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BOOK OF ABSTRACTS

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MIGRATION IN THE EUROPEAN UNION – APPEARANCE AND REALITY

EUROPEAN INTEGRATION TRACK

A DECADE OF EU MEMBERSHIP: EVOLUTION OF COMPETITIVENESS IN ROMANIA

Constantin ZAMAN

Centre d’Economie de la Sorbonne Paris 1, Département Economie Internationale et Développement, France,
cozaman@laposte.net

Abstract

We analyse in this paper the main achievements of Romania in terms of competitiveness during the period of ten years since joining the European Union. The analysis is based on a proposed Competitiveness Index, which is constructed on the basis of five indicators that express the progress of reforms in the following areas: business environment, labour market, state institutions, taxation, and human capital. The analysis is carried out in a comparative perspective, at three levels: with Bulgaria, which joined the EU the same year; with three countries from Western Europe; and a group of countries from Central and Eastern Europe that integrated the EU earlier, in 2004. We find a strong convergence in terms of competitiveness between Romania and the other neighbouring countries, as well as a slower but increasing convergence towards the “old” EU member states.

Keywords

Romania; competitiveness; European Union; convergence

JEL classification

J24; L51; O15; O38; O52

FISCAL POST-CRISIS EVOLUTIONS IN THE EU

Liliana Anamaria DRĂGHICI

University of Craiova, Romania, staiculiliana85@yahoo.com

Abstract

The last five years represented for the EU a series of changes and reforms imposed by the context of the crisis. In this article we analyse the recent fiscal reforms carried out in the space of the European Union, from the perspective of the fiscal incomes of the main incomes and taxes. The high deficits from the Member States were alleviated especially by increasing the taxation quotas and bases. On the level of the European Union we noticed a clear tendency of growing the standard VAT quotas, corroborated with a narrowing of rate of profit and a tendency to reduce the tax on profit for personal incomes.

Keywords

Fiscal incomes, direct taxes, indirect taxes, social contributions

JEL classification

E62, H3

KNOWLEDGE-BASED ECONOMY AND THE ROLE OF THE INTELLECTUAL DIASPORA IN ITS DEVELOPMENT

Ivana BOŽIĆ MILJKOVIĆ

Faculty of Legal and Business Studies, Novi Sad, Serbia, ibozicmiljkovic@gmail.com

Abstract

The economies based on knowledge are those whose development is conditioned directly by production, distribution and use of information and knowledge. The development of information and communication technologies in the last quarter of the century has promoted the existing knowledge and due to the increased mobility of human capital, that knowledge became widely available. The other side of the story, regarding the mobility of people, is the mass migration whose intensity has rapidly increased from 2000 onwards. There is a large number of educated professionals among the migrants from the developing countries. Their departure has numerous positive effects on their destination countries and far-reaching consequences on their mother countries. It is possible to alleviate those differences by engaging intellectual diaspora in mother countries, as well as to redirect their modalities of development from those which are based on the import of foreign capital to those based on knowledge and new technologies.

Keywords

Economy based on knowledge, intellectual diaspora, economic growth

JEL classification

J24; L51; O38

**THE PHENOMENON OF LABOUR FORCE MIGRATION IN ROMANIA, AS MEMBER
STATE OF THE EUROPEAN UNION**

Andreea-Gabriela DĂNCIULESCU

University of Craiova, Faculty of Economics and Business Administration, Craiova, Romania,
andreadanciulescu@yahoo.com

Nicea MERGEANI

University of Craiova, Faculty of Economics and Business Administration, Craiova, Romania,
nicea.mergeani@icloud.com

Abstract

The economic and financial crisis in recent years has led the Romanians to flee the country temporarily or definitively, encouraged by the right of free movement acquired with the integration into the European Union. Removing borders has facilitated the access of citizens of one member state of the European Union to another, which is why more and more Romanians have decided to leave in order to find a job, be it seasonal, to ensure a decent living alongside their families. This article is studying international migration issues in terms of employment, which continues to be a controversial phenomenon, even though there has been progress regarding measures and policies aimed at the migration and integration of migrants. Emphasis is placed in migration met in Romania, which has experienced numerous problems in the field of migration. Most of the Roma, Romanian citizens, who have migrated to other countries, have contributed to a negative image of the Romanians abroad. The purpose of the article is to analyse the phenomenon of migration in Romania, in terms of numbers of immigrants and migrants registered in recent years. Addressing the situation of migration of Romanians indicates that Romania has made progress, taking into account the existing European standards in the field. However, 2014 was the year with the most immigrants, the number of definitive immigrants being about 3 times higher than that of the definitive emigrants.

Keywords

Work force migration, immigrant, emigrant, Romania, European integration

JEL classification

F22, J61

**ECONOMIC DEVELOPMENT, LABOR COSTS AND UNEMPLOYMENT.
COMPARATIVE ANALYSIS IN THE EUROPEAN UNION**

Jose PICATOSTE

University Autónoma of Madrid, Spain, xose92@gmail.com

Isabel NOVO-CORTI

University School – University of A Coruna, Spain, isabel.novo.corti@udc.es

Diana Mihaela POCIOVĂLIȘTEANU

“Constantin Brancusi” University of Targu-Jiu, Romania, diana.pociovalisteanu@gmail.com

Ernesto D’AVAZO

University of Salerno, Italy, edavanzo@unisa.it

Abstract

The economic crisis hit hardly to most European countries and their inhabitants, mainly to the workers, because some of them lost their jobs, and because their wages fallen down, in some cases, dramatically. But this scenario was not the same for all European Union’s countries, in terms of their capability of managing the tools of the economic policy. In fact, those countries involved in the Eurozone did not have the possibility of boosting those measures of monetary policy, because there are in the hands of the European Central Bank, so the only way for improving their competitiveness was through an internal devaluation. So, for some of the European Union countries belonging to the Eurozone, the high labor cost was argued as one of the main factors which should be improved to face this situation. And some of them, conducted labor reforms, like it did Spain in 2012. The result was an increasing inequality and the appearance of a group of people at risk of social exclusion, even though they had gotten an employment. In this work we have analyzed the evolution of Labor cost in Europe as well as the employment rates and we have conducted an mean comparison analysis for checking possible differences between the European Union countries, attending to their belonging (or not) to the Eurozone. The results shown that we cannot conclude that there were statistical significant differences between the EU countries in terms of Labor Cost, neither in terms of Employment rates.

Keywords

Development, labor costs, unemployment, economic development

CAUSES, FACTORS AND WAYS OF COMBAT TAX EVASION

Andreea Mihaela CORÎCI ILINCUȚA

University of Craiova Faculty of Economics and Business Administration Craiova, Romania,
cabavilincuta@yahoo.com

Abstract

Tax evasion is a complex phenomenon faced by all member economies, regardless of geographic position. Economic transparency of each of the Member States of the European Union helps to have a compact European economic market. This can take place inter alia through exchange of information between tax authorities and a common database for European countries.

Keywords

Tax evasion, fiscal transparency, tax fraud

JEL classification

H26, E62, K20

**THE COHESION POLICY IN THE EUROPEAN UNION AND ROMANIA DURING
2014 – 2020**

Maria VASILESCU

University of Craiova Faculty of Economics and Business Administration Craiova, Romania,
maria_vasilescu1983@yahoo.com

Abstract

Within all policies implemented by the European Union, the economic, social and territorial cohesion policy has an important role, whose aim was to achieve a harmonious development of regions and member state, by reducing economic disparities, promoting freedom of movement, harmonization of social policies and a balanced territorial development. To accomplish these goals, cohesion policy is benefiting from its own budget for each Member State in relation to the national objectives of economic and social development and to integration into the Single Internal Market and achieving territorial cohesion.

Keywords

Cohesion, community budget, thematic objectives, operational programmes, funding, structural funds, cohesion fund

JEL classification

F36, R11

COHESION POLICY FUNDING IN THE EUROPEAN UNION BETWEEN 1989-2013

Maria VASILESCU

University of Craiova Faculty of Economics and Business Administration Craiova, Romania
maria_vasilescu1983@yahoo.com

Abstract

Cohesion policy funding from the European Union Structural Funds and Cohesion in the period 1989-2013 was carried out in four stages, each being characterized by the specific development objectives, funds used and results obtained. If for the implementation of cohesion policy Structural Funds (ERDF and ESF were used from the beginning), aiming at five goals, a new fund was later created, the Cohesion Fund, and the number of targets has been reduced to three in order to concentrate financial efforts on the major objectives for the development of Member States. Implementation of cohesion policy required the development by the European Commission of several regulations establishing prerequisites for selecting projects, funding and tracking the spending of financial resources.

Keywords

Cohesion, financial framework, structural funds, regulations, eligibility of projects.

JEL classification

E61, F36

EFFECTS OF INFLATION ON LABOR FORCE MOBILITY

Marieta STANCIU

University of Craiova, Faculty of Economy and Business Administration, Craiova, Romania

Giorgiana Mădălina MANGRA

University of Craiova, Faculty of Economy and Business Administration, Craiova, Romania

Abstract

Inflation has become a persistent phenomenon being identified in a multilateral economic and social process, with negative effects on consumer purchasing power and hence his living standards. When exceeding a certain threshold, inflation is a dangerous phenomenon, disrupting the economy and having repercussions both socially and economically, thus affecting directly or indirectly the whole society and global economy.

The much discussed dilemma inflation-unemployment, which was first analyzed during 1960-1970 by J.M. Keynes and A.W. Phillips, emphasizes the fact that inflation generates enough causative factors for the occurrence of unemployment phenomenon, the two phenomena causing serious disturbances on the labor market, particularly on labor mobility. The massive migration of labor is a net loss of human capital, which could be exploited in another manner. This is why a strategy for the inclusion of human capital on labor market would be more profitable and would bring higher value added to the economy and society than the present export of manpower produces.

Keywords

Social inclusion, mobility, migration, labor surplus

JEL Classification

E2

THE GLOBAL ECONOMIC CRISIS AND ITS INFLUENCE ON EMPLOYMENT

Albert-Aurel DANDEȘ

University of Craiova , Faculty of Economics and Business Administration, Craiova, Romania

Abstract

In this paper there are analyzed the concepts related to the economic crises context in which have occurred and have manifested and the effects envisaged on human society. It was in the light of a review of the historical evolution of the main crisis in the 20th and 21 centuries, approach in detail to the most recent crisis, namely the world crisis in the period 2007-2008, as well as the imprint on the left on the following years, namely imbalances on the labor market and the fluctuation of the phenomenon of unemployment benefits. Taking into account the world crisis, we stressed its first symptoms, its evolution among the measures taken to deal with it and its consequences and, also, a brief investigation of those guilty of its appearance.

Keywords

The crisis, economy, financial system, gross domestic product, employment, unemployment, economic imbalance, economical indicators

JEL Classification

E2, E3, E6, F2, F5

SPECIFIC COORDINATES AND MECHANISMS ON THE IDEA OF SOCIAL POLICY

Gabriela Mariana CARPIUC

University of Craiova , Faculty of Economics and Business Administration, Craiova, Romania, elacarpuc@yahoo.com

Abstract

Starting from the idea of social policy, under which the set of policies aimed at achieving social protection and welfare is defined, we propose to study in this article, the main phenomena that transcend the governmental actions and policies. Thus, in this study we mainly target areas of interest such as principal administrative practices and policies in the field of social policies (unemployment, criminality, mental health, old age, poverty, economic inequality). Therefore, resizing the economic space in a conceptual (in theory) and pragmatic sense determines, along with the new transformations on the social and geopolitical level a redefinition of the value categories.

Keywords

Social policy, government policy, territorial cohesion, the European Social Model

JEL Classification

E2, E3, E6, F2, F5

THE ANALYSIS OF THE EMPLOYMENT POLICY AND THE SOCIO-ECONOMIC EFFECTS ON THE LABOUR MARKET IN RELATION TO THE IDEA OF UNEMPLOYMENT

Adriana Iuliana CARPIUC

University of Craiova , Faculty of Economics and Business Administration, Craiova, Romania

Abstract

The purpose of this paper is to identify, in the specialized literature and practice, the main concepts and ideas which make reference to the idea of occupational policy at the (inter) national level. Thus we have as a starting point the idea that European systems for employment of the population are currently in a period of transformation caused by the demographic aging phenomenon in its turn caused in the case of Europe mainly by an increased life expectancy, simultaneously with the decline in the birth rate. Furthermore, we are interested to see to what extent the employment policies can be correlated to a number of factors that circumscribe the thematic area of the relationship between employment and unemployment by reference to a number of factors such as technical innovation, economic cyclicality, changes and remodelling of paradigms (models). Therefore, in this study we keep in mind that the design of the content of the research, will materialize depending on a number of economic issues that focus on the ideas of employment and on labour market policies.

Keywords

Labour market, employment, education policy, European policy

JEL Classification

E2, E3, E6, F2, F5

MIGRATION IN THE EUROPEAN UNION. NEW CHALLENGES

Mirela Ionela ACELEANU

Faculty of Theoretical and Applied Economics, The Bucharest University of Economic Studies, Romania

Diana Mihaela POCIOVĂLIȘTEANU

Faculty of Economics, "Constantin Brâncuși University of Târgu-Jiu, Romania

Abstract

Migration in the European Union is a phenomenon that has become widespread, especially in conditions of a single European market. Some studies consider migration as a source of correcting the labour market deficits generated by aging of population. From the economic point of view, factors such as economic and political stability, development and prosperity of some countries represented an attraction for immigrants from less developed countries. European population mobility creates both opportunities and challenges in the current context in which have increased the refugee population movements from outside of the EU. Our paper analyzes migration trends and implications of migration at EU level in terms of economic, demographic and social, in the countries of departure and arrival. Amid the refugee population migration from areas of conflict outside the European Union, the paper discusses the effects of this phenomenon, in the short and long term.

Keywords

Migration, immigration, emigration, European Union

JEL Classification

F22, O15

INTERNATIONAL BUSINESS/INTERNATIONAL MANAGEMENT TRACK

FORMAL AND SIGNIFICANT MUTATIONS OF TRADITIONAL DIPLOMACY

Diana Ramona POPESCU

Faculty of International Business and Economics, Bucharest University of Economic Studies Bucharest, Romania,
dy.popescu@yahoo.ro

Abstract

The purpose of this thesis is to make an empirical research over the existing literature regarding the new paradigms of diplomacy in the new era and identify future approaches of the field that enhance our understanding over the subject. Furthermore, we will analyze the instruments through which NGOs combine elements of commercial and economic diplomacy in their mission to support national business environment. The additional objective includes identifying relationships between the variations of public diplomacy.

Keywords

Economic diplomacy, chambers of commerce, globalization

JEL classification

F02, O1

NEW TRENDS IN ROMANIAN FOREIGN TRADE

Andra Maria GĂINĂ

Universitatea din Craiova, Romania, gainaandra@yahoo.com

Luminița VOCHIȚA

Universitatea din Craiova, Romania, luminitade@yahoo.com

Abstract

The present paper focuses on the recent developments of Romanian foreign trade. We highlight a short history of how Romania's exports and imports were influenced by the economic crisis, which had a major impact especially on imports. During the 20 last years, from point of view of the international trade, Romania has been described as a net importer country. We also analyzed how Romania's trade in goods and services evolved after the EU accession. Main purpose of the paper was to investigate the international trade in Romania in order to make statements on the orientation of these ones in the European areas and to find out the main directions during the last years. Finally, we used data to sharp the new trends and to reflect the main changes in Romanian foreign trade during recent years.

Keywords

Romanian trade, structure, evolution, changes, economic crisis

GLOBAL FINANCIAL STABILITY FROM THE IMF PERSPECTIVE

Alexandra DAEA

University of Craiova, Romania, alexandradaea@yahoo.com

Abstract

As a consequence of the global financial crisis, many countries have implemented frameworks and tools to limit systemic risks that might affect the global financial system. Because the governments have an increasing experience with macroprudential policies they have found new opportunities to put in practice institutional arrangements. The G20 proposed a comprehensive programme of financial reforms post-crisis to built a strong global financial system, without affecting its open and integrated structure. The Global Financial Stability Report mentioned that the financial risks are higher and the level of uncertainty is bigger for the world economy. The solution recomanded by International Monetary Fund is to create a more balanced mix of policies to reduce financial risks and support growth and durable economic development.

Keywords

International Monetary Fund, Global financial stability, G20, macroprudential policies, globalization

INFLATIONARY SHOCKS ON THE MARKET AND THEIR MITIGATION

Daniel TOBĂ

University of Craiova Faculty of Economy and Business Administration, danutob@yahoo.com

Dalia SIMION

University of Craiova Faculty of Economy and Business Administration, daliasimion@yahoo.com

Abstract

In the general economic language, any rise in prices is called inflation, but it is necessary to make a clear distinction between the causes determining a single noncontinuous rise in prices and other circumstances that may cause a continuous and widespread growth of them. In the evolution of real economy various events may occur that are able to cause a rise in prices on the whole market. These are called inflation "shocks". In order to analyze these issues more deeply, we will suppose that the economy is in a long-term macroeconomic balance and currency exchange rate operates under a flexible regime. Also, in the initial state, the price level is relatively constant and gross domestic product (GDP) is at its potential level. We intend to analyze in this article how economy is affected by different inflationary shocks (determined either by aggregate supply or aggregate demand), but also the methods to mitigate them.

Keywords

Inflation; prices; aggregate demand; aggregate supply; monetary authority; monetary policy; macroeconomic balance

JEL Classification

B22, E31, E52, E60

HUMAN RESOURCE MANAGEMENT TRACK

YOUTH UNEMPLOYMENT – THE MAIN STATISTICS IN ROMANIA COMPARED WITH THE EUROPEAN UNION ONES

Nicea MERGEANI

University of Craiova, Faculty of Economics and Business Administration, Craiova, Romania,
nicea.mergeani@icloud.com

Andreea-Gabriela DĂNCIULESCU

University of Craiova, Faculty of Economics and Business Administration, Craiova, Romania,
andreadanciulescu@yahoo.com

Abstract

Unemployment among young people is considered to be the biggest problem of Europe, especially since, although the recession has left the Euro Zone, there were not created any new jobs to reduce unemployment. Both at the level of Romania and at the level of some of the Member States of the European Union, the unemployment rate can no longer be neglected. A large number of young people with higher education accept jobs below the level of their skill, so that Romania has many shop-assistants with higher education, which is a disadvantage for the society as a whole. The article is aimed at addressing the problem of unemployment in Romania among young people between 15 and 24 years of age.

Keywords

Unemployment, youth, human resources, statistical indicators, European integration

JEL classification

O15, J64

ORGANIZATIONAL PERFORMANCE AND HUMAN RESOURCES IN THE PUBLIC SYSTEM. AN EXAMPLE OF PILOTING AT THE TOWN HALL OF CRAIOVA

Dan Constantin VĂRZARU

University of Craiova, Romania, varzarudan@yahoo.com

Anca Antoaneta VĂRZARU

University of Craiova, Romania, varzaruanca@yahoo.com

Abstract

The public sector in the European Union has undertaken a few years in a vast movement of modernization, translated by real developments in some of the chapters on the management of human resources, such as training and working conditions, motivation etc. Starting from the results of the latest research in the field, the present study aims to operationalize the concept of "human performance" and to provide a self piloted tool for human resource management. To express as best as possible the link between organizational performance and latent variables, indirectly observable, which expresses human resource behavior during used structural equations method and a quantitative study in three municipalities of municipality (Craiova, Drobeta Turnu-Severin and Râmnicu-Vâlcea). The study was undertaken at the Town Hall, the other locations being as witness in the validation or invalidation of certain research results. By the design of a scale of measurement of the performance of the "Human Resources" with elements already validated in previous research, it has been proposed that a specific device of measurement. The objectives of this device have been, first of all to provide the public detailed information to communities about the employee opinions and feelings in relation to their environment and their workplace activities, but also about the general functioning of the organization. On the other hand, this device also aims to identify points of tension, to become a cockpit instrument of human resources and the organization by taking into account the specific corrective measures.

Keywords

Management of human resources, environment, performance, self piloted tool, operationalization

ON THE CONCEPTS OF HUMAN RESOURCES MANAGEMENT: FUNCTION, GESTION, MANAGEMENT, DIRECTION

Mihai VĂRZARU

University of Craiova, Romania, mihaivarzaru@yahoo.com

Dan Constantin VĂRZARU

University of Craiova, Romania, varzarudan@yahoo.com

Abstract

Articles and specialized foreign works which aim the human resources domain use some basic concepts either harder to translate, due to their tacit use, either synonymous, and may cause some confusion when they are taken in the inquiries seeking to enrich Romanian scientific literature. This is the main reason for which it was thought there are necessary analyses and new clarifications related to the main concepts necessary for a proper exploration of the complex domain of human resources. A first aspect is linked to the denomination of this specific series of activities in the human resources domain, which in Romanian scientific literature uses the term "service" instead of "function", one of the reasons being to not do confusion between the functions of enterprise and the functions of management. A second important aspect that we wish to emphasize it is that condition that becomes apparent in human resource strategic phenomena occur becomes sharing, outsourcing and relocating its activities, which raises issues related to the development in the course of their importance in the mechanism of the enterprise. Some mentions are needed also to the distinction between the concepts of management and human resources management, which is not, in our opinion, sufficiently clear in the Romanian scientific literature. Another issue that can cause some confusion relates to the concept of the human resources function and its related structures within an organization. The article proposes clear delimitations and the related concepts of operation, management and human resources management. Finally, we are approaching the concepts of function of human resource and human resource management through a careful comparison of the multiple definitions offered by the European and North American literature and are further clarified their coverage areas to avoid confusion in their usage.

Keywords

Human resources function, Management, Gestion

GENDER DISPARITIES - ISSUE OF THE CONTEMPORARY SOCIETY?

Suzana DEMYEN

Universitatea Eftimie Murgu din Resita, Romania, s.demyen@uem.ro

Adrian TĂNASE

Universitatea Eftimie Murgu din Resita, Romania, a.tanase@uem.ro

Diana TĂNASE

Universitatea Eftimie Murgu din Resita, Romania, florenta.tanase@yahoo.com

Abstract

The purpose of this paper is to illustrate the situation of gender disparities in Romania, an important subject of our days, based both on literature review and official data analysis. Since the status of the woman in contemporary society cannot be treated independently from what is largely debated nowadays in relation to the presence of women in different fields on the labor market, we have firstly proceeded to review the main theoretical and empirical literature in this respect. The paper starts with a short introduction in the field, followed by a brief analysis of important data regarding education, wage and hierarchical positions. The second part represents a correlation between the main determinants of the overall progress of society, trying to highlight the main conclusions of this delicate issue.

Keywords

Gender disparities, education, wage, contemporary society

THE CONCEPT OF LABOUR MOBILITY AND THE FACTORS THAT AFFECTING THIS DECISION. ROMANIA CASE STUDY

Doru CÎRNU

Universitatea Constantin Brancusi, Tg. Jiu, Romania, doru.cirnu@yahoo.com

Gabriela BUSAN

Universitatea Constantin Brancusi, Tg. Jiu, Romania

Irina Elena CHIRTOC

Universitatea Constantin Brancusi, Tg. Jiu, Romania

Abstract

Mobility, as a whole, is a dynamic and complex phenomenon, which can play an important role in the economic development of areas of destination and poverty reduction in the areas of origin of migrants. Although labour mobility occurs in a relatively moderate numbers of states, no EU country gets left out of this phenomenon. In economically developed areas there has always been a shortage of manpower. This deficit was the result of demographic decline, and was trying to be offset by inflows of labour resources from other areas. Currently in the EU there is an imbalance between supply and demand of work aimed at: shortage of young labour force in professions of high complexity; shortage of labour supply in the medium professions of competence; shortage of labour supply in occupations that require low-skilled or unskilled. Labour mobility can be considered on the one hand a form of rebalancing the number and demographic structure between zones and localities, and secondly a mechanism for competition. This paper aims to present the concept of mobility, identify factors that influence the decision to shift labour from one area to another, and analyse this phenomenon in Romania in 2007-2015.

Keywords

Labor mobility, mobility decision, supply and demand for labor

COMPANY EMPLOYEES - SOURCE OF COMPETITIVE ADVANTAGE; CASE STUDY

Mihaela BÎRSAN

Facultatea de Stiinte Ec si Administratie Publica, Universitatea Stefan cel Mare, Suceava, Romania

mihaelab@seap.usv.ro

Abstract

Competitive advantage comes from several places and one important are the employees, human capital. One of the most important aspects of the business is what is known as human resources strategy and human capital - the management team and employees. Whether it's the quality of products / services or operational efficiency, qualified and motivated employees will find ways to reduce internal costs, which may increase operating margins, productivity and, finally, increase profits. To maintain an organizational environment competitive and innovative, the most important factor leading to profitability, sustainability and growth of any organization is qualified and employee involvement.

Keywords

Competitive advantage, human capital, qualified and motivated employees, productivity and profit

TOURISM AND SERVICES FROM THE PERSPECTIVE OF SUSTAINABLE DEVELOPMENT TRACK

DOES HUMAN STICK ON REFERENCE PRICE (ANCHORING BIAS)? A SOCIAL EXPERIMENT ON TOURISM SECTOR

Ekrem TUFAN

Çanakkale Onsekiz Mart University, Faculty of Tourism, Turkey, etufan@yahoo.com

Merve AYCAN

Çanakkale Onsekiz Mart University, Faculty of Tourism, Turkey, merve.aycan.170@gmail.com

Yonca İMER

Çanakkale Onsekiz Mart University, Faculty of Tourism, Turkey, yonca_imer@windowslive.com

Bahattin HAMARAT

Çanakkale Onsekiz Mart University, Faculty of Tourism, Turkey, b_hamarat@hotmail.com

Erol DURAN

Çanakkale Onsekiz Mart University, Faculty of Tourism, Turkey, eroldurantr@yahoo.com

Abstract

Contrary to Traditional Economics, Behavioural Economics postulates that people are not always rational. Dan Ariely (2010, p.13) says "...we are not only irrational but predictable irrational-that our irrationality happens the same way, again and again..."In literature we call them as biases. One of them is reference point bias. In this study, regarding reference point bias it has been searched if there are differences between tourism educated people and others, men vs women, well educated people vs others and young vs seniors. It has been found that reference point bias is effective only between age groups, while not effective on gender, tourism education, tourism related job and income level.

Keywords

Behavioural economics, tourism, biases, reference point (anchoring) bias

EMPIRICAL RESEARCH ON THE CHARACTERISTICS OF CLUSTERS IN ROMANIA AND THE IMPACT ON THE ENTREPRENEURIAL ENVIRONMENT

Tudor NISTORESCU

Faculty of Economics and Business Administration, University of Craiova, Romania, tudor.nistorescu@yahoo.com

Daniela FUNDEANU

Faculty of Economics and Business Administration, University of Craiova, Romania, daniela.fundeanu@gmail.com

Abstract

The present research focuses on the empirical study about the features of clusters in Romania and its impact on business environment. In the scientific approach we tested five research hypotheses which have been validated. Methodological framework included as main instruments: questionnaires, semi-structured interviews with persons who represent the clusters, studies reported in the specialized literature, studies conducted in other projects, examples of best practice from countries with advanced economies. Findings which emerged from our empirical research, as a result of processing of data collection from respondents, may be useful to persons who manage clusters and decision-making authorities at regional and even national level.

Keywords

Clusters, competitiveness poles, european funds, entrepreneurial environment

JEL classification

M13, M16, M21, O32

VACATION: A TRAUMA OR RECOVERY?

Atila YÜKSEL

Adnan Menderes University, Turkey, atilayuksel@gmail.com

Abstract

Holidays (e.g., vacations) serve as mechanisms to revitalize from the frustration experienced during working life. Vacations, idealized moments, are essential ingredients for happiness and quality of life. It naturally includes great expectations and fantasies, as well as disappointments, broken expectations etc. The psychological distress and debates triggered by both the frustration due to the unfulfilled expectations and by the accusation of others (family members,

relatives) may make positive benefits disappear easily. Holiday is a fantasy. Generally vacationers attempt to assume the identities that do not belong to them. Hence, it would be surprising to consider that the anxiety or sense of loss of a pet or a favorite object in an ordinary day would not be displayed towards the “identity lost” during vacation. Who can claim that vacation is not tiresome and exhausting for the families with children? It is not so difficult to understand that vacation is a stressful moment and also to figure out why the positive effects of vacation disappear so quickly considering the couples that quarrel more in vacation due to issues of changing identity and incidents “Post vacation syndrome”, is rising as a state of mind caused by the return to home or the re-routing of life after periods of vacations. Like Monday blues, post vacation blues “exhibit insomnia, distress, depression, or a rise of conflict which even leads toward divorces” (Korstanje & George, 2015, p. 1). Vacation can be a tiring period for double transformation (e.g., similar to painstaking process of sloughing in reptiles or molting in animals - from home to vacation mode and from vacation to home mode). There are not only clothes in people’s luggage carried on a journey. There are psychological and psychical habits that they carry everywhere at the same time. Many holidaymakers have to take vacation in the areas and regions which do not fit to their own identities and habits. It is certain that the stress felt by a unfitting person who gives up doing sports during vacation will affect his/her health negatively as s/he has the habit of going to gym in his/her routine every day. Based on the hidden costs of vacations, it is timely to take a critical look at this “Product of the Century” to better equip individuals, companies and countries treating it as a leverage for increased productivity, well-being and happiness. This paper simply deals with the question of “are vacations worth of investing time and money?”

Keywords

Vacation, benefits, recovery, trauma

SUSTAINABLE TOURISM PRACTICES

Figen SEVİNÇ

Bartın University, Bartın Vocational School, Bartın, Turkey, figen_sevinc@hotmail.com

Tülay GÜZEL

Çanakkale Onsekiz Mart University, Faculty of Tourism, Çanakkale, Turkey, tuguzel@yahoo.com

Abstract

Yacht tourism has become an important asset for the countries which consider tourism as a means of development due to its environment awareness, national and international investments, the volume of business, employment opportunities, foreign exchange income, socio-economic and socio-cultural impact, and an increasing number of investments and incentives for yacht tourism have made and used in a number of countries. In the presence of such rapid developments, the environmental damage caused by yacht tourism has been of importance for coastal countries, and action plans and special projects involving many countries have been developed in order to enhance the awareness of the sustainability of yacht tourism. Given that environment is not a limited source, it is blatant that national or international sustainable tourism practices have been essential for coastal countries and environmental threats are now so severe that they cannot be overlooked. That being said, the purpose of the study is to discuss sustainable tourism practices as a part of the measures to eliminate the negative impacts of yacht tourism and provide relevant suggestions.

Keywords

Yacht tourism, sustainable tourism, environmental awareness

YOUTH OPINIONS REGARDING THE POSSIBILITIES OF CAPITALIZING ON THE CULTURAL VALUES OF A CITY / TOURISTIC AREA IN THE CREATION OF ITS IMAGE

Carmen PUIU

Faculty of Economics and Business Administration, University of Craiova, Romania, carmen2puiu@yahoo.com

Aurelia Felicia STĂNCIOIU

Academy of Economic Studies, Bucharest, Romania, stancioiufelicia@hotmail.com

Mirela SÎRBU

Faculty of Economics and Business Administration, University of Craiova, Romania, mirsirbu@yahoo.com

Abstract

By continuing a series of articles on the interest of youth in various types of tourism, this paper aims to show how they understand the cultural and tourism heritage of a city/area. Given they have other expectations and a different perception, but not disrespectful on cultural values, the opinions of youth deserve to be known and analyzed in order to assess and shape accordingly the image of a city/touristic area.

Keywords

Cultural heritage, youth opinions, city branding

THE OVERVIEW OF THE CITY EDİRNE'S IMAGE PERCEPTION OF GASTRONOMY

Sevil ATALAY

Çanakkale Onsekiz Mart University, MBA, Turkey, sevilatalay_90@hotmail.com

Tülay GÜZEL

Çanakkale Onsekiz Mart University, Faculty of Tourism, Turkey, tuguzel@yahoo.com

Şule AYDIN TÜKELTÜRK

Batman University, School of Tourism and Hotel Management, Turkey, suleaydin2002@hotmail.com

Abstract

Gastronomy tourism is when people visit a destination is eating-drinking is a very important fact and starting from this point of view gastronomy is described as an alternative kind of tourism. The population of this research is local tourists who visited in 2015 and the sample of the research is 425 local tourists who were randomly picked from the group of tourists who visited Edirne in August, September, October and November 2015. This research Interest in gastronomical tourism, food and beverage enterprises, employees in food and beverage enterprises, aspect which include the opinions about Edirne Cuisine and prepared by the completed surveys generate the content of questionnaire technique. Data which are obtained by the questionnaire technique were analysed by Lisrel method and cause effect which might form amongst variables were detected by Structural Equation Model.

Keywords

Gastronomy tourism, gastronomic image, local tourist, Edirne

REGIONAL EFFECTS OF TOURISM CLUSTER EXPANSION

Daniela FUNDEANU

Faculty of Economics and Business Administration, University of Craiova, Romania, daniela.fundeanu@gmail.com

Abstract

Creating and implementing of appropriate models of clusters in the tourism sector have become critical success factors in increasing the competitiveness and sustainability of companies in the sector and for regional development. The study provides an overview on the current state of tourism clusters in the South-West Oltenia region from Romania. The main objectives of the research are: identifying the characteristics of tourism cluster and health cluster in the region and presenting the impact on the region. Research methodology is based on case study - tourism clusters in the South-West Oltenia region. The paper shows a solution to exploit the tourism potential of a region under a partnership business model in which are interconnected small and medium-sized enterprises operating in tourism, health and related fields of activity. The results are useful for economic decision makers and policy makers, entrepreneurs, managers of tourism establishments in choosing the business models.

Keywords

Tourism cluster, health cluster, effects, competitiveness, South-West Oltenia region

JEL classification

M13, M16, M21, O32

GASTRONOMY TOURISM IN CONTEXT OF SUSTAINABILITY AND BYZANTINE CUISINE IN ISTANBUL

Nur UNDEY KALPAKLIOGLU

Halic University, Faculty of Business, Tourism Management Department Istanbul, Turkey, urkalpaklioglu@halic.edu.tr

Egemen Gunes TUKENMEZ

Halic University, Faculty of Business, Tourism Management Department Istanbul, Turkey,
gementukenmez@halic.edu.tr

Abstract

Gastronomical products are among the most important cultural values of a destination. Local gastronomical culture differentiate one destination from the other. Gastronomical values of a destination reflects the identity of its local culture. The visitors consume the products of a destination. The uniqueness of its local intangible cultural values like gastronomical culture supports the sustainable competitiveness of a destination and makes it easier for marketers to

promote. Local gastronomic culture differentiate one destination from the other. Gastronomic values of a destination reflects the identity of its local culture In this study, the relationship with destination marketing and the gastronomy tourism is discussed in literature especially in terms of sustainability and Byzantine cuisine as a new product to increase the tourism demand.

Keywords

Destination Marketing, Gastronomy Tourism, Byzantine Cuisine, Byzantine Food, Gastronomy

JEL Classification

M31

ROMANIAN STATE RUN COMPANIES IN TOURISM FIELD. CASE STUDY.

Georgeta Mădălina MEGHIȘAN

University of Craiova, Faculty of Economics and Business Administration, Craiova; Romanian Academy, National Institute of Economic Research "Costin C. Kiritescu", Bucharest, Romania, madalina_meghisan@yahoo.com

Abstract

Romania is a country with great potential in tourism industry. The development of tourism services has an important contribution to the standard of living of the population of every country (GDP). This study focuses on the analysis of the main financial indicators for 12 Romanian state run companies in tourism field during the year 2015: turnover, number of employees and fixed assets. Based on the results and correlating them with the current economic environment, we will develop a series of proposals for the further growth of these state run companies in tourism.

Keywords

Financial analysis, tourism industry, market perspectives, state run companies

THE POTENTIAL OF TOURISM IN THE REGION OF SOUTH-WEST OLTENIA

Laurențiu RADU

Academia Română – Institutul de Cercetari Socio-Umane "C. S. Nicolăescu-Ploșor", Romania, Craiova, xpatrick2013@yahoo.com

Abstract

This study is based on cultural and historical importance of South-West Oltenia. Oltenia region has an attractive potential for tourism development, turning to its advantage both the strategic geographic location and the natural wealth of the Carpathians and the Danube River. Identifying products and services that make up the composition of tourism as a brand is a priority to create an image that can capture the attention of potential investors, travelers and tourists. Analyzing the profile of Oltenia's tourism offer, we can say that the region provides the most varied forms of tourism.

Keywords

Tourism, touristic region, infrastructure, destination, tourist accommodation establishment

CORPORATE SOCIAL RESPONSIBILITY, GOVERNANCE AND ETHICS TRACK

TAX PRINCIPLES BETWEEN THEORY, PRACTICE AND SOCIAL RESPONSIBILITY. THE CASE OF ROMANIA

Narcis Eduard MITU

University of Craiova, Faculty of Economics and Business Administration, Craiova, Romania, mitunarcis@yahoo.com

Cristian STANCIU

University of Craiova, Faculty of Economics and Business Administration, Craiova, Romania,
valeriu.stanciu@gmail.com

Abstract

In a world where tax becomes increasingly more important, building a modern, stable and highly efficient tax system represents a desideratum of any government. Building tax policies on solid foundation creates the possibility of a healthy economic and social development generating welfare. In this context, the role of taxation principles is highly important. They can provide a healthy climate in which tax settlement and collection would correspond both to social-economic objectives of the State tax policy, as well as to taxpayers' interests. At the national level, along with the introduction of the Tax Code, there has been an outline, in terms of legislation, of taxation principles which represent the foundation for the functioning of the domestic fiscal mechanism. Theoretically these principles exist having a certain legal form. However, practically, according to the study within this article, taxation principles seem to be a form lacking content.

Keywords

Tax principles, tax system, fiscal measures

JEL classification

H21, H71, K34

SOCIAL, ENVIRONMENTAL AND FINANCIAL INFORMATION A PROPOSAL FOR INSTITUTIONAL INTEGRATED DISCLOSURE

Massimo COSTA

University of Palermo, Palermo, Italy, massimo.costa1967@libero.it

Patrizia TORRECCHIA

University of Palermo, Palermo, Italy, patrizia.torrecchia@libero.it

Abstract

In consideration of the recent needs for balancing shareholders' and stakeholders' value, this paper tries to delineate the institutional external disclosure for every kind of concerns (not only businesses), including every kind of information that goes beyond the strict financial domain. The main topic deals, specifically, with social disclosure, when the involved variables are of human and social nature, be them expressed in monetary terms or not, and with environmental disclosure, when the involved variables are of physical-natural nature. According to the most recent research developments, the theme of integrated disclosure is dealt with as well, in the two aforementioned dimensions, even with a normative proposal by the author. A basic choice is the privileged reference to the entity and not to the firm or corporate. Thus, it is chosen a 'generalistic' approach, according whom the common characters for every kind of entity will be exposed at the beginning, afterwards the variance between public and private 'world', and, inside this last one, between no profit and for profit organizations. The aim of the chapter, after a brief historical reconstruction along the last decades and some definitions and classifications, is to contribute for a systematic set of statements this institutional disclosure to stakeholders; contribution hopefully rooted in the most recent academic debate, which is trying to find a generally agreed kind of integration. The core idea is that if one wants to use properly these statements for assessing comprehensive sustainability performances of entities they need to summarise, finally, all information in a 'single' bottom line, expressed in conventional monetary terms, and not only in the customary three bottom lines, side by side each other but without such a comprehensive synthesis.

Keywords

Institutional integrated disclosure, Social information, Environmental information, Financial information

THEORETICAL PERSPECTIVES CONCERNING MODELING CONSUMER BEHAVIOR INFLUENCES ON CSR AND MARKETING ROLES IN SHAPING CONSUMER PERCEPTIONS

Claudiu George BOCEAN

Faculty of Economics and Business Administration, University of Craiova, Romania, boceanclaudiu@yahoo.com

Catalina SITNIKOV

Faculty of Economics and Business Administration, University of Craiova, Romania, inasitnikov@yahoo.com

Sorin TUDOR

Faculty of Economics and Business Administration, University of Craiova, Romania, tudorsorin2007@yahoo.com

Abstract

Consumers are stakeholders of an organization in many ways having a complex dimension. They are primarily ultimate beneficiaries of products and services. Consumers are also members of society interested in environmental issues and fair trade, members of local community (where the organization has its headquarters in the region), can be employed, relatives or friends of employees, can be shareholders of the organization. Consumers can play an important role in the regulation of entrepreneurial behavior if they are willing to reward socially responsible organizations by changing their purchasing behavior (preferring products and services of those organizations that invest in social responsibility programs). In this paper we propose to create a theoretical framework to determine the influence of CSR actions on the purchasing behavior (using the seven core subjects of ISO 26000) and the impact of marketing and CSR communication (its channels and tools) on purchasing decisions. Within these bidirectional approaches we will focus on three issues: consumer expectations on CSR activities, the managers' perception on these expectations, and the decisions of managers on CSR actions and marketing tools and channels used for communicating CSR. Since there is a gap between these three aspects, it is highly important not only evaluating CSR activities but also consumer perceptions over these activities, and the effectiveness of marketing channels and tools used for communicating CSR. The proposed instrument allows organizations to evaluate these aspects and managers to make the best decisions concerning the selection of appropriate CSR activities, choosing channels and marketing tools to enable effective communication.

Keywords

Corporate social responsibility, Consumers' CSR perceptions, marketing channels, marketing tools

ANALYSING THE RELATIONSHIP BETWEEN INTELLECTUAL CAPITAL AND ORGANIZATIONAL PERFORMANCE

Dalia SIMION

University of Craiova Faculty of Economy and Business Administration, daliasimion@yahoo.com

Daniel TOBĂ

University of Craiova Faculty of Economy and Business Administration, danutob@yahoo.com

Abstract

Profound transformations manifested in the global business environment and complex generated changes in the development strategy of the companies, who understand that achieving a sustainable competitive advantage is based on a competitive workforce and increasing labor productivity is possible through global development human capital. The development of the knowledge economy has led to a new general concept, that of intellectual capital. Intellectual capital or its components can not act individually, but only as an ensemble with other enterprise resources enabling sustainable value creation in the future. Sustainability is understood satisfied the interests of both economic and non economic of all stakeholders, from shareholders, capital providers, employees, up to the entire community. Thus, in recent years, there has been a notable rise increasing the number of companies implementing social responsibility issues in their strategy. Intellectual capital and corporate social responsibility have become the most powerful determinants of firms adapt to changing business world. This paper aims on the one hand, an analysis of the impact of intellectual capital on firm performance, seen in terms of financial and non-financial, on the other hand, analysis of the interaction between intellectual capital and social responsibility activities of companies, making a conceptual model that explains interactions in binom: intellectual capital and organizational performance.

Keywords

Human capital, intellectual capital, performance, corporate social responsibility

ROLE OF CSR ON THE DIGITAL SINGLE MARKET FROM THE STANDPOINT OF ROMANIA

Georgeta ȘOAVĂ

University of Craiova, Faculty of Economics and Business Administration, Craiova, Romania,
georgetasoava@yahoo.ro

Anca MEHEDINȚU

University of Craiova, Faculty of Economics and Business Administration, Craiova, Romania,
ancamehedintu@yahoo.com

Sorin POPA

University of Craiova, Faculty of Economics and Business Administration, Craiova, Romania,
popa_sorin_ucv@yahoo.com

Abstract

In recent years CSR has become a fundamental tool of society, by means of which the business world interacts with society, and undertakings help provide consumers with an easy and real-time access to goods and services, as well as to achieve a level playing field for the development and deployment of digital networks. The purpose of this research is to analyse, from Romania's standpoint, the areas of action and the operational objectives which shall provide the mechanisms in order to bring the digital single market into being, as well as the way in which the undertakings in Romania perceive the role of CSR in the adoption of the digital single market. Based on CSR reports published by undertakings in Romania, we have highlighted the ways in which undertakings get involved in the adoption of the digital single market and have determined a few objectives to be considered by the Romanian government.

Keywords

Corporate social responsibility, digital market, European Union, information and communication technology

JEL classification

L21, M14, M15, O52

CAN ENVIRONMENTAL PROTECTION EUROPEAN LAW CREATE COMPETITIVE ADVANTAGE IN AUTOMOTIVE SECTOR IN EUROPE?

Lindita MUAREMI

State University of Tetova, Macedonia, lindita.muaremi@unite.edu.mk

Rigersa KONOMI

Mediterranean University of Albania, Albania, rigersakonomi@hotmail.com

Abstract

This report presents a complex relationship between environmental regulation and competition and shows an empirical analysis for understanding more cooperative relations between regulators and industry. We focus on environmental principles that can affect competition in many ways. This paper aims to derive a solution for the policy proposed by the EU to regulate the automotive industry by combining the sustainability approach with a high degree of competition. It seems to have played a minor role when developing the directive for the automotive sector and the outcome's result may be poor. Yet, the notion that law may be a source of competitive advantage remains largely unexplored. In this extent, economics and law are not any more separated things as this paper is all about finding for competitive advantage and environmental protection.

Keywords

Environmental regulation; competitive advantage; corporate social responsibility

JEL Classification

E60, F23, K32

SOCIAL RESPONSIBILITY AS A VOLUNTARY INITIATIVE VERSUS MANDATORY NON-FINANCIAL REPORTING IN THE ROMANIAN COMPANIES

Marian SIMINICĂ

University of Craiova Faculty of Economy and Business Administration, msiminica@yahoo.com

Mirela SICHIGEA

University of Craiova Faculty of Economy and Business Administration, mirelasichigea@gmail.com

Abstract

In the absence of legal regulations, the disclosure of information relating to the sustainability activity was only an option, practiced by a rather small number of Romanian companies. From the financial year starting on 1 January 2017 appears the obligation for public-interest entities, which have an average number of employees in excess of 500, to disclosure of non-financial and diversity information. The paper studies the positions adopted in the current financial year, in terms of non-financial reporting, by the Romanian companies affected by the new regulations. Quantitative research carried out has led to the establishment of the importance granted to non-financial reporting by Romanian companies, as well as the main aspects of social responsibility adopted by them.

Keywords

Corporate social responsibility, non-financial reporting, quantitative research

RISK GOVERNANCE: A FORWARD-LOOKING CONTRIBUTION TO CORPORATE STABILITY

Volker STEIN

University of Siegen, Germany, volker.stein@uni-siegen.de

Abstract

Over and over again, companies are surprised and – partly – seriously affected by unanticipated risks. This points to a systematic deficit: Neither risk management nor corporate governance have been able to avert the incurred damage. Are these two highly specialized functions unable ‘to see the forest for the trees?’ In order to overcome the addressed limitations, the management theory-related search for a solution leads to the proposal of a bridging function: ‘risk governance’. After introducing its basic rationale in the corporate context, some tentative empirical findings from a benchmark study in the German banking sector will be presented. Taken as a whole, risk governance will be developed as a generic approach towards the strategic control of risk from the perspective of top management, proactively contributing to long-term corporate stability.

Keywords

Corporate governance, strategic leadership, risk governance, risk management, corporate stability

GREEN ENTREPRENEURSHIP – A WAY TO BUILD GREEN JOBS THROUGH SUSTAINABLE DEVELOPMENT

Diana Mihaela POCIOVĂLIȘTEANU

Faculty of Economics, “Constantin Brâncuși” University of Târgu-Jiu, Romania, diana.pociovalisteanu@gmail.com

Mirela Ionela ACELEANU

Faculty of Theoretical and Applied Economics, The Bucharest University of Economic Studies, Romania

Isabel NOVO-CORTI

Economic Development and Social Sustainability Research Group (EDaSS), Faculty of Economics and Business,
University of A Coruna, Spain

Abstract

In an economy increasingly preoccupied with ensuring sustainable development, the role of green entrepreneurship is growing. The green entrepreneurship means a healthy business environment in which only the profit motive does not matter, but also care for the environment. But how an entrepreneur is concerned about environmental protection varies by some incentives and perception of "green." In this respect, our paper analyzes factors that influence and stimulate green entrepreneurship, but also how it actually contributes to sustainable economic growth and development. So, the question arises to what extent the green entrepreneurship creates green jobs, contributing to the reduction of negative environmental impact. Based on the literature and EU reports, our research demonstrates the importance of the green entrepreneurship in developing a green economy.

Keywords

Green entrepreneurship, sustainable development, green jobs

ENVIRONMENTAL ACCOUNTING AND CORPORATE SOCIAL RESPONSIBILITY

Cerasela PÎRVU

University of Craiova Faculty of Economy and Business Administration, cerasela.pirvu@yahoo.com

Sorinel DOMNIȘORU

University of Craiova Faculty of Economy and Business Administration, domnisorusorin@yahoo.com

Sorin-Sandu VÎNĂTORU

University of Craiova Faculty of Economy and Business Administration, vinatorus@yahoo.com

Abstract

Corporate Social Responsibility, which is based on the relationship between business and society and which requires the involvement of employers in improving the quality of life of the community in which it operates, is an extremely complex concept and much debated among theorists and practitioners alike. Among its most important dimensions we find environmental dimension, social dimension and the economic one. Starting from the environmental dimension of corporate social responsibility, the problem of regular presentation of environmental information arises acutely, but this information falls outside the scope of financial accounting. Therefore, it is necessary to identify, determine and incorporate environmental costs in the management activity of any business. In this context, we propose an analysis of how environmental accounting can meet these requirements and also the real possibilities to provide information on environmental performance and financial performance of the company, given that the difficulty of implementing a system environmental accounting consists mainly of identifying all the costs derived from environmental compliance.

Keywords

Environmental accounting, corporate social responsibility, environmental costs, environmental performance, environmental compliance

CORPORATE GOVERNANCE - SPECIFIC FORM OF SCIENTIFIC MANAGEMENT

Ovidia DOINEA

University of Craiova, Faculty of Economy and Business Administration Dr. Tr. Severin, Romania,

ovidia.doinea@yahoo.com

Mădălin ION

University of Craiova

Abstract

Corporate governance is a form of management practice which ensures the management of an entity in the interest of its owners. In fact, corporate governance is reflected in a system of rules by which the entities are managed and controlled. The subject of corporate governance is modeling, exercise and supervision of relations established between the management processes and business processes, and between entities' owners and their managers. In a broader approach, corporate governance is a combination of laws, regulations and codes of conduct adopted voluntarily, which provides to the entity the ability to attract financial and human capital necessary for its operations and to carry out its activity effectively so that to secure on long-term the entity's existence by a governing of value for its shareholders and society as a whole. Corporate governance can be approached from the perspective of an entity and in terms of the economy as a whole.

Keywords

Corporate governance, management, control, supervision, steering committee, administrators

MEASURING CORPORATE REPUTATION: UNLOCKING VALUE THROUGH METRICS

Dragoș BĂLAN

University of Craiova, Faculty of Economy and Business Administration, dragos_balan2005@yahoo.com

Adriana ȘCHIOPOIU BURLEA

University of Craiova, Faculty of Economy and Business Administration, adriana.schiopoiu@feaa.ucv.ro

Abstract

In today's always changing climate, companies increasingly recognize corporate reputation as an intangible source of competitive advantage. Corporate reputation has moved out of its pioneering stage to developing into a dynamic concept. The business and academic communities alike agree on the fact that the reputation delivers value to organizations and it poses great importance to the company's long term success. However, a clear understanding of how to best measure this valuable asset remains unclear. The objective of this research paper is to analyse the reputation instruments and to develop a practical approach concerning the metrics used to measure corporate reputation.

Keywords

Corporate reputation, metrics, value, competitive advantage

**THE IMPORTANCE OF FISCAL AND BUDGETARY RESPONSIBILITY IN ROMANIA
AND IN THE EUROPEAN UNION**

Oana CERCELARU

Advanced Studies School from Romanian Academy, Department of Economics Sciences, Social and
Legal, București, România, cercelaruoana@yahoo.com

Dragoș DIAMESCU

Advanced Studies School from Romanian Academy, Department of Economics Sciences, Social and
Legal, București, România, dragosdmsc@gmail.com

Abstract

There has been an increasing interest in the need for a culture of “fiscal and budgetary responsibility” over the last years, especially emphasised by the effects of the world financial and economic crisis. At the European Union level, the intention is to implement a solid and sustainable fiscal and budgetary policy. Given the importance of this topic, the study considered an analysis of the fiscal and budgetary strategy in Romania in the period 2016 - 2018, the public debt and the sustainability of the public debt in Romania, and a case study on the gap between the deficit and the increases of public debt, for the purpose of which data from 39 countries, EU member states and non-member states, from the period 1970 – 2015, were used.

Keywords

Sustainability, fiscal and budgetary strategy, public debt

JEL classification

G3, G38, H6

**CONSTRUCTING A SUBSTANTIVE THEORY IN ORGANISATIONAL RESEARCH:
USING GROUNDED THEORY TO UNDERSTAND CSR**

Petya KOLEVA

Business and Management Research Institute, University of Bedfordshire, petya.koleva@beds.ac.uk

Rodolphe OCLER

Management and Business systems department, Business School, University of Bedfordshire,
rodolphe.ocler@beds.ac.uk

Abstract

Grounded Theory strategy (GTS) has been introduced almost 50 years ago as the approach developed significantly since that time and contributed to emergence of variety of GT strategies. Nevertheless, GTS still remains widely misunderstood in research practice as scholars incorporate limited spectrum of the GTS techniques and fail to integrate its potential in their inquiries. Therefore, the purpose of this article is 1) to discuss divergences between various GTS and by doing so to shed light on ‘the rhetorical wrestle’ (Glaser, 2014) between different variances of the strategy; 2) to demonstrate the potential of GTS by incorporating its constructive turn (Charmaz, 2006) into scientific inquiry; 3) to advocate for the increase use of constructive GTS (CGTS) in organisational research by utilising practical example of its implementation in a recently completed doctoral study by the lead author. By doing so the study contributed to the GT field by demonstrating how CGTS could be adopted in organisational research.

Keywords

Grounded Theory, Substantive theory, CSR, Constructivism

THE IMPACT OF THE FINANCIAL CRISIS ON CORPORATE GOVERNANCE

Roxana DAN

West University of Timisoara, Faculty of Economics and Business Administration, Romania,
roxana.dan90@yahoo.com

Alexandru AVRAM

West University of Timisoara, Faculty of Economics and Business Administration, Romania,
alexandru.avram@e-uvt.ro

Roxana HETEȘ

West University of Timisoara, Faculty of Economics and Business Administration, Romania, roxana.hetes@e-uvt.ro

Abstract

The impact of the economic and financial crisis, whilst negative, had not affected equally the financial performance of the companies, this aspect being analyzed in the present article. It has been observed that not all the companies were affected by the crisis in the same manner and with the same intensity. Recent studies revealed that risk management and financial policies have had a significant impact over the intensity that the crisis affected the company. Considering this, we can state that the way in which financial policies of the company are shaped, represents how the company is handling to mitigate, to amplify or to cancel the implications of the crisis over company's performance. In this respect, the decisions of the Board of Directors and company's management and thus, the corporate governance processes and mechanisms, helped the company to overcome the obstacles emerged as a consequence of the economic crisis and its effects. In the present study, we aimed to analyze, through a literature review, which were the factors that helped to dampen or amplify the negative effects of the crisis over the financial performance of the company.

Keywords

Corporate governance, financial performance, crisis, strategy, management

THE IMPACT OF EU ENVIRONMENTAL POLICY ON PUBLIC POLICY, BUSINESS PRACTICES AND CONSUMER BEHAVIOR TOWARDS ENVIRONMENTALISM IN GREECE AND CYPRUS

Ioanna PAPASOLOMOU

University of Nicosia, Cyprus, papasolomou.i@unic.ac.cy

Haris KOUNTOUROS

EPIO Athens, Greece, haris.kountouros@europarl.europa.eu

Abstract

According to Banerjee and McKeage (1994), "environmentalism" is enjoying a rebirth of interest in marketing and consumer behavior. Environmentalism is an organised movement of citizens and government agencies aimed at safeguarding and improving people's living environment (Kotlet et al. 2005). Environmentalism is an attempt to balance relations between people and the natural environment on which they depend as a means of achieving sustainability. It can be seen as a philosophy and a social-political and ethical movement aimed at protecting and enhancing the quality of the natural environment. Environmentalism can have an impact on the marketing strategies of corporations and specifically for the promotion of "green" products. When consumers are environmentally aware and concerned, they tend to choose green products. Catton and Dunlap (1982) give a definition of environmentalism as: "beliefs that some radical changes in current lifestyle and economic systems may be required to prevent environmental damage." EU legislation such as the Landfill Directive (EU, 1999), the European Commission's Roadmap on a resource efficient Europe (EC, 2011) and the EU's Waste Framework Directive (EU, 2008) demonstrate that the EU has formed the instruments to establish a range of waste management targets and broader goals by 2020 (European Environment Agency 2013). The evolution of environmentalism is characterized by two phases. The first one was driven by environmental groups and consumers that were concerned by the various environmental disasters in the 1960s and 1970s, such as strip mining, forest depletion, acid rain, loss of the atmosphere's ozone layer, toxic waste and litter. Their concerns were also targeted towards the heightened health problems caused by bad air, polluted water and chemically treated food. The second phase was initiated by governments, which enforced laws and regulations during the 1970s and 1980s, controlling industrial practices that were impacting upon the natural environment. It is a fact that these legal regulation affected different industries in a dissimilar manner. For example, the car industry was required to introduce expensive emission controls in produced cars. The aviation industry is another example. The petroleum industry had to create new low-lead and unleaded petrol. At the same time, it is true that, typically, the industries affected most by environmental regulation were the greatest polluters. A third and, arguably, potentially more notable phase has now emerged, in which the corporate sector accepts responsibility the environment, meaning that it pledges to act in a manner that does not endangers or harms the natural environment. Several corporations are beginning to adopt policies which encapsulate this environmental responsibility by focusing on the company's profitability whilst being

mindful of their impact on the environment (and seeking to preserve the natural environment). Some examples of corporations who have adopted this philosophy include the Toyota group of companies, BP, and Shell. Be that as it may, environmentalism impacts upon people's personal values and behaviour. One could perhaps suggest that strong positive perceptions towards environmentalism can have a variety of consequence on a person's product and brand purchase choices, consumption behaviour and lifestyle in general. For instance, people with a strong positive attitude towards environmentalism can show a preference towards the purchase of green products. They can also exhibit changes in lifestyle, like walking or biking instead of driving, or repairing and reusing products instead of purchasing brand new products are also possible. Other consequences are activism (e.g. signing petitions), joining environmental organizations, and keeping abreast of current environmental developments. In general environmentalists are not hostile towards marketing and consumption, they expect however greater responsibility from people and organisations towards the physical environment. In an era of growing corporate social and environmental responsibility, the role of various governmental, social and cultural institutions and actors are crucial in shaping people's values towards environmentalism. Specifically, schools and other educational institutions, a person's family, a country's legal framework, and voluntary initiatives aimed at protecting and 'restoring' the natural environment can play a critical role in creating a society with strong environmental values and, therefore, behaviour. Instilling and nourishing a behaviour towards environmentalism at a young age can have implications for people's consumption choices and behaviour in adult years. To this end, the parents, family, the society, educational institutions, and the government have a responsibility and even obligation to create, build, nourish and sustain a new generation of environmentalists. In light of this the paper explores the impact of environmentalism and the EU environmental policy on consumers and businesses in both Greece and Cyprus, and discusses the implications for marketing and corporate strategic planning.

Keywords

Environmentalism, EU Environmental Policy, Corporate Behaviour, Consumer Behaviour, Public Policy

CROSS-GENERATIONAL ANALYSIS OF ETHICS AND SUSTAINABILITY. INSIGHTS FROM ROMANIAN RETAILING

Dan-Cristian DABIJA

Babeş-Bolyai University Cluj-Napoca, Faculty of Economics and Business Administration, Romania,
cristian.dabija@econ.ubbcluj.ro

Cătălin POSTELNICU

Babeş-Bolyai University Cluj-Napoca, Faculty of Economics and Business Administration, Romania
catalin.postelnicu@econ.ubbcluj.ro

Vasile DINU

Bucharest University of Economic Studies, Faculty of Business and Tourism, dinu_cbz@yahoo.com

Abstract

When targeting various generations of consumers, and especially when designing an offer for these consumers, fashion, footwear and sportswear retailers have to increasingly take into account ethical principles, motivated by the need to achieve a favourable competitive position, exhibit a sustainable behavior and ensure the aesthetics and durability of goods (Cooper, 2005). Many business practices (exploitation of labour, environment pollution, enforcing inhumane working conditions etc.) are sanctionable in most countries of the world. When approaching the international market, retailers have to rely on various sustainable actions. Therefore the authors highlight actual measures undertaken by fashion, footwear and sportswear retailers when designing a sustainable strategy. A second goal of the paper is represented by a cross-generational analysis of 952 Romanians perceptions towards retailers' ethical and sustainable strategy. Results show that retailers are more and more concerned of ethical principles when approaching consumers on an emerging market, such as Romania, as well as relying on sustainable procedures and standards. Regardless of their generation, consumers select retailers which contribute to the reduction of pollution, sell green or environmentally friendly products, respect employees and their working conditions.

Keywords

Sustainability, ethics, retail, fashion, footwear, sportswear stores, multinational retailers, generations of consumers

JEL Classification

F10, F23, M14, M30, M31, Q01

EXPERIENCE AND VISION IN MANAGEMENT AND MARKETING TRACK

EDUCATIONAL AND CAREER MANAGEMENT FOR GENERATION Z

Silvia PUIU

University of Craiova, Faculty of Economics and Business Administration, Craiova, Romania, silviapuiu@yahoo.com

Abstract

The paper aims the establishing of some guidelines for the educational and career management of youngsters belonging to Generation Z. The main objectives of the research are: identifying the most important features for GenZ, highlighting the main differences between the former generations and the nowadays one in terms of expectations in education and career, offering some recommendations for managers of the educational institutions, teachers and specialists from Human Resources departments. The research methodology is based on a survey conducted in July 2016 on a number of 111 youngsters. The results are useful for improving the educational and career management of Generation Z, a more dynamic generation, taking into account the evolution of technology.

Keywords

Generation Z, educational management, career management, youngsters, teaching

JEL classification

I21, I23

GENERATION Z – A NEW TYPE OF CONSUMERS

Silvia PUIU

University of Craiova, Faculty of Economics and Business Administration, Craiova, Romania, silviapuiu@yahoo.com

Abstract

The article presents the social behaviour of those youngsters belonging to Generation Z, that have also different preferences in consumption and a different way of making decisions related to the purchasing process. The objectives of the research are: identify a pattern of the social behavior of Generation Z, understand this behaviour in the context of a purchasing role the youngsters play in their quality as consumers or at least as influencers, offer some guidelines for the companies in order to maximize the marketing efforts addressed to this target. The research methodology is based on a survey conducted in July 2016 on a number of 111 youngsters. The results are useful for those working with Generation Z or targeting them in different marketing campaigns.

Keywords

Generation Z, marketing campaign, social behaviour, social media, consumer

JEL classification

M30, M31

FRANCHISING AND THE DEVELOPMENT OF ONLINE SALES

G rard CLIQUET

IGR-IAE, Universit  de Rennes 1, gerard.cliquet@univ-rennes1.fr

Abstract

Franchising is a fast growing organizational form. Meanwhile using Internet is today essential to develop sales in any company. However, it seems that opening transactional websites within franchise systems can bring hindrances franchisors and franchisees should be aware of. The EU Commission considers Internet as a new marketing channel, but not as a new store. Hence, franchisees, as well as franchisors, can open a transactional website. This paper strives to figure out on the one hand reasons to open transactional websites within a franchise chain, and on the other hand difficulties franchisors and franchisees should overcome to develop their sales through Internet without hindering the sales growth either of the franchise chain by damaging the brand and the concept (by the franchisee), or of the franchisee by encroaching franchisee's sales territory (by the franchisor).

Keywords

Franchise, Online sales, Online commerce

EDUCATIONAL SERVICES AND ITS MARKETING: RESEARCH ON SERVICE PROVIDERS' SATISFACTION

Zaid Yaseen SAUD AL-DULAIMI

Academy of Economic Studies, Bucharest, Romania, zaidyaseen610@yahoo.com

Abstract

Marketing is the process of creating a demand and of pursuing existing and potential customers. Competition exists in all branches, and the educational service sector is not an exception. Interestingly, the need to “market” their services has not really been felt by the Iraqi education sector, as not so long ago educational institutions have faced more demand than they could cope with. In some ways this is still true, especially for high ranking universities. However, a significant demographical decline intensified competition in this sector. For specialized fields such as management and computer education, their attractive market potential has increasingly caused more and more institutions to be set up, and as a result the competitive situation is changing rapidly. Even institutions facing heavy demand have been confronted with the question of being able to choose their desired target customers, and therefore face issues like product differentiation, product extension, diversification and service integration. All of these factors have spurred an interest in the previously neglected area of marketing of education services.

Keywords

Educational service, marketing, education, service providers

RISK MANAGEMENT MODELS FROM THE PERSPECTIVE OF THE IMPLEMENTATION OF THE 9001:2015 ISO STANDARD WITHIN FINANCIAL SERVICES COMPANIES

Cătălina SITNIKOV

University of Craiova, Romania, inasitnikov@yahoo.com

Claudiu George BOCEAN

University of Craiova, Romania, boceanclaudiu@yahoo.com

Dorel BERCEANU

University of Craiova, Romania, dorelberceanu@yahoo.com

Abstract

In its new form, the 9001:2015 ISO standard activates and utilizes a thought pattern based on risk assessment functioning in parallel with the implementation of the system regarding quality management. Therefore, we strive to identify the risks and opportunities associated with the processes and products needed to create and implement a system of quality management based on the 9001:2015 ISO standard, defined by a strong client-based orientation, motivation and a managerial involvement on the higher levels, as well as a process-based approach and a commitment towards constant improvement. By implementing the requirements of the new version of the 9001:2015 ISO standard, the organisation needs to determine all the processes necessary to the system of quality management, as well as identify those which include activities dealing with risks and opportunities. Considering the importance and the impact of the requirements of the new version of the 9001:2015 ISO standard, starting from theoretical concepts and underscoring a set of research vectors, a model of financial risk assessment has been devised. The model is based on the correlation which can be established within the multiplicity of components relating to the components of the new standard structure, SL Annex, elements of an approach derived from risk patterns and processes which are assessed from the perspective of financial services companies.

Keywords

Management models, ISO 9001:2015, SL Annex, ISO 31000:2009, risk-based approach, financial services companies, risk assessment

JEL Clasification

G32, L1, M11, M14

THE MANAGEMENT TOOLS USED IN THE DECISION-MAKING PROCESS

Daniela POPESCU

University of Craiova, Faculty of Economics and Business Administration, Craiova, Romania, catalin@oltenia.ro

Sorina GÎRBOVEANU

University of Craiova, Faculty of Economics and Business Administration, Craiova, Romania,

sorinagirboveanu@yahoo.com

Abstract

This study analyses and debates some management tools which are especially applied on the level of the team and section. The following aspects are discussed: the process decision program chart and the network activity diagram. These tools are used in order to reach certain goals which do not always follow the plan, and the last minute changes may have serious consequences and may avoid surprises and identify possible countermeasures. The matrix chart gives the possibility of certain individuals from within the team to identify, analyse and give a classification to the relations between two or more variables. Information are presented in a form of a chart/table and can be subjective or objective, being able to be given symbols with or without numeric values. These tools establish the priority of problems, objectives, characteristics and others, based upon criteria weighed using a combination between the technical tree charts and matrix. Once an element is prioritized efficient decisions can be taken.

Keywords

Decision program chart, network activity diagram, brainstorming, general plan

JEL Classification

O10, O29, D00, P46

ASPECTS ON THE IMPORTANCE OF ENTREPRENEURSHIP FOR THE ECONOMIC DEVELOPMENT

Roxana MARINESCU

University of Craiova, Faculty of Economics and Business Administration, Romania, roxanaseverineanu@yahoo.com

Monica PATRUTESCU

University of Craiova, Faculty of Economics and Business Administration, Romania, monik_cudts@yahoo.com

Abstract

Entrepreneurship tends to be associated with the economic development and welfare of the nation. The activity of the entrepreneurs have a strong impact on the world because they are the ones that make things happen and the world moving forward, introducing new technologies, promoting new products, stimulating the discovery of new resources, mobilizing capital and providing employment for the greatest part of the population of the world. The essays made by the Global Entrepreneurship Monitor (GEM) include a significant amount of information from which we tried to identify a concrete relation between the entrepreneurship and economic growth. The latest report published by GEM, for the data collected in 2015, highlighted once again the close relation between the entrepreneurship and economic progress, pointing out that even in the developing countries the entrepreneurship has an important role in the economy.

Keywords

Entrepreneurship, entrepreneur, characteristics, economic development indicators

JEL classification

M10, M13

REFLECTION IN EUROPEAN STANDARDS OF THE ISSUES REGARDING RISK MANAGEMENT AND RISK ASSESSMENT IN INDUSTRIAL SYSTEMS

Marian ENESCU

University of Craiova, Faculty of Economics and Business Administration, Romania, enescu.marian@yahoo.com

Maria ENESCU

University of Craiova, Faculty of Economics and Business Administration, Romania, enescu.maria@yahoo.com

Abstract

The risk assessment involves assessing the likelihood and impact of the event characterized by risk. Based on the determined values, the risk profiles and priorities for managing the risk are established. The determined risk level is considered equal with risk exposure. The risk assessment is focused on: assessment of the likelihood of risks; assessment of impact on targets if the risks are occurring; exposure assessment. The evaluation involves also the comparison between the level of risk determined through analysis, with risk criteria developed in the phase of context establishment. If the risk level does not meet the acceptance criteria, the risk should be treated. The decisions will

consider a broader risk context and risk tolerance of the stakeholders. In certain circumstances, the risk assessment may lead to the decision to perform new, thorough analyses, or to not treat risks than through maintaining the existing control systems. Such decisions will be influenced by the risk appetite of the organization, by attitude towards risk or by the predetermined risk criteria.

Keywords

Risk, risk management, standard, evaluation, analysis

**THE QUALITY OF SERVICES, EXPRESSION OF SERVICES EFFICIENCY IN
RELATION TO CONSUMER DEMANDS**

Marian ENESCU

University of Craiova, Faculty of Economics and Business Administration, Romania, enescu.marian@yahoo.com

Maria ENESCU

University of Craiova, Faculty of Economics and Business Administration, Romania, enescu.maria@yahoo.com

Abstract

It is difficult to achieve in services a uniform level of quality because of the multitude of factors involved in serving process; the quality can be affected by service personnel, by equipment, by production system and by client. Even if from technical point of view of the personnel, an optimization is ensured, enabling the achievement of high quality, because of the customer predominant participation, of contact personnel, the service quality is still at risk of failures. A number of factors that are not meet in (and do not affect) the mechanized and automated systems from traditional factories are intervening.

Keywords

Quality, services, customers, enterprise, service providers, consumers, firm

REGIONAL COMPARISON OF LEADERSHIP STYLES IN ROMANIAN SME'S

Radu OGARCĂ

University of Craiova, Faculty of Economics and Business Administration, Romania, rfogarca@yahoo.com

Liviu CRĂCIUN

University of Craiova, Faculty of Economics and Business Administration, Romania, lcraciun70@yahoo.com

Laurențiu Stelian MIHAI

University of Craiova, Faculty of Economics and Business Administration, Romania, mihai.laurentiu09@yahoo.com

Abstract

The manager's leadership styles define the way a manager acts behaves and takes decisions in certain situations and has a direct influence upon the employees' well-being. In a small and medium enterprise setting, unlike in a large enterprise, the employees are feeling the influence of the leadership style in a much more direct and personal way, due to the small number of hierarchical levels and the constant interaction between the owner/manager and the employees. Based on this reasoning, this article aims to analyse the particularities of the leadership styles as they are perceived by the employees from small and medium enterprises from Oltenia Region. In order to properly analyze the leadership behavior of the owners/managers of small and medium enterprises, we have used a 21 question survey, based on which we could determine the leadership style (Autocratic, Democratic or Laissez-faire) of the superior, as it is perceived by each respondent. The survey has been applied on a sample of cca. 300 employees from small and medium enterprises from Oltenia, and approximately 140 responses have been used in the actual research. The results of this study will be used in a further research, in which we aim to compare the way the managers perceive their own leadership style and how it is perceived by their employees.

Keywords

Leadership, small business, employees, management

AN OVERVIEW ON THE STAGES AND FEATURES OF EUROPEAN FUNDED PROJECTS QUALITY MANAGEMENT

Adina NUȚOAICA DRĂGOLICI

Ministerul Fondurilor Europene, blue_rocca@yahoo.com

Abstract

Quality management in projects financed by the EU, is based on two pillars: the quality correlated with project results (deliverables) and quality correlated with project effectiveness and performance management. The quality management process encompasses the following areas: quality planning, quality assurance and risk management. The management of European programmes and projects must include a considerable number of people with specific skills and training. Quality management depends, directly, of the persons responsible for the management and monitoring functions, contributing to the implementation of programmes and projects. In the case of European programmes and projects, very important is the development of guidelines for improving the quality, taking into account all levels and stages of carrying out a project, so that all processes and stakeholders may be involved to improve the quality of these projects and programmes. Therefore, all quality improvement guidelines should be developed on the structure identification/formulation/implementation, including monitoring and reporting by adopting a systematic quality process within the broader approach of the TQM.

Keywords

Quality, quality management, project, european funded projects

A SHORT ANALYSIS OF FACTORS REGARDING COMPETITIVENESS OF SMEs

Diana TĂNASE

University Eftimie Murgu, Resita, Romania, florenta.tanase@yahoo.com

Suzana DEMYEN

University Eftimie Murgu, Resita, Romania, s.demyen@uem.ro

Adrian TĂNASE

University Eftimie Murgu, Resita, Romania, a.tanase@uem.ro

Abstract

This paper highlights the conceptual framework for research of the elements which are influencing the competitiveness of SMEs. It consists in a short analysis regarding the key factors that manifest an important impact upon the future of Small and Medium Size Enterprises. In the first part this manuscript is presenting a short literature review referring to the concepts of SMEs and competitiveness while the second part illustrates a content analyses based on WEF Reports and other official data provided by specialised institutes. The paper is just the starting base for a larger research that will address the analysis of the most important pillars that lead to competitiveness of SMEs in the European Union.

Keywords

SMEs, competitiveness, factors

PERSPECTIVES REGARDING SUSTAINABLE DEVELOPMENT IN THE CONTEMPORARY SOCIETY

Adrian TĂNASE

University Eftimie Murgu, Resita, Romania, a.tanase@uem.ro

Suzana DEMYEN

University Eftimie Murgu, Resita, Romania, s.demyen@uem.ro

Diana TĂNASE

University Eftimie Murgu, Resita, Romania, florenta.tanase@yahoo.com

Abstract

The paper represents an overview of the main perspectives regarding sustainable development. The paper starts from the definition of sustainable development from the perspective of several authors, continues with aspects to consider for the implementation of the sustainable development concept, and then analyses this concept in Romania, through a parallel of the Sustainable Society Index (SSI) in the context of the contemporary society. Furthermore, general aspects are presented related to the contemporary society and its impact on sustainable development. The paper ends in a series of proposals in view of applying the measures necessary for the implementation of the sustainable development concept.

Keywords

Society, sustainable development, future

STUDY ON QUALITY OF LIFE IN THE SUBURBS OF DROBETA TURNU SEVERIN

Natalița Maria SPERDEA

University of Craiova, Faculty of Economics and Business Administration, Romania, nataliasperdea@yahoo.com

Abstract

Romania ranks first in EU in terms of the relative poverty rate, with a rate of 25.4%, according to officials of the National Institute of Statistics (INS). Within the national strategy on social inclusion and poverty reduction (2014-2020) 1 of 5 Romanian states face relative poverty, 75% of the poor being placed in this situation at least the last 2 or 3 years. Despite relatively low unemployment, poverty among working people is very high, more than twice the EU27 average (9%). Almost 1/3 of the population (30%) suffer from severe material deprivation and can not afford the goods and services they deem to be necessary to have a lifestyle accordingly. About 7% live in households with very low work intensity. Overall, over 42% of the population at risk of poverty or social exclusion. The following analysis was performed on one of the suburbs Drobeta, namely Schela Cladovei district. The study aims generally materialization opportunity to develop individual potential of young people and children in this community, identification of necessary conditions for full participation of young people and children, in economic, social and cultural life of the Romanian society, and identify ways in which people older may participate in all aspects of life as active citizens.

Keywords

Quality of life, material deprivation, poverty, social life, strategy

SUSTAINABLE DEVELOPMENT - A MILESTONE THAT IS HARD TO REACH FOR ROMANIA

Maria Magdalena CRIVEANU

University of Craiova, Faculty of Economy and Business Administration, Craiova, Romania, mag_da64@yahoo.com

Abstract

Sustainable development has become a focus both at a world and at an international and national level, in the context of population growth and, implicitly, consumption growth. Sustainable development aims at ensuring a balance between environment preservation and protection, life quality and economic growth. One of the most important aspects refers, of course, to protecting the most important resource, i.e. human resource. To this purpose, the hereby work aims at analysing a range of indicators, thus outlining a strategic direction regarding possible areas of intervention in human capital development.

Keywords

Sustainable development, human resource, sustainable development indicators, strategy.

JEL classification

I00

STUDENT SATISFACTION ABOUT THE ADMINISTRATIVE AND ACADEMIC PERFORMANCE IN THE FACULTY OF ADMINISTRATION AND ECONOMY AL- IRAQIA UNIVERSITY (A SURVEY)

Zaid Yaseen SAUD AL-DULAIMI

Academy of Economic Studies, Bucharest, Romania, zaidyaseen610@yahoo.com

Abstract

Subject of study student satisfaction is one the modern approaches to the development of higher education, as became Students satisfaction an essential element of the quality of education. So the goal of this research is to measure the level of exploratory students satisfaction the Faculty of Administration and Economics at the of Al-Iraqia University administrative about the academic performance of their college, Questionnaire has been used as a tool for measuring on a sample of 290 students from the four academic-years and higher studies, The results showed that the general level of satisfaction with the ten areas studied was between good in Field performance of faculty members, and acceptable in the field of scientific research, and weak in other areas, as the results showed that there were no significant differences in the level of satisfaction belong to the Demographic variables, with the exception of some specific questions. The researcher recommends that students satisfaction taken into account as one of the quality and reliability components, and various university departments must seek to fill the needs of students and meet their expectations.

Keywords

Students satisfaction, the quality of higher education, economic education

INFORMATION - STRATEGIC RESOURCE FOR THE PERFORMANCE OF THE ORGANIZATION

Ion CRIVEANU

University of Craiova, Faculty of Economy and Business Administration, Craiova, Romania, ion_criveanu@yahoo.com

Abstract

The information strategies of the organization are directed mostly depending on the organizational culture. Considerations of economic efficiency and management performance have gradually accredited resource management information regarding the functioning of the organization as a whole. Obtaining competitive advantage with the help of the informational factor, relies heavily on the ability of organizations to manage and serve their own information background and also to develop specific infrastructure.

Keywords

Competitive advantages, managerial competencies, performance management, strategic resource

DEALING WITH CORRUPTION IN PUBLIC ADMINISTRATION

Diana Mihaela MORARU

University of Craiova, Faculty of Economy and Business Administration, Craiova, Romania,
diana20mmm@yahoo.com

Abstract

The article examines possible forms of resistance to tackling the integrity and efficiency in public administration. Analyse one by one: lack of institutional support, a predominantly conservative curriculum and scientific perspective on gender issues. The article analyses several mechanisms to fight against corruption by reporting system priorities: ethics counsellors specialization, creating a department within which to operate experts in the fight against corruption enjoy full institutional support. The conclusion is that in Romania, promotion and implementation of effective mechanisms to enhance integrity in public administration must begin with the formation of an institutional framework to enable experts in ethics, integrity and anti-corruption best practices.

Keywords

Anticorruption, integrity, ethics, public administration

THE 9 STRATEGICAL MODELS AGGREGATION THAT MIRRORS THE ORGANIZATION – INTERNAL CLIENT – EXTERNAL CLIENT TRIAD BEHAVIOR

Victor TUDORAN

University of Craiova, Faculty of Economy and Business Administration, Craiova, Romania,
victor_tudoran@yahoo.com

Abstract

The article proposes an aggregation-type strategical model, based on the 9 classics models. The purpose is to offer a practical tool for analyzing and developing the business behaviors that are met into the Organization – Internal client – External client triad framework. The article is going to have a short analysis regarding each and every 9 classic models and also, the other already known and used aggregation ideas, based on the classics as well. Relying on these studies, a new approach regarding the development stages of the organization and internal staff will be proposed. These development stages also reflect the organizational behaviors in relationship with the external clients. The conclusion is that the new integrated strategic model could be a useful and practical tool for analyzing the organization's internal resources and for building concrete action plans to develop these resources. These action plans contain 5 stages, starting with the inception stage and finishing with the highest stage.

Keywords

Strategical model, new integrated strategic model, 5 stages- from inception stage to the highest stage, practical tool for analyzing the organization's internal resources, Organization – Internal client – External client triad

MARKET PERSPECTIVES FOR STATE RUN COMPANIES FROM ROMANIA

Gheorghe MEGHIȘAN

University of Pitesti, Faculty of Economic Sciences, Pitești, Romania, gheorghemeghisan@yahoo.fr

Georgeta Mădălina MEGHIȘAN

University of Craiova, Faculty of Economics and Business Administration, Craiova; Romanian Academy, National

Institute of Economic Research "Costin C. Kiritescu", Bucharest, Romania, madalina_meghisan@yahoo.com

Abstract

Most of the state run companies registered a loss during the last financial year, up to around 500 million euro. With more than 200 000 employees, the economic performances of these companies reached around 10 billion euros. This paper focuses on the analysis of the main financial indicators of the state run companies from Romania within the macroeconomic context. Based on the analyzed results, we will make an objective analysis on the situation, coming up with solutions for better strategies that could be implemented by these state run companies in the nearest future, in order to raise their profitability.

Keywords

State run companies, macroeconomic analysis, services market

THE ROMANIAN APPROACH OF THE CORRUPTION PHENOMENON

Larisa GRIGORIE

University of Craiova, Faculty of Economy and Business Administration, Craiova, Romania,

grigorie_larisa@yahoo.com

Abstract

The aim of this article is to highlight the various aspects of the corruption phenomenon in Romania. Based on the definition of the corruption phenomenon, I conducted an analysis of the major anti-corruption strategies and I presented how different national and international organizations contribute and engage in the fight against corruption. One of the most active institutions in our country, with tangible results in the fight against corruption is the National Anticorruption Directorate and one of the documents reflecting the progress made by Romania in this field is the report under the Mechanism for Cooperation and Verification (MCV).

Keywords

Corruption, anti-corruption strategies, National Anticorruption Directorate, Mechanism for Cooperation and Verification

IMPACT OF LOGISTICS ON ACTIVITY ORGANIZATION

Adriana SCRIOȘTEANU

University of Craiova, Faculty of Economics and Business Administration, Craiova, Romania,

adiscristeanu@yahoo.com

Abstract

This paper presents the influence of logistics on competitive advantage, customer service and customer loyalty. Despite that the same logistic activity can be done in many ways, with different costs and performance, the evaluation of the activities and the links between them are essential for understanding the influence of logistics regarding the competitive advantage. The links in the chain of value show the synchronization of activities to obtain competitive advantage.

The customer service is one the most powerful elements available of the organization in the search competitive advantage, but the least well managed. The output of all logistics activity is customer service. The customer service is the most important means of gaining and maintaining differentiation in the marketplace. Approaching the customers and providing some quality services, based on the individual needs of the customers might contribute to the earning and maintenance of the competitive advantage of the organization. Decreasing the costs, finding the factor/service which keeps the customer fidelity, realizing a new product are modalities of differentiation of the enterprise's for its competitors. The logistics can play a key role in increasing customer satisfaction and enhanced customer retention.

Keywords

Logistics, competitive advantage, customer service, customer loyalty

JEL classification

M20, M21

MANAGEMENT IN PUBLIC PROCUREMENT

Florin TUDOR

University of Craiova, Faculty of Economics and Business Administration, Craiova, Romania, tudor.flo71@yahoo.com

Andrei Bogdan BUDICĂ

University of Craiova, Faculty of Economics and Business Administration, Craiova, Romania

bogdanbudica@gmail.com

Ilie BUDICĂ

University of Craiova, Faculty of Economics and Business Administration, Craiova, Romania, budicailie@yahoo.com

Adrian Florin BUDICĂ

University of Craiova, Faculty of Economics and Business Administration, Craiova, Romania,

adrian.budica@yahoo.com

Abstract

Procurement Management aims to purchase goods, works and services required of a public body for its proper functioning and the objectives set, based on the available funds, depending on budget and in compliance with legal procedures for procurement. In this paper we present the theoretical aspects of the conduct of public procurement of goods, works and services in public institutions, the great importance they have in the supply chain, because they represent the first step in providing logistics to the organization's mission.

Keywords

Management, public procurement, public institutions, logistics management, electronic auction

CHALLENGES OF REBRANDING

Cătălin Mihail BARBU

University of Craiova, Faculty of Economics and Business Administration, Craiova, Romania, catarom@yahoo.com

Ion STANCU

University of Craiova, Faculty of Economics and Business Administration, Craiova, Romania, ioncstancu@yahoo.com

Sorin TUDOR

University of Craiova, Faculty of Economics and Business Administration, Craiova, Romania,

tudorsorin2007@yahoo.com

Abstract

The brand identity and brand image are two concepts used extensively in positioning. Many brands undergo a rebranding process attempting to improve their positioning. The rebranding process can bring minor changes or substantial changes. Following the substantial changes, there can appear a mismatch between the desired identity and brand image. Brand image is persistent and it takes time to change it. This paper explores the challenges involved by the calibration of the identity and of the image in the process of rebranding. The alignment process is a dynamic one, an interactive and not a normative one. The results of this study highlight the elements that support the brand identity and image alignment: marketing communication, product characteristics and internal brand strength. On the other side, the efforts to align the brand identity and brand image are negatively affected by the attitudes of the consumers and their past experience with the brand.

Keywords

Brand identity, brand image, rebranding, brand management

JEL classification

M30, M31

THE ROLE OF MARKET ORIENTATION TO ACHIEVE COMPETITIVE ADVANTAGE: AS A STRATEGIC APPROACH IN AL-DEWANIYA BANKS PROVINCE

Basim Abbas KRAIDY JASSMY

Academy of Economic Studies, Management Faculty, Bucharest, Romania, basimabbas55@yahoo.com

Zaki Muhammad ABBAS BHAYA

Academy of Economic Studies, Marketing Faculty, Bucharest, Romania, zakimohammad2008@yahoo.com

Abstract

The recent of this research aim to examine market orientation in the banks in al Dewaniya province in Iraq, the paper presents primary data collected by questionnaire involving 130 forms were distributed, 118 questionnaire were returned out of which 110 were usable (valid and complete), the set was subjected to correlation and regression analysis by using (SPSS V20.0) to find the relationship among variables, study revealed significant relations between market orientation

positively related with competitive advantage and the study arrived a group of conclusion and recommendations to improve banks position in present competitiveness.

Keywords

Market orientation, competitive advantage, low-cost leadership, differentiation

SOCIAL MEDIA MARKETING – AN EFFECTIVE TOOL FOR PROMOTION AND ONLINE COMMUNICATION

Ion BULIGIU

Faculty of Economics and Business Administration, University of Craiova, Romania, buligiu.ion@gmail.com

Liviu CIORA

Faculty of Economics and Business Administration, University of Craiova, Romania, liviuciora2004@yahoo.com

Abstract

Marketing is an essential function of any organization, any company that is involved in product market and services must support an effective strategy of promoting to have a successful offer. The high competition that characterizes today's business environment gives us the need of making great efforts in order to promote and communicate. The consumer benefits of a wide variety of options; the amount of information that is put at his disposal is evolving exponentially. For this, the company can choose from a large number of promotional tools - social networks, online forums, blogs and means of interpersonal communication. The main advantage is the low cost a business has to pay for promoting over a social network platform. Nevertheless, a large number of companies do not fully exploit the huge potential social media has in promoting their products and even the brand. However, promotion through social media should not be done by using aggressive advertising for products or services; the conversational part should be highlighted; besides the story of the brand and the products, the way the innovative idea and the involvement in community is presented is very important. Social media marketing or marketing through social networks – represents the process used by the company to enter the “social” sphere of the clients and potential clients, with the objective of a better understanding of users' interests and the profile of consumption, but also their perception on its products and services, on the image and the general or specific behaviour, online or offline.

Keywords

Marketing, online promotion, social network, social media, online forums, blogs, branding

PARTICULARITIES AND CHALLENGES OF SERVICES COMMUNICATIONS

Carmen PUIU

Faculty of Economics and Business Administration, University of Craiova, Romania, carmen2puiu@yahoo.com

Mirela SÎRBU

Faculty of Economics and Business Administration, University of Craiova, Romania, mirsirbu@yahoo.com

Abstract

Communications in marketing services raise particular challenges arisen from known peculiarities of services (intangibility, inseparability, variability, perishability). Marketers must not only communicate with the target market but also to educate consumers to overcome specific problems perceiving the value of services. It must find the right balance between metaphorical presentation of the benefits of a service experience and the need to emphasize the elements that make it tangible for consumers, helping them to choose right. To do this, marketers can use both traditional instruments of communication (advertising, promotion, PR) and making buzz using the Internet and new media (social networks, mobile advertising) without neglecting the power of messages generated from outside the company (Word of Mouth, blogs etc.)

Keywords

Services communications, intangibility, traditional instruments of communication, mobile advertising, Word of Mouth

THE TOOLS OF PR USED IN REBRANDING CAMPAIGNS

Sorina GÎRBOVEANU

University of Craiova, Faculty of Economics and Business Administration, Craiova, Romania,
sorinagirboveanu@yahoo.com

Daniela POPESCU

University of Craiova, Faculty of Economics and Business Administration, Craiova, Romania, catalin@oltenia.ro

Abstract

In many ways, a rebranding campaign is a PR campaign. Public relations wields a great deal of power in a rebranding campaigns, as the most important step is developing relationships. By conducting a skilful rebrand, companies can avoid becoming stale and stagnant and let the true values and aspirations shine through. A successful rebranding involves overhauling a company's goals, message and culture — not just changing the name or logo. For example, in a corporate rebranding and raising awareness campaign, it is created high brand visibility and highly favorable and positive attitudes to the brand among internal and external audiences. Having a strong PR strategy to guide major organizational change is essential to minimizing disruption for employees, customers and other stakeholders. Different PR tools (websites, events, newsletters, brochures, social media, media relations, storytelling and more) are used depending of goals and stakeholders targeted. This will be illustrated by some study cases. This article aims at outline public relations tools' roles in the rebranding process.

Keywords

Tools of public relations, brand awareness, rebranding

INDIVIDUALISM-COLLECTIVISM BEHAVIOURAL VARIABLES IN THE SOUTH-WEST OLTENIA REGION

Doina ROȘCA

University of Craiova - Faculty of Horticulture, Romania, doina.rosca@gmail.com

Mirela SÎRBU

University of Craiova - Faculty of Economics and Business Administration, Romania, mirsirbu@yahoo.com

Adrian Sorin ROȘCA

University of Craiova - Faculty of Mechanics, Romania, adrian_sorin_rosca@yahoo.com

Laurențiu Constantin DRAGOMIR

University of Craiova - Faculty of Economics and Business Administration, Romania, dragomirlaur@yahoo.com

Abstract

One element of the COMOR (Behaviour Management Organizations in Romania) research, conducted at a national level by the Scientific Society of Management in Romania (SSMAR), in collaboration with the Association of Economic Faculties from Romania (AFER), shows through this study, in an analytical manner, the main forms of expressing organizational behaviour through which characterize individualism-collectivism in the economic development counties of South-West Oltenia. The study is based upon the valued judgements expressed by 1086 respondents (managers and performers, male and female, young and old people, with varied degrees of schooling and management preparation) that work in 66 economic organizations from all fields of economic activity (industry, agriculture and forestry, construction, commerce, transports, tourism, services).

Keywords

Individualism, collectivism, cultural dimension, variables of organizational behaviour, COMOR Project

ACCOUNTING AND AUDIT IN EUROPEAN AND INTERNATIONAL CONTEXT TRACK

INDICATORS OF THE ECONOMIC AND FINANCIAL PERFORMANCE FOR THE PUBLIC UNIVERSITIES IN ROMANIA

Cristina-Petrina TRINCUI-DRĂGĂȘIN

University of Craiova, Faculty of Economics and Business Administration, Craiova, Romania,
cristina_dragusin29@yahoo.com

Magdalena MIHAI

University of Craiova, Faculty of Economics and Business Administration, Craiova, Romania,
magda@auditsiexpertiza.ro

Luis BLANCO PASCUAL

University of La Rioja, Department of Economics and Business, Logroño, Spain, luis.blanco@unirioja.es

Abstract

Quantifying the economic and financial performance in public universities represents a current, very interesting and quite a controversial matter of debate given that the accounting information realm is not sufficiently explored through the financial analysis. The paper focuses on the ways of measuring the economic and financial performance in public universities in Romania, having as main purpose to provide a set of assessing indicators, by adapting the financial analysis paradigm existing for the private sector, to the public sector particularities. The specific objectives refer to the rentability, self-financing capacity, efficiency of the university expenditures and risk analysis, and the research approach is developed in the context in which either the national law or the international one do not regulate specific indicators for the economic and financial performance analysis within the public sector institutions.

Keywords

Economic and financial performance, performance measurement, performance indicators, universities, public sector.

Jel Classification

H52, I23

INTEGRATING REPORTING IN SMES. ISSUES AND PERSPECTIVES FROM A PIONEERING EXPERIENCE IN ITALY

Mara DEL BALDO

University of Urbino Carlo Bo, Faculty of Economics, Italy, mara.delbaldo@uniurb.it

Abstract

The work discusses the most critical aspects faced by SMEs in releasing an integrated report and adapting the Integrated Reporting (IR) principles to their needs and features. After presenting the literature framework, the paper analyses a case-study relative to a medium-sized company belonging to the Italian Network Business Reporting working group, which has been involved in the drafting process of the Guidance for IR in SMEs. Results emphasize the need for simplifying concepts such as materiality, integrated thinking and connectivity and understanding the benefits deriving from the IR adoption. The work has both theoretical and practical implications, since it contributes to nourish a research field which has not been adequately investigated and support the IR diffusion among SMEs and practitioners, by emphasizing the SMEs' possible approach toward "the IR journey".

Keywords

Integrated reporting (IR), integrated report, SMEs (small and medium-sized enterprises)

JEL Classification

M410

EVALUATING THE ROLE OF THE REGULATORS OF THE EXTERNAL AUDIT PROFESSION IN ACHIEVING THE AUDIT QUALITY IN IRAQ

Fedaa Abd Almajid SABBAR ALARAJI

University of Craiova, Faculty of Economics and Administration, Romania, fdaasabbar@yahoo.com

Andreea Gabriela PONORÎCĂ

The Bucharest University of Economic Studies, Faculty of Accounting and Management Information Systems,
andreea.ase@gmail.com

Ahmed Hamid Juhi AL SAEDI

The Bucharest University of Economic Studies, Faculty of Accounting and Management Information Systems,
ahmed.alsaaida@yahoo.com

Elena Iuliana ION

University of Craiova, Faculty of Economics and Administration, Romania

Abstract

The profession of quality auditing is one of the main concerns of international business community since major companies suffered several failures and financial hardships. Its implications can have direct or indirect effects on the performance of the accountants and auditors. They should improve the quality of their professional performance to be in line with the requirements, principles and specifics of the companies. Both particular research and professional recommendations provided evidence on measuring and evaluating service performance of audit profession by taking into account the relationship between quality and accountant performance. Iraq is one of the states in which regulatory bodies of the external audit profession have been established. Applied research was developed in Republic of Iraq to reveal the function of bodies that regulate external audit for achieving the required level of audit quality and for identifying the obstacles that prevent the compliance with International Standards on Auditing. The research focuses on the role of these bodies in order to achieve the quality of audit by implementing a quality control system. Its benefits reduce chances of criticisms and weaknesses, improving the auditing environment in Iraq. The research is based on the lack of coordination between the Council of Audit Control Profession, and the Council of Audit and Control. The researcher identified several problems such as lack of quality control, weak coordination between the Council of Audit Control Profession, the Association of Accountants and Auditors and the Council of Audit and Control Standards, the abolishment of the function of the Council of Audit and Control Standards between 2003 and 2010 that progress in auditing profession, especially in the field of quality control performance of audit profession in Iraq. Several recommendations were provided such for improving the quality of audit by fitting it with the requirements.

Keywords

Audit quality, external audit profession, Iraq's audit environment

JEL Classification

M42

CONSIDERATIONS ON INCREASING THE QUALITY AND UTILITY OF ANNUAL FINANCIAL STATEMENTS

Magdalena MIHAI

University of Craiova, Faculty of Economics and Business Administration, Romania, magda@auditsiexpertiza.ro

Adriana CRAIȚAR

University of Craiova, Faculty of Economics and Business Administration, Romania, iotaadriana@gmail.com

Abstract

Over the last few years, the Romanian accounting system was found in a constantly changing, so that Romanian companies' accounting results are presented in a manner as reliable, clear and complete. So our study aims to identify the main legislative news concerning the presentation of financial information through annual financial statements, highlighting similarities increasingly clearer with the provisions of International Accounting Standards. Following the accounting regulations we will identify all the categories of annual financial statements drawn up by Romanian entities split also on several categories, depending on size. With this typology, by comparison, we extract the main advantages and the shortcomings of each type of reporting, making the case where any relevant proposals will be conducive to increasing the quality and usefulness of financial statements.

Keywords

Annual financial statements, meaningful information, financial and accounting information, microentities, synthesis documents

JEL Classification

M41, M49

SOCIAL MANAGEMENT CONTROL AND BALANCED SCORECARD A DECISIVE BINOMIAL FOR THE ORGANIZATIONAL PERFORMANCE

Anca Antoaneta VĂRZARU

University of Craiova, Romania, varzaruanca@yahoo.com

Mihai VĂRZARU

University of Craiova, Romania, mihaivarzaru@yahoo.com

Abstract

This article raises the issue of the design and the implementation of socio-economic management control in a company, to help assistance social performance and measure its impact on the economic performance. From researches conducted in four companies from 2001 to 2004, the article describes the issues of a control of the social performance based on a socio-economic management control. The article also identifies informational and organizational conditions for a lasting foothold in the activity of a socio-economic management control.

Keywords

Social performance, social management control, socio-economic management control, creating value

JEL Classification

M19, M40

STANDARD CALCULATION PER PRODUCT IN THE CHEMICAL FERTILIZER INDUSTRY

Ion IONESCU

University of Craiova, Faculty of Economics and Business Administration, Craiova, Romania,
ionescuion2006@yahoo.com

Abstract

The main goal of the research is to present a way of organising the managerial accounting of totally and semi finished product obtained in chemical fertilizer industry entities. For this study, we analyzed the current principle of managerial accounting to an entity in the studied area, in order to emphasize the need of organizing and implementing a modern accounting management to control the cost and increase the performance of the entities in this area, starting from the premise that there are sufficient similarities between entities in the field. Research carried out has revealed that currently, the costing is organized in terms of using traditional methods and that it is necessary to organize and implement an accounting management based on the use of modern methods, namely the method of standard costs combined with the method of centres of costs. The major implications of the proposed system for the investigated field consist of determining a relevant cost-oriented management entity, highlighting the shortcomings of traditional methods of cost.

Keywords

Standard cost method, cost centre method, standard costing, cost centres productive, cost related centres

THE RELEVANCE OF COMPREHENSIVE INCOME COMPARED TO NET INCOME FOR THE MEASUREMENT AND PRESENTATION OF COMPANY PERFORMANCE

Victoria FIRESCU

University of Pitești, Faculty of Economic Sciences and Law, Pitesti, Romania, firescuvictoria@yahoo.com

Maria Daniela BONDOC

University of Pitești, Faculty of Economic Sciences and Law, Pitesti Romania, daniela.bondoc@gmail.com

Abstract

The main objective of our research is to highlight the volatility of comprehensive income compared to the net income in assessing company performance. The empirical study is performed on a sample of companies listed on the Bucharest Stock Exchange applying IFRS in 2012-2015. We carried out a positive research using the following methods: literature review, data collection from the financial statements of the studied companies, mathematical and statistical calculation. The volatility of comprehensive income was approached both dynamically and transversally. We calculated and analyzed the relative standard deviation for the companies proposed in our survey in order to determine deviations from the average of comprehensive income and net income. The obtained results invalidate the hypothesis that the comprehensive income is more volatile than the net income. Research limitations are related to the size of the sample and a future research can be carried out on the study of the comprehensive income volatility of the European companies.

Keywords

Comprehensive income, net income, performance, IFRS, volatility

JEL Classification

M41, L25

**STUDY ON THE MANAGEMENT OF SERVICES QUALITY IN THE ACCOUNTING
PROFESSION**

Greti Daniela AVRAM

Agency for Payments and Intervention for Agriculture, Drobeta Turnu Severin, Romania

Costin Daniel AVRAM

University of Craiova, Faculty of Economics and Business Administration, Craiova, Romania

Marioara AVRAM

University of Craiova, Faculty of Economics and Business Administration, Craiova, Romania

Abstract

In the current period a particular emphasis is put on increasing the quality of accounting services which must be provided at high standards of quality, standards developed and monitored by the professional bodies in the field. Our study follows the manners in which professional bodies that manage the accounting profession in Romania: CECCAR, CAFR, CCF and ANEVAR regulate, organize and exercise the control of accounting services' quality. On the involvement and commitment of the professional bodies in the mission of ensuring the quality of accounting services provided depends the ability to promote a real culture of quality and compliance, which is beneficial and expected by the business environment in particular and the public in general. The quality of services specific to accountancy profession depends not only on the regulation and supervision exercised by professional bodies but relies primarily on the mentality of accounting professionals and their ability to respond to customers' expectations and to estimate their future needs.

Keywords

Quality, professional body, accounting professional, quality classes, quality standards.

JEL Classification

M41, M49

USING COST INFORMATION IN DECISION-MAKING

Victoria FIRESCU

University of Pitești, Romania, firescuvictoria@yahoo.com

Marian ȚAICU

University of Pitești, Romania, taicumarian@yahoo.com

Abstract

In recent decades, within the context of intensifying competition and increasing complexity of internal production processes, managerial accounting has become an indispensable practice and activity of organizations. Managerial accounting allows both a better understanding of the costs and better decision-making. Thus, managers are provided with a useful tool for making predictions, tracing the way decisions are implemented and measuring organizational performance.

Keywords

Cost, calculation method, decision, performance

ASPECTS REGARDING THE METHODOLOGY FOR DETERMINING THE PROFIT TAX AND THEIR IMPLICATIONS ON THE ROLE OF ACCOUNTANCY AND ACCOUNTING PROFESSION IN TERMS OF MEETING THE PUBLIC INTEREST AND ASSUMING THE SOCIAL RESPONSIBILITY

Valeriu BRABETE

University of Craiova, Faculty of Economics and Business Administration, Craiova, România,
vali_brabete@yahoo.com

Cristian DRĂGAN

University of Craiova, Faculty of Economics and Business Administration, Craiova, România, cdragano11@gmail.com
Carmen Maria DINDIRI

University of Craiova, Faculty of Economics and Business Administration, Craiova, România,
mari.negrila@yahoo.com

Abstract

A major objective of the accountancy and the professionals from the field consists in supporting the durable economic development by meeting the public interest, under the conditions of observing the ethical principles imposed to the profession. By this study we intend to illustrate and to analyze certain factors which can perturb the fulfillment of the role of accountancy and accounting profession, seen in terms of meeting the public interest and assuming the social responsibility. In order to meet the proposed objective regarding the research undertaken, we shall support our reasoning and the ideas expressed starting from the specific problematic of the profit tax, which we consider significant for the given context. In order to intercept some relevant images on the approached topic, we'll realize an analysis oriented in double sense, aiming the national rules on one hand and the international rules regarding the determination and the accounting of profit tax on the other hand.

Keywords

Accountancy, accounting profession, profit tax, public interest, social responsibility

JEL classification

M41

INFLUENCES INTRA-COMMUNITY TRADE PARTICULARITIES ON TAX AND ACCOUNTING SYSTEM

Roxana Cristina MARINESCU

Faculty of Economics and Business Administration, University of Craiova, roxanaseverineanu@yahoo.com

Monica PĂTRUȚESCU

Faculty of Economics and Business Administration, University of Craiova, monik_cudts@yahoo.com

Abstract

The abolition of customs barriers within the EU leads to highlight the main features of intraCommunity trade, eliminating customs control. It remained the need to obtain information on the volume and value of intra-Community trade transactions. This objective was achieved in the European Community area through the operation of the electronic system VIES (VAT International Exchange System), through which information is exchanged and multilateral controls, thus avoiding tax fraud with regard to value added tax. At the same time, Romania's accession to the European Union resulted in a complex process in terms of commercial transactions effected, which imposed the harmonization of national legislation with the EU, especially in the fiscal area, with direct implications for trade operations conducted between entities located in the Community but in different countries. The convergence process information, they were subjected to accounts and taxes, he took the forefront alleviate contradictions between the accounting and tax rules. This raises the question of a unified and coherent information flow for both multinationals and for the system of financial indicators calculated and watch all Member States, so as to obtain comparable analysis.

Keywords

Customs control, intra-Community trade transactions, harmonization of national legislation, convergence process, value added tax.

JEL Classification

M210

THE IMPACT OF ORGANIZATIONAL CULTURE ON THE INTERNAL CONTROL

Isabela DRAGOMIR

University of Craiova, Romania, isabela_dragomir@yahoo.com

Marioara AVRAM

University of Craiova, Romania, marioaraavram@yahoo.com

Sorinel DOMNIȘORU

University of Craiova, Romania, domnisorusorin@yahoo.com

Radu BĂLUNĂ

University of Craiova, Romania, rbaluna@yahoo.com

Abstract

The conceptual framework of our paper is given by the fact that using the organizational culture symbolizes a meaningless notion within Romanian public space. After a preliminary study of the current issue, we maintain that our approach will contribute to a good and accurate understanding of the syntagm of "organizational culture", and it will also emphasize the primacy of organizational culture along the trajectory of entities. We will further investigate the impact generated by the organizational culture on one of the primary activities within an entity – the internal control. Throughout our paper, we will shed light on the interdependence that should be created between the organizational culture and the internal control. Striking a balance between the two implies, on the one hand to configure an objective auditing system, that is not to affect the function of guard dog and stray dog of the control itself, and on the other hand to cover the deficiencies, acknowledged and reported by the internal control system. Without exaggerating, we can draw the conclusion that based on the structural and procedural complexity of current entities, the effective functioning of organizations cannot be designed without an equally thorough and constructive internal control.

Keywords

Organizational culture, internal control, entity, management, human resources

FRAUD BETWEEN DEFINITION AND WAYS TO DEFRAUD ILLUSTRATED BY EXAMPLES

Ionuț SPĂTĂRELU

University of Craiova, Faculty of Economics and Business Administration, Romania, Spatarelu_ionut@yahoo.com

Daniela PETEC (CĂLINESCU)

University of Craiova, Faculty of Economics and Business Administration, Romania, calinescu.daniela@yahoo.com

Abstract

Auditors have a key role in the formulation of an opinion on the effective functioning of management and control systems of the operational programs co-financed by ESIF. International Auditing Standards states that the primary responsibility for preventing and detecting fraud lies with both top management and those responsible for governance of the entity. On the other hand, the auditors also play a role in the fight against fraud and should help Member States fulfill their obligations to prevent, detect and correct irregularities and fraud.

Keywords

Tax evasion, fraud, audit, legal framework, tax haven.

JEL Classification

M41, M48

EXCESSIVE TAXATION, SUPPORT OF THE INTENSIFICATION OF UNDERGROUND ECONOMY

Constanța IACOB

University of Craiova, Faculty of Economics and Business Administration, iacobdoina@yahoo.com

Florentina ISTRATE

University of Craiova, Faculty of Economics and Business Administration, istratflorentina@gmail.com

Abstract

An essential component of the overall public policies is represented by the fiscal policy promoted and represented by the state authority which are interrelated and mutually interacting with the other elements of economic policy with an prevailing incidence on promoting an aggressive investment policy. When the tax system known characteristics such as legislative instability, inconsistently application of tax laws, focusing on indirect taxation and associated with lack of civic tax from taxpayers in accordance with a pronounced tax burden and also coupled with a hesitant approach to policy makers in order to adopt structural reforms and policies at macroeconomic level, an environment that fosters

the genesis and emergence of underground economy appears. The problem of excessive taxation, support of the intensified underground economy, can be approached in terms of the costs it generates, and one possibility of reducing the cost of taxation consists in financing effective approach of tax optimization. Underground economy, more than perhaps any other economic phenomenon, has a character of self-generated, meaning that the firms' evading act from paying their tax obligations lead inevitably to fiscal tightening which, in turn, determine the "slippage" of several companies in the economic environment from the transparent area of economy to the underground economy. In this well defined scenario, in our opinion, the state must understand, however, that only the application of drastic coercive measures can not generate, by itself, miraculous results in fighting the underground economy and tax evasion, if they are not followed by removing the causes that have generated this state of affairs in the fiscal behavior of economic agents.

Keywords

Fiscal policy, fiscal pressure, state authority, tax evasion practices, underground economy

JEL Classification

M41, M48

**THE GENERAL FRAMEWORK OF ACCOUNTING WITHIN THE PROJECTS
FINANCED FROM STRUCTURAL FUNDS**

Aurelia DUMITRU

University of Craiova

Alina-Georgiana MOTOI

University of Craiova, motoialina@yahoo.com

Bogdan-Andrei BUDICĂ

University of Craiova

Adrian- Florin BUDICĂ

University of Craiova

Abstract

In this article is analysed the problem of the accounting assessment within the projects financed from grants/non-refundable funds. The article aims to gather all the directives and regulations which are used for the accounting records in relation with the structural funds. In addition, it is aimed the identification and stressing of the main aspects of the european funds accounting. The researching methodology consists of both the qualitative method, and the quantitative one, highlighting the characteristics theoretically, but also practically, from a descriptive conceptual perspective.

Keywords

Structural funds, beneficiary, distinct analytical accounts, prefinancing, reimbursement

JEL Classification

M40, M41, F21, F36

COMPLIANCE FUNCTION AUDIT IN COMMERCIAL BANKS

Sabin Marian CONSTANTIN

BC CARPATICA SA, Romania, sabin_au@yahoo.ro

Abstract

The goal of this paper is to investigate the mechanisms implemented by the banking system with the purpose of combating money laundering and terrorism, on the background of the increase in the volume of financial transactions. Starting from the variety of mechanisms and forms of money laundering and from the increase interest of the states in combating related crimes (terrorism, human trafficking, drug and arm trafficking, corruption, fraud), institutions specialized in combating this phenomenon were created at intergovernmental level. The main difficulty faced by these institutions is to identify transactions, which is why the banking system was requested to get involved directly and actively in this process, given its intermediation function. The banking system as a whole is interested in combating the phenomenon given the distortions that can be generated by a generalized context of fraud, corruption and money laundering, substantiated in damaging the credibility of the financial institutions with which it enters a business relationship, to the extent where it is impossible to determine the currency necessary based on the demand of the real economy. Banking institutions are jointly interested in an individual manner by the fact that their involvement in processes related to money laundering seriously damages their reputation. In this context, the investigation of the mechanisms implemented by banking institutions with the purpose of identifying and blocking suspicious transactions is of special interest.

Keywords

Money laundering, banking system, internal audit

THEORETICAL ASPECTS REGARDING ETHICS AND QUALITY IN ACCOUNTING PROFFESION

Ana - Maria MĂLĂESCU

University of Craiova, Craiova, România, malaescu_ana@yahoo.com

Abstract

In order to understand the incontestable role of Accounting, we have to understand its dimension alongside the evolution. In this perception, we have to take into consideration both the assembly of complex knowledge which are subject to a permanent development, and the people, from genetical point of view, and also from the point of the degree of education accumulated, by reporting to interpersonal relationships.

In our country, the evolution of Accounting in the last 25 years has been determined and influenced, equally by the socio-economical, political transformations , but also by the international evolutions, the result of the last ones mentioned, being the Community Acquis in this field. The role of Ethics within the Accounting profession is to show the involved persons, which are the moral conduct norms to be obeyed. Ethics and Quality are two features that must characterize the professionals in accounting.

Keywords

Ethics, evolution, quality, accounting, internationalization

JEL Classification

C81, C89, M41, M49

QUANTITY AND QUALITY IN ACCOUNTING

Horia CRISTEA

DHC, Honorary accounting expert,

West University, Timisoara, Romania, horia.cristea@yahoo.com

Abstract

The present paper is a synthesis of the scopes of accounting in understanding the economic processes and transactions from the quantitative and qualitative point of view. The economic life is a continuous set of choices and decisions (of maintaining, developing, correcting) based on the information supplied by the accounting. The input information that are processed can be incorrect, processed with correct models and the outputs can be correct, incorrectly processed and with incorrect results.

Keywords

Input, output, accounting, manipulation, manoeuvring, distortion, moral, ethics.

PARADIGM OF ACCOUNTING CHANGE

Constanța IACOB

University of Craiova, Faculty of Economics and Business Administration, Craiova Romania

Marin MIREA

University of Craiova, Faculty of Economics and Business Administration, Craiova Romania

Abstract

The words and phrases swop with each other and the apparent stability of a word's meaning sometimes change in time. This explains why the generic term of accounting is used when referring to the qualities attributed to accounting, but also when it comes to organizing financial accounting function within the entity, and when referring concretely to keeping a double record with its specific means, methods and tools specific, respectively seen as a technical accounting. Speaking about the qualities of accounting, but also about the organizational form it takes, we note that there is a manifold meaning of the word accounting, which is why the purpose of this article is to demonstrate that the paradigm shift aimed at a new set of rules and if the rules changes, then we can change the very purpose of accounting.

Keywords

Accounting, quality, social game, outsourcing

JEL Classification

M40

PREDICTIVE ANALYTICS OF THE FRAUD PREVENTION AND DETECTION AT ASF LEVEL

Constanța IACOB

University of Craiova, Faculty of Economics and Business Administration, Craiova Romania

Ersilia CATRINA

University of Craiova, Faculty of Economics and Business Administration, Craiova Romania

Abstract

A need for greater rigor, which is felt by insurance companies in order to guarantee the fundamental balance of their financial sources, led to intensification of the concerns for preventing and combating fraud. Whatever the nature of fraud (underwriting, breach of contractual or fraud itself), in order to combat it, the insurance companies call on specialists related to the internal control department of the company and this happens not because of the peculiarities of the phenomenon that manifests itself, but because of the costs. The scope of the controller's mission is variable and its limits are set by the control program which has been established. In assessing the fair price of the caused damage, the essential role of the controller is to put a stop to the fraud and to avoid early damage coverage. But information is required in order to accomplish this. The predictive analytics, of those processes necessary to prevent and combat fraud, is a way of passing from a retroactive and intuitive process to a proactive one, that is oriented according to the information possessed. Based on this approach, insurance companies can build models, to predict the risk of fraud, in order to reduce their financial-cost impact.

Keywords

Fraud, internal control, predictability, survey

JEL Classification

C1, G22, M40

DEMANDS ON THE ASSESSMENT FROM THE PERSPECTIVE OF THE APPLICATION OF NATIONAL AND INTERNATIONAL STANDARDS IN THIS FIELD

Daniel GOAGĂRĂ

University of Craiova, Faculty of Economics and Business Administration, Romania, daniel_goagara@yahoo.com

Abstract

The main objective of the evaluation concerns the standards improving and maintaining the quality of the work on behalf of the assessor and the users evaluation results. In recent times, internationally it was found a major concern regarding the existence and efficiency of assessment standards entities. This trend is accelerating, a fact confirmed by recognizing the standards of judicial and fiscal courts. For those responsible for the drafting, review and standards-conformant, an essential requirement is knowledge of existing standards in this area. The correct application of the standards is the responsibility of natural or legal persons authorised, which must meet certain conditions, regarding which we find that it is justified to make a few references.

Keywords

Assessment, evaluation, comparison, international standards

CONCEPTUAL DELIMITATIONS REGARDING ECONOMIC ENTITIES' REORGANIZATION AND LIQUIDATION

Dorica DRAGOȘ (COMAN)

West University Timișoara, Romania, coman.dorica@yahoo.com

Abstract

The development of the phenomenon of restructuring and reorganization of economic entities in the developed countries, where these strategies have benefited from a high interest from shareholders and investors for several decades, has been disseminated lately. Given the internationalization of business combinations, accounting harmonization in this area has become a necessity arisen from the requirements of potential uses of financial statements, as implicit factors are the most affected by the divergences that exist between accounting regulations in different countries. Therefore, providing accounting financial statements is impetuously required and done according to International Financial Reporting Standards.

Keywords

Economic entity, division, liquidation, privatization, reorganization

RESEARCH ON THE INTERNATIONAL ACCOUNTING HARMONIZATION

Tatiana DĂNESCU

Universitatea Petru Maior, Tg. Mures, Romania, tatiana.danescu@gmail.com

Maria Alexandra BOTOȘ

Universitatea Petru Maior, Tg. Mures, Romania, tatiana.danescu@gmail.com

Abstract

During the last decades, the need of harmonization of financial reporting frameworks has become more acute, mostly because the capital markets are not restricted anymore by country borders and capital movement has outlined the phenomenon of globalization and internationalism. A significant step in harmonizing the financial reporting was done in the process of normalization through different sets of rules and principles, recognized and applied in many states are the International Financial Reporting Standards (IFRS). The process of international recognition of these standards continues along with conceptual development which is based on epistemological research on specific markets, industries, economies open to international capital flows. In this context it becomes of interest to identify and understand generally accepted and applied accounting elements which carry forward the accounting harmonization process along with factors and circumstances that create diversity in nationally applied financial reporting frameworks.

Keywords

Financial Reporting, International Financial Reporting Standards, Conformity, Harmonization, Framework for Financial Reporting

NEW APPROACHES OVER THE COSTS AND THEIR INFORMATIONAL VALENCIES

Cerasela PÎRVU

University of Craiova, Romania, cerasela.pirvu@yahoo.com

Anca Madalina BOGDAN

University of Craiova, Romania

Abstract

The significant changes appeared in the organizational environment of the companies, the innovation and the new technologies have determined a new approach over the problem of costs and informational valencies. Reviewing the diversified stages which management accounting has gone through during its evolution, from the classic one to the strategic one and then to the Lean Accounting. The paper suggests an analysis over the way in which the cost and the calculation of the costs is handled. Taking into account the administrative accounting models do not correspond to the actual production processes which are extremely complex we try to find answers regarding questions such as : how should the management accounting evolve under the aspect of measurement, control and management of the processes ? which is the role of the costs management ? how should the relationship with providers and clients be concerned ? how should the costs optimization be regarded ? which are the influences of the social and cultural factors over accounting and the internal managerial control ?

Keywords

Costs, management accounting, cost optimization, evolution of management accounting

CONCEPTUAL NUANCES OF AMORTIZATION PROCESS TERMINOLOGY

Marioara AVRAM

University of Craiova, Faculty of Economics and Business Administration, Craiova, România

Valeriu BRABETE

University of Craiova, Faculty of Economics and Business Administration, Craiova, România

Carmen Maria DINDIRI

University of Craiova, Faculty of Economics and Business Administration, Craiova, România

Claudiu ȘERBAN

University of Craiova, Faculty of Economics and Business Administration, Craiova, România

Abstract

Often, both in literature and practice in economics, it is found that a number of terms related to the amortization process, such as wear, depreciation, physical lifetime, economic lifetime, useful lifetime, normal operation lifetime are used a manner that distorts their content and, therefore, affect the quality of information provided through them. In this article we intend to give opinion to contribute to clarifying the meaning of the terms mentioned, including the relationships between them, in order to provide a more rigorous conceptual base regarding the professional reasoning applicable to amortization. Given that this topic is a focal point of the spheres of interest of several categories of specialists, we will expose our work by comparing the national tax accounting regulations and, international accounting standards and international valuation standards.

Keywords

Amortization, depreciation, economic lifetime, useful lifetime, normal operation, lifetime

JEL Classification

M41, M42.

FINANCE AND BUSINESS EVALUATION TRACK

FOREIGN AND PUBLIC INVESTMENT AND ECONOMIC GROWTH: THE CASE OF ROMANIA

Cristian Valeriu STANCIU

University of Craiova, Faculty of Economics and Business Administration, Craiova, Romania,
valeriu.stanciu@gmail.com

Narcis Eduard MITU

University of Craiova, Faculty of Economics and Business Administration, Craiova, Romania, mitunarcis@yahoo.com

Abstract

In the last decades, there were many empirical studies regarding the role of private and public investment in the growth process. The aim of this paper is to examine, in the Romanian economy, the relationship among 5 macroeconomic variables: Gross Domestic Product, Foreign Direct Investment, Foreign Portfolio Investment, Foreign Other Investment and State Public Investment, using quarterly data over the period 2006Q1-2016Q2. A multiple regression model is used to investigate the effects of the selected independent variables (FDI, FPOI, FOI and SPI) on the endogenous variable (GDP). The results obtain from the multiple regression model show a positive relationship between Gross Domestic Product and Foreign Direct Investment, State Public Investment and Foreign Portfolio Investment (in this order) and a negative relationship between Gross Domestic Product and Foreign Other Investment. We hope that this paper can be a useful tool for government and policy makers in formulating the right investment policies in order to enhance economic development.

Keywords

Economic growth, private investment, public investment

JEL classification

E22, E27

IMPORTANCE OF COST METHOD IN DETERMINING THE TAXABLE VALUE

Daniel CÎRCIUMARU

University of Craiova, Faculty of Economics and Business Administration, Craiova, Romania

Neli MUNTEANU

Academy of Economics Studies of Moldova

Silviu-Valentin CÂRSTINA

University of Craiova, Faculty of Economics and Business Administration, Craiova, Romania

Abstract

One of the most controversial laws changed and our country is recognized as the Law 227/2015 Fiscal Code. Often witnessing changes or additions to this law, sometimes even before it enters into force. The theme of our discussion of this research paper can be found in Law 227/2015 addressed, Title IX - Local Taxes and Fees, Article 460 - Calculation of tax / tax on buildings owned by legal entities. Based on paragraph 5 of Article 460 under which the taxable building owned by the enterprises is given after three years of the acquisition, the value resulting from an evaluation report, we ask ourselves, considering the degree of subjectivity recognized assessment, how that amount can be influenced through the evaluator's opinion. With our empirical study we conducted demonstrated how, thanks to intervention by the standard by GEV 500, the taxable amount, although the assessment is subjective, can be influenced to determine the level of tax.

Keywords

Fiscal code, evaluation, special tax, cost method

JEL classification

G10, G12, H30

VOLUNTARY PENSION FUNDS IN ROMANIA: AN OPTION TO THE POPULATION AGEING PHENOMENON. EMPIRICAL RESEARCH

Mirela CRISTEA

University of Craiova, Faculty of Economics and Business Administration, Craiova, Romania

Daniel CIUIU

Technical University of Civil Engineering Bucharest, Romanian, Institute for Economic Forecasting, Bucharest, Romania

Abstract

All over the world, the demographic trends indicate that the population ageing becomes a major problem, affecting the viability and the sustainability of the pension schemes. However, in Romanian, the demographic problem has become one of national security as well. On this background, our present research study aims at identifying alternatives in this respect, while seeking to increase awareness among contemporary citizens. One of these alternatives is the voluntary pension scheme. Our main research objective is to investigate to what extent the option for voluntary pension funds, the 3rd pillar in Romania, is both efficient and sustainable, by analyzing the weighted rate of return all voluntary funds in relation to their net assets. As main research methodology we have applied the models of Snedecor-Fisher Test (F-Test) and Student Test (T-Test), for each category of pension funds' risk level: high and medium.

Keywords

Ageing, pension difficulties, voluntary pension funds, statistical correlations, quantitative methods

JEL classification

C82, G23, H75

FINANCIAL CRISIS AND ROMANIAN SMES - THREATS AND CHALLENGES

Nicolae SICHIGEA

University of Craiova, Faculty of Economics and Business Administration, Craiova, Romania

nicolaesichigea@yahoo.com

Laura VASILESCU

University of Craiova, Faculty of Economics and Business Administration, Craiova, Romania

laura_giurca_vasilescu@yahoo.com

Abstract

In the Romanian economy the main contribution to the economic development is revealed by the economic and social benefits brought by the Small and Medium Enterprises (SME) sector - being considered a dynamic and strategic field for the economic growth. As well, the SMEs could play an important role for recovering economies as response to the challenges of international financial crisis. Thus, the generalized crisis forced the firms to action in an unfriendly environment, characterized by structural disequilibrium, instability of fiscal system and reticence of the banking system to credit the small firms, with effects on long term (limited access to financing, decrease of exports, reduced level of investments, etc.). Despite some positive trends registered by the Romanian SMEs in the last years, the radiography of this sector still reveals a series of vulnerabilities, a fragile stability, manifested differently in function of size, activity sector or region. In this context, supporting the small and medium-sized enterprises sector is an important component of the economic policies and a range of institutions, policy instruments and programs assist the SME development in Romania. In this paper are analyzed the main evolutions and recent trends regarding the Romanian SMEs, the effects generated by the financial crisis and the main measures taken in order to develop this sector. The challenge for the future is to ensure that the responsible institutions will focus on policies implementation in an effective way, accordingly with international good practice.

Keywords

SMEs, crisis, economic development, financing

CONSIDERATIONS REGARDING THE APPLICABILITY OF THE CONCEPT OF “COMPANY WITH ZERO TAX” IN ROMANIA

Gheorghe NEGOESCU

Ovidius University, Constanța, Romania

Abstract

This article shows that in Romania Horizon 2030 will be no more than 20% of pensioners which can live in decent condition with the pension obtained after 35 years of activity. That means 80% of pensioners will have to carry out

additional activities to ensure their needs over pension income for a decent living. The alternatives are: employee, employer (entrepreneur) or employee and entrepreneur.

Keywords

Company, deductible taxes, retirement, tax, purchasing power, financial risk, decent standard of living

JEL Classification

M49

THE ROLE OF FINANCIAL COMMUNICATION IN BOOSTING SOCIAL DIALOGUE

Costin Daniel AVRAM

University of Craiova, Faculty of Economics and Business Administration, Craiova, Romania

Veronel AVRAM

University of Craiova, Faculty of Economics and Business Administration, Craiova, Romania

Alexandru AVRAM

West University of Timisoara, Faculty of Economics and Business Administration, Timisoara, Romania

Abstract

Social dialogue is a defining element of the European social model and can rightly be considered the result of democratic developments underlying the Treaty on European Union. Defined as a voluntary process through which the social partners inform, consult and negotiate to determine the most appropriate ways of solving issues of great interest to them, social dialogue can be achieved at the level of organization / entity, at branch level, regionally and even nationally. Standardized financial communication responds largely to the information interests of a broad category of beneficiaries: management, shareholders, supervisory and regulatory authorities, potential investors, employees and the public in general. Financial communication is adequate and sufficient as it is regulated by IFRS, by boosting social dialogue, or is required information provided by the social balance if French law model is considered.

Keywords

Financial communication, social dialogue, social balance, economic indicators, social partners.

JEL Classification

A10, G14, G39

FINANCIAL AND NON-FINANCIAL INDICATORS FOR ORGANIZATIONAL PERFORMANCE MEASUREMENT

Elena Iuliana ION

University of Craiova, Faculty of Economics and Business Administration, Craiova, Romania

Maria CRIVEANU

University of Craiova, Faculty of Economics and Business Administration, Craiova, Romania

Abstract

The organizational performance is reflected in the results that the organization obtains, those one being measured by key performance indicators. In the last years, the acerbity competition from the business world, aroused the desire and the interest of companies to improve their performance and to experience ways of measuring the level of performance achieved. The measurement is a condition “sine qua non” of performance assessment, but does not represent a finality by itself. Knowing and understanding a company’s financial data is done in order to predict the future and to improve the performance level of this. The performance measurement does not resume only on the superior financial – accountancy results, respectively to the maximum profitability, to stable financial balance, to ability to generate cash-flow, but also regard all the financial and non-financial aspects of its activity. The investors are not only interested by the historical past of the company, reflected in a relevant way by the classic financial indicators, but also by the future perspectives of development generated by the human, material and financial resources of organization. Thus, the use of an optimal system of measurement of organizational performance based on financial and non-financial indicators, provides a holistic view on current results as well as the previsions elaboration on long term in order to achieve the objectives.

Keywords

Performance, performance measurement, financial indicators, non-financial indicators

JEL Classification

M41

SOME CONSIDERATIONS REGARDING THE IMPACT OF INTRODUCING THE EVALUATION STANDARD 500 GEV ON THE LOCAL BUDGET

Cristina NISTOR

University of Craiova, Faculty of Economics and Business Administration, Craiova, Romania,
cristinanistor88@yahoo.com

Anca BĂNDOI

University of Craiova, Faculty of Economics and Business Administration, Craiova, Romania,
anca.bandoi01@yahoo.com

Abstract

The impact of taxation is one of the most complex economic and social phenomena of the utmost importance that the state is facing and whose unintended consequences are sought to be limited. The measures that the state has taken under the new Fiscal Code also aim to modify the taxation method for non-residential real estate, owned by both legal and physical entities. Starting from 2016, all buildings will be classified by their purpose and not by the legal status of the person that owns it. The evaluation standard that determines the taxable value is 500 GEV value for taxation. If previous to the entry into force of the new tax code, legal entities used to account for the fair value of their constructions, now taxable value of non-residential constructions will be a distinct type of value, which will not be included in the financial statements. Tax value, according to GEV 500 is determined mainly using the method of net replacement cost of constructions. Therefore, the tax paid on non-residential constructions will even out nationally, this method taking into account only the cost of building a new, modern equivalent building to which physical and functional depreciations are applied. Although the adopted amendments are likely to generate a surplus to the local budget in terms of building tax revenues, there are numerous consequences of the introduction of this standard, consequences arising from the implementation methodology that question the achievement of this goal. In this article we present a case study to demonstrate a less favorable situation for the local budget. In this regard, we consider a non-residential building owned by a legal entity. The construction has been built for over 80 years and has undergone some improvements which do not substantially change its initial value. The case study highlights the situation where the local budget receives, as tax on building, a smaller amount than in previous years.

Keywords

Taxation, evaluation standard 500 GEV, tax revenues, local budget

NON - PERFORMING LOANS AND THEIR IMPACT ON THE ROMANIAN BANKING SYSTEM'S PERFORMANCE

Irina Raluca BADEA

University of Craiova, Faculty of Economics and Business Administration, Craiova, Romania
badea_irina_raluca@yahoo.com

Abstract

The global financial crisis revealed several vulnerable areas of a banking system, which are individually managed as risk exposures, such as credit risk, liquidity risk, interest rate risk, currency risk, market risk and so on. Given the fact that the Romanian banking system has been undergoing an impairment in terms of credit exposures and the deterioration of credit quality is still alarming, this paper aims at investigating the relationship between non-performing loans and the general performance of the banking system. Even though the non-performing loans ratio in Romania is much higher than the European average, the loan loss provision coverage succeeds in mitigating it, fact which can be considered as a strength of the banking system. Therefore, a sample of representative Romanian commercial banks are comparatively analysed, putting an emphasis on the evolution of their non-performing loans portfolio, their loan loss provision coverage and the impact of these ratios on the banking system's performance.

Keywords

Banking system, non-performing loans, loan loss provisions, Return on Equity

REAL ESTATE BUBBLES IN ROMANIA

Claudiu OPRESCU

University of Craiova, Faculty of Economics and Business Administration, Craiova, Romania
oprescu.claudiu@yahoo.com

Abstract

The existence of a bubble can be interpreted from (abnormal) interactions between housing prices, market fundamentals and Central bank's policies. Central bank's policies are crucial to trigger the boom and burst of property bubbles by

manipulating the interest rate and availability of lending for house purchase. Housing markets have certain characteristics that intrinsically link them to financial stability. House price collapses can have systemic consequences. We know this from the current crisis and we know this from past crises. This fact raises a number of important questions for policymakers.

Keywords

Property Bubble, monetary policy, house prices, credit growth

FISCAL POLICY AND ITS IMPACT ON ECONOMY ALBANIA

Alqi NAQELLARI

Mediterranean University of Albania, Faculty of Economic Sciences, alqinaqellari@umsh.edu.al

Ferjolt OZUNI

Mediterranean University of Albania, ferjolt.ozuni@umsh.edu.al

Abstract

Fiscal policy is developed and implemented by the government. It has its impact on the economy. We have two types of fiscal policy, narrowing and expanding. Expansionary policy would be when the government reduces tax rates, increased costs for transfer payments or both. Narrowing policies are opposite to those expansions. Such are the increased taxes and reduced spending on transfer payments or both. These policies are implemented in coordination with monetary policy. They need to support each other, when one executes also expanding other institution should implement expansionary policies, otherwise their effect on economic growth falter. In Albania, fiscal policies have been applied consistently narrowing. The size of the budget expenditures exceeds revenues. This brought about the deepening of the budget deficit and rising public debt. The structure of spending has not been any change in terms of increasing investment and government spending, in relation to other items of expenditure. The purpose of this paper is to study the revenues, budget expenditures, dynamics, structure their relationship with GDP. The study proved that there is no strong relationship between them. For this reason it is recommended to lower the tax rate, change the structure of expenditure and increase revenue through increased tax base. The study used methods of analysis and synthesis, comparison, statistical methods etc.

Keyword

Income and expenditure budget, economic growth, budget deficit, public debt, GDP

SETTLEMENT BUILDING TAX IN THE NEW TAX CODE

Radu BUZIERNESCU

University of Craiova, Faculty of Economics and Business Administration, Craiova, Romania radu@profcons.ro

Nicoleta Mihaela FLOREA

University of Craiova, Faculty of Economics and Business Administration, Craiova, Romania, niko.2903@yahoo.com

Stelian SELIȘTEANU

University of Craiova, Faculty of Economics and Business Administration, Craiova, Romania stelian.selisteanu@rcc.ro

Abstract

By Law no. 227/2015 regarding the Fiscal Code, from 1 January 2016, establish a new system for calculating the tax on buildings, substantially changing the mode of settlement of the tax. Building tax is established depending on the destination of the building (residential or non-residential). The tax base is differentiated in relation to the quality of the owner or the natural person or legal entity. For companies, the taxable value is updated every three years based on a report assessing the building, drawn by an evaluator approved. This assessment is an assessment for tax purposes, which are not recorded in the accounting. Was introduced annuality payment of building tax, so the tax is due on the full fiscal year at which owns the asset, on 31 December of the previous year, even if the property is alienated in the current fiscal year. The acquisition of a building during the fiscal year, taxes will be due starting on 1 January of the next fiscal year.

Keywords

Building tax, new tax code, evaluation report, tax payment

THE INFLUENCE OF EXPENDITURE DERIVED FROM PENDING COURT CASES AND FROM THOSE FINALIZED ON FAVOR OF BENEFICIARIES, REGARDING THE 2007-2013 PROGRAMMING PERIOD, ON FINANCIAL ALLOCATION AND STATE BUDGET

Raluca CĂLIN

Economy Studies Academy – Economics Doctoral School, Bucharest, România, raluca.antoneac@yahoo.com

Abstract

A topic of actuality nowadays refers to European funds. A more actuality topic, but not so discussed in papers can refer to the irregularities discovered in the implementation of the projects and after that contested in court by the beneficiaries. In this way, the initial determination document which established the irregularity can be canceled and the irregular expenditure can become an eligible expenditure. The purpose of this paper is to see and analyze the influence of the eligible expenditures that are coming from court decisions in favor of beneficiaries and the possible eligible expenditures that will appear if the beneficiaries will gain in court, on the state budget and on the Romania financial allocation granted by the European Commission for 2007-2013 programming period.

Keywords

Court decisions, closure, operational program, final expenditure declaration

JEL Classification

H50, H60, F36

THE LINK BETWEEN MIGRATION, REMITTANCES AND ECONOMIC GROWTH: EMPIRICAL EVIDENCE FROM ROMANIA

Ramona PÎRVU

University of Craiova, Faculty of Economics and Business Administration, Craiova, Romania, ramopirvu@gmail.com

Roxana Maria BĂDÎRCEA

University of Craiova, Faculty of Economics and Business Administration, Craiova, Romania,
roxanamariapirvu@yahoo.com

Nicoleta Mihaela FLOREA

University of Craiova, Faculty of Economics and Business Administration, Craiova, Romania, niko.2903@yahoo.com

Alina MANTA

University of Craiova, Faculty of Economics and Business Administration, Craiova, Romania,
iacobescu_a@yahoo.com

Abstract

The paper investigates the causal link between remittances and economic growth in Romania. Starting from the debates regarding the relative contribution of international migrants' remittances to sustainable economic development, this paper proposes an econometric analysis of the effects of remittances on the Romanian economy. The article shows that remittances have a positive effect on the current account of external balance of payments and they can replace external financial assistance flows, including foreign loans. Significant inflows of remittances can offset the current account deficit of the balance of payments, reducing the likelihood balance of payments crisis. At the same time remittances will increase aggregate demand, which has the effect of increasing inflation, currency appreciation and widening trade deficit. We showed also that remittances can exert positive influences on the process of investment, especially through the creation of numerous small enterprises.

Keywords

Migration, remittances, economic growth, investment

FORECASTING THE FINANCIAL CORRECTIONS APPLIED TO THE EU FUNDS BENEFICIARIES

Carmen-Elena DOBROTĂ

Bucharest Academy of Economic Studies, Bucharest, Romania

Abstract

This paper aims to provide a forecast on the evolution of financial corrections amount, regarding projects funded by the Operational Programme for Technical Assistance (OPTA) in Romania. This scientific prediction provides support for the Management Authority to determine an overview on financial corrections that may exist in the next programming

period 2014-2020. Mainly, it will be analyzed the probability of obtaining such forecasts, using time series and Box Jenkins model.

Keywords

Box-Jenkins, forecast, EViews, European funds, financial corrections

JEL classification

H50, H60, F36

CONTINUING VALUE IN THE DISCOUNTED CASH FLOW MODEL: A RELATIVE APPROACH

Luis BLANCO

Universidad de La Rioja, Facultad de Ciencias Empresariales, España

Cristina P. TRINCU-DRĂGUȘIN

Universitatea din Craiova, Facultatea de Economie și Administrarea Afacerilor, Craiova, România

Magdalena MIHAI

Universitatea din Craiova, Facultatea de Economie și Administrarea Afacerilor, Craiova, România

Abstract

The discounted cash-flow (DCF) model is one of the most used models in practice for enterprise valuation purposes. The standard DCF model breaks the cash-flow (C/F) timespan into two intervals. The C/Fs associated with the first one are explicitly forecasted and, the second interval, generally referred to as terminal value (TV), is consistently computed as a perpetuity: the C/F at the end of the first interval and its subsequent perpetual growth. Although unexplored in the literature, an alternative method uses Relative Valuation multiples to compute the TV. Relative Valuation (RV) essentially consists in using the observed (in stock markets) ratios (called multiples) between a company's value and a key financial magnitude, called a value driver (e.g. sales or EBITDA), to value similar companies (i.e., in the same peer group or group of comparables). The procedure is straightforward: the TV is computed as the latest available multiple times the expected value of the value driver at the end of the first interval (exit point). This paper explores this alternative for two of the most widely used value drivers in practice, sales and EBITDA, in the North American energy industry. The results, together with those obtained by computing the TV as a perpetuity are then compared with enterprise market values to test relative performance. Examination of several statistical measures of valuation errors seems to indicate, that the best results are obtained when the TV is computed using multiples, regardless of the value driver used and even for different assumptions regarding multiples estimation. Finally, for the two tested value drivers, sales perform better than EBITDA.

Keywords

Discounted cash flow valuation, relative valuation, terminal value

THE RELATIONSH BETWEEN MOTIVATION AND BANK PERFORMANCE LEVEL

Eliza Alina DABIJA

University of Craiova, Faculty of Economics and Business Administration, Craiova, Romania

Abstract

The paper focuses on the analysis of the relationship between the staff motivation and bank performance level. The research aimed at identifying the bank officers' perception of the work environment and the motivation-related factors leading to high performance. The main outcomes highlight that bank performance can be improved only if all equal opportunities for professional development are created for all the employees. Moreover, we reached the conclusion that bank managers are concerned with raising staff motivation through courses of personal growth; nevertheless, many of the staff expectations need to be met in the future.

Keywords

Motivation, bank performance, professional development, training

IMPLEMENTATION OF EU DIRECTIVES ON PUBLIC PROCUREMENT IN ROMANIA

Roxana Maria ISPAS

University of Craiova, Faculty of Economics and Business Administration, Craiova, Romania

roxispas1972@yahoo.com

Abstract

This paper discusses the impact on public institutions in Romania, after applying EU directives on public procurement. Specifically treated changes occurred in the economic activity of state institutions by applying new public procurement law 98/2016, compared with the old application OUG34 / 2006.

Keywords

Public procurement, public institutions, public works contracts, public services

THE PERSPECTIVES OF SOCIAL ASSISTANCE EXPENDITURE IN ROMANIA FOR 2016-2025

Nicolae TUDOSE

Faculty of Economics and Business Administration, University of Craiova, Craiova, Romania

Abstract

The pressures and sanctions that could have been imposed following Romania's accession to the European Union after the year 2007 have led to a rapid reaction towards a coherent management of existing social challenges which took the form of a compelling social policy development and implementation, marking a transition from the quantitative approach, which was based on minimizing consequences, to a more qualitative viewpoint built on the idea of human investment. In this context, in terms of efficiency, measured as the result of the divergent dynamics of material deprivation rate compared to total social assistance expenditure, social assistance in Romania seems to attain its objectives, namely the gradual reduction of the number of persons at risk of poverty and social exclusion. However, given that from the European Commission's perspective, the efficiency of the social assistance system in our country is still lagging behind, the evaluation of the current conditions and longterm perspectives of social assistance practices in Romania calls for a more comprehensive assessment which could be attained using econometric and mathematical modeling.

Keywords

Social policy, social assistance, social assistance expenditure, social assistance revenue, social assistance beneficiaries

THE IMPACT OF TAXATION ON MANAGEMENT DECISIONS AND ON THE COMPANY VALUE . THE CASE OF ROMANIA

Raluca Mihaela DRĂCEA

Faculty of Economics and Business Administration, University of Craiova, Romania, raludracea@gmail.com

Mihaela POPA

Private entrepreneur, mipo_ro@yahoo.com

Abstract

The complexity of relationships created between an entity and its partners, on the one hand, and the need to improve their performance, on the other hand, may lead to distinct approaches in connection to various aspects of the economic entity management and the separation of less traditional components of this management. While accounting is a primary source of information for tax authorities, most tax liabilities are determined based on accounting, taxation is the border between legal and sciences disciplines including management accounting and corporate finance. No matter whom the accounting information it is addressed to, it involves decisions taking, and fiscal consequences. The activities within an entity may use accounting principles and methods to influence tax burden. Thus, according to the approved accounting policies, businesses are able to choose one of several possibilities allowed by laws and regulations. Leaders of economic entities must conduct arbitrations between the obligation to submit accounts respecting the principle of true image and the desire to optimize the fiscal cost of their work. In this context, the focus is on the tax cost concept and relying on empirical testing of explanatory variables for determining success factors using multiple regression method, as we tried to emphasize a series of problems that occur in the economic entities and arrangements for reduction.

Keywords

Fiscal cost, performance, statistical survey, operational reporting, multiple regressions

JEL Clasification

C14, J24, M12, M48, M54

AGRICULTURAL CREDIT EVOLUTION - BETWEEN MYTH AND REALITY

Nela-Loredana CĂRĂBA-MEIȚĂ

University of Craiova, Faculty of Economics and Business Administration, Craiova, Romania

loredanameita@yahoo.co.uk

Abstract

In this paper I present the evolution of loans to agriculture in the period 2007-2015, but also an approach regarding the crediting of agriculture for the years 2014-2020, which is based on the observation that the agricultural credit will follow a systemic approach overall closely with European policies that aim at agriculture, and will complement other sources of financing and, primarily, to support EU funding programs.

Keywords

Credit, bank, agriculture, credit institutions, investments

MANAGING RISKS WITHIN THE RAIFFEISEN BANK IN THE PERIOD 2011-2014

Nela-Loredana CĂRĂBA-MEIȚĂ

University of Craiova, Faculty of Economics and Business Administration, Craiova, Romania

loredanameita@yahoo.co.uk

Abstract

The article presents an analysis of the main components of risk of lending activity, by processing data presented in the Annual Reports of Raiffeisen Bank for the period between 2011 and 2014. The results are analyzed separately from lending risks, risks arising from the bank's liquidity analysis, and solvency risk.

Keywords

Risk, the credit risk, liquidity risk, Raiffeisen Bank, the solvency risk

BANKS AND FINANCIAL MARKETS TRACK

TOBIT QUANTILE REGRESSION AND IRAQI BANKS' PROFIT

Fadel Hamid Hadi ALHUSSEINI

University of Craiova, Faculty of Economics and Business Administration, Craiova, Romania

Abstract

Banks play a great role in the economy of states, by supporting economic activities. Achieving profit is considered the main goal of banks, as it guarantees their continuity and it enables them to overcome financial crises. Profit depends on a set of factors which are studied in this paper as independent variables. The Iraqi banks' profit is considered as response variable and the study of Iraqi banks' profit uses quantile regression model. But in some cases, banks don't achieve profit or their profit is near zero. Tobit quantile regression is a suitable model for this data. For estimating parameters of Tobit quantile regression, two methods are employed: classical Tobit quantile regression method, proposed by Powell (1986) using programming [R], function "cqr" including package "quantreg" and Bayesian compound Tobit quantile regression by building the algorithm Markov Chain Monte Carlo (MCMC).

Keywords

Tobit Quantile Regression, Quantile Lines, Compound Tobit Quantile Regression, (MCMC), Bank's Profit

JEL Classification

C11, C22, C34, E58

THE EVALUATION OF CREDIT RISK FOR A NON-BANKING FINANCIAL INSTITUTION

Jenica POPESCU

University of Craiova, Faculty of Economics and Business Administration, Craiova, Romania,

jenica_popescu@yahoo.com

Mihaela SIMIONESCU

Romanian Academy, Institute for Economic Forecasting, Bucharest, Romania, mihaela_mb1@yahoo.com

Bogdan POPA

University of Craiova, Faculty of Economics and Business Administration, Craiova, Romania,

ec.bogdan.popa@gmail.com

Abstract

The main aim of this research is to assess the credit risk for a non-banking financial institution using empirical data. The results based on a sample of 800 clients indicated, using binary logistic regressions, that higher income category, higher education and age are, lower the chances are for a client with these characteristics of not refunding the credit. For people with high number of PNC validations the chances of default credit are higher. The characteristics related to social status (income category and education) had the greatest influence in explaining the clients' behaviour, according to principal component analysis.

Keywords

Credit risk, financial institution, binary logistic regression, principal component analysis

JEL Classification

C13, C55, G23

CURRENT CHANGES ON THE INSURANCE MARKET

Mădălina Giorgiana MANGRA

University of Craiova, Faculty of Economics and Business Administration, Craiova, Romania,
madamangra@yahoo.com

Marieta STANCIU

University of Craiova, Faculty of Economics and Business Administration, Craiova, Romania,
stanciumarietta@yahoo.com

Monica PĂTRUȚESCU

University of Craiova, Faculty of Economics and Business Administration, Craiova, Romania,
monik_cudts@yahoo.com

Abstract

The offer of insurance products is in connection with the requirements and needs of the consumer who must always have information regarding: the type of insurance risk covered and the excluded risks, the sum insured, the payment of premiums and their duration. The accurate information of customer requires, from the commencement of contract and throughout its duration, that he or she is aware of the obligations throughout the contractual period. Most of the Romanians are turning their attention to one of the insurance companies found in the top 10 in 2016, supervised by F.S.A. (Financial Supervision Authority), preferring to have a policy of mandatory household and goods insurance, auto liability or life insurance, but are also interested in travel health insurance when going abroad, private health insurance or private pension insurance. Romanians' reluctance regarding the conclusion of an insurance comes from their distrust in insurance companies (see the situations of companies like Astra Insurance, Carpatica Insurance etc.), their personal financial situation and the fear that they will not receive protection if the risk is covered but the insured sum is insufficient.

Keywords

Insurance product, risk covered, insured sum, insurance market

THE DIVIDEND POLICY OF PHARMACEUTICAL COMPANIES LISTED ON THE BUCHAREST STOCK EXCHANGE

Dorel BERCEANU

University of Craiova, Faculty of Economics and Business Administration, Craiova, Romania,
dorelberceanu@yahoo.com

Oana DUȚĂ

University of Craiova, Faculty of Economics and Business Administration, Craiova, Romania, oana.duta@yahoo.com

Abstract

Since interest rates for bank deposits have been maintained at a low level, stock exchange investments are considered to be a worthwhile investment opportunity. The capital market in Romania provides investors with a wide range of financial instruments, of which shares are the most frequently traded. The shares of pharmaceutical companies are less risky than those in other sectors, which is why they are preferred by investors with a risk aversion or an average risk profile. The quotations of pharmaceutical companies are generally influenced by financial performance and by the awarded dividends. In this context, we have considered that a study of the dividend policy adopted by companies in this field would be welcome. This is even more necessary, since some investors have lately been focusing on the so-called "dividend shares".

Keywords

Dividend policy, share, pharmaceutical companies, net profit, shareholders

THE STABILITY OF INTERNATIONAL FINANCIAL MARKETS VERSUS EMERGING ECONOMIES VULNERABILITY

Luiza NĂSTASE

University of Craiova, Faculty of Economics and Business Administration, Craiova, Romania,
nastase.luiza@yahoo.com

Abstract

If during the global economic and monetary-financial felt in the last seven-eight years was observed that the most affected countries were those with a developed economy currently it seems that the wheel turns and target countries with an emerging economy. Thus, the financial markets of advanced countries seem to be characterized by stability in opposition to those of emerging markets, which seem to become increasingly vulnerable. This paper tries to capture the

current economic situation of the two categories of states, from the major aspects that determined the evolution of socio-political and macroeconomic indicators, presenting the statistical data and trying to predict future period. A special importance should be given to international markets. Given that the extension of global economic integration and cooperation on the international market participants are relative conditioning is required for a consensual approach and multilateral thereof, for reducing and avoiding imbalances in the international trading system. We will take into account the need to involve politics in parallel with the adoption of measures specific to each category of state. All these issues will be addressed further.

Keywords

Emerging economy, vulnerability, liquidity risks, globalisation, governance

DEVELOPMENTS IN THE MARKET OF MANDATORY PRIVATE PENSION FUNDS IN ROMANIA

Gheorghe MATEI

University of Craiova, Faculty of Economics and Business Administration, Craiova, Romania

Constantin DURAC

University of Craiova, Faculty of Economics and Business Administration, Craiova, Romania

Abstract

Starting from 2008, Romania has a pension system that is based on three pillars: redistributive type pension scheme (Pay As You Go) - Pillar I, mandatory private pension funds - Pillar II and facultative pensions - Pillar III. This system is inspired by a model tested in dozens of countries and recommended by the World Bank. Since we are dealing with a system that hasn't reached the maturity, found in the accumulation phase and for which the outputs are not significant, it is interesting to analyze the indicators and observed the trends. Even if each pillar plays an important role, I'll give importance only to the mandatory private pension funds in this paper.

Keywords

Mandatory private pension funds

JEL Classification

G23

HAS THE ROMANIAN BANKING INDUSTRY A DEVELOPMENT MODEL?

Cristi Marcel SPULBĂR

University of Craiova, Faculty of Economics and Business Administration, Craiova, Romania,

cristi_spulbar@yahoo.com

Abstract

Researching the information available in middle of 2016, we notice that after 7-8 years of confusing evolution, some of these evolution can not be explained by banks and obviously understood by broad categories of consumers of banking products and services. The banking industry in Romania is facing a new beginning, appeared as a result of recording results similar to those recorded in 2008, the year known as the best in the history of local banking after returning to the market economy rules in Romania in 1990. Where do the actual performances of the banks in Romania come from? A question whose answer could be as easy or as difficult to explain as the evolution to which we referred earlier. We can appreciate that the banking theory gives us good news. We have profitable and solid banks and therefore a strong banking system that supports the economic growth. But economic growth recorded in the last years in our country was carried out in the context of financial deleveraging deepening. Did the banking industry contribute to this growth? The Banks in Romania, even if almost all of them are subsidiaries of foreign banks, it seems that they are not paying sufficient attention to the fact that the global banking industry accepted and adapted to some radical regulations, challenges generated by new technologies, customers' behavior and the local and global economic environment situated in a continuous change. This paper presents an analysis of how banks, in the local banking industry, reacted to these changes. Just a part of the policies and strategies that compose the business model, applied by parent banks in developed markets, is applied in Romania in conditions of the lowest level of trust in banks ever registered. There are analyzed the first six banks in the system that have a market share of 57.79%. This study is divided into four sections. After the Introduction, Section 2 presents a brief analysis of the literature regarding the patterns and trends in banking strategies and strategic orientation of banks. Based on statistics, in Section 3, it is made an analysis of the strategies and performances of the first six banks in the banking industry in Romania between 2005 and 2015. Section 4 presents the evolutions and future challenges for the Romanian banking system and the last section includes conclusions.

Keywords

Banking industry, business models, restructuring, performance

STOCK PERFORMANCE ANALYSIS OF LISTED ENTITIES AT THE BUCHAREST STOCK EXCHANGE. CASE STUDY ON THE ENERGY AND RELATED UTILITIES SECTOR COMPANIES

Ioana ANGHEL

University of Craiova, Faculty of Economics and Business Administration, Craiova, Romania

ioana_angel@ymail.com

Mariana MAN

University of Petroșani, Romania, man_mariana2006@yahoo.com

Abstract

Financial performance, as a multi-criteria economic category, constitutes a current topic broadly investigated by authors and experts in finance, financial management, accounting, evaluation and general management. In this ever more competitive capital market, because investors are increasingly better informed, it becomes essential for a company to know and periodically evaluate its stock performance in order to compare it at economic branch level. This present research study analyses six companies that activate in the energy and related utilities sector, listed at the Bucharest Stock Exchange, between 2004 and 2015, with the aim of identifying branch similarities regarding the evolution of the key stock growth ratios and indicators used in stock performance analysis. Furthermore, the authors deemed appropriate to correlate their results with the evolution of the main rates of return of the same companies.

Keywords

Stock performance, stock indicators, stock growth ratios, rates of return, capital market

COMPARATIVE ANALYSIS OF THE BANKING PERFORMANCES OF THE MAIN BANKS IN ROMANIA

Roxana Maria BĂDÎRCEA

University of Craiova, Faculty of Economics and Business Administration, Craiova, Romania ,

roxanamariapirvu@yahoo.com

Alina MANTA

University of Craiova, Faculty of Economics and Business Administration, Craiova, Romania ,

iacobescu_a@yahoo.com

Ramona PÎRVU

University of Craiova, Faculty of Economics and Business Administration, Craiova, Romania , ramopirvu@gmail.com

Abstract

This study is considering a comparison between the major commercial banks in the banking system in Romania: BCR Erste Bank, BRD Societe Generale and Raiffeisen Bank in terms of banking performances in the 2008-2015 period. The paper will focus on the ranking of banks based on the banking performances and in terms of profitability and growth potential. Also, the study will aim the identification of the factors that affected the evolution of banks' profitability from the selected period.

Keywords

ROA, ROE, net interest margin, capital adequacy ratio, net profit rate

EFFICIENCY DETERMINANTS IN EUROPEAN UNION BANKING SYSTEMS

Mihai NIȚOI

Institute for World Economy, Romanian Academy, Bucharest, Romania

Abstract

In this study we use data envelopment analysis and Luenberger index to estimate the efficiency and, respectively, the productivity of credit institutions in the banking systems of European Union over the period 2004 to 2013. Also, we adopt Simar and Wilson (2007) truncated regression model, to investigate the determinants of credit institutions' efficiency, emphasizing the relationship between efficiency and risks. The results reveal some important aspects. The metafrontier efficiency scores reveal significant differences between commercial banks, indicating a potential to increase these scores and a high heterogeneity in the European Union banking systems. We find that the productivity growth rates were very low, signalling a stagnation in this area. The determinants of the level of efficiency revealed a negative relation between risks and efficiency and a pro-cyclical behavior for banks' efficiency.

Keywords

Banking systems, efficiency, productivity, risk

JEL Classification

G21, L25, C23

NEW ASPECTS OF BANK LENDING ACTIVITY IN THE CURRENT ECONOMIC CONTEXT

Lavinia NEȚOIU

University of Craiova, Faculty of Economics and Business Administration, Craiova, Romania lnetoiu@yahoo.com

Abstract

Post-crisis economic developments had determined a new approach of bank-client relationship. Banks have credit resources but are very careful about credit applicants and clients, although they need money, pay attention when it comes to contracting a loan. The economic crisis, followed by the appearance of a large number of non-performing loans, the crisis of Swiss franc and not least the Law of commissioning payment are just some aspects that bring the relationship of banks with their customers in a new light, both sides talking about caution. Potential bank customers benefit from favorable lending conditions and yet the enthusiasm with which they contracted loans before the crisis is tempered. New economic reality puts bank lending under new auspices.

Keywords

Crediting, caution, risk

APPLIED INFORMATICS TRACK

MARKETING STRATEGY IN VIRTUAL SPACE ON THE INTERNET

Constantin Vasile TOMIȚĂ

University of Craiova, Faculty of Economics and Business Administration, Craiova, Romania
vasiletomita@yahoo.com

Luminița Florentina POPESCU

University of Craiova, Faculty of Economics and Business Administration, Craiova, Romania
lumipopescu2002@yahoo.com

Anica IANCU

University of Craiova, Faculty of Economics and Business Administration, Craiova, Romania, iancunina@yahoo.com

Virgil POPESCU

University of Craiova, Faculty of Economics and Business Administration, Craiova, Romania
virgil.popescu@automotive.com.ro

Cora Ionela DANIASA

University of Craiova, DPPD, Craiova, Romania coraionela@yahoo.com

Abstract

The Internet already has a fundamental impact on the way businesses communicate with their customers and suppliers, how people looking for work, the way in which consumers find information and services, and the way they are transmitted news and advertising. The internet provides an excellent communication tool that can reach tens of millions of users. The fact of Internet marketing needs including spending less than classic marketing, Internet marketing but do not substitute but complements classic marketing. Therefore before taking the decision must be regarded Internet marketing opportunity to address a few questions regarding this pathway. My type of business can benefit from the advantages it brings to Internet marketing? In other words justified additional costs with this approach by influencing my significant result?

Keywords

Marketing Strategy, Virtual Space on the Internet, Classic and Virtual Marketing

BUSINESS MARKETING, SALES AND PROMOTION - FIELD RECEPTIVE TO EXPERT SYSTEMS TECHNOLOGY

Constantin Vasile TOMIȚĂ

University of Craiova, Faculty of Economics and Business Administration, Craiova, Romania

Anica IANCU

University of Craiova, Faculty of Economics and Business Administration, Craiova, Romania, iancunina@yahoo.com

Luminița Florentina POPESCU

University of Craiova, Faculty of Economics and Business Administration, Craiova, Romania

Cora Ionela DANIASA

University of Craiova, DPPD, Craiova, Romania coraionela@yahoo.com

Virgil POPESCU

University of Craiova, Faculty of Economics and Business Administration, Craiova, Romania

Abstract

Most prosperous companies understand marketing activity, not as separate function but as a philosophy to be endorsed by the entire organization. The marketing department is responsible to identify the categories of consumers and the needs that the company can meet profitably, as well as how to achieve this goal, compared to those performed competition. Identifying appropriate benefits is very important for the future success of the project. If an expert system solves a problem whose losses are already known, it is easy to estimate the value of future benefits. Costs and benefits must be justified for lifelong expert system. The cost is justified for each phase of development. The benefits provided are studying, face to face with costs at every stage.

Keywords

Expert System, Costs and Benefits, Every stage face to face with costs

TRENDS IN BUSINESS INTELLIGENCE SYSTEM EVOLUTION

Valentin LIȚOIU

University of Craiova, Faculty of Economics and Business Administration, Craiova, Romania
valentinlitoiu@yahoo.com

Abstract

Business Intelligence is a concept that integrates data, applications and architectures in order to facilitate analysis and handling of information, so that they provide operational and tactical support to management, especially strategic management. The paper presents considerations on the architecture, components and project management of the implementation of Business Intelligence Systems. It makes a brief analysis of business intelligence solutions offered by the world market and the market in Romania. It also presents new directions of development of Business Intelligence Systems, which will allow new business models through which firms can better define and follow current and future objectives.

Keywords

Business Intelligence, Business Analytics Software, Business Process Management, Cloud Computing, SaaS

DATA ANALYSIS AND AUTOMATED KNOWLEDGE EXTRACTION TRACK

A SEASONAL AND MONTHLY APPROACH FOR PREDICTING THE DELIVERED ENERGY QUANTITY IN A PHOTOVOLTAIC POWER PLANT IN ROMANIA

George CĂRUȚAȘU

The Romanian-American University, Faculty of Computer Science for Business Management, Bucharest, Romania,
georgecarutasu@yahoo.com

Alexandru PÎRJAN

The Romanian-American University, Faculty of Computer Science for Business Management Bucharest, Romania,
alex@pirjan.com

Abstract

In this paper we present solutions that facilitate the forecasting of the delivered energy quantity in a photovoltaic power plant using the data measured from the solar panels' sensors: solar irradiation level, present module temperature, environmental temperature, atmospheric pressure and humidity. We have developed and analyzed a series of Artificial Neural Networks (ANNs) based on the Levenberg-Marquardt algorithm, using seasonal and monthly approaches. We have also integrated our developed Artificial Neural Networks into callable functions that we have compiled using the Matlab Compiler SDK. Thus, our solution can be accessed by developers through multiple Application Programming Interfaces when programming software that predicts the photovoltaic renewable energy production taking into account the seasonal particularities of the Romanian weather patterns.

Keywords

Artificial Neural Networks; Levenberg-Marquardt; renewable energy; overfitting; performance indicators

JEL Classification

C53, L86, O13, Q42, Q47

MAIN CHANGES IN DEMOGRAPHIC BEHAVIOUR IN ROMANIA DURING THE LAST HALF CENTURY

Carmen RADU

University of Craiova, Faculty of Economics and Business Administration, Craiova, Romania
carmenrozana@yahoo.com

Costel IONAȘCU

University of Craiova, Faculty of Economics and Business Administration, Craiova, Romania, icostelm@yahoo.com

Amelia BĂDICĂ

University of Craiova, Faculty of Economics and Business Administration, Craiova, Romania ameliabd@yahoo.com

Abstract

The study presents the two demographic behavioural models in our country in the last 50 years: the first one since the 60s until 1989 and the second one since 1990 until now. The two models are fundamentally different through their determinants and consequences. The most important determinant is the demographic policy in our country: the aberrant measures in the sixties and the inconsistent and inadequate measures in the last 25 years. The most important consequence of these measures is the level and direction of natural increase of the Romanian population: positive descending in the first model and negative ascending in the last one. For describing these models we will analyze, in terms of causes and effects, the evolutions of the main demographic phenomena rates, the birth rates and the mortality rates in Romania in the last 50 years.

Keywords

Demographic behavior models, birth rate, mortality rate, natural increase, demographic policy, life expectancy at birth

EVALUATION OF REAL ESTATE TRADING PRICE USING HEDONIC REGRESSION. CASE STUDY: MUNTENIA REGION.

Costel IONAȘCU

University of Craiova, Faculty of Economics and Business Administration, Craiova, Romania, icostelm@yahoo.com

Carmen RADU

University of Craiova, Faculty of Economics and Business Administration, Craiova, Romania

carmenrozana@yahoo.com

Amelia BĂDICĂ

University of Craiova, Faculty of Economics and Business Administration, Craiova, Romania ameliabd@yahoo.com

Abstract

In Romania there is not an unique real estate market. There are instead several regional markets, each different from the others. Differences exist between real estate markets in counties within the same region. The trading price of real estate is influenced by these differences. The estimation of a single regression model to assess the trading price of the property would allow greater freedom of action for all entities operating in these markets, but this is impossible because of the substantial differences between regions /counties. It is possible to estimate the regression models based on the same set of variables that capture characteristics of the properties and compare them in order to highlight specificity at the level of regions /counties. This paper focuses on estimating models for valuation of trading price using hedonic regression in the counties within the region Muntenia and identification of differences between them.

Keywords

Hedonic regression, real estate, price model

APPLICATIONS OF LIE ALGEBROIDS TO OPTIMAL CONTROL

Liviu POPESCU

University of Craiova, Romania, liviunew@yahoo.com

Abstract

In this paper we use the framework of Lie algebroids in order to find the optimal solutions of some control affine systems with positive homogeneous costs. We will use the Pontryagin Maximum Principle at the level of Lie algebroids in the case of integrable or nonintegrable distributions.

Keywords

Optimal control, Lie algebroids, Pontryagin Maximum Principle

A SURVEY ON THE HYBRIDIZATION OF METAHEURISTICS: CONCEPTS, METHODS AND TAXONOMIES

Vasile GEORGESCU

University of Craiova, Romania, vasile.georgescu@feaa.ucv.ro

Florentina Mihaela APIPIE

University of Craiova, Romania, mihaela.apipie@gmail.com

Abstract

The family of metaheuristics includes a set of effective methods for difficult optimization problems. They offer good approximate solutions for real-world applications of large size. These methods are generally classified into two categories: methods for local search that are based on the intensification strategy and methods for global search that rely on diversification and, in order to have relevant results, they should try to achieve a balance between these two strategies. Whatever the method used, it has advantages and disadvantages. The hybridization methods can be used to find an improvement because the advantages and disadvantages of each method are compensated. If an appropriate hybridization technique is chosen, the resulting hybrid metaheuristic is attempted to overperform both the original metaheuristics, thus allowing designing a new better optimization tool. This paper is an overview of some concepts and methods that are involved in the hybridization of metaheuristics and discusses some taxonomies proposed in the literature.

Keywords

Global optimization, Heuristics, Metaheuristics, Hybridization

REPLACING BACK PROPAGATION WITH METAHEURISTICS WHEN TRAINING NEURAL NETWORKS: CONCEPT, IMPLEMENTATION AND PERFORMANCE COMPARISONS

Florentina Mihaela APIPIE
University of Craiova, Romania, mihaela.apipie@gmail.com
Vasile GEORGESCU
University of Craiova, Romania, vasile.georgescu@feaa.ucv.ro

Abstract

Many real-world problems, including problems in economics and finance, are difficult to solve analytically (if not impossible), because they may have objective functions that are non-linear, non-continuous, non-differentiable, multi-dimensional, noisy, with many local minima, and have non-linear constraints. Metaheuristics can be used in an attempt to find approximate solutions to such challenging optimization problems. The aim of this paper is to explore the potential of metaheuristics to replace Backpropagation as a training method for feedforward neural networks (multilayer perceptrons). The main characteristics of several metaheuristics are presented and experimental evidence is provided that they perform very well as supervised learners for certain neural network architectures. For comparing the predictive performances of different models evolved by the metaheuristics under consideration, a challenging forecasting application of risky asset prices on capital market is also evaluated.

Keywords

Neural network training methods, Backpropagation, Metaheuristics

MODELING AND PREDICTING A 3-VARIATE (MINIMUM-AVERAGE-MAXIMUM) ASSET PRICE USING AN ADVANCED SPECTRAL TECHNIQUE

Sorin-Manuel DELUREANU
University of Craiova, Romania, delureanumanuel@yahoo.ro

Abstract

An advanced spectral method, called Singular Spectrum Analysis (SSA) is used in this paper, with the aim of modeling and predicting a 3-variate (minimum-average-maximum) asset price. SSA is a free-of-model technique and is directed to detect the structure of time series. It combines and complements the advantages of other methods such as Fourier and Regression Analysis. The dataset used in this paper consists of a 3-variate (minimum-average-maximum) asset price time series registered for Antibiotice SA, the leading manufacturer of generic drugs in Romania that was listed on the Bucharest Stock Exchange in April 1977. The results obtained by using SSA for modeling and predicting this 3-variate time series show the capability of the method to perform well in a multivariate case.

Keywords

Singular Spectrum Analysis, Multivariate time series analysis, Asset price Forecasting

ROBUSTIFYING THE PREDICTION OF MULTIVARIATE TIME SERIES THROUGH BLIND SOURCE SEPARATION

Sorin-Manuel DELUREANU
University of Craiova, Romania, delureanumanuel@yahoo.ro

Abstract

Independent component analysis (ICA) is a statistical technique for extracting individual source signals from mixtures, in order to reveal hidden factors behind some sets of random variables. ICA is a computationally efficient method that belongs to the class of blind source separation (BSS) techniques. It is called blind because we have no information about how the signals were mixed or about how they were generated. The advantage of ICA consists in its capability of decomposing the combination of a set of random variables into statistically independent components (ICs). Empirical studies suggested that the mixtures we actually observe can be better predicted indirectly, via the underlying hidden factors (independent components) revealed by ICA and then by remixing the ICs. In this sense, ICA can be regarded as a technique for robustifying the prediction of multivariate time series. Because ICA is able to model multivariate data with non-normal distributions such as financial time series data, there are great opportunities of applying ICA in finance. In this paper, the principles of BSS, the ICA method and its potential for financial applications are explored.

Keywords

Blind source separation, Independent component analysis, Prediction of multivariate time series

MIGRATION IN THE EUROPEAN UNION – APPEARANCE AND REALITY

Liviu-Stelian BEGU

Bucharest University of Economic Studies, Romania, liviubegu@yahoo.co.uk

Ciprian ȘIPOȘ

West University of Timișoara, Romania

Ioana Luciana VIAȘU

West University of Timișoara, Romania

Denisa Maria VASILESCU

Bucharest University of Economic Studies, Romania

Abstract

In this paper we analyze the dynamics of migration in the EU in the period 2000-2015. The analysis is based on the theory of Markov chains. Also, based on the model we predict migration for 2016 and 2017. In the end, we want to show that there are differences between appearance and reality in terms of migration. A Markov process or a Markov chain is a stochastic process which has the property that, given its present state, future states are independent of the past. The current status of such a process holds all information about the whole evolution process. A Markov chain is a multistage experiment consisting of a sequence of trials in which the state, or outcome, of each trial depends on the state of the trial that immediately precedes it. The method is applied in the analysis of migration. The analysis results show appearances versus reality phenomenon of emigration phenomenon.

Keywords

Emigration, immigration, Markov chains

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