

KEY STRATEGIES TO BE CONSIDERED IN VIEW OF THE FUNCTIONING OF ROMANIAN FIRMS IN THE SINGLE MARKET

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Market offers unique new enterprises, many important opportunities and challenges on the functioning and development. Adequate capitalization of the opportunities and overcome challenges is closely related to strategies that identify, adopt and implement managers.

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1.Introduction

Businesses in Romania with the country's entry into the European Union are confronted with an environment specific market, characterized by free movement of goods and services, people and capital, and performance in joint applied research projects.

Organization and functioning of the common market have created a new environment, characterized by a potential powers of innovation and modernization considerably, by a great wealth and diversity of cultures and the components can achieve the beneficial effects of synergy. This new economic environment, political and social, stressing the priority of competition is conducive to achieving significant increases in productivity and competitiveness of the companies that manage to fall in the generalized liberalization and remove national barriers.

Valorization of the most powerful economic potential of available common market requires the adoption of successful strategies appropriate situation in which firms are located. Entry into the Common Market, which offers exceptional opportunities for growth, requires management to businesses in Romania to be managers dynamics, very good knowledge of methods and techniques of performance management and to apply these methods, which assume risks in planning business promotion, pursuing modernization products and services market, who understand very well that must cope with rigors of competition very tough and who can use and exploit the intelligence people for lifting economic performance of the enterprise. In the context of increasing complexity of the economic environment, competitive emphases, especially international, accelerate technical progress; an ongoing business concern in developed countries is to increase competitiveness, achievement of results over the longer period. In this respect, particular importances submit highlighting common features of enterprise competitive factors explaining their success.

2. Results and Discussion

The performance of a Romanian EU market or on a wider international market requires the acquisition by a strategic or improving skill, if they exist.

Strategic competence must provide the ability to develop and put into operation a strategy that best fits at a time, valorificând powers at its disposal, such as financial powers of the negotiation and more.

An enterprise may implement a strategy, in which an account is taken of new products, new distribution channels. When the environment is progressively amended, or may adopt a different strategy when they need to cope with mutations of the environment that can change the professional vocation.

Adopt a strategy of internationalization, broad geographic or product strategies of growth, stabilization, or combined defensive etc. reflects the position, offensive or timid in relation to the environment in which they operate.

Strategies that may be adopted by a group may be internal and external strategies, each having certain characteristics and requiring specific skills.

Adopting a foreign strategy must aim at employment as a large part of the European market or, where appropriate, global diversification and specialization of its business by acquiring new skills strategic entry into economic relations with other enterprises in the environment. An external strategy is adopted to provide countries and market segments that will carry out the work with partners who will collaborate, using, where appropriate, the acquisition of businesses, providing synergy and risks facing the markets International etc. A strategy of external growth requires the undertaking to have the necessary financial and legal affairs strategy implementation, to have human and financial resources necessary for its implementation.

An internal strategy should aim, in the new European context, the vocation of professional excellence and focus existing resources to achieve the priority of the key points of the enterprise. Such a strategy requires the participation of personnel for its binding activity to meet the requirements of the consumer to ensure the manufacture of new products, continued to modernize the production and clearance contributes to organizational culture. To obtain the best strategy is internal means achieving a quality level requirements, productivity superior service at a good level and good motivation of staff to achieve objectives.

The successful implementation of an internal strategy puts the spotlight on the existence of powers of observation of competition and the environment, and skills on financial management of own funds, while adopting a strategy requires external human resources capable to fly activities strategic and financial resources necessary to finance external involved.

In relation to the economic situation of the enterprise, in terms of revitalizing the business and boosting Romanian and optimal functioning within the European Union market, a role he has all the factors that can help to achieve these vital objectives adopted to them a proper economic strategy in relation to existing economic status, application and bring the necessary corrections. This requires even more, as businesses are incapable of paying the debt in cash as a result of pursuing an inappropriate, with a large amount of arrears and loss in the activities.

In current conditions, with emphasis on restructuring, with a favorable economic environment and incentive reforms and made management firms should pursue the adoption of economic strategies that enable them to revive the business and achieving the desired economic performance. The starting point in adopting an appropriate economic strategy is required to perform the economic analysis of complex, through the establishment of diagnostic strengths and weaknesses of the enterprise, a set of possible strategies and choosing among them the economic strategy considered as the best.

Tests indicate the level that seen in whole, part of the businesses are viable under economic report, while others are viable, with a closer or more distant from bankrupt. Classification into one category or another of the company must be rigorously by the management company, which has overall responsibility for the existing situation and future business strategy and to adopt the most suitable company for the recovery, consolidation and development.

Regardless of the category to which the enterprise, based on analysis performed diagnosis, must be considered possible types of strategies that could be adopted and that, through a process of strategic management properly, can ensure future performance. In economic, possible strategies to be adopted is presented as a great diversity. Thus, business managers and Romanian can implement strategies to create and market dominance, strategies of differentiation strategies ranging market, principal types of segmentation, geographic expansion and globalization, diversification strategies in related sectors or establishment of financial holding companies. Choosing the most suitable strategy for the enterprise is a complex, requiring the study of

environmental factors internal and external short-term and long term, aiming at maximum recovery of resources in line with internal developments and possible changes in the internal market and the external.

An important category of enterprises in our country who contribute to the production is going well, being strong, and giving evidence of continuity in the achievement of good performance under the economic adjustment and operational requirements and the growing environment. Management firms in this category, with an appropriate strategy must always follow the undertaking to be well adapted to the requirements imposed by the European market and to react promptly in against the new requirements imposed by the changes taking place in markets, technology products, etc.

It should be noted that implementation of such strategies of continuity and adaptation increasing the factors of the environment requires consideration of the changes taking place in certain periods in the economic field, as a result of mutations that occur at European or world of technological transformations and the emergence of innovative technologies and products that can change the social and economic context in which they operate the business.

This category of viable enterprises may in certain circumstances any of the types of strategies mentioned above, ensuring that basic economic performance of present and future of the company. Another category of existing businesses in our country, defined on the basis of economic financial diagnosis, is characterized by a temporary maladjustment in the economic environment, showing trends of disruption in achieving economic performance.

While these enterprises are present bad situation, they have the necessary conditions for exit from the impasse and to become viable and efficient In this situation requires a more precise diagnosis as to whether the existing weak or unprofitable, due to factors acting permanent, which requires the classification in another category, which involves adopting a strategy of radical change.

It should be noted that the category of companies with lower performance can be part and those companies that develop and launch new products, market insufficiently known, but after a certain period, and failing to require market products or services, when such excess becoming heavy and profitable, as the many firms in the EU or world market.

In the current and future businesses operating in an environment in continuous change.

Following this, management must evaluate the business changes that may occur in the future as consumers, on different markets, imposing the taking of timely measures of economic transformation or reorientation. It is possible for those enterprises which, although currently have an acceptable performance in the economic, will need that in the near future to operate in an economic context in a good position different from the existing one, which requires the management of these companies implement a strategy or retraining.

In Romania, a good part of the business is directly influenced by a number of changes that occur in the environment in the manufacturing technology, the rules of a legislative nature, being under the impact of intensifying competition internal or external, etc. To be able to respond to such changes taking place in the environment, businesses should provide a transformation in the mission and strategy to better meet future requirements for conducting business. Great processes in economic liberalization, privatization, change the law, to increase competition and opening markets require driving businesses to adopt strategies for transforming the structures and activities in order to adapt better the environment changing environment.

In relation to the existing management firms may adopt strategies to shift the work, which involves changing the scope of work, and shift to making other kinds of activities considered most effective for the enterprise and use of more productive under these conditions the potential of existing.

Adoption of strategies or retraining must be preceded by appropriate training of staff necessary for the acquisition of the specific new areas, otherwise there is danger that they economically can not be applied.

Policy relenting Romanian bring the spotlight on the application of business strategy for recovery or revitalization of the business.. A test at macro and micro level reveals the existence of firms that operate with high losses, which, due to weak activity in the economy, contributing to increased arrears and financial blockage or are in imminent danger of a bankrupt.

2.1 Strategies that pursue economic recovery activity for Romanian firms

Inappropriate diagnosis of a situation of economic classification requires the businesses in the category of those who must pass the emergency until it is too late, the adoption of strategies for recovery and revitalization.

Recovery strategy is required to be adopted in particular those businesses that are on the verge filamentary and which to exit the crisis and to recover, should adopt special measures, under the radical economic report. Leaders of these businesses must have the strength, courage, willingness and ability to adopt a radical improvement. Worldwide there are many examples of companies that have managed to escape from such situations by adopting and implementing recovery strategies, as examples of large enterprises with tradition which, because of lack of adequate recovery strategies gave bankruptcy.

Revitalization strategy used successfully in the world of big companies, it must be adopted by those companies that get results generally mediocre or unsatisfactory and who wish to overcome this condition. Although not under the threat of a bankrupt, the leadership of the revitalization strategy, adopt vigorous measures appropriate to lead to increased economic performance, covering all areas of activity in the growth of both the responsibility of the management and the workers to the results of their work.

A great importance in the overall process of restructuring in Romania becomes an adoption by those companies that are bad and is under imminent danger of bankrupt, a radical strategy of recovery. Practice positive adoption and implementation of such radical recovery strategy highlights successful through stages that lead ultimately to the desired result. According to these practices with positive results, the elaboration of a strategy requires radical improvement through four stages, such as understanding the need to adopt a strategy for radical change and adopting a new mentality suitable change in the enterprise, the definition of strategic alternatives to radical change in relation with culture and business structures desired, adopt a radical change from the existing strategic alternatives, implementing the strategy of radical change.

Each of these steps requires, analysis and actions to ensure an appropriate degree of efficiency strategy adopted radical change.

The first stage of development strategy for radical change is very important, since the adoption of this strategy implies essential changes in mentalities and managers on new methods and management techniques to be applied on new structures to be adopted, as well as new requirements to be met by staff in relation to the process of change, etc.

As was shown in a number of cases that changed the mental framework of the management is not possible, existing experience worldwide shows that in these situations it was necessary to change the driver himself and frameworks governing refractory to these changes mentality, is made by developing collective strategies for change, including specialists brought in from outside the enterprise of people and responsive to change. Based on the new blast of the newly created mental, responsive to change and a belief that the other staff about the survival of the company there is only one that is based on the adoption and implementation of a strategy for radical change, can move to the second stage of defining the strategic objectives for change and some alternative strategies for change. This step is necessary to ensure selection of the many possible strategies, shown above, that strategy or those strategies that would best meet the requirements of future change to ensure that the desired performance. In principle, businesses, structures and the potential they have, may choose to adopt strategies to create and market dominance or differentiation of the products or services, a strategy of market segmentation, geographic

expansion, and domination of market through a policy of low prices, to concentrate on products or markets, specialization.

Each alternative strategy should be based on objective and judicious as possible to achieve, well evaluated, sufficient resources for implementation and action steps and well defined under the calendar.

A strategy for change based on the creation and domination of markets, for example, may provide the structural and functional elements essential decentralized organization of productive units and the center of their profit, the direct responsibility of the driver unit for decentralized activities and results obtained, the choice of customers and the market in terms of profitability assured, quick reaction to market changes, staff remuneration in relation to the performance achieved, emphasis on fast and reliable service to customers, applying a rigorous system of tracking costs, implement a system leadership skills, etc.

The third phase, adopting a strategy of radical change, is to specify measures to be taken to implement it. This step is necessary to define the new elements of structural and cultural which should underpin the new strategy, the existing structural and values that can be maintained, steps to achieve the strategy, the use of processes and systems management arrangements pay for planning, specifying the symbols to be endorsed by the staff.

The fourth stage, which consists in carrying out the strategy adopted, lead to practical, if well implemented, the desired radical change, which materialized new image of the company, ensuring the achievement of superior performance provided based on the new cultural values, structures and management systems.

Success strategy radical change, which materialized in this stage depends largely on the consistency of the measures provided by management, training and ability to convince the staff on the new strategy, the intuition, experience and skills managers, for their innovative spirit and creative, all designed to achieve superior economic performance.

2.2. Strategies suitable for passing from the difficulty in the enterprise performance

The finding, based on tests conducted, the state of difficulty that are undertaking or are announced in the near future it is necessary to constitute an alarm signal for driving the company and at the same time, the starting point for the adoption and implementation of measures decided and effective for the rapid revival of business.

Experience enterprises have managed to shift from the difficulty the state enterprise performance highlights the fact that all the measures taken to follow the basic requirements, ensuring a good competitive position, the activities of the financial balance and the adoption and implementation implementing a strategy to allow adequate recovery to a higher level of company resources.

Ensure a good competitive position in the domestic market and foreign markets is a basic requirement of a performance, which is necessary especially in the course of the free market within the European Union. Achieving this requirement implies that, based on analysis of strengths and weaknesses in the results of an analysis-diagnosis to be made and to monitor their implementation, to improve work in all basic areas of business, such order to ensure realization of the competitive advantages.

Another basic requirement to ensure dynamism and achievement of performance by an undertaking to ensure economic and financial balance overall. This implies that the enterprise to pursue through its portfolio of activities necessary balance between the strategic activities that are in growth phase, which requires massive investment and is thus consuming liquidity and strategic areas of activity, in stages of maturity or decline, which are generating cash, investments required are minimal.

To ensure this balance and proper positioning of strategic areas of activity in different fields of competition can use a series of matrices designed and used for strategic consultancy offices, such matrices are known as the Boston Consulting Group, AD Little, Mac Kinsey.

The transition from state enterprise in difficulty in the business viable and desirable performance requires developing and implementing a strategy appropriate to the objectives and policies adopted to permit the achievement of change. Such a strategy should enhance the strengths characteristic enterprise, transforming them into competitive advantages, which capitalize on the opportunities offered by economic environment and to remove existing weaknesses, thus avoiding in their threats.

Experience performing firms show that no performance can be achieved in a market in stagnation or decline, and it requires a strategy of rupture, which is based on a new market created as a result of a fundamental innovation or increase the market occupied by building a decisive cost advantage, either through diversification of activities, adding to existing stagnant activities in new sectors of growth phase.

When adopting a new strategy is necessary to consider the time horizon, whereas, when the company is in competition with other businesses, while playing a key role, competition is a race which means that to win, must run faster than competitors.

A successful strategy should be characterized by a high-density technology, the major economic ascent is made by those companies that enjoys technological independence. Given that time is a factor, it is possible that for a certain period to buy and to adapt those technologies needed for their research results could be obtained too late.

4. Conclusions

Integration into the European Union, is and will continue to be an important challenge for the Romanian companies, the challenge succeeds the post, when he moved from plan economy to market economy and would lead to a maturation process for many them as regards the operation of the new European context.

Success in implementing our strategies, such as, for example, the progressive increase of conversion or diversion, recovery and revitalization depends to a large extent by the company, prepared under the theory and practice with new methods techniques and management systems can print in-spirit innovative, creative, mentalities to remove old, outdated and lead to the formation of a culture of top business, generating economic performance.

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