



**12th International Conference**

**Competitiveness and Stability in the Knowledge-Based Economy**

# **BOOK OF ABSTRACTS**

**iCOnc 2020 Craiova, Romania, October 30-31**

Copyright © 2020 Editura Universitaria

Toate drepturile sunt rezervate Editurii Universitaria

---

Book of abstracts - iCOnEc 2020 - Competitiveness and stability in the knowledge-based economy/ed.: Cătălina Sitnikov. - Craiova: Universitaria, 2020

A 12-a ediție a conferinței internaționale iCOnEc, 30 - 31.10.2020, Craiova, Romania

Cartea cuprinde rezumatele articolelor participanților la a 12-a ediție a conferinței internaționale iCOnEc.

ISBN 978-606-14-1664-6

## TABLE OF CONTENTS

- Pg.8**  
EXAMINING THE EFFECTS OF SUSTAINABLE HRM ON EMPLOYEE WORK WELLBEING: THE ROLE OF VOICE BEHAVIOR AND TRUST IN MANAGEMENT
- Pg.8**  
THE IMPACT OF THE QUALITY OF FINANCIAL-BANKING SERVICES ON THE BEHAVIOR OF THE BANKING CLIENT
- Pg.9**  
EFFECT OF CRISES ON INITIAL PUBLIC OFFERING IN TURKEY: AN EVALUATION FOR COVID-19
- Pg.9**  
THE MARKETING POTENTIAL OF THE WEB-BASED PLATFORM WECTOU DEVELOPED BY METEO ROMANIA FOR TOURISM
- Pg.10**  
ANALYSIS OF THE CORRELATION BETWEEN TAXATION AND SUSTAINABLE ECONOMIC GROWTH
- Pg.10**  
NEUROMARKETING APPLICATIONS IN GASTRONOMY: NEUROGASTRONOMY
- Pg.10**  
STUDY ON IDENTIFYING THE EFFICIENT INSTRUMENTS TO MOTIVATE STAFF IN A REPRESENTATIVE COMPANY FOR THE AUTOMOTIVE INDUSTRY
- Pg.11**  
USING THE CONCEPT OF "COMPETITIVE INTELLIGENCE" IN THE STRATEGIC MANAGEMENT OF TOURISM ORGANIZATIONS
- Pg.11**  
THE RISE OF E-TOURISM IN ROMANIA - PRESENT AND PERSPECTIVES
- Pg.12**  
STUDY ON TOURISTS' PREFERENCES FOR MOUNTAIN TOURISM
- Pg.12**  
ON THE TOURISM MANAGEMENT OF PROTECTED AREAS IN ROMANIA
- Pg.12**  
THE IMPORTANCE AND ROLE OF THE INTERNAL INVENTORY AUDIT MISSION
- Pg.13**  
IMPORTANCE OF COMMUNICATION IN PUBLIC ADMINISTRATION
- Pg.13**  
CONSIDERATIONS REGARDING THE APPLICATION OF THE INTERNATIONAL REGULATION STANDARDS IN THE ROMANIAN BANKING SYSTEM – BASEL III
- Pg.13**  
THE CONSEQUENCES OF UNEMPLOYMENT AND INFLATION ON ROMANIA'S MEDIUM WAGE
- Pg.14**  
ORGANIZATION OF THE AUDIT PROCESS IN THE LOCAL SELF-GOVERNMENT UNITS: ALBANIA CASE STUDY
- Pg.14**  
THE PERSPECTIVE OF THE THE EU FUNDING IN ROMANIA FOR THE 2021-2027 FINANCIAL TIMEFRAME
- Pg.14**  
IMPACT OF THE AVERAGE NUMBER OF EMPLOYEES PROGRESS ON THE GROSS DOMESTIC PRODUCT'S EVOLUTION AT THE LEVEL OF ROMANIA, EA19 AND EU28
- Pg.15**  
ANALYSIS OF THE EVOLUTION OF ROMANIA'S MAIN ECONOMIC INDICATORS IN THE CONTEXT OF "COVID-19" PANDEMIC

**Pg.15**

LOCAL SENSITIVITY ANALYSIS OF SOME INDICATORS FOR INTRADAY TRADING STRATEGIES

**Pg.15**

THEORETICAL CONSIDERATIONS REGARDING TAX FRAUD AND TAX EVASION

**Pg.16**

AN ANALYSIS OF STRATEGIC MANAGEMENT IN AUTOMOTIVE INDUSTRY

**Pg.16**

EXECUTION OF THE GENERAL CONSOLIDATED BUDGET IN ROMANIA FOR THE FIRST SEMESTER OF 2020

**Pg.16**

TECHNICAL UNEMPLOYMENT AND ITS IMPACT ON THE UNEMPLOYMENT INSURANCE BUDGET

**Pg.16**

WAREHOUSE MANAGEMENT SYSTEM- ESSENTIAL TO SURVIVE IN AN INCREASINGLY COMPETITIVE MARKET

**Pg.17**

THE ROLE OF ACCOUNTING IN ECONOMIC DEVELOPMENT

**Pg.17**

RISK MANAGEMENT IN ACCOUNTING - A CRITICAL PERSPECTIVE

**Pg.17**

TRENDS AND CHANGES IN THE CONFIGURATION OF BANKING IN THE NEW MILLENNIUM

**Pg.18**

IMPLEMENTATION OF PUBLIC MANAGEMENT WITHIN THE ROMANIAN FISCAL ADMINISTRATION

**Pg.18**

THE IMPACT OF TRAINING AND PERSONAL DEVELOPMENT ON PROFESSIONAL PERFORMANCE, JOB SATISFACTION AND EMPLOYEES' TURNOVER

**Pg.19**

INFLUENCES AND INTERFERENCES AMONG CORPORATE GOVERNANCE, SOCIAL RESPONSIBILITY AND BUSINESS ETHICS

**Pg.19**

APPLICATIONS OF CONTROL SYSTEMS IN OPTIMIZATION OF PRODUCTION AND STOCKS

**Pg.19**

A COMPARATIVE ANALYSIS OF APPROACHES RELATING TO COMPANIES' SOCIAL PERFORMANCE

**Pg.20**

ARGUMENTS AND EFFECTS OF THE APPLICATION OF THE "WAGE-LED-GROWTH" STRATEGY IN THE RECENT ECONOMIC POLICY FROM ROMANIA

**Pg.20**

FINANCIAL SYSTEMS IN THE WESTERN STATES

**Pg.21**

THEORETICAL COORDINATES OF CAREER MAGEMENT IN THE BANKING SYSTEM

**Pg.21**

ANALYSIS OF THE IMPACT OF INNOVATION ON STOCK MARKET PERFORMANCE

**Pg.22**

THE IMPACT OF FINANCIAL PERFORMANCE ON STOCK MARKET PERFORMANCE IN ENERGY COMPANIES

**Pg.22**

INFLUENCES OF LEADERSHIP STYLES AND BEHAVIORS ON EMPLOYEE PERFORMANCE

**Pg.23**

CHANGES GENERATED BY THE COVID-19 PANDEMIC IN ORGANIZATIONS' MANAGEMENT

**Pg.23**

INTEGRATED REPORTING IN THE CONTEXT OF CORPORATE SOCIAL RESPONSIBILITY

**Pg.23**

IMPORTANCE OF HUMAN RESOURCE MANAGEMENT IN PUBLIC INSTITUTIONS

**Pg.24**

HUMAN RESOURCE MANAGEMENT PRACTICES ON EMPLOYEE PERFORMANCE

**Pg.24**

THE INFLUENCE OF MANAGEMENT STYLES ON HUMAN RESOURCES PERFORMANCE

**Pg.24**

CORPORATE GOVERNANCE IN ROMANIA

**Pg.25**

THE ROLE OF IMPLEMENTING THE INTERNAL MANAGEMENT CONTROL SYSTEM

**Pg.25**

WORKPLACE PSYCHOSOCIAL RISK MANAGEMENT

**Pg.26**

THE INFLUENCE OF THE MASS MEDIA ON THE ECONOMY

**Pg.26**

ANALYSIS OF THE IMPACT OF COVID-19 ON THE PROFITABILITY OF COMPANIES LISTED ON BVB

**Pg.26**

EDUCATIONAL MANAGEMENT IN CONTEMPORARY SOCIETY

**Pg.27**

MANAGEMENT OF CHANGES FROM THE PERSPECTIVE OF EDUCATION

**Pg.27**

EFFICIENCY OF HUMAN RESOURCES MANAGEMENT OVER PUBLIC ENTITIES

**Pg.27**

RESPONSIBILITIES AND COMPETENCES IN HUMAN RESOURCES MANAGEMENT

**Pg.28**

THE IMPORTANCE OF THE PERSONNEL REQUIREMENT PLANNING PROCESS IN PUBLIC ENTITIES

**Pg.28**

ANALYSIS OF THE CURRENT AND FUTURE WORKFORCE IN THE PUBLIC ENTITY

**Pg.29**

EMERGING OCCUPATIONAL RISKS

**Pg.29**

THE ASSESSMENT OF QUALITY IN INFORMATION OF HEALTH PROFESSIONALS REGARDING PHARMACOVIGILANCE

**Pg.29**

MULTIFACTORIAL ECONOMETRIC MODELS OF FDI STOCK INPUTS INFLUENCED BY INDICATORS OF INTERNATIONAL TRADE, ECONOMIC TRENDS, POPULATION, LABOR FORCE AND ECONOMIC FREEDOM INDEX COMPONENTS

**Pg.30**

FINANCIAL STABILITY - CONDITION FOR SUSTAINABLE ECONOMIC GROWTH

**Pg.30**

THE ROLE OF AUDIT IN INCREASING THE CORPORATE SOCIAL RESPONSIBILITY

**Pg.30**

FINANCIAL RISK INSURANCE - A FORM OF PROTECTION OF PRIVATE AND PUBLIC PATRIMONY

**Pg.31**

LABOR MOBILITY AND THE PANDEMIC CAUSED BY COVID-19

**Pg.31**

PUBLIC SECTOR PERFORMANCE – CONTENT ANALYSIS

**Pg.31**

CREATING THE SUSTAINABLE VALUE OF THE ENTERPRISE THROUGH THE STRATEGIC APPROACH OF CORPORATE SOCIAL RESPONSIBILITY

**Pg.32**

STAKEHOLDERS - THE MOST IMPORTANT USERS OF ACCOUNTING INFORMATION

**Pg.32**

IMPORTANCE OF ANNUAL FINANCIAL STATEMENTS FOR ECONOMIC ENTITIES

**Pg.32**

FINANCIAL AND OPERATING LEVERAGE – A COMPARATIVE APPROACH

**Pg.33**

DEVELOPMENT OF MANAGERIAL TOOLS USED TO CREATE VALUE IN SPORTS ORGANIZATIONS

**Pg.33**

BENEFITS OF THE INTERNAL AUDIT ACTIVITY

**Pg.34**

OBJECTIVES OF INTERNAL MANAGEMENT CONTROL IN EDUCATIONAL INSTITUTIONS

**Pg.34**

THE GOVERNANCE OF THE EDUCATION SYSTEM

**Pg.34**

INTERNAL AUDIT AND GOVERNANCE

**Pg.35**

MANAGEMENT IT GOVERNANCE

**Pg.35**

HUMAN RESOURCES MANAGEMENT STRATEGIES, POLICIES AND PLANS

**Pg.36**

THE BRAIN-DRAIN EFFECTS ON THE ROMANIAN ECONOMY

**Pg.36**

ISSUES ON EUROPEAN UNION POLICY IN THE CONTEXT OF LABOR MOBILITY AND MIGRATION

**Pg.37**

TECHNOLOGY GAPS, ABSORPTIVE CAPACITY AND THE IMPACT OF FDI ON ECONOMIC GROWTH

**Pg.37**

THE ENERGY DIMENSION OF ECONOMIC GROWTH

**Pg.38**

ANALYSIS OF GREENHOUSE GAS EMISSIONS, ENERGY CONSUMPTION, AND ECONOMIC GROWTH

**Pg.38**

THE MEANS OF ACHIEVEMENT AND THE PERSPECTIVES OF THE SOCIAL POLICY IN THE EUROPEAN UNION. THE CASE OF ROMANIA

**Pg.39**

THE FUTURE OF THE ACCOUNTING PROFESSION IN THE DIGITAL AGE

**Pg.39**

EXPLORING THE RELATIONSHIP BETWEEN QUALITY FUNCTION AND DIGITAL TRANSFORMATION

**Pg.39**

THE EVOLUTION OF EMPLOYEES IN THE PUBLIC SYSTEM

**Pg.40**

STRATEGIES TO SUPPORT VULNERABLE PEOPLE

**Pg.40**

DIGITIZATION OF PROCESSES IN HR: FROM PERSONNEL MANAGEMENT TO MODERN HUMAN RESOURCES MANAGEMENT

**Pg.41**

THE IMPLICATIONS OF SUPPORTIVE MANAGEMENT ON THE EMPLOYEES' PERFORMANCE WITHIN THE ROMANIAN FISCAL ADMINISTRATION

**Pg.41**

CAUSES AND EFFECTS OF INTERNATIONAL MIGRATION

**Pg.41**

A FINANCIAL RECOVERY PLAN FOR THE EUROPEAN UNION ECONOMY

**Pg.42**

THE ROMANIAN MACRO-ECONOMIC ENVIRONMENT WITHIN THE SUSTAINABLE DEVELOPMENT HORIZON

**Pg.42**

NATIONAL STRATEGIES AND PROGRAMS FOR A SUSTAINABLE EDUCATION IN ROMANIA

**Pg.43**

THE IMPACT OF THE COVID-19 PANDEMIC ON THE GLOBAL ECONOMY

**Pg.43**

COVID-19 IMPLICATIONS ON TOURISM IN ROMANIA COMPARED TO THE EU COUNTRIES

**Pg.43**

PANDEMIC, HOTELS IN GEORGIA AND TOURISM DEVELOPMENT

**Pg.44**

LEADING FACTORS OF SUSTAINABLE RURAL TOURISM DEVELOPMENT: CASE OF GEORGIA

**Pg.44**

DIGITALIZATION -FACTOR OF PROGRESS OR UNEMPLOYMENT IN THE LABOR MARKET?

**Pg.45**

THE IMPACT OF DIGITALISATION ON LABOR TRENING

**Pg.45**

HYBRID ALGORITHM APPLICATION FOR ANT COLONIES

**Pg.45**

THE INTERPLAY BETWEEN CSR ACTIVITIES, EMPLOYEE DIVERSITY AND FIRM PERFORMANCE:  
EMPIRICAL EVIDENCE FROM EUROPE

**Pg.46**

THE AWARENESS OF THE ROMANIAN LABOR MARKET ON THE ADVANTAGES OF HIGHLY  
QUALIFIED LABOR USERS, BETWEEN MYTH AND REALITY

**Pg.46**

CORPORATE SOCIAL RESPONSIBILITY TOWARD THE EMPLOYEES DURING THE COVID-19 CRISIS

**Pg.46**

INTERGEN CONCEPT FOR INTERGENERATIONAL FAMILY BUSINESSES

**Pg.47**

REMOTE WORK: CONSEQUENCES ON WORK ENGAGEMENT AND WORK-LIFE BALANCE OF  
EMPLOYEES DURING THE COVID-19 CRISIS

**Pg.47**

THE IMPACT OF GOVERNMENT POLICIES ON ENTREPRENEURIAL DIMENSIONS

**Pg.47**

ECONOMIC-MATHEMATICAL MODELING OF THE CORRELATION BETWEEN PROFITABILITY AND  
RISK IN THE METALLURGICAL INDUSTRY IN ROMANIA

**Pg.48**

THE ROLE OF THE COVID-19 PANDEMIC IN ACCELERATING THE DIGITALIZATION OF THE EUROPEAN  
UNION - MEMBER STATES

**Pg.48**

THE IMPACT OF THE COVID-19 PANDEMIC ON THE TRADE IN GOODS AND SERVICES

**Pg.49**

THE ROLE OF DIGITAL TECHNOLOGIES IN THE EVOLUTION OF HUMAN RESOURCES MANAGEMENT

**Pg.49**

PECULIARITIES OF THE ACCOUNTING TREATMENTS SPECIFIC TO SOME TRANSACTIONS CARRIED  
OUT IN THE TRADE ACTIVITY

**Pg.49**

DEVELOPMENT AND IMPLEMENTATION OF SUSTAINABLE PUBLIC PROCUREMENT

**Pg.50**

THE EVOLUTION OF ROMANIA'S GROSS DOMESTIC PRODUCT UNDER THE INFLUENCE OF  
MACROECONOMIC FACTORS

**Pg.50**

METHODS OF BANKRUPTCY RISK ANALYSIS AT COMPANIES LISTED ON THE BUCHAREST STOCK  
EXCHANGE WHERE THE ROMANIAN STATE HOLDS SHARES

**Pg.51**

THE ROLE OF VALUE ENGINEERING TECHNOLOGY IN ENHANCING THE COST LEADERSHIP STRATEGY CASE STUDY: UNIVERSITY OF WASIT

**Pg.51**

EVOLUTION OF THE FDI A COMPARATIVE STUDY ROMANIA - EUROPEAN UNION

**Pg.51**

ANALYSIS OF THE CORRELATION BETWEEN FINANCIAL BALANCE AND PROFITABILITY INDICATORS IN COMPANIES IN THE METALLURGICAL INDUSTRY

**Pg.52**

BANK CREDIT VERSUS FINANCING THROUGH GOVERNMENT PROGRAMS

**Pg.52**

POVERTY - A COMPLEX SOCIO-ECONOMIC PHENOMENON IN THE CONTEXT OF SUSTAINABLE DEVELOPMENT. LITERATURE REVIEW

**Pg.53**

AN APPROACH FOR CONFIDENCE ESTIMATION OF SOME DYNAMICS MODELS

**Pg.53**

THE DEEP LEARNING REVOLUTION AND ITS INCREASING AREA OF APPLICATIONS

**Pg.53**

INTEGRATED REPORTING. “THE ULTIMATE LEVEL” OF CORPORATE REPORTING

**Pg.54**

WEB DEVELOPMENT TRENDS IN 2020

**Pg.54**

GLOBALIZATION AND THE SURVIVAL OF NATIONAL ECONOMIES

**Pg.54**

INTERNET OF THINGS IN MARKETING

**Pg.55**

THE EFFECT OF THE PANDEMIC ON THE YIELDS OFFERED BY THE MAIN SHARES LISTED ON THE BUCHAREST STOCK EXCHANGE

**Pg.55**

ESG AND PERFORMANCE – RISK DEPENDENCE FOR EUROPEAN COMPANIES. AN EMPIRICAL APPROACH

**Pg.55**

RISK MODEL MANAGEMENT- ROMANIAN PERSPECTIVE

**Pg.56**

EVALUATION AND FINANCIAL MANAGEMENT FOR PATIENTS WITH DIABETIC NEUROPATHY

**Pg.56**

CORRELATION ANALYSIS OF THE CONSTITUENTS OF BUCHAREST EXCHANGE TRADING ENERGY & RELATED UTILITIES INDEX

**Pg.57**

SOCIO-ECONOMIC SECTORS: RISKS AND OPPORTUNITIES ON LABOUR MARKET IN TIMES OF COVID-19

**Pg.57**

COVID-19 PANDEMIC: ECONOMIC CONSEQUENCES

**Pg.58**

THE DEATH OF THE SAVIOUR - HOW TOURISM SAVED ICELAND AND THEN CRASHED DUE TO COVID 19

**Pg.58**

CONSIDERING KEY PERSON RISK IN A BUSINESS VALUATION: AN OVERVIEW



**Pg.58**

TOWARD A TECHNOLOGICAL CALMNESS IN THE DIGITAL WORLD

**Pg.59**

THE MAIN DIFFERENCES BETWEEN THE UPDATED BIOECONOMY STRATEGY AND THE EUROPEAN GREEN DEAL

**Pg.59**

TOURISM INDUSTRY DURING THE PANDEMIC

**Pg.59**

THE IMPACT OF GOOD GOVERNANCE ON ENTREPRENEURSHIP IN TERMS OF SUSTAINABLE DEVELOPMENT

**Pg.60**

TESTING THE SUSTAINABILITY OF THE PUBLIC DEBT IN THE MEMBER STATES OF THE EUROPEAN UNION

**Pg.60**

THE IMPACT OF CORPORATE GOVERNANCE CHARACTERISTICS ON THE RISKS AND RETURN OF ROMANIAN COMPANIES

**Pg.60**

IMPLEMENTATION OF THE PRINCIPLES OF CORPORATE GOVERNANCE IN THE ENTITIES OF ROMANIA

**Pg.61**

THE INTERDEPENDENCE BETWEEN RETURN AND EXPLOITATION RISK

**Pg.61**

THE USE OF FINANCIAL-ACCOUNTING INFORMATION IN MEASURING THE PROFITABILITY OF COMPANIES, IN CONDITIONS OF RISK AND UNCERTAINTY

**Pg.61**

HUMAN RESOURCE MANAGEMENT WITHIN THE PANDEMIC CONTEXT OF 2020

**Pg.62**

THE USE OF MACHINE LEARNING TECHNOLOGIES IN PREDICTING CYBERCONSUMER BEHAVIOR (CASE STUDY - FACEBOOK)

**Pg.62**

HORECA INDUSTRY, THE ONLY CERTAINTY – THE UNCERTAINTY

**Pg.62**

REBUILT CITIES IN THE FUTURE; URBAN FORESIGHT

**Pg.63**

THE IMPACT OF COVID-19 ON EURO AREA ECONOMIES

**Pg.63**

EVALUATION OF THE PERCEPTIONS OF THE TOURIST GUIDE CANDIDATES SHARINGS ABOUT FOREIGN LANGUAGE LEARNING IN SOCIAL MEDIA

**Pg.64**

THE IMPACT OF COVID-19 PANDEMIC: DIGITAL TRANSFORMATION CHANGES IN TOURISM

**Pg.64**

BITCOIN AND SEATMATES

## EXAMINING THE EFFECTS OF SUSTAINABLE HRM ON EMPLOYEE WORK WELLBEING: THE ROLE OF VOICE BEHAVIOR AND TRUST IN MANAGEMENT

R PRINCE<sup>1</sup>, Nitin SIMHA<sup>2</sup> and Mk RAO<sup>3</sup>

<sup>1</sup>*Indian Institute of Technology Roorkee, India*

<sup>2</sup>*BITS Pilani, Dubai Campus, United Arab Emirates*

<sup>3</sup>*Indian Institute of Technology Kharagpur, India*

prince10vb@gmail.com, nitinvihari@gmail.com and kameshm964@gmail.com

**Abstract:** This study aims to understand the effect of sustainable human resource management (SUHRM) practices on employee work wellbeing (EWW). By drawing on the self-determination theory and social identity theory, this study explores the sequential mediation effect of voice behavior (VB) and trust in management (TIM) in the association between SUHRM and employee work wellbeing. The study, which is conducted in the context of the Indian IT industry, is quantitative in nature and employs a descriptive research design. The core findings support the theoretical claims that SUHRM positively influences EWW with TIM and VB acting as sequential mediators. The study emphasizes the importance of SUHRM in affecting employee behaviors and thus has important implications for HR practitioners and scholars.

**Keywords:** Sustainable HRM, Employee Work Wellbeing, Voice Behavior, Trust in Management

## THE IMPACT OF THE QUALITY OF FINANCIAL-BANKING SERVICES ON THE BEHAVIOR OF THE BANKING CLIENT

Larisa MISTREAN

*Academy of Economic Studies of Moldova, Moldova*

mistrean\_larisa@yahoo.com

**Abstract:** The contemporary environment where banks operate is characterized as a fierce competition. In this context, it is particularly important for the banks to identify factors that would ensure their safe long-term success. Among their multitude, the quality of the products and services offered by banks is an essential element with a direct impact on the consuming behavior of the financial institution client, and on the future development of its activity. The bank's activity can be considered as a successful one if the requirements, needs and expectations of consumers of financial-banking services are not only fully known, including in their dynamics, but also anticipated, in order to obtain and maintain a maximum degree of satisfaction and, as a result, customer's loyalty. First of all, the importance of the research of this subject is apparent from the fact that financial-banking services must possess only qualitative characteristics, since the quality has a direct impact on the performance of the service, and this is a particularly essential factor in relations with the customer. The consumer of financial-banking services will choose the bank, which will be able to offer him those services that will meet all his requirements, desires and expectations. Banking products and services involve a bank-client relationship with multiple meanings. It should be noted that each category of customers has its specific requirements, needs, expectations and subjective perceptions, so far that customers are oriented only towards certain types of banking products and services, which satisfy them by nature, characteristics, tariffs and ways of realization, as well as delivery. The business environment of banks is unstable, due to the influence produced by a multitude of factors, which include diversification and rapid renewal of the supply of financial-banking services, as well as the impact of the rapid development of science and technology, the globalization of markets and customers and the increase in public demand. Hence the quality of products and services has established itself as a determinant factor of the consuming behavior of the banking customer. Meanwhile, as fast as the technological and social-cultural changes happen, the ways of ensuring the quality of financial-banking services have also evolved. The quality of the consumer in terms of financial-banking services is perceived as it has a direct impact on the customer's behavior, that is why banks are concerned, in particular, about the characteristics of the products that make up their current offer. Our aim is to determine the impact of the quality of financial-banking services on the bank-customer relationship and, respectively, on the consumer's behavior. The research methodology involves the analysis of economic literature in the field of banking products and services, as well as the opinion on the notion of "quality", the main criteria, indicators of determination, and on the objectives in the field of customer attraction. Based on the identified research problem, the main purpose of this research is to determine the extent to which the quality of financial-banking services influences consumer behavior and, as a result, the bank's activity. In conclusion, the main purpose of this research, based on the identified problem, is to determine the extent of the quality of financial-banking services which influences consumer behavior and, as a result, the banking activity.

**Keywords:** quality of financial-banking services, consumer behaviour, quality criteria, quality indicators, customer loyalty

## EFFECT OF CRISES ON INITIAL PUBLIC OFFERING IN TURKEY: AN EVALUATION FOR COVID-19

Ercan ÖZEN

*University of Uşak, Faculty of Applied Sciences, Department of Finance and Banking, Turkey*  
ercan.ozen@usak.edu.tr

**Abstract:** Introduction: Initial public offering is that companies provide an inflow of funds by selling their stocks to the public for a certain price. In order to provide more fund inflows, initial public offerings are preferred during periods when the markets are in a positive trend. In times of crisis, public offerings decrease due to both low investor confidence and low market predictability. One of the obstacles to public offering in this period is the fall in asset prices. Because crises generally affect the entire economy negatively. The Covid-19 pandemic has also led to one of the biggest health crises in history in all countries of the world since the first months of 2020. In the first months of the pandemic, there were huge drops in the world stock markets and significant decreases were experienced in the national income of many countries. Crises also reveal important opportunities for some businesses in some cases, and companies in different sectors may be positively affected, depending on the nature of the events. It is seen that some sectors were positively affected during the Covid-19 pandemic period. Aim: The aim of this study is to analyze the companies that went public in Borsa Istanbul during the 1995, 2000-2001 and 2008 global crisis periods and Covid-19 crisis periods in Turkey individually and sectoral. Method: The study analyzed data on the IPOs in the crisis years 1995, 2000-2001 and 2008 and the companies that went public during the pandemic of 2020. Findings: Unlike other crisis periods, it is understood that the companies that went to the public in Borsa Istanbul during Covid-19 pandemic were companies, operating in the Food, Information Technologies, chemical, paper companies producing hygienic products and health products sectors. Conclusion: It is understood that the Covid-19 period have a much more special structure than other periods of crisis. In this case, it is beneficial for companies to create flexible production structures due to the possibility of similar situations.

**Keywords:** Covid-19, Pandemic, Crisis, Initial Public Offering, IPO, BIST, Borsa Istanbul

## THE MARKETING POTENTIAL OF THE WEB-BASED PLATFORM WECTOU DEVELOPED BY METEO ROMANIA FOR TOURISM

Silvia PUIU<sup>1</sup>, Liliana VELEA<sup>2</sup>, Vasile CRĂCIUNESCU<sup>3</sup>, Anișoara IRIMESCU<sup>4</sup> and Roxana BOJARIU<sup>5</sup>

<sup>1</sup>*Faculty of Economics and Business Administration, University of Craiova, Romania*

<sup>2,3,4,5</sup>*Romanian National Meteorological Administration*

silviapuiu@yahoo.com, l.f.velea@gmail.com, vasile.craciunescu@gmail.com, anisoara.irimescu@gmail.com, holomer@gmail.com

**Abstract:** The main objective of the WeCTOU application (Weather and Climate Information for Tourism) is to provide climate and environmental information tailored for touristic purposes, based on a set of parameters and indices adapted for four types of touristic destinations (seaside, mountain, rural and urban areas) and for each month, targeting the Romanian territory. The application is live since July 2020 and still in the market trial phase. Thus, a qualitative analysis meant to improve the platform and make it more user-friendly was necessary. This was conducted in August and September 2020 using online interviews and focused on users' opinions on the interface, the benefits offered by the platform, the possibility to create an account, buy a premium package and also on the social media channels most used by them. The results are useful for better adjusting the web application to the needs of the potential users traveling to various destinations in Romania and also for increasing the use and user uptake of the application. The potential of the application is high and can be a great investment and an opportunity for developing a partnership with investors in tourism, travel agencies and local authorities.

**Keywords:** tourism, weather and climate, touristic destination, touristic purpose, tourism investment, tourist

## ANALYSIS OF THE CORRELATION BETWEEN TAXATION AND SUSTAINABLE ECONOMIC GROWTH

Anca Alina BUZIERNESCU and Radu BUZIERNESCU  
*Faculty of Economics and Business Administration, University of Craiova, Romania*  
radu@profcons.ro, ancabuziernescu@yahoo.com

**Abstract:** Sustainable economic growth is becoming more and more at the heart of the concerns of the Governments of the world, the concept being first published in 1987 in the Brundtland Commission Report. Concern about sustainable economic growth arose with the help of tools that the European Commission has devised and presented to THE EU member countries and will be able to adapt to them. From a tax point of view, individual taxes have been created, such as energy tax, transport tax, pollution tax that worked on the "polluter pays" principle. The contribution of these taxes to economic growth within a country is the main objective of the work. This analyses with the help of SPSS not only the link between taxation, through these taxes, and economic growth (GDP/resident) at the level of the countries of the EU, but will also achieve a robust regression model. The period under review is 2009 – 2018.

**Keywords:** sustainable economic growth, taxation, correlation, robust regression

## NEUROMARKETING APPLICATIONS IN GASTRONOMY: NEUROGASTRONOMY

Burçin BOZ<sup>1</sup> and Hakan BOZ<sup>2</sup>  
<sup>1</sup>*Bilecik Seyh Edebali University, Turkey*  
<sup>2</sup>*Uşak University, Turkey*  
burcinsonmez86@gmail.com, onlyhakanboz@hotmail.com

**Abstract:** Food and beverage is a basic need not only for humans but also for all living things to survive. On the other hand, in recent years, the main motivation of people's food and beverage consumption has been expectations such as pleasure and happiness. Humans consume not only to survive, but also to enjoy the food and beverage they consume. For this reason, hidden motives and subconscious processes have become more dominant in the basis of food and beverage consumption in recent years. For this reason, it has become quite difficult to measure the real thoughts of consumers in traditional researches in the field of gastronomy with methods such as questionnaires and interviews. Therefore, in recent years, neuromarketing tools, which are used to measure the hidden motives and subconscious processes of consumers in purchasing decisions, have started to be used in other fields, especially in marketing science. These innovative biophysiological data collection methods that measure brain and body responses in neuromarketing have also started to be used in the field of gastronomy. This new discipline is called neurogastronomy. With Neurogastronomy, menu design, arrangement of recipes, preparation of food and beverage visuals, and measurement of subliminal processes that affect the purchasing preferences of consumers can become more effective. In this study, sample applications will be made about how neuromarketing tools can be used in gastronomy. As a result, recommendations will be made to academics, practitioners, and policy makers.

**Keywords:** Consumer Neuroscience, Neuromarketing, Neurogastronomy, Gastronomy, Artificial Intelligence

## STUDY ON IDENTIFYING THE EFFICIENT INSTRUMENTS TO MOTIVATE STAFF IN A REPRESENTATIVE COMPANY FOR THE AUTOMOTIVE INDUSTRY

Mădălina BRUTU  
*Faculty of Economics and Law, University of Pitești, Romania*  
madalina.brutu@upit.ro

**Abstract:** The purpose of this paper is to highlight the importance of knowing how to increase the employee motivation and how they can be applied according to the human needs and the motivational theories characteristic to each human need and typology. Starting from the definition of motivation and the presentation of the main types of motivation that determine people to make certain decisions or behave in a certain way, the theoretical research consists in analyzing the main motivational theories in the literature that highlight the factors that determine the human behavior, the types of needs that individuals have and how they are divided according to their importance, but also what are the conditions for their satisfaction. In the context mentioned above, the following questions were set to start this paper: what is the motivation and how does it influence the human behavior within the occupied position? what are the main types of motivation and what are their effects? what are the needs and how are they structured according to their importance? what are the motivational barriers and how can they be applied by managers to make their subordinates work more

efficiently? Therefore, this study focuses on highlighting the importance of the manager's knowledge of the types of motivation in accordance with the types of human needs to determine for each employee what he/she needs to be fully involved in the work done. As a research method, the secondary research was used, based on real data and information provided by the company, which were processed and the results obtained were subsequently interpreted.

**Keywords:** staff motivation, motivation, automotive industry

## USING THE CONCEPT OF "COMPETITIVE INTELLIGENCE" IN THE STRATEGIC MANAGEMENT OF TOURISM ORGANIZATIONS

Daniela MIHAI and Mădălina BRUTU

*Faculty of Economics and Law, University of Pitești, Romania*

daniela.mihai@upit.ro, madalina.brutu@upit.ro

**Abstract:** The current business environment in the tourism and hospitality industry is very dynamic, and managers can no longer afford to rely on instinct or intuition when making strategic business decisions. Adopting the "competitive intelligence" by the top management of the tourism organization is today a key to success, which starts from the premise that the fight on the business market can be won through a good knowledge of the opponent. The use of competitive intelligence can be useful in making any key decision that requires an understanding of the external environment, but especially in the process of strategic planning of the organization's activity. The ability to develop its own competitive intelligence is the basis of any company's success. Studies have shown that one of the major causes of an organization's failure is the existence of a significant gap between the company's strategy and that of the environment. Implementing the concept of competitive intelligence begins with the process of identifying and periodically collecting relevant information about the company's existing and potential competitors. Once the information is collected from various sources, it is analyzed in order to understand the possible market strategies and the future directions of competition. In the case of tourism organizations, competitive intelligence also allows managers in companies of all sizes to make decisions based on more information, including building long-term tactics. Considered by some specialists effective decision support and by others a corporate early warning system, the systematic process of planning, collecting, analyzing the information involved in assuming the concept makes organizations more competitive. This is because competitive intelligence results in reduced costs, mitigated risk, increased productivity, and reduced the organization's response time to changes of the environment.

**Keywords:** competitive intelligence, strategic management, management, tourism

## THE RISE OF E-TOURISM IN ROMANIA - PRESENT AND PERSPECTIVES

Daniela MIHAI

*Faculty of Economics and Law, University of Pitești, Romania*

daniela.mihai@upit.ro

**Abstract:** For tourism operators, the online environment offers multiple opportunities to reach potential customers, this being one of the most effective methods, both in terms of accessibility and cost. Online reservations are used in the hotel, air transport, car rental and insurance services as well. However, the e-tourism phenomenon involves not only e-booking methods, but also the opportunities for e-information and e-payment. There is strong competition in the online environment between the travel agencies and other providers of B2C (Business to Consumer) travel services. A tour operator creates packages and travel programs that it offers for resale to partner agencies (Business to Business), but it can also offer them for direct sale to the end customer (Business to Consumer). Their traditional partners, the tourism service providers (hoteliers, carriers, etc.), are now interested in selling directly, developing and promoting their B2C (Business to Consumer) sales platforms as accessible as possible to tourists. Therefore, to make online reservations, the customer can opt either for the classic reservation systems that use the B2B (Business to Business) business model, or for the OTA (Online Travel Agency) type platforms, whose business model is a B2C type (Business to Consumer). In Romania, the OTA (Online Travel Agency) concept was introduced in 2014, when Traveo.ro booking platform was launched. Currently, in addition to the global players (accessible to every tourist connected to the Internet), there are several important local players (ParAvion.ro, Vola.ro, Tripsta.ro, and on the ticketing segment - eSky.ro, Avion.ro). In addition, many travel agencies have online sites that offer customers the opportunity to buy tickets online, accommodation and even travel packages. However, the online tourism market in Romania has not registered the growth rate of other European markets, but there are very favorable development perspectives.

**Keywords:** tourism, e-tourism, B2C, online environment

## STUDY ON TOURISTS' PREFERENCES FOR MOUNTAIN TOURISM

Smaranda TOMA

*Faculty of Economics and Law, University of Pitești, Romania*

smaranda.simoni@upit.ro

**Abstract:** This paper presents the results of a quantitative marketing research on the management of mountain tourist destinations in Romania. The aim of the research is to identify the preferences of Romanian tourists for mountain tourism and to identify the factors that form their preferences. The research tool is the questionnaire, which can be seen on the page <http://www.isondaje.ro/res/65109838325909/>, and the related research method is the indirect application, through an electronic format and communication channel ([www.isondaje.ro](http://www.isondaje.ro)). The questionnaire contains 21 questions, grouped in two parts. The first part contains 16 questions, the respondents offering a series of personal opinions or preferences regarding their holidays in the mountainous areas of Romania. The second part contains 5 questions aimed at gathering information on the socio-economic data of the respondents. The research group was selected at random, 300 adult respondents, men and women, aged between 18 and 65 years. The decision-making problem consists in obtaining information regarding the tourists' preferences for mountain tourism, in general and for the mountain area of Argeș county, in particular.

**Keywords:** marketing research, tourism, influence factors, decision making

## ON THE TOURISM MANAGEMENT OF PROTECTED AREAS IN ROMANIA

Smaranda TOMA

*Faculty of Economics and Law, University of Pitești, Romania*

smaranda.simoni@upit.ro

**Abstract:** Although most Romanian national and natural parks were officially established immediately after 1989, the concerns about their effective management are recent (mostly their administrations were established between 1999-2004 and 1993 for Danube Delta Biosphere Reserve). The internal planning of the national and natural parks is done through a management plan, which is approved by the central public authority for environmental and forest protection, by defining and delimiting, as appropriate, strict protection areas, integral protection areas, buffer areas and areas for sustainable development of human activities. Lately, as a result of the requirements imposed by the Environmental Structural Operational Program, many parks have developed visitor management plans. Analyzing the specific infrastructure of the national and natural parks in Romania we concluded that it is deficient in terms of tourist reception structures. The number and type of accommodation units in the Romanian protected areas vary considerably. Most national and natural parks do not have a sufficient number of accommodation units inside the protected areas (the parks Măcinului Mountains, Balta Mică a Brăilei, Grădiștea Muncelului-Cioclovina, Comana), however in most cases this is compensated by the accommodation units located in the adjacent areas (for example the mountain parks Rodna, Ceahlău, Bucegi, Cozia, Piatra Craiului).

**Keywords:** tourism, tourism management, protected areas, environment

## THE IMPORTANCE AND ROLE OF THE INTERNAL INVENTORY AUDIT MISSION

Maria-Andreea ILIESCU, Nensi XHANI, Marioara AVRAM and Cristian DRĂGAN

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

andreea\_yly@yahoo.com, xhaninensi@gmail.com, avrammarioara@yahoo.com, cdragano11@gmail.com

**Abstract:** Internal audit is very important and plays a significant role in the prevention and detection of fraud, a role that is often underestimated by many entities. In the case of entities with a significant inventory turnover, the implementation of the internal audit function must be a concern of management / shareholders, in order to prevent and detect the risk of embezzlement of these categories of assets, this procedure must provide assurance that inventoried inventories are the right ones. It is necessary for the entity to implement its own appropriate policies and procedures regarding the management / administration of these categories of assets due to the fact that these assets present a very high risk of fraud and in most cases this can be generated even by employees entity.

**Keywords:** internal audit, stocks, economic entity

## IMPORTANCE OF COMMUNICATION IN PUBLIC ADMINISTRATION

Narcis Eduard MITU

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

mitunarcis@yahoo.com

**Abstract:** Communication within the system of public administration is considered a crucial factor for achieving effective and economical functioning of the whole system of public administration as a specific institutional tool for the implementation of public policies. The quality of information relationships between individual subjects of public administration is determined by a number of factors, and it influences the overall systematic structure of the whole public administration organization. Further, it also affects the quality of information flows carried out within the whole system of public authority of the state, as well as the characteristics of external relationships of public administration. The quality of communication can be (however it not necessarily must be) significantly influenced by utilization of modern information and communication technologies.

**Keywords:** Communication, Public administration, Institutional tool

## CONSIDERATIONS REGARDING THE APPLICATION OF THE INTERNATIONAL REGULATION STANDARDS IN THE ROMANIAN BANKING SYSTEM – BASEL III

Gigi DANET

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

gigidnt@yahoo.com

**Abstract:** According to the specialized literature, the organization and operation of the Romanian banking system were presented in this work, having the scope to establish if the NBR's role (the National Bank of Romania) is in accordance with the scope of the regulation standards required by Basel III, respectively the financial stability and if the commercial banks have the capacity to implement the regulation standards. The main requirements of the regulation standards that any bank must implement in every country, as well as the way in which the implementation of these standards in every country is followed, are synthetically exposed. The results indicate the requirements which will be harder and harder to be implemented, especially by the smaller banks (evaluated according to the criterion of the level of the assets – the market share).

**Keywords:** banking system, standards, regulation, regulation standards, Regulatory Consistency Assessment Programme

## THE CONSEQUENCES OF UNEMPLOYMENT AND INFLATION ON ROMANIA'S MEDIUM WAGE

Iacob Călin Ioan SĂȘĂRMAN

*Faculty of Economics and Business Administration, Romania*

sasarman\_iacob@yahoo.com

**Abstract:** The aim of this paper is to analyse the existing relationship between the national medium wage, the rate of unemployment and inflation in Romania. Recent studies have shown that both the number of unemployed people and the inflation have a direct and positive impact on a country's medium wage, which seems to also be the case in Romania. Therefore, in this paper I aim to underline the connexion between the two variables and the national medium wage. The data I used in this regard has been taken from INSSE and the National Bank of Romania and concerns the second decade of the present milenium (2010-2020). The analysis relies on regression and correlation, following a VECM (vector error correction model) using software such as Excel or eViews in order to compile the data and operate on it. The present study proves that the two independent variables have a direct and positive impact on the medium wage, underlining the relationship between them.

**Keywords:** medium wage, inflation in Romania, rate of unemployment, national medium wage, regression and correlation

## ORGANIZATION OF THE AUDIT PROCESS IN THE LOCAL SELF-GOVERNMENT UNITS: ALBANIA CASE STUDY

Nensi XHANI, Maria Andreia ILIESCU, Marioara AVRAM and Magdalena MIHAI  
*Faculty of Economics and Business Administration, University of Craiova, Romania*  
xhaninensi@gmail.com, andrea\_yly@yahoo.com, marioaraavram@yahoo.com, magdalenamihai@gmail.com

**Abstract:** Accountability and transparency are the basic principles of the efficient functioning of public finances at local level, and especially of a modern welfare state. The development of external and internal audit engagements is necessary to ensure an economical and cost-effective use of local government financial resources. But, which are the units responsible for the functioning of the audit process in the local self-government units? The conclusions of this study highlight that the harmonization of the audit process in accordance with international and national legal specifications in the field is still far away. In order to maximize the value of public money and to minimize risks in the future, the audit structures in local government units must be of high quality, sustainable, professional and collaborative.

**Keywords:** local government, internal audit, external audit

## THE PERSPECTIVE OF THE THE EU FUNDING IN ROMANIA FOR THE 2021-2027 FINANCIAL TIMEFRAME

Anca TĂNASIE  
*University of Craiova, Romania*  
ancatanasie@gmx.de

**Abstract:** Given recent debate on the efficiency of EU funding absorption, not just for Romania, but for all EU beneficiary member states, the 201-2027 financial timeframe raises both opportunities and challenges. The aim of this paper is to provide an insight into how the EU sees such efficiency of funds implementation and on Romania's approach of the subject. Leaving form recent development analysis based on existing data regarding previous financial timeframes, we aim to focus on proposing a set of actions meant to enhance the efficiency of EU funds spending.

**Keywords:** EU funding, efficiency, financial timeframe

## IMPACT OF THE AVERAGE NUMBER OF EMPLOYEES PROGRESS ON THE GROSS DOMESTIC PRODUCT'S EVOLUTION AT THE LEVEL OF ROMANIA, EA19 AND EU28

Nela-Loredana CĂRĂBA-MEIȚĂ, Florin DINCĂ and Anca Alina BUZIERNESCU  
*Faculty of Economics and Business Administration, University of Craiova, Romania*  
loredanameita@yahoo.co.uk, florindinca18@yahoo.com, ancabuziernescu@yahoo.com

**Abstract:** The economic performance of a state can be determined through a multitude of means, reportings and procedures, using for this purpose certain series of data on various economic indicators. In this article, the authors highlight the relationship between two indicators that are very important, from an economic point of view, for quantifying the economic performance of a country, more explicitly the average number of employees and the gross domestic product. The analysis of the relationship between the previously mentioned economic indicators is based on the use of simple linear regression, using a data set related to the period 2010 – 2018, which was determined with the help of a specialized computer program. In the analysis, the resultant variable (dependent) was considered to be GDP, while the factorial variable (independent) was considered to be the growth of average number of employees. The veracity of the analyzed econometric model was verified with the help of specific tests, whose returned values are significant for the analyzed data series, while respecting the specific hypotheses of simple linear regression.

**Keywords:** GDP, average number of employees, correlation, simple linear regression, correlation coefficients, evolution



## ANALYSIS OF THE EVOLUTION OF ROMANIA'S MAIN ECONOMIC INDICATORS IN THE CONTEXT OF "COVID-19" PANDEMIC

Nela-Loredana CĂRĂBA-MEIȚĂ and Florin DINCĂ  
*Faculty of Economics and Business Administration, University of Craiova, Romania*  
loredanameita@yahoo.co.uk, florindinca18@yahoo.com

**Abstract:** In the context of SARS COV 2 virus emergence at national level and implementation of measures to limit its spread, including the state of emergency established by presidential decree for the period 06.16.2020 - 15.04.2020, which was later extended up to 14.05.2020, date from which the state of alert came into force, as a continuing measure to limit the increase in the number of infections of the population with this virus, the main economic indicators of Romania have experienced various evolutions, depending on the influence of political, social, organizational, cultural factors etc., manifested in accordance with the existing situation. In this article, the authors present the evolution of indicators such as Gross Domestic Product, external public debt, balance of payments, retail trade, number of unemployed, but also the effects of the change in their values on the entire Romanian economic environment.

**Keywords:** COVID-19 pandemic, GDP, retail trade, number of unemployed, balance of payments, social factor, political factor, economic sector

## LOCAL SENSITIVITY ANALYSIS OF SOME INDICATORS FOR INTRADAY TRADING STRATEGIES

Julian DIMITROV  
*University of Mining and Geology, Sofia, Bulgaria*  
juldim@abv.bg

**Abstract:** Electronics Foreign Exchange Market (Forex) is very dynamic market with characteristics of high volatility and nonlinearity. The trading strategies consisted of groups of instructions related to certain indicators that represent numerical models of the trading process. In this paper is applied a method for valuation of functional dependencies (Sensitivity Analysis), which determines the confidence probabilities for satisfying the condition for sufficient accuracy of the trading model and condition for sufficient volatility. An example is given with the Forex strategy "Accurate entry and accurate exit". The indicators Exponential Moving Average, Commodity Channel Index and Average True Range are analyzed.

**Keywords:** foreign exchange market, trading strategy, trading models, technical indicators, relative distance, condition for sufficient accuracy, condition for sufficient volatility, estimates with confidence probabilities

## THEORETICAL CONSIDERATIONS REGARDING TAX FRAUD AND TAX EVASION

Dragoș-Robert DASCĂLU  
*Faculty of Economics and Business Administration, Romania*  
dragosrobert98@yahoo.ro

**Abstract:** This research paper consists in showing the various ways in which the tax fraud and/or tax evasion can occur within an organization. The starting point of this study is debating the concept of tax fraud and tax evasion in a polemical manner. Next, the accounting mechanisms that lead to these actions will be described and assessed. Also, the paper proposes a few concepts and taxonomies within the debate, which can help prevent or treat tax evasion and fraud at the organization level. Aim: The purpose of this study is to identify the main factors which lead to tax fraud and/or evasion. Furthermore, finding the actions that can be taken in order to prevent or treat these issues is an important aspect within this study. Method: The data required for reaching the key objectives consists in selective documentation regarding the topic of study. Therefore, various articles have been used, such as "Considerații teoretice privind evaziunea fiscală vs fraudă fiscală" dr. Emil DINGA. Findings: This research describes successfully the ways that can be used to help organizations prevent tax fraud, as well as tax evasion.

**Keywords:** tax fraud, tax evasion, accounting

## AN ANALYSIS OF STRATEGIC MANAGEMENT IN AUTOMOTIVE INDUSTRY

Eliza ANTONIU

*Faculty of Economics and Law, University of Pitești, Romania*

eliza.antoniu@upit.ro

**Abstract:** Today's business world is provocative, global and lately, in the pandemic context, is Internet-driven and dominated by speed. Therefore, managers are confronted with many challenges and their need for efficiency requires effective methods and technics offered by strategic management. The main purpose of this paper is to present the concept of strategic management, highlights its importance and explain how methods as SWOT analysis and BCG Matrix are successfully applied in the process of management. It is also to analyze the main components of a strategy in an automotive company: its mission, objectives, strategic options, resources and deadlines and ultimately the competitive advantage obtained by applying the strategy. In the end of this paper, we draw some conclusion and offer suggestion in order to improve the current strategy.

**Keywords:** strategic management, automotive industry, SWOT, BCG

## EXECUTION OF THE GENERAL CONSOLIDATED BUDGET IN ROMANIA FOR THE FIRST SEMESTER OF 2020

Roxana ISPAS

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

roxana.ispas@edu.ucv.ro

**Abstract:** Analyzing the general consolidated budget for the first 6 months of 2020, the budget deficit has reached 4.17% of GDP due to the fact that more than half of it comes from the amounts allocated to the economic environment through fiscal incentives and exceptional expenditures to combat the effects of epidemic. The increase in the budget deficit for the first six months of this year, compared to the same period last year, is explained, in terms of income, by the unfavorable evolution of budget revenues, due to the postponement of the payment of tax obligations by economic agents during the crisis, the increase in VAT refunds, as well as the bonuses granted for the payment at maturity of the profit tax and the micro-enterprises income tax.

**Keywords:** budget deficit, fiscal facilities, exceptional expenditures, private sector, employees

## TECHNICAL UNEMPLOYMENT AND ITS IMPACT ON THE UNEMPLOYMENT INSURANCE BUDGET

Roxana ISPAS

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

roxana.ispas@edu.ucv.ro

**Abstract:** In Romania, as in other countries, technical unemployment influences the revenues of unemployment insurance budget. The period during which an employee hired by the state or the private sector is technically unemployed constitutes an internship in the Romanian pension system, as well as in the social health insurance system, but does not constitute seniority in work. The state spends about 2 billion Euros a month with the salaries of about 1.2 million public sector employees. In the private sector over 1 million employees are technical unemployment.

**Keywords:** technical unemployment, public sector, private sector, budget revenues, budget expenditures, budget

## WAREHOUSE MANAGEMENT SYSTEM- ESSENTIAL TO SURVIVE IN AN INCREASINGLY COMPETITIVE MARKET

Elena JIANU

*Faculty of Economics and Law, University of Pitești, Romania*

elena.jianu@upit.ro

**Abstract:** The necessity to anticipate customer needs and to quickly react to all their requirements has led the companies which want to maintain a high level of competitiveness to look for increasingly innovative alternatives for the technology field. In this context, in which the current market demands speed, Warehouse Management Systems

(WMS) are beginning to play an extremely important role in a company, their lack affecting the performance of warehouse employees as well as other departments. An efficient Warehouse Management System has the ability to significantly improve the quality of warehouse management and to bring extra value to the entire logistics chain for any type of company, whether we are talking about manufacturers, distributors, importers or traders / retailers. Therefore, owning a Warehouse Management System is essential to survive in an increasingly competitive market, which means meeting the expectations of customers to the highest standards.

**Keywords:** Warehouse Management System, customer needs, market, quality

## THE ROLE OF ACCOUNTING IN ECONOMIC DEVELOPMENT

Anca Antoaneta VĂRZARU and Claudiu George BOCEAN

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

varzaruanca@yahoo.com, boceanclaudiu@yahoo.com

**Abstract:** The accounting profession occupies an important place in establishing strong and stable economies at international level. The ways in which the ethics and deontology of the accounting profession are addressed is that which affects the entire economy, as can be seen whenever a financial crisis occurs, either for banks, companies or governments. Whether the confidence in accountants plays a key role in economic stability and accountability in the economy is crucial to future economic growth. In the paper we aim to build a predictive model that allows to establish the intensity and meaning of the relationships that are established between Accountants Confidence Index, the appetite for investment and the evolution of the GDP. Accountants Confidence Index (AICI) is an index published by the Accounting Today Executive Research Council in partnership with ADP that expresses the perceptions of accountants about the strength and perspective of business in the U.S. In the paper we emphasize the role of accounting in sustainable economic development.

**Keywords:** accounting, accounting profession, deontology

## RISK MANAGEMENT IN ACCOUNTING - A CRITICAL PERSPECTIVE

Anca Antoaneta VĂRZARU, Mădălina Giorgiana MANGRA and Claudiu George BOCEAN

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

varzaruanca@yahoo.com, madamangra@yahoo.com, boceanclaudiu@yahoo.com

**Abstract:** Risk management is the process by which organisations continuously address the risks that may occur in relation to their activities in order to achieve organisational objectives. A risk-based approach to the organization's business aims to align risk management with business strategy by incorporating a risk-tolerant culture using organizational change management tools. Accounting managers, who traditionally have as their objectives the analysis of financial-accounting information, the analysis of operational performance, can occupy an important place in the implementation of risk management and internal control systems within their organizations. In the course of the paper we propose to carry out an exploratory research on the implementation of risk management in the accounting activity of the organization. The paper demonstrates that accounting managers must assume a strategic role within the organization, creator of added value, by including management accountants in risk management processes.

**Keywords:** risk management, accounting, organization

## TRENDS AND CHANGES IN THE CONFIGURATION OF BANKING IN THE NEW MILLENNIUM

Jenica POPESCU

*University of Craiova, Romania*

jenica\_popescu@yahoo.com

**Abstract:** The paper presents the changes that have occurred as a result of the application of the regulations known as the "Basel III Agreement" for banks operating in the banking system of the European Union, whose applicability started to be felt by all participants in the European banking system, rewriting the way risk and liquidity is managed in commercial banks. Given that the assumption of a high level of risk by bank management has been a key factor in the occurrence of the international financial crisis, the need for higher regulation has emerged and a comprehensive process of reform of regulatory and supervisory systems at EU level has begun. BASEL III capital agreement, imposing the gradual implementation of higher capital requirements both quantitatively and qualitatively, new liquidity conditions, a review of counterparty credit risk and a debt indicator for banks in the member countries of the Committee from Basel

for Banking Supervision, led to the creation of a more crisis-resistant financial system. Relating each time to the realities of our own country, the paper reveals that the NBR uses a set of macro-prudential tools to manage systemic risks, characterized as cyclical, or to reduce structural systemic risks. The conclusion of this approach is that regulations and the tendency to over-regulate have been the focus of attention in recent years in terms of the banking system in Europe, but also in the United States. Banks in the United States have not been exempted from increased regulation, targeting in particular the investment products sector, which in turn has also affected Europe's through so-called MiFID 2 regulation, which has complemented MiFID 1.

**Keywords:** regulation, Basel III Accord, macroprudential, liquidity, capital requirements, systemic risks

## IMPLEMENTATION OF PUBLIC MANAGEMENT WITHIN THE ROMANIAN FISCAL ADMINISTRATION

Gabriel Ioan AVRĂMESCU

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

**Abstract:** The society in which a fiscal administration operates is in a perpetual change, enhanced by the expansion of information technology, by the implementation of new means and channels through which information circulates. Given these aspects, the Romanian fiscal administration is currently experiencing an extensive process of adaptation to existing contexts in society and the economy, due to the fact that the beneficiaries of the services of this public institution expect quality services, transparent and characterized by celerity. In order to achieve these requirements, the National Agency for Fiscal Administration (ANAF) aims to transform into an efficient, effective, modern fiscal administration, able to face the challenges of the economy and society. To establish an efficient, effective, modern fiscal administration that respects European standards, ANAF noted the need to implement the principles of modern public management based on two major components: strategic management that involves setting priorities and objectives and management by objectives that leads to the accountability of those who must meet these objectives. In this paper we aim to provide a theoretical framework for the implementation of strategic management and management by objectives at the level of ANAF, these being integrated and strengthened through a participative management style and strong leadership.

**Keywords:** fiscal administration, public management, strategic management, management by objectives, participative management

## THE IMPACT OF TRAINING AND PERSONAL DEVELOPMENT ON PROFESSIONAL PERFORMANCE, JOB SATISFACTION AND EMPLOYEES' TURNOVER

Elena Cristina CERNĂTESCU and Marius MITRACHE

*University of Craiova, Romania*  
cernatescuelenacristina7@gmail.com, mmitrache.ucv@gmail.com

**Abstract:** The main purpose of vocational training and personal development (TPD) is to transmit knowledge, skills, attitudes and behaviors that improve employee performance and achieve organizational goals. By participating in TDP activities, employees acquire skills and knowledge that will ensure their future performance. TDP helps employees become competent, flexible, dynamic and able to adapt to the needs of the organization, directly influencing their skills and having an impact on their level of competence. The paper aims to investigate the influences among the following variables: skills, competencies, professional performance, professional satisfaction and employees' turnover. Following the research, a positive correlation can be found among TDP and the following variables: skills, competencies, professional performance, professional satisfaction and a negative correlation of these variables with the employees' turnover.

**Keywords:** professional training, personal development, professional performance, professional satisfaction, employees' turnover

## INFLUENCES AND INTERFERENCES AMONG CORPORATE GOVERNANCE, SOCIAL RESPONSIBILITY AND BUSINESS ETHICS

Michael Marian NICOLESCU and Claudiu George BOCEAN

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

**Abstract:** The concept of sustainability has emerged as a consequence of the expansion of the concept of business ethics and has three dimensions: good corporate governance, corporate social responsibility, environmental responsibility. Basically, business ethics has become a determining factor in business governance. Corporate responsibility is closely linked to the principles of sustainable development, proposing that organizations' decisions should no longer be based solely on financial or economic factors, but should also take into account the social consequences for the environment and their activities. Therefore, corporate responsibility refers to organizations alignment of their values and behavior with the expectations and needs of different stakeholders. It also describes the company's commitment to be accountable for changes in its environment, to be accountable to people and society in general, and to be transparent in its business practices. The paper aims to integrate corporate governance, social responsibility and business ethics in a holistic concept - corporate sustainability. The theoretical proposals are tested and validated by analyzing the correlations that are established among the components of the Candriam ESG index: human capital, natural capital, social capital, economic capital.

**Keywords:** business ethics, corporate governance, social responsibility, corporate sustainability

## APPLICATIONS OF CONTROL SYSTEMS IN OPTIMIZATION OF PRODUCTION AND STOCKS

Liviu POPESCU, Gabriel TICA and Ramona DIMITROV

*Faculty of Economics and Business Administration, University of Craiova, Romania*  
liviunew@yahoo.com, tica.gabriel@gmail.com, ramona.dimitrov@yahoo.com

**Abstract:** In this paper a problem of production and stock optimization is studied. The problem consists in manufacture of  $n$  types of products so that the total production and storage costs are minimal. The mathematical model is build using the framework of driftless control affine systems. Controllability is studied using Lie geometric methods and the optimal solution is obtained with Pontryagin Maximum Principle. We prove that the economical system is not controllable, in the sense that we can only produce a certain quantity of products. Finally, some numerical examples are given.

**Keywords:** stock and production, optimal control, controllability, Pontryagin Maximum Principle

## A COMPARATIVE ANALYSIS OF APPROACHES RELATING TO COMPANIES' SOCIAL PERFORMANCE

Olivian BÎLTAC

*University of Craiova, Romania*  
biltac.olivian@gmail.com

**Abstract:** In today's modern economy, the economic and social environment has constantly called on companies, and they are beginning to take on more and more responsibility for the social and environmental consequences of their economic activities. This trend also emerges from the evolution of research at the conceptual level and the development of specialized terminology such as - sustainable development, eco-efficiency, corporate social responsibility, strategic philanthropy, social entrepreneurship, etc .. Thus, more and more companies aim not only economic and financial gain, but they also have a broader perspective in order to take responsibility for their economic, environmental and social impact on society. In order to be able to evolve towards the impact quantification area, whether it is negative or positive, and to identify its contribution to the company's value, it is necessary to conceptually clarify the economic and social performance in the new context of corporate social responsibility. which has both the motivation to eliminate the negative effects (as a result of setting national or international standards) and the one generated by an effect of increasing its value (whether it comes from objective financial growth or from positive perceptions that contribute indirectly to these increases). In order to achieve these objectives, the research in this paper starts from the theoretical-conceptual clarification of the notion of social value, evolving to estimate the impact of companies' social actions on the chain - actions - results - effects, to their monetization in the SROI (social return on investment) analysis. The study

also raises the issue of the need to standardize the assessment of the effects of social actions but also the reporting of these effects, as well as the need to differentiate between social impact and social value. This approach aims to perform a comparative analysis in the European Union, respectively Romania to identify the extent to which the SROI analysis is used at the corporate level in reporting the effects and contribution of social actions to the value of the company.

**Keywords:** social value, SROI, monetization

## ARGUMENTS AND EFFECTS OF THE APPLICATION OF THE “WAGE-LED-GROWTH” STRATEGY IN THE RECENT ECONOMIC POLICY FROM ROMANIA

Daniel TOBĂ

*University of Craiova, Romania*  
danutob@yahoo.com

**Abstract:** The economic growth strategy, based on the generalized increase of the salary incomes, has gradually become visible in the Romanian economic policy, from the last period. More and more economists have shown concern in recent years for this new (or too little circulated in the literature) syntagma "wage-led-growth", which means an economic growth stimulated by rising consumption by increasing wages. Analyzing some economic realities, such as, for example, the share of wage bill and profit in gross domestic product, and comparing these values with the European Union average, we could find a solid argument to implement this strategy in macroeconomic policy. However, observing during the analyzed period, the economic imbalances that appeared, both on the money-foreign exchange market, on the market of goods and services, as well as the “twin” deficits registered annually, the question arises whether economically or if its implementation has been defective.

**Keywords:** economical growth, economic imbalances, budget deficit, trade deficit, inflation rate

## FINANCIAL SYSTEMS IN THE WESTERN STATES

Florin GHIOCEL

*University of Craiova, Romania*  
floghi@yahoo.com

**Abstract:** Decentralization and financial autonomy are topical research topics because they reflect the current problems facing the local public administration sector. The purpose of this research report is to find solutions and methods to address the problems facing our country, but also other countries in the world in terms of financial decentralization is a concern of specialists in economics and finance. The topicality of the research report is demonstrated by the need to improve the local public services provided to citizens, which requires a careful analysis and a permanent correction of the implementation as well as the evolution of the financial decentralization process in general. Such services are provided in various systems depending on a complex of factors, including the foreground of the type of service and the size / size of the beneficiary community, as well as the specifics of the country / state concerned. For example, some states (UK) transfer to the private sector all responsibilities associated with services such as water supply; other states (Germany) provide almost all public services through local authorities (specific departments or service companies owned by municipalities); States, such as France and, increasingly, Spain, provide public services through public-private partnership arrangements (public authorities assume institutional responsibility and control authority over the provision of services, but cede their practical provision to private sector operators). through various contractual arrangements such as concessions or leases, or through joint ventures with public and private capital operating on a commercial basis). However, there are other elements that need to be taken into account, including, for example, the fact that the size of local government is too small to effectively provide the full range of local public services that it is required by law to provide. make it available to citizens - by its nature, the service in question can be provided faster and at a lower cost by an authority operating on a larger territorial scale. In other cases, activities carried out within the territorial scope of a local government can significantly affect other communities, for example through water or air pollution or other environmental risks. As a result, it is necessary to create a flexible institutional and regulatory framework that allows for various alternative arrangements, applicable on a case-by-case basis, and that respond to both local needs and priorities and the general interests of the state.

**Keywords:** decentralization, financial systems, local administration

## THEORETICAL COORDINATES OF CAREER MAGEMENT IN THE BANKING SYSTEM

Cora Ionela DANIASA<sup>1</sup>, Luminița Florentina POPESCU<sup>2</sup>, Virgil POPESCU<sup>3</sup>, Anica IANCU<sup>4</sup> and Tomiță Constantin VASILE<sup>5</sup>

<sup>1,5</sup>University of Craiova Teacher Training Department, Romania

<sup>2,3,4</sup>University of Craiova, Romania

coraionela@yahoo.com, lumipopescu2002@yahoo.com, virgil.popescu@automotive.com.ro, iancunina@yahoo.com, vasetomita@yahoo.com

**Abstract:** The achievement of the objectives pursued by the monetary and banking policy, in the territorial units, depends on their capacity to take efficient decisions and to clearly delimit the responsibilities of each component of the respective unit. Starting from the idea that the territorial units of the banking system must ensure that they have capable and willing employees to implement monetary and banking policy, I approached the issue of the career of the bank clerk being convinced that the success, performance and competitiveness of banking institutions depend largely on the quality of human resources management in general and the management of the institutional and individual careers of their employees in particular. Starting from the need to form, in the banking system, the professional career, the present work represents a modest attempt to highlight, through practical arguments, conjugated, with the scientific rigor the career management system. The field of career in banking units is known more through its effects and less from a scientific point of view. That is why there are increasing difficulties in terms of human resources management, difficulties that lie in the lack or inconsistency of career planning at both entity and individual level, a reality that both the banking unit and managers will be increasingly harder if I don't take this into account. We consider that the paper deals with a very important issue, of maximum topicality quite vast and with multiple implications. The career has an evolutionary character. It takes place throughout the professional life, of the functional, which knows promotions, promotions, changes of positions and transfers to other communities, retirees. Career mechanisms are important to understand and especially to explain. In fact, very often, the inconveniences of the career system should not come as a surprise. We don't have to do what we want when we recruit someone into a public office. The official who participates in the execution of the banking service is subject to certain constraints and as a result of these particular constraints must benefit from specific advantages. Studies in the field show that performance is primarily and essentially determined by staff motivation. Or motivation means nothing more than the pleasure of working. Thus, the leaders of the banking units must be the ones who show an increased desire in finding and solving the technical and social problems of the system. In fact, all elite performers in all fields are individuals who find in their fields an unparalleled pleasure and satisfaction. They are role models for careers. The pleasure of working does not come from the results obtained, but things are exactly the opposite. First comes the pleasure that allows the first results to be achieved, which creates, in this way, an ultra-motivational success spiral. The analyzed problems regarding the motivation and behavior of the bank officials are particularly complex and often appear disguised among them. In management, sociology or political science we find a large number of distinctions regarding the different types of motivations. Behaviors are often seen as externalizations of these motivations. The bank clerk is first and foremost a human reality: the set of staff employed by the territorial units. It operates in a regulated framework. Also, by elaborating the paper we tried to realize the need for information in a less known field, with a lesser known and sometimes misinterpreted issue, that of professional career. Another goal of this paper is to achieve for the banking institution new concepts or ideas practiced so far in various forms and with other interpretations that often do not lead to results as the effort.

**Keywords:** monetary and banking policy, implement monetary and banking policy, efficient decisions, quality of human resources management, institutional and individual careers, evolutionary character, ultra-motivational success spiral

## ANALYSIS OF THE IMPACT OF INNOVATION ON STOCK MARKET PERFORMANCE

Alin-Ionuț DOROBANȚU and Ioan-Alexandru DUMITRESCU

University of Craiova, Romania

alin95dorobantu@yahoo.com, duma375@gmail.com

**Abstract:** The research paper consists in analyzing the impact of innovation activities on the company's stock market performance. Recent studies have shown that the efforts made by such activities can positively influence the price of shares. The investments in innovation lead to an indirect effect on stock market performance, as they influence the financial performance, which in turn has an impact on stock prices. The impact generated by making investments in research and development is lower on short term, but on long term, the investments in innovation have a stronger impact on stock market performances. The aim of the paper is to study the existence and the intensity of the connection between the efforts made in innovation of the listed companies and their stock market performance. The paper is based

on real information from the Bucharest Stock Exchange website. The research method used involves analyzing data using regression and correlation, which are calculated using the statistical program SPSS. The study proves that the effects of investments made in innovation have a positive impact on stock market performance, both in the year in which they were registered as in the following years, the connection between them being highlighted.

**Keywords:** investments in innovation, stock price, financial performance, research and development

## THE IMPACT OF FINANCIAL PERFORMANCE ON STOCK MARKET PERFORMANCE IN ENERGY COMPANIES

Mădălina Cristina ZIDARU  
*University of Craiova, Romania*  
zidaru.madalina.e4d@student.ucv.ro

**Abstract:** This article aims to analyze the level and intensity with which the financial performance of listed companies acts on their stock market performance. The main goal of any company, from a financial point of view, is to make a profit. Therefore, the efficiency of the investments made is conditioned by the achievement of a higher return than that claimed by the shareholders. In the case of companies listed on a stock exchange, potential shareholders, the step prior to making the decision to acquire a company's shares is to check the level of certain indicators. These indicators monitor both financial and stock market performance. In the case of companies listed on a stock exchange, potential shareholders, the step prior to making the decision to acquire a company's shares is to check the level of certain indicators. Before deciding whether to acquire the shares of a company, potential shareholders check the level of certain indicators, which monitor the performance, both financial and stock market. Studies in the literature on companies listed on the Bucharest Stock Exchange indicate that the decrease in performance indicators leads to a decrease in investor interest in those companies, where this decrease is measured by the decrease in their market value. The aim of the paper is to analyze the intensity of the link between financial performance, at the level of energy companies and their stock market performance. The data necessary for the study were collected from the website of the Bucharest Stock Exchange, and from the websites of the analyzed companies, data that are included in the annual reports and in the administrators' reports, and the period subject to the analysis being between 2014-2019. The research method used in the study involves performing a regression, performed using the Data Analysis function, in the Excel program. The results of the study demonstrate that the economic and financial performance of companies, components of the BET-NG index, have a significant impact on stock market performance, highlighted through stock market capitalization.

**Keywords:** financial performance, stock market performance, stock market capitalization, result indicators, return, funding potential, liquidity and solvency

## INFLUENCES OF LEADERSHIP STYLES AND BEHAVIORS ON EMPLOYEE PERFORMANCE

Ionela Petruta STANCA  
*University of Craiova, Romania*  
stancaionela94@yahoo.com

**Abstract:** The leadership process is probably the most important problem existing in an organization being a topical issue with multiple implications for managerial theory and practice. This is the process with the most extensive and decisive consequences on organizations, the development, survival or disappearance of an organization depends on it. In today's competitive environment, organizations are expanding globally and face many challenges in achieving their goals and aim to be more successful, with leaders playing a key role in achieving these goals. The challenges of dealing with today's uncertain business environment have made organizations struggle for survival in the fight against competitors. The success, performance and competitiveness of any organization depend, to a large extent, on the content and quality of management, as we well know, the competitive advantage of an organization lies in its people. As organizations strive to find leaders who can lead them to success, researchers have worked tirelessly to identify how the best leaders operate. This study aims to investigate and understand the impact of different leadership styles and behaviors and their effects on employee performance in the organization, which employee approach strategy is most effective, but also which would actually cause employees to make efforts in order to achieve superior performances. After completing the study, the results of this research will be beneficial for leaders to understand what types of leadership influence employee performance and how employees can be motivated through appropriate leadership. It is also beneficial for employees to identify what leadership style is good for them in terms of job satisfaction and career success. In a world where change is necessary, obvious and pervasive, addressing and adapting appropriate leadership behaviors and styles is necessary, given that employee progress is of real importance in increasing the efficiency and development of organizations.

**Keywords:** leaders, employee performance, leadership styles and behaviors, business environment



## CHANGES GENERATED BY THE COVID-19 PANDEMIC IN ORGANIZATIONS' MANAGEMENT

Luminita POPESCU, Anica IANCU and Virgil POPESCU

*University of Craiova, Romania*

florentina.popescu@edu.ucv.ro, anica.iancu@edu.ucv.ro, virgil.popescu@edu.ucv.ro

**Abstract:** The year 2020 brought the whole humanity in a situation unprecedented in recent history, which required restructuring or even changing future plans. The magnitude of the COVID-19 pandemic was felt by organizations, regardless of the object of their activity, each trying to find solutions to move forward. Under these conditions, there are major challenges for managers in terms of leading teams. On the one hand, they need to counteract their major fear of uncertainty about when they will return to normal and, on the other hand, adapt their policies to the new situation as well as the needs of employees. The research will focus on policies related to the working from home model or flexible hours, the use of information technology for training, changing working procedures in order to allow the use of remote work tools, the development of tools for planning, monitoring and control of team activity in these circumstances.

**Keywords:** organization, management, remote work

## INTEGRATED REPORTING IN THE CONTEXT OF CORPORATE SOCIAL RESPONSIBILITY

Georgiana Maria LUNGU, Daniel Costin AVRAM and Radu Nicolae BALUNĂ

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

georgianalungu@gmail.com, avramcostindaniel@yahoo.com, rbaluna@yahoo.com

**Abstract:** Integrated reporting has recently received a great deal of attention from regulators, professional accountants, the business community and the general public. The fact that the same set of summary documents contains economic, financial, social or environmental information can be an important aid for well-informed decisions. On the other hand, we can also talk about increasing the social responsibility of companies as they are obliged by regulators to include in integrated reports a number of non-financial issues such as social or environmental. Our study tries to capture the link between financial communication through integrated reporting and increasing corporate social responsibility. The article aims to analyze how information influences the quality of decisions as well as the results obtained in the future. Through the data contained in the integrated reports, companies gain credibility, and shareholders or any potential investor can gather the information that reflects the state of an interest-bearing company or its evolution.

**Keywords:** integrated reporting, social responsibility, communication, economic development

## IMPORTANCE OF HUMAN RESOURCE MANAGEMENT IN PUBLIC INSTITUTIONS

Costinel Cristian MILITARU

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

cristianmilitaru2005@gmail.com

**Abstract:** In general, human resources management is a set of activities, performed at the organizational level, and which allows the most efficient use of people, employees of that authority, to achieve both general organizational and individual goals. Human resource management is the process of converting strategic and organizational planning into a determination of short- and long-term human resource requirements and strategies to support these plans. The role of human resources is clear in terms of their involvement in increasing efficiency: people are the active resources of the organization, because their potential, people's experience and passion, their initiatives and development actively contribute to increasing organizational efficiency and effectiveness, possessing the ability to greatly enhance the effect of using other resources. Human resources are nothing but assets of the enterprise that serve to implement the objectives of the organization, means that can condition the success of the organization, through the efficient use of financial, material, institutional resources, by the way they put their intellectual and creative capacities in the service tasks.

**Keywords:** management, human resources, public institution, strategies

## HUMAN RESOURCE MANAGEMENT PRACTICES ON EMPLOYEE PERFORMANCE

Ionela STANECI DRINCEANU

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

eladrinceanu@yahoo.com

**Abstract:** An important component of human resource management is the forecast of staffing needs for the organization. Personnel managers must anticipate, as well as possible, what the employment will be and especially the need for human resources over the horizon of a few years; labor managers must be able to constantly adjust the use of labor to work needs. The need for strategic management of human resources needs is all the more current as reality shows that for many companies the concerns in this regard are almost non-existent; the previous situations are maintained for the following periods, and hence a series of inconsistencies regarding: the existence of overstaffing of workers, lack of labor for certain qualifications, imbalances in the age structure of workers. The consequences on the company's activity are among the harshest: the increase of production costs due to unjustified expenses with wages, the impossibility of manufacturing, due to lack of labor, products demanded on the market, lack of professional perspective of some workers, etc. Such elements are only part of the arguments that justify the forecast treatment of human resource needs in the company's strategy.

**Keywords:** human resources, management, management practices

## THE INFLUENCE OF MANAGEMENT STYLES ON HUMAN RESOURCES PERFORMANCE

Mariana Paraschiva OLARU STAICU

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

mariana.staicu@icloud.com

**Abstract:** Human resource management like any other scientific field is the result of specialized research. Detaching itself from the general management, the human resources management has been differentiated and automated, restricting its problem or object of study and consequently it has specialized having at present a well specified place within the general management. Human resource management is a strategic and coherent approach to managing the most valuable asset of an enterprise - people who work and who, individually or collectively, contribute to the achievement of organizational goals to achieve a sustainable comparative advantage. In addition, every aspect of employee management must be integrated with business management. Human resources management involves the continuous improvement of employees' activity in order to achieve the mission and organizational objectives. The exercise of such management requires as a primary condition that each manager be a model of behavioral attitude. Thus, the manager must take responsibility for the process, get involved in every action, discuss personally with employees the processes obtained by them and reward the good results. Managerial actions consider each employee as a distinct individuality, with specific characteristics. Successful implementation of human resource management requires the existence of a system for evaluating performance, stimulating employees and rewarding results.

**Keywords:** management styles, performance, human resources, organization

## CORPORATE GOVERNANCE IN ROMANIA

Aurel DINCĂ

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

aureldinca@yahoo.com

**Abstract:** In Romania, the improvement of the system is mainly related to the improvement of the ownership structure in open companies. The corporate universe in Romania comprises approximately 300,000 active companies, but only a small part are relevant by separating the shareholding management. These companies use third parties to finance their operations. In the top 200 companies in Romania, the results are similar. It dominates private companies, and most are closed, controlled by a single shareholder or group. In the future, these large companies will look for development opportunities and will have to open up to the market; new private companies will appear, starting from scratch and which, reaching a certain accumulation of capital, will have to open. Open companies that have gone through the privatization process have a fairly large shareholding. These companies are relevant to corporate governance. The institutional investors in Romania that hold control packages at the companies are the investment funds, with venture capital and the banks. They tend to hold a minority position in the shareholding and prefer the association with a strategic investor. Romania has a large dispersion of shareholders. Important actors are missing from the shareholding

structure in Romania. Banks appear only occasionally, with low participation and in cases of guarantee with forced execution. In the case of insurance companies, the placement of funds is reduced. The funds of these companies were directed to real estate. For pension funds, their establishment is related to the application of the law of the pension system. A diffuse shareholding structure cannot impose adequate corporate governance. The analysis of the cost / benefit ratio is unfavorable. The costs of diffuse shareholding are higher than the costs of active participation in corporate governance. The emergence of institutional investors is very important for corporate governance in Romania. The market will evolve towards the opening of listed companies. There is no institution to change the ownership structure, this will have to be done through the markets. The principles of corporate governance have multiple consequences for the evolution and prospects of the market. Large companies outsource their shortcomings in the absence of the regulatory framework and corporate governance mechanisms.

**Keywords:** governance, system, shareholders, company

## THE ROLE OF IMPLEMENTING THE INTERNAL MANAGEMENT CONTROL SYSTEM

Silvia Mioara ILIE (TROI)

*Faculty of Economics and Business Administration, University of Craiova, Romania*  
silviailie28@yahoo.com

**Abstract:** The implementation of the internal managerial control system is a necessary measure in the context in which the contracting authorities manage on the one hand the public funds allocated to them, and on the other hand the public patrimony under their management. From this perspective, it is obvious that, in the absence of an internal managerial control system, the efficiency, effectiveness and economy of the operations carried out at the level of public entities cannot be reasonably ensured. Internal managerial control is a dynamic and integrated process of permanent adaptation of the public institution to changes in the external environment. Management and staff at all levels must be involved in the risk management process, so that there is a degree of certainty about the achievement of institutional objectives. The control activity is a means of analyzing the activities of the institution, adopting and applying a new type of internal management that is frequently associated with the knowledge activity, thus allowing the management to coordinate the activities within the organization in an efficient way. Internal control is seen as a managerial function and not as a verification operation. By exercising the control function, the management ascertains the deviations resulting from the established objectives, analyzes the causes and orders the corrective or preventive measures that are required. This is not just a general notion, a doctrine or a multitude of reports and tables to be completed, but a set of methods, through which a public entity can be managed, capitalizing on the most appropriate possibilities for organizing the activities carried out. Internal control is a constantly changing process, which constantly adapts its tools and techniques to changes in the culture of the organization. Control is not an end in itself, but a means.

**Keywords:** internal managerial control, control system, processes

## WORKPLACE PSYCHOSOCIAL RISK MANAGEMENT

Ionuț RIZA

*MISO SRL, Craiova, Romania*  
rizaionut@gmail.com

**Abstract:** The last fifty years have profoundly changed the nature of society in general and of jobs in particular. This, following the explosive changes of technologies, the aggressive penetration of computerization processes but also the modernization of management systems. We are witnessing, especially after the 1990s, the initiation and development of managerial processes that include the operation at the level of large privatizations and mergers of industrial giants, processes of reengineering and development of a very active market economy. Risk assessment and management has become one of the constant concerns of occupational safety and health specialists. The fierce economic competition in which the present social life is engaged is considered as one of the signs or reactions generating what has entered the everyday language through the phrase "professional stress" or "occupational stress", and safety and health at work is increasingly common. approached from the perspective of emerging psychosocial risks. Globalization leads to many changes in the working environment. Certainly, the main feature of recent changes is the speed with which they unfold. The speed and magnitude of these changes, as well as the resulting uncertainties, are perceived today as a threat. It is sometimes argued that there is no longer the time needed to evaluate the ever-changing forms of organization and new methods and technologies. Risk prevention and control bodies, insurers, social partners and public authorities, both national and European, are trying to address new risks and threats to occupational health and safety, risks merged in the word "emerging risks"; and these risks, as well as those considered "classical", must be prevented and controlled, based on the obligations of employers under Framework Directive 89/391 / EEC and its directives. The complexity of modern management systems plays a major role for politicians in determining the level of socially acceptable risk. It is up to

them to establish new models of prevention, taking into account social and economic, cultural and ethical aspects. Given the growing importance of corporate social responsibility, the guidelines will be more useful than traditional mandatory regulations. The voluntary adoption of social values by enterprises - which reflects the full participation of interested / affected people - guarantees respect for the individual and is a valuable complement to regulations.

**Keywords:** risk management, accident at work, safety and health at work

## THE INFLUENCE OF THE MASS MEDIA ON THE ECONOMY

Emilio SAN PEDRO

*BBC World Service, London, United Kingdom*

emilio.sanpedro@gmail.com

**Abstract:** Mass communication is the practice and product that provides information and entertainment for free time to an unknown audience, through goods, which are produced on an industrial scale, in corporations, and which involve high technologies, are regulated by the state and consumed individually. . These assets belong to the written press, cinema and audiovisual. Unlike conversation, in which the content is created by the participants in the dialogue, in the mass communication it does not matter what the media consumers say, because this cannot change the content of an ongoing program. Both the media and the audience operate remotely, thus manifesting a certain degree of independence from each other. Because individuals, as recipients of messages sent by the media, do not have the opportunity to confirm the understanding of the messages, the media cannot monitor the interpretation of its productions. The media brings a message with its own content, but it does not bring its meaning. The meaning is constructed by each receiver separately, in the socio-cultural context in which it exists. In the process of "cultivation" through the media, a very important role is played by age and intensity of attention. Empirical studies have shown that there is an inverse relationship between the attention with which the viewer watches a certain show and the learning process: the more inattentive the viewer, the more extensive the process of learning and accumulating knowledge through television.

**Keywords:** media, information technology, profit, economic

## ANALYSIS OF THE IMPACT OF COVID-19 ON THE PROFITABILITY OF COMPANIES LISTED ON BVB

Silviu CÂRSTINA<sup>1</sup>, Daniel CÎRCIUMARU<sup>2</sup> and Luis BLANCO-PASCUAL<sup>3</sup>

<sup>1,2</sup>*Faculty of Economics and Business Administration, University of Craiova, Romania*

<sup>3</sup>*University of Rioja, Logrono, Spain*

silviu.carstina@yahoo.com, danielcirciumaru@yahoo.com, luis.blanco@unirioja.es

**Abstract:** The paper aims through its structure, to perform an impact analysis of the COVID-19 virus on the profitability of Romanian companies, companies listed on the Bucharest Stock Exchange. In this sense, a number of five companies from five different sectors were selected, having as selection criterion the half-yearly financial information, on the BVB website, the reference period being the first semester of 2019 and 2020. With the help of data financial, we performed a comparative, retrospective analysis on the profitability indicators, thus concluding the way in which COVID-19 has left its mark on these companies or not, and through them on the sector they belong to. For the profitability analysis we will take into account both the absolute and the relative indicators, and as an additional but relevant information, we also took into account the turnover and the average number of employees.

**Keywords:** Profitability, risk, COVID-19, impact

## EDUCATIONAL MANAGEMENT IN CONTEMPORARY SOCIETY

Geraldine DONNELLY

*Marymount International School, London, United Kingdom*

g.donnelly@gmail.com

**Abstract:** Management is an area of great interest and significant importance in contemporary society. Structured and developed over time, managerial science has gone through stages that have had a major influence on human development. Long restricted only to the economic area, the term has expanded in recent decades its applicability in other areas, including that of education and teaching in which it is found with all the elements, dimensions and functions it performs in any other sphere or field, but with its peculiarities, determined by the specifics of the teaching activity. Therefore, educational management refers to the theory and practice of general management, applied to the education system and process, school organizations and classes of students. In this vision, education is a kind of

company run by one or more managers. However, given the aims of the education system, the complexity of the educational process, the variety and extent of resources involved and the specificity of the final product which is not concrete and tangible, educational management has a special specificity, highlighted mainly by what theorists call the human component of process and places it at the center and base of the educational company.

**Keywords:** educational management, society, economy, culture, educational activities

## MANAGEMENT OF CHANGES FROM THE PERSPECTIVE OF EDUCATION

Simona RUXANDA<sup>1</sup> and Geraldine DONNELLY<sup>2</sup>

<sup>1</sup>*National College Nicolae Titulescu, Craiova, Romania*

<sup>2</sup>*Marymount International School, London, United Kingdom*

simona.ruxanda53@gmail.com, g.donnelly@gmail.com

**Abstract:** Educational management must be to a greater extent art than science, because it is not only a service offered to people (as external subjects of the process), but penetrates into their internal being, causing a change in their psycho-intellectual being. Educational management is the science and art of preparing human resources, of forming personalities, according to purposes accepted by the individual and society or a certain community. It includes a set of principles and functions, rules and methods of management that ensure the achievement of the objectives of the education system (as a whole or at the level of components), at the highest possible standards of quality and efficiency. The issue of educational management has a special significance in the context of modern society consisting of a set of organizations that regulate or facilitate almost all aspects of human existence. In this context, it is increasingly accepted that the school must be analyzed as a complex type of organization, a system with its own set of objectives, with a certain distribution of power and authority, with specific functions and responsibilities, consisting of necessary integrated parts which allow it to function in pursuit of its goals.

**Keywords:** society, educational system, methods of conduct, objectives

## EFFICIENCY OF HUMAN RESOURCES MANAGEMENT OVER PUBLIC ENTITIES

Costinel Cristian MILITARU and Ionela STANECI (DRINCEANU)

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

cristianmilitaru2005@gmail.com, eladrinceanu@yahoo.com

**Abstract:** The quality of human resources in public administration is a critical factor for its ability to meet the general interest by providing quality public services. We can say that the achievement of the mission and performance of a public entity depends almost entirely on the professionalism, competence and integrity of the committed human resources available to it, which is why human resource management becomes, from this point of view, one of the key processes in functioning of public entities. Human resources management encompasses a series of processes that seek to attract, develop and retain qualified employees to achieve the mission of the organization, in our case the public entity, namely: human resources planning - ensures the existence of human resources necessary to achieve strategic objectives; labor analysis - aims to determine the content of each position in the organizational structure of the public entity as well as the characteristics that the position holder must demonstrate in order to carry out its activity in optimal performance conditions; recruitment and selection - refers to attracting candidates for available positions and selecting those candidates who meet the requirements of the position; performance evaluation - considers determining the extent to which employees fulfill their responsibilities according to the requirements of the job.

**Keywords:** public services, processes, performance, employees

## RESPONSIBILITIES AND COMPETENCES IN HUMAN RESOURCES MANAGEMENT

Mariana Paraschiva OLARU (STAIKU) and Costinel Cristian MILITARU

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

mariana.staicu@icloud.com, cristianmilitaru2005@gmail.com

**Abstract:** The responsibility for human resources management rests with both the management of the public entity and the human resources managers, the roles of the two positions being briefly presented. In fact, we can say that the manager of the public entity decides on the orientation of human resources policy and gives authority to various human resources processes, human resources managers being the methodological architects of human resources policy and facilitators of its operationalization. Given the key role of human resources managers in the methodological architecture and implementation of human resources policies, one cannot speak of the efficiency and effectiveness of human

resources management without establishing and monitoring performance indicators for these managers themselves and for the human resources structure, overall. In the Romanian practice and regulations regarding the civil service, a series of absolutely obligatory human resources management processes are provided. However, nothing prohibits Romanian public administration employers from completing the practice of human resources with other processes and methods used successfully in the international practice of human resource management and relevant to the performance of employees and organizations.

**Keywords:** human resources policies, responsibilities, human resources, public entity

## THE IMPORTANCE OF THE PERSONNEL REQUIREMENT PLANNING PROCESS IN PUBLIC ENTITIES

Costinel Cristian MILITARU, Ionela STANECI (DRINCEANU) and Mariana Paraschiva OLARU (STAICU)

*Faculty of Economics and Business Administration, University of Craiova, Romania*  
cristianmilitaru2005@gmail.com, eladrinceanu@yahoo.com, mariana.staicu@icloud.com

**Abstract:** A first important function of human resource management is the planning of the necessary staff as a foundation for all other functions. The particular importance of this planning function is justified by the fact that the mistakes or inaccuracies of staffing planning have repercussions on the efficiency and quality of all others - for example, a poor forecast of the number of civil servants an entity needs can lead to unnecessary recruitments, followed, later, by decisions of restructuring (reorganization) because the positions prove to be redundant. Human resource planning is a strategic process of human resource management which, in essence, aims to ensure the existence in any organization of human resources that have the optimal experience, knowledge, skills necessary to achieve the strategic plans of the organization. Another advantage of good human resource planning is the prevention of staff surplus or deficit in the organization - for a public entity the materialization of these risks has a social impact on public service beneficiaries, because it leads, on the one hand, to inefficiency in spending public money and, on the other hand, blocking the provision of public services or reducing their quality. Therefore, it is considered that human resources planning influences other human resources functions and activities, such as: recruitment, payroll, promotion, training. Human resources planning is one of the strategic functions that a public entity has, as an Employer, and for the realization of which the support of human resources managers is needed. They will be the ones who will define the working methodology, will gather the necessary information and will formulate, at the end, the human resources planning proposal for the public entity.

**Keywords:** processes, employees, planning, functions, human resources activities

## ANALYSIS OF THE CURRENT AND FUTURE WORKFORCE IN THE PUBLIC ENTITY

Ionela STANECI (DRINCEANU) and Mariana Paraschiva OLARU (STAICU)

*Faculty of Economics and Business Administration, University of Craiova, Romania*  
eladrinceanu@yahoo.com, mariana.staicu@icloud.com

**Abstract:** The labor analysis aims to describe, on the one hand, the content of each existing job in the public entity, and, on the other hand, to identify the characteristics that the employee must possess. This process analyzes quantitative data on current and future workforce, as well as information on current and required skills. The following types of information can be gathered during this stage: age and gender of employees, hierarchical level, existing skills in the public entity, educational level. To these are added other information that can be used such as staff turnover, absenteeism rate, transfers, maternity leave. One of the methods of human resources management complementary to the planning of staffing needs is the analysis of work, which can be considered a sub-stage in the analysis of current and future workforce. The results of the labor analysis can be used successfully in other human resources management processes, respectively for: recruitment and selection from the labor analysis emerge the individual peculiarities necessary to occupy a position in the public entity, and based on them you can establish relevant criteria for recruitment and selection; employee evaluation - knowing the content of the job helps you to establish appropriate performance criteria and the accepted level of performance; vocational training - the information obtained from the work analysis process when establishing the training needs for new employees, when establishing the content of the training program and its evaluation; compliance with legal requirements - knowing the context in which employees work provides you with the information necessary to comply with safety and health at work.

**Keywords:** job, skills, performance, training program

## EMERGING OCCUPATIONAL RISKS

Emilio SAN PEDRO<sup>1</sup> and Ionuț RIZA<sup>2</sup>

<sup>1</sup>*BBC World Service, London, United Kingdom*

<sup>2</sup>*Faculty of Economics and Business Administration, University of Craiova, Romania*

emilio.sanpedro@gmail.com, rizaionut@gmail.com

**Abstract:** The national prevention of occupational risks, the European social partners, as the Community Courts share very similar views on current developments in the labor market. The world economy is globalizing. The use of new information and communication technologies, as well as new production technologies is a common aspect of professional activities. If new technologies applied on a large scale contribute, on the one hand, to the improvement of working conditions, they can, on the other hand, generate new risks, little known and insufficiently controlled, among the most eloquent examples being the field of nanotechnologies. For this particular area, the current lack of knowledge on their possible negative consequences for human health, workers' safety and the environment in general has been reached by consensus. Among the cutting-edge technologies, those of information and communication have generated the development of new professions, as is the case of tele-counselors of telephone call centers. Finally, a growing proportion of the employed population is in a precarious, unstable employment situation. For this reason, this category benefits from less appropriate levels in terms of working conditions, training in occupational safety and health and occupational medicine monitoring, in relation to permanent employees. Usually, this category is more subject to physical and mental stress.

**Keywords:** risk, evaluation, work conditions, job security

## THE ASSESSMENT OF QUALITY IN INFORMATION OF HEALTH PROFESSIONALS REGARDING PHARMACOVIGILANCE

Mihaela-Simona SUBTIRELU and Oana-Camelia MIC

*University of Medicine and Pharmacy, Craiova, Romania*

mihaela.subtirelu@yahoo.com, anca.paunescu@yahoo.com

**Abstract:** Communications on the safety of medical products are issued by regulators and marketing authorization holders, also are addressed to patients and health professionals and more attention should be paid to them. In the countries where this is done, a decrease in costs of intervention in hospitals to solve an adverse reaction has been observed. The study distributed 80 questionnaires to pharmacists, and 68 participants responded, providing a response rate of 85%. A low number of adverse reaction reporting cases even of medicines that are under additional monitoring have a major impact on the economy and increase hospital hospitalization and healthcare costs. A large number of patients spending financial resources on adverse reactions that could be anticipated. During pharmacist-patient interactions, the pharmacist could evaluate the medication profile in patients and provide professional advice to ensure a better outcome for medications, even at a lower cost.

**Keywords:** quality in information, pharmacovigilance, costs, marketing

## MULTIFACTORIAL ECONOMETRIC MODELS OF FDI STOCK INPUTS INFLUENCED BY INDICATORS OF INTERNATIONAL TRADE, ECONOMIC TRENDS, POPULATION, LABOR FORCE AND ECONOMIC FREEDOM INDEX COMPONENTS

Simina Ioana BROȘTESCU and Liviu Octavian POPESCU

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

simina\_brostescu@yahoo.com, liviunew@yahoo.com

**Abstract:** The introduction of the paper starts with a short analyze of the stock inflows evolution of foreign direct investments (% of GDP) during the years 1995 – 2019 for the CEEC-11 countries (Bulgaria, Czech Republic, Croatia, Estonia, Latvia, Lithuania, Hungary, Poland, Romania, Slovenia and Slovakia). Within the paper's methodology, UNCTAD's database along with the components of the Economic Freedom Index published by Heritage for the CEEC-11 area are being used. With the EViews software package, some creative models were built in an attempt to determine the factors with major impact on the FDI inflows stock based on indicators that cover international trade, economic trends, population, labor and some of the Economic Freedom Index components, such as: property rights, government integrity, tax burden, government spending and business, monetary, trade, investment and financial freedom. In order to validate, the proposed econometrical models were subjected to some major classical tests (F-Statistics, t-Student,

Jarque-Bera, Durbin-Watson and White). The conclusions highlight a number of similarities in the FDI inflows stock dynamics within the CEEC-11 area, as well as the quality and the potential of the forecasts centered on these models.

**Keywords:** Foreign Direct Investments, Central and Eastern European Countries, Econometrical modelling, FDI stock inflow, International trade indicators, Population, Labor market, Economic Freedom Index, Economic trends, Multiple regression

## FINANCIAL STABILITY - CONDITION FOR SUSTAINABLE ECONOMIC GROWTH

Costin Daniel AVRAM<sup>1</sup> and Roxana-Loredana AVRAM<sup>2</sup>

<sup>1</sup>*Faculty of Economics and Business Administration, University of Craiova, Romania*

<sup>2</sup>*Faculty of Economics and Business Administration, West University of Timisoara, Romania*  
avramcostindaniel@yahoo.com, roxana.dan90@yahoo.com

**Abstract:** Unstable financial markets, major imbalances of external payments' balances, volatility of exchange rates, accumulation of difficult-to-finance budget deficits, rolling up of government debt and severe disruption of intergenerational peace are all obstacles to sustainable economic growth. A solid and efficient banking sector has a great influence on the accumulation of savings and implicitly on using them for the most productive investments, which encourages economic growth and sustainable development. Lending with priority to the private sector increases the risk of default and thus the probability of non-performing loans. Although the economy produces a significant volume of goods and services, those must have a secure sales market to allow the repayment of debts to banking companies. In the event of a discrepancy between economic growth and lending, borrowers will become insolvent and non-performing loans will occur. Our study presents a correlation between economic growth expressed in GDP / capita and a series of indicators that signal instability, respectively: share of overdue loans, balance of payments deficit, budget deficit, share of public debt in GDP, inflation and long-term interest, by means of an unrestricted VAR panel.

**Keywords:** economic growth, financial stability, lending, non-performing loans.

## THE ROLE OF AUDIT IN INCREASING THE CORPORATE SOCIAL RESPONSIBILITY

Nina Adriana BUICĂ, Marioara AVRAM, Magdalena MIHAI and Cristian DRĂGAN

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

adrianabuica\_pfa@yahoo.com, marioaraavram@yahoo.com, magdalenamihai@gmail.com, cdragano11@gmail.com

**Abstract:** Corporate social responsibility refers to the way in which businesses align their values and conduct with the expectations and needs of third parties concerned – not only those of their customers and shareholders, but also those of their employees, suppliers, communities, authorities and the society as a whole. Investors from all over the world more and more use the information regarding the financial and nonfinancial performance, presented in integrated reports, to assess the manner in which companies create value in the context of corporate social responsibility and the decisions they make are profoundly marked by the truthfulness and the quality of information provided by companies. In this context, it is important the role of financial auditors to provide assurance and credibility not only on the financial information presented within the financial statements, but also on nonfinancial information published by the companies they audit. Based on the knowledge they gain on the audited client, the auditors are qualified to evaluate the link between the way the business strategy is carried out, corporate performance and the impact of nonfinancial information upon sustainable development and also the deriving consequences from the corporate social responsibility point of view. This paper aims to make an analysis of the way in which financial auditors contribute to increasing the corporate social responsibility of companies through auditing nonfinancial reports they issue.

**Keywords:** corporate social responsibility, integrated reporting, financial audit, reasonable assurance

## FINANCIAL RISK INSURANCE - A FORM OF PROTECTION OF PRIVATE AND PUBLIC PATRIMONY

Ștefania-Sonia ZAMFIR

*University of Craiova, Romania*

zamfir\_sonia@yahoo.com

**Abstract:** This article describes how financial risk insurance plays an overwhelming social role, not only to ensure the economic continuity of entrepreneurs, but also the social one, to insure financially the losses suffered to the one who due to delays in payments is at risk of no longer be operable even socially. The aim of this paper is to perform an analysis of insurance products in Romania given that financial risk insurance has components with a high involvement



in the economic sector, they are real tools for the protection of both private and public assets. Systematic research of existing situations has been done often using the method of comparison, but also content analysis. When we talk about Romania, in the last two years it is in line with European trends and are related to products, customer, use of new innovations, playing an active role in supporting the business environment, but also the creation of solid poles, supported by the image, stability and trust of international groups of insurance companies on the market in our country.

**Keywords:** protection, insurance, patrimony

## LABOR MOBILITY AND THE PANDEMIC CAUSED BY COVID-19

Flavia Andreea MURTAZA  
*University of Craiova, Romania*  
flaviamurtaza@gmail.com

**Abstract:** Labor mobility is a constituent part of human development. Therefore, the desire of people to experience new horizons arises, to migrate to an area that offers many opportunities in terms of education, security, employment, health care, political rights, justice and social security. Migration is a reality that will continue to exist forever, because there will always be discrepancies in terms of development and well-being between the distinct regions of the world. The phenomenon of migration can be an opportunity because it is a factor that causes economic and social exchanges. However, the most important feature is that it allows people to achieve their aspirations. Fulfilling the wishes of migrants was possible until the appearance of the COVID-19 virus, which through its manifestations, caused not only a closure of the borders of the states but also a halt to economic and financial progress. The outbreak of the virus coincides with the moment when the first people affected by the pandemic and the layoffs were the migrants who lost their jobs in their destination country and had to return to their country of origin in order to make ends meet. The pandemic has had both positive and negative effects, bringing migrants home to family and friends on the one hand, but causing a massive loss of jobs they used to have in their destination countries on the other hand.

**Keywords:** labor market, covid-19, total population, employed population, external labor market

## PUBLIC SECTOR PERFORMANCE – CONTENT ANALYSIS

Lavinia MUSTEA, Lavinia Daniela MIHIT and Oana Ramona LOBONȚ  
*West University of Timisoara, Romania*  
lavinia.mustea@e-uvt.ro, lavinia.mihit@e-uvt.ro, oana.lobont@e-uvt.ro

**Abstract:** The topic of public sector performance has received much attention in recent years by academia, but also by international public institutions (OECD, European Commission). The main goal of this research is to point out the optimal measurement methods of public sector performance. We perform a content analysis, with a focus on the methodologies applied for measuring the performance of the public sector. Our results evidence that the research can be divided into studies that (i) examine the productivity of the whole government and make comparisons between countries, (ii) examine specific sectors (for example, health, education) and, (iii) examine transnational trends. Also, research results reveal that the current approaches to measure public sector performance are taking into account the multidimensional nature of public sector performance and minimized the supremacy of financial indicators. To be more precise, the development of composite indicators to obtain information on countries' performance has been increasingly recognized as a sound tool by policymakers.

**Keywords:** public sector, performance, measurement methodologies

## CREATING THE SUSTAINABLE VALUE OF THE ENTERPRISE THROUGH THE STRATEGIC APPROACH OF CORPORATE SOCIAL RESPONSIBILITY

Dalia SIMION and Dorel BERCEANU  
*Faculty of Economics and Business Administration, University of Craiova, Romania*  
daliasimion@yahoo.com, dorelberceanu@yahoo.com

**Abstract:** The current business environment in continuous transformation and the emphasis on corporate social responsibility, limited resources and the multitude of stakeholders have determined the need to create sustainable value for the company. Sustainability is crucial to creating high value in the long run. Most existing business models are based, for the most part, on creating economic value and maximizing the company's profit, with little attention to environmental or social value. Corporate social responsibility can provide a competitive advantage to a company, resulting from a strategic approach, in which the company's values are aligned with CSR objectives and focused on

sustainable environmental and social issues. The emphasis on CSR values at the level of all stakeholders, social, economic and environmental contributes to having a differentiated place in the market offering the company opportunities for competitive advantage. The purpose of the article is to assess the relationship between corporate social responsibility and the value of enterprises by estimating a multivariate regression model with panel data. Regardless of the size of the enterprise, large companies or small and medium-sized enterprises, it is important to apply an integrated approach to the design and monitoring of social responsibility policies.

**Keywords:** sustainable value, social responsibility, competitive advantage

## STAKEHOLDERS - THE MOST IMPORTANT USERS OF ACCOUNTING INFORMATION

Aurelia Maria POPESCU

*University of Craiova, Doctoral School of Economic Sciences, Accounting, Craiova, Romania*  
aureliamariapopescu@yahoo.com

**Abstract:** Accounting is the main source of information necessary for stakeholders in decision making. Accounting information is ubiquitous in the fields of activity of economic entities, contributing to their modernization and development. Currently, the future of a company is determined by both the elaboration and possession of the most important resource, namely information. Stakeholders are individuals who establish relationships with the entity, namely: managers, owners, employees, customers, creditors, suppliers, the general public and state institutions. They influence the objectives and activities of the company, but can also be affected by its activity. Stakeholders use financial-accounting information primarily to decide when to buy, how to keep and when to sell an investment, to determine profit and how the dividends must be distributed to all shareholders, but also to decide accounting and tax policies. By consulting the annual financial statements, users of accounting information should be able to assess the degree of effectiveness and efficiency of the economic entity in using its resources. Thus, in long-term economic decisions, managers, the main users of financial statements, must assess and anticipate the ability of a company to generate cash, as well as the timing and certainty of their generation, an assessment that cannot be achieved based on information provided by the cash flows statement, component of the annual financial statements.

**Keywords:** stakeholders, accounting information, companies, decisions

## IMPORTANCE OF ANNUAL FINANCIAL STATEMENTS FOR ECONOMIC ENTITIES

Aurelia Maria POPESCU

*University of Craiova, Doctoral School of Economic Sciences, Accounting, Craiova, Romania*  
aureliamariapopescu@yahoo.com

**Abstract:** The annual financial statements are a set of synthesized accounting document that provide information about the financial situation of an entity, its financial performance and cash flows, which are useful in the decision-making processes regarding the allocation and use of resources and the obtaining and distribution of results. The special importance of financial statements is given by the usefulness of the information provided by them, this being often the only information to which users have access and on the basis of which they must make their economic decisions and justify the use of financial resources. The information provided by the annual financial statements is a useful tool available to the management of any company, because competent management means knowing the realities of the economic life in which you operate, knowing the pros and cons of the entity you lead, and this is not possible without a relevant analysis of accounting information. The annual accounting statements are the final products of any accounting system, representing the most important source of knowledge and analysis of the entire financial situation of the economic entity.

**Keywords:** economic entities, annual financial statements, accounting information, users

## FINANCIAL AND OPERATING LEVERAGE – A COMPARATIVE APPROACH

Laura VASILESCU

*Faculty of Economics and Business Administration, University of Craiova, Romania*  
laura.vasilescu.ucv@gmail.com

**Abstract:** The leverage is a financial tool used to reflect the capacity of a company to use fixed costs in order to increase the rate of return for an investment. But it should be considered that the leverage can operate to increase the rate of return, but at the same time to increase the risk of the investment. In financial management there are different types of leverage used, such as operating, financial leverage or total leverage. The operating leverage is the leverage

related to the investment activities and it reflects the capacity of a company to use fixed operating costs in order to increase the effects on the earnings before interest and taxes (EBIT). The operating leverage indicate the impact of a change in the level of productivity on the operating revenue. Therefore, the level of operating leverage is directly related to the business risk level of a company. Financial leverage reflects the relationship between the company's EBIT and the shareholders earnings and it is used as a measure of return increase for the shareholders. In fact, the financial leverage indicates the impact on returns of the level the firm's assets are financed by debts. The comparison between the two leverages, operating and financial, reveals that while the operating leverage is related to the investments and reflects the ability to use fixed operating cost, the financial leverage is associated with the financing activities of a company and reflects the relation between earnings before interest and taxes and earnings per share. Another difference consist on the fact that the operating leverage depends on fixed and variable cost while the financial leverage depends on operating earnings. Besides, the financial leverages is affected by the changes of the tax rate or interest rate while these changes can not affect the operating leverage. It is important to understand the concept and the effects of the two leverages, operating and financial, taking into consideration that the decisions regarding the leverages could affect the company profitability. Therefore, both types are essential for the success of business and they have different, even related, meanings.

**Keywords:** leverage, operating leverage, financial leverage

## DEVELOPMENT OF MANAGERIAL TOOLS USED TO CREATE VALUE IN SPORTS ORGANIZATIONS

Alexandru SIMION and Gabriel MANGRA  
*University of Craiova, Romania*  
alexsimion95@yahoo.ro, gabimangra@yahoo.com

**Abstract:** The complexity of the activities carried out by sports organizations, the main laboratory of national and international sports performances determines a more in-depth investigation of the management tools applied to them. The analysis of the complex mechanisms of the processes, the evaluation of the investment initiatives in sports, the identification of some optimization solutions in economic-financial plan and of the human resources, lead to the creation of value in the sports organizations, generating competitive advantages. Sport is a dynamic, rapidly developing sector, and improving results in this sector offers real prospects for job creation, through the influence exerted on other sectors of activity, sport being a significant incentive in the consumption of services and products, having a positive effect in driving production and development of many economic sectors.

**Keywords:** managerial tools, value creation, sports organizations

## BENEFITS OF THE INTERNAL AUDIT ACTIVITY

Silvia Mioara ILIE (TROI)<sup>1</sup> and Simona RUXANDA<sup>2</sup>  
<sup>1</sup>*Faculty of Economics and Business Administration, University of Craiova, Romania*  
<sup>2</sup>*National College Nicolae Titulescu, Romania*  
silviailie28@yahoo.com, simona.ruxanda53@gmail.com

**Abstract:** Any entrepreneur wants to have permanent control over all activities that take place in the entity. Even if he cannot always do this alone, it is good to be able to set up a periodic audit system to determine which operations need improvement or which expose the entity to a particular risk. When the workload, the number of employees and the size of the company are relatively small, the key elements of the activity are quite easy to follow and verify. However, a problem arises when the company grows and departments with various objectives (sometimes with intersecting objectives) appear when the information reaches more and more difficult to the people in charge of the entity, being thus quite difficult to follow all the processes and possible risks. to which it is exposed. In this case, it is recommended to apply an internal audit system by certain persons dedicated to this activity (either in whole or in part), through which to perform a permanent or periodic analysis of the existing activity / situations, in order to follow its course / and to take steps to improve. The internal audit procedures aim, on the one hand, to monitor the registration of the entity's activity and personnel behavior within the framework defined by the applicable legislation, the values, norms and internal rules of the entity, and on the other hand, to verify whether the accounting, financial and The management reports correctly reflect the activity and the situation of the entity.

**Keywords:** internal audit, entity, risk, legislation

## OBJECTIVES OF INTERNAL MANAGEMENT CONTROL IN EDUCATIONAL INSTITUTIONS

Geraldine DONNELLY<sup>1</sup> and Silvia Mioara ILIE (TROI)<sup>2</sup>

<sup>1</sup>*Marymount International School, London, United Kingdom*

<sup>2</sup>*Faculty of Economics and Business Administration, University of Craiova, Romania*  
g.donnelly@gmail.com, silviailie28@yahoo.com

**Abstract:** The internal control organized at the level of the establishment entity is the responsibility of the management of the institution and represents the set of measures taken by the management and implemented by all staff regarding the organizational structure, procedures, tools and techniques applied, in order to achieve the following objectives: a) in an economical, efficient and effective manner; b) compliance with legal regulations and management provisions; c) protection of resources against abuses, losses or frauds; d) developing, maintaining and providing correct and complete financial information to substantiate management decisions. The general objective of internal control is to ensure the continuity of the educational entity in achieving the set objectives. This continuity highlights the following: internal control must be assessed in a dynamic way, each of its components has its place in the operation of the entity, all levels of the entity are equally involved in the process and all factors within the functional structures have the same role, the finality of this internal control is represented by the reasonable assurance that the objectives can be achieved.

**Keywords:** management, internal control, objectives, educational entity

## THE GOVERNANCE OF THE EDUCATION SYSTEM

Aurel DINCĂ<sup>1</sup> and Geraldine DONNELLY<sup>2</sup>

<sup>1</sup>*Faculty of Economics and Business Administration, University of Craiova, Romania*

<sup>2</sup>*Marymount International School, London, United Kingdom*  
aureldinca@yahoo.com, g.donnelly@gmail.com

**Abstract:** The aim of the study is to evaluate the role that students, parents and communities currently have in governing the general education system in our country as a whole and in the administration of educational institutions in particular. The assessment in question is made both in the light of the experience of countries with democratic traditions in the field of education governance, and in the light of lessons learned during the 25 years of education reform. One of the main indicators that characterizes the quality of any education system is the learning outcomes. The involvement of parents in the administration of educational institutions is manifested, most often, only by participating in various meetings organized within the school. However, this participation is more pronounced only in the case of meetings organized by the educational institution and, less so, in the case of those organized by the public organizations of the parents. Obviously, these results must be evaluated by an entity that ensures objectivity, relevance and representation at national level. Sociological studies show that almost half of the country's citizens are dissatisfied with the quality of education that children receive at school. However, this dissatisfaction does not necessarily lead to a wider involvement of parents in school life, the share of active parent-partners being relatively small. In particular, this is attested in the case of parents with a lower level of education, with low incomes, from rural localities.

**Keywords:** governance, education system, educational institution

## INTERNAL AUDIT AND GOVERNANCE

Silvia Mioara ILIE (TROI) and Aurel DINCĂ

*Faculty of Economics and Business Administration, University of Craiova, Romania*  
silviailie28@yahoo.com, aureldinca@yahoo.com

**Abstract:** The implementation of internal audit and governance is essential to meet the need to implement international standards and legal requirements in the field of internal audit and governance so as to ensure the training and continuous professional development of specialists in order to improve internal activities and processes in organizations. Internal audit, through insurance or advisory activities, is a management tool that brings value to the organization, contributing to the systematization and increase of the effectiveness and efficiency of governance processes, risk management and internal control systems for both public sector entities and those private. The optimization of internal audit in public and private law organizations leads to the improvement of their decision-making capacity through the development and preparation of human resources and internal organization. Thus, the direct subordination of the audit structures to the highest hierarchical levels of the entities is achieved, noting an increase in the trust given to the formulated recommendations. Audit activities are carried out in a regulated manner, nationally and internationally based on

auditing standards, procedures and techniques. Internal audit also plays a key role in assessing risk exposures on the governance of organizations, operations and information systems, as well as how European projects are implemented. The growing concern for defining, implementing and controlling internal processes within entities, relying on modern management precepts based on risk management is transposed through new strategic approaches to governance processes and pursuing objectives in line with stakeholder and shareholder expectations. The development of corporate governance structures becomes in these conditions a priority for public institutions in their mission to provide high-performance and high-quality services to society. Thus, the need to improve governance processes to ensure the achievement of strategic objectives in the current macroeconomic context is a prerequisite for further societal development reforms.

**Keywords:** internal audit, governance, decisions, strategies

## MANAGEMENT IT GOVERNANCE

Cristian MILITARU, Ionela STANECI (DRINCEANU) and Aurel DINCA  
*Faculty of Economics and Business Administration, University of Craiova, Romania*  
cristianmilitaru2005@gmail.com, eladrinceanu@yahoo.com, aureldinca@yahoo.com

**Abstract:** In the most general sense, and unanimously accepted, the notion of IT governance incorporates a set of procedures and policies that will ensure that the information system of the organization supports its objectives and strategies. This set of policies and procedures, based on "best practices" in the field, aims to direct and control the IT function to add value to the organization and minimize information risks. IT governance, like the other governance components, is the responsibility of the Board of Directors and IT management and should not be viewed separately but only as part of corporate governance. The continuous expansion of new information technologies within large organizations leads to increasingly complex and inhomogeneous IT infrastructures, as a result of the unstoppable "contamination" of a wider spectrum of activities. The evolution of the current information environment tends to lose an intrinsic positive feature of computer science, the deterministic character, the implacable predictability extracted from the binary logic on which computer science has developed. In conclusion, through its objectives, IT governance provides a real-time picture of IT services and business efficiency, full transparency in IT projects and investments, minimizes risks, ensures continuity in the event of disasters, and last but not least, it guarantees the ability to respect the quality level of IT services. Thus, IT management will be able to decide knowingly what are the directions of action, how to manage time to direct IT resources to strategic projects, how to eliminate inefficient activities, what activities to outsource to increase the performance of the organization. IT management must be involved in the IT governance process. At first glance, the concept of IT governance being relatively new, some authors associate it with IT management. The difference is very clear: IT management is focused on the effective provision of IT services, products and IT operations management, while IT governance is much broader and focuses on achieving and transforming IT to meet current and future business requirements; and of customers.

**Keywords:** management, governance, IT, customers

## HUMAN RESOURCES MANAGEMENT STRATEGIES, POLICIES AND PLANS

Ionela STANECI (DRINCEANU), Mariana Paraschiva OLARU (STAICU) and Cristian MILITARU  
*Faculty of Economics and Business Administration, University of Craiova, Romania*  
eladrinceanu@yahoo.com, mariana.staicu@icloud.com, cristianmilitaru2005@gmail.com

**Abstract:** The management of the organization is a complex process that takes place based on iterative adoption of decisions; transposed into activities, they lead to the realization of goods and services, in order to achieve economic and social objectives. Identifying and defining management functions is an evolutionary process; different schools and management systems have different functions. From the definitions given to the management and from the presented analysis it can be accepted that its fundamental functions or attributes are the following: forecasting, organization, coordination, training and control or evaluation. Because its functions are interdependent, the management process is unitary. Starting from the objectives of the organization established by exercising the forecasting function, the decisions regarding the organization and coordination can be applied. Deviations from the norms established for all phases of work processes trigger the levers of the training function and the control-evaluation function. The managerial process is dynamic and iterative; on the other hand, it is typical because it highlights what is general in a complex structure of human, material and informational resources. Regardless of the type of organization, it must define its strategy and policies, plan its activities in an organizational structure in accordance with the objectives, ensure the correlation of the system of material and psycho-social incentives with the results of work and organize systems to regulate work processes. The specificity of organizations gives the managerial process a contextual character.

**Keywords:** management, HR, strategies, policy, plans

## THE BRAIN-DRAIN EFFECTS ON THE ROMANIAN ECONOMY

Teodor Marian COJOCARU

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

tmcojocar@yahoo.com

**Abstract:** The main questions raised with Romania's accession to the European Union were mainly related to regional and national disparities in terms of human capital. Thus, in terms of alignment with European standards on labor mobility, in Romania are beginning to appear the first problems related to the deficit of over-skilled human capital. Knowing that progress and economic development are a direct product of innovation and the competence of qualified human factors, Romania, as an exporting country of gray matter, faces a significant deficit of human capital and is unfortunately forced to import even gross labor force. Thus, if the effects of the brain drain were, until recently, concepts used only in economic research, now, the departure of highly qualified Romanian workforce (training that was provided in the country through specialized and higher education) brings to the fore the need analysis of the consequences of labor migration, primarily from the perspective of the impossibility of recovering the investment in human capital. This is directly linked to the fact that Member States use it temporarily or permanently as a result of emigration, without bearing the costs of training in one way or another. However, the interdependence between economic growth and the quality of human capital has led to the implementation of policies that support the return of "brains" to the country of origin, while ensuring favorable conditions for their development in the workplace, in order to promote, maintain and improve quality of life for them. Therefore, thorough analyzes of the phenomenon of brain drain will lead to the design of possible models to support the real progress of the Romanian economy. On the other hand, the economy, political instability, high unemployment rates, demographic pressure, conflicts, poverty, inequality, quality of life in countries of origin are just some of the determining causes of the brain drain phenomenon invoked and analyzed in this paper.

**Keywords:** human capital, regional disparities, brain drain, unemployment

## ISSUES ON EUROPEAN UNION POLICY IN THE CONTEXT OF LABOR MOBILITY AND MIGRATION

Teodor Marian COJOCARU

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

tmcojocar@yahoo.com

**Abstract:** The current global economic context makes migration one of the main topics of public debate at EU Council level, and there are often differing views on this issue. Thus, on the one hand, supporters of more liberal attitudes towards migration come up with some strong arguments that the EU needs more immigrants. Such an argument is mainly related to the aging of the European population, as pension systems may be under pressure at some point. In this context, the influx of immigrants is considered to be beneficial, as they can offset the pace of the aging phenomenon and therefore relax tensions in the pension system. Another argument in favor of migration concerns the low geographical mobility of European workers within the EU. In this context, migrants play a crucial role, being considered stabilizing factors of shocks that may occur on the labor market, by simply transitioning them to states / areas where labor is limited. Consequently, there is a tendency in some states to tighten migration policies, to reduce migrants' access to welfare. This is a paradox, because while the European Union imposes measures to promote social protection and social inclusion, these measures are becoming "weapons of mass exclusion", as in many countries residents are increasingly citing for which I am against migration policies. In the context of anti-migration reasons, it is mainly related to the impact on wages and employment, as this phenomenon involves a redistribution of wealth in different subgroups of the population. It can also be seen that there is a different distribution of social capital, because the movement of goods, migration affects the culture, norms and values of the host country. Moreover, it supports the idea that residents are against the phenomenon of migration, because they are convinced that in the future, immigrants may endanger local values. Based on these considerations but also on the complexity of the migration phenomenon, we support the idea that the global approach to labor mobility policies is a vital condition for the progress of European society and beyond.

**Keywords:** migration, mobility, policies, welfare, pension system

## TECHNOLOGY GAPS, ABSORPTIVE CAPACITY AND THE IMPACT OF FDI ON ECONOMIC GROWTH

Sabbar Alaraji FEDAA ABD ALMAJID

*Faculty of Economics, Department of Economics, Accounting and International Affairs, University of Craiova, Romania*

fdaasabbar@yahoo.com

**Abstract:** The development of contemporary national economies cannot take place outside the international framework, with the internal resources of each country often proving insufficient to achieve a high level of development and well-being. The necessity of attracting and using efficient foreign direct investments is inherent in the very essence of the investment process, a process which largely ensures the social, political and economic prosperity of each country. Attracting foreign investments has become an important component of the economic policy of all states, especially those who are facing the problem of resuming or accelerating economic growth. Foreign investments constitute the most complex set of economic activities with international openness - financial operations, industrial organization, technology transfer, management and human resources training - which has lately dominated and influenced the structure of the world economy. Under the conditions of globalization, the problem of foreign direct investments and their influence on the modernization of economies in transition, continues to fall into the category of key problems of economic theory. Foreign direct investment flows and international production systems impose on all states realities that cannot be avoided and are real challenges for the decision-making authorities at national level, due to the potential for transformation into sources of development, real instruments to boost exports, and increasing their competitiveness. The article aims to address the complexity of the phenomenon of foreign direct investments, starting from the evolution of theoretical approaches and their practical dimension, connected to the processes of restructuring and economic development. The conditions and effects of foreign direct investments are so branched that their analysis automatically led us to approach the entire system of economic development, nationally and internationally.

**Keywords:** foreign direct investments, transnational corporations, competitiveness, globalization, performance management, economical growth

## THE ENERGY DIMENSION OF ECONOMIC GROWTH

Mihaela LUPANCESCU

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

mihaela.lupancescu@yahoo.com

**Abstract:** The issue of the energy dimension of economic growth and development has become a very sensitive issue today at national, regional and global level, and energy paradigms will become more acute in the coming years. The issue of diminishing traditional energy resources, the high volatility of their prices, as well as energy security, through their topicality and effects, are important topics on the agenda of all actors on the world stage. The energy sector is the basic strategic infrastructure of the national economy, on which the entire development of the country is based. At the same time, energy is a public utility with a strong social impact. For these reasons, the approach to the development of this important sector of Romania's national economy is made with specific mechanisms as for a utility of public interest, which needs several competitive mechanisms, in which the price is formed through a free competition between diversity of suppliers and customers, who gradually become free to buy the energy they need, based on stable and transparent market mechanisms, supervised by regulators and traders. The research aims to approach from simple to complex, by going through some logical steps that can ensure the internal logic of analysis: identifying the complete cycle of climate change prevention; correlating climate change with the complex of sustainable development policies at national, European and global level, identifying strategic aspects of climate change prevention for each economic sector addressed, analyzing the effect of emission reduction actions on growth, employment, taxation and investment, as well as on the sectoral structure. The general objective of the research is to analyze Romania's possibilities to achieve sustainable economic growth, to implement actions to reduce greenhouse gas emissions and to understand the necessary adaptation to climate change, while maintaining the level of economic growth and employment.

**Keywords:** energy, economic growth, climate change prevention, sustainable development

## ANALYSIS OF GREENHOUSE GAS EMISSIONS, ENERGY CONSUMPTION, AND ECONOMIC GROWTH

Mihai Ionuț RĂDOI

*Faculty of Economics and Business Administration, University of Craiova, Romania*  
radoi.mi@gmail.com

**Abstract:** Energy has become a strategic factor in global politics, a vital component and a cost factor for the economic development and progress of society as a whole, generating a number of major concerns worldwide. In the situation of limiting primary energy resources, in order to achieve sustainability in this field, it is necessary for energy to be produced, supplied and consumed in a more efficient way than before. If no changes are made to energy production, transportation and consumption, humanity could face a major energy crisis in the coming decades. In this context, climate change is a global challenge that requires a responsible approach and concrete action at international, regional, national and local levels. The European Union's climate change targets lead Member States to take action to reduce greenhouse gas emissions. The aim of this study is to identify the causal relationships between greenhouse gas emissions, the added value of agriculture, renewable energy consumption and economic growth. The article aims to identify the causal relationships between GHG emissions, economic growth, agriculture and renewable energy, which subscribe to the following hypotheses: What is the impact of agriculture on greenhouse gas emissions? What is the role of renewable energy consumption in reducing greenhouse gas emissions? In order to achieve the objectives, I will go through several obligatory research stages, which constitute different research methods and which will start by collecting data from relevant sources and processing them through analytical methods. Thus, I will study the interdisciplinary relationship between economics and ecology in economic models, following the process of economic development in the context of climate change. At the same time, I will analyze the apparent contradiction between the protection of the natural environment and the growth process, taking into account the European solutions to it, which are found in the policies of the European Union. The efficient, sustainable exploitation of ecological capital in the process of economic growth reveals the ways in which the costs generated by negative environmental externalities can be highlighted.

**Keywords:** greenhouse gas emissions, economic growth, agriculture and renewable energy

## THE MEANS OF ACHIEVEMENT AND THE PERSPECTIVES OF THE SOCIAL POLICY IN THE EUROPEAN UNION. THE CASE OF ROMANIA

Ovidiu TOMA

*Doctoral Schools of Economics, University of Craiova, Romania*  
tomaovidu1978@gmail.com

**Abstract:** This thesis is intended to be a complex scientific release based on a very well structured thematic area with a general objective to identify solutions, links and causalities between economic, social or judicial phenomena which influences or are influenced by social policy. The aim of the paper is to examine the social policy in Romania compared to the way of achievement of the European social policy, to identify the main problems from the Romanian society and to issue recommendations on how to improve the Romanian social climate, financing the social policy and the streamlining of its use. I will focus on presenting the construction of the community policy and I will highlight in a logical succession the European Union's social policy components which implies various competences between member states. In some cases the Union is expected to ensure a mere coordination of national policy while in other cases it can launch a set of measures and it's up to the member states to decide how to implement them. Thus, I appreciated that the necessity of the European Union's social policy is reflected on its essential functions in a modern society such as economic growth, integration and social inclusion, support for disadvantaged categories, improving life conditions and, on a more general plan, the quality of life for the people. In the context of Romania's integration in the European Union and the changes appeared in the European social policy I considered necessary to have an integrated approach of the social policy from the perspective of the European transformations and the strategies used at national and regional level. In the research I used observation method as a description of the exploratory inquiry based on analysis of the specialized bibliography, consulting official government sources, specific legislation and the web-site of the national and international bodies. At the end of the finalization process I will be in the position to present general conclusions, opinions and ideas with self contributions and highlights of the limits of the research throughout the whole scientific study.

**Keywords:** social policy, Romania, European Union, implementation, active society, economic welfare



## THE FUTURE OF THE ACCOUNTING PROFESSION IN THE DIGITAL AGE

Anca Antoaneta VĂRZARU, Claudiu George BOCEAN, Anca BĂNDOI and Cătălina Soriana SITNIKOV  
*Faculty of Economics and Business Administration, University of Craiova, Romania*  
varzaruanca@yahoo.com, boceanclaudiu@yahoo.com, anca.bandoi01@gmail.com, inasitnikov@yahoo.com

**Abstract:** In an economy based on globalization and digitalization, professional accountants need to understand that organizational performance and competitiveness depend on how new information technologies are implemented and exploited in an organization's financial-accounting activity. The accounting profession will have a future only if it finds the answers to the multiple challenges and opportunities generated by the digital revolution. Like other professions involving repetitive activities, the accounting profession will be fundamentally altered by the effects of the digital revolution, in the sense that many of the current activities carried out by accountants are already and will be taken over, to an increasing extent, by computers and robots. Data retrieval and transfer on different media, automatic data processing, statement preparation, and accounting reports are activities that are already performed with computers. Moreover, artificial intelligence has already entered the field of accounting, with AI platforms being able to analyze information and make various connections between them. The chapter presents the results of exploratory and predictive research on the role of automatic data processing using computers and artificial intelligence in the accounting field.

**Keywords:** accounting profession, digital age, artificial intelligence

## EXPLORING THE RELATIONSHIP BETWEEN QUALITY FUNCTION AND DIGITAL TRANSFORMATION

Anca BĂNDOI<sup>1</sup>, Claudiu BOCEAN<sup>2</sup>, Daniela DĂNCIULESCU<sup>3</sup>, Cătălina SITNIKOV<sup>4</sup> and Anca VĂRZARU<sup>5</sup>

<sup>1,2,4,5</sup>*Faculty of Economics and Business Administration, University of Craiova, Romania*

<sup>3</sup>*Faculty of Sciences, University of Craiova, Romania*

anca.bandoi01@gmail.com, boceanclaudiu@yahoo.com, danadanciulescu@gmail.com, inasitnikov@yahoo.com, varzaruanca@yahoo.com

**Abstract:** Changing the business model through the application of digital technologies becomes, nowadays, a strategic imperative to maintain or increase the company's competitiveness in an economic context described as Volatile, Uncertain, Complex and Ambiguous. Two significant trends are pushing companies to adopt and implement modern digital technologies to improve, innovate and transform their business models. On the one hand, digital technology has a substantial impact on the needs, demands and behaviours of consumers that are changing rapidly in most industries. On the other hand, modern digital technologies are also evolving rapidly. It is in this context that the problem is How does the Quality function accompany the company's digital transformation while seizing it as an opportunity? The aim of this research work is therefore to explore the cross-relationship between the Quality function and digital transformation, i.e. the digitalization of the Quality function and the role of the Quality function in the company's digital transformation process. First, the impact of digital technologies on the activities of the Quality function deserves to be examined. The first research question attempted to answer can be framed How can Quality put modern digital technologies at the service of its transformation? The second research question attempted to answer can be framed How can the Quality function contribute to the company's digital transformation process?

**Keywords:** quality, digitalization, digital technologies, digital transformation, quality function

## THE EVOLUTION OF EMPLOYEES IN THE PUBLIC SYSTEM

Corina Lavinia VIJULIE

*Doctoral School of Economics, University of Craiova, Romania*

corinavijulie@yahoo.com

**Abstract:** 20 years ago, when Romania was preparing to start EU accession negotiations, employees in the state apparatus and in companies with mixed capital accounted for 65% of the total, respectively over 3.5 million people, according to data from the National Institute of Statistics . Only in 2004, their number fell below two million people, but even then they accounted for about 43% of total employees. At the time of joining the EU, Romania had 3.1 million employees in the fully private sector, ie in privately owned and wholly foreign-owned companies, instead it had 1.7 million state employees. During the crisis, when private companies had to restructure to survive, with staff reductions being one of the solutions, the number of employees fell to 2.79 million in 2010. From 2010 to 2014, the state apparatus

also decreased by about 200,000 people, reaching over 1.3 million, subsequently registering only a slight decrease, in August 2020 the National Institute of Statistics reporting a number of 1, 23 million employees in the public system. If many years ago everyone wanted to work privately, because salaries were much better compared to those in the state, now things are different. More and more employees want to work on the budget, because here the salaries have become much higher than those in the private system, and the workload is much lower. The average net salary in public administration is 4,207 lei, according to data provided by the National Institute of Statistics (INS) for June 2018. This is double the average salary in the economy, which is only 2,115 lei. This is in the conditions in which the official statistics did not include the salaries of the armed forces nor those of the personnel from the parliamentary cabinets. In this case, the differences would have been much greater in favor of the state system. Migration of employees from the private system to the state and the risk of bankruptcy in the case of private companies. In the context in which private employees work on much lower wages, it is understandable that more and more people are trying to migrate to the state. Thus, entrepreneurship and private work are clearly disadvantaged in front of the public apparatus. For April and May 2020, the National Institute of Statistics announced a low average net salary of almost 120 RON. At the same time, almost 200 RON were added in the public sector, which represents an increase of 4% compared to last year. The average net salary in the public sector is almost 5,000 RON, about 60% higher than in the private sector, the largest disproportion in the European Union. The introduction of performance criteria in the public sector is required. Those who fall into the underperforming category must either be trained or replaced if they do not want to be better.

**Keywords:** public system, private system, Romania, salary

## STRATEGIES TO SUPPORT VULNERABLE PEOPLE

Elena-Sorina CARAGIANI

*Faculty of Economics and Business Administration, University of Craiova, Romania*  
sorina\_caragiani@yahoo.com

**Abstract:** Starting from the current socio-economic context, which is defined by rapid changes in the legislative framework in the social field and, therefore, also in social policies, the aim of the paper is to analyse the directions in order to synchronize with these changes. Unlike other papers in the literature review, I have laid out the accelerated factors of the efforts and commitments assumed for the sustainable development of both Romania and the Member States of the European Union, in the period up to 2030. As a scientific research method for the elaboration of this work, I used observation, by investigating the strategies to support vulnerable people in Romania and in the EU. The results emphasize the progress made by implementing the previous strategies in the field. Thus, my research is the basis for the development of post-2020 strategies aimed at encouraging a fair, dignified and prosperous life for all inhabitants, providing the general framework for action to achieve social cohesion and combat the challenges generated by poverty and social exclusion.

Acknowledgment: „This work was supported by the grant POCU380/6/13/123990, co-financed by the European Social Fund within the Sectorial Operational Program Human Capital 2014 – 2020.”

**Keywords:** strategy, socio-economic, sustainable development, vulnerability, social exclusion

## DIGITIZATION OF PROCESSES IN HR: FROM PERSONNEL MANAGEMENT TO MODERN HUMAN RESOURCES MANAGEMENT

Anca BĂNDOI<sup>1</sup>, Claudiu BOCEAN<sup>2</sup>, Daniela DĂNCIULESCU<sup>3</sup>, Cătălina Soriana SITNIKOV<sup>4</sup> and Anca Antoaneta VĂRZARU<sup>5</sup>

<sup>1,2,4,5</sup>*Faculty of Economics and Business Administration, University of Craiova, Romania*

<sup>3</sup>*Faculty of Sciences, University of Craiova, Romania*

anca.bandoi01@gmail.com, boceanclaudiu@yahoo.com, danadanciulescu@gmail.com, inasitnikov@yahoo.com, varzuaranca@yahoo.com

**Abstract:** Recent years have brought a new approach to employee management by the Human Resources departments and the digitization of HR processes. More and more companies understand the need to consider the employee as a valuable resource for the organization, in the development of which it is worth investing, human capital is considered one of the catalysts for progress in society. Automating repetitive processes within the HR departments comes with indisputable benefits in terms of saving time and money, by digitizing data and automating workflows. Choosing the right HR software is a crucial decision for the entire organization and a long-term commitment - that is why it is essential to have a deep understanding of the company's needs. Current trends, which aim to digitize HR processes, lead to complete and integrated solutions for managing various HR activities. Nevertheless, essential benefits appear when processes that require the most significant consumption of time, attention, and energy are automated: staffing, payroll,

and worktime management. The paper proposes a research on the efficiency and effectiveness of the options that companies have when implementing software solutions in the area of human resources.

**Keywords:** digitization, human resource, personnel management, human resource management

## THE IMPLICATIONS OF SUPPORTIVE MANAGEMENT ON THE EMPLOYEES' PERFORMANCE WITHIN THE ROMANIAN FISCAL ADMINISTRATION

Gabriel Ioan AVRĂMESCU

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

**Abstract:** Performance represents the degree of accomplishment of a task or function that requires employees to have a confident attitude, ability, knowledge, and skills. Managers' challenges in managing employees' performance relate to their responsibility to ensure that employees' activities and outcomes contribute toward achieving organizational goals through performance management processes, managerial support, and creating a motivational work environment. The purpose of the research conducted in this paper is to analyze and evaluate the influences of supportive management, oriented towards performance on the activity and performance of civil servants in the tax administration, and the challenges and obstacles faced by managers in this regard. Thus, efficient management of employee performance can serve as a practical means of improving organizational performance and identifying and developing talent in the tax administration. This action raises performance management in fiscal administration due to civil servants and other stakeholders' perceptions of the performance management initiatives and processes currently practiced.

**Keywords:** fiscal administration, public management, supportive management, performance

## CAUSES AND EFFECTS OF INTERNATIONAL MIGRATION

Flavia Andreea MURTAZA

*University of Craiova, Romania*  
flaviamurtaza@gmail.com

**Abstract:** In the new context of integration and globalization processes, as well as in recent developments in international relations, migration has become a major topic, especially due to the economic, social and cultural impact it has not only on countries of origin, but also on those of destination. The phenomenon of mobility is particularly important for all countries of the world because it influences both the country of origin and the country of destination. The motivations of an individual to leave his/her country of origin are varied: economic, political, social, cultural or ethnic. But there are also a number of pull factors that can influence migrants in making the decision to leave their country of origin, these influencing factors can be: security and safety, the right to benefit from laws and freedom, improving their lifequality, personal development. The factor that weighs the most in making the decision to migrate is the economic one. A determining factor of this process is represented by the wage differences between two geographical regions, namely the country of origin and the country of destination of the migrant. The migrant will analyze all the opportunities and will choose the one that will maximize its utility and will satisfy his/her needs. The drive to increase their income is the main reason why migrants choose to leave their country of origin permanently or temporarily.

**Keywords:** migration, influencing factors, life quality, motivation, wage differences

## A FINANCIAL RECOVERY PLAN FOR THE EUROPEAN UNION ECONOMY

Alexandra DAEA

*University of Craiova, Romania*  
alexandradaea@yahoo.com

**Abstract:** In the post-COVID-19 atmosphere, the European Union wishes to recreate digital authority and governance in strategic international digital value chains as key elements to ensure strategic autonomy in the digital area, while also supporting common EU values and respecting important rights, including data protection and privacy, safety and security. In October 2020, EU leaders invited the Commission to present, by March 2021, a comprehensive Digital Compass which sets out the EU's concrete digital ambitions for 2030. Because online platforms are a vital fragment of the EU digital market and economy, EU member states admit the necessity to reinforce, renovate and explain the rules for digital services to ensure the safety of users online and to allow innovative digital businesses to develop. The European Council requested the Commission to: suggest methods to rise European and national public and private investments in Artificial Intelligence research, innovation and distribution, to ensure better organization and more

networks and synergies between European research axes based on excellence, to provide a strong, objective definition of high-risk Artificial Intelligence systems: Digital sovereignty, European digital identification (e-ID), eHealth, digital skills and education, Data economy, Cybersecurity. On 9 October 2020, EU ambassadors approved the Council's position on the Recovery and Resilience Facility (RRF), a new instrument providing member states, with financial support to step up public investments and reforms in the consequences of the COVID-19 crisis. The €672.5 billion facility is at the center of the EU's extraordinary recovery effort, Next Generation EU (NGEU): the €750 billion plan agreed by EU leaders in July 2020. The RRF will help member states to resist to the economic and social impact of the COVID-19 pandemic at the same time as safeguarding that their economies start the green and digital transitions, becoming more sustainable and resilient. In order to receive support from the Recovery and Resilience Facility, member states must prepare national recovery and resilience plans setting out their reform and investment agendas until 2026.

**Keywords:** the European Union, European digital identification (e-ID), national public and private investments, EU digital market and economy, Recovery and Resilience Facility

## THE ROMANIAN MACRO-ECONOMIC ENVIRONMENT WITHIN THE SUSTAINABLE DEVELOPMENT HORIZON

Teodora Andreea GĂINARU OLAH

*Faculty of Economics and Business Administration, University of Craiova, Romania*  
andreea\_gainaru@yahoo.ro

**Abstract:** Although the Romania's economy grew in 2018 by 4.1%, according to estimates by the National Institute of Statistics, the general economic environment in Romania faces several problems that negatively interfere with a sustainable development of the country. In this vein, the slowdown of the Romania's economic evolution is caused by many factors, including unemployment rate, vacancy rate, inflation, gross and net salary, poverty rate, precarious education among young people, in general, and the rural population, in particular. The research objective of this paper is to present the main factors that influence the economic environment in Romania and to identify solutions that would lead Romania to an economic sustainable development. In this approach, I apply several research methods: analysis, comparison and interpretation of identified statistical data. I analyse and compare the identified factors, based on the statistical data from national and regional level, for a period of 11 years, between 2008-2018, data provided by the National Institute of Statistics and Eurostat database. The results show significant differences between the regions and macro-regions of Romania, revealing the proper directions of action necessary for the sustainable development of Romania.

**Keywords:** economy, sustainable development, Romania, factors

## NATIONAL STRATEGIES AND PROGRAMS FOR A SUSTAINABLE EDUCATION IN ROMANIA

Teodora Andreea GĂINARU OLAH

*Faculty of Economics and Business Administration, University of Craiova, Romania*  
andreea\_gainaru@yahoo.ro

**Abstract:** Education means the union between the individual and society, which influences the whole social life. It represents an uninterrupted exchange of information from society to the individual, which is done for the proper functioning of the community. Thus, through education, a transfer of values from society to people is produced, and what delimits it from the other phenomena that interpose this transfer is the accentuation of its characteristics. In this sense, education is a very important and decisive factor for the sustainable development of Romania. The research objective of this paper is to present the main problems facing the Romanian education system and to identify the national strategies and programs necessary for the sustainable development of Romania. In this approach, I apply several research methods: analysis, comparison and interpretation of identified statistical data. The data are provided by the National Institute of Statistics and Eurostat database, for a period of 11 years, 2008-2018, which comprises: the situation of school dropout in Romania, the lack of qualified teachers, the graduation rate of students and the poor results obtained by students in national exams. The results obtained revealed significant differences across the analysed period, suggesting the need for national strategies and programs for a sustainable education in Romania.

**Keywords:** education, sustainable development, Romania, strategies

## THE IMPACT OF THE COVID-19 PANDEMIC ON THE GLOBAL ECONOMY

Doina DRĂGOI  
*University of Craiova, Romania*  
doina\_drag2004@yahoo.es

**Abstract:** The purpose of this article is to give an overview of the evolution of the global economy in the Covid-19 pandemic, given the negative and long-term effects, effects that will be difficult to recover through the application of policies, economic and fiscal tailored to the specifics of each country. The outlook for global, European, national economies is significantly negatively influenced by the disastrous repercussions of the current COVID-19 pandemic. The majority of countries will experience economic recession and strong contractions of global GDP, which will leave a strong impact on economies for a long time, with all the effort made by the competent international bodies, the governments of the countries, by applying fiscal, monetary measures in with a view to sustaining economies and mitigating the effects of the current economic crisis. The economies of less developed, developing and even developed countries will be the most affected and the process of recovering losses and recoveries will be long and difficult. The progress made by some countries in terms of economic development, progress and poverty reduction will be pushed back, with the risk of reaching extreme poverty. Thus, taking appropriate measures with short and long-term effect, in order to reduce the negative impact on economies, is required in the current situation and is a global, European and national priority.

**Keywords:** global perspective, economic development, economic policy

## COVID-19 IMPLICATIONS ON TOURISM IN ROMANIA COMPARED TO THE EU COUNTRIES

Dana-Maria STOICEA IGNĂTESCU  
*Faculty of Economics and Business Administration, University of Craiova, Romania*  
danaignatescu@gmail.com

**Abstract:** The COVID-19 pandemic has had strong impact on the tourism market. As a result of the lockdown and the closing of borders, tourist traffic came to an abrupt halt. In this paper I aimed to outline an analysis of the implications of COVID-19 on tourism in Romania and compared to the EU member states. . We conducted a comparative analysis of employment in tourism, arrivals and overnight stays of Romanian and foreign tourists and the travel and tourism GDP in 2020, compared to 2019 , referring to the data recorded at the European level. Research will be carried out at a national and EU level . In the research I used the observation method based on the description of the indicators that characterize tourism in Romania and in the EU member states. Secondly, we analyzed the statistics provided by the INS and identified the measures for economic recovery of tourism proposed by the European Commission. The results highlight that the corresponding month of the previous year, arrivals in tourist accommodation facilities with accommodation functions in Romania decreased by 30.4%, and overnight stays by 31.8%. In April 2020, compared to the corresponding month of the previous year, arrivals in tourist reception facilities with accommodation functions decreased by 98.1%, and overnight stays by 97.4%. After the application of tourism rescue measures, an increase in the number of tourists can be observed in August, compared to April 2020. The article constitutes a contribution to the evolving literature on the impact of the COVID-19 pandemic on the development of the tourism sector.

**Keywords:** tourism market, Romania, indicators, measures for economic recovery

## PANDEMIC, HOTELS IN GEORGIA AND TOURISM DEVELOPMENT

Sergo TSAGAREISHVILI  
*Akaki Tsereteli State University, Agrarian Faculty, department of Tourism and landscape Architecture, Kutaisi, Georgia*  
sergo.tsagareishvili@atsu.edu.ge

**Abstract:** Coronavirus has completely changed the world agenda, changed the direction of a number of businesses and given social responsibility a new vector. The tourism sector in Georgia is one of the most affected industries in the current reality, probably in the long run if business operators can fix the problem. Hotels play a big role in the fight process, which is much appreciated. Across our country, so many hotels have been offered to the government quarantine zones by the owners. Declare hotels as quarantine zones has not always free. According to Georgian media, the Georgian National Tourism Administration has signed 87 simplified purchase agreements for the arrangement of

quarantine spaces in hotels, the total value is 25.579 million GEL. However, we also had such cases like the owner and management team of hotel “Ambassador Kachreti” gave for free the whole hotel 155 room to the National Tourism Administration for quarantine zone. Despite the difficult situation in the international market, the goal of the Georgian tourism strategy 2025 is to create competitive tourism product for the international tourism market by using unique tourist-recreational resources and hotels. The aim of current research is study the international hotel brands with the purpose to engage them in creating a unique tours and to identify acceptable ways in order to attract wealthy tourists in the country.

**Keywords:** pandemic, hotels, tourism, rating, brand

## LEADING FACTORS OF SUSTAINABLE RURAL TOURISM DEVELOPMENT: CASE OF GEORGIA

Maia DIAKONIDZE

*Akaki Tsereteli State University, Agrarian Faculty, department of Tourism and landscape Architecture, Kutaisi, Georgia*

maia.diakonidze@atsu.edu.ge

**Abstract:** Purpose: The main aim of this article is to identify the leading factors for a sustainable tourism development in the rural areas for the less developed country. Design/Methodology/Approach: Sustainable development can be defined as the process of economic and social changes where the exploitation of natural resources, the direction of investment, the orientation of scientific and technological development, personal development and institutional changes are coordinated with each other and strengthen the present and future potential for human needs and aspirations. In many ways it is about ensuring the quality of life of people. The design of the article includes theoretical explanations and empirical evidence (survey) regarding sustainability, development of proposals for legislative regulation with an aim of future tourism development with emphasis on rural areas. Findings: There are proposed more effective policies promoting the industry, in addition to specific projects improving the infrastructure and the social feelings about tourism. Practical Implications: Several approaches have been identified, which has a positive influence on the industry, regarding its direct and indirect effects at the local rural tourism destinations development. Originality/Value: This is a first attempt describing and identifying issues related to the Georgian rural tourism sector. It is a valuable piece of information for policy makers to adopt the article’s proposals for the improvement sustainable rural tourism development.

**Keywords:** Sustainable development, Tourism, Rural Tourism, Rural destinations

## DIGITALIZATION -FACTOR OF PROGRESS OR UNEMPLOYMENT IN THE LABOR MARKET?

Tudor TARBUJARU

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

tudortarbujuaru@gmail.com

**Abstract:** According to the “World Economic Forum”, companies that have achieved digital transformation have, on average, 26% higher profits than traditional companies. It is obvious that this transformation will bring increased benefits for companies. But for the workers in these companies what will be the prospect? Digitalization will lead to the creation of new types of work, will change the nature and conditions of work, will change the requirements in terms of competitiveness, will affect the functioning of labor markets, will create a new international division of labor. It is clear that all this will create new opportunities for workers, will allow a more satisfying and productive work. Digitization will be a short-term solution to reduce the labor shortage. At the same time, it is necessary to take, in time, some measures to counteract the negative effects of the digitalization phenomenon on the labor market. According to the “British Retail Consortium”, it is estimated that by 2025, about 1/3 of the jobs in the retail industry will disappear. In order to avoid the increase of unemployment, it is necessary to adopt in advance a strategy of reconversion of the dismissed personnel as a result of the digitalization. The labor market, wage principles and labor taxation methodology must be rethought, so as to achieve a new concept of resource sharing. Economic growth is based on increasing consumption. Therefore, neither the increase of unemployment nor the reduction of employees incomes are beneficial. At the same time, adequate legal frameworks must be established for the new labor relations considered in the “atypical” specialized literature in order to ensure the observance of employees' rights.

**Keywords:** labor market restructuring, a new legal framework, labor reconversion strategies

## THE IMPACT OF DIGITALISATION ON LABOR TRAINING

Tudor TARBUJARU

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

tudortarbujuaru@gmail.com

**Abstract:** Digitization is one of the most dynamic developments in the contemporary economy, in which opportunities and risks meet on their own. Digitization is transforming society as a whole, not just the economy. and therefore logically affects the labor market as well. Digital technology leads to increased wealth, can influence the quality of work, but also the degree of employment. However, these opportunities are accompanied by risks. The effects of digitalization on employment also require political management. Proactive policy-making at national level, in line with EU policies, must ensure that the potential of digitization is exploited, while avoiding failures. However, most of the effects of digitalization on employment remain unrecognized and are therefore insufficiently addressed by current policies. Among the risks of digitalization are: restructuring jobs, adapting workers to changes in the job description, increasing unemployment, the need to retrain workers, laid off as a result of digitalization, in new professions, for which many of them, past a certain age, do not they still have the capacity to adapt, etc. Therefore, it is necessary to adopt a long-term strategy for the training of students and specialists, who will acquire competences in the fields subject to digitalization. At the same time, it is necessary for the business environment to collaborate with educational institutions, to come up with ideas related to how to make the transition in preparing specialists for the new type of economy.

**Keywords:** labor market, retraining of workers, new skills, risks on the labor market, need for new strategies

## HYBRID ALGORITHM APPLICATION FOR ANT COLONIES

Andreea-Mirabela ȘTEFAN

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

stefanandreea31@yahoo.com

**Abstract:** In this day and age, most investors want to invest quickly in productive areas, although the risks they have to take are extremely high, but these are not the only disadvantages. This problem is a complex and difficult one. Exact resolution methods are limited to relatively small problems. This is why many approximate methods have been adapted to solve this problem. Among these adaptations we find algorithms based on metaheuristics. In this article, the problem is studied using the metaheuristics of ant colonies. This is inspired by the collective behavior of deposition and tracking of traces observed in real ant colonies. The proposed algorithm is coupled with a local search algorithm that makes it possible to improve the solutions generated by ants. The execution of this algorithm is evaluated according to two factors: the quality of the solution and the calculation time. The purpose of this paper is to present the process of the proposed algorithm. Moreover, another goal is to reveal some hybrid metaheuristics.

**Keywords:** algorithms, metaheuristics, collective behavior of deposition, ant colonies, quality of the solution, calculation time

## THE INTERPLAY BETWEEN CSR ACTIVITIES, EMPLOYEE DIVERSITY AND FIRM PERFORMANCE: EMPIRICAL EVIDENCE FROM EUROPE

Grațîela Georgiana NOJA<sup>1</sup>, Mirela CRISTEA<sup>2</sup>, Petru Stefea<sup>3</sup> and Constantin Ștefan PONEA<sup>4</sup>

<sup>1,3</sup>*West University of Timișoara, Romania*

<sup>2</sup>*Faculty of Economics and Business Administration, University of Craiova, Romania*

<sup>4</sup>*Spiru Haret University, Romania*

gratiela.noja@e-uvv.ro, mirelas.cristea@gmail.com, petru.stefea@e-uvv.ro, ponea.stefan@yahoo.com

**Abstract:** Corporate social responsibility (CSR) encloses a combination, on the one hand, of environmental, social and governance (ESG) factors and, on the other hand, of financial factors, with the aim to contribute to the process of decision making regarding companies' investments. Since CSR has become increasingly relevant in academia over the years, worldwide organizations have felt the need to adjust to these tasks in order to maximize their profitability and productivity. On this frame of reference, the objective of our research is to appraise the interlinkages of CSR credentials, along with the four basic ESG pillars (gender diversity, inclusion, people development and controversies) with the financial performance and firms' profitability. The research endeavour relies on a complex dataset extracted from the Thomson Reuters database (2020), comprising a sample of 1,722 firms with the company headquarters in

Europe and new data for the last fiscal year (2019). The research methodology encloses two econometric procedures, namely: (i) structural equation modelling – SEM, processed through maximum likelihood estimator with missing values to cover for data benchmarking; and (ii) network analysis by applying the Gaussian Graphical Models (GGM), configured based on partial correlations. Based on our research results, we infer that responsible investment strategies made by the companies on each environmental, social and governance (ESG) dimension induce sustainable yields for investors, jointly with advanced risk management decisions (given by multiple combinations of ESG factors). Thereby, our research endorses and boosts the literature underpinnings with complex and accurate results of the interlinkages between the ESG pillars (gender diversity, inclusion, people development and controversies) and European companies' profitability.

**Keywords:** management strategies, employee diversity, people development, financial performance, econometric modelling

## THE AWARENESS OF THE ROMANIAN LABOR MARKET ON THE ADVANTAGES OF HIGHLY QUALIFIED LABOR USERS, BETWEEN MYTH AND REALITY

Andrei Valentin COJOCARU

*Faculty of Economics and Business Administration, University of Craiova, Romania*  
andreicojocaru31@gmail.com

**Abstract:** In this paper I aimed to analyze the behavior of the labor market in Romania in relation to highly qualified human resources provided by higher education institutions from all over the country. I will analyze the extent to which the actors on the labor market were aware of the advantages offered by the use of highly qualified labor force in order to achieve a sustainable development of their own business, based on a solid principle "maximum productivity with minimum costs". The research will be conducted at national and EU level in the period 2020-2023. Through this research I will use the observation method based on the description of the indicators that characterize the labor market in Romania and in the EU member states. Secondly, I will analyze the statistics provided by the National Institute of Statistics, the Ministry of Labor, the National Bank of Romania, the European Statistics, examples of good practices on the EU labor market, aiming to identify methods that lead to a proactive change in behavior of the labor market in Romania in relation to highly qualified human resources.

**Keywords:** labor market, highly qualified labor force, behaviour, indicators, awareness

## CORPORATE SOCIAL RESPONSIBILITY TOWARD THE EMPLOYEES DURING THE COVID-19 CRISIS

Cătălin Mihail BARBU, Liviu CRĂCIUN and Sorin TUDOR

*Faculty of Economics and Business Administration, University of Craiova, Romania*  
catarom@yahoo.com, lcraciun70@yahoo.com, tudorsorin2007@yahoo.com

**Abstract:** The COVID crisis has led to the diminution of economic activities for many enterprises, even a complete halt for many of them. Some of these activities were closed by the public authorities, other businesses lost their customers due to their fears related to the consumption of various products and services. The state intervened through specific measures for the protection of employees, especially those directly affected by the lock-down measures. Faced with declining demand, many businesses have considered or are considering measures aimed at either pay cuts or layoffs. In this paper we aim to conduct a debate on the social responsibility of companies towards their employees, to analyse the factors that challenge the company-employees relationship and possible favourable outcomes of the current situation.

**Keywords:** Corporate Social Responsibility, COVID-19, Employees, Human Resources Management

## INTERGEN CONCEPT FOR INTERGENERATIONAL FAMILY BUSINESSES

Daniel PAVLOV<sup>1</sup> and Silvia PUIU<sup>1</sup>

<sup>1</sup>University of Ruse "Angel Kanchev", Bulgaria

<sup>2</sup>Faculty of Economics and Business Administration, University of Craiova, Romania  
dpavlov@uni-ruse.bg, silviapuiu@yahoo.com

**Abstract:** In 2018 scientists from 12 universities (Albania, Bulgaria, Poland, Romania, Russia and Serbia) established the first of its kind academic network – INTERGEN. In the period of 2018-2020 they have done unique research focused on the students attitude to start intergenerational family businesses by integrating some of their relatives. In 2020 the INTERGEN network has emerged with four universities, including the University of Craiova. The interest



towards INTERGEN academic concept is in reaction to the dehumanization of the production and services. It is expected in the period of 2019 – 2022 over 75 mln jobs to be replaced by robots and Artificial intellect. Therefore, the role of the family businesses becomes critical for the physical survival of too many people in every country on this planet. The aim of this report is to present the main INTERGEN concept and the role of the academics for educating intergenerational family entrepreneurs.

**Keywords:** family businesses, INTERGEN, entrepreneurship, economics

## REMOTE WORK: CONSEQUENCES ON WORK ENGAGEMENT AND WORK-LIFE BALANCE OF EMPLOYEES DURING THE COVID-19 CRISIS

Liviu CRĂCIUN, Radu-Florin OGARCĂ, Cătălin-Mihai BARBU and Laurențiu-Stelian MIHAI  
*Faculty of Economics and Business Administration, University of Craiova, Romania*  
craciunliviu10@gmail.com, rfogarca@gmail.com, catarom@yahoo.com, mihai.laurentiu09@gmail.com

**Abstract:** The global pandemic crisis triggered by COVID-19 has put organizations in front of challenges to which the reaction time had to be very short. The emergency solution for the management of the organizations was the use of remote work, the employees being forced to work from home. The speed with which this change took place and the scale of the phenomenon generated major implications on two dimensions that the literature often correlates: work engagement and work-life balance of employees. The article presents the results of an empirical research whose main objective was to identify the consequences of remote work on the two variables mentioned during the pandemic crisis.

**Keywords:** remote work, work engagement, work-life balance, crisis

## THE IMPACT OF GOVERNMENT POLICIES ON ENTREPRENEURIAL DIMENSIONS

Delia TEODORESCU, Florin COSTEA, Ana-Cristina NICOLESCU, Oana Ramona LOBONȚ and Sorana VĂTAVU  
*West University of Timișoara, Romania*  
delia.teodorescu97@e-uvv.ro, florin.costea82@e-uvv.ro, cristina.nicolescu@e-uvv.ro, oana.lobont@e-uvv.ro, sorana.vatavu@e-uvv.ro

**Abstract:** The paper aims to determine the specific way and the level of intensity with which the policies` structure settled by the European countries` decision-makers leads to the influence the entrepreneurial environment, if such a linkage is identified between them. In order to achieve this approach and to understand the mentioned terms, the literature was divided into two sections, namely government policies and entrepreneurial dimensions; the links between phenomena using multiple linear regression were studied in the section dedicated to empirical analysis. The analysis was based on data collected from the World Bank, related to public policies on the WGI indicators and from the Global Entrepreneurship Monitor (GEM) on the entrepreneurial dimensions, available over seventeen years (2002-2018). The results show that correlations were identified between the analyzed variables and that there are interdependent relationships between them, the level of entrepreneurial dimensions being, in general, positively influenced by the improvement of the levels of governance variables.

**Keywords:** government policies, entrepreneurship, entrepreneur, multiple linear regression analysis

## ECONOMIC-MATHEMATICAL MODELING OF THE CORRELATION BETWEEN PROFITABILITY AND RISK IN THE METALLURGICAL INDUSTRY IN ROMANIA

Ștefania Mihaela OZUN, Vladimir-Sergiu BOBLEANTA and Denis BRAICA  
*Faculty of Economics and Business Administration, University of Craiova, Romania*  
stefymihaela13@yahoo.com, silviu.carstina@yahoo.com, inasitnikov@yahoo.com

**Abstract:** Profitability, defined as the ability of a company to make a profit, is monitored and analyzed at the level of the metallurgical industry in Romania, the companies whose data we analyzed being companies listed on the Bucharest Stock Exchange. At the same time, we followed at the level of this industry the evolution of the risk on the two activities: exploitation and financial, realizing at the end a correlation analysis between profitability and risk with the help of the Pearson correlation coefficient calculated with the SPSS program. After analyzing the correlation between the indicators, we developed a simple linear regression model in which profitability appears as a dependent variable and risk as an independent variable. The reference period is 2013 - 2019.

**Keywords:** profitability, risk, correlation, regression

## THE ROLE OF THE COVID-19 PANDEMIC IN ACCELERATING THE DIGITALIZATION OF THE EUROPEAN UNION - MEMBER STATES

Ana-Gabriela BABUCEA and Cecilia-Irina RABONTU  
*Faculty of Economics Constantin Brâncuși, University of Târgu-Jiu, Romania*  
gabibabucea@gmail.com, cecilia.rabontu@gmail.com

**Abstract:** European Union intends to develop a digital single market. In this context, even in 2015, the member states adopted the Digital Single Market strategy with a deadline in 2020 for creating the necessary conditions. So, during this 5 years period, all the European countries had to implement their own national strategy of digitalization. At the end of the year 2019, considerable disparities were reported by the European Commission in The Digital Economy and Society Index (DESI) Report. The northern countries registered very high levels of their national economy and society digitalization, in time that countries like Romania, Greece, or Bulgaria reported a very low degree of their digitalization. The COVID-19 pandemic, in addition to its obviously unprecedented negative effects in some areas of activity such as health, air transport, or tourism, also seems to have positive effects, at least in accelerating the process of digitalization of both the business environment and administration. At the same time, put in a state of emergency imposed by most countries around the world, even the reticent part of the population had to grow their digital skills. While traditional trade, educational services as well as administrative services have been forced to move online to continue their activities, the population, to protect themselves from physical contact with potentially infected people has resorted to online shopping or online communication with state institutions, the students and their teachers have moved to online educational platforms, and categories of employees in the field of ICT, but not only, preferred to work from home. Based on the DESI 2019, 2020 reports, but also other recent studies on the digitalization of the economies and societies of EU member states, the study aims a statistical approach using a multivariate comparative analysis of the current situation with the period just before the Covid-19 pandemic. The analysis concerns the indicators that describe the degree of national digitalization, respectively: the connectivity - broadband market developments, the digital skills of human capital, the use of Internet services by citizens, integration of digital technology by businesses, the digital public services, and the research and development ICT.

**Keywords:** digitalization, online shopping, online communication

## THE IMPACT OF THE COVID-19 PANDEMIC ON THE TRADE IN GOODS AND SERVICES

Cecilia Irina RABONTU and Ana Gabriela BABUCEA  
*Faculty of Economics Constantin Brâncuși, University of Târgu-Jiu, Romania*  
cecilia.rabontu@gmail.com, gabibabucea@gmail.com

**Abstract:** Coronavirus, but also, the taken actions to combat the COVID-19 pandemic, have affected all sectors of the global economy, including trade, which has evolved differently depending on the products concerned (food or non-food), or the way they were marketed (conventional or online). Can be highlighted a short period in which the food trade had a surprising positive evolution, and we have in mind here to the period of emergency, in which all consumers ensured food stocks neglecting the non-food segment, with small exceptions, respectively disinfectants, but also periods in which many traders recorded huge losses and needed reinvention of activities that were well known before. In this context, we aim to take a picture of the evolution of trade in the period we live in, one of the most unpredictable and difficult periods, that affected trade in all its forms, too. The aim is to identify the product segments that brought huge profits, obviously such as the products in the range of pharmaceuticals or basic foods, but also those that caused huge losses causing in many cases the bankruptcy of companies that sold them, regardless of support measures of the state. Will be presented of the way in which the traditional stores were forced to agree with the digitalization of their sell activities, as a solution to survive. The e-stores, or associating with dedicated platforms was the way that allowed the commercial firms to carry out online transactions. Will be not neglected the trade in services, too, that also evolved differently from a service to another. It is obvious the decline of tourism, but also of public alimentation, and at the opposite pole the telecommunication services, including the Internet. Available statistical data and recent studies conducted in this field will be used.

**Keywords:** trade, food trade, non-food

## THE ROLE OF DIGITAL TECHNOLOGIES IN THE EVOLUTION OF HUMAN RESOURCES MANAGEMENT

Alina Mădălina BELU

*Faculty of Economics and Business Administration, University of Craiova, Romania*  
alina.bbenu@gmail.com

**Abstract:** For decades, the world has strived to evolve because we wanted to make life simpler or to gain time for other activities. Digital technologies are the electronic tools used as resources that the world thought it needed. In 1983 a new market appeared as a consequence of the internet invention. It is crucial to understand the development of technology in the context of world globalization. Digital transformation has a major impact in the business sector where the main focus is the renewal of products, processes. Inevitably all organizational aspects of a company will experience transformations as a result of new technology. Software programs make it easier to collect and break down data on employees to get an overall picture. Therefore we can notice which assigns do they perform best or if they meet all the goals from last year's performance. If they fail to keep the goals, was it by 10 percent, 30 percent, or 50 percent? Software programs can even take over much of the work in evaluating employees. The purpose of this abstract is to analyze the changing role of human resource management in a century of the digital revolution. The study question is: how do HR (human resource) professionals receive the change in times of digital transformation where all the jobs might be digitalized or replaced by a machine. Digital transformation is the change in business processes, operations, and structures in order to exploit the benefits of new technology. The findings confirm the significant impact of digital technologies on human resource management, human capital, employee relations, HR planning

**Keywords:** Human Resource Management, Digital Transformation, New Technology

## PECULIARITIES OF THE ACCOUNTING TREATMENTS SPECIFIC TO SOME TRANSACTIONS CARRIED OUT IN THE TRADE ACTIVITY

Valeriu BRABETE and Daniel GOAGĂRĂ

*Faculty of Economics and Business Administration, University of Craiova, Romania*  
vali\_brabete@yahoo.com, daniel\_goagara@yahoo.com

**Abstract:** The new conditions, in which the economic and social activities are being developed as a result of the worldwide health crisis triggering, have generated changes regarding certain habits and behaviours among consumers. This state of affairs has, on the one hand, led to a decrease in sales volumes for certain categories of goods (especially in the non-foods area), and on the other hand, a significant increase as far as online commerce is concerned. In this context, certain categories of accounting treatments have become increasingly accessible to professionals in the field, simply because the volume of transactions carried out by commercial economic entities, such as those sold at a reduced price (due to falling demand) or online commerce (as a result of the increasing share of these operations), have become more and more numerous, which is why, in our study, we set out to develop a run-down of the methodological and normative aspects related to them.

**Keywords:** health crisis, trade, accounting treatment, discount sale, online sale, methodology, legislation

## DEVELOPMENT AND IMPLEMENTATION OF SUSTAINABLE PUBLIC PROCUREMENT

Ana GHEORHE MORARU

*Faculty of Economics and Business Administration, University of Craiova, Romania*  
ancasavu@ymail.com

**Abstract:** Sustainable / ecological public procurement is the process through which the public authorities acquire goods, services and works by applying award criteria based on environmental management standards. Identifying sustainable criteria is a very important step for the application, implementation of a sustainable procurement. The number of studies on sustainable public procurement has increased significantly in the recent years. Most of them focused on identifying barriers and determinants of sustainable public procurement, which are important in understanding the causes that lead to variations in the application and implementation of sustainable public procurement. It is also important to know not only the factors that have impact on the implementation of sustainable public procurement, but also the reason why these factors exist; which of them are involved; and perhaps more importantly, how they influence the implementation of sustainable public procurement. However, few studies have examined in detail the role of involvement in the implementation of sustainable public procurement. There are no

answers to important questions such as: who should get involved? does the involvement actually extend the implementation of sustainable public procurement? what determines how involved someone is? can the level of involvement be increased? The assessment of how barriers and determinants of sustainable public procurement play an important role in its implementation, it should also examine the role of the key players in relation to these barriers and determinants. The overall aim of the research is to obtain information on the implementation of sustainable public procurement and to explain how the factors influence the implementation and adoption of sustainable public procurement.

**Keywords:** sustainable public procurement, management standards, environment protection

## **THE EVOLUTION OF ROMANIA'S GROSS DOMESTIC PRODUCT UNDER THE INFLUENCE OF MACROECONOMIC FACTORS**

Cristina Maria OBRETIN  
*University of Craiova, Romania*  
cristinna.obretin@yahoo.ro

**Abstract:** Macroeconomic indicators is one of is the important aspects of a country's economy, reflecting primarily the degree of welfare of that State, the growing demands especially after Romania joins the European Union and access to European resources in order to obtain a level of development similar with the other Member States. This study refers to the macroeconomic results obtained by Romania, especially after becoming a member of the European space. This paper provides information on the study of how the country's gross domestic product is influenced by other macroeconomic indicators, such as the unemployment rate and employment. In this study I wanted to point the module in which Romania's gross domestic product has evolved under the influence of these factors, analyzing the relationships established between them. Following the statistical analysis, one can observe the values that the gross domestic product, employment and unemployment rate have registered over time in Romania.

**Keywords:** macroeconomics indicators, gross domestic products, employment rate

## **METHODS OF BANKRUPTCY RISK ANALYSIS AT COMPANIES LISTED ON THE BUCHAREST STOCK EXCHANGE WHERE THE ROMANIAN STATE HOLDS SHARES**

Elena NEGRU and Olimpia Livia PREDĂ BUZGURESCU  
*Faculty of Economics and Business Administration, University of Craiova, Romania*  
elena.bonescu@gmail.com, livia.preda@gmail.com

**Abstract:** This article aims to quantify the involvement of the Romanian State in financing important companies in strategic sectors of activity through shares held in these companies listed on the Bucharest Stock Exchange. With the help of discriminatory analysis models, we will analyze the occurrence of bankruptcy risk, taking into account the role of the Romanian State in implementing good corporate governance practices. The participation of the Romanian State by holding shares in companies listed on the Bucharest Stock Exchange, following the privatization process in the '90s, or after the year 2000 on the basis of public capital increase offers, is based, on the one hand, on economic reasons and social, and on the other hand the pursuit of strengthening the position of shareholder in companies of strategic interest, so as to ensure national security. An analysis using discriminatory bankruptcy risk analysis models, based on the financial information provided by the annual financial reports, makes it easy to understand the institution of bankruptcy that can affect any company regardless of its size or shareholding structure, leading to the conclusion that only efficient management will ensure continuity and sustainable development over time.

**Keywords:** risk, bankruptcy, state-owned-enterprises, stock market, discriminatory analysis

## THE ROLE OF VALUE ENGINEERING TECHNOLOGY IN ENHANCING THE COST LEADERSHIP STRATEGY CASE STUDY: UNIVERSITY OF WASIT

Aws ALNUJAIMI, Ismael ABBAS MANHAL and Haider ATTA ZBAIN  
*University of wasit, Iraq*  
awsmrdan35@gmail.com, imanhal@unwasit.edu.iq, haider\_ata2006@yahoo.com

**Abstract:** This research aims to shed light on the relationship between the technology of value engineering and the cost leadership strategy and the importance of its application in the industrial sector to provide products with low cost in addition to identifying the extent of application of this approach in the industrial companies operating in that sector and the suitability of the Iraqi industrial environment to apply engineering technology. The value as modern technology in enhancing the cost leadership strategy as well as identifying the obstacles that prevent the application of this technology, as the modern business environment has witnessed tremendous developments as a result of the globalization of markets and economic and technological openness. Functional as it does not take into account the response to the requirements of customers, which obligated it to search for scientific methods that help it keep pace with the changes taking place and improve its competitive position. The research sample was represented in Wasit State Company for Textile Industries, which is one of the public companies affiliated to the Ministry of Industry and Minerals. The research sample consists of (50) questionnaires distributed to specialists in the accounting field.

**Keywords:** value engineering, cost, leadership

## EVOLUTION OF THE FDI A COMPARATIVE STUDY ROMANIA - EUROPEAN UNION

Marius Daniel STĂNESCU  
*University of Craiova, Romania*  
stanescu.marius@gmail.com

**Abstract:** Foreign direct investment is characterized as one of the ways to finance an economy, contributing to a sustained development of the destination country by bringing a considerable contribution of resources and know-how. The purpose of this study is to highlight a detailed analysis of the evolution of foreign direct investment in Romania from different perspectives: pre-accession to the EU, post-accession to the EU and the current period. Analyzing the concept of economic growth, sustainable development from the perspective of foreign direct investment, I will create the perspectives of an analysis at concept level but also detailed. I will identify and analyze in the study the trends in the evolution of foreign direct investment in the European Union, as well as the evolution of FDI in Romania, highlighting the prospects of foreign direct investment in Romania on the economic development of our country.

**Keywords:** foreign direct investments, economic growth, sustainable development

## ANALYSIS OF THE CORRELATION BETWEEN FINANCIAL BALANCE AND PROFITABILITY INDICATORS IN COMPANIES IN THE METALLURGICAL INDUSTRY

Camelia-Alexandra SCURTU  
*Faculty of Economics and Business Administration, University of Craiova, Romania*  
scurtu.camelia.g5x@student.ucv.ro

**Abstract:** Financial balance is a notion that involves knowing the financial situation of the economic agent and how the market works. Companies see a link between ensuring financial balance and their objectives such as: survival, ensuring a satisfactory return for those who brought the necessary resources for economic activity, development and diversification according to market opportunities, etc. The financial balance is that which involves the management of cash and profit flows, so that outstanding debts are covered by current receipts. Depending on the financial equilibrium, it can take the following forms: stable equilibrium, classical (relatively stable) equilibrium, financial imbalance, improperly placed surplus of resources, risky financial equilibrium and critical financial situation. From a financial point of view, the main goal of companies is to make a profit. Thus, the return obtained should be much higher than that claimed by shareholders, which means maximum efficiency of the investments made. The correlation between the sources of financing the company's activity, such as profit and capital indicators, can be defined as financial profitability. Profitability is also a macroeconomic form of efficiency, which reflects the results (effects) obtained per unit of effort (expenditure) with the factors of production. The aim of the paper is to perform an analysis of the correlation between financial balance and profitability indicators for a sample of 10 companies in the metallurgical industry. The data necessary for the study were collected, both on the BVB website and on the websites of the analyzed

companies, data included in the annual reports and in the administrators' reports, the period subject to analysis being between 2016-2019. The essential condition for the survival of the company is the maintenance of financial balance, and its assessment must take into account the concrete conditions of the occurrence of insolvency.

**Keywords:** profitability, financial balance, liquidity, solvency, metallurgical industry

## **BANK CREDIT VERSUS FINANCING THROUGH GOVERNMENT PROGRAMS**

Lavinia NEȚOIU

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

lnetoiu@yahoo.com

**Abstract:** Accessing a bank loan is an act of uncertainty in the current socio-economic context, when the economic environment is quite unpredictable due to developments related to the health situation. Exchange rate's evolution and possible social restrictions put pressure on the decision to access a bank credit to make investments. However, companies dare to hope for a normalization of the situation and need financing. In this context, the financing for working capital and for investments, offered by the authorities, are truly helpful as they are aimed at reducing the losses registered by companies due to their closure / reduction of activity. The companies have to choose between accessing a loan or a financing program, in both cases being determinant the conditions they meet in the relationship with the banks / authorities when the analysis of the firm requesting a financing takes place. This paper presents, pointing out advantages and disadvantages, the bank credit and the financing proposed by the government authorities, both of them with challenges for companies.

**Keywords:** credit, risk, capital, investments

## **POVERTY - A COMPLEX SOCIO-ECONOMIC PHENOMENON IN THE CONTEXT OF SUSTAINABLE DEVELOPMENT. LITERATURE REVIEW**

Elena-Sorina CARAGIANI

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

sorina\_caragiani@yahoo.com

**Abstract:** Starting from the fact that poverty is a complex phenomenon that requires from government and local authorities continuous eradication measures, permanently adapted to the main influencing factors, the aim of the paper is to analyze the concept of poverty in the context of sustainable development. Unlike other works in the literature review, I have analyzed the policy aimed at people's prosperity by creating a safe environment in which no one will be left behind. I also analyzed the interaction of poor people with socio-economic life. As a scientific research method for the elaboration of this work, I used observation, by investigating theories, concepts, strategies, objectives, previously stated in the literature review in the field. The results emphasize the impact of sustainable economic development on overcoming the condition of people who are vulnerable in the form of poverty. Thus, my research in finding out the objective dimension of the poverty phenomenon represents the support in order to develop policies meant to reduce its incidence, but also in order to develop the methods used to achieve this approach.

Acknowledgment: „This work was supported by the grant POCU380/6/13/123990, co-financed by the European Social Fund within the Sectorial Operational Program Human Capital 2014 – 2020.”

**Keywords:** poverty, sustainable development, vulnerability, objectives, literature review

## AN APPROACH FOR CONFIDENCE ESTIMATION OF SOME DYNAMICS MODELS

Julian DIMITROV  
*University of Mining and Geology, Sofia, Bulgaria*  
juldim@abv.bg

**Abstract:** The general remarks about economics models are that: first the present depends upon the past and second the present is related to expectations about the future and depends on them. These dynamic models are represented by the so-called production function (or a system of such functions). Both in the general case of applied numerical models and in the modeling of trading or production processes there is significant errors of the parameters. However, these models are presented by continuous dependencies. To dealing with this problem the estimation is made by computing the sensitivity coefficients as partial derivatives at the input parameters. In this paper we evaluate the uncertainty in some economics models. Examples are given with several dynamic models in which the probabilities of confidence are determined to meet the condition of sufficient accuracy.

**Keywords:** economics models, production function, trading and production processes, sensitivity analysis, relative distance, condition for sufficient accuracy, estimates with confidence probabilities.

## THE DEEP LEARNING REVOLUTION AND ITS INCREASING AREA OF APPLICATIONS

Andreea GIFU  
*Faculty of Economics and Business Administration, University of Craiova, Romania*  
andreea\_gifu@yahoo.com

**Abstract:** Deep Learning (DL) is a branch of machine learning encompassing a class of algorithms and topologies that can be applied to a wide variety of problems. Their attempt is to model high levels of data abstraction through the use of multiple layers of processing, with complex structures, or composed of multiple nonlinear transformations. Neural network architectures have been around for over 70 years, but the emergence of the new deep learning architectures in the last two decades have brought them to a prominent position in artificial intelligence. The explosive proliferation of deep learning algorithms was strongly stimulated by the use of the revolutionary technology incorporated in graphical processing units (GPUs) to accelerate their execution. Big data also fueled this proliferation. Since deep learning is based on supervised learning algorithms (which train neural networks with sample data and reward them based on their successful predictions), the more data are available, the better the construction of these deep learning structures will be. In this paper we will briefly present some of the most popular deep learning architectures and their most common areas of applications.

**Keywords:** deep learning, machine learning, neural network architectures, deep learning architectures

## INTEGRATED REPORTING. “THE ULTIMATE LEVEL” OF CORPORATE REPORTING

Flavius PIRCALABESCU  
*Faculty of Economics and Business Administration, West University, Timișoara, Romania*  
flaviusp.office@yahoo.com

**Abstract:** The limits of financial reporting have lately been the subject of numerous references in the literature. Financial reporting as a component of corporate reporting has proven useful for about 100 years, but progress quickly, remarked in all areas of activity, he also felt his presence in the field of corporate reporting demanding improvements. The question of whether "financial reporting" can be "improved" includes implicitly recognition the existence of some issues in this type of reporting. The European Union has provided its own example of "corrective" participation by legislating initiatives to improve corporate reporting, benefiting from visible from the results of the IIRC Council experience in the field. In this article, we analyze why financial reporting has reached its limits and how this moment can be overcome. Finally, the solution offered to improve financial reporting is communicating value creation by reporting, and the middle is an inevitable and fastest promotion of integrated reporting. This type of reporting brings the addition of freshness "reparation" but also creativity, materialized in a comprehensive presentation of the company, integrating the financial aspects with the non-financial ones in order to reveal its true value and to provide the real, complex and unanimous information of the interested parties.

**Keywords:** integrated reporting, corporate reporting, improvement, financial reporting

## WEB DEVELOPMENT TRENDS IN 2020

Amelia BĂDICĂ and Daniela POPESCU

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

ameliabd@yahoo.com, dpopescu1964@gmail.com

**Abstract:** Web development is a very dynamic field, new technologies arise every year. In 2020, new technologies have emerged and there is a general acceptance among specialists regarding these trends: Chatbots and customer support, Voice search optimization, Motion UI and suffering attention spans, Artificial intelligence and cybersecurity, Responsive design. As the demand for automated communication solutions is rising, more and more web developers focus on development of AI Chatbots and other forms of virtual assistant apps. AI Chatbots help in answering the common customer queries, hence they can easily replace a number of customer service professionals, whereby saving costs for businesses. Voice search is a technology that allows users to speak to the device to search results for their queries. Rather than typing the words in the search box and then pressing enter, the users can just speak what they want and the results will be displayed. Voice search technology uses speech recognition program for clear understanding the words spoken by the user, so that correct results can be delivered. Motion UI (User Interface) is useful in developing eye-catching apps with the help of animations, graphics and transitions. Artificial intelligence, including machine learning, affects our everyday activities on the internet without us even recognizing it. Machine learning is the ability of software to improve performance without direct input from developers. Machine perception allows the computer to interpret data and make grounded decisions. The paper aims to present the latest directions in web development and their advantages.

**Keywords:** Chatbots, Voice Recognition, Motion UI, Artificial Intelligence, Responsive Design

## GLOBALIZATION AND THE SURVIVAL OF NATIONAL ECONOMIES

Marieta STANCIU and Mădălina MANGRA

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

stanciumarietta@yahoo.com, madamangra@yahoo.com

**Abstract:** The globalization of society determines the realization of a common global society, governed by principles and values that have been imposed globally, the corporations representing the main tools to form such a society. The interests of certain states have had detrimental effects upon some countries and regions, and this phenomenon of globalization has generated an economic war, in the true sense of the word. The EU is negotiating various trade agreements which depend on the approval of the European Parliament. Currently, there are 80 countries where there exist trade agreements in force and temporarily in force, and another 22 countries awaiting the signing or ratification of these agreements. Opportunity windows opened by EU trade agreements and investments are closing fast in a dynamic and globalized market. That is why it is important to reap these benefits, as EU trade policy serves as a means of promoting European principles and values, from democracy and human rights to the environment and social rights. The challenge launched by the phenomenon of globalization in the new century is not to stop the global expansion of the market, but to find those rules and institutions that allow a strong government at local, regional and global level, in order to preserve the advantages offered by the global market and competition, but also to ensure respect for human rights, safety, social life, equity, by reducing the differences between nations, and not deepening the gap between them, inclusiveness and not exclusivity, which means less marginalization of some nations and social categories, sustainability by trying to protect the environment, and, last but not least, development, which involves less poverty.

**Keywords:** globalization, global society, global expansion

## INTERNET OF THINGS IN MARKETING

Andreea BĂDICĂ

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

andreea.badica121@yahoo.com

**Abstract:** IoT consists of a system or network that is linked with network connectivity, digital machines, sensors, and other essential electronics that allows them to transfer and collect data over a network. Today, IoT is practically affecting all industries, including marketing. There are two faces in considering the influence of this technology in marketing: customer experience and marketer perspective. On one hand, using Internet of Things enables optimization and automation of processes and goals that are related with customers and with customer experience, providing highly



contextual and tailored messages to consumers. On the other hand, IoT influences the activity of marketers, offering new tools and data to improve their activity: big data analytics, customer regular lifestyle information, real-time reports, improved product development etc. This paper aims to clarify the most important changes in marketing industry generated by Internet of Things, also explaining the huge advantages of using IoT.

**Keywords:** Internet of Things, Customer Experience, Personalisation, Big Data, Prediction Analytics

## **THE EFFECT OF THE PANDEMIC ON THE YIELDS OFFERED BY THE MAIN SHARES LISTED ON THE BUCHAREST STOCK EXCHANGE**

Dorel BERCEANU and Dalia SIMION

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

**Abstract:** In general, the year 2020 will not be easily forgotten. In particular, capital market investors will long remember this period. The capital market has always been considered a "barometer" of the times we live in. Thus, foreign capital markets were among the first to react to the bad news about the spread of the virus. Emotional reactions from capital market investors have translated into high volatility, particularly in the first days of the widespread of the virus, with the rapid increase in the number of new cases of illness and, at the same time, restrictive measures or even the closure of certain economic activities. With the announcement of "generous" savings support programs from the government and international financial institutions, capital markets have seen a fairly consistent recovery. Therefore, any good news had the effect of increasing, even if, most of the time, without economic fundamentals, and any bad news was reflected in the decrease of stock prices. During the analyzed period, the Bucharest Stock Exchange followed the same trend of very high volatility, BET index decreasing by about 30% by the end of March, in accordance with the evolution of indices on international capital markets, after which in 2-3 months there was an 80% -85% recovery of these losses. This "V" evolution of capital markets, which is characterized by drastic declines, follows a rapid recovery and has been an opportunity for many "advised investors" that you do not often encounter. In order to highlight these fluctuations, in the present article, we have chosen for analysis companies belonging to three representative fields for the Bucharest Stock Exchange: utilities, oil and gas and banking. For each of these companies we determined the returns to see who were the most "inspired" investors in these difficult times.

**Keywords:** capital market, yield, volatility, stock indices

## **ESG AND PERFORMANCE – RISK DEPENDENCE FOR EUROPEAN COMPANIES. AN EMPIRICAL APPROACH**

Marian SIMINICĂ, Daniel CÎRCIUMARU, Mirela SICHIGEA and Silviu CÂRSTINA

*Faculty of Economics and Business Administration, University of Craiova, Romania*  
msiminica@yahoo.com, danielcirciumaru@yahoo.com, mirelasichigea@gmail.com, silviu.carstina@yahoo.com

**Abstract:** The sustainable development of companies requires concrete actions and innovative strategies. But, in order to strengthen the knowledge about the dependence between the main economic variables, relevant findings in the field of research are also necessary. In this regard, the axis of financial performance - risk - corporate responsibility is of great importance. The sustainable growth of European companies can be achieved through increased transparency of Environment, Social, Governance (ESG) actions and through constant attention paid by stakeholders to the incorporation of these initiatives into companies' strategies. Through an integrated approach, this paper brings a substantial contribution by including ESG scores in the causal dependence between financial performance and risk of European companies.

**Keywords:** sustainable development, performance, risk, governance

## **RISK MODEL MANAGEMENT- ROMANIAN PERSPECTIVE**

Doina Daniela FUNDEANU

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

**Abstract:** Risk management is one of the means by which internal managerial control is exercised within public entities. At the national level, there is no unitary approach to risk management, there are only methodologies and practices related to different types of risk. An important direction is given by the regulation by OGSG no 600/2018 of the role of the Monitoring Commission with attributions regarding the monitoring, coordination and methodological

guidance of the implementation and development of the internal managerial control system in institutions, whose president is responsible for organizing the management risk system depending on the specifics of the public entity. The main challenge involved in risk management is no longer the identification and initial analysis of risks, but rather the ongoing, continuous analysis, monitoring and improvement of risk management through appropriate strategies and techniques. In this sense, based on exploratory research we aim to provide a useful working tool to ensure efficient risk management within public entities.

**Keywords:** risks, risk model management, internal managerial control system, Romania, Monitoring Commission

## EVALUATION AND FINANCIAL MANAGEMENT FOR PATIENTS WITH DIABETIC NEUROPATHY

Dan PAPPA, Valeria Carmen ALBU, Florin TRIFAN, Anca PREDESCU, Mihaela Simona SUBTIRELU, Adina TURCU STIOLICA and Ileana Monica BANITA

*University of Medicine and Pharmacy, Craiova, Romania*

pappadan05@gmail.com, carmenvaleriaalbu@yahoo.com, floes33@yahoo.fr, ancapaunescu@yahoo.com, mihaela.subtirelu@yahoo.com, anca.paunescu@yahoo.com, monica.banita@yahoo.com

**Abstract:** Diabetic neuropathy, especially peripheral neuropathy is initially asymptomatic. Patients with diabetes should undergo regular medical checks to diagnose neuropathy in time and treat this problem before severe complications develop. If the nerve is already affected and efforts are made to set the glucose level at a target value (hemoglobin A1c [HbA1c] below 7% for a period of 2 to 3 months), the initial symptoms will increase during the decrease of blood glucose. However, symptoms will improve when the blood sugar level stabilizes at a lower (minimum) level. Symptoms in diabetic neuropathy may vary depending on the type of neuropathy. There is no recommended protocol for the screening of autonomic or focal neuropathy, but during regular medical checks all these aspects are followed. Any pain, weakness or motor disorder, changes in digestion, kidney or sexual function, sweating or dizziness should be declared. The better the patient keeps the patient under control blood sugar and glycosylated haemoglobin delays the onset of neuropathy. This aspects can be checked if using an adherence PRO (patient reported outcome) and in parallel a quality of life PRO. Few studies have been made regarding PRO's at patients with diabetic peripheral neuropathy and our goal is to identify and compare PROs especially evaluated in neuropathy groups of patients.

**Keywords:** evaluation, financial management, PRO (patient reported outcome)

## CORRELATION ANALYSIS OF THE CONSTITUENTS OF BUCHAREST EXCHANGE TRADING ENERGY & RELATED UTILITIES INDEX

Cristian Valeriu STANCIU

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

valeriu.stanciu@gmail.com

**Abstract:** Stocks listed on the Bucharest Stock Exchange are, still, financial instruments often used by investors in the construction of investment portfolios. An important role in this process have indices, and this for several reasons: indices reflect the evolution of the stock exchange as a whole, but also of some companies in representative sectors; the composition of the indices includes important companies, attractive for the investors; by the way they are constructed, indices can be used as underlying for structured products or derivatives. The aim of this paper is to examine the correlations between the companies which are the constituents of the BET-NG index (Bucharest Exchange Trading Energy & Related Utilities Index).. In order to achieve this objective and capture the co-movements, we use three different models (ADCC - GARCH, DCC- MIDAS and PCA) over the period January 2010- February 2020. We hope that this paper can be a useful tool for investors in formulating the right investment policies for asset allocation in order to obtain the best results in terms of risk and return.

**Keywords:** Bucharest Stock Exchange, Constituents of the BET-NG index, ADCC – GARCH, DCC- MIDAS, PCA

## SOCIO-ECONOMIC SECTORS: RISKS AND OPPORTUNITIES ON LABOUR MARKET IN TIMES OF COVID-19

Laura Mariana CIȘMAȘ<sup>1</sup> and Cornelia DUMITRU<sup>2</sup>

<sup>1</sup>*West University of Timișoara, Timișoara, Romania*

<sup>2</sup>*Institute of National Economy, Romanian Academy, Romania*

*laura.cismas@e-uvt.ro, laura13cismas@yahoo.com*

**Abstract:** Labour market segmentation has been an issue on the agenda of policy-makers at EU-27 level for the past twenty to thirty years, and increased as technological progress accelerated constantly creating on one hand opportunities for businesses and freelancers, while on the other hand threatened entire segments of the workforce faced with complex challenges that change currently the entire labour market. The pandemic just added to these issues, and the socio-economic sectors were divided in analyses at EU-level into essential and fully active sectors, active but via telework, mostly essential and partly active, but not teleworkable, mostly non-essential and inactive, not teleworkable and closed. This development will have different impacts depending on several factors, among which the resilience of the labour market is essential. The present paper intends to analyse possible factors for enhancing labour market resilience based on the efficiency and efficacy of labour market institutions from a comparative perspective. The emphasis of the paper is on the evolution and efficiency of the Romanian labour market which is faced with several challenges, from labour force deficits, to the shortcomings of the coordination and cooperation between the public and private sector. The paper intends to emphasise that for ensuring the efficiency and efficacy of the labour market, and its resilience to shocks, the institutional components and arrangements need to be analysed and renegotiated first. We consider this a first step in diminishing labour market segmentation, and avoiding the potential risks for the socio-economic sectors.

**Keywords:** socio-economic sectors, risks, opportunities, labour market

## COVID-19 PANDEMIC: ECONOMIC CONSEQUENCES

Eleftherios THALASSINOS

*University of Piraeus, Greece*

*anca.tanasie@edu.ucv.ro*

**Abstract:** During the pandemic period, the world economy has experienced a tremendous decrease in productive activities, trade, transport, and tourism. During the lockdown most of the countries lost 25-30% of their GDP among them the traditional touristic countries as well as the richest ones. The paper investigates the relationship between tourism development and economic growth for the six richest countries globally for the period 1995-2017 by estimating a simultaneous equations model. The purpose of this paper is to examine the long-run relationship between these variables by the use of the two-stage least square methodology to take robust conclusions regarding the consequences of the pandemic in countries like USA, Canada, UK, Germany, France and Italy, the G-6 countries of the world. Going one step further the article has applied a Monte Carlo simulation model to find out the predictive ability of the simultaneous equation model. The reason for selecting a pre-pandemic period for this research is because we want to know if the G-6 are dependent on tourism and in what degree and if they are affected the same as the countries consider as traditional tourist destinations. The investigation of empirical interrelation between tourism development and economic growth consists an important issue in the modern empirical literature. The recent revival of interest in the relationship between tourism development and economic growth examines the insights and the techniques of tourism growth models in the content of Covid-19 pandemic.

**Keywords:** tourism development, economic growth, G-6 countries, Monte Carlo simulation model

## THE DEATH OF THE SAVIOUR - HOW TOURISM SAVED ICELAND AND THEN CRASHED DUE TO COVID 19

Magnús Árni Skjöld MAGNÚSSON  
*Bifröst University, Iceland*  
anca.tanasie@edu.ucv.ro

**Abstract:** Iceland was hit hard by the 2008 financial crisis. Three Icelandic banks, which had grown to the size of triple GDP of this small island state, crashed in a couple of weeks in October 2008 and the Icelandic currency took a nosedive as well, creating severe economic hardships and civil unrest. Iceland became an early example and pariah of the crisis. However, in one way due to the limelight of the crisis, tourism started taking off, and grew exponentially in the following decade, at times 30-40% per year. In 2019 tourism had become Iceland's biggest export industry, eclipsing fisheries which had been the mainstay of Icelandic exports for over a century. This had all sorts of impacts for Icelandic society, not least in the form of increased immigration, since the population couldn't man all the extra jobs created by this seeming economic miracle. Then all of a sudden tourism collapsed due to the harsh measures to curb the spread of Covid 19. Unemployment skyrocketed, business shut down, central Reykjavík, which has been bustling with tourists for a decade, feels like a ghost town. This paper looks at the situation as it is in fall 2020, reviews how it came to this and ponders the future.

**Keywords:** tourism, crisis, Iceland

## CONSIDERING KEY PERSON RISK IN A BUSINESS VALUATION: AN OVERVIEW

Josef SCHOEPFEL, Alexandru TUGUI and Marilena MIRONIUC  
*Alexandru Ioan Cuza University, Romania*  
josef\_schoepfel@t-online.de, altug@uaic.ro, marilena@uaic.ro

**Abstract:** Especially in closely-held companies the influence of one or few persons might play a major role on the fair value of a whole enterprise. As a part of the company's goodwill, the performance of such key persons could be one of the most valuable assets. However, identifying and valuating a key person risk oftentimes is a difficult task. In literature, various approaches are discussed for valuating enterprises which have those risk situations. The aim of all those methods is to find a suitable discount which mirrors the risk which is related to a potential loss of those persons. Based on a critical literature review, this paper contributes an overview about methods and approaches for dealing with this issue. In our scientific approach, we have identified 53 references in various international databases on the subject of Key Person Risk (KPR), of which 26 references contain tips on KPR assessment. The paper's results show that there exist various concepts for capturing such a special risk situation. Therefore, this paper can deliver a contribution for further scientific discussions in this field because of its summarizing of existing approaches.

**Keywords:** key person risk, business valuation, literature review

## TOWARD A TECHNOLOGICAL CALMNESS IN THE DIGITAL WORLD

Alexandru TUGUI<sup>1</sup> and Victor JEFLEA<sup>1</sup>  
<sup>1</sup>*Alexandru Ioan Cuza University, Romania*  
<sup>2</sup>*Ovidius University of Constanta, Romania*  
altug@uaic.ro, vfjeflea@gmail.com

**Abstract:** In our research paper, we aim to develop a substantial synthesis of research on the assimilation of concepts specific to calm technologies. This will occur at the level of digital economy, with the purpose of reaching a minimum omnipresent degree of technological calmness, which will have direct and indirect advantages for the human–business–environment triad. Simultaneously, we aim to establish new, provocative ideas specific to future bio-techno-systems and with influences that assure the calmness of intra-systemic interactions. These include ideas related to the necessity to create minimal standards of technological calmness assimilation (MSTCA), and a new level of technological interaction that we have called simple external interaction–complex internal interaction (SEI-CII). At the same time, we aim to re-introduce and develop concepts we have already proposed within the literature, such as global silence and the degree of technological calmness.

**Keywords:** calm technologies, digital economy, human–business–environment triad, technological calmness assimilation, simple external interaction–complex internal interaction

## THE MAIN DIFFERENCES BETWEEN THE UPDATED BIOECONOMY STRATEGY AND THE EUROPEAN GREEN DEAL

Mugur Victor Constantin IURES  
*University of Craiova, Romania*  
iuresv@gmail.com

**Abstract:** The concept of bioeconomy is at the center of strategies worldwide. That is true for European Union (EU), which made a priority the development of bioeconomy. At the end of 2019, the strategy that was in place, The Updated Bioeconomy Strategy was joined by a new one, European Green Deal. This paper aims to study the main similarities and differences between the strategies that EU adopted in 2018, respectively in 2019. The methodology of this paper comprises the review of the main similarities and differences of the two strategies, in order to accomplish the foundation for further research. Thus, we can outline that the bioeconomy are playing a significant contribution in shaping the policy of the EU.

**Keywords:** bioeconomy, European Union, strategies, European Green Deal, Updated Bioeconomy Strategy

## TOURISM INDUSTRY DURING THE PANDEMIC

Maria Magdalena CRIVEANU and Maria CRIVEANU  
*Faculty of Economics and Business Administration, University of Craiova, Romania*  
mag\_da64@yahoo.com, criveanu\_maria@yahoo.com

**Abstract:** In the context of the threats generated by the danger of the inherent appearance of the second wave of the pandemic, the already fragile tourism industry risks registering new significant losses, thus canceling the gains registered during the summer after the relaxation measures. According to the UN, the tourism industry recorded losses of 388 billion euros, from the beginning of the pandemic until June this year. The present paper aims to formulate a series of recommendations regarding the avoidance, respectively the diminution of the negative effects generated by the pandemic both at the level of the national economy as a whole and especially at the level of the tourism industry. For the elaboration of the case study we started from the data and estimation made both by economists and statisticians but also by important representatives of the tourism sector. The objective of this paper is to contribute to ameliorating the negative effects generated by the pandemic and to identify new methods of relaunching tourism in Romania.

**Keywords:** tourism, pandemic, crisis

## THE IMPACT OF GOOD GOVERNANCE ON ENTREPRENEURSHIP IN TERMS OF SUSTAINABLE DEVELOPMENT

Oana Ramona LOBONȚ, Sorana VĂTAVU, Alina VÎRVOREANU, Florin COSTEA and Nicoleta MOLDOVAN  
*West University of Timișoara, Romania*  
oana.lobont@e-uvt.ro, sorana.vatavu@e-uvt.ro, alina.virvoreanu92@e-uvt.ro, florincostea82@yahoo.com, nicoleta.moldovan@e-uvt.ro

**Abstract:** This paper aims to examine the influence of governance on entrepreneurship in several countries, members of the European Union (Belgium, Croatia, Denmark, Finland, France, Greece, Italy, Portugal, Romania, and Spain) for six years, 2012-2017. The selection of the countries considered the following criteria: the human development index, expected years of schooling, and the economic vulnerability index, more specifically, the population indicator. Therefore, our selection considered several sustainable development goals, involving the roles of governments, the private sector, civil society, and citizens. The empirical analysis consisted of correlations, principal component analysis, and regression models. The Pearson correlation coefficient evidenced a series of negative relationships, statistically significant, between the governance indicators and the business demography proxy. The principal component analysis returned two main components for our database: the main one incorporates five governance proxies (control of corruption, rule of law, regulatory framework, government effectiveness, and political stability), while the second component is based on the voice and accountability indicator. Therefore, the first governance component is more related to the public sector, while the second one reflects the involvement of civil society. The regression analysis considered besides the ordinary least squares model, the fixed effects and random effects model to emphasise whether or not differences across countries would impact the regression results. Several entrepreneurship variables were employed as dependent variables: high growth enterprise rates by employment, employer enterprise net growth, and

business demography by size class (>10 employees). The consistent regression results emphasised an indirect impact from public governance towards high growth enterprise rates by employment and employer enterprise net growth. Based on our findings, the main conclusion is that public policies do not support entrepreneurship or the national context for entrepreneurs development, as the correlations and the regression coefficients were rarely statistically significant. Moreover, the citizens' involvement and their opportunities to participate in public decisions in terms of supporting entrepreneurship are also limited.

**Keywords:** entrepreneurship, governance, sustainable development, principal component analysis, regression analysis

## TESTING THE SUSTAINABILITY OF THE PUBLIC DEBT IN THE MEMBER STATES OF THE EUROPEAN UNION

Nicoleta FLOREA, Roxana BADIRCEA, Alina Georgiana MANTA and Dalian DORAN

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

nmflorea@yahoo.com, roxanamariapirvu@yahoo.com, iacobescu\_a@yahoo.com, doran.dalian@yahoo.com

**Abstract:** In the context of a constantly changing economic climate, it is a real challenge for the governments of the state to keep under control the level of the public debt stock and to easily honour the service of public debt. On the level of the European Union as well as on the level of each state, there are regulations related to the public debt which often prove to be not enough to provide its sustainability. Therefore, with the help of this study, we proposed to assess the sustainability of the public debt stock on the level of the 28 Member States of the EU by means of the combined analysis of the time series with panel data for the period 2001-2018. Within this study, we applied both stationary tests on the variables but also co-integration tests. The results of the study pointed out the high sustainability of the variables for 12 states, a low sustainability for 7 states and a lack of sustainability for 9 states.

**Keywords:** sustainable public debt, stationarity tests, co-integration tests, convergence

## THE IMPACT OF CORPORATE GOVERNANCE CHARACTERISTICS ON THE RISKS AND RETURN OF ROMANIAN COMPANIES

Ana Maria ALEXIE, Andreea Claudia CHIURTU and Denisa CATÎRU

*University of Craiova, Romania*

anamaria.alexie@yahoo.com, chiurtuandreea@yahoo.com, denisagae090488@gmail.com

**Abstract:** This paper analyzes the impact of corporate governance characteristics on the risks and profitability of companies listed on the Bucharest Stock Exchange. The research is realized on a sample of 100 companies, for a period of 5 years (2015-2019). Regarding the characteristics of corporate governance, three variables were used, namely: the duality of the CEO, the size of the Board of Directors and the remuneration of the executive management. To reflect the return, we followed two rates: the rate of economic return on assets (ROA) and the rate of return on equity (ROE). The risk is also assessed using the financial leverage ratio and the financial leverage effect. The data obtained were processed using the statistical program SPSS, using as a quantitative method multiple linear regression. The results of the analysis indicate the existence of a significant relationship between the variable represented by the size of the Board and the return of the companies expressed by ROA and ROE. The inseparation of the roles between the CEO and the Chairman of the Board, the remuneration of the executive management, the financial leverage ratio and the financial leverage effect have a negative impact on performance.

**Keywords:** Corporate governance, profitability, risk

## IMPLEMENTATION OF THE PRINCIPLES OF CORPORATE GOVERNANCE IN THE ENTITIES OF ROMANIA

Ana Maria ALEXIE

*University of Craiova, Romania*

anamaria.alexie@yahoo.com

**Abstract:** Considered a key factor in ensuring the evolution of entities, corporate governance has become a topic of great resonance in recent years. The purpose of this paper is to study the interest given to the principles of corporate governance within Romanian entities, but also the motivational aspects existing in this regard. The research includes all the entities listed on the Bucharest Stock Exchange, grouped according to the field of activity of which they are part. The information regarding the degree of implementation of these principles was obtained by using the "Apply or Explain" Declaration, and the analysis period covers 6 years (2014-2019). The results of the study indicate that most of

the companies analyzed meet a small number of the recommendations of the Corporate Governance Code. However, during the period under review, there is an increase in the interest given by entities to corporate governance issues.

**Keywords:** corporate governance, listed entities, principles

## THE INTERDEPENDENCE BETWEEN RETURN AND EXPLOITATION RISK

Andreea Claudia CHIURTU  
*University of Craiova, Romania*  
chiurtuandreea@yahoo.com

**Abstract:** The paper analyzes the interdependence between return and exploitation risk through a sample of 30 companies in the manufacturing industry, listed on the Bucharest Stock Exchange (BVB). The period under analysis was 5 years (2015-2019). Return is presented using the following rates: the rate of economic return on assets (ROA), rate of return on equity (ROE), the rate of return on sales (ROS). Also exploitation risk is determined on the basis of the two instruments: the breakeven point and the exploitation leverage coefficient. The purpose of this article is both to establish the risk of exploitation in order to obtain the economic performance, and to test the relation between economic return and risk of exploitation. Interdependence was quantified by a statistical analysis based on the statistical software Statistical Package for the Social Sciences (SPSS), using the Pearson coefficient. Following the analysis, we observe there is an inversely proportional relation between return and exploitation risk.

**Keywords:** return, exploitation risk, interdependence

## THE USE OF FINANCIAL-ACCOUNTING INFORMATION IN MEASURING THE PROFITABILITY OF COMPANIES, IN CONDITIONS OF RISK AND UNCERTAINTY

Denisa CATÎRU  
*University of Craiova, Romania*  
denisagaed@gmail.com

**Abstract:** The paper addresses the issue of measuring the profitability of companies, taking into account the risks to which they may be exposed. The risk is the possibility of an unfavorable event that may or may not be foreseen. To measure profitability and risks we will use public information, provided through financial-accounting statements. Based on a set of economic and financial indicators, an analysis is performed for a period of 5 years, at the level of a sample of companies listed on the Bucharest Stock Exchange. Depending on the results obtained for the profitability indicators, respectively for the risk measurement indicators, the connection between them is analyzed.

**Keywords:** risk, uncertainty, economic and financial indicators, profitability

## HUMAN RESOURCE MANAGEMENT WITHIN THE PANDEMIC CONTEXT OF 2020

Claudia ALSTANI<sup>1</sup> and Norman ISUNZA RIVERA<sup>2</sup>  
<sup>1</sup>*Hella Technical Center, Craiova, Romania*  
<sup>2</sup>*Hella Global Software House, Mexico*  
Claudia.Alstani@hella.com, Norman.IsunzaRivera@hella.com

**Abstract:** One of the economic effects of global pandemic (Covid-19) includes the acceleration of the digitalization processes. The immediate use of digital platforms is of crucial importance so that businesses can continue with their operations and people to be employed during a vague present and an unforeseeable future. As an HR professional and a team leader, we felt the need to know how to improve the wellbeing of employees within a virtual work environment in crisis times taking into consideration unprecedented challenges. Resilience, flexibility and adaptability turned out to be crucial overcoming strategies. As remote working from home intensifies, we also had to cope with the stress of our fellow colleagues, a situation associated with the removal of boundaries between work and family. It is common knowledge that the employees' wellbeing and health have implications on their outcomes therefore the lack of boundaries between work and private life can be the core challenge we are facing right now. In our work, we are helping colleagues in setting priorities, host virtual meetings to maintain motivation and productivity and create a flexible work environment as it stands for a happier and productive workforce.

**Keywords:** HRM, digitalisation, virtual work environment, crisis

## THE USE OF MACHINE LEARNING TECHNOLOGIES IN PREDICTING CYBERCONSUMER BEHAVIOR (CASE STUDY - FACEBOOK)

Marta-Christina SUCIU<sup>1</sup>, Mircea-Ovidiu MITUCA<sup>2</sup> and Andreea BĂDICĂ<sup>3</sup>

<sup>1,2</sup>*Bucharest Academy of Economic Studies, Romania*

<sup>3</sup>*Faculty of Economics and Business Administration, University of Craiova, Romania*

christina.suciu@economie.ase.ro, mircea.mituca@gmail.com, andreea.badica121@yahoo.com

**Abstract:** In nowadays society, the internet and various benefits are developing at an ever-increasing pace. With its current traffic, along with the information consumption on the Internet and online shopping the cyberspace the place where entrepreneurs must dedicate all their efforts and resources for medium and long-term development. In the beginning, online social networks were just spaces for socializing, while now they are even more involved in our lives through all the benefits they offer us - instant messaging, virtual markets, official communications of state institutions, news or entertainment. As the behaviour of a physical consumer is different from that of a cyber consumer, companies such as Facebook saw the commercial potential that exists in the online area and invested in "Machine Learning" or Automated Learning in order to predict potential consumer behaviour. The Machine Learning process is fundamental for Facebook and similar companies. It helps people discover new content and connect with others close to them. Facebook's Machine Learning researchers and engineers develop machine learning algorithms that classify search results, ads and feeds, while they also create text-based algorithms to prevent spam and misleading content. The Machine Learning process is a system that learns as it receives new data, without being explicitly programmed, in order to perform complex tasks in a fast and efficient manner. The purpose of our research is to decipher the methods by which Facebook anticipates the evaluation and decision behaviour of cyber consumer using Machine Learning technologies. We will also analyze from an economic, social and ethical perspective the use of technologies in an environment where security and protection of data - regulated in only a few places in the world - still present a problem.  
**Keywords:** machine-learning technologies, cyber consumer, cyber consumer behaviour

## HORECA INDUSTRY, THE ONLY CERTAINTY – THE UNCERTAINTY

Lavinia NEȚOIU and Titu NEȚOIU

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

lnetoiu@yahoo.com, titunetoiu1964@gmail.com

**Abstract:** Heavily affected by the Covid-19 pandemic, the HORECA industry is counting losses. A slight recovery during the summer season cannot reduce the losses accumulated during the lockdown period and, in any case, the hospitality industry cannot withstand a new lockdown. Employees see themselves without jobs, without any hope of resuming their activity in the near future and the uncertainty of future determines them to manifest on the streets. The losses are valued at millions of Euros and the state is looking for resources to pay salaries and support the hospitality industry, especially since the future is not optimistic at all. The effects of pandemic on the HORECA industry are already felt and those activating in this field are struggling to cope with the losses and are aware of the threat of bankruptcy.

**Keywords:** risk, loss, financing, profit

## REBUILT CITIES IN THE FUTURE; URBAN FORESIGHT

Yeşim PARLAKYILDIZ and Tülay GÜzel

*Çanakkale Onsekiz Mart Üniversitesi, Turkey*

yesimpar@yahoo.com, tuguzel@yahoo.com

**Abstract:** For a general definition, urban foresight refers to re-shape and rebuild a city in the future with the collaboration of local actors who are governmental bodies, private sector companies, development agencies, local institutions etc. that they have already identified their both mid-term and long-term visionary plans. These actors are indispensable agents for the achievement of some urban development strategies for the future, that is, they will shape by anticipating the future of their city. By doing so, for the prosperity of their people, these agents ensure that they will decrease estimated unemployment which will increase in the future and they will allow to be made suitable investments in their city. It is quite suitable to implement the urban foresight strategies for both newly and rapidly emerging cities having a lot of potentials. Thus, these cities will be more remarkable for probable investments and for their city brand values. It is known that there are a lot of city foresight studies in the literature and most of them have already been



investigated for this study. So, it is said that theoretically, the topic of city foresight gathers around the future thinking of general economic development of a city which is already chosen, but it is understood that cities are also discussed in detail in terms of education, economy, industry, trade, agriculture, mining, energy, transport, tourism, construction and investment. Strategic plan implementations are crucial things for a city foresight. They require an important and critical feasibility study and after this study, in terms of urban foresight, it is needed to decide which investments are prior or which infrastructure works are evaluated later. It is natural that urban foresight requires to define the concept of a smart city. In this regard, the smart city contains in itself properly implementations of technology-based policies, and both demand-driven and supply-driven methods. Thanks to them, city-dwellers who are more intelligent and participator push the local actors to be more agile, sensitive and productive for their city developments. To be able to build a healthy city, to have stronger both economic, innovative and eco-friendly policies and to have more accessible technological-driven things, the smart city strategies should be carefully implemented and thus, sustainable urban developments are fulfilled. A sustainable city requires the balanced harmony of economic, social and environmental factors not only for today's generation but also for future generations.

**Keywords:** urban foresight (city foresight), anticipating the future, smart city, sustainability, strategic plan implementations

## THE IMPACT OF COVID-19 ON EURO AREA ECONOMIES

Luiza NĂSTASE

*University of Craiova, Romania*  
nastase.luiza@yahoo.com

**Abstract:** This paper focuses on the impact of COVID-19 on euro area economies. According to data provided by the European Commission, COVID-19 has had a significant impact on European economies. The importance of GDP, as a major indicator of economic activity, has made it intensively analyzed to assess the severity of the situation created by the virus. This article includes quarterly GDP data for the Eurozone. We also addressed issues related to the main GDP expenditure aggregates, the main GDP output aggregates and the main income aggregates. Other aspects that are analyzed refer to productivity, labor costs, inflation etc. Food, alcohol & tobacco is expected to have a significant increase regarding the annual rate on inflation, followed by services.

**Keywords:** COVID-19, Economic impact, Inflation, International Trade, GDP aggregates

## EVALUATION OF THE PERCEPTIONS OF THE TOURIST GUIDE CANDIDATES SHARINGS ABOUT FOREIGN LANGUAGE LEARNING IN SOCIAL MEDIA

Bekir EŞİTTİ<sup>1</sup> and Tarık YALÇINKAYA<sup>2</sup>

<sup>1</sup>*Çanakkale Onsekiz Mart University, Faculty of Tourism, Turkey*

<sup>2</sup>*Çanakkale Onsekiz Mart University, Institute of Graduate Studies*  
bekiresitti@comu.edu.tr, tarikyalcinkaya@windowslive.com

**Abstract:** It is known that the tourism sector contributes to many sectors and helps to close the current account deficit with its foreign currency earning effect. In particular, tourism activities in the international arena positively affect all tourism destinations. When the structure and function processes of the tourism sector are examined, it can be seen that the tourism actors who spend the most time with tourists are the tour guides. For this reason, the education and personal development of tourist guides should be well-qualified. Having knowledge about the historical places that the tourist guides will tell, as well as having language proficiency in terms of both native and foreign languages will enable them to establish a strong dialog with the tourists. From this point of view, this study examines the effects of social media on foreign language education which is an important field for tourist guide candidates. The study was designed according to the quantitative method and descriptive survey model. Within the scope of the study, 322 of questionnaires sent to the tourist guide candidates and the data were evaluated in accordance with the analysis. According to the results of the research, tourist guide candidates spend a significant amount of time every day on social media. They declare that the posts about foreign language learning on social media affect their perceptions. Based on the results of this study suggestions are made to tourist guide candidates and this study also aims to eliminate the gap in the related literature.

**Keywords:** tourist guides, foreign language learning, social media, perceptions

## THE IMPACT OF COVID-19 PANDEMIC: DIGITAL TRANSFORMATION CHANGES IN TOURISM

Buket BULUK EŞİTTİ

*Çanakkale Onsekiz Mart University, Faculty of Tourism, Turkey*  
bulukbuket@comu.edu.tr

**Abstract:** The effects of digital and technological transformation in the Covid-19 process are very clearly seen in almost every sector. It can be easily argued that this transformation will be affected much differently than other sectors, given the unique structural characteristics of tourism due to the cooperation of a wide variety of products and services. In this context, this study aims to investigate the digital transformation changes in tourism in the process of Covid-19. Secondary sources were used to obtain data in the study. According to the results obtained from secondary sources, it is predicted that a digital transformation in tourism will be experienced in the upcoming period (2021 and beyond). It is seen that digital applications gain importance in both accommodation and tour operators due to the Covid-19 pandemic. In addition, it is seen that tourism professionals have stated how important it is to switch to digitalization in hotel investments and business processes, a period in which border crossings are discussed with face recognition and contactless applications are initiated in every field. It is seen that they also stated that tourism businesses should keep up with this transformation with many technological applications from online check-in to contactless door entries in hotels. The results show that digitality will be the main factor in new hotel investments and that they will focus on rapidly realizing their projects in this area in order to maintain the competitive advantage of destinations.

**Keywords:** Covid-19, digital transformation, tourism

## BITCOIN AND SEATMATES

Ekrem TUFAN<sup>1</sup>, Bahattin HAMARAT<sup>2</sup> and Aykut YALVAÇ<sup>3</sup>

<sup>1</sup>*Department of Health Management, Çanakkale Faculty of Applied Sciences, Çanakkale Onsekiz Mart University, Turkey*

<sup>2</sup>*Department of Tourism Management, Faculty of Tourism, Çanakkale Onsekiz Mart University, Turkey*

<sup>3</sup>*Independent researcher, Turkey*

etufan@yahoo.com, b\_hamarat@yahoo.com, aykuyalvact06@gmail.com

**Abstract:** In this research, it has been searched Bitcoin prices movements and if there it is comovement with traditional investment assets such as gold and petrol prices. Regarding statistical analysis, the time series have stationary in the first degree. There is a comovement between Bitcoin prices and traditional investment assets in short-run but not in long term.

**Keywords:** bitcoin, gold, petrol prices