.67	2.67	15.50
17	10.00	7.00	3.00	3.00	17.00
18	9.67	5.67	4.00	4.00	18.50
19	8.00	4.00	4.00	4.00	18.50
20	5.00	9.33	-4.33	4.33	20.00
21	10.00	5.00	5.00	5.00	21.00
Sum of ranks					231

Table 2. Statistic data for the experimental and control groups, in the case of the test, processed with the aid of the Wilcoxon criterion

Performing the calculations:

1. The sum of the ranks is calculated and must coincide with the one calculated according to formula:

$$\sum R_i = \frac{21 * 22}{2} = 231 \quad (3)$$

2. The T+ și T- statistics are calculated:

- Lista The T+ statistic (the sum of ranks corresponding to the positive differences) equals 204 (T+=204).
- The T- statistic (the sum of ranks corresponding to the negative differences) equals 27 (T-=27).

The T statistic is the minimal value of the two calculated sums:

$$T = \min(T+, T-) = 27 \quad (4)$$

The decision in the test:

The Wilcoxon statistic is T=27. The table of critical values shows for the bilateral test, for a sample size for n=21, the value of T*=58 for the significance level $\alpha=0.05$.

Because $T < T^*$ (the calculated value is smaller than the critical value), the null hypothesis regarding the equality of distributions is rejected. Therefore, the alternative hypothesis is valid, which means that the distributions of the index are distinct in the first and second measurement and that the increase of the grades as a result of applying multimedia technology in the teaching-learning process are predictable.

The statistic data for the creativity task for the experimental and control groups, processed with the aid of the Wilcoxon criterion, are outlined in table 3.

No.	Grade exper. group	Grade control group	Difference $D_i=X_i-Z_i$	Absolute value of difference	Rank of the Absolute value of the difference	Symbol (+ / -)
1	7	6	1	1	3	+
2	6	7	-1	1	3	-
3	8	7	1	1	3	+
4	6	7	-1	1	3	-
5	9	10	-1	1	3	-
6	8	6	2	2	7.5	+
7	8	6	2	2	7.5	+
8	8	6	2	2	7.5	+
9	10	8	2	2	7.5	+
10	10	7	3	3	12	+
11	8	5	3	3	12	+
12	9	6	3	3	12	+
13	7	4	3	3	12	+
14	10	7	3	3	12	+
15	9	5	4	4	16	+
16	8	4	4	4	16	+
17	9	5	4	4	16	+
18	10	5	5	5	19.5	+
19	10	5	5	5	19.5	+
20	10	5	5	5	19.5	+
21	9	4	5	5	19.5	+
Sum of ranks					231	

Table 3. The statistic data for the creativity task for the experimental and control groups, processed with the aid of the Wilcoxon criterion

Performing the calculations for the T criterion:

- The T+ statistic (the sum of ranks corresponding to the positive differences) equals 222 ($T^+ = 222$)
- The T- statistic (the sum of ranks corresponding to the negative differences) equals 9 ($T^- = 9$).

The decision for the test is similar to the one in item 2. and is performed similarly.

The Wilcoxon statistic is $T=9$. The table of critical values shows for the bilateral test, for a sample size of $n=21$, the value of $T^*=58$ for the significance level $\alpha=0.05$.

The test decision: Because $T < T^*$ (the calculated value is smaller than the critical value), the null hypothesis regarding the equality of distributions is rejected. Therefore, the alternative hypothesis is valid: the

distributions of the index measured for the first population is situated more to the right, which means that the proposed methodology is more efficient.

The Gauss repartition

The outline of the results is elaborated with the aid of histograms in which the horizontal axis represents the grading intervals and the vertical axis symbolizes the frequencies (the number of students within the respective grading interval) and the Gaussian comparative curves [5] for both groups (control and experimental).

We have defined the grading intervals as follows: exceptional – 10; very good – [9..10); good – [8..9); mediocre – [7..8); poor – [6..7); very poor – [5..6); – [4..5).

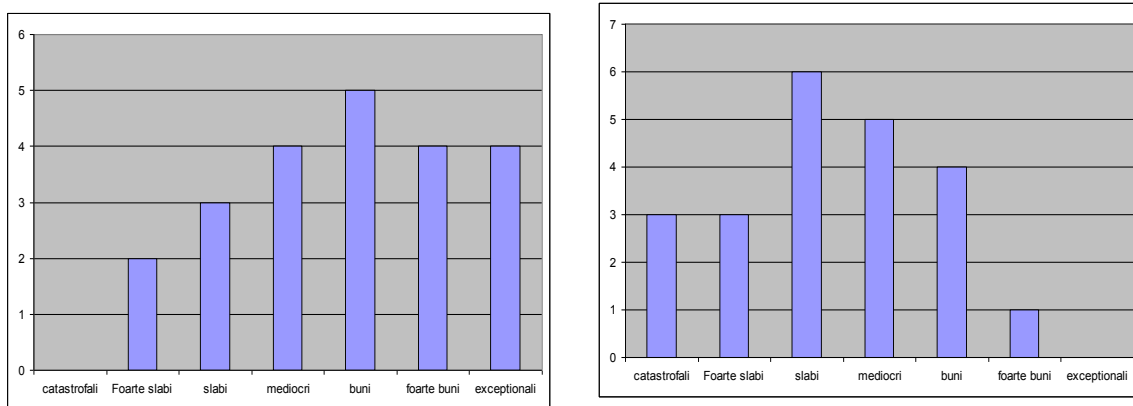


Fig. 1. Histogram of the test results obtained by the students in the experimental group and the control group

By transforming the histograms in Gaussian probability curves, we can compare the obtained results. The bigger the size of the sample, the more the curve will come closer to resembling the "ideal" form. In case of the experiment conducted for the two groups we obtain the following graphs (see fig. 2).

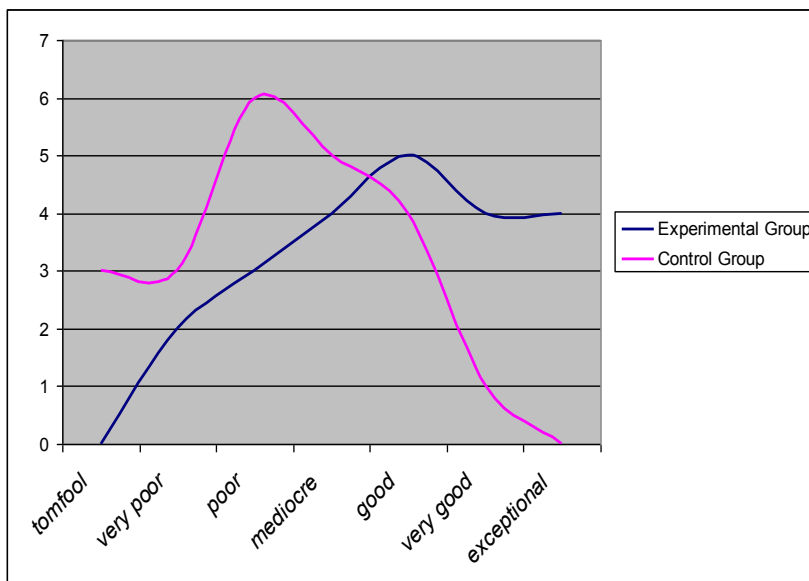


Fig. 2 Gaussian comparison curves obtained after testing

Within the experimental groups, in the case of the test, the average value is 8.14, and for the control groups, the value is 6.62. If the results obtained by the experimental groups are compared to those obtained

by the control groups, it is obvious that the maximal value of the experimental sample is placed between grades 8-9, and the maximal value for the control sample between grades 6-7.

By analyzing the Gaussian comparison curves we notice a movement of the maximal value towards the right, which corresponds to a real progress of the students resulting from the assimilation of information through multimedia courses.

Through numerous practical applications, the normal Gaussian distribution has a distinct importance in metrology. With its aid, the following can be analyzed:

- a series of measurements, strictly under the same experimental conditions, performed on the same X value;
- the results of some measurements on a collection of objects characterized by a certain trait, in order to determine a certain characteristic of the collection.

Conclusions

We have outlined data processing with the aid of statistic tests, applied in the evaluation of the results of the educational experiment. Based on the criteria used and the verified hypotheses, we can state the following, in conclusion:

- the overall analysis of the mathematical and statistical evaluations indicates a satisfactory progress for the students in all the groups involved in the research experiment;
- applying the elaborated methodology contributes to the amplification of the efficiency of the teaching-learning process and offers training possibilities that take into consideration the individual characteristics of every student;
- the implementation of multimedia courses contributes to information assimilation, by applying knowledge in the creative process
- computer assisted training has as a result an increase in the quality of data acquisition.
- by applying the multimedia courses in the process of teaching-learning all subject matters, we amplify the interest of the students towards the respective subject matters.

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ARTIFICIAL INTELLIGENCE

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Artificial intelligence is the science and engineering of making intelligent machines, especially intelligent computer programs. It is related to the similar task of using computers to understand human intelligence, but artificial intelligence does not have to confine itself to methods that are biologically observable.

Intelligence is the computational part of the ability to achieve goals in the world. Varying kinds and degrees of intelligence occur in people, many animals and some machines.

The problem is that we cannot yet characterize in general what kinds of computational procedures we want to call intelligent. We understand some of the mechanisms of intelligence and not others.

Keywords : Intelligent machines, IQ, human intelligence

Intelligence involves mechanisms, and artificial intelligence research has discovered how to make computers carry out some of them and not others. If doing a task requires only mechanisms that are well understood today, computer programs can give very impressive performances on these tasks. Such programs should be considered "somewhat intelligent".

On the one hand, we can learn something about how to make machines solve problems by observing other people or just by observing our own methods. On the other hand, most work in AI involves studying the problems the world presents to intelligence rather than studying people or animals. Artificial intelligence researchers are free to use methods that are not observed in people or that involve much more computing than people can do.

IQ is based on the rates at which intelligence develops in children. It is the ratio of the age at which a child normally makes a certain score to the child's age. The scale is extended to adults in a suitable way. IQ correlates well with various measures of success or failure in life, but making computers that can score high on IQ tests would be weakly correlated with their usefulness. For example, the ability of a child to repeat back a long sequence of digits correlates well with other intellectual abilities, perhaps because it measures how much information the child can compute with at once. However, "digit span" is trivial for even extremely limited computers.

However, some of the problems on IQ tests are useful challenges for AI.

Computer programs have plenty of speed and memory but their abilities correspond to the intellectual mechanisms that program designers understand well enough to put in programs. Some abilities that children normally don't develop till they are teenagers may be in, and some abilities possessed by two year olds are still out. The matter is further complicated by the fact that the cognitive sciences still have not succeeded in determining exactly what the human abilities are. Very likely the organization of the intellectual mechanisms for AI can usefully be different from that in people.

Whenever people do better than computers on some task or computers use a lot of computation to do as well as people, this demonstrates that the program designers lack understanding of the intellectual mechanisms required to do the task efficiently.

After World War II, a number of people independently started to work on intelligent machines. The English mathematician Alan Turing may have been the first. He gave a lecture on it in 1947. He also may have been the first to decide that artificial intelligence was best researched by programming computers

rather than by building machines. By the late 1950s, there were many researchers on artificial intelligence, and most of them were basing their work on programming computers.

Some researchers say they have that objective, but maybe they are using the phrase metaphorically. The human mind has a lot of peculiarities, and I'm not sure anyone is serious about imitating all of them.

Alan Turing's 1950 article *Computing Machinery and Intelligence* discussed conditions for considering a machine to be intelligent. He argued that if the machine could successfully pretend to be human to a knowledgeable observer then you certainly should consider it intelligent. This test would satisfy most people but not all philosophers. The observer could interact with the machine and a human by teletype (to avoid requiring that the machine imitate the appearance or voice of the person), and the human would try to persuade the observer that it was human and the machine would try to fool the observer.

The Turing test is a one-sided test. A machine that passes the test should certainly be considered intelligent, but a machine could still be considered intelligent without knowing enough about humans to imitate a human.

Daniel Dennett's book *Brainchildren* has an excellent discussion of the Turing test and the various partial Turing tests that have been implemented, i.e. with restrictions on the observer's knowledge of artificial intelligence and the subject matter of questioning. It turns out that some people are easily led into believing that a rather dumb program is intelligent.

The ultimate effort is to make computer programs that can solve problems and achieve goals in the world as well as humans. However, many people involved in particular research areas are much less ambitious.

A few people think that human-level intelligence can be achieved by writing large numbers of programs of the kind people are now writing and assembling vast knowledge bases of facts in the languages now used for expressing knowledge.

However, most artificial intelligence researchers believe that new fundamental ideas are required, and therefore it cannot be predicted when human level intelligence will be achieved.

Computers can be programmed to simulate any kind of machine.

Many researchers invented non-computer machines, hoping that they would be intelligent in different ways than the computer programs could be. However, they usually simulate their invented machines on a computer and come to doubt that the new machine is worth building. Because many billions of dollars that have been spent in making computers faster and faster, another kind of machine would have to be very fast to perform better than a program on a computer simulating the machine.

Some people think much faster computers are required as well as new ideas. My own opinion is that the computers of 30 years ago were fast enough if only we knew how to program them. Of course, quite apart from the ambitions of artificial intelligence researchers, computers will keep getting faster.

Machines with many processors are much faster than single processors can be. Parallelism itself presents no advantages, and parallel machines are somewhat awkward to program. When extreme speed is required, it is necessary to face this awkwardness.

Idea about making a "child machine" that could improve by reading and by learning from experience has been proposed many times, starting in the 1940s. Eventually, it will be made to work. However, artificial intelligence programs haven't yet reached the level of being able to learn much of what a child learns from physical experience. Nor do present programs understand language well enough to learn much by reading.

Alexander Kronrod, a Russian artificial intelligence researcher, said "Chess is the *Drosophila* of artificial intelligence." He was making an analogy with geneticists' use of that fruit fly to study inheritance. Playing chess requires certain intellectual mechanisms and not others. Chess programs now play at grandmaster level, but they do it with limited intellectual mechanisms compared to those used by a human chess player, substituting large amounts of computation for understanding. Once we understand these mechanisms better, we can build human-level chess programs that do far less computation than do present programs.

Unfortunately, the competitive and commercial aspects of making computers play chess have taken precedence over using chess as a scientific domain. It is as if the geneticists after 1910 had organized fruit fly races and concentrated their efforts on breeding fruit flies that could win these races.

The Chinese and Japanese game of *Go* is also a board game in which the players take turns moving. *Go* exposes the weakness of our present understanding of the intellectual mechanisms involved in human game playing. *Go* programs are very bad players, in spite of considerable effort (not as much as for chess). The

problem seems to be that a position in *Go* has to be divided mentally into a collection of subpositions which are first analyzed separately followed by an analysis of their interaction. Humans use this in chess also, but chess programs consider the position as a whole. Chess programs compensate for the lack of this intellectual mechanism by doing thousands or, in the case of Deep Blue, many millions of times as much computation. Sooner or later, AI research will overcome this scandalous weakness.

The philosopher John Searle says that the idea of a non-biological machine being intelligent is incoherent. He proposes the Chinese room argument www-formal.stanford.edu/jmc/chinese.html. The philosopher Hubert Dreyfus says that artificial intelligence is impossible. The computer scientist Joseph Weizenbaum says the idea is obscene, anti-human and immoral. Various people have said that since artificial intelligence hasn't reached human level by now, it must be impossible. Still other people are disappointed that companies they invested in went bankrupt.

Aren't computability theory and computational complexity the keys to artificial intelligence? These theories are relevant but don't address the fundamental problems of artificial intelligence.

In the 1930s mathematical logicians, especially Kurt Gödel and Alan Turing, established that there did not exist algorithms that were guaranteed to solve all problems in certain important mathematical domains. Whether a sentence of first order logic is a theorem is one example, and whether a polynomial equation in several variables has integer solutions is another. Humans solve problems in these domains all the time, and this has been offered as an argument that computers are intrinsically incapable of doing what people do. Roger Penrose claims this. However, people can't guarantee to solve *arbitrary* problems in these domains either.

In the 1960s computer scientists, especially Steve Cook and Richard Karp developed the theory of NP-complete problem domains. Problems in these domains are solvable, but seem to take time exponential in the size of the problem. Which sentences of propositional calculus are satisfiable is a basic example of an NP-complete problem domain. Humans often solve problems in NP-complete domains in times much shorter than is guaranteed by the general algorithms, but can't solve them quickly in general.

What is important for artificial intelligence is to have algorithms as capable as people at solving problems. The identification of subdomains for which good algorithms exist is important, but a lot of AI problem solvers are not associated with readily identified subdomains.

The theory of the difficulty of general classes of problems is called *computational complexity*. So far this theory hasn't interacted with artificial intelligence as much as might have been hoped. Success in problem solving by humans and by artificial intelligence programs seems to rely on properties of problems and problem solving methods that the neither the complexity researchers nor the artificial intelligence community have been able to identify precisely.

Algorithmic complexity theory as developed by Solomonoff, Kolmogorov and Chaitin (independently of one another) is also relevant. It defines the complexity of a symbolic object as the length of the shortest program that will generate it. Proving that a candidate program is the shortest or close to the shortest is an unsolvable problem, but representing objects by short programs that generate them should sometimes be illuminating even when you can't prove that the program is the shortest.

The branches of artificial intelligence :

- **logical** artificial intelligence

What a program knows about the world in general the facts of the specific situation in which it must act, and its goals are all represented by sentences of some mathematical logical language. The program decides what to do by inferring that certain actions are appropriate for achieving its goals.

- **search**

Artificial intelligence programs often examine large numbers of possibilities, moves in a chess game or inferences by a theorem proving program. Discoveries are continually made about how to do this more efficiently in various domains.

- **pattern recognition**

When a program makes observations of some kind, it is often programmed to compare what it sees with a pattern. For example, a vision program may try to match a pattern of eyes and a nose in a scene in order to find a face. More complex patterns, e.g. in a natural language text, in a chess position, or in the history of

some event are also studied. These more complex patterns require quite different methods than do the simple patterns that have been studied the most.

- **representation**

Facts about the world have to be represented in some way. Usually languages of mathematical logic are used.

- **inference**

From some facts, others can be inferred. Mathematical logical deduction is adequate for some purposes, but new methods of *non-monotonic* inference have been added to logic since the 1970s. The simplest kind of non-monotonic reasoning is default reasoning in which a conclusion is to be inferred by default, but the conclusion can be withdrawn if there is evidence to the contrary. For example, when we hear of a bird, we may infer that it can fly, but this conclusion can be reversed when we hear that it is a penguin. It is the possibility that a conclusion may have to be withdrawn that constitutes the non-monotonic character of the reasoning. Ordinary logical reasoning is monotonic in that the set of conclusions that can be drawn from a set of premises is a monotonic increasing function of the premises. Circumscription is another form of non-monotonic reasoning.

- **common sense knowledge and reasoning**

This is the area in which artificial intelligence is farthest from human-level, in spite of the fact that it has been an active research area since the 1950s. While there has been considerable progress, e.g. in developing systems of *non-monotonic reasoning* and theories of action, yet more new ideas are needed. The Cyc system contains a large but spotty collection of common sense facts.

- **learning from experience**

Programs do that. The approaches to artificial intelligence based on *connectionism* and *neural nets* specialize in that. There is also learning of laws expressed in logic.

- **planning**

Planning programs start with general facts about the world (especially facts about the effects of actions), facts about the particular situation and a statement of a goal. From these, they generate a strategy for achieving the goal. In the most common cases, the strategy is just a sequence of actions.

- **epistemology**

This is a study of the kinds of knowledge that are required for solving problems in the world.

- **ontology**

Ontology is the study of the kinds of things that exist. In artificial intelligence, the programs and sentences deal with various kinds of objects, and we study what these kinds are and what their basic properties are. Emphasis on ontology begins in the 1990s.

- **heuristics**

A heuristic is a way of trying to discover something or an idea imbedded in a program. The term is used variously in artificial intelligence. *Heuristic functions* are used in some approaches to search to measure how far a node in a search tree seems to be from a goal. *Heuristic predicates* that compare two nodes in a search tree to see if one is better than the other, i.e. constitutes an advance toward the goal, may be more useful.

- **genetic programming**

Genetic programming is a technique for getting programs to solve a task by mating random Lisp programs and selecting fittest in millions of generations.

The applications of artificial intelligence

- **game playing**

You can buy machines that can play master level chess for a few hundred dollars. There is some artificial intelligence in them, but they play well against people mainly through brute force computation--looking at hundreds of thousands of positions. To beat a world champion by brute force and known reliable heuristics requires being able to look at 200 million positions per second.

- **speech recognition**

In the 1990s, computer speech recognition reached a practical level for limited purposes. Thus United Airlines has replaced its keyboard tree for flight information by a system using speech recognition of flight numbers and city names. It is quite convenient. On the the other hand, while it is possible to instruct some computers using speech, most users have gone back to the keyboard and the mouse as still more convenient.

- **understanding natural language**

Just getting a sequence of words into a computer is not enough. Parsing sentences is not enough either. The computer has to be provided with an understanding of the domain the text is about, and this is presently possible only for very limited domains.

- **computer vision**

The world is composed of three-dimensional objects, but the inputs to the human eye and computers' TV cameras are two dimensional. Some useful programs can work solely in two dimensions, but full computer vision requires partial three-dimensional information that is not just a set of two-dimensional views. At present there are only limited ways of representing three-dimensional information directly, and they are not as good as what humans evidently use.

- **expert systems**

A "knowledge engineer" interviews experts in a certain domain and tries to embody their knowledge in a computer program for carrying out some task. How well this works depends on whether the intellectual mechanisms required for the task are within the present state of artificial intelligence. When this turned out not to be so, there were many disappointing results. One of the first expert systems was MYCIN in 1974, which diagnosed bacterial infections of the blood and suggested treatments. It did better than medical students or practicing doctors, provided its limitations were observed. Namely, its ontology included bacteria, symptoms, and treatments and did not include patients, doctors, hospitals, death, recovery, and events occurring in time. Its interactions depended on a single patient being considered. Since the experts consulted by the knowledge engineers knew about patients, doctors, death, recovery, etc., it is clear that the knowledge engineers forced what the experts told them into a predetermined framework. In the present state of AI, this has to be true. The usefulness of current expert systems depends on their users having common sense.

- **heuristic classification**

One of the most feasible kinds of expert system given the present knowledge of artificial intelligence is to put some information in one of a fixed set of categories using several sources of information. An example is advising whether to accept a proposed credit card purchase. Information is available about the owner of the credit card, his record of payment and also about the item he is buying and about the establishment from which he is buying it. Artificial intelligence research has both theoretical and experimental sides. The experimental side has both basic and applied aspects. There are two main lines of research. One is biological, based on the idea that since humans are intelligent, artificial intelligence should study humans and imitate their psychology or physiology. The other is phenomenal, based on studying and formalizing common sense facts about the world and the problems that the world presents to the achievement of goals. The two approaches interact to some extent, and both should eventually succeed. It is a race, but both racers seem to be walking.

What should I study before or while learning artificial intelligence. Study mathematics, especially mathematical logic. The more you learn about science in general the better. For the biological approaches to AI, study psychology and the physiology of the nervous system. Learn some programming languages--at least C, Lisp and Prolog. It is also a good idea to learn one basic machine language. Jobs are likely to depend on knowing the languages currently in fashion. In the late 1990s, these include C++ and Java.

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E-BANKING – IMPACT, RISKS, SECURITY

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The evolution of electronic banking (e-Banking) started with the use of automatic teller machines (ATMs) and has included telephone banking, direct bill payment, electronic fund transfer and online banking. According to some, the future direction of e-banking is the acceptance of mobile telephone (WAP-enabled) banking and interactive-TV banking. However, it has been forecast by many that online banking will continue to be the most popular method for future electronic financial transactions.

Electronic funds transfer (EFT), refers to the computer-based systems used to perform financial transaction electronically. The term is used for a number of different concepts including electronic payments and cardholder-initiated transactions, where a cardholder makes use of a payment card such as a credit card or debit card. Card-based EFT transactions are often covered by the ISO 8583 series of standards.

Keywords : e-banking, e-commerce, e-banks.

Introduction

In order for customers to use their banks online services they need to have a personal computer and Internet connection. Their personal computer becomes their virtual banker who will assist them in their banking errands. Examples of e-banking services that customers can get online are:

- Attaining information about accounts and loans,
- Conducting transfers amongst different accounts, even between external banks,
- Paying bills,
- Buying and selling stocks and bonds by depot,
- Buying and selling fund shares³⁹

These services that are offered by e-banking are changing and being improved because of the intense competition between the banks online. Banking industry must adapt to the electronics age, which in its turn is changing all the time.

EFT transactions require authorisation and a method to authenticate the card and the card holder. Whereas a merchant may manually verify the card holder's signature, EFT transactions require the card holder's PIN to be sent online in an encrypted form for validation by the card issuer. Other information may be included in the transaction, some of which is not visible to the card holder (for instance magnetic stripe data), and some of which may be requested from the card holder (for instance the card holder's address or the CVV2 security value printed on the card).

EFT transactions are activated during e-banking procedures. Various methods of e-banking include:

- Telephone banking
- Online banking
- Short Message Service (SMS) banking
- Mobile banking
- Interactive-TV banking .

Independent of location or time, you can execute your payments and stock market orders and you get detailed information on your accounts and custody accounts.

Impact of e-banking on traditional services

One of the issues currently being addressed is the impact of e-banking on traditional banking players. After all, if there are risks inherent in going into e-banking there are other risks in not doing so. It is too early to have a firm view on this yet. Even to practitioners the future of e-banking and its implications are unclear. It might be convenient nevertheless to outline briefly two views that are prevalent in the market.

The view that the Internet is a revolution that will sweep away the old order holds much sway. Arguments in favour are as follows:

- E-banking transactions are much cheaper than branch or even phone transactions. This could turn yesterday's competitive advantage - a large branch network, into a comparative disadvantage, allowing e-banks to undercut bricks-and-mortar banks. This is commonly known as the "beached dinosaur" theory.
- E-banks are easy to set up so lots of new entrants will arrive. 'Old-world' systems, cultures and structures will not encumber these new entrants. Instead, they will be adaptable and responsive. E-banking gives consumers much more choice. Consumers will be less inclined to remain loyal.
- E-banking will lead to an erosion of the 'endowment effect' currently enjoyed by the major UK banks. Deposits will go elsewhere with the consequence that these banks will have to fight to regain and retain their customer base. This will increase their cost of funds, possibly making their business less viable. Lost revenue may even result in these banks taking more risks to breach the gap.

Portal providers, are likely to attract the most significant share of banking profits. Indeed banks could become glorified marriage brokers. They would simply bring two parties together – eg buyer and seller, payer and payee.

The products will be provided by monolines, experts in their field. Traditional banks may simply be left with payment and settlement business – even this could be cast into doubt.

Traditional banks will find it difficult to evolve. Not only will they be unable to make acquisitions for cash as opposed to being able to offer shares, they will be unable to obtain additional capital from the stock market. This is in contrast to the situation for Internet firms for whom it seems relatively easy to attract investment.

There is of course another view which sees e-banking more as an evolution than a revolution.

E-banking is just banking offered via a new delivery channel. It simply gives consumers another service (just as ATMs did).

Like ATMs, e-banking will impact on the nature of branches but will not remove their value.

Traditional banks are starting to fight back.

The start-up costs of an e-bank are high. Establishing a trusted brand is very costly as it requires significant advertising expenditure in addition to the purchase of expensive technology (as security and privacy are key to gaining customer approval).

E-banks have already found that retail banking only becomes profitable once a large critical mass is achieved. Consequently many e-banks are limiting themselves to providing a tailored service to the better off.

Nobody really knows which of these versions will triumph. This is something that the market will determine. However, supervisors will need to pay close attention to the impact of e-banks on the traditional banks, for example by surveillance of:

- strategy
- customer levels
- earnings and costs
- advertising spending
- margins
- funding costs

- merger opportunities and threats.

Risks

Strategic Risk - A financial institution's board and management should understand the risks associated with e-banking services and evaluate the resulting risk management costs against the potential return on investment prior to offering e-banking services. Poor e-banking planning and investment decisions can increase a financial institution's strategic risk. On strategic risk E-banking is relatively new and, as a result, there can be a lack of understanding among senior management about its potential and implications. People with technological, but not banking, skills can end up driving the initiatives. E-initiatives can spring up in an incoherent and piecemeal manner in firms. They can be expensive and can fail to recoup their cost. Furthermore, they are often positioned as loss leaders (to capture market share), but may not attract the types of customers that banks want or expect and may have unexpected implications on existing business lines.

Banks should respond to these risks by having a clear strategy driven from the top and should ensure that this strategy takes account of the effects of e-banking, wherever relevant. Such a strategy should be clearly disseminated across the business, and supported by a clear business plan with an effective means of monitoring performance against it.

Business risks - Business risks are also significant. Given the newness of e-banking, nobody knows much about whether e-banking customers will have different characteristics from the traditional banking customers. They may well have different characteristics. This could render existing score card models inappropriate, this resulting in either higher rejection rates or inappropriate pricing to cover the risk. Banks may not be able to assess credit quality at a distance as effectively as they do in face to face circumstances. It could be more difficult to assess the nature and quality of collateral offered at a distance, especially if it is located in an area the bank is unfamiliar with (particularly if this is overseas). Furthermore as it is difficult to predict customer volumes and the stickiness of e-deposits (things which could lead either to rapid flows in or out of the bank) it could be very difficult to manage liquidity.

Of course, these are old risks with which banks and supervisors have considerable experience but they need to be watchful of old risks in new guises. In particular risk models and even processes designed for traditional banking may not be appropriate.

Transaction/operations risk - Transaction/Operations risk arises from fraud, processing errors, system disruptions, or other unanticipated events resulting in the institution's inability to deliver products or services. This risk exists in each product and service offered. The level of transaction risk is affected by the structure of the institution's processing environment, including the types of services offered and the complexity of the processes and supporting technology.

In most instances, e-banking activities will increase the complexity of the institution's activities and the quantity of its transaction/operations risk, especially if the institution is offering innovative services that have not been standardized. Since customers expect e-banking services to be available 24 hours a day, 7 days a week, financial institutions should ensure their e-banking infrastructures contain sufficient capacity and redundancy to ensure reliable service availability. Even institutions that do not consider e-banking a critical financial service due to the availability of alternate processing channels, should carefully consider customer expectations and the potential impact of service disruptions on customer satisfaction and loyalty.

The key to controlling transaction risk lies in adapting effective policies, procedures, and controls to meet the new risk exposures introduced by e-banking. Basic internal controls including segregation of duties, dual controls, and reconciliations remain important. Information security controls, in particular, become more significant requiring additional processes, tools, expertise, and testing. Institutions should determine the appropriate level of security controls based on their assessment of the sensitivity of the information to the customer and to the institution and on the institution's established risk tolerance level.

Credit risk - Generally, a financial institution's credit risk is not increased by the mere fact that a loan is originated through an e-banking channel. However, management should consider additional precautions when originating and approving loans electronically, including assuring management information systems effectively track the performance of portfolios originated through e-banking channels. The following aspects of on-line loan origination and approval tend to make risk management of the lending process more challenging. If not properly managed, these aspects can significantly increase credit risk.

- Verifying the customer's identity for on-line credit applications and executing an enforceable contract;
- Monitoring and controlling the growth, pricing, underwriting standards, and ongoing credit quality of loans originated through e-banking channels;
- Monitoring and oversight of third-parties doing business as agents or on behalf of the financial institution (for example, an Internet loan origination site or electronic payments processor);
- Valuing collateral and perfecting liens over a potentially wider geographic area;
- Collecting loans from individuals over a potentially wider geographic area;
- Monitoring any increased volume of, and possible concentration in, out-of-area lending.

Liquidity, interest rate, price/market risks - Funding and investment-related risks could increase with an institution's e-banking initiatives depending on the volatility and pricing of the acquired deposits. The Internet provides institutions with the ability to market their products and services globally. Internet-based advertising programs can effectively match yield-focused investors with potentially high-yielding deposits. But Internet-originated deposits have the potential to attract customers who focus exclusively on rates and may provide a funding source with risk characteristics similar to brokered deposits. An institution can control this potential volatility and expanded geographic reach through its deposit contract and account opening practices, which might involve face-to-face meetings or the exchange of paper correspondence. The institution should modify its policies as necessary to address the following e-banking funding issues:

- Potential increase in dependence on brokered funds or other highly rate-sensitive deposits;
- Potential acquisition of funds from markets where the institution is not licensed to engage in banking, particularly if the institution does not establish, disclose, and enforce geographic restrictions;
- Potential impact of loan or deposit growth from an expanded Internet market, including the impact of such growth on capital ratios;
- Potential increase in volatility of funds should e-banking security problems negatively impact customer confidence or the market's perception of the institution.

Reputational risks - This is considerably heightened for banks using the Internet. For example the Internet allows for the rapid dissemination of information which means that any incident, either good or bad, is common knowledge within a short space of time. The speed of the Internet considerably cuts the optimal response times for both banks and regulators to any incident.

Any problems encountered by one firm in this new environment may affect the business of another, as it may affect confidence in the Internet as a whole. There is therefore a risk that one rogue e-bank could cause significant problems for all banks providing services via the Internet. This is a new type of systemic risk and is causing concern to e-banking providers. Overall, the Internet puts an emphasis on reputational risks. Banks need to be sure that customers' rights and information needs are adequately safeguarded and provided for.

Security

Security is one of the most discussed issues around e-banking.

E-banking increases security risks, potentially exposing hitherto isolated systems to open and risky environments.

Security breaches essentially fall into three categories; breaches with serious criminal intent (fraud, theft of commercially sensitive or financial information), breaches by 'casual hackers' (defacement of web sites or 'denial of service' - causing web sites to crash), and flaws in systems design and/or set up leading to security breaches (genuine users seeing / being able to transact on other users' accounts). All of these threats have potentially serious financial, legal and reputational implications.

Many banks are finding that their systems are being probed for weaknesses hundreds of times a day but damage/losses arising from security breaches have so far tended to be minor. However some banks could develop more sensitive "burglar alarms", so that they are better aware of the nature and frequency of unsuccessful attempts to break into their system.

The most sensitive computer systems, such as those used for high value payments or those storing highly confidential information, tend to be the most comprehensively secured. One could therefore imply that the

greater the potential loss to a bank the less likely it is to occur, and in general this is the case. However, while banks tend to have reasonable perimeter security, there is sometimes insufficient segregation between internal systems and poor internal security. It may be that someone could breach the lighter security around a low value system.

It is easy to overemphasise the security risks in e-banking. It must be remembered that the Internet could remove some errors introduced by manual processing (by increasing the degree of straight through processing from the customer through banks' systems). This reduces risks to the integrity of transaction data (although the risk of customers incorrectly inputting data remains). As e-banking advances, focusing general attention on security risks, there could be large security gains.

Financial institutions need as a minimum to have:

- a strategic approach to information security, building best practice security controls into systems and networks as they are developed
- a proactive approach to information security, involving active testing of system security controls (e.g. penetration testing), rapid response to new threats and vulnerabilities and regular review of market place developments
- sufficient staff with information security expertise
- active use of system based security management and monitoring tools
- strong business information security controls.

These are the issues line supervisors will be raising with their banks as part of their on-going supervision.

Conclusion

In conclusion e-banking creates issues for banks and regulators alike. For their part, banks should:

- Have a clear and widely disseminated strategy that is driven from the top and takes into account the effects of e-banking, together with an effective process for measuring performance against it.
- Take into account the effect that e-provision will have upon their business risk exposures and manage these accordingly.
- Undertake market research, adopt systems with adequate capacity and scalability, undertake proportional advertising campaigns and ensure that they have adequate staff coverage and a suitable business continuity plan.
- Ensure they have adequate management information in a clear and comprehensible format.
- Take a strategic and proactive approach to information security, maintaining adequate staff expertise, building in best practice controls and testing and updating these as the market develops. Make active use of system based security management and monitoring tools.
- Ensure that crisis management processes are able to cope with Internet related incidents.

One of the benefits that banks experience when using e-banking is increased customer satisfaction. This due to that customers may access their accounts whenever, from anywhere, and they get involved more, this creating relationships with banks.

Banks should provide their customers with convenience, meaning offering service through several distribution channels (ATM, Internet, physical branches) and have more functions available online. Other benefits are expanded product offerings and extended geographic reach. This means that banks can offer a wider range and newer services online to even more customers than possible before.

The benefit which is driving most of the banks toward e-banking is the reduction of overall costs. With e-banking banks can reduce their overall costs in two ways: cost of processing transactions is minimized and the numbers of branches that are required to service an equivalent number of customers are reduced.

With all these benefits banks can obtain success on the financial market. But e-banking is a difficult business and banks face a lot of challenges.

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SIZE AND FIELD OF ACTIVITY INFLUENCE ON WEB SITES FUNCTIONALITY FOR ROMANIAN COMPANIES

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Abstract: The internet became an important part of the company's informational system. In order to take advantage on the Internet's interactive nature, a lot of companies have created their own websites. Companies use the website for numerous applications: to promote themselves, online shopping, and communication with targeted clients. This study reveals the fact that the company's size and field of activity have influence on website's functionality and interactivity. Small companies use the website to successfully compete corporations which do not have yet necessary stimulants to fully exploit the internet capacities.

Keywords: websites, informational system, company's promotion, market studies, on line selling, targeted audience communication

1. The Web's role in companies' activity

From the moment of its penetration in Europe, the Internet knew an extremely high extension. Businessmen don't hold loose to this phenomenon. They started utilize the Internet not only as an extremely effective communication mean but also as a distribution channel for more diversified goods and services.

Electronic means are used wider for advertising, and selling products and services all over the world.

Using the Internet, companies offer their products together with information regarding utility, quality, advantages, content or components, prices, terms and conditions regarding delivery and payment conditions. Buyers can order the desired products to the most competitive companies.

Internet technologies and applications have developed faster than anyone could imagine opening new ways for communication, cooperation and coordination between producers, consumers and suppliers.

The Internet has created new business opportunities, facilitating the access at the consumers' level, thus contributing to the increase of the competition. In the new competitive climate businessmen took interest in using the Internet for a better market approach and an increased marketing efficiency. And this is due to the fact that the Internet represents not only a new technology but offers marketing new ways for products and services offered by the companies. The Internet modifies not only the business market and its nature, but also the relationship between them.

A lot of companies have created web pages to present their services and products offer both on local and national or international level.

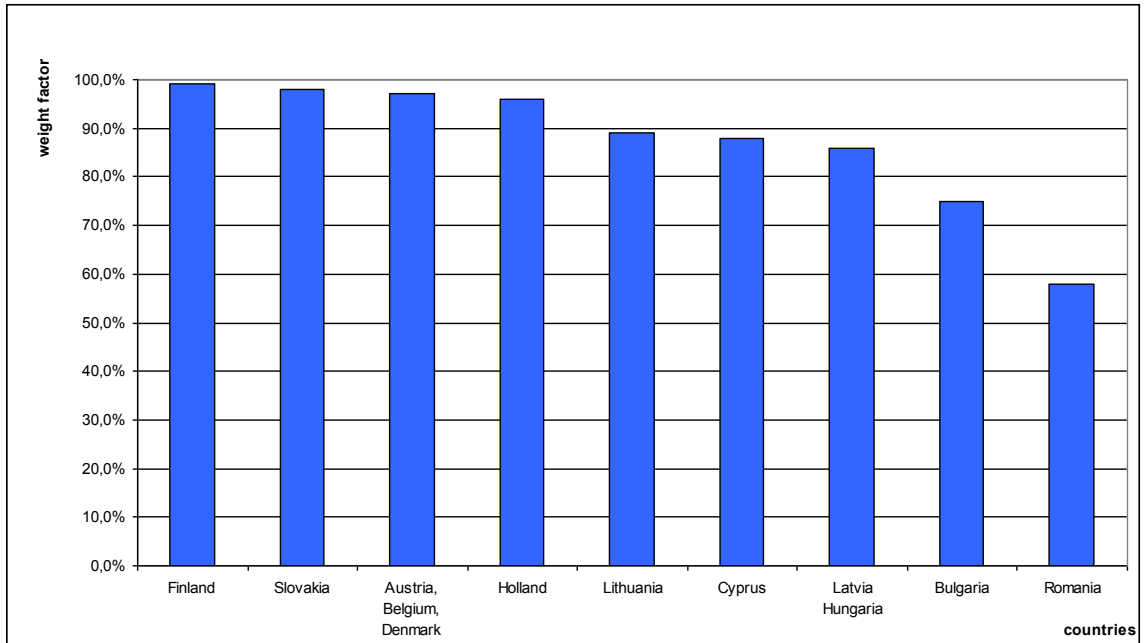
1.1 The Internet in Romania

The Internet entered Europe in 1993. But its adoption was made in time differently across the continent. The first countries interested on the Internet were the northern countries, the southern part being interested later.

According to the European Bureau of Statistics[1] in Romania the weight factor of the companies having Internet access is 58%, which positions our country on the last place in the European Union, at a significant distance behind others.

Firs places are occupied By Finland (99%), Slovakia (98%), Austria, Belgium, Denmark(97%) and Holland(96%).

On the last places are situated Romania (58%), Bulgaria (75%), Latvia and Hungaria (86%), Cyprus (88%), and Lithuania (89%).



The weight factor of the companies having Internet access

2. The integration of the Internet in the company's informational system

The Internet becomes an important element of the enterprise informational system. A company's Internet connection offers the possibility of relevant information acquiring about the environment in which the company activates, about the market and the competitors. Collected information are stored in company's databases, processed, analyzed and used for efficient decision making processes, allowing thus quick and correct matching to the environment conditions which permanently changes.

The Internet has changed the functionality and the orientation of the companies' information system. Whereas the traditional informational system was mainly focused on the information internal storage and flow, the Internet had the effect of dynamically connecting the company with the external world. The functionality emphasis of information system has changed from providing the managers with relevant and timely information for decision-making, to integrating the company into the external information environment.

A lot of companies have created their own web site to exploit the interactive facilities of the Internet. Web sites are used mainly:

1. For company promotion:
 - Presents general information of the company. Under competitors' pressure, companies rush to create their own web sites.
 - Offers a large variety of information about company, gathered in an online brochure in which information considered useful for clients are presented. Therefore informational value of the site for its visitor isn't that great.
 - Visitors' center – contains relevant information for the visitors having grater informational value for them. These kind of sites are the most expensive regarding the maintenance but significantly contributes to the brand's top position.
 - Brand consolidation
2. For online selling:

- Contains the products and technical descriptions catalogue for each catalogue's position. Data Base Management System (DBMS) is used to manage the information. DBMS's role is to store and manipulate data, offering data access facilities.
 - Contains, along with the product catalogue, facilities for the clients' online orders, through e-mail or interactive forms
 - Contains facilities for the online orders and payments.
3. For market studies
 4. For communication with target consumers.

A company which has the aim to fully exploits its web site functionality has to integrate it in its informational system. Thus, the web site will represent:

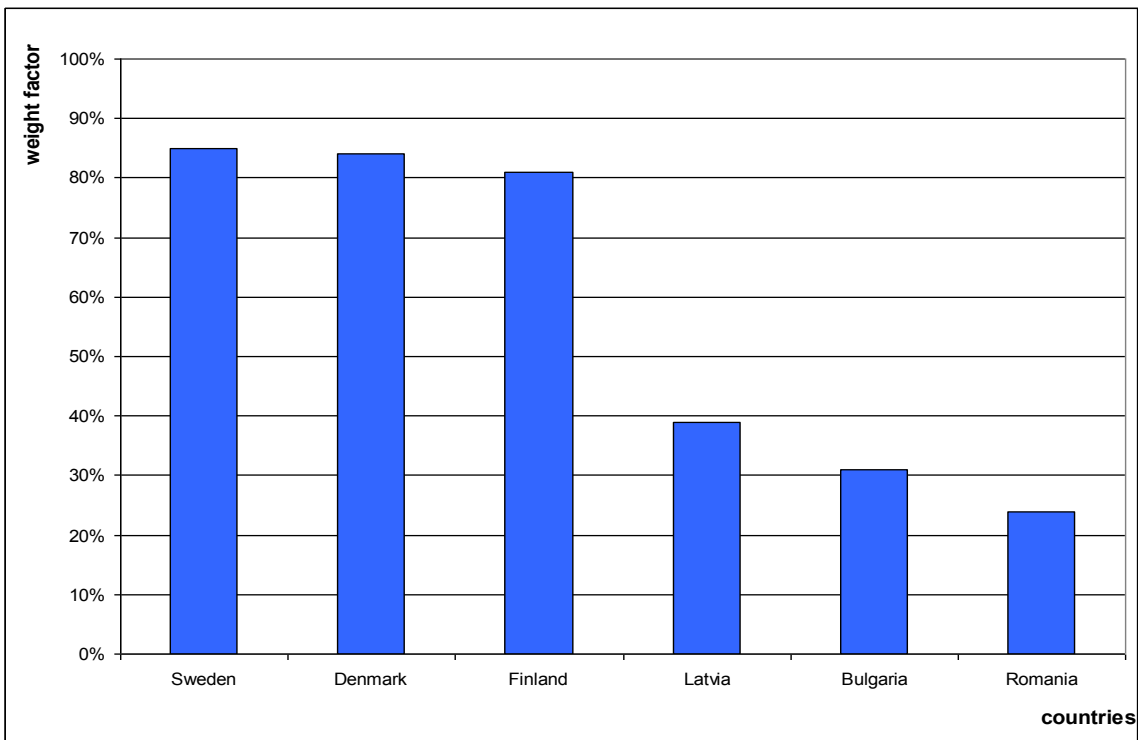
- An interface between the corporate information system and online customers
- A promotional tool
- A communication channel between online customers and the company
- A market studying tool.

Web site integration in the company's informational system causes complex reorganization of the informational system, on both operational and structural level. Also, the company's marketing and communication strategies must be integrated with the online marketing strategy.

2.1 Web sites in Romania

According to the European Bureau of Statistics[1] in Romania the weight factor of the companies having their own web site is 24%, which positions our country on the last place in the European Union.

On the first places are situated Sweden, Denmark and Finland. At the end one can find Romania, Bulgaria and Latvia.



The weight factor of the companies possessing their own web site

3. Data analysis and interpretation

The research lays on two hypotheses:

- Web site functionality is influenced by the company dimension
- Web site functionality is influenced by the company's field of activity

In order to collect primary data related with the mentioned research hypothesis, 600 questionnaires have been sent by e-mail to randomly selected Romanian companies. 283 of these questionnaires were returned, but only 279 of them were properly completed, and could be used for data analysis, thus resulting a response rate of 46,5%.

The questions were grouped as follows:

1. Questions related to the company's size.
 6. The companies were structured as follows:
 - Small companies – up to 50 employees
 - Medium-sized companies – between 51 and 500 employees
 - Large companies – with more than 500 employees.
2. Questions related to the company's field of activity
 7. The companies were structured in three fields of activity as follows:
 - Manufacturing
 - Services
 - Other activities
3. Questions related to the interactive features of the web site.
4. Questions related to the aim of the web site use, thus identifying the following four directions:
 - Company's promotion
 - Market studies
 - On line selling
 - targeted audience communication

Among responding companies 111 are small companies, 92 are medium-sized companies and 72 are large companies.

Collected data showed that:

- Large companies uses web sites for self promotion and communication with targeted audience
- Middle and small-sized companies uses web sites for market studies and online sells.

Results are synthesized in the table below:

The aim of web site use / Company's size	N	Company's promotion	Market studies	On line sell	Targeted audience communication
small companies		83	92	97	49
	%	72,17	80	84,34	42,6
medium-sized companies		65	73	75	44
	%	70,65	79,34	81,52	47,82
large companies		72	26	16	67
	%	100	36,11	22,22	93,05

It can be noticed that company's size has an important influence on company's capacity on targeted audience communication (the greater the company, the better on line communication strategy). This result can be interpreted in the way that although the Internet provides a level plain field for companies of different sizes and organizational structures, in the case of marketing communication, additional resources and expertise can determine a difference in selecting and targeting the high priority audiences.

Among the companies that have returned the questionnaires 87 have manufacturing as the field of activity, 157 are service-oriented companies (many of them have an Internet related field of activity) and 35 activate in other fields.

Collected data showed that:

- Companies having manufacturing as the field of activity use web sites for self promoting and communication with targeted audience
- Companies providing services use web sites for promotion, market studies an online selling.

Results are synthesized in the table below:

The aim of web site use / Company's field of activity	N	Company's promotion	Market studies	On line sell	Targeted audience communication
manufacturing	%	87 100	45 51,72	43 49,42	86 98,85
services	%	120 76,43	117 74,52	118 75,15	69 43,94
other activities	%	13 37,14	19 54,28	27 77,14	5 14,28

Regarding the web sites interactivity collected data showed that:

1. the corporate web site of the small companies has more interactive features than the web site of medium-sized or large companies. The Internet can be used creatively by these companies to reach and communicate with their targeted audiences, with low costs and effort.
2. the service-providing companies implement web sites with higher levels of interactivity (e-mail, discussion forums, online membership form) in comparison with manufacturing companies. However, in terms of their relationship with the IT technology the differences are small, although the Internet-related companies have, overall, a more interactive web site.
3. the IT-related companies do have the necessary expertise and motivation to intensively use the corporate web site. They often provide specialized services over the Internet, which requires a fully functional and highly interactive web site

4. Conclusions

Current research accentuates the fact that the company's dimension and field of activity influences some aspects regarding the web sites functionality and interactivity

Small business companies use the web sites to successfully compete large companies which have not yet the necessary stimulants for a fully functional exploit of the Internet's facilities

Despite the slow development of the online market in our country in comparison with other UE countries, the Internet system is already integrated with the informational system of some companies, allowing a cost-effective collection of market information, and communication with target audiences.

The corporate web site is successfully used by the majority of respondent companies to promote the company and its activity, and, in a smaller measure, to sell online products and/or services.

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WEB SITE FOR THE INFORMATION MANAGEMENT OF A RESEARCH TEAM

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Abstract: During research project activities, an important role is played by an effective communication between research team members. A communication web site was realized in order to allow an operational and effective communication of the intermediary results between the members of the research team. Meantime, the site keeps a record of the team members' activity from the communication point of view. The web site allows an efficiency increasing for the project's activities in order to achieve the research objectives rezumat.

Keywords: web site, database, communication monitoring

1. Communication process

To communicate in an effective mode, a cybernetic system has to gather the following elements: the source (emitter), the message, the receiver, and the communication channel (media), through which the message reaches the receiver. The message is coded by the emitter in a structured assembly of elements known by the mean of a convention, and is decoded by the receiver.

The “feedback” allows the source to verify – and modify if necessary – if the message was correctly received and understood and consists in the “receiver’s” response. Thus, the feedback closes the system, making it dynamic and somehow interactive.

In the communication process, distortions or perturbations may occur, as unplanned elements of the message’s emitter.

The communication process with its components and relationships can be represented as figure 1.

Started from the concise presentation above the main problems of the communication process may be identified and presented as questions, as follows:

1. Who communicates?
2. To whom the communication is addressed?
3. What is communicating?
4. How is communicate?
5. What are the communication’s results?

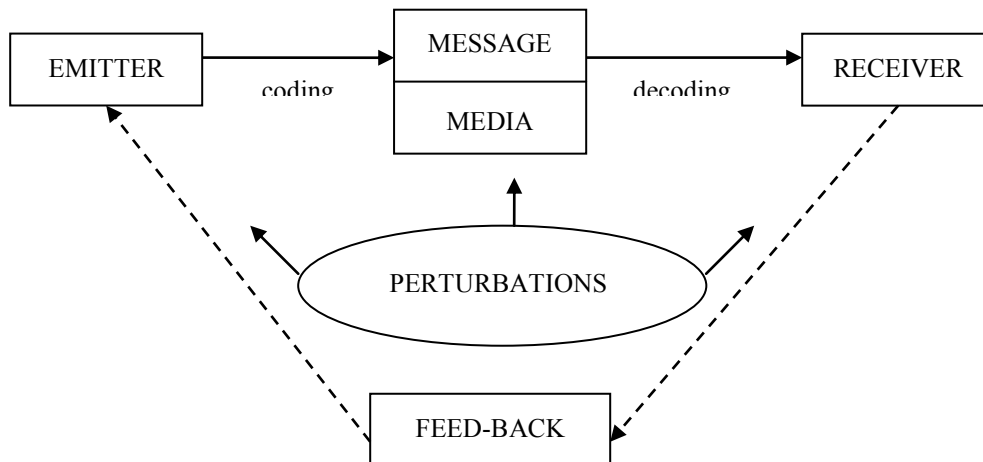


Figure 1 – Communication process

These representations describes the main factors which are specific to each communication process and permit the identification of the conditions that are to be accomplished by an efficient communication process:

1. The emitter needs strictly evaluate both the targets on which is interested and the type of answer it is looking for.
2. The messages has to be made considering on one hand the receiver's experience and on the other the way in which the target audience tends to decode the message. In other words, for the message to be efficient or significant, the coding process needs to be correlated with the decoding process adopted by the receiver.
3. The emitter has to transmit its' messages through the proper media, dedicated to the considered target.
4. The emitter has to develop feedback channels to receive and know the receivers' reactions and answers; this is necessary for the communication self-evaluation.

2. Communication between research team members

Two communication aspects were taken into account:

1. Operational communication between the team's members
2. The communication of the research results.

Regarding the operational communication, the necessity of solving problems in real time was the main issue to be solved. From the start, all time consuming media were eliminated. Also, important communication aspects was the elimination of the disturbing factors and information security together with a monitoring system regarding the members' participation to the project's activities. Media channels considered were personal communication, phone, mail and the Internet, each one with its advantages and disadvantages. Only the Internet can correlate the real time communication with a message monitoring system and a broad dissemination of the information, through its instruments: e-mail and instant messenger. However, these tools need to assure the information's security.

This problem was solved through an operational communication web page with secure access based on account and password. In the meantime the problem of the monitoring system of the members' participation to the project was solved, through a database table which records both the problems that needs responses and the members which posted the problem, and the members who answer the problems and give solutions, in a blog-type web page.

3. The database for the communication monitoring

The database has to accomplish the following conditions:

1. To assure data a high degree of independence in respect to the programs and vice versa

2. Database structure has to be conceived in such a manner that it can assure necessary and sufficient information for decision and informational demands
3. To assure minimum and controlled data redundancy
4. To permit quick access to the data

Database used to create the website named “blog” is a relational database, implemented under MySQL database management system.

MySQL is a multi-user multi-threaded database server, which uses SQL (Structured Query Language), the standard database query language throughout the world.

Entity-relationship modeling process was used to design the physical and logical structure of the “blog’s” database (E-R modeling), considering the great quantity of heterogeneous information stored in the database.

In the E-R modeling context, the entity is similar to a relational table (containing data describing a set of correlated activities). The main tables of the database are: *Users*, *Topics*, *Replies*, *Files* and *SM (Smileys)*.

For the creation of the *blog’s* database, the phpMyAdmin software capable to manage the entire MySQL activity was used.

In the following, the blog database’s tables are presented through their schemas.

1. Users table contains the following fields related to the blog’s users information:

	Field	Type	Collation	Attributes	Null	Default	Extra
<input type="checkbox"/>	id	int(11)			No		auto_increment
<input type="checkbox"/>	user	varchar(30)	latin1_general_ci		No		
<input type="checkbox"/>	pass	varchar(30)	latin1_general_ci		No		
<input type="checkbox"/>	nume	varchar(40)	latin1_general_ci		No		
<input type="checkbox"/>	prenume	varchar(40)	latin1_general_ci		No		
<input type="checkbox"/>	email	varchar(40)	latin1_general_ci		No		
<input type="checkbox"/>	telefon	varchar(20)	latin1_general_ci		No		
<input type="checkbox"/>	judet	varchar(15)	latin1_general_ci		No		
<input type="checkbox"/>	oras	varchar(20)	latin1_general_ci		No		
<input type="checkbox"/>	unitate	varchar(70)	latin1_general_ci		No		
<input type="checkbox"/>	arii_experienta	mediumtext	latin1_general_ci		No		
<input type="checkbox"/>	descriere	mediumtext	latin1_general_ci		No		

Explains:

1. Id – unique identifying field for users
2. User – user’s account
3. Pass – user’s password
4. Nume – user’s last name
5. Prenume –user’s first name
6. Email – user’s email address
7. Telefon – user’s phone number
8. Judet – user’s address county
9. Oras – user’s city
10. Unitate – user’s workplace
11. Aarii_experienta – user’s area of competence
12. Descriere – explanations about user’s professional experience

Id is the primary key of the table, defined as an Auto_increment type. User field does not allow duplicate values and is used as an external key (owner) in the rest of the database’s tables to associate information with the user’s account.

2. Topics table is used to manage information about user’s themes and contains the following fields:

	Field	Type	Collation	Attributes	Null	Default	Extra
<input type="checkbox"/>	id	int(11)			No		auto_increment
<input type="checkbox"/>	title	varchar(50)	latin1_general_ci		No		
<input type="checkbox"/>	contents	longtext	latin1_general_ci		No		
<input type="checkbox"/>	owner	varchar(30)	latin1_general_ci		No		
<input type="checkbox"/>	date_time	varchar(30)	latin1_general_ci		No		

Explains:

1. Id – unique identification field
2. Title – theme’s title (description)
3. Contents – theme’s content
4. Owner – the user’s account that initiated the topic
5. Date_time – date and time of the topic’s post

ID is the primary key, defined as an Auto_increment type. ID field is used as an external key (topicid) in the Replies table, to associate users’ answers to the topic.

3. Replies table contains the following fields:

	Field	Type	Collation	Attributes	Null	Default	Extra
<input type="checkbox"/>	id	bigint(20)			No		auto_increment
<input type="checkbox"/>	topicid	int(11)			No	0	
<input type="checkbox"/>	owner	varchar(40)	latin1_general_ci		No		
<input type="checkbox"/>	contents	mediumtext	latin1_general_ci		No		
<input type="checkbox"/>	data	varchar(20)	latin1_general_ci		No		

Explains:

1. Id – unique identification field
2. Topicid – the id of the theme for which the answer is posted
3. Owner – the topic’s responding user’s account
4. Contents – the content of the response
5. Data – the response post data

Primary key is the Id field, defined as Auto_increment type.

4. Files table contains the following fields that permit data identification of the users’ uploaded files. These files are available for all interested member of the research team:

	Field	Type	Collation	Attributes	Null	Default	Extra
<input type="checkbox"/>	id	int(10)		UNSIGNED	No		auto_increment
<input type="checkbox"/>	cat	varchar(20)	latin1_general_ci		No		
<input type="checkbox"/>	owner	varchar(40)	latin1_general_ci		No		
<input type="checkbox"/>	title	varchar(50)	latin1_general_ci		No		
<input type="checkbox"/>	desc	mediumtext	latin1_general_ci		No		
<input type="checkbox"/>	date_time	varchar(30)	latin1_general_ci		No		

Explains:

1. Id – unique identifying field
2. Cat – category to which it belongs
3. Owner – user’s account of the user which uploaded the file
4. Title – file’s title
5. Desc – file’s description
6. Date_time – uploaded file’s date and time

Id is the primary key defined as Auto_increment

1. SM table. The table contains the identification code of the communication’s page available emoticons. Its structure is:

	Field	Type	Collation	Attributes	Null	Default	Extra
<input type="checkbox"/>	nume	varchar(20)	latin1_swedish_ci		No		
<input type="checkbox"/>	cod	varchar(20)	latin1_swedish_ci		No		

Explanations:

1. Nume – emoticon’s name
2. Cod – emoticon’s code

The following connectivity relationships are defined inside the “blog” database:

1. one to many relationship between Users and Topic tables
2. one to many relationship between Users and Files tables
3. one to many relationship between Topics and Replies tables

In order to model the use of the information scenarios, derived descriptions from the E-R model can be used. The database E-R diagram is presented in figure 2.

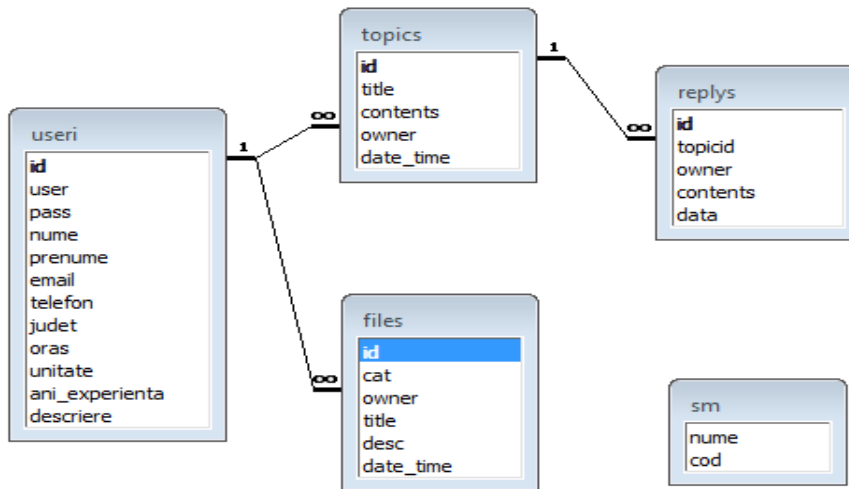


Figure 2 Database’s relationships diagram

4. Web site’s structure

The web site’s structure is presented in figure 3.

The start page is “Home Page” and all users, regardless of their membership to the research team, have full access to it. From this page, there are links to the project’s description page (History, Contact and all the public information pages).

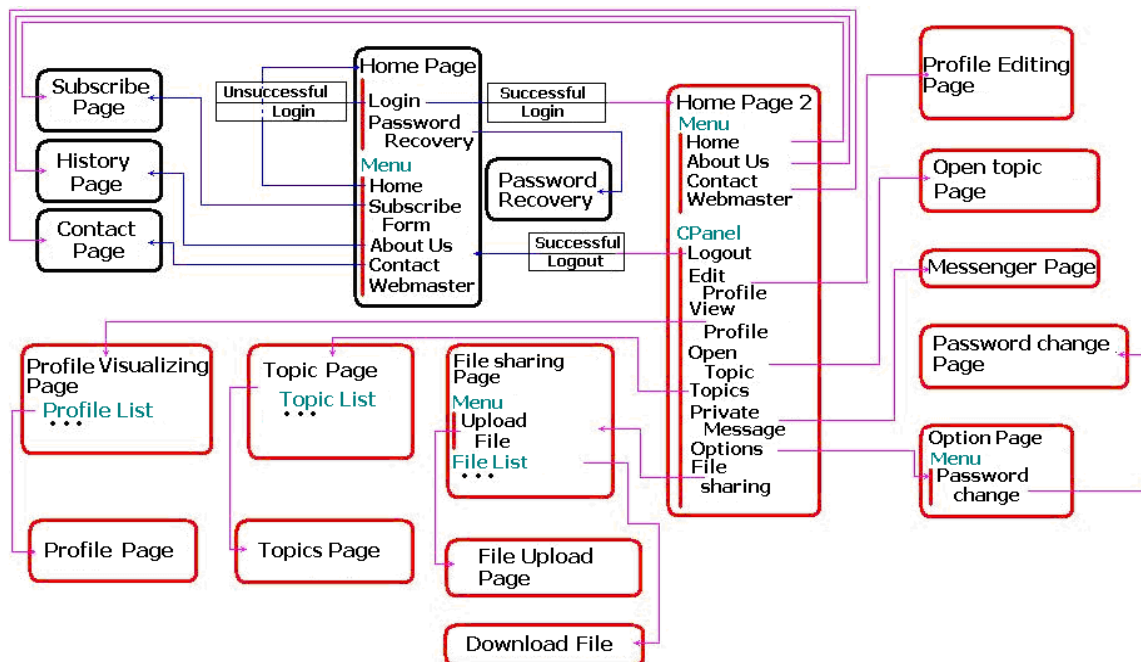


Figure 3 Operational communication web site's structure

Successful login offers a new home page with extended functions (Home Page 2), granting thus, in respect to the member's interest zone, access to specific information of the project. Accessible pages are: topic initialization page (Topic Open Page), specific topic responses (Topic Page). The person that starts a topic is the manager of the topic, granting specific access rights to the user for that topic. In addition, pages for files sharing were provided, which are useful in the project's documentation elaboration activity. To prevent switching between programs, a mailing page was created. Once the user account created there is the possibility of configuring it with identification elements (in the Profile Editing page), or of the password change (Option Page and Password Change Page). The system allows the password recovery with the site's administration assistance.

5. Conclusions

The designed web site ensures an operational communication between the members of a research team and an evidence of their activity regarding communication. This way the efficiency of the activities developed to reach the objectives, increases.

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TECHNOLOGIES SOLUTIONS AND ORACLE INSTRUMENTS USED IN THE ACCOMPLISHMENT OF EXECUTIVE INFORMATICS SYSTEMS

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The role of a system for the control of the data bases and the facilities offered by it is highly important in the success and performance of an executive informatics system. From this point of view, the analyze will take into account the facilities of working with evolved data bases and storages of data, the implementation of some OLAP functionalities an data mining but also the integration of data and applications coming from different sources, the way in which the process of extraction, transformation and loading of this data in the final storages takes place, the easiness in administration and the instruments offered for the developing of interfaces.

One important point of this analyze refers to the performance in interrogation, both on operational data bases and the extraction of data from data storages.

The executive Informatics System, OLAP, Data Mining

1. Comparative analyze of the performances and facilities obtained by the available SGBD

Taking into account that the majority of organisations have already implemented applications of different generations on two big platforms of data bases, namely Oracle and Microsoft SQL Server, the comparison will be resumed to these two types of SGBD, and the current versions brought forward for analyze are Oracle Database 10g and Microsoft SQL Server 2005. Each of these two is available in different editions or variants in order to satisfy all the requests of the market.

Oracle Database 10g is available in five editions, each having implemented specific characteristics for each segment of the market:

- Oracle Database 10g Standard Edition One (SE1) is intended for business mediums with quite a low request of adaptation, departmental levels, being limited to maximum two processors;
- Oracle Database 10g Standard Edition (SE) is the superior variant of SE1, having also facilities of clustering with Real Application Cluster, still it is limited to a server with maximum four processors;
- Oracle Database 10g Enterprise Edition (EE) represents the most complex version, with control programs for big volumes of data in transactional mediums and critical applications. Optimizations in the extraction of data from storages, high security and administration;
- Oracle Database 10g Personal Edition (PE) is the edition designated for individual development of applications, being compatible with the other products, such as SE1, SE and EE. The advantage lies in the fact that it circulates on variant stations, with more processors, but it is limited to a single user.
- Oracle Database 10g Express Edition (Oracle Database XE) is a recently launched edition, free of charge, designated for business mediums with small and medium adaptation request, it can be installed on any station, but being a free edition, the data base dimension is limited to maximum 4 GB.

The majority of available editions contain advanced facilities of administration and security, such as clustering, partitioning, ciphering algorithms, control programs for users, control of resources, and optimization of data request. Both adaptation transactional methods and Business Intelligence options are implemented with the OLAP functionalities, data mining and the support for the construction of data storages. From the data integration point of view, services for the interconnection of data from external sources and systems and present.

2. Analyze of the Business Intelligence facilities and instruments offered by Oracle Database 10g vs. Microsoft SQL Server 2005

About the performance in the accomplishments of requests on relational data bases in a study carried out in June 2006 by *Transaction Processing Performance Council (TPC)*, at the performance test TPC-C V5 which evaluates the processing of transactions performances in the OLTP systems (on-line transaction processing) on the variant without clustering, Oracle Database 10g occupies positions 3 and 4, after IBM DB2 and ahead of MSSQL Sever 2005, and in the clustering variant Oracle Database 10g is the only possible variant with a score of 1,184,893 tpcm.

At the *TPC Benchmark H (TPC-H)* test, for the processing performances in the ad-hoc reporting, in decisional mediums *Oracle Database 10g* with Real Application Clusters obtained a new record of performance in what concerns data processing for a dimension of the data base of 3000 GB. This is a test of evaluating analytic processing characteristics, of extracting data through requests and concurrent modifications.

The performance unity of measurement is called *TPC-H Composite Query-per-Hour Performance Metric* and it reflects many characteristics of data processing. These include the data base dimension, the processing and modification of data speed. As a result, on a 64-Node HP ProLiant server, with dual-core AMD processor Opteron 2.4 GHz and Red Hat Enterprise Linux 4, Oracle Database 10g with Oracle Real Application Clusters established a new record of performance, with 110,576.5 QphH@3000GB, having a cost/performance rate of \$37.80/QphH@3000GB.

The Oracle Database 10 g performances are obvious also at a data base dimension of 300, 1000 and even 10000 GB, while MSSQL Server 2005 occupies positions 5 to 10. At a data base dimension of 100 GB, the roles are reversed, MSSQL 2005 being on the first positions.

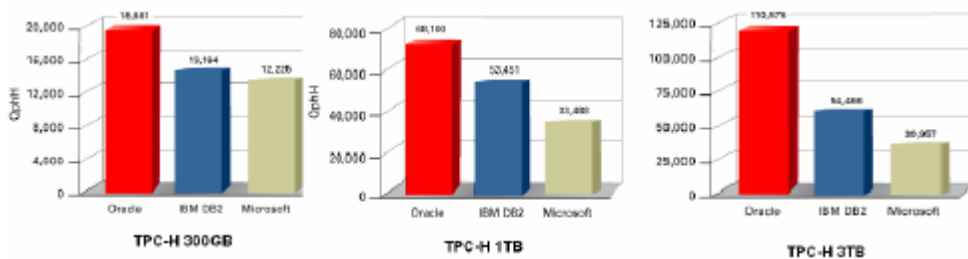


Figure 1 -The score of performance tests

3. Instruments and technologies for the development of applications and business intelligence systems

The Oracle platform offers a series of instruments and technologies for the development of applications and business intelligence systems which can be used in the accomplishment of EIS.

These are grouped in a special class - *Oracle Business Intelligence* and have the following components:

1) Components for data storage and preparation for analyze:

- Oracle Business Intelligence Warehouse Builder (OracleBI Warehouse Builder) for the projection, implementation and maintenance of data storages;
- Oracle Business Intelligence Discoverer Administrator (OracleBI Discoverer Administrator) for the accomplishment and administration of a vision oriented on business of relational data;
- Analytic Workspace Manager for the structuring of data in the scope of an advanced analyzes.

2) Components for data analyze and reports accomplishment:

- Oracle Business Intelligence Discoverer Plus (OracleBI Discoverer Plus) for the accomplishment of ad-hoc reports;
- Oracle Reports for the accomplishment of detailed reports at the entire company level;

- Oracle Business Intelligence Spreadsheet Add-In (OracleBI Spreadsheet Add-In) for the analyze of data directly into a calculus Excel paper;
- Oracle Data Miner for the accomplishment of data mining process;
- Oracle Spreadsheet Add-In for Predictive Analytics for the accomplishment data mining process directly into Excel.

3) Components for publication and interaction with the created reports:

- Oracle Business Intelligence Discoverer Portlet Provider (OracleBI Discoverer Portlet Provider) for publication of reports in OracleAS Portal;
- Oracle Reports for the distribution and publication of reports in the organization's medium, on the Internet through the integration with E-Business Suite or OracleAS Portal;
- Oracle Business Intelligence Discoverer Viewer (OracleBI Discoverer Viewer) which bares the visualization of reports on the Internet.

4) Components for the applications' development:

- Oracle Business Intelligence Beans (OracleBI Beans) is a component integrated in Jdeveloper and it permits the development of JSP applications;
- Oracle OLAP allows the creation and application of analytical functions which can be used in the applications made with OracleBI Beans.

The architecture of Oracle Business Intelligence offered by the Oracle Corporation is presented in the following figure:

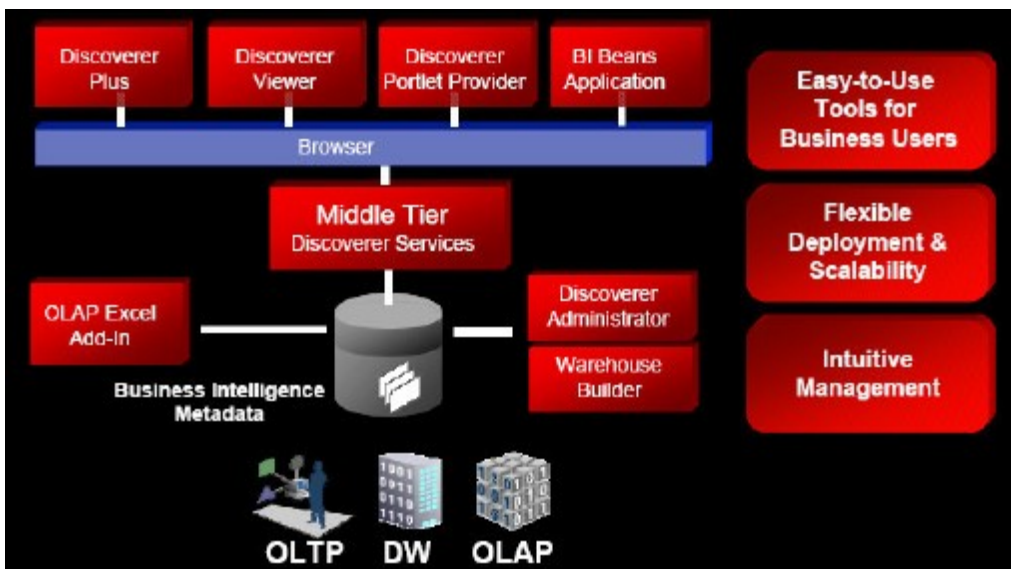


Figure 2 –Architecture of Oracle Business Intelligence [ORACLE Corporation]

Oracle Data Miner offers the possibility of accomplishing flexible applications with an intuitive graphic interface which can be easily modified by final users through the application of data mining algorithms and construction of predictable models of analyze.

As a result of the application of these models, a Java or PL/SQL code is generated. A series of applications can be built in order to apply the data mining process automatically.

In the following figures is presented the accomplishment of this kind of application (figure 3) and the obtained results (figure 4).

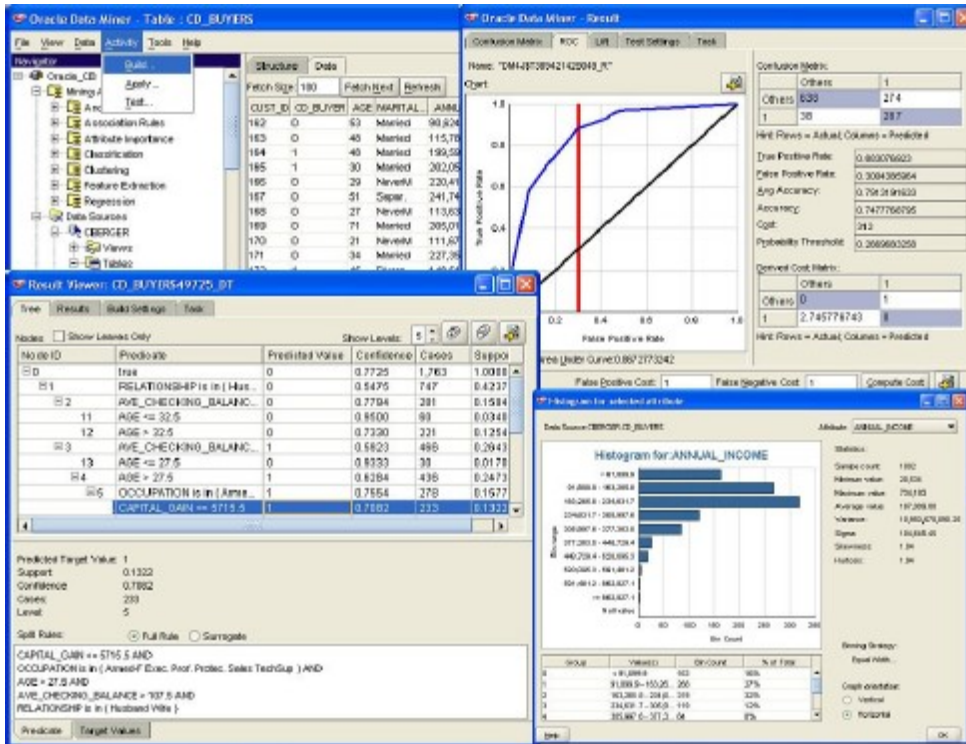


Figure 3: The construction of an application in Oracle Data Miner

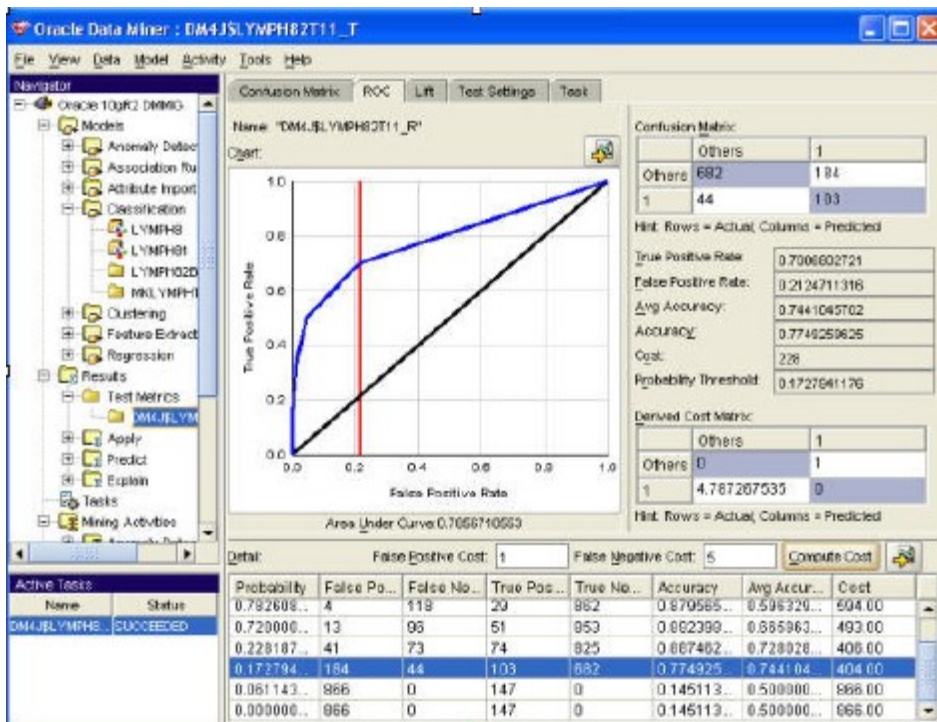


Figure 4: Results obtained after the application of data mining process

Oracle Data Mining permits the application of the following types of algorithms:
 Predictable models or supervised instruction:

- Algorithms of classification which suppose data grouping in different classes and then auto-classification of the new introduced values;
- Algorithms of regression – functions of approximation and of predicting the continuous values;
- Selection of the important attributes – the most relevant attributes of data is selected for the predictable results;

Descriptive models or unsupervised instruction:

- Clustering – discovery of grouping in data;
- Association rules based on the analyze of the “shopping cart”;
- Algorithms of extraction for the accomplishment of new attributes based on the existing ones;

-Models for multimedia (TEXT) and bioinformatics (BLAST)

Data necessary for the process are extracted directly from the Oracle data base, without being necessary their storage.

The Oracle components necessary for the accomplishment of a system for business intelligence bears the entire cycle of the system’s development which supposes the following steps according to ORACLE Corporation:

- Identification of the business requests coming from final users;
- Identification of data sources;
- Design of the data model;
- Accomplishment of the data storage;
- Generation of data;
- Preparation of data for the access of extraction and analyze instruments;
- Rendering of access rights;
- Distribution of reports and applications and catering of documentation.

Business requests can appear at all levels and departments of a company and the Oracle components allow the accomplishment of applications for the satisfaction of these requests:

- Board of administration: analyze of the key indicators for performance, analyze of the tendency of the organization’s development, exceptional reports;
- Planning and administrative analyze: investments, reorganization, allocation of resources, politics concerning human resources;
- The financial development: budgeting, consolidation, variance analyze, financial modelling, cash management, financial indicators;
- The commercial department: profitability, buyer’s profile, commercial profitableness indicators, sales analyze.

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THE MANAGEMENT OF DOCUMENTS – AN OPTIMISING COMPONENT FOR A COMPANIES IT SYSTEM

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In order to ensure success in the competitive world of business, companies must accommodate the needs of their clients, partners, employees and capital owner. Companies that pay attention to the way their documents and information are administrated are more prepared to face cost reduction and can respond much faster to the changes occurred on Basically, it is all about information and controlling it and thus the response time is minimum to any inquiries or demands that come from inside the informational system of the company. So, you need an efficient document management. Software solutions that come to your aid, in order to optimize this process are Electronic Document Management System.

Key words: Management, document, efficient, efficiency, opportunity, safety, IT.

Introduction

In the modern economy the rate of changes occurred in this environment is becoming more rapid.

Organizations are being bombarded with more and more information, which they must manage accordingly so they can benefit from opportunities and avoid possible threats. More and more management specialists agree on the idea that information represents one of the most important resources of a company, that is why it must gathered, analyzed transmitted, stored in an efficient, opportune, clear and safe way. This is why companies give great importance towards developing IT systems capable of:

- manage information with low costs;
- allows receptors in real time to receive information needed in the decision making process;
- contributes to the fulfillment of the objectives of the organization;
- eliminates or reduces to a minimum a series of specific deficiencies of an IT infrastructure such as: filtering, distorting, short-circuiting informational circuits, overcongestioning this circuits or even their redundancy;
- ensure increase security for information.

A solution for developing IT system with the above mentioned characteristics is the IT systems for managing documents

Actual problems in managing documents

According to an IDC¹ study, done in the USA on 550 companies (small, medium and corporation) the following conclusions arose:

- a) a 68% percentage of the participants at this study have expressed their belief that efficient initiatives in the management of documents generates competitive advantage, profit and higher income;
- b) efficient management of documents influences client services;

- c) approximately two thirds of the participants at this study estimated that they will obtain cost reduction with almost 20%.

An electronic document management system offers organizations the necessary tools to create, manage, distribute and control efficiency electronic documents. Thus it is possible to solve complex problems generated by:

- a) a large quantity of documents found in the IT system;
- b) directing these documents towards the persons responsible with analyzing the information, the decision makers;
- c) the informational content of these documents and the way it is transmitted;
- d) searching for documents, respectively the information contained on them;
- e) archiving documents;
- f) bringing them up to date and analyzing the documents (working with different versions or copies;
- g) documents security.

In the following we will present a series of solutions offered by an electronic document management system:

a) Large amount of documents

Problems	Solutions	Advantages
Registering documents	Capturing all entrance sources: - Registration; - Fax; - E-mail; - Electronic files of any type.	Easy management of documents.
Marking up documents	Indexing documents: - manually; - automatic.	Eliminating the risk of losing any documents.
Slow and hard evidence	Creating document packages on the basis of just one common information.	Reducing the time for gathering and analyzing information.
	Associated documents: Each document will be linked to another.	Creating the premises for a fast search and found operation for the documents.
		Diminishing or eliminating major deficiencies of the IT system linked with over crowding of its circuits.
		A unitary procedure for classifying documents in the company.

b) Directing documents towards the receptors who analyze the information needed in the decision making process

Problems	Solutions	Advantages
Loosing documents	Finding in real time the place where the document is.	Decreasing the time for the decision making process.
		It reduces or even eliminates the probability of short circuiting voluntary or involuntary the IT circuits (through wrong sending of documents).
Over passing the deadlines of the documents because of: <ul style="list-style-type: none"> - issuing the, by the decision makers; - absence from the organization of the in charge person; - the jamming in an information point of the IT circuit. 	Launching in an automatic or manual mode, on pre-establish work flows or ad-hoc.	Eliminating the blocking in document handling.
Modifying IT circuits in the company on short term due to sharing responsibilities, occurred due to the changes in the organizational chart. Launching documents on other informational documents the right ones.	A rapid programming of the IT circuit in concordance with the management request. Delegating responsibilities from a managing point of view.	A flexibility of the IT system, rapid adaptive to the changes occurred in the environment, allows the sustainability of management delegation process, and offers more flexibility to management.
A delay in transmitting documents, respectively information to some receivers.	Announcing the management factors of the premises for not meeting the deadlines.	A real and permanent evidence of the delegated tasks.
		The possibility for a direct intervention in order to meet the approved deadlines.

c) The informational content of these documents and the way it is transmitted

Problems	Solutions	Advantages
Omitting unintentionally or intentionally of information.	Documents become typed.	A better fundament of decisions and/or increasing operating efficiency.
	Correlating the informational content from more documents.	
	Automatic generation of documents that present dynamically information (charts, tables) that realize correlation between other documents.	Allows the applicability of a management system through exceptions, a faster way to interpret information/

The receptor does not understand the information in the message.	Adopting a same format for documents, based on the receptor.	Increases the efficiency and the effectiveness of operations and decision making process.
A long time for gathering analyzing and transmitting information.	Automating and comprising operations.	The information opportunity increases and operating costs of the IT system are reduced. The premises for implementing and developing a management based on knowledge are instituted ² .

d) Searching for documents, respectively the information contained on them

Problems	Solutions	Advantages
Loosing an important amount of time for finding the desired documents.	Searching after certain criteria for documents.	Decreasing the duration of the informational-decision making process.
A wrong identification of documents and of their locations in which they are located.	Searching for documents according to the information existent on them	Finding very fast the desired information.
The found documents do not contain the desired information.	Placing documents into folders according to the contained information or their responsibility.	Eliminates the times allocated to classifying documents.
	An automatic classifications of documents based on their contained information	Putting into use the entire content of the documents.

e) Archiving documents

Problems	Solutions	Advantages
Insufficient space for storing documents	An automatic classifications of documents based on their contained information or any other criteria	Decreasing the duration of the informational-decision making process
High financial resources allocated to this activity.	Electronic saving of this documents	Reducing the expenses allocated for his activity.
Allocated time for this activity	An automatic classifications and storage of documents based on their contained information.	The impossibility of misplacing or loosing any documents.

f) Bringing them up to date and analyzing the documents (working with different versions or copies

Problems	Solutions	Advantages
An almost impossible evidence of revisions made to multiple versions of the document.	An automatic evidence for versions as well as operations (who, when and what was done).	Reducing the expenses for document multiplying.
High consumption of resources:	The circulation of an electronic	A clear evidence of the

<ul style="list-style-type: none"> • paper; • consumers for printers and copying machines. 	copy of the document inside the company, ensuring the integrity of the original document.	operations done on any document.
A high probability that instead of the current version of the document, on the workflow there is another version.		The possibility to keep or to delete the desired versions of the document.
Allocating manpower, time and resources for this activity.	Electronic archiving of this documents.	The existence of an exact replica of the original documents.
The danger of destroying and/or deteriorating over time or due to wrongful usage the documents.	The existence of an exact replica of the original documents.	The quick find of the archived documents.
The hard and slow process of finding existing documents in the archive.	Storing the electronic archive in different locations.	A strict control over the persons who have access to the archive.
High costs for reconstructing an original document lost or partially destroyed.	Automating archiving of documents due to the desired usage/conditions.	

g) Document security

Problems	Solutions	Advantages
The existence of risk that confidential information can be divulged.	Keeping documents safe.	Minimal cost allocated to documents security.
	Automatically settling some priorities for access to different level information based on structure and decision competencies.	Reducing the risk of divulging any information. The possibility to efficiently apply a management though exceptions with its specific advantages.
The possibility of loosing documents or them being stolen.	Ensuring the conditions imposed by the companies security policy.	Eliminating the ways though which the information can leak.
The possibility to forge documents.	A strict control of the exit ways of documents from the company : <ul style="list-style-type: none"> - Fax; - E-mail; - Printing. 	Eliminating the premises for altering the content of the documents.

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UNE APPROCHE BASÉE SUR LA MÉMOIRE ORGANISATIONNELLE POUR LES SYSTÈMES INFORMATIONNELS

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Le concept de "mémoire organisationnelle" n'est pas nouveau mais, dans son acception courante, il répond à une problématique ancienne et récurrente, celle de la gestion des connaissances. Les défis d'une organisation qui entend mettre en place une mémoire organisationnelle sont difficiles à transcender, à cause d'un manque d'approche prescriptive sur ce sujet. Les systèmes informationnels de mémoire organisationnelle concernent le développement actuel d'outils de travail collaboratif permettant le transfert massif d'information au sein d'une organisation. Cette étude(1) présente ce que recouvre la notion de mémoire organisationnelle et (2) fait l'analyse des formes de représentation et des outils informatiques de développement d'une mémoire organisationnelle.

MOTS CLÉS: *Mémoire organisationnelle, base de connaissances, base de cas, Web sémantique*

1. INTRODUCTION

Capital immatériel (social, technique et culturel), la mémoire organisationnelle cartographie l'architecture cognitive d'une organisation, pour identifier, analyser, valoriser et préserver des connaissances (explications, prévisions, technologies), des informations (représentation des connaissances, idées, événements), des normes et des valeurs de groupe. Les motivations qui justifient la construction d'une mémoire organisationnelle peuvent être diverses (Barthès, 1999 ; Benayache,2005 ; Dieng, 2002):

- exploiter les acquis cognitifs des employés qui émergent au fil de la vie (valoriser l'expérience);
- éviter la perte de savoir-faire des spécialistes après leur retraite ou mutation;
- conserver les leçons du passé, afin d'éviter de reproduire certaines erreurs;
- exploiter la cartographie des connaissances d'une organisation à des fins stratégiques;
- améliorer la gestion des flux informationnels et la communication organisationnelle (susciter des connaissances utiles à l'action) et intégrer les différents savoir-faire d'une organisation;
- diffuser les meilleurs pratiques efficaces et conforter l'intuition et la créativité;
- améliorer l'apprentissage et l'intégration des nouveaux dans l'organisation.

Concept sociologique, la mémoire organisationnelle est intégrée par la communauté informatique dans le cadre théorique des systèmes de type OMIS (en anglais, Organizational Memory Information Systems). Une analyse des recherches dédiées aux systèmes de type OMIS relève la difficulté à solutionner les problèmes qui visent: la complexité de la modélisation d'un contenu diversifié ; la capitalisation des connaissances formelles et informelles, explicites et tacites ; le caractère hétérogène des sources de la mémoire organisationnelle ; l'existence d'un spectre large des définitions et des concepts associées à la mémoire organisationnelle et la nécessité d'articuler plusieurs points de vue: socio-organisationnel, économique, financier, technique, humain et légal dans la modélisation d'une mémoire organisationnelle. Cette étude réalise une analyse de la recherche empirique sur la mémoire organisationnelle des cinquante dernières années afin de mettre en évidence les principales tendances des choix théoriques et méthodologiques effectuées et l'impact de ces choix quant à la genèse et l'évolution de la connaissance dans le domaine. De façon plus spécifique, notre recherche apporte des réponses aux questions suivantes : « Quels sont les approches théoriques de base de la mémoire organisationnelle ? », « Quels sont les outils informatiques disponibles pour matérialiser cette mémoire ? », « Quelles implications pouvons-nous en tirer de cette analyse pour le développement des systèmes informationnels? ». En ce qui concerne la démarche méthodologique, nous avons utilisé : a) le recensement des ouvrages à analyser : consultation

systématique des bases de données bibliographiques en ligne; consultation progressive des ouvrages riches en références bibliographiques; consultation systématique des collections de revues spécialisées sur ce sujet ; b) l'élaboration d'un cadre d'analyse des travaux à analyser: prise en compte des critères d'analyse élaborés antérieurement dans d'autres recherches ; c) l'analyse des données, c'est-à-dire l'analyse de contenu et l'analyse descriptive.

2. Mémoire organisationnelle : une approche classique pour un concept encore émergent

Dans son acception courante, la notion de "mémoire organisationnelle" couvre l'ensemble des savoir et savoir-faire en action (Barthes, 1999) mobilisés par les membres d'une organisation pour lui permettre d'atteindre ses objectifs. L'actualité de ce concept résulte d'une prise de conscience d'un nombre important d'organisations que les acquis cognitifs détenus par leurs membres constituent un capital immatériel qui offre un immense avantage concurrentiel. Les approches existantes dans la littérature (El Louadi&Fourati, 2005) offrent une notion de mémoire organisationnelle qui varie en termes de contenu : informations pour (Walsh&Ungson, 1991), connaissances pour (Stein, 1995), paradigmes pour (Wijnhoven, 1999), compétences pour (Nonaka&Takeuchi, 1995). L'organisation considérée (Dieng et al., 2002) peut être une entreprise ou un organisme public, mais elle peut également se restreindre à un département ou à un service donné ; elle peut également consister en un groupe, une communauté, ou une entreprise virtuelle constituée de membres provenant éventuellement de différentes entreprises, rassemblés pour un objectif commun (par exemple, la réalisation d'un projet). (Ackerman&Halverson,2000) ont avancé l'idée de l'existence d'une mémoire supra-individuelle, peut-être même de plusieurs mémoires, totalement distribuées entre plusieurs individus et technologies.

La mémoire organisationnelle a été conceptualisée de différentes manières (Seville-Girod, 1996). C'est pourquoi nous considérons qu'il est nécessaire de revenir aux définitions de la mémoire données dans les premiers travaux sur la cognition organisationnelle. Selon (Cyert&March, 1967), la mémoire organisationnelle est l'ensemble des procédures standards opérationnelles. D'après (Argyris&Schön, 1978), (Weick, 1979), elle est un ensemble de cartes cognitives collectives. Pour (Van Heijst et al., 1996) elle est une représentation explicite, persistante, et désincarnée des connaissances et des informations dans une organisation. Selon (Muller, 1997) elle représente un ensemble de données collectives et des ressources de connaissances d'une organisation. Pour (Polanyi, 1967 ;Dieng, 2002), la mémoire organisationnelle est un ensemble de connaissances explicites (connaissances transmissibles dans un langage, qui peuvent être énoncées, communiquées et capturées dans un écrit ou exposé, dans des documents, bases de données, etc.) et tacites (connaissances connues sans en avoir conscience, difficiles à énoncer, formaliser et communiquer par le langage).

Le développement d'une mémoire organisationnelle repose sur la volonté de préserver, afin de réutiliser les raisonnements, les comportements, les connaissances, même en leur contradiction et dans toute leur variété (Pomian, 1996). (Walsh&Ungson, 1991) considèrent que la mémoire organisationnelle ne se limite pas aux mémoires humaines puisqu'elle s'étend aux archives, aux procédures de travail, à la structure organisationnelle et à la culture de l'organisation. Dans leur modèle, (Walsh&Ungson, 1991) considèrent que la mémoire organisationnelle vise six éléments: les individus, la culture, les transformations organisationnelles, les structures, l'écologie organisationnelle et les archives externes (El Louadi, 2004 ;2008). (Ackerman, 1996) souligne le fait que les dépôts d'information tels que les manuels d'utilisation, les bases de données, les systèmes d'archivage manuels et même les anecdotes devraient également être inclus dans le construit d'une mémoire organisationnelle. Selon El Bortef, cité par (Dieng, 2002), on peut distinguer dans la structure d'une mémoire organisationnelle cette typologie des connaissances: compétence (*savoir-agir responsable et valide*) ; savoirs théoriques (concepts, schémas, connaissances disciplinaires, connaissances sur les processus, connaissances sociales, connaissances organisationnelles, connaissances sur les produits/matériels) ; savoirs procéduraux (« *comment-faire* » pour une action) ; savoir-faire procéduraux (permettant, après l'entraînement d'appliquer lors de l'action les méthodes, procédures connues grâce aux savoirs procéduraux); savoir-faire empiriques (comprenant les leçons tirées de l'expérience pratique) et savoir-faire sociaux.

D'une façon presque générale, les concepts énumérés ci-dessus ont été proposés et utilisés dans d'autres disciplines (sociologie, management et psychologie cognitive). L'utilisation d'outils informatiques pour matérialiser une mémoire organisationnelle modifie intrinsèquement les approches et les structures

traditionnelles. D'une part, ils facilitent l'existence des communautés cognitives (Crepet, 2004) et leurs interactions réciproques et d'autre part, ils favorisent la perméabilité des frontières cognitives internes et externes.

3. Mémoire organisationnelle : formes de matérialisation et outils de développement

Depuis le début des années 90, plusieurs techniques ont été adoptées pour la construction d'une mémoire organisationnelle. Elle peut être non informatisée (une publication sous forme de document de travail, un livre, une exposition de photographies, un film, une cassette audio) ou être matérialisée sous forme logicielle (Dieng et al., 2002). Le choix d'une solution technique dépend du type d'organisation, de sa taille, de ses besoins, de la culture organisationnelle, de l'environnement de travail des acteurs concernés par la mémoire. Les technologies d'information et de communication (TIC) assurent l'infrastructure et les outils pour matérialiser cette mémoire dans une diversité de formes qui sera analysée dans la suite:

a) Mémoire documentaire

Une mémoire documentaire se matérialise par un système documentaire exploitant les documents existants de l'organisation (Bahoul, 2006 ; Dieng et al., 2000). Les approches de la mémoire documentaire existantes dans la littérature présentent des systèmes de consultation de documents techniques ou exploitent des techniques d'ingénierie documentaire (catalogage, analyse et indexation) et hypertexte (Dieng et al., 2002).

La construction d'une mémoire documentaire implique les étapes suivantes (Dieng et al., 2002) :

- Le choix des fonds documentaires qui seront intégrés dans la mémoire (pour déterminer les documents qui devront faire partie de la mémoire) ;
- La numérisation des documents qui consiste en la transformation des documents papier en documents électroniques (à l'aide des systèmes de type OCR ou des scanners) ;
- L'homogénéisation éventuelle du format des documents suivant leur nature (selon le cas, on peut adopter des formats bureautiques classiques (Excel, Word, Lotus), des formats structurés (SGML, XML) ou des formats pour le WEB (HTML) ;
- L'élaboration éventuelle de nouveaux documents (dans le but d'intégrer des documents décrivant les savoir-faire d'experts) ;
- L'indexation des documents (pour faciliter la recherche d'information) qui consiste en la utilisation des différents types d'index : index intégral, index relatif au domaine des connaissances capitalisées, index relatif aux activités de l'organisation ou un thésaurus spécialisé.
- Le choix de l'organisation de la mémoire documentaire (la mémoire documentaire doit être organisée, mise en forme et structurée pour être accessible aux utilisateurs) ;
- L'utilisation d'un système de gestion électronique de documents pour permettre la préparation des documents, la recherche documentaire, l'ajout ou la retraite d'un document. Ce type de système couvre, en général, tout le cycle de vie de certains documents de l'organisation ;
- La mise à disposition des documents dans l'intranet de l'organisation (utilisant un moteur de recherche avec des facilités de traitement linguistique).
- L'évolution de la mémoire vise le mode de collecte de nouveaux documents qui seront intégrés dans la base documentaire. Cette collecte peut être active ou passive du point de vue de l'organisation, centralisée dans un service ou répartie entre les membres de l'organisation.

b) Mémoire à base de cas

Le raisonnement à partir de cas est un paradigme de résolution de problèmes qui vise à trouver, pour un problème présent une solution construite en réutilisant une solution mémorisée d'un problème similaire au problème actuel. Chaque organisation dispose d'un ensemble d'expériences antérieures (succès ou échecs) qui peuvent être représentées et enregistrées dans une base de cas (chaque expérience pourra alors être décrite dans un cas). Toute nouvelle expérience peut être mémorisée dans la base de cas la rendant immédiatement disponible pour les problèmes futurs. Ce type de système a la capacité d'établir une relation entre le passé et le présent dans une perspective de valorisation de l'expérience. D'une façon générale, un cas contient au moins deux parties : une description représentant "un problème" et "une solution" utilisée pour remédier à cette situation. Ce type de système offre la possibilité de capitaliser

l'expertise d'une organisation. Le raisonnement à partir de cas est particulièrement bien adapté pour les applications ayant les caractéristiques suivantes (Oumar, 2005) :

- les situations qui seront formalisées sont répétitives et les solutions sont réutilisables ;
- le domaine est mal formalisé (peu de documentation, expert non disponible) et un modèle du domaine ne peut pas être élaboré ;
- les expériences sont disponibles dans une base de données, dans des documents ou chez un expert humain ;
- une analyse détaillée du domaine n'est pas nécessaire pour obtenir des solutions satisfaisantes et la tâche n'exige pas une solution optimale;

c) Collecticiels

Le concept de Travail Coopératif Assisté par Ordinateur (en anglais, *Computer Supported Cooperative Work -CSCW*) recouvre les systèmes interactifs multiutilisateurs permettant à plusieurs utilisateurs de travailler ensemble. Les termes *collecticiel* (en anglais, *groupware*) et *synergiciel* désignent ce type de système interactif.

Les principales fonctionnalités des collecticiels (Dewan, 2001; Parrend, 2005) qui peuvent favoriser la construction d'une mémoire organisationnelle sont : l'interaction individuelle ; le couplage (effet d'action d'un utilisateur sur la présentation des autres); faire-défaire (undo) ; trouver des différences dans les versions indépendantes d'un objet (en anglais, *diffing*) ; combiner des version indépendantes d'un objet unique (*merging*) ; contrôle d'accès (gestion des droits des auteurs, autorisation d'action); contrôle de concurrence (prévenir l'inconsistance d'actions effectuées simultanément); gestion du processus du déroulement d'interventions et d'actions (en anglais, *workflow*) ; conscience de l'autre (en anglais, *awareness*; rendre compte des activités des autres afin de partager une perception rendant compte de l'évolution globale du travail collectif); gestion de session : gestion des arrivées et des sorties des différents acteurs dans une session de travail collaboratif.

(Nigay, 2008) groupe les collecticiels en quatre catégories qui sont : (1) les applications dédiées à la communication homme-homme médiatisée (en anglais, *Computer-Mediated Communication*) qui visent les messageries électroniques, les forums de discussion, les systèmes de vidéoconférence et les *mediaspace* ; (2) les applications d'édition qui regroupent les éditeurs de texte et les tableaux blancs partagés ; (3) les applications pour la coordination qui rassemblent des systèmes *workflow*, les systèmes d'aide à la décision et les calendriers partagés, (4) les applications de jeux en réseau.

Selon (Nigay, 2008) il y a des différents types de collecticiels qui favorisent la communication et le travail coopératif assurant la création et la diffusion d'une mémoire organisationnelle:

- *Les messageries électroniques (e-mail)* : qui sont actuellement les collecticiels les plus répandus et les plus utilisés, la grande tendance dans ce domaine étant celle de la messagerie instantanée.
- *Les forums de discussion (chat et newsgroup)* diffèrent par leur mode d'utilisation, synchrone ou asynchrone. La première classe regroupe les forums en ligne du type IRC (*Internet Relay Chat*), des applications très répandues qui reposent sur le concept de canal de discussion. La seconde classe rassemble des listes de diffusion (*mailing list*) et des *newsgroups* pour des discussions asynchrones sur un thème donné.
- *Les systèmes de vidéoconférence* permettent à des personnes physiquement distantes de se réunir et communiquer par l'intermédiaire d'un support audio et vidéo. Il s'agit d'un forum de discussion offrant une communication reposant sur des données audio et vidéo à l'opposé des forums de discussion du point précédent qui se basent sur des échanges textuels.
- *Les mediaspace* sont des collecticiels mettant en œuvre une liaison vidéo au sein d'une équipe dans le but de favoriser la communication informelle et d'entretenir une conscience de groupe forte entre membres distants. Ce système immerge des utilisateurs dans un espace en trois dimensions. Les utilisateurs sont observables à travers une vignette vidéo collée à l'extrémité d'une forme géométrique longiligne.
- *L'édition conjointe (en anglais, shared editing)* est assurée par les éditeurs partagés qui sont des systèmes dédiés à l'édition collaborative de documents avec gestion des différentes versions. Les éditeurs de texte partagés ou les éditeurs de dessins partagés comme les tableaux blancs partagés (*shared whiteboard*) sont des exemples de collecticiels permettant l'édition conjointe.

- *Les systèmes workflow* sont des systèmes dédiés à la gestion de processus industriels et à la coordination des différents intervenants au cours d'un processus. Le logiciel de workflow doit permettre de répondre aux questions "qui fait quoi, quand et dans quel but", la logique pour déterminer dynamiquement les itinéraires au moment de l'exécution d'une tâche et des exceptions aux règles.
- *Les calendriers partagés (en anglais, group calendars)* sont des systèmes qui offrent des services de planification de tâches, de gestion de projets et de coordination de membres d'une équipe de travail. Les fonctionnalités usuelles incluent la détection d'incompatibilités dans la planification d'une tâche ou la détermination de plages horaires communes aux membres d'un groupe (ex : Lotus/Organizer est un outil de planification collaborative).
- *Les systèmes d'aide à la décision (en anglais, GDSS-Group Decision Support Systems)* fournissent un soutien aux décideurs durant le processus décisionnel. Ces systèmes utilisent des modèles analytiques, des bases de données spécialisées, des idées et des jugements du décideur, et un processus informatisé de modélisation interactive en vue de soutenir chaque décideur lors de la prise de décisions semi-structurées et non structurées (Nigay, 2008). Ils sont donc conçus pour fournir des réponses rapides et ad-hoc et pour faciliter la prise de décisions grâce à l'apport de nombreux outils : brainstorming, votes, pondération des décisions, génération et annotation des idées, etc. Les bases de données multidimensionnelles (hyper cubes) généralement utilisées de manière décisionnelle, peuvent constituer une forme de matérialisation de la mémoire organisationnelle exploitable par l'approche OLAP. Un entrepôt de données c'est un outil décisionnel caractérisé par des données orientées métier (qui peuvent constituer un support pour la matérialisation de la "mémoire métier") ou business (une autre forme de matérialisation de la "mémoire société") en accord avec la typologie de la mémoire organisationnelle proposée par Tourtier (Tourtier, 1995)

d) Mémoire à base de connaissances

L'ingénierie des connaissances permet la construction d'une mémoire organisationnelle basée sur l'acquisition et la modélisation explicite des connaissances de certains experts de l'organisation. Au lieu de viser une résolution automatique pour une tâche (élément spécifique aux systèmes experts qui possèdent capacités automatiques de raisonnement), une mémoire organisationnelle doit plutôt aider l'utilisateur, en lui fournissant des informations appropriées de l'organisation mais en lui laissant la responsabilité d'une interprétation et d'une évaluation contextuelles de ces informations (Dieng et al, 2002 ; Benayache, 2005 ; Kühn et Abecker, 1997). La mémoire organisationnelle peut intégrer une base de connaissances formelle représentée dans un formalisme de représentation des connaissances tel que les formalismes objets, les réseaux sémantiques ou les graphes conceptuels, etc. Le niveau de détail visé par la modélisation des connaissances est variable. Selon le cas, il pourra s'agir de (Dieng *et al*, 1998 ; Benayache, 2005) :

- *Un annuaire des compétences*-qui permet de construire une cartographie des compétences de l'organisation pour identifier les types d'activités, le contexte dans lequel un expert est consulté, les compétences individuelles, la localisation de ces compétences, etc.
- *Une base des meilleures pratiques*-qui est représentée par une base de connaissances sur les "meilleures pratiques" pour certains métiers d'entreprise (Dieng et al., 2002). Une telle base vise des connaissances en provenance de multiples sources à la fois internes et externes.
- *Un livre de connaissances* : celui-ci consiste en un document contenant les descriptions textuelles et graphiques des modèles de connaissances obtenus après la modélisation des connaissances de certains experts de l'organisation (Ermine, 1996 ; Benayache, 2005). Le livre de connaissances peut être organisé sous forme d'un hyper-document, avec des liens vers d'autres sources d'information de l'organisation. Les techniques de gestion d'une mémoire documentaire peuvent alors s'appliquer au livre de connaissances, une fois celui-ci mis sous forme de documents. Les méthodes d'ingénierie des connaissances peuvent être adaptées pour construire une mémoire à base de connaissances: a) une méthodologie descendante (ex : CommonKADS) proposant des modèles génériques à partir desquels on peut interpréter les données recueillies des experts ; b) une méthodologie ascendante (ex : KOD) où, partant des données du recueil, on les abstrait de façon à construire des modèles ; c) une méthodologie mixte, combinant les approches ascendante et descendante.

e) *Mémoire hybride*. Dans le cadre d'une mémoire organisationnelle matérialisée dans des documents, on peut associer à de tels documents une connaissance formelle sur laquelle pourra être effectué un raisonnement afin de rechercher les documents adéquats ou les parties adéquates du document (Dieng et

al., 2002). Il s'agit d'un Web sémantique, qui désigne un ensemble de technologies visant à rendre le contenu des ressources du World Wide Web, grâce à un système des métadonnées formelles, utilisant notamment les protocoles et les langages standards du Web : le protocole HTTP, les URI (Uniform Resource Identifiers), le standard XML. À ces standards s'ajoutent ceux qui sont propres au Web sémantique : RDF, RDF Schema, OWL, SPARQL. La connaissance formelle peut représenter une partie du document ou peut consister en des méta-informations sémantiques sur le document qui contiennent des informations supplémentaires non explicites. La recherche documentaire des documents accessibles par le Web, annotés sémantiquement, peut être guidée par une ontologie.

4.CONCLUSION

Les organisations vivent dans un environnement hétérogène, dynamique et en cours d'évolution qui mène souvent à des changements externes et internes requérant l'évolution de leur mémoire organisationnelle. Peu de recherches actuelles font face aux changements et fournissent des facilités de maintenance pour les systèmes de mémoire organisationnelle. Du point de vue opérationnel, il est nécessaire d'exploiter les avantages des technologies de l'information et des communication dans le but de développer les échanges de savoir-faire, de créer des communautés de pratiques en utilisant les potentiels apportés par les nouvelles technologies et d'inventer de nouvelles formes de travail coopératif au travers des réseaux électroniques. Pour assurer l'apprentissage organisationnel, la mémoire organisationnelle (1) doit être étendue et mise à jour pour soutenir les pratiques de travail ; (2) doit être continuellement réorganisée pour intégrer les nouvelles informations et les nouvelles préoccupations, et (3) doit stocker des informations pertinentes pour une nouvelle tâche à accomplir.

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THE AFFORDABILITY AND THE FISCAL PRESSURE – MAIN INDICATORS IN CAPITALISING THE DECISIONS OF THE PUBLIC MANAGER

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Abstract: The paper's objective is to present the affordability and the fiscal pressure, essential indicators, in our opinion, in capitalising every local community's fiscal policies, specific to the natural person and legal person tax payers. Therefore, these indicators must be considered when arguing the public manager's decisions in order to follow the pressure that the local taxes and fees owed by the natural person tax payers are exercising on the family budgets.

Key words: affordability, fiscal pressure, public management, public services

JEL code: M1, H3, H4,

General considerations

The importance of the income and expenditure budget for the financial management of a local community is such an obvious reality that it is not necessary to be underlined.

Generally, a public budget is conceived as “architecture of values” and it is the place where the collections confront the payments, budgetary surpluses or deficits might result.

Therefore, the problem a public manager might encounter is to maximize the incomes of the local budget, to streamline the costs of the public services that he/she must ensure to the citizens of the community and to make the most realistic decisions for the capacity of own citizens to cover their fiscal obligations to the incomes of that particular community's budget.

The budget's classical structure gives the possibility to make the calculation for a series of indicators regarding the incomes and expenditures, the most important being the scissors effect according to which the local communities' own incomes with an increasing tendency, in a certain period of time T_n , intersect with the levies from the state budget with a decreasing tendency.

The significance of the T_n moment is important for the financial management from several perspectives.

-it indicates the existence of possible treasury gaps due to the decrease of the sums received from the state budget but also to some possible syncope in the process of fee and tax payment by the tax payers of that particular community

- T_n is the moment when the public manager must decide whether the local fiscality can be borne by the tax payer or it is inhibiting

The scissors effect is very important for the financial management for in the moment T_n the local budget's availabilities are affected, occurring the tendency of own incomes increasing in the same time with a strong diminishing of the levies from the state budget. Without detailing too much, we will mention that the T_n moment has **multiple meanings** for the public manager:

- a) it indicates consolidation of the **financial independence** up against the central budget, which must be compulsorily followed by a transfer of fees, taxes and shared taxes portfolio;
- b) it indicates an increase of **own incomes** either as a result of a fiscal policy based on an increase of the taxation rate or, on the contrary, as a result of the support of local economic development we are witnessing a fiscal policy based on an extension of then taxation basis;
- c) the T_n moment can be accompanied by a significant increase of the **capital incomes** as a compensation measure of the policies based on the continuous increase of the taxation rates.

Together with the scissors effect and the indicators determined based on the income and expenditure budget, we consider the two indicators mentioned above: the affordability and the fiscal pressure to be useful for the “dashboard” of the financial management.

The affordability and the fiscal pressure

A recently introduced concept in the Romanian specialty literature²⁶⁴, affordability means the pressure that the local fees and taxes owed by the natural person tax payers exercise on the family budgets. Thus defining affordability, it results that its defining elements contain:

- the local fees and taxes owed by the natural person tax payers from the estate duty (building tax, land tax, car tax etc.);
- the family budget resulted from the statistic surveys, a indicator usually communicated by the County Statistic Boards;

For the financial management it is important to know the calculation “technique” of this indicator starting from the following model:

$$Af = \frac{It, l / inh}{Bft}$$

Where:

Af – affordability

It,l / inh – local taxes and fees /inhabitant

Bft – family budget during the t period

$$It, l / inh = \sum_{i=1}^n \frac{It, li}{Np}$$

Where:

It,li – local taxes and fees resulted from the budget execution

Np – number of population

Relatively simple to determine, the traceability of evolution and of the weighting that the fiscal incomes have in the family budgets is important in order to establish the type of fiscal policy to apply to the natural person estate duty.

The graph below is representative in this view:

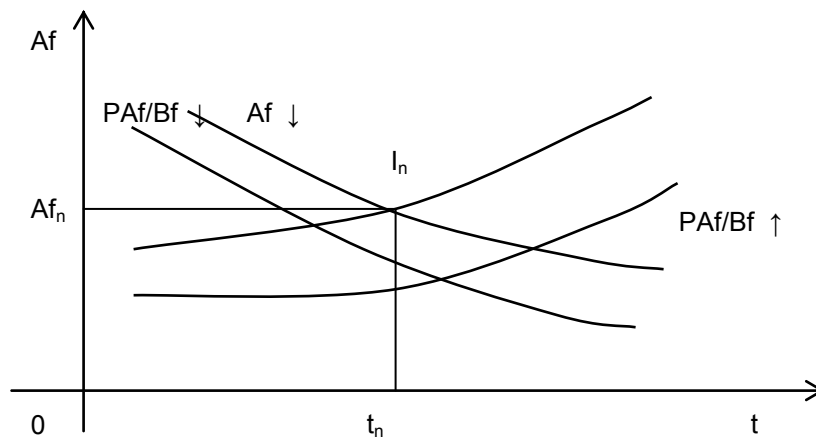


Figure 1 – The Af and Paf/Bf evolution during the t period

²⁶⁴ USAID – Studiu privind credibilitatea financiară și descentralizarea administrațiilor publice locale, 1997, București

The following situations occur:

I) A tendency to increase the affordability value during a t period of time, followed also by an increase of the weighting of the affordability value in the family budget indicates the existence of a fiscal policy on the rise and may be the result of:

- a) the increase of the taxation rate (ri), a negatively appreciated thing by the tax payers, the yield of the collections from taxes and fees being also endangered;
- b) the increase of the taxation basis (Bi), as a result of the support of a sustainable economic development;

II) A tendency to diminish the affordability value and its weighting in the family budget is the result of a relaxing fiscal policy having as potential causes:

- a) a decrease of the taxation rate (ri) followed, up to a certain level, by an increase of the yield of collections and it is based on a fiscal policy considered to be favourable by the tax payers;
- b) a diminishing of the taxation basis, considered unfavourable, with a negative impact on the local economic development.

No matter the evolution of the indicator – affordability – I consider that, when establishing the fiscal policies for the natural person tax payers, it must have a deciding role in capitalising the type of fiscal policy to be implemented during a financial year.

The fiscal pressure – the second spectator in capitalising the fiscal policy decisions

The affordability and the fiscal pressure are main indicators in arguing the fiscal policies of every local community, specific to natural person and legal person tax payers. The fiscal pressure, determined as a ratio between local taxes and fees, owed by the legal person tax payers as estate duty, land tax or the car tax and the added value has a relatively simple mathematical expression, yet the calculation technique is relatively complicated, being an expression like:

$$Pf = \frac{\bar{It}, l / \text{contr}}{\bar{V}_{At} / \text{contr}}$$

Where:

Pf – fiscal pressure

$\bar{It}, l / \text{contr}$ - local taxes and fees per legal person tax payers during the t period of time

$\bar{V}_{At} / \text{contr}$ - average added value per tax payer

Establishing the average taxes and fees per legal person tax payer is a mathematical attribute, being used a relation like:

$$\bar{It}, l / \text{contr} = \sum_{i=1}^n \frac{It, li}{Nci}$$

The added value, in turn, belonging to the category of intermediary balances of administration²⁶⁵, is known in the specialty literature as remuneration source, including of the local budget, in the forms of the priority tax, being established according to a relation like:

$$\bar{V}_{At} / \text{contr} = \frac{\sum_{i=1}^n (Q \text{ ex } i - C \text{ tertii})}{Nci}$$

Replacing the relations from above in the fiscal pressure formula, it is obtained:

²⁶⁵ *Georgeta Vintilă – Gestiunea financiară a întreprinderii, Ed. Economică, București, 2003, p. 152*

$$Pf = \frac{\sum_{i=1}^n I_{t,li}}{\sum_{i=1}^n (Q_{ex\ i} - C_{terti\ i})} \times 100$$

It is important, in my opinion, to establish the manner to interpret the fiscal pressure in comparison with the fiscal policies, two situations, as in the case of affordability, being encountered:

I) The value of the fiscal pressure follows an upward trend and the weighting of the fiscality in the added value is increasing and it has as causes the following:

- a) an increase of the taxation rate (r_i), a situation usually appreciated as being unfavourable by the tax payers, even though it can be the consequence of an underestimation of the value of the taxable basis;
- b) an increase of the taxation basis (B_i) reflects a favourable situation, determined by the support of a sustainable economic development, through implication modalities presented in the previous paragraph.

II) The value of the fiscal pressure has a descending evolution and a weighting of the fiscality in the added value which also follows a descending evolution, has as causes:

- a) a diminishing of the taxation rate (r_i), a result of relaxing fiscal policies, favourably appreciated by the tax payers;
- b) a diminishing of the taxation rate (B_i) with most unfavourable consequences on the local economic development.

I am convinced that the two indicators, beyond the hardships encountered by the mathematic calculus or the interpretation of the values, will represent an orientation guide for the manager interested in obtaining the best performance for the fiscal policies, so that the ration between the values of the budget debts and collections register as low as possible values.

Conclusions

In the analysis of the financial management assumed at a certain interval of time by a public administrator (public manager) it must be considered the degree of affordability of the fiscal “burden” by the citizens of the local community, either it is about natural persons or legal entities (economic entities). If this reality does not represent a major benchmark in the field of public incomes, it is certain that the capitalization of own incomes achievement is wrong from the point of view of the tax payer’s financial capacity to pay off his/her legal obligations to the local budget, with repercussions on the chapter of public expenses fulfilment engaged at the beginning of the budget period.

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DIAGNOSIS ANALYSIS –THE FIRST STAGE IN DRAWING UP LOCAL STRATEGIES

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Abstract: The paper intends to present the manner in which the public services diagnosis is made, taking into consideration the complexity of its making. The making of the public services' diagnosis is determined on one hand by the number and diversity of public services ensured by the local authorities, and on the other hand, by the extremely high number of service operators and also by the different forms of organization that these have. We consider that the best way to achieve the public service diagnosis is yet the consultation with the public opinion as a beneficiary of these services. We appreciate that the diagnosis analysis would not be finished if a general conclusion regarding the activity performed by the local communities were not made, a reason for which we recommend that each type of diagnosis made should be appreciated with ratings.

Key words: diagnosis analysis, juridical diagnosis, economic-financial diagnosis, public service diagnosis, management diagnosis, human resources diagnosis.

JEL Code: M1, H3, H4,

General considerations

As a specific management technique, the **diagnosis analysis** consists in investigating the organization²⁶⁶ and its competences, in order to emphasise its strengths and weaknesses, to evaluate the potential and to word out recommendations, based on causes generating dysfunctionalities and positive aspects.

In other words, the **diagnosis analysis** means setting up the strengths, the weaknesses, the advantages and the opportunities for the Romanian local communities, following that later, based on the established objectives, all the resources necessary to achieve them are used, in due time and according to the measure plans approved.

The SWOT analysis is a good opportunity to reflect on the opportunities that they have, the local communities (for example a certain utility network endowment, the disposal of certain natural resources inexistent in other areas) to make them attractive from the perspective of the investors. We must not forget also the advantages that may wear different forms, from the attractive cost of the labour force to a certain degree of the latter's specialization or the production of material resources in a certain place, all are examples of advantages representing a **potential of benefits** for the local communities.

Opportunities-advantages

The **opportunities-advantages** relation must be quantified together with the emphasis of the dysfunctionalities and the wording out of recommendations at the level of collectivities, for only in this way, I consider, that the chances of the strategy to be implemented in the interest of the community, are maximal.

Beyond the diagnosis typology consecrated in the speciality literature, I appreciate that for the local communities the following categories of diagnoses are very useful:

- **the juridical diagnosis** has as main purpose to appreciate the capacity of the local communities to implement the legal norms no matter their form: laws, decrees or decisions, for their mission is to ensure public services based on the resources collected, cannot be fulfilled if the compliance with the general interest norms is not ensured.

Yet, which are the criteria that can be used to make the **juridical diagnosis**?

Among the criteria I recommend to be used, I mention:

²⁶⁶ Ovidiu Nicolescu (coordinator) – *Strategii manageriale de firmă, Ed. Economică, București, p. 186;*

- the volume of regulations that the local authorities have to implement (the emphasis of the degree of bureaucracy);
- flexibility in implementing legal regulations;
- promptness, expressed in terms of answer to the citizens' claims;
- the volume of actions, determined by the implementation of legal norms.

It is obvious that the experts will be able to identify other criteria, too, but, in my opinion, those mentioned above are relevant when wording out an authorised diagnosis on the feasibility of the juridical system that the local authorities have at a certain moment.

- **the economic-financial diagnosis**, an important component of the general diagnosis and it has in view the appreciation of the **state of performance and of the financial position of each community**, and considering the reform of the public accounting system, through the transition from the cash accounting to the engagement accounting, it is possible to calculate and use some indicators reminding of:
 - the economic-financial potential of the local community (expressed in liquidity and solvency indicators);
 - the capacity to invest in the investments;
 - the capacity to contract the debts (borrowed sources);
 - the size of the result of the financial year and the budget execution;
 - the ratio between own incomes, borrowed or pulled out, but also the ratio between the operational expenditure and capital, to be able to characterise the financial policies and those regarding the use of the resources at the level of local communities.

For this type of diagnosis, too, other criteria and indicators can be conceived. It is essential in my opinion the need to detect the best those indicators characterising the financial position and performance of that community and also in comparison to other communities.

- **the public service diagnosis**, the most important aspect of the general diagnosis of a group, for, as we have underlined several times, the mission of the local authorities is to ensure public services in the interest of the inhabitants. The public services must be appreciated both from the perspective of their quality and from the perspective of endowment with the necessary equipment in order to be provided.

Certainly, there are criteria that can be used to make the diagnosis of the public services, but, I consider that in the category of the most important services the following can be included:

- the volume of the public services provided by the local authorities;
- the number of complaints **recorded** for the quality of the public services provided;
- the number of the complaints **solved** during a period of time;
- the frequency of the disconnections in providing public services and the evaluation of the causes determining them;
- promptness in the service operators' intervention in solving the complaints;
- the size of the financial performance and the economic-financial potential recorded by the service operators;
- the frequency of equipment endowment of the service operators;
- capital expenses allotted to renew the material base that the service operators have.

The complexity in making the public service diagnosis is determined on one hand by the number and diversity of the public services ensured by the local authorities and, on the other hand, by the extremely high number of service operators and the different ways of organization that these have.

I consider that the best way to make the public service diagnosis is to consult the public opinion, as a beneficiary of these services.

- ✓ **the human resources diagnosis** has in view the appreciation of the performance obtained by the public servants in providing public services, knowing the fact that their status, the remuneration and promotion policy are regulated by law ²⁶⁷.

Therefore, I recommend as criteria for this type of diagnosis:

- the quality of the public servants considering the ratings obtained regarding their professional performance (evaluation usually annually);
- the servants' promotion policy, in compliance with the seniority and education requirements regulated by law;
- the motivation policy, based on the bonuses and incentives, can be given according to the performance obtained by the public servants in the activity performed.

Lastly, the last type of diagnosis recommended for the general diagnosis is the **management diagnosis**, usually appreciated based on their own unit that the local authorities, service operators or the officers providing public services have.

The quality of the public services provided depends on making this diagnosis, in the category of appreciation criteria being:

- the capacity of the local authorities to draw up and implement appropriate strategies and policies;
- organizational flexibility;
- decisional rationality;
- the quality of the informational system;
- the availability to use and implement evolved managerial instruments;
- informational and managerial innovative capacity.

Conclusions

The diagnosis analysis requires the covering of the stages we have mentioned at the juridical diagnosis, economic-financial diagnosis, public service diagnosis, human resources diagnosis up to the management diagnosis, which confer certainty to the analysis of each type of activity performed by the local communities, for the recommendations and the dysfunctionalities signalled be as rigorously as possible capitalised.

I appreciate that the diagnosis analysis could not be finished if a general conclusion referring to the activity performed by the local communities were not made, a reason for which I appreciate that each type of diagnosis made is appreciated with ratings, according to the table below:

Table 1. – Ratings given to diagnoses

Type of diagnosis	Rating			
Juridical diagnosis	Very good	Good	Satisfactory	Unsatisfactory
Economic-financial diagnosis	Very good	Good	Satisfactory	Unsatisfactory
Public service diagnosis	Very good	Good	Satisfactory	Unsatisfactory
Human resources diagnosis	Very good	Good	Satisfactory	Unsatisfactory
Management diagnosis	Very good	Good	Satisfactory	Unsatisfactory

It is obvious that the use of the ratings can lead to a certain subjectivism, but I am convinced that the group of experts to make the general evaluation will be interested in wording out the most realistic recommendations for the objectives established within the strategy have chances to be implemented.

²⁶⁷ Law 188/1999 regarding the status of public servants, published in the Romanian Official Gazette. no 600 of 8 December 1999;

Yet each category of diagnosis has a certain importance in making the general diagnosis and which can be ranked as follows:

- the juridical diagnosis has, in my opinion, the importance coefficient $C_1 = 0,10$;
- the economic-financial diagnosis, more important than the juridical one, can have the coefficient $C_2=0,20$;
- the public service diagnosis, the leader in the top of importance, has the coefficient $C_3 = 0,40$;
- the human resources diagnosis, important for the quality of the public services, can have the coefficient $C_4 = 0,20$;
- the management diagnosis, as a final aspect of the general diagnosis, can also have a coefficient of importance $C_5 = 0,10$;

The relation **coefficient of diagnosis ranking – rating given** remains at the experts' appreciation, the sum obtained from the points given cannot be higher than one.

$$Dg = \sum_{i=1}^n Di \leq 1$$

It is recommended that the grid points were conceived so that the unsatisfactory rating corresponds to a minimum score and for the very good rating the score is maximal. In my opinion, there will be two distinct situations:

- a) $\underline{Dg \rightarrow 0}$, corresponds to an intensely unfavourable situation which can endanger the activity of public service providing, so that recommendations will be **urgently worded out** for the situation to be improved;
- b) $\underline{Dg \rightarrow 1}$ is a situation which is overall appreciated as being favourable, the strategic objectives worded drawn up having maximal chances to be implemented.

No matter the method adopted to finally appreciate the activity of a local collectivity, as a result of the general diagnosis, I consider that in this stage it is very useful to word out the recommendations but also to notice the dysfunctionalities, for the overall strategy to be implanted.

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