



**Constantin Brâncoveanu University of Pitești**

**Faculty of Finance-Accounting of Pitești**

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**THE PROGRAMME**  
**OF THE**  
***INTERNATIONAL SCIENTIFIC CONFERENCE***  
**“ACCOUNTING AND FINANCE – THE GLOBAL**  
**LANGUAGES IN BUSINESS”**  
**1st Edition**

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**18 March 2016**

**PITESTI, ROMANIA**

Pitești, March 18, 2016



**ORGANISED BY:**

**"Constantin Brâncoveanu" University of Pitești,  
Faculty of Finance-Accounting of Pitești,**

***IN COLLABORATION WITH***



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**af** Camera Auditorilor Financiari  
din Romania



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Pitești, March 18, 2016

## ***DETAILED PROGRAMME ON SECTIONS***

### ***SECTION I DIMENSIONS AND CHALLENGES IN ACCOUNTING AND FINANCIAL AUDIT***

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**Moderators:** Professor ION MIHĂILESCU, Ph.D.  
Associate Professor FLORIN DIMA, Ph.D.  
Lecturer CORINA DUCU, Ph. D.

**Location of paper presentation:** Amf. 1

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#### **1. THE PROFITABILITY ANALYSIS OF ROMANIAN COMPANIES USING THE STATEMENT OF INTERMEDIATE BALANCES**

**Author:** Professor MARIUS GUST, Ph.D, "Constantin Brâncoveanu" University, Pitești, Romania

**Abstract:** The performance of Romanian companies appreciated by indicators of return (using the statement of intermediate balances) and analyzed through a series of data for 21 years (1994-2014), show us numerous disappointing results. Sure there are some increases in indicators of results, but in many cases indicators from the end of the review period are not more favorable compared with those recorded in 1994. Net earnings and rates of return calculated on the basis of this indicator are very low that you feel that the processe of restructuring did not begin and companies did not adapt to the market economy. The crisis amplified deterioration in the performance and in many cases many indidactors many indicators have not yet reached pre-crisis values.

#### **2. ACCOUNTING INFORMATION AND ITS ROLE IN THE SUBSTANTIATION OF MANAGERIAL DECISIONS**

**Authors:** Associate Professor FLORIN-CONSTANTIN DIMA, Ph.D, Lecturer CORINA DUCU, Ph.D., "Constantin Brâncoveanu" University, Pitești, Romania

**Abstract:** Accounting can be regarded as the universal economic language of the business world because it is a tool that enables the communication of economic information. Accounting is designed to provide useful information for the substantiation of the decision making at the level of economic entities. Accounting information is based on the specific activity of each economic entity. Accounting information is obtained by processing the economic and financial data of the



entities with the help of means specific to the accounting system. Accounting represents the most appropriate source of information for the management of the economic entities due to the qualitative features and characteristics of the information they provide compared to any other source of information.

### **3. INFORMATIONAL RISK AND NECESSITIES OF AUDIT**

**Author: Ph. D. INGA BULAT, National Institute of Economic Research, Chișinău**

**Abstract:** We are living in an informational era where the changes and challenges are very complex and at high speed. The informational system has become a premise for starting a new day. Its presence within the activity of a certain institution is more and more dispensable. Nowadays the auditors have a very important role in studying the systems, the processes, the mechanisms etc, so that the approach in offering recommendations is the result of everything that is going on and which can generate. The audit activity is external, independent, but human, thus it cannot lack risks. The risk associated to the audit activity, considered as being an inherent, checking and residual risk, brings forward to the user that the accountant information which is validated by means of audit cannot itself lack risks, so we can notice a direct relation between the audit risk and the risk associated to the information given publicly by entities. That is why, the tendency which the audit societies must follow is to manage as efficiently as possible the risks afferent to these activities, which for them, is becoming a risk of an economic origin.

### **4. STUDY REGARDING THE LEGITIMACY OF THE INTERNATIONAL INTEGRATED REPORTING COUNCIL**

**Authors: Professor MĂDĂLINA DUMITRU, Ph.D., Associate Professor RALUCA GINA GUȘE, Ph.D., Bucharest University of Economic Studies, Romania**

**Abstract:** Our research is focused on the organizational legitimacy gained by the International Integrated Reporting Council (IIRC). We analyzed all the answers received by IIRC in response to its Consultation Draft (CD) and matched the responses with the legitimacy types identified by Suchman (1995), explaining the reasons of the users for participating in the standard-setting process. Also, for certain types of legitimacy, we analyzed the information provided by the IIRC on its website. A qualitative approach is presented in this paper. We conclude that different groups of stakeholders grant different types of legitimacy. Our research contributes to the body of knowledge on integrated reporting in several ways. First, few studies discuss the legitimacy of a standard-setter, especially in the area of non-financial reporting. Second, our study considers the legitimacy granted by all the categories of stakeholders. Also, we identify the threats to the IIRC's legitimacy and provide guidance concerning sources of legitimacy that may be explored in the future.

## **5. REFORM OF ACCOUNTING RECORD AND FINANCIAL REPORTING IN THE BUDGETARY SYSTEM**

**Authors: Professor habil. TATIANA MANOLE, Ph.D., Scientific Researcher TATIANA TUREȚCHI, Ph.D., National Institute for Economic Research, Academy of Sciences of Moldova, Republic of Moldova**

**Abstract:** In this article there was researched the budget classification reform process in the Republic of Moldova, considering it an important tool in the development and execution of the budget, as well as in the accounts of public institutions. It is investigated the unification process of the four accounts in one single integrated, which corresponds to European standards and modern financial reporting. Budget classification changes are researched and especially in the economic classification of budget spending, which unifies codes with unique integrated plan accounts. We present a study of transition from economic classification of expenditures from the old system to the economic classification of expenditures in the new system.

## **6. MEASURING THE VALUE OF INTERNAL AUDIT IN BANKING INDUSTRY**

**Author: Ph.D. Student CLARA-IULIA ZINCA (VOICULESCU), Bucharest Academy of Economic Studies, Romania**

**Abstract:** The importance of the audit function in credit institutions significantly increased especially during the economic crisis, when the focus of the management shifted to risk management and control processes. The role of internal audit is to assist management in protecting the bank's assets, reputation and ensure the sustainable development of the institution by providing a comprehensive analysis and a complete perspective on activities. Moreover, as each department must achieve objectives set and add value to the organization, the same is true for the internal audit department. This study aims to examine the methods used to measure the value of internal audit in banking industry and identify the most significant methods to reflect the impact of the results of the audit organization. The objective of this paper is to answer questions such as: "Does audit functions of the banks demonstrate their value, but also "How can internal audit to show their contribution to adding value to the organization?". In this regard, we approached the measuring the internal audit value from a theoretical point of view. Further we investigated which are indicators (KPIs) and practices used to measure the value of internal audit and analysed the extent to which these indicators are likely to highlight the impact of the results of the internal audit activity organization. The results of the study suggest that most organizations use methods that contain mainly quantitative and less qualitative elements. There are also differences between banks and other types of organizations in terms of the methods and practices used, but also on the importance showed to measurement of internal audit value. In addition, the findings confirm that there is room for improving the methods and practices used, so audit function to gain value and credibility.

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## **7. NEW DIMENSIONS OF ACCOUNTING THROUGH THE DEVELOPMENT OF INFORMATION TECHNOLOGIES**

**Author: Associate Professor VALENTIN RADU, Ph. D., "Valahia" University of Târgoviște, Romania**

**Abstract:** Development of information and communications technologies has favored the emergence of new dimensions in terms of accounting. Nowadays, we go through a period of transit from the traditional accounting to creative accounting with ramifications in computerized and cloud accounting. Almost all of these dimensions are under the influence of a dynamic business environment. Beyond information, knowledge and decision are new requirements such as access to information, time of transformation, transmission speed, decision making speed. The aim of this article is to demonstrate how these dimensions favor a better financial management, diminution of human resources and even saving time.

## **8. RISK MANAGEMENT AND INTERNAL AUDIT IN CREDIT INSTITUTIONS – INTERFERENCE AND COMPLEMENTARITY**

**Author: Ph.D. Student CLARA-IULIA ZINCA (VOICULESCU), Bucharest Academy of Economic Studies, Romania**

**Abstract:** The global financial crisis and the European debt crisis highlighted the need for more comprehensive and effective risk management practices. Under these circumstances, the responsibilities and the role of risk management and internal audit functions have experienced significant changes in the sense of greater openness to focus on objectives and delivering added value to the organization and to meet the expectations of stakeholders. This paper aims to analyse the roles and the responsibilities both of the risk management and internal audit, identifying areas of interference and complementarity of the two functions, whose cooperation is the key to increase the added value for the organization.

## **9. DETERMINING THE SCOPE OF CONSOLIDATION WITHIN CONSOLIDATED GROUPS**

**Authors: Lecturer CIPRIAN GÎJU, Ph. D., Associate Professor MARIANA ZAMFIR, Ph. D., "Valahia" University of Târgoviște, Romania**

**Abstract:** Determining the consolidation perimeter is an essential starting point in the consolidation of the accounts. In the framework of the consolidated accounts it is necessary to first define all companies consisting of parent company, the companies dependent on this one, associated companies (shareholdings) and community interest companies (parity subsidiaries or multigroup). This article aims to show the importance of determining the scope of consolidation, which are the companies subjected to mandatory consolidation, what is the exclusive control, joint control, what is the percentage of control and the interest, and which are the exclusions from the scope of consolidation.

## **10. EVALUATION OF INTERNAL CONTROL AND RISK ANALYSIS, PREMISE OF IMPROVING ENTITY'S PERFORMANCE**

**Author:** Lecturer **CRISTINA MARIA VOINEA**, Ph. D., "Valahia" University of Târgoviște, Romania

**Abstract:** The role of internal audit is to help strengthen the internal control process in order to mitigate risks associated with the activities of an entity, thus ensuring safe operation of economical efficiency and effectiveness of the entity. By implementing internal control standards regulated nationally and internationally and also ensure increased reliability of financial accounting information users. Evaluation of internal control and risk analysis are performed within internal audit work in order to highlight weaknesses, positive or negative deviations from the objectives, identifying the causes of these deviations, so the management to be provided with relevant information on which take the best decisions on the measures and actions to improve the business. Thus, by implementing an effective system of internal control and risk management accordingly, the entity can improve performance.

## **11. NATIONAL ACCOUNTING REGULATIONS, REQUIREMENT OF CHANGES IN EUROPEAN DIRECTIVES**

**Authors:** Associate Professor **DORINA LUȚĂ**, Ph. D., "Constantin Brâncoveanu" University, Pitești, Romania; Associate Professor **LAURA PĂNOIU**, Ph. D., "Constantin Brâncoveanu" University, Pitești, Romania

**Abstract:** EU Member State normalizers have been required to bring into force the provisions of Directive 2013/34/EU of the European Parliament and of the Council of 26 June 2013 regarding annual financial statements, consolidated financial statements and related reports of certain types of companies. In this respect, in early 2015, Ordinance of the Public Finances Ministry no.1802/2014 came into force in Romania for the approval of accounting regulations on annual individual and consolidated financial statements. The main goals of the Directive aim at: reducing administrative costs, improving the comparability of annual financial statements at EU level, increasing the transparency on payments made to governments by entities operating in the extractive industry or in the primary forest exploitation sector. With such goals in mind, this paper shows how Ordinance of the Public Finances Ministry no.1802/2014 has taken the requirements of Directive 2013/34/EU of the European Parliament and of the Council and have adjusted them to the peculiarities of the business and financial environment in Romania.

## **12. DIFFICULTIES IN LIMITING THE EXPANSION OF THE ROMANIA PUBLIC SECTOR**

**Author:** Lecturer **AURA EMANUELA DOMIL**, Ph. D., West University of Timisoara

**Abstract:** Taking into consideration the dimension of economic public sector it can be considered as part of the economic system. One of the major and current problems is precisely the need to put a limit to the expansion of the budgetary sector, because in the last years we witness the progressive public sector expansion in the economy. In Romania the economic growth has been reflected more in public sector development at the expense of the undevelopment of the private sector. For that, there are difficulties in financing and supporting this oversized sector, based on income from household. We consider that appropriate measures must be taken in order to correct

financial statements for public sector by optimizing expenses for missions and programs. Financial statements of public sector as essential tool in the programming, budgeting, management and reporting must support economic and financial objectives set by European institutions in order to maintain financial stability and administrative responsibility in EU.

### **13. PERSPECTIVES OF THE INTERNAL AUDIT FUNCTION IN BANKS – CHALLENGES AND OPPORTUNITIES**

**Author:** Ph. D. Student **CLARA-IULIA ZINCA (VOICULESCU)**, Bucharest Academy of Economic Studies, Romania

**Abstract:** During the current period, where the effects of the global financial crisis are strongly felt, credit institutions face many difficulties caused by a dramatic increase in business complexity, highly dynamic environment in which they operate. Accordingly, one of the most important challenges of the banks is to achieve a balance between risk management, maximizing profits and ensuring compliance with regulatory requirements. The objective of this study is to identify critical areas on which bank internal audit should focus, so as to support the organization in achieving its goals by evaluating internal control, through suggestions offered on risk management programs and in relation to compliance with the regulatory framework.

### **14. CHALLENGES FOR ROMANIAN INVESTMENT FIRMS IN RESPONSE TO NEW CORPORATE GOVERNANCE REGULATIONS**

**Author:** Lecturer **IOAN – OVIDIU SPĂȚĂCEAN, Ph.D.**, "Petru Maior" University of Târgu-Mureș, Romania

**Abstract:** In efforts to strengthen corporate governance processes and structures for Romanian investment firms, the Financial Supervisory Authority (FSA) released for public debate a draft of regulation aimed at applying the relevant principles of corporate governance by the entities authorized, regulated and supervised by FSA. We appreciate the opportunity of such regulations, although Romanian investment firms should declare a high level of compliance with the relevant principles of corporate governance, at least in terms of regulations currently in force and applicable to these entities. Novelty of this draft regulation is contained in the mandatory completion by the investment firms of a "corporate governance statement", which constitutes a self-assessment of compliance with the relevant corporate governance principles, similarly to "comply or explain" statement published by issuers of securities. The purpose of this paper is to assess, through questionnaire inquiries and inspection of the official web pages, the compliance level with the relevant principles of corporate governance, with regard to new regulations applicable for Romanian investment firms. We expect at least a satisfactory level of compliance, taken into account the public interest status of these entities and the need of high transparency in relation with all major categories of stakeholders.

#### **15. ACCOUNTING POLICIES AND PRACTICES THAT CAN BE APPLIED FOR THE DEPRECIATION OF NON-CASH GENERATING ASSETS**

**Author: Associate Professor MARILENA-DANIELA MANEA, Ph. D., "Valahia" University of Târgoviște, Romania**

**Abstract:** Starting with 2005, at a European level, the European Commission alongside IFAC promoted the implementation of accrual accounting within the public domain and, by default, the shift from cash accounting to accrual accounting, as well as the development of financial statements based on the International Public Sector Accounting Standards (IPSAS). The International Public Sector Accounting Standards 'starting point were the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB). The requests of the IPSAS Standard 21 "Impairment of Non-Cash Generating Assets" were drawn up in accordance with this policy. The differentiated practices that can be applied to the public sector in relation to the private sector have led us to the analysis of the solutions suggested by IPSAS 21 precisely to understand and further study the concepts and mechanisms of the depreciation of assets that generate other incomes than cash flows. Without neglecting the reality of the Romanian accounting practice within the public sector, we will gradually go through the steps of identifying and recognizing the depreciation losses associated with non-cash generating assets owned by the public entities.

#### **16. THE FINANCIAL-ACCOUNTING MANAGEMENT OF THE CURRENT BIOLOGICAL ASSETS IN THE BEEKEEPING SECTOR**

**Authors: Correspondent MA, MĂDĂLINA DURAC, Associate Professor FLORENTINA MOISESCU, Ph.D., "Dunărea de Jos" University, Galați, Romania**

**Abstract:** The paper presents the accounting treatment applicable to bee families and apiculture products, as well as the financial support granted to the beekeepers in Romania, in the context of a sustainable development. In the last decade beekeeping has had a spectacular development in Romania. Currently, Romania ranks on the 3<sup>rd</sup> place to honey production in the European Union and 4<sup>th</sup> place regarding the number of held hives (family of bees). However, accounting in beekeeping is not an exploited theme or issue, the hives (family of bees) being subject to general accounting treatments applicable to agricultural activities, in accordance with the stipulations IAS 41 and Order no. 1802/2014, without clear separation or distinction between hives (family of bees), cores/nuclei and the queen bee.

#### **17. ASSESSMENT OF INTERNAL AUDIT APPEALING TO KEY PERFORMANCE INDICATORS**

**Authors: Professor ELENA RUSE, Ph.D., "Andrei Șaguna" University, Constanța, Romania, Assist. GEORGIANA SUSMANSCHI, Ph.D, "Spiru Haret" University, Constanța, Romania**

**Abstract:** The positive/added value brought by internal audit function to an entity requires effective ways and criteria measured. It is true that it's pretty difficult to establish these sort of values. There are several indicators used to measure/assess the value addition provided in the company, but that does not fully reflect the actual value of the internal audit function. Through this

paper, we want to present a method for assessing the internal audit and its effectiveness within an economic entity, through the use of performance indicators. Indicators render the image of internal audit and its effectiveness.

#### **18. ADVANTAGES OF ACCOUNTING FOR HIDDEN INTANGIBLE ASSETS**

**Authors:** Lecturer CIPRIAN GÎJU, Ph.D., Associate Professor VALENTIN RADU, Ph. D., "Valahia" University of Târgoviște, Romania

**Abstract:** Most of the major contemporary companies operating in a complex, globalized and constantly changing environment, in which hidden intangible assets (intellectual capital) is one of the main sources of competitive advantage. However, due to difficulties in measuring and identifying separate intellectual capital is not reflected in current financial statements. This research is a premise of further research on intellectual capital accounting, trying to point out which will be the main advantages of intangible assets accounting (intellectual capital).

#### **19. THE ART OF "CREATIVE ACCOUNTING" IN THE CURRENT ECONOMIC CONTEXT**

**Author:** Associate Professor FLORENTINA MOISESCU, Ph.D., "Dunărea de Jos" University, Galați, Romania

**Abstract:** In Romania, the current economic and financial crisis has led to a fast disappearance of a significant number of Romanian companies, fact that has led the Romanian entrepreneurs to a series of desperate measures such as creative accounting. This study aims to highlight the expansion of creative accounting in the current economic context and the implications of its use. What apparently seems to be a "lifeboat" in the "rough waters of the crisis" actually proves, most of the times, to be just a compromise, with short term gain being chosen instead of long-term financial viability. Primarily, the purpose of this study is to emphasize the fragility of the "border" that exists between creative accounting and fraud and how easily it is for someone to break it. Secondarily, it aims to answer the question that arises more often in the minds of entrepreneurs: "Is creative accounting an optimal solution to overcome the financial crisis?"

#### **20. FACTORS SUPPORTING AN ADEQUATE SIZING OF INTERNAL AUDIT DEPARTMENTS IN THE PUBLIC SECTOR**

**Author:** Professor ELENA-DOINA DASCĂLU, Ph.D, "Spiru Haret" University, București, Romania; Vice-President, Romanian Court of Accounts

**Abstract:** This article addresses the issue of determining the appropriate size for the internal audit compartments in the public sector. Public internal control in Romania passed through a broad stage of transformation: moving from a standardized management and control (usually through regulations) to an objectives-based management and to a dual control, based on self management (managerial control), as well as on separate evaluations by independent bodies (public external audit and public internal audit). In the framework of article default factors are identified for sizing the audit structures: the risks of the organization and the expectations regarding the manner in which the activity can bring value, which is, in the author's understanding, the basis for allocation of resources. The dimensioning of the internal audit compartment is

analyzed through the prism of seven specific factors, and a comparative analysis of the proposed models (determinants, strengths/weaknesses, criteria of applicability) is presented. The author proposes, for the improvement of the internal audit in the public sector, the Model of the Internal Audit Capacity in the Public sector, advanced by TheIIA, according to which the evolution of the internal audit activity is structured around a number of levels to be attained in succession. By identifying the factors considered critical for the sizing of the internal audit departments, which have no equivalent (counterpart) in the factors provided for in the current normative framework in Romania, the article contributes to the clarification of issues related to sizing models and procedures in the field.

## **21. THE ACCOUNTING TREATMENT APPLICABLE TO DISCOUNTS MADE IN TRADE ACTIVITY**

**Author:** Associate Professor CAMELIA-CĂTĂLINA MIHALCIUC, Ph.D., "Ștefan cel Mare" University of Suceava, Romania

**Abstract:** In a competitive market environment, the activity of conducting transactions of sales involve operating with discounts, which may be granted by suppliers to customers, these reductions quantify the existing confidence between the two partners, the business volume, the quality of goods. The literature in the field and the business practice operates with two types of discounts: trade discounts and financial discounts. Given that, often in practice is not always a clear distinction between the two categories of discounts, since the invoices are often entitled with "discounts", the main objective of the work focuses on delineating the two categories of discounts, highlighting the applicable accounting treatment according to the Romanian accounting regulations in force (Order no. 1802/2014, valid from 1 January 2015 and Order no. 4160 of 31 December 2015 amending and supplementing certain accounting regulations valid from January 12, 2016). Thus, taking into account these regulations, in doing this work will be presented in detail issues concerning amendments and clarifications on the procedures for registration of price discounts by applying the accounting treatment prescribed.

## **22. MODEL FOR DIMENSIONING OF THE AUDIT STRUCTURES IN THE PUBLIC SECTOR**

**Author:** Professor ELENA-DOINA DASCĂLU, Ph.D., "Spiru Haret" University, București, Romania; Vice-President, Romanian Court of Accounts

**Abstract:** This article aims to present a solution to determine the size of the internal audit departments in public sector organisations. The conceptual model for determining the actual size of an internal audit department, as adopted by The Institute of Internal Auditors, is presented and the various factors used in dimensioning are analysed. The article also presents a computational model for the public sector, illustrated by means of a procedure which is based on the size of the organization and uses specific calculation variables and explicit (clearly defined) correction coefficients to determine the final number of internal auditors. The variables and the coefficients of the described model cover the significant factors that could influence the size of the internal audit department; at the same time, the requirements of adequacy and usefulness of the model for the various entities of the public sector are insured. The model proposed by author for the public



sector entities constitutes also a supporting tool for practical implementation of the requirements of the laws, regulations and normative acts with regard to the sizing of the internal audit departments.

### **23. EFFECTS AND IMPLICATIONS OF THE IMPLEMENTATION OF IFRS 15 – REVENUE FROM CONTRACTS WITH CUSTOMERS**

**Authors:** Professor VERONICA GROSU, Ph.D.; Lecturer MARIAN SOCOLIUC, Ph.D., "Ștefan cel Mare" University, Suceava, Romania

**Abstract:** The IFRS 15 standard - Revenues from Contracts with Customers was developed by the IASB in order to replace some of the IAS and US GAAP standards still in force, as well as to introduce significant changes to the accounting of revenues. For most companies, the implementation of this standard will result in significant effects on accounting and reporting techniques, on the business processes and the IT systems, as it practically changes the reasoning used for revenue recognition. This paper is focused on the future implementation of the IFRS 15 standard and on its impact on the company's performance.

### **24. FINANCIAL ANALYSIS AND USER NEEDS IN IFRS**

**Author:** Research Assistant ALINA IULIANA TĂBÎRCĂ, Ph. D., "Valahia" University of Târgoviște, Romania

**Abstract:** Numerous authors and specialists blame the accounting practices as been guilty for the past financial crisis. Furthermore, the gap between academic research and the world of "accounting in action" is bigger than imagined. In this context, the users of financial information must have reliable, accurate and relevant information.

The principal aim of this paper is to determine how useful different forms of financial information are to users in their decision making and what improvements to financial analysis must be done. To sustain a better result I have analyzed the need of various types of users and correlate with present information from financial statements under IFRS.

### **25. FINANCIAL AND ACCOUNTING IMPLICATIONS WHEN IMPLEMENTING ACCOUNTING PRINCIPLES**

**Author:** Lecturer SORIN GRIGORESCU, Ph. D., "Constantin Brâncoveanu" University of Pitești, Romania

**Abstract:** Accounting principles as they are shown by the accounting regulations in force mean a must for account organizing and keeping. However, these principles are often in contradiction with the tax regulations in force. In this paper, I will show the accounting principles set by Ordinance of the Public Finances Ministry no.1802/2014 for the approval of accounting regulations on annual individual financial statements and annual consolidated financial statements, and the contradictions frequently occurring in relation to taxation. Moreover, implementing accounting principles leads to various financial advantages or disadvantages.

Therefore, this paper aims at finding both commonalities and divergences between accounting and taxation, and seeking financial advantages ensuing from the implementation of accounting principles.

Pitești, March 18, 2016

**26. APPROACHES AND CLARIFICATIONS ON THE APPLICATION OF IFRS 13 – FAIR VALUE**

**Authors:** Lecturer MARIAN SOCOLIUC, Ph.D.; Professor VERONICA GROSU, Ph.D., "Ștefan cel Mare" University, Suceava, Romania

**Abstract:** The objective of this article it is to analyze the new changes with the application of IFRS 13 in order to solve a problem of "representative incoherence" between the financial statements where certain asset components were presented at the fair value by the entities as providers, and which in turn they were presented as client-entity. This approach assumed in full knowledge of the facts obvious leading to the results often similar.

**27. PARTICULARITIES REGARDING THE APPROACHES AND EVALUATION METHODS OF INTANGIBLE ASSET**

**Authors:** Professor DOREL MATEȘ, Ph.D., The West University of Timișoara, Romania; CRISTINA-GABRIELA LELIUC COSMULESE, Ph.D. Student, "Ștefan cel Mare" University, Suceava, Romania; LAURENȚIU ANISIE, Ph.D. Student, "Ștefan cel Mare" University, Suceava, Romania

**Abstract:** Valuing intangible assets is a long running, complex and controversial issue and is viewed with skepticism because both nationally and internationally there are no clearly defined principles and rules regarding them. Despite their increasingly significant role in enhancing firm value is difficult to obtain a reliable estimate value for these assets. In this paper devoted to assessing intangible assets we have considered firstly the achievement of an incursion in the field of intangible assets valuation from a theoretical standpoint, both by presenting various notions, concepts regarding the valuation process and by highlighting the characteristics of the main approaches (methods) in assessment present in specialized literature. From the analysis on intangible assets according to the specialized literature, we believe that from an accounting perspective it is very difficult even impossible to implement an accepted valuation method. The reliability, safety, confidence of the results, justification or objectivity are some key features that we identified it would lack more or less from the approaches presented.

**28. RETAIL ACCOUNTING**

**Author:** Associate Professor FLORIN-CONSTANTIN DIMA, Ph.D., "Constantin Brâncoveanu" University, Pitești, Romania

**Abstract:** The starting point of this article was the importance that the stocks of goods have in the development of the economic entities' activity and from the particulars of bookkeeping of the retail price goods. The goods are one of the main components of the stocks. The retail stock method approximates the cost of the goods sold and it is often used in retail. In this method the cost of the inventories is calculated by deducting the gross margin from the sale price of the stocks. The retail stock method involves its own methodology for calculating the selling price of the goods, as well as for downloading from the inventory the value of the goods sold, a methodology which is analysed in this article.

## 29. ACCOUNTING – SOCIAL SCIENCE

**Author:** Ph.D. Student MARIAN ZAROSCHI, Valahia University, Târgoviște, Romania

**Abstract:** Accounting as a mathematics-derived science appeared in Venice during the Renaissance, and permanently evolved and adapted to the economic development of society and addressed the increased information needs in the context of emerging economic entities and investors. The development of entities and increased economic complexity also increased the number of people interested in the information resulting from the informational subsystem of accounting. Today, when globalization has visible effects and company holdings are active in multiple countries, and technical progress is on the rise, the information flows employed by accounting increased at the same pace with such entities. Selecting from the complexity of information traveling in the world economy requires an accounting normalization process, and the unitary understanding of the complexity of information flows generated by accounting required a harmonization of the summary documents, accounting methods and terminology. Romania, as part of the world system of information flows, subscribed to accounting normalization and accepted two accounting organization models. On one hand, the application of the accounting referential to a defined group of entities as established by international rules (IFRS – under Order no. 881/2012 of the Ministry of Public Finance) and the other entities applying the national rules established under Order no.1802/2014 of the Minister of Public Finance, in force as of 01 January 2015. Considering the extent of the implementation of established principles, assessment bases and accounting-specific practices, and the large number of people interested in the information flows generated by accounting, and the influence exerted on large population groups, one can safely state that this is a social science.

## 30. IFRS 8 OPERATING SEGMENTS: GENERAL CONSIDERATIONS REGARDING THE MANAGEMENT APPROACH

**Author:** Lecturer CRISTINA-AURORA BUNEA-BONTAȘ, Ph.D., "Constantin Brâncoveanu" University, Pitești, Romania

**Abstract:** The aim of this paper is to discuss some general considerations regarding the management approach contained in International Financial Reporting Standard (IFRS) 8 Operating Segments, issued by International Accounting Standards Board (IASB) in November 2006. Using this approach, the IASB promoted a disaggregated information based on the internal organization of the company, in order to contribute to more relevant segment information by allowing the users to analyze firms' performances through the management view and, thus, supporting a better consistency between the segment information represented in the financial statements and the information disclosed in the internal management reports.

## 31. THE EVOLUTION OF THE ROMANIAN COURT OF ACCOUNTS' PERFORMANCE EVALUATION SYSTEM IN THE PERIOD 2014-2015

**Authors:** Ph.D. Candidate ILIODOR TIBERIU PLEȘA, Professor ION STEGĂROIU, Ph.D., Valahia University of Târgoviște, Romania

**Abstract:** This paper aims to analyze the performance in terms of specific activity (control and audit) carried out by the supreme audit institution in Romania, the Court of Accounts. It also

presents the relationship between auditees and the Court of Accounts in 2014, following the assessments made on the basis of questionnaires sent to the auditees after audits completion. The paper also examines the evolution of the performance evaluation system of the Romanian Court of Accounts in the period 2014-2015, which seeks regular analysis of how audit and control activities are realized and distributed in order to identify strengths and weaknesses appearing in public external auditors' work and the solutions that may improve the institution's activity. Finally, it presents the quality assurance and control activity regarding the specific activity of the Romanian Court of Accounts.

### **32. PERFORMANCE MANAGEMENT THROUGH BUDGETS. SETTING AND LAUNCHING THE SALES BUDGET OF THE COMPANY**

**Authors:** Lecturer **ADRIANA-MIHAELA IONESCU, Ph.D.**, Lecturer **CRISTINA-ELENA BÎJIOI, Ph.D.**, Politehnica University of Bucharest, Romania

**Abstract:** In the developed economic activities, businesses set goals which, if achieved, improve performance. For this, it becomes necessary to develop digital projections budgets, which are used as tools for enterprise performance management. Creating an effective budget closely related to the medium and long term plans of the company, is the key to profitable economic activity, which can find the right path to achieving the object and can detect in time any obstacles. The budget is thus a strategy to improve performance by achieving bigger productivity, more economical spending of money, motivating employees to fulfill the budgetary provisions. In the process of budgeting, the starting point is the sales budget, which values the sales program, which the company aims. In it, are broken down into different time periods, the quantity, the selling price and the projected turnover. Preparing a marketing budget expenditures constituted as logical consequence of commercial activity as defined in the sales budget, thus allowing the establishment costs for the sale of the enterprise and commercial margin recess.

### **33. FEATURES OF INTERNAL CONTROL MANAGEMENT IN HIGHER EDUCATION INSTITUTION**

**Authors:** Lecturer **DANIEL BOLDUREANU, Ph.D.**, "Gr. T. Popa" University of Medicine and Pharmacy Iași, Scientific Researcher III, "Al. Ioan Cuza" University, Iași; Lecturer **GABRIELA BOLDUREANU, Ph.D.**, "Gr. T. Popa" University of Medicine and Pharmacy Iași, Scientific Researcher, "Al. Ioan Cuza" University, Iași Romania

**Abstract:** Internal control management and management audit of public institutions are dynamic and constantly evolving processes. Within higher education institutions these processes have a number of common features and particularities specific for education field. The article analyzes the development program of audit and management control system in institutions of higher education in Iasi. From this study we can identify and summarize a series of measures that could contribute to the development and qualitative improvement of the current situation of Romanian higher education.

Pitești, March 18, 2016

#### **34. INTERNAL AUDIT IN THE PUBLIC SECTOR IN ROMANIA**

**Author:** Lecturer MIHAELA – LAVINIA CIOBĂNICĂ, Ph.D., "Spiru Haret" University, Bucharest, Romania

**Abstract:** The paper is focused mainly on documentary research, deep and critical analysis, addressing important theoretical issues as well as issues of public internal audit and the term public sector. Based on critical analysis of internal audit, more specifically, the international standard definition and the definition of public internal audit in Romania, were outlined improved concepts which gives them a wider applicability. This paper aims to identify essential aspects that influence the activity of public internal audit outlined within the public sector. About public sector we can affirm that it is present in economic life in various ways. There is no market economy in which the public sector more or less not to identify, directly or indirectly, between factors that influence and guide the entities, respectively their activities. Events related to this area (transition from centralized market to market economy) has modified the default and control work, consulting and insurance activity public institutions. It proceeded to perform an experimental mission for the implementation of internal audit in public, some requirements increasingly more transparent that bring added value to the audited entity.

#### **35. CURRENT APPROACH OF THE ENTERPRISE COST MANAGEMENT**

**Author:** Associate Professor LUIZA IONESCU, Ph. D., Valahia University of Târgoviște, Romania

**Abstract:** In the current economic context, any enterprise that wants to achieve sustainability market should be concerned also by the means of control and reducing costs. The enterprise's sustainable competitive advantage depends on the ability to minimize costs relative to its direct competitors, in order to obtain higher profit margins. So, a realistic cost management strategy becomes a necessity. It should not overlook that the success of a based-cost strategy requires the existence of some opportunity conditions defined and delimited on three levels: at the enterprise level, at the specific market and in the industry. Through this study we intend, using quantitative and qualitative research methods, a consistent and as complete as possible presentation of the role that cost management may have across the enterprise, in the Romania's current economic context.

#### **36. THE ROLE OF RISK MANAGEMENT IN ADMINISTERING THE ACCOUNTING RISKS WITHIN AN ENTITY**

**Author:** Lecturer CORINA DUCU, Ph.D., "Constantin Brâncoveanu" University, Pitești, Romania

**Abstract:** The existence of a wide range of risks with an actual or potential impact on the activity of the entities is a certainty, as well as their influence on the results of the company (most often negative). In this context, the increase of the economic performance and the efficient development of activities is strictly related to the implementation of a risk management system,

enabling the identification and assessment of risks facing the entity, and the development of effective strategies to manage them.

### **37. THE STUDY OF THE ECONOMIC AND FINANCIAL PERFORMANCE OF THE COMPANY USING THE INTERMEDIATE MANAGEMENT BALANCES**

**Author:** Lecturer MIHAELA – LAVINIA CIOBĂNICĂ, Ph.D., "Spiru Haret" University, Bucharest, Romania

**Abstract:** Analysis on the basis of the outturn account for the financial analyst provides information on dynamic aspects that characterize the activity of an enterprise. Thus, the balance express patrimonial State from the end of the fiscal year, while account shows how it has come to this State, showing income and expenditure flows that occurred during exercise. Therefore the analysis of the balance sheet is completed with an analysis of the information contained in the profit and loss account. Financial indicators calculated on the basis of the information contained in the annual accounts are aimed at measuring the economic and financial performance of the organisation, where as the maintenance of a State's performance as good and its improvement, respectively, should be an essential concern of the enterprise in order to continue carrying out the activity in terms of profitability and liquidity. Analysis of the profit and loss account is interested in knowing the final result obtained by an enterprise, but the most important thing is to analyze the stages in its formation, for the purpose of knowledge in economic behaviour of the unit. To do this, proceed to the determination of the intermediate management balances, which contributes to the completion of the information contained in the profit and loss account, although it does not replace for determining the outcome.

### **38. AUDITOR'S REQUIREMENTS AND EUROPEAN FUNDS**

**Author:** Ph.D. Student DANIEL-PETRU VÂRTEIU, "1 Decembrie 1918", University of Alba Iulia, Romania

**Abstract:** European funds are an important source of financing both the private and public institutions that make capital investments of national interest. After accessing some European projects, auditing is mandatory and is performed by auditors authorized by the Chamber of Financial Auditors of Romania. The reference framework which underpins the auditing of European projects is ISRS 4400 "Missions on agreed upon procedures regarding financial information" and The Code of Ethics emitted by the International Federation of Accountants. The Code of Ethics presents the fundamental ethical principles that a professional must comply when offering his services and these are: integrity, objectivity, professional competence, confidentiality, professional behavior.

### **39. CONTRIBUTION OF INTERNAL AUDIT IN IMPROVING THE FUNCTIONALITY OF THE FINANCIAL-ACCOUNTING DEPARTMENT WITHIN AN ENTITY**

**Author:** Lecturer CORINA DUCU, Ph.D., "Constantin Brâncoveanu" University, Pitești, Romania

Pitești, March 18, 2016

**Abstract:** In the current economic conditions an increased importance is given to the internal audit within the economic entities, due to the processes of risk management and conversion of its functions from appreciation, monitoring or control to consultancy, insurance and value creation. The identification of the strategies regarding risk management through internal audit activity is the fairest approach in eliminating the threats and increasing the entity's performance. Providing an objective image of the entity requires the observation and reflection of the processes performed correctly in accounting. The evaluation of the economic and financial records contributes to the identification of the risks generating specific operations to the accounting department.

#### **40. COSTS DECREASING METHODS – A PRACTICAL APPROACH –**

**Author:** Student FLORIN BUNEA, "Constantin Brâncoveanu" University, Pitești, Romania

**Abstract:** The companies based in our country received an important lesson in the period between 2008 and 2010, when the brutal stopping of overgrown consumption habits led to a significant contraction of the turnover and the profit margins. At that time it has become relevant the need for cost reduction. This paper is proposing an analysis, as a practical approach, on a number of cost-controlling and reduction methods, considered to be recommended in the current context. There are presented different methods, together with the implementing steps and targeted achievements. These procedures are to be of interest for the companies that wish for a maximum efficiency of available resources, linked with a healthy growth of business.

#### **41. CONSIDERATIONS REGARDING THE COMPANY RESULTS: RESULT OF ACCOUNTING, TAX RESULT AND RESULT SHARE**

**Author:** Ph.D. Student NICOLETA PAVEL, "Academy of Economic Studies, Bucharest, Romania

**Abstract:** The objective of the annual financial reporting is to provide a true and fair view of the financial position, financial performance and other information on the work entities or groups of entities, according to the applicable accounting regulations. (...) A study conducted on a total of 10 listed companies revealed accounting policies impact on earnings, the current earnings and profits distributed to shareholders. As a conclusion, we can say that the accounting policies adopted by the entity under the applicable regulatory framework can influence the size of the result (current and deferred). Accounting result is important information for users of information, but not in all cases, relevant and sufficient information to make decisions on investments in equity of an entity. The decision to invest should be made after considering all the information on the entity.

## SECTION II

### ***DIMENSIONS AND CHALLENGES OF PUBLIC AND PRIVATE FINANCE***

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<b>Moderators:</b>	Professor MARIUS GUST, Ph.D. Associate Professor SEBASTIAN ENE, Ph.D. Lecturer NICULINA STĂNESCU, Ph. D.
<b>Location of paper presentation:</b>	Aula Magna

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#### **1. A LOGICAL DEFINING OF THE FISCAL SUSTAINABILITY**

**Author:** Professor EMIL DINGA, Ph.D., Senior Researcher, Centre for Financial and Monetary Research „Victor Slăvescu”, Romanian Academy, Bucharest, Romania

**Abstract:** The paper aims to find the logical predicates of sufficiency which could deliver a general definition of the fiscal sustainability. To this end, firstly the concept of optimality (in its relation with the extreme values of a system) is discussed and clarified. Then, these results are applied to the fiscal concept in order to find the concept of fiscal optimality. Finally, the paper discusses the minimal list of the fiscal sustainability sufficient predicates, so to get the logical definition of the fiscal sustainability.

#### **2. CONSIDERATIONS ON THE CAUSES OF TAX EVASION IN ROMANIA**

**Author:** Lecturer RALUCA – VIORICA LIXANDRU, Ph.D., "Constantin Brâncoveanu" University of Pitești, Romania

**Abstract:** Tax evasion is the result of an imperfect legislation, which has not been well assimilated. One of the causes of tax evasion is excessive taxation. The emergence of tax evasion arises from the simple game of interest. Given the context of the current mentality, committing an act of tax evasion is a proof of ability rather than dishonesty. The anti-taxation reaction in our country came together with the democratisation of public finances. The people who have highly sided with this direction were the ones who before the introduction of the tax reforms were exempt or enjoyed the privileges regarding their tax obligations. Evading the tax obligations can be achieved through a variety of means, the most important ones being the illicit processes and the exploitation of loopholes.



### **3. POSSIBLE REMEDIES FOR THE CRISIS: A MIDDLE CLASS CONSISTENT**

**Author:** ADRIAN-DUCU MATEI, Ph.D., "Atheneum" University of Bucharest, Romania

**Abstract:** The paper highlights the fact that a new analysis of the existing economics ratio between the social classes, along with developing a balance plan, namely tracking the execution of this plan, which should result in sizing a consistent middle class, as well as reaffirming respect for work could be a possible answer to the economic and financial crisis we are experiencing. We live in difficult times and the history of human civilization shows us, without any doubt, that lack of confidence having reached the political level and degenerated into a form of conflict has always led to a reset of the existing order in terms of increasing wider geographical areas. This is shown more clearly by a world in which phenomena such as corruption, underground economy and tax evasion are out of control; they are ubiquitous, rooted in greed as elements of animalism, which is an old thesis presented by Keynes and resumed by the Nobel laureate in economics Akerlof and Professor Robert Shiller; according to this thesis, individuals are never rational, but are dominated by animalism; these are the factors representing the starting point of the current crisis.

### **4. COMPARATIVE ANALYSIS REGARDING THE SETTLEMENT OF LOCAL TAXES (AND FEES) - LAW 571/2003 VERSUS LAW 227/2015**

**Author:** Lecturer IONELA POPA, Ph.D., "Constantin Brâncoveanu" University of Pitești, Romania

**Abstract:** The local taxes (and fees) are objective in nature, because they are not influenced by the specific conditions of the taxpayers but they are arranged according to their exterior features. The new Tax Code, the law 227 of the 8th September 2015 brought a number of changes regarding the trim of this category of taxes. The delayed approval of the Methodological Norms for the application of the Tax Code and their changes in a short amount of time put also in difficulty both taxpayers and the legislature. This study aims to analyze what is their impact on the taxpayers and to what extent the tax provisions stipulated principles in the tax legislation are respected.

### **5. FROM INFORMATION TO THEORY. A LOGICAL APPROACH**

**Author:** Professor EMIL DINGA, Ph.D., Senior Researcher, Centre for Financial and Monetary Research „Victor Slăvescu", Romanian Academy, Bucharest, Romania

**Abstract:** The paper focuses on the logical path from information acquiring to theory elaborating. To this end, the entire chain from signal – sign – information – knowledge – theory is examined and clarified from a logical point of view. Mainly, the passing from one to another of the chain components is analysed in order to get the general mechanisms of theories emerging. The paper has a strong general and abstract character, so its results can be applied both to natural sciences and to social sciences like economics.

## 6. REMITTANCE – ROMANIAN CASE

**Author:** Ph.D. Student CORNELIA – SERENA PAȘCA, "Babeș Bolyai" University of Cluj-Napoca, Romania

**Abstract:** There is vast literature regarding the grounds of remittance. The best known and most often quoted article on the theme belongs to Lucas and Stark, who divided the grounds pursuant to which people remit money, into altruistic and personal grounds. At microeconomic level, the main beneficiaries of remittance are the remitters themselves and their close ones and, at macroeconomic level, the benefits are substantiated in the increase of domestic consumption, poverty decrease, recovery from macroeconomic shock or imbalance, support of the payment balance. The behavior of migrants who remit money to their country of origin is influenced by factors such as gender, age, educational level, civil status, family position, period of stay in the foreign country and the opportunities therein. There are about 3 million Romanians working abroad and remittance represents an economic advantage for the country, as it stimulates consumption and investments and improves society's welfare. Remittance stands for an essential source of external funding for developing countries. During 2003 – 2013, Romanians abroad sent home over 54 billion Euro and the peak of the amounts sent by Romanian workers was reached in 2008 ( 7,765 billion Euro). Following economic crisis, remittance was drastically decreased by almost a half during the following year.

## 7. TRENDS IN EVOLUTION OF PUBLIC FINANCES IN REPUBLIC OF MOLDOVA

**Authors:** ION MOROZNIUC, Ph.D., TATIANA IAȚIȘIN, Ph.D., National Institute for Economic Research, Academy of Sciences of Moldova, Republic of Moldova

**Abstract:** This publication reflects the results of a study on the evolution of public finances in Moldova. Difficulties in the economy are usually translated on the general government budget that is no longer able to serve as an effective and efficient instrument for supporting the vulnerable categories of population, since the vulnerability is directly proportional to economic stagnation. Along the way, the evolution of public finances has not been accompanied by a genuine promotion of structural reforms, which would have encouraged the sustainable development of the national economy.

## 8. FISCAL MULTIPLIERS. MODEL BASED APPROACHES VERSUS EMPIRICAL ESTIMATION

**Author:** Associate Professor MIHAELA GÖNDÖR, Ph.D., "Petru Maior" University of Târgu-Mureș, Romania

**Abstract:** Following the contemporary financial crisis, the effect of fiscal policy on the economic output has become an important debate. The literature in the field points to the importance of fiscal multipliers. Although it is generally accepted that estimating the size of fiscal multipliers represents a key role in the design of an efficient fiscal policy, there is little consensus in the literature on the size of multipliers, and no a commonly agreed methodology. Considering that reaching common understanding on multipliers estimation methods represents an important step to coordinate fiscal policy responses during a crisis, the objective of the paper is to bring a contribution to addressing this shortcoming. Based on the literature review on the estimation of

the size of fiscal multipliers in advanced and developing countries, the aim of the paper is to present, compare, and evaluate different methods defined by different researchers. Relied on the literature findings, and based on logical analysis, the paper presents some features of multipliers operating mechanism, systematizes the factors, and compares the main estimation methods. At the same time, the paper findings provide new evidence on specific fiscal policy action contingent on economic development.

### **9. BOOM-BUST CYCLE AND FISCAL POLICY: A ROMANIAN PERSPECTIVE**

**Author: Associate Professor MIHAELA GÖNDÖR, Ph.D., "Petru Maior" University of Târgu-Mureș, Romania**

**Abstract:** Based on the assumption that pro-cyclical fiscal policy does not assist in smoothing the output volatility, which represents an important conclusion of our previous research, the aim of this paper is to examine the interrelated aspects of the business cycle and fiscal policy - such as real GDP, real expenditures, budgetary deficit, unemployment rate, and taxation - in Romania. Using IMF, Eurostat and Romanian Ministry of Finance - statistical data, comparing the different fiscal policies of different periods of 2005-2011 business cycle in terms of cyclicality, the paper finds strong evidences regarding the pro-cyclical character of fiscal policy in Romania, in both boom and recession period. Connecting our empirical results to our previous research regarding automatic stabilizers and discretionary fiscal policy, the study concludes that fiscal pro-cyclicality in Romania arises from both the weakness of automatic stabilizers and the pro-cyclical bias of discretionary policies. The findings support our hypothesis and call for a rethink of significant adjustments to fiscal policy in Romania.

### **10. PROS AND CONS FOR ADOPTING EURO**

**Author: Scientific Researcher II ELENA PĂDUREAN, Ph.D., Centre for Financial and Monetary Research „Victor Slăvescu”, Romanian Academy, Romania**

**Abstract:** By the establishment of the Euro monetary area, with two large pillars, the European Central Bank and the single currency, for the first time in history "a central European producer of symbol-currency appears, which not only delivers the state from the budget limitations imposed by the former regime (European Monetary System), but also opens for it and its partisans new ways for enrichment, at the expense of the other citizens. This is the true purpose of ECB and this is the intention of its creators" [Hulsmann].

### **11. EVALUATION ASPECTS REGARDING THE MANIFESTATION OF THE INTERACTION BETWEEN THE TAX AUTHORITIES AND THE TAX PAYERS IN THE CONTEMPORARY ROMANIAN SOCIETY**

**Author: Scientific Researcher IONEL LEONIDA, Ph.D., Centre for Financial and Monetary Research „Victor Slăvescu”, Romanian Academy, Romania**

**Abstract:** The social-economical evolution and progress of a country are significantly influenced by the condition of the national tax system, its history, consolidation and performances. At their turn, the tax system performances are the evolutive results, stratified and consolidated in time, materialized in the quality of the interaction between the tax authorities and the tax payers. These

fiscal elements, manifested between the tax authorities and the taxpayers, of a behavioristic and even cultural nature and less quantifiable, can be traced in the quality of the fiscal regulations, their voluntary conformation degree, the mutual interaction style and, consequently, the dynamics of some fiscal-budgetary and economic indices. The proposed paper draws away from the quantitative approach of taxation and aims at offering an exclusive qualitative evaluation of the interaction action between the tax authorities and the taxpayers in the contemporary Romanian society, by combining research methods, such as the logical analysis and the descriptive analysis.

## **12. FUNCTIONING STRATEGIES AND MECHANISMS OF THE MICROFINANCING SECTOR AT INTERNATIONAL LEVEL**

**Authors: Associate Professor RODICA PERCIUN, Ph.D., Ph.D. Student VIORICA POPA, National Institute for Economic Research, Academy of Sciences of Moldova, Republic of Moldova**

**Abstract:** This paper aims to provide a complete picture of EU experience in the field of microfinance. This sector has been actively developing in EU in recent years, after the increased attention and interest from the public authorities. Thus, the purpose of this research is to describe the microfinance model characteristic for EU justify the correlation between microfinance and small and medium-sized enterprises (SMEs). The paper defines microcredit and presents its current status in the EU. Following this, the author summarizes the main microfinance institutions in selected CEE countries. In the final section, the author shares his professional recommendations and puts forward a directive on the hallmarks of good micro financing.

## **13. DESCENTRALIZATION AND FINANCIAL AUTONOMY – AN OPPORTUNITY FOR LOCAL AUTHORITIES FROM THE REPUBLIC OF MOLDOVA**

**Author: Professor habil. TATIANA MANOLE, Ph.D., National Institute for Economic Research, Academy of Sciences of Moldova, Republic of Moldova**

**Abstract:** In this article the author examines the process of decentralization and financial autonomy as a result of using the new methodology for drafting the local budgets based on the formula. The key element is researching the impact of the new funding system has on changes occurring in the communities. The new funding scheme is a chance for the citizens of communities to have available quality services, and local government has new opportunities to increase the tax base, to supplement their income and provide citizens with a higher level of living.

## **14. METHODOLOGICAL CHALLENGES AND PRACTICE REGARDING PUBLIC SECTOR PERFORMANCE MEASUREMENTS**

**Author: Associate Professor Habil. OANA-RAMONA LOBONȚ, Ph.D., The West University of Timișoara, Romania**

**Abstract:** This paper aims to highlight, in a synthetised method, the possibilities to outline a set of specific indicators that are to prove their utility in the process of measuring the performance and efficiency of the public sector. The quantifying instruments of the public sector results require

their inclusion in a systematic process that allows evaluating their efficiency and effectiveness on an institutional level, as well as from a decisional perspective and, also the quality of the public services related to the satisfaction and well being of the citizens. As a result of the continuous progress that was registered for life standards, the contribution made by non-governmental organizations and the civil society, the relevance for measuring the performance of the public sector has become strategically important in orientating and organizational monitoring and decision taking of the sector. The systems for measuring the performance in the public administration prove their utility in the context of maintaining organizational control and stability, as well as for anticipating chances, shocks and crisis that intervene in the process of good governance. The present paper aims to summarize an analytical framework of the performance and efficiency of the public sector, from the point of view of the indicators' relevance and methodologies that are usable. The registered results prove that the non-parametrical analysis methods for performance and efficiency are operating best when all aspects of the production process can be captured in a limited number of in and out dimensions, as well as when a relatively large range is available.

#### **15. REVIEW OF THEORIES CONCERNING SEIGNIORAGE**

**Author:** Scientific Researcher CAMELIA BĂLTĂREȚU, Ph.D., Centre for Financial and Monetary Research „Victor Slăvescu”, Romanian Academy, Bucharest, Romania

**Abstract:** In the literature and in practice there is no unanimity regarding the definition and the measurement of seigniorage revenue. Usually, the seigniorage is seen as an important source of government finance without levying conventional taxes. In this paper, the author presents some main conceptual aspects of seigniorage that have been used in the literature, trying to delineate these terms: monetary seigniorage, fiscal seigniorage, inflation tax, opportunity cost of holding money.

#### **16. THE STIMULATIVE OR INHIBITOR IMPACT OF THE ASSOCIATIVE STRUCTURES OF LOCAL AUTHORITIES ON LOCAL FINANCIAL AUTONOMY**

**Author:** Ph.D. Student ALEXANDRU BOCIU, West University of Timișoara, Romania

**Abstract:** This paper attempts to emphasize the effects generated by different forms of association of local authorities upon the local financial autonomy. This empirical analysis we put forward highlights the extent to which we can speak about a legislative support and agreement in relation to the process of association of several local authorities and the financial impact such associations may have upon the local budget of a local authority. The data set we used highlights the particular case of a local community which became member of an intercommunity development association of Timis County (contracts with operators before and after accession in ADID, budgetary planning and the amount of local taxes sanitation). The empirical results we got underline the financial impact such association may have upon the town hall and the extent to which the town hall and the decisions of the local council may effectively apply the principles of local autonomy conferred and supported by the law no. 215/2001.

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### **17. COMPARATIVE ANALYSIS OF THE RESEARCH METHODS IN SIZING REGIONAL DEVELOPMENT**

**Author: Ph.D. Student LENUȚA PANTEA, West University of Timișoara, Romania**

**Abstract:** Development regions need to start new mechanisms for regional growth, structural instruments of the European Union, which are aimed at stimulating economic growth, and reduce disparities between regions, require careful implementation and adaptation to the specific of the country or regions. The overall objective of many of the research was to assess the economic and social process through various indicators which often have different measurement units. In such situations, data transformation and/or their normalization is inevitable. In this study, we intend to analyze the advantages and disadvantages of normalization methods used in sizing regional development. Regional development involves using in a most efficient way of local resources and those attracted nationally or internationally with a view to raising regional competitiveness and close the economic gap between regions. In this study we present the theoretical aspect relating to the method of ranks and relative distances method, considering that they are the most conclusive for regional development.

### **18. THE FINANCIAL MARKET IN ROMANIA IN THE POST-CRISIS PERIOD**

**Authors: Associate Professor MIHAELA-ROBERTA STANEF-PUICĂ, Ph.D., Economist GEORGIANA PANAITÉ, Academy of Economic Studies, Bucharest, Romania**

**Abstract:** The modern economy present in nowadays, defined as competitive, competence, and adapts to the current needs of globalization cannot be conceived without the existence and operation of an efficient financial market. The financial market it was transformed in the past decades into a debated topic at both national and international, being a central topic of many scientific research in post crisis period. In this paper we approached the representative theoretical and practical characteristics of the financial market, by reference directly to the Romanian financial market. Also, we intend to analyze the capital market in Romania during 2010-2015, because we consider that market evolution can be observed through linear regression multifactorial.

### **19. ANALYSIS OF THE BUDGET OF STATE SOCIAL INSURANCE IN THE REPUBLIC OF MOLDAVIA**

**Author: Scientific Researcher ECATERINA GARABAJI, Ph.D. Student, National Institute for Economic Research, Academy of Sciences of Moldova, Republic of Moldova**

**Abstract:** Actuality of article consists in performing complex analysis of state social insurance budget for the years 2005-2014. The aim of this work is to elucidate the real situation in terms of financing social protection system which is part of the national public budget of Republic of Moldova and determination of its interdependence with demographic trends, namely aging.

## **20. PATENT SYSTEM OF TAXATION IN REPUBLIC OF MOLDOVA: ANALYSIS AND OUTLOOK**

**Authors: Scientific Researcher LAURA AFTENI, Ph.D., Associate Professor ANGELA TIMUȘ, Ph.D., Scientific Secretary, National Institute for Economic Research, Academy of Sciences of Moldova, Chișinău, Republic of Moldova**

**Abstract:** In Moldova is broadly used the patent system of taxation for individual entrepreneurs. The entrepreneurial patent was created to reduce the adverse impact of economic transformations on sole entrepreneurs and serves as a simplified tax system that does not require state registration. The patent system provides an opportunity to record the activities of small businesses that otherwise would have been conducted in total informality. With its huge shadow economy and poor business climate, Moldova needs to take more significant measures to improve the micro-enterprise working environment beyond the current patent system. This paper studies the practice of application of patent tax, analyses economic and social effects of it, and possible prospects of patent taxation system development.

## **21. THEORETICAL EVIDENCES REGARDING METHODOLOGIES OF CALCULATING EFFICIENCY OF PUBLIC SECTOR**

**Author: Ph.D. Student ASEM ALSHAMI, West University of Timișoara, Romania**

**Abstract:** This paper consists in a literature and practice investigation regarding measurements metrics of public sector performance. The proposed investigation begins with consideration of the features of the public sector and the difficulties to measure the performance due to multiple principals and multiple tasks. The analysis provided the limitations of performance measurement systems. Although a variety of performance measures exist, our investigation emphasizes need for creation of composite indicators (aggregate indicators) in the public sector used widely in infrastructure, health, social services, education, administration and other service areas. Despite the apparent simplicity of composite measures, our paper reveals that their use and interpretation raises several challenges: i) different methods and methodologies of constructing composite indicators (Data Envelopment Analysis (DEA), Free Disposal Hull (FDH) methodology, Principal Component analysis (PCA)); ii) the uncertainty influence on composite indicators; iii) the variation in performance due to factors beyond the control of managers or iv) the iterative consultative approach performance.

## **22. LOCAL FISCAL INSTRUMENTS FOR "GREEN CITIES" – CASE OF ROMANIA**

**Authors: Lecturer ELENA RUSU (CIGU), Ph.D., Associate Professor FLORIN OPREA, Ph.D., "Alexandru Ioan Cuza" University of Iași, Romania**

**Abstract:** One of the great challenges that local authorities have to face in the current period of time is climate change and that environmental protection, the responsibility of creation or strengthening green cities appearing in the forefront. In this context, the success of policies based on regulations can be sustained and substantially enhanced by appropriate use of local fiscal instruments such as taxes, fees or expenditures. From this point of view, our paper suggests some alternative design, implementation and use of these fiscal tools so that they can manifest

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realistic as active levers to influence the activities and behaviors of actors involved to develop and strengthen green cities.

### **23. NBR'S MONETARY POLICY AND ITS IMPLICATIONS ON ECONOMIC GROWTH**

**Authors: Associate Professor ELENA-VIOLETA DRĂGOI, Ph.D., Ph.D. Student OANA-MIHAELA ILIE, Valahia University of Târgoviște, Romania**

**Abstract:** The study was developed to show the interaction between economic growth and monetary policy implemented by NBR to assess its impact on the main macroeconomic variables (GDP, exchange rate, inflation rate), through the influence of monetary authority decisions on economic and financial conjuncture. Global economic climate facing at the moment with a process of which covers all areas, but especially the aspects that fall under the influence of central banks and monetary policy conducted by them. In this context, the present study aims to determine the optimal degree of monetary authorities to engage in the economy, focusing on this issue for a thorough study of the transmission mechanism of monetary policy and the complex processes of transit effects resulting from monetary policy decisions to macroeconomic variables involved. Studying the optimal monetary policy of the NBR to achieve final objectives becomes even more important as its in-depth understanding can provide vital clues in responding, because, after all, matters primarily the effects of monetary policy decisions (or their absence), and the link between that decision and the final economic reality is given precisely the structure and functioning of the transmission mechanism.

### **24. THE NEED OF YOUTH EMPOWERMENT THROUGH CIVIC EDUCATION**

**Authors: Associate Professor Habil. OANA-RAMONA LOBONȚ, Ph.D., Lecturer SORANA VATAVU, Ph.D., Master Student MILENA-JANA SCHANK, The West University of Timișoara, Romania**

**Abstract:** Reality often shows that young people are disconnected from civic and political life, which leads to a noticeable lack of education and participatory involvement. This paper aims to highlight an empirical analysis performed among students in business and economics, in order to reflect the need for education regarding participatory civics, the level of education and knowledge on the basic concepts of participatory democracy. The study presents results from a questionnaire with 250 respondents. They were asked to evaluate certain statements and express their opinion (agreement or disagreement) on the role of participatory democracy and their involvement in resolving issues in the society. Results showed that the majority of respondents do not know the specific notions of participatory democracy. The main conclusion of this investigation on civic education states that there is a low level of participation or active involvement of young people in the Romanian society. In order to solve this problem, particular attention needs to be paid on adapting and improving the educational offer in terms of the development of civic and ethical skills.



## **25. THE REGIONAL DEVELOPMENT– ESSENTIAL STRATEGIC BASE IN FUNDING PROGRAMS**

**Authors: Scientific Researcher GEORGIANA CHIȚIGA, Ph.D.; Scientific Assistant SILVIA-ELENA ISACHI, Ph.D. Student, Centre for Financial and Monetary Research „Victor Slăvescu”, Romanian Academy, Bucharest, Romania**

**Abstract:** In order to regain the lost years and to become known in the European Union as a prosperous, educated and appreciated nation, the European integration of our country should be a process able to contribute to the economic and social development. In the present conditions, in which the Romanian economy still fights with serious structural problems, we need coherent and unitary strategies that have as main purpose the programming, prioritization and surveillance of regional development politics. The regional development represents an essential component of the process of reformation in our country and it has the purpose the diminution of economic and social disequilibrium accumulated, to provide and remove new disequilibrium and the support of durable development of all the regions of our country. Access to financial resources through European cohesion policy it is one of the main economic benefits. Conceived as a politics of solidarity at European level, regional politic is based on financial solidarity that is on the redistribution of a part of the communitarian budget, realized with the contribution of the member states by the region, countries and social groups less prosperous.

## **26. TRENDS IN TAXATION OD EUROPEAN UNION MEMBER STATES**

**Author: Lecturer GICA-GHERGHINA CULIȚĂ, Ph.D., "Constantin Brâncoveanu" University of Pitești, Romania**

**Abstract:** Taxation was and continues to be the chapter to which the European Union can't find any solution and real measures for sustaining the integration process. Fiscality's level, very different to the 28 fellow states, can't reconcile the various requests from the fellow states. In this piece of work we will analyze the European Union fiscality level based on the recent data given at the European level. The economical worldwide crisis seems endless for the majority of the European Union states, for this reason, we propose to analyze how the fiscal changes from the past years in Romania contributed to economic recovery and what are the perspectives in this domain.

## **27. PARTICULARITIES OF THE COMPANIES WITH LOCAL ACTIVITY**

**Author: Scientific Researcher MIHAIL DIMITRIU, Ph.D., Centre for Financial and Monetary Research „Victor Slăvescu”, Romanian Academy, Bucharest, Romania**

**Abstract:** In our view, companies operating locally engine should be both balanced territorial development, and sustainable development. In this regard, our research focused on finding mechanisms, means, techniques, methods by which financial side asymmetry territorial development plan can be reduced, consistent with the objectives of sustainable development at national and regional level. In our country, just administrative doctrine is the biggest obstacle to

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territorial development plan of these types of companies. Although there is a favourable legal framework that allows private provision in the form of public services, there are many cases when they are made by local government, but at a level determined predominantly by sources and appropriate level of financial resources. An alternative to the current state is the economic development zone, a concept proposed by us and trying to solve problems of interconnecting various locations (sized entities with different socio-economic structures) but which have in common a particular purpose. Public - private partnership thus becomes another dimension, the territorial level, the ultimate goal of meeting the needs of the population in the area.

## **28. MAIN TRENDS OF THE EVOLUTION OF THE FISCAL SYSTEM IN THE EUROPEAN UNION**

**Authors: IVAN LUCHIAN, Ph.D., AURELIA ȚEPORDEI, Ph.D., International Institute of Management IMI-NOVA, Chișinău, Republic of Moldova**

**Abstract:** The process of European integration of the Republic of Moldova requires, along with other measures, the adaptation of national tax system to European Union requirements. This task need permanent knowledge of quantitative and qualitative transformations taking place in the EU tax system. For this has been studied tax system of the European Union through the related regulations and recent analytical publications. The research results was determined that the main tendencies of European integration are mainly related to three basic directions. The first is related to attempts to ensure the sustainability of fiscal policy in the EU countries and using taxes as a lever to obtain financial, economic and social results. Second direction is expressed by two contradictory processes: tax harmonization and tax competition. Tax harmonization is a process of compatibility between national legal norms of the Member States and between national legal rules and EU regulations, which not prevent some countries to promote a non-cooperative rivalry among the involved parties that seeks to improve the attractiveness of their territories through a tax advantage. The third direction means the fight unfolded in the Union Eoropene with tax fraud. All this will be reflected in this article.

## **29. DIGITAL CURRENCY IN THE CURRENT CYBER SECURITY ENVIRONMENT**

**Authors: Ph.D. Student RADU BORES, Assistant ANA-MARIA HLACIUC, Ph.D., "Ștefan cel Mare" University of Suceava, Romania**

**Abstract:** This paper presents a view over the development of new technologies and infrastructures that lead to the rise of decentralized digital currencies such as Bitcoin. In the context of an evolving cyber security environment and increasing dependence on computer systems, such solutions present not only interesting applications, but also challenges to developers, regulators and even users. We analyze several financial applications branching out of this technology and various derivatives from the initial developments, such as smart contracts. Also, we look at several limitations that have to be addressed in order for these technologies to be sustainable for the future and succeed.

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### **30. THE FINANCIAL AUDIT REPORT – BASE OF THE MODERN MANAGEMENT**

**Author: Professor ELENA-SILVIA DINCULESCU, "Maria Teuleanu" Economic College, Pitești, Romania**

**Abstract:** The shareholders and the investors shall be informed about the actions of the company's management and their results. The steps and procedures that have been taken during the financial audit depend on accounts and assessment domains which are provided by the company's operations. The auditor is in charge with evaluation of adequacy and implementation of the financial information performed for the management with a view to acknowledge the reality of the entity. Auditing the financial statements is made up the credible evidence of the economic transactions. The financial auditor's task is very important in the society.

### **31. ASPECTS OF THE METHOD IN THE FINANCIAL AND MONETARY RESEARCH METHODOLOGY IN THE PRESENT CONDITIONS OF ECONOMIC TRANSFORMATION**

**Authors: Professor der. OLEG STRATULAT, ASE Moldova, GHENADIE CIOBANU Ph.D., INCSMPS, ASE Moldova**

**Abstract:** In the current conditions of global crisis, building society and knowledge economy and in the financial-monetary research must adapt to new conditions, analysis and paradigm shift. In this article we intend to discuss how we can change the paradigm in the financial and monetary research both at micro, macroeconomic and internationally.

### **32. THEORIES AND POLICIES ASPECT OF DEVELOPMENT OF THE DIGITAL ECONOMY**

**Author: GHENADIE CIOBANU, Ph.D., INCSMPS**

**Abstract:** The challenges of contemporary society and economy, development of information technologies and telecommunications requires us to rethink economics and asking to be restructured. Both associative knowledge and knowledge economy needs to be put into practice at the same time as efficiently and operatively. In this material we propose a review of current theories in the digital economy and the possibilities for implementation in the current activity in various fields.

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### **SECTION III**

## **COMPETITIVENESS AND GROWTH EFFICIENCY THROUGH SUSTAINABLE BUSINESS MODELS**

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**Moderators:** Professor OVIDIU PUIU, Ph.D.  
Associate Professor CRISTINA ȘERBĂNICĂ, Ph.D.  
Associate Professor CRISTINA GĂNESCU, Ph.D.

**Location of paper presentation:** Amf. 2

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#### **1. DEFICIENCIES OF CORPORATE GOVERNANCE OF THE BANKING SECTOR IN THE REPUBLIC OF MOLDOVA**

**Author:** Scientific Researcher DORINA CLICHICI, Ph.D., National Institute for Economic Research, Academy of Sciences of Moldova, Republic of Moldova

**Abstract:** The article is a continuation of researches initiated by the author on corporate governance challenges for the stability of the banking system and destabilizing effects of weak corporate governance structures within banking institutions in the Republic of Moldova. The article has the purpose to identify weaknesses in corporate governance arrangements in the current banking system and presents the main recommendations for eliminating these deficiencies. In order to achieve this goal was performed the analysis of legislation that regulates the banking system and of currently in place corporate governance code. Despite some progress on implementing the recommendations of the International Monetary Fund and the reported satisfactory performance of banks, the following deficiencies of corporate governance in the banking system were identified: opaque shareholders structures and the issue of ultimate beneficial owners disclosure; deficient quality of banks' councils; the current corporate governance code does not consider the essential elements recommended by the Basel Committee; the lack of a consistent concept on corporate governance in the banking system in Moldova aligned with Basel Committee's recommendations.

#### **2. SOME NOTES ABOUT THE COMPETITIVENESS OF ROMANIAN COMPANIES**

**Author:** Professor MARIUS GUST, Ph.D., "Constantin Brâncoveanu" University of Pitești, Romania

**Abstract:** The economic crisis has affected the Romanian economy in 2008 seems to have been left behind, because at least 16 quarters statistic tells us that our country's GDP increases, even if there were a few small stumbles. However, I believe that this growth does not seem to reach all Romanians and all businesses. Does the reasons why economic growth is felt by many businesses and many employees? Also, Romanian entrepreneurship seems to have many health

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problems. Thus, many companies close or report losses or face financial indiscipline. Unfortunately, they are not diagnostic for only a few businesses. Moreover, these problems are recorded both private enterprises and in the state capital.

### **3. EMERGING INDUSTRIES AND THE COMPETITIVE ADVANTAGE OF REGIONS IN THE EUROPEAN UNION**

**Authors: Professor OVIDIU PUIU, Ph.D., Associate Professor CRISTINA ȘERBĂNICĂ, Ph.D., "Constantin Brâncoveanu" University of Pitești, Romania**

**Abstract:** Regional competitiveness has gained more and more attention in recent years, as a result of the increased competition for capital investments, knowledge-based activities and human capital on the global markets. From this perspective, a region is considered to be competitive if it succeeds to attract and retain competitive companies and highly skilled workforce on its territory. In this context, the purpose of our current study is to shed light on the overall size and the patterns of specialization in selected emerging industries at the European level, while emphasizing the growth perspectives for Romanian regions. Policy implications for constructing regional advantages at both the national and local level are discussed in the final part of the paper.

### **4. THE SUMMIT MEETINGS FOR THE PROSPERITY OF THE PLANET**

**Authors: Professor EMILIAN M. DOBRESCU, Ph.D., Senior Researcher I, titular member of Academy of Scientists, Romania, Scientific Secretary of Economic, Law and Sociological Sciences Section of Romanian Academy, Institute for World Economy; Scientific Researcher EDITH DOBRESCU, Institute for World Economy, Romanian Academy, Bucharest, Romania**

**Abstract:** Summits of the Countries in Asia and Europe (The Asia-Europe Meeting - ASEM) is a year informal process of Dialogue and Cooperation Bringing together the 28 member states of the European Union (EU), two Countries that has not EU members, the Union Europe itself, with 21 Asian Countries, together with the secretariat of the Association of South East Asian Cooperation (ASEAN). Level Dialogue ASEM has three pillars: political, economic and cultural, with the pursuit of Objectives Defining the relations between the two continental Regions of the world in the spirit of mutual respect and Equality to all our partners involved action. At summit meetings held Attended (in alphabetical order): Australia, Austria, Bangladesh, Belgium, Brunei Darussalam, Bulgaria, Cambodia, China, Cyprus, Korea, Croatia, Denmark, Estonia, Russian Federation, Philippines, Finland, France Germany, Greece, India, Indonesia, Ireland, Italy, Japan, Kazakhstan, Latvia, Lithuania, Luxembourg, Malaysia, Malta, United Kingdom, Mongolia, Myanmar, Netherlands, Norway, New Zealand, Pakistan, Poland, Portugal, Czech Republic, Lao People's Democratic Republic, Romania, the ASEAN Secretariat, Singapore, Slovakia, Spain, Sweden, Thailand, Hungary, the European Union and Vietnam. Coordinators for Asia is Malaysia and Mongolia, and for Europe - European External Action Service and the country holding the rotating presidency of the Union.

## **5. ANALYSIS THE ENTREPRENEURSHIP INITIATIVE OF STUDENTS. STUDY CASE – STUDENTS FROM "CONSTANTIN BRÂNCOVEANU" UNIVERSITY**

**Author: Associate Professor SEBASTIAN GEORGE ENE, Ph.D., "Constantin Brâncoveanu" University of Pitești, Romania**

**Abstract:** The present scientific approach aims is to analyze the entrepreneurship initiative of students. It is researched desire and ability of students to develop business upon they finish their studies. As a research method it is used interview (questionnaire) where students identify problems and responses to these issues. Also we have used specific methods of statistical analysis and we have elaborated the multiline regression model which highlights the dependent variable and the independent variables of student problems regarding entrepreneurship. In this context we will have a image of these issue.

## **6. DESIGN ANALYSIS OF A COMPANYS COMPETITIVE CHARACTERISTICS BY FIS-MAMDANI VS FIS TAKAGI-SUGENO-KANG**

**Author: Eng. Ec. Ph.D. Student DANIEL-PETRU GHENCEA; Professor Eng. MIRON ZAPCIU, Ph.D., correspondent member of Academy of Sciences, "Politehnica" University of Bucharest, Romania**

**Abstract:** Competitive analysis of the characteristics of an organization using fuzzy logic represents a new approach because it is based on rules that are similar to human thinking. Due to the simplicity of the calculation of datasets uncertain fuzzy logic analysis indicated two ways defuzzification Mamdani FIS and FIS TSK to have a more realistic overview leading to more accurate forecasting. The paper presents the classic calculation and realization of graphs comparing the graphics mode performed with the software Matlab R2011b. The results are based on a comparative analysis between Mamdani FIS and FIS TSK. The purpose of this paper is to show how the practical realization of such an analysis type Multi-Input Single Output - MISO by showing the steps to take and interpretation of results. Type multi-criteria decisions of special interest because it covers a spread spectrum analysis data sets entry through flexibility, which gives robustness in various applications regardless of their field.

## **7. CASE STUDY: LA BOULANGERIE DU VILLAGE**

**Authors: Student SAMUEL HÉBERT, Student SANDRINE LACROIX, Student CHRISTINE PLANTE, Professor DOINA MUREȘANU, Ph.D., "Université du Québec en Abitibi-Témiscamingue, Canada**

**Abstract:** Taking place in a region of the province of Québec, Canada, the case presents a major change situation due to the departure of a key employee of a family business in the bread industry. The measures adopted within the change, which were appropriate and meant to improve the work conditions for the employees who decided to stay, proved to be difficult to apply and having undeniable negative consequences upon the organizational climate and the employees' satisfaction at work. Addressing to management students, the case places them in the role of the change management expert who should propose solutions in order to solve the problematic situation.

## **8. SOME CONSIDERATIONS ON THE WORK OF FREELANCERS**

**Author: Assistant ISABELA STANCEA, Ph.D., "Constantin Brâncoveanu" University of Pitești, Romania**

**Abstract:** In the current socio-economic situation in Romania, the best way of efficient functioning of a small business is the authorized natural person. The authorized natural person is a natural person who meets the conditions provided by law to carry out any form of economic activity permitted by law, using mainly its workforce. The economic activities provided by an authorized natural person may be carried out in all areas, trades, occupations or professions that law does not expressly prohibit for free initiative. The authorized natural person may conduct its activity according to the purpose for which it was established or may employ, as an employer, third parties with an individual employment contract concluded under the law. A person can cumulate the status of authorized natural person with that of employee of a third party that works both in the same field, and in another area of economic activity than that for which it is authorized. The authorized natural person shall not be considered an employee of third parties with whom they collaborate, even if collaboration is exclusive.

## **9. COMMISSIONING PAYMENT AND ITS EFFECTS**

**Authors: Associate Professor SEBASTIAN-GEORGE ENE, Ph.D., "Constantin Brâncoveanu" University of Pitești, Romania; DĂNUȚ CHILAREZ, Ph.D., member of Chamber of Financial Auditors of Romania**

**Abstract:** Through this article they are exposed and analyzed some of the effects arising from the banking system commissioning payment. It is made research about Romanian banking system, about his problems and the reasons which led to commissioning payment. As research methods we are used: situational analysis, deduction, qualitative and quantitative analysis. Through these methods we trying to identify and analyze the economic, financial and social impact provoked by this law.

## **10. THE AGE OF SUSTAINABLE BUSINESS MODELS**

**Authors: Professor SORIN-GEORGE TOMA, Ph.D., Professor PAUL MARINESCU, Ph.D., Assistant CĂTĂLIN GRĂDINARU, University of Bucharest, Romania**

**Abstract:** Sustainability has become a key concept in the business world in the past decades. It represents a holistic approach that covers several topics such as environmental issues, social equity or economic development. A business model is connected with its value proposition and shows the way a company operates and. The old business models are no longer possible. They were grounded only on an economic foundation. Today's business models are increasingly sustainable business models that align the profit imperative with the environmental benefits. The aims of our paper are to define the concept of sustainable business model and to highlight its significance in the current business world. Our research is based on a literature review.

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#### **11. PROMOTIONAL POLITICS, INFLUENCE FACTOR OF ECONOMIC COMPETITIVENESS GROWTH**

**Authors:** Lecturer DELIA TESELIOS, Ph.D., Associate Professor MIHAELA IONECI, Ph.D., "Constantin Brâncoveanu" University of Pitești, Romania

**Abstract:** In an ever changing economy, a firm's competitiveness is an essential issue for a successful business. Increasing competitiveness by raising the visibility is one of the steps that any business can use. A good communication for the transmission of relevant information about the company and the products or services is important in the current period. Starting from this goal, we determined the average mix that leads to maximizing audience, using the Solver module of the Excel spreadsheet program. Using this module offers the possibility of determining the optimal combination of variants of promotion according to the restrictions set by the company.

#### **12. DIAGNOSIS OF CONTEMPORARY SOCIETY'S EDUCATION FOR THE DÂMBOVIȚA COUNTY – DEVELOPING STRATEGIES FOR SUCCESS**

**Authors:** Professor CONSTANȚA POPESCU, Ph.D., Ph.D. Student MARIA PĂUN, "Valahia" University of Târgoviște, Romania

**Abstract:** A state is valuable when it has educated able citizens, and this is interdependent with the existence of an effective education, education compatible with the European systems, that ensures young people equal access to education for sustainable development and for permanently boosting adult education. The theme of the article is education status and it aims at providing an analysis of the most relevant indicators of education. The research focused on the analysis of secondary sources, statistics taken from the INS and ISD.

#### **13. THE VISIONARY LEADER AND HIS ROLE IN THE BUSINESS DEVELOPMENT**

**Author:** Ph.D. Student DIANA-ELENA ZAHARIA, "Valahia" University of Târgoviște, Romania

**Abstract:** In any field of activity, be it religion, politics, economy, medicine, business, philosophy, sociology, education or army there are leaders of excellence. These ones make the rules relying on their own experience and vision and remain in history as a reference point for the future evolutions. The concept of leadership has captivated minds; the people's imagination and was a source of concern for commanders, leaders and elite group along the centuries. Thus, the leaders of excellence were noticed, those who, across the time, have influenced the development of humanity by their acts and revolutionized the fields of activity as religion, culture, history, industry, technology, economics, philosophy, sociology, business etc. They have brought added value to the development of knowledge, theories and established new discoveries through innovation and creativity.

#### **14. CITY MARKETING AND CITIES' COMPETITIVENESS**

**Author:** Associate Professor MIHAELA ASANDEI, Ph.D., "Constantin Brâncoveanu" University of Pitești, Romania

**Abstract:** Starting from the premises that cities have become the economic drivers of the European regions and that the EU currently faces various changes imposed by globalization, the



international crisis and migration, urban marketing can be used as a tool for applying the urban policies within the European urban settlements. The purpose of this paper is to approach the issue of cities' competitiveness within the present context of economic and social development, enhancing the aspects of competitiveness and the necessity of creating competition between cities, by constantly increasing the demand for goods and public services and by redirecting the local authorities' attitude from administration to urban management and marketing.

### **15. COMPETITIVE BUSINESS MODELS IN E-COMMERCE**

**Authors: Assistant CĂTĂLIN GRĂDINARU, Professor PAUL MARINESCU, Ph.D., Professor SORIN-GEORGE TOMA, Ph.D., University of Bucharest, Romania**

**Abstract:** Business models basically represent the way a company conducts its business and it embodies all the elements involved in order for it to function properly. It is critical to understand the layout of the business because the way a company works and acts from a business standpoint echoes across the markets and may be easily observed by looking at its quantification in revenue streams. One of the most important features a firm should have in nowadays somehow turbulent economic environment is flexibility. It is this "trait" that usually is the differentiator between companies in being the first on the market, permitting it to easily "grab hold of" bigger market shares or even in creating new markets - blue oceans. The way a company "reacts" to change, or how it acts in an economic sense is not only inherently linked to employees, turnover, connections (networks, good relationships with different entities), etc. but also with its business model itself. With this in mind, e-commerce is one type of business model that enhances a firm's competitiveness. The aims of our paper are to highlight the importance of e-business models in nowadays business environment and the edge it gives companies in competitiveness over some that don't embrace this link between traditional models and online commerce. Our research is based on literature review.

### **16. THE STRATEGIC CHARACTER ATTRIBUTED TO NEW INFORMATION AND COMMUNICATIONS TECHNOLOGIES (NICT) USED IN THE FRAMEWORK OF THE INFORMATION SOCIETY**

**Authors: Professor CONSTANȚA POPESCU, Ph.D., "Valahia" University of Târgoviște, Romania; Associate Professor SILVIA-ELENA IACOB, Ph.D., "Academy of Economic Studies", Bucharest, Romania; OANA-MIHAELA ILIE, Ph.D. Student, "Valahia" University of Târgoviște, Romania**

**Abstract:** The fast technological progress has favored the perfect synchronization of the new technologies with the major socio-economic trends, which has determined the use of the New Information and Communications Technologies (NICT), as a real strategic challenge, by certain companies, whereas others considered them only investments in technology. According to the specialized literature, four groups of variables were identified, highlighting the strategic character of NICT, namely: the context of the company (sector, size and dispersion), the managerial context (form of leadership, structure and strategy), the cultural context (culture of the company) and environmental context (competition level and environmental uncertainty). The present work

focuses on the projection of a theoretical model of the key factors determining the strategic character attributed to NICT by the companies.

#### **17. THE ROLE OF INDIVIDUALS FORMAL EDUCATION IN THE CURRENT CENTURY**

**Authors:** Ph.D. Student NICOLETA CICIOC, "Valahia" University of Târgoviște, Romania, Ph.D. Student DIANA ȘERB, "Valahia" University of Târgoviște, Romania

**Abstract:** Lack of education generates unfathomable repercussions both on the individual and on the society. A State spends more money on an uneducated person than on a person that has benefited of educational services, regardless of the level graduated. A piece of information that is valid today and which we can test, might be outdated after a while, and this highlights the fact that a man should not stop his educational process as soon as he finishes his high school or university studies but should remain forever connected to what is new. Education is a topic arousing the interest of many specialists, yet also the priority axis of the European strategies. The novelty brought by the present paper is that beside a solid conceptual approach we have also realized a research based on a survey approached from two perspectives (the perception of present beneficiaries of formal education and the perception of people who finished their studies). The general conclusion of the paper is that a society without educated people is an endangered society.

#### **18. PSYCHOLOGICAL IMPLICATIONS IN HUMAN RESOURCES PERFORMANCE**

**Authors:** Ph.D. Student TIBERIU ILIODOR PLEȘA, Ph.D. Student DIANA ȘERB, Ph.D. Student NICOLETA CICIOC, "Valahia" University of Târgoviște, Romania

**Abstract:** With the theme of psychological implications on performance at work (level of involvement, attitude towards work and colleagues) this article is divided into two parts: state of knowledge and practical part. In the conceptual knowledge stage we use the literature. The practical part is based on a quantitative research conducted with the help of a survey among an organization's human resources. The working hypothesis of the article was based on the fact that a person might not have a good opinion of himself, a person who is not satisfied with himself is unable to engage in activities in the workplace. To sustain our scientific approach some hypothesis testing was conducted both on absolute and relative frequencies and through parametric and nonparametric tests (correlation and hi square test). The most relevant conclusions drawn as a result of research carried out show that a person with low self-esteem does not obtain performance at work.

#### **19. IMPROVING ENERGY MANAGEMENT IN THE FOOD INDUSTRY USING THE MOTIVATIONAL AND PREDICTION FACTORS EVALUATION AND ENERGY EFFICIENCY MEASUREMENT SYSTEM**

**Author:** Ph.D. Student CORINA GRIBINCEA, National Institute for Economic Research, Academy of Sciences of Moldova, Republic of Moldova

**Abstract:** The article addresses the topics of energy efficiency management, starting from energy system modeling of an enterprise from food industry through the motivational system improvement, predicting and measuring energy efficiency. Based on the survey were determined

the main directions of energy savings and have been specified preconditions for the study, particularly the special features of each process, location, technical age of technological equipment, experience and knowledge of personnel, including criteria-factors that influence the energy efficiency of an enterprise. In the article are determined the axes of enterprise energy consumption and proposed energy efficiency measures for industrial processes.

## **20. STUDY ABOUT THE INVOLVEMENT OF ETHICS IN THE SELECTION AND RECRUITMENT PROCESS**

**Author:** Ph.D. Student CONSTANȚA FUNIERU, "Valahia" University of Târgoviște, Romania

**Abstract:** An organization achieves significant financial results when its labor resource is placed on the job according to its skills, not as a result of failure in respecting ethical principles. We cannot talk about a personnel that is adapted to work if during the selection and recruitment process their resume and skills have not been rigorously analyzed. The subject of ethics in the selection and recruitment process is very important to debate on in current times as the recession led to restricted supply of jobs. Given that there are few jobs, and there's a small number of jobs offers to come, and the fact that they might be taken by people without the necessary training, will lead not to progress, but rather to involution. The article has two parts. It combines the theoretical and the practical parts. During the research part we aim to highlight the concept of ethics in the selection and recruitment process. A quantitative research has been conducted based on a survey among the resources of an organization in order to notice how they perceive the ethics and its applicability in the organization based on a questionnaire.

## **21. STUDY REGARDING THE ASSESSMENT OF PERFORMANCE OF A PUBLIC INSTITUTION IN THE FORESTRY IN THE REGION SOUTH MUNTENIA**

**Authors:** Ph.D. Student ELENA-MIHAELA ILIE (ȘERB), Ph.D. Student CARMEN ȚINCU (BENA), "Valahia" University of Târgoviște, Romania

**Abstract:** Romania has a natural capital superior to many countries members of the European Union. Sustainability is the field where we can compete at the same level with any country in the European Union, provided that we work with perseverance and realism. In this article we intend to answer the following questions: „How profitable is a public institution in field of forest?“, „What measures can be taken by the public institution analysed to become profitable?“. To know the answers we analysed the financial statements of a public institution in the forestry. Thus we have noticed the non-profitability registered by it over a period of time and we proposed certain measures to overcome this critical point.

## **22. KNOWLEDGE – AN UNIVERSAL IMPERATIVE ASSET FOR THE MANAGEMENT AND PERFORMANCE OF MODERN BUSINESS**

**Author:** Assistant LAURENȚIA - ELENA SCURTU, Ph.D., "Ștefan cel Mare" University of Suceava, Romania

**Abstract:** The purpose of this paper is to present the main factors that give to management the possibility of improving the administration activity of modern business, factors identified during a three years period of individual study and theoretical and empirical research, summarized within

this article. In this regard, through the present paper, I underlined the place/location of tacit knowledge in business organizations and I argued their importance in the demarche of reaching the competitive advantage in the current competitive nebula. Simultaneously, I emphasized the role of informatics tools that become influential in disseminating, sharing and multiplying knowledge at the level of business organizations.

### **23. SOCIAL ENTERPRISE AND IT'S ROLE IN THE SUSTAINABLE DEVELOPMENT OF THE COMMUNITY**

**Author:** Ph.D. Student ANA-LOREDANA NEAGU, Bucharest Academy of Economic Studies, Romania

**Abstract:** Modern society is going through a period marked by the worst turbulences. Whether we call that crisis, recession or just changes, humanity is at a crossroads, people loosing not only money, but also moral values. In those circumstances, it is preferable to move towards moral values, which guides us to make others happy. In support of these opinions come European and global legislative regulations that express their purpose of supporting entrepreneurship as an essential part of economic development, although far reaching economic indicators prevailed in the face of growing social welfare of the community members. Social enterprise as economic activity involving mechanisms for solving social problems is a contemporary form of development of civil society, along with the work done by NGOs and corporate social responsibility activities. In these circumstances social entrepreneurs like Muhammad Yunus, founder of Grameen Bank, Billy Drayton, founder of Ashoka and others are noted for their contributions to increasing the welfare of the community. They, and others like them, have an increasingly important role in shaping the sustainable development process of a community. Thus, Article it proposes to capture the benefits emanating from the existence of social enterprise, focusing on their role to contribute to the sustainable community development through a more equitable distribution of income, to create and provide social assistance services, to increase democratization and involvement of the civil society and to improve also the efficiency of public policies.

### **24. THE SUSTAINABILITY DASHBOARD: AN APPRAISAL TOOL FOR BUSINESS AREA COMPETITIVENESS**

**Author:** Lecturer MIOARA BORZA, Ph.D., "Alexandru Ioan Cuza" University of Iași, Romania

**Abstract:** The competitiveness assessment of business represent a preoccupation of theorists and, equally, of global economic area representatives. Also, the concern to identify the role of sustainability concept in business is dynamic. However, we note that the approach of sustainability theme is slipped, often, to the ecology sphere, the economic and social issues remaining in background. We consider that the persistence of confusion has been maintained by the lack of an indicators system for sustainable development, combined in an assembly with real utility. For this purpose, this paper will discuss in practical perspective about the sustainability in business area, analysed in terms of complex competitiveness. The competitiveness studies conducted until now, have involved the assessments based on socio-economic indicators, on the false assumption that the economic activity is able to distribute equable in territory the benefits of

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growth. Often, was ignored the importance of socio-cultural relations between economic actors, able to lead to increased competitiveness. The Index of Regional Competitiveness of European Union measures the competitiveness of companies and regions in correlation with Index of life quality; the sustainability dashboard sustain the importance of sustainability approach in terms of business competitiveness, the notions of competitiveness and sustainability becoming complementary and interdependent.

## **25. SUSTAINABLE BUSINESS – THE WAY OF COMPETITIVENESS AND EFFICIENCY OF ROMANIAN COMPANIES**

**Author: Professor MIRELA – IONELA ACELEANU, Ph.D., Bucharest Academy of Economic Studies, Romania**

**Abstract:** The business world is changing fast, in the context of globalization, of the information technologies development and of increasing concerns for environmental protection. The companies need to be competitive in a market where not just the profit is important, but also how to attract customers, the management and marketing strategies used, and the environmental performance. The paper presents the situation of the business environment in Romania, both in terms of virtual business development and the way in which Romanian companies adapts to the trends imposed by sustainable development and environmental protection. Thus, it is analyzed some indicators that capture the extent that Romanian companies are environmentally responsible. The study shows that, in the last years, Romanian companies give more attention to environmental responsibility, having as reference the international corporations who have developed business in Romania and European legislation in the field.

## **26. ECONOMIC ASPECTS OF FOSSIL FUEL SOCIAL COSTS. WHY DO WE SUBSIDIZE AND MEDIATE THE CLIMATE CHANGE PROCESS?**

**Author: Ph.D. Student IRINA NASALCIUC, National Institute for Economic Research, Academy of Sciences of Moldova, Republic of Moldova**

**Abstract:** Nowadays, humanity is in the position to choose carefully every step it makes in order to ensure economic development without compromising the welfare of future generations who will need a social and ecological climate as favorable it could be. On the other hand, the conventional energy production is achieved taking the risks of the Earth overheating and its aggregate economic consequences, actually this climatic changes already appear in an more and more aggressive way, including on global economies. Over the past few years international organizations such as OECD, the IMF, the IEA, the World Bank are focusing their attention on the fossil fuel subsidies impacts over the energy production and consumption, quantifying the economic and social impacts of fossil fuel reform. The reason this study had to be done is the disadvantageous position of renewable energy industry compared with the fossil fuel's industry situation which lies actually in the adopted subsidy strategy and the lack of measures for internalizing externalities on the sector, which are considered by IMF also a type of fossil fuel subsidy. So, this study presents an updated overlook on the fossil fuel externality problem, revises the identified literature linked to the "externality" notion, outlines the identified trends and polices of internalizing the fossil fuels externalities, and tries to review the estimations of the potential costs

of the global warming as a consequence of too high social costs of the fossil fuel installed technologies. In this purpose there are on their way of implementation different systemic methods of research, including scientific abstraction, deduction, analysis and synthesis and quantitative analysis in order to outline the current situation of fossil fuel externality problem and its potential impact over the economic welfare.

## **27. SENSORY MARKETING OR SENSES IN A SUSTAINABLE BUSINESS**

**Authors: Professor ELENA ENACHE, Ph.D., Associate Professor CRISTIAN MOROZAN, Ph.D., "Constantin Brâncoveanu" University of Pitești, Romania**

**Abstract:** Starting from the five senses with which a person is endowed - hearing, sight, smell, taste and touch, as well as the customer's desire to personally check what he or she is buying, a new way of induced influence has developed – and that is sensory marketing. It deals of course with the senses, more specifically it develops services and technologies through which the potential customer is attracted, "enchanted" in an inspirational environment. Offers cannot be the same. If the products are similar, then the difference is made by the ambiance.

## **28. "SECRETS" OF THE CREATIVE MANAGERIAL ACT FOR SUSTAINABLE BUSINESS**

**Author: Ph.D. Student MIHAELA RADU, "Valahia" University of Târgoviște, Romania**

**Abstract:** Starting from the challenge to configure the robot portrait of the creative manager, I have tried to identify the so-called "secrets" of the successful managerial act. As the expressed vision stops at the time range of 40-50 years, perhaps to allow the young people to verify their ideas, I have extracted the force ideas, respectively the qualities of the manager of the future: the new smart technologies will influence the way business will work, this is why one quality will be the machine-manager, the more and more necessary creativity will demand the creative manager, the need for direct communication will simplify the flow chart, demanding "flattened" structures, etc. The preliminary results, synthesized from my personal scientific research, after applying a Questionnaire among top managers, selected into a conclusive sample, place creativity on the first position among the qualities of a manager of the future, "at a tie" with integrity, remotely followed by ... intelligence and, even more remotely, by the study level, etc., and these constitute the object of my communication; the conclusions have an interesting impact among the current managers. The "desecretization" of the components of the successful managerial act may make our business truly sustainable.

## **29. HUMAN CAPITAL – A LONG TERM INVESTMENT**

**Author: Ph.D. Student CORNELIA – SERENA PAȘÇA, "Babeș Bolyai" University of Cluj-Napoca, Romania**

**Abstract:** Human capital reflects, on the one hand, physical and intellectual skills that characterize work and creative capacity, and on the other, the expenses incurred for optimizing and acquiring such skills. The importance granted to human capital through investment in education and research and development as well as defining the human capital concept, determining its origin and presenting its components and types, as well as the relation between education, human capital formation and economic growth, and equally the correlation between

human capital and the allotment of proceeds (income) are the themes this article tackled. Correlation of the educational system supply and the structure and dynamic demand of labor market requires adaptation of workforce supply and human resources to the economic – social needs and the education and training of the same. Education plays a major part in human capital construction and in determining the opportunity of the individual from the economic point of view.

### **30. INVESTMENT MODELS IN HUMAN CAPITAL**

**Authors: Professor DOINIȚA ZAFIU, Professor CĂȚĂLIN FULGER ISTRATE, "Ion Ghica" Economic College, Brăila, Romania**

**Abstract:** Empirical studies on the investment in human capital, applied in countries with high demographic rate (Argentina, Brazil, India, Central Europe and Eastern Europe) signals that financial efforts risk becoming vulnerable, compared with the results obtained, under at least three initial issues: A) The lower investment in human capital, on one person, or on a trained person risks to produce frustration rather than positive entrainment effects on the labor market; B) Increased burden of taxation in the social environment-economic, in which the great mass of the population has a low standard of living, and in business environments where labor productivity is low; C) In aggregate level, the guideline of investment in human capital and education risks to lead to an imbalance between structural and qualitative accumulation of physical capital and structural qualitative accumulation of human capital, especially in short term, which creates new distortions in the labor market, involving new expenditures casts of labor retraining. One of the most controversial issues of investment in human capital in general and in education, is the multiplying of training costs both of education through the educational system, as basic training, as well as continuing the education after acquiring the qualification determined by the need for retraining.

### **31. LOYALTY PROGRAMS: BEYOND METRICS**

**Author: Associate Lecturer SIMONA – SILVANA MĂRGINEAN, Ph.D., "Petru Maior" University of Târgu-Mureș, Romania**

**Abstract:** Loyalty programs are designed to change the way customers interact with companies in terms of purchasing value, retention and repetition. The monetary perspective lays at the foundation of every loyalty system, designated to measure the transactional side of the client's loyalty. However, the serious decline in retention rates and low customer commitment due to lack of relevance and value pushes today's loyalty marketing into anachronism. Our approach to loyalty programs will analyze the emotional side of customer loyalty, in today's Internet driven social platforms environment, which is set to generate a switch in paradigm. Customer loyalty models need to focus on brand values and interaction, on meaningful brand experiences worth sharing. Loyalty metrics should focus on creating and inspiring more valuable customers, willing to share their seamless experiences with others. We will analyze the impact of transactional operated loyalty programs against loyalty programs built upon customer expectations, in order to identify meaningful loyalty models generating brand attachment in tomorrow's economic environment. Our focus will be on assimilating the loyalty performance model into a new

transparent loyalty paradigm, built upon brand values, customer insight, innovative contribution to brand growth and ethics, as opposed to bargain hunting, promotions and retention metrics.

### **32. ROMANIAN LABOUR MARKET AFTER 1990**

**Author:** Ph.D. Student CORNELIA – SERENA PAȘCA, "Babeș Bolyai" University of Cluj-Napoca, Romania

**Abstract:** The highly centrally planned Romanian economy needed to evolve towards liberalization, with well – defined market mechanisms. The passing on from centralized to market economy, the amendment of manufacture systems stressing on the introduction of new technologies, the change of market from the one directed to eastern countries to the one regarding the western ones, opened both to Europe and the USA and even Africa, as well as the fact that Romania joined the EU, required for a restructuring of the labor market. The labor market underwent major changes after 1989, due to privatization and mass restructuring and what followed was major economic imbalance, high unemployment rates that determined both regional and international migration. Romanian economy faces extended difficulties in employing manpower, with various delays on the labor market due to a workforce shortage in certain geographic areas or economic branches, considering the difficult conditions brought about by the economic crisis supplemented by technological progress and population aging.

### **33. LABOUR MARKET – CONCEPTS, FUNCTIONS, FEATURES, PATTERNS**

**Author:** Ph.D. Student CORNELIA – SERENA PAȘCA, "Babeș Bolyai" University of Cluj-Napoca, Romania

**Abstract:** In an ever changing world, where economic growth interchanges with crisis, society and economy strategic resource is represented by the human resource (manpower or workforce). This article aims to tackle the presentation of a set of conceptual specifications that would reflect the difference between the labor market and the workforce related market concepts, analyzing the main functions and features of the labor market, as well as the presentation of main training and operational patterns of such market.

### **34. ENHANCING THE COMPETITIVENESS IN UNIVERSITY FRAMEWORK OF THE REPUBLIC OF MOLDOVA THROUGH THE CAPITALIZATION OF CREATIVE POTENTIAL**

**Author:** Assistant ALINA SUSLENCO, Ph.D., "Alec Russo" University of Bălți, Republic of Moldova

**Abstract:** This paper analyses the opportunity of enhancing the competitiveness of universities from the Republic of Moldova through the capitalization of the creative potential of academics and students. The actuality of the topic is based on the need to ensure the competitiveness of universities, which represent those places where creation, innovation, culture and values are capitalized within an environment absorbed by creativity and built by capitalization of the potential. This work investigates the situation of the Republic of Moldova concerning students' enrolment at the universities and analyses higher education institutions' graduates. The research methodology was focused on the methods of empirical research, qualitative analysis, analysis and synthesis, induction and deduction, each of which contributed to the crystallization of the research results. In



conclusion, it is mentioned that the academic environment of the Republic of Moldova needs academic staff's strengthened efforts in creating and enhancing the competitiveness of universities and creating opportunities for graduate students towards an easier insertion into the labour market.

### **35. SMEs LENDING IN CONDITIONS OF CRISIS IN BANKING SYSTEM**

**Authors: Scientific Researcher CRISTINA PANFIL, Ph.D., Professor GHEORGHE ILIADI, Ph.D., National Institute for Economic Research, Academy of Sciences of Moldova, Republic of Moldova**

**Abstract:** Small and Medium Enterprises have a particularly important role, as it influences on solving economic, social, technical- scientific problems and many others. Development of SMEs sector leads to prosperity increase, living standards rise and growth of competitiveness - which are significant matters for both developing and industrialized countries. Restraints with SMEs lending will strain economic path. In case of exaggerate restraints, SMEs which have at the sole of their activities credits will be in trouble, as the interest rates are high, it is difficult to contract loans and it is tough to keep up with the loan reimbursement schedule. For banks lending to SMES is a consistent and weighty source of business activity. They make double effort to keep crediting at the same level during crisis. Therefore, banking sector is also interested in reducing the negative influence of core rate rise and other banking regulations regarding crediting that have bad influence. As a rule these regulations have a tendency to tighten the lending activity, as crediting terms are tougher. The goal of this paper is to analyse all the problems SMEs face during contracting credits and to give possible ways for an efficient entrepreneurship growth.

### **36. EXPORT CREDIT RISKS AND METHODS OF PROTECTION**

**Author: Lecturer CECILIA-ELENA VĂDUVA, Ph.D., "Constantin Brâncuși" University of Târgu-Jiu, Romania**

**Abstract:** The exportation by means of credit involves risks for the exporter and the financing bank. When commercial transactions constitute import export operations, things get complicated because of longer distances between the supplier and the buyer, farthest limits to which payment is made, different legal regulations and inefficiently known by the external suppliers. Depending on their nature, the export risks can be grouped into commercial risks caused by natural calamities or other causes of force majeure, political risks, and currency risks. The political character also dresses the measures taken by the public authorities having the effect of restricting imports, refusing to admit certain products in the country, seizing or requisitioning certain goods belonging to foreign economic agents.

### **37. THE DISPONIBLE INCOME AND THE RELATIVE SHARE SALARIED AND UNEMPLOYMENT POPULATION IN MULTISCALE MAPS A MEASURE OF SUSTAINABILITY OF BUSINESS MODELS**

**Author: Scientific Researcher CRISTINA LINCARU, Ph.D., National Scientific Research Institute for Labor and Social Protection, Bucharest, Romania**

**Abstract:** Starting from "Michael Bauer Research" data presented in Arc Gis Online regarding the the Purchasing Power per capita in Romania in 2013 we explore this indicator in multiscales maps (NUTS2, NUTS3 and LAU2 level) as a measure of sustainability of bussiness models. The Purchasing Power per capita in the mentioned source „describes the disposable income (income without taxes and social security contributions, including received transfer payments)". The LAU2 level distribution of Purchasing Power is detailed with relative shares of salaried and unemployment population in view to identify spatial models of main income input and output income potential for an individual. The data for registered unemployment for 2013 and salaried person for 2012 are provided by TEMPO INS at LAU2 level. The main result of this paper is reprented by visual identification of the LAU2 locations with high risk of social exclusion and poverty using Maps realised in Arc Gis Desktop. The research result from the Project: Dynamic interaction between the natural and human components based on the synergy of ecological and social-economic factors in the rapidly urbanizing landscapes – DYNAHU.

### **38. IS THERE A CORRELATION BETWEEN ENTREPRENEURSHIP AND ECONOMIC GROWTH IN EUROPEAN COUNTRIES?**

**Author:** Associate Professor DANIELA ȘTEFĂNESCU, Ph.D., "Petru Maior" University of Târgu-Mureș, Romania

**Abstract:** This study aims to analyse the correlation between entrepreneurial activity and economic growth during the latest years, when the social-economic environment has been unstable. In order to achieve its aim, there are used official databases related to the entrepreneurship activity measured by Global Entrepreneurship Monitor (GEM). In order to establish the most important economic factor which has the major impact to the development of the entrepreneurial activity, in analysed European countries, we applied statistical indicators and methods. According to the previous studies, there are differences among countries regarding the evolution of entrepreneurship indicators based on a certain economic environment, thus we focus to verify if the previous conclusions are still available also in the current European international context, influenced by the crisis consequences.

### **39. CORE VALUES OF ENTREPRENEURSHIP OF STUDENTS STUDYING ECONOMICS**

**Authors:** Associate Professor CAMELIA VECHIU, Ph.D., Lecturer GIANINA NEGRĂU, Ph.D., "Constantin Brâncoveanu" University of Pitești, Romania

**Abstract:** World of economic affairs has always been a tough world in which to survive and prosper is not enough to have a brilliant idea. Individuals who initiate a business must possess a number of characteristics combined with financial resources contributes to success of the business started. Among the necessary characteristics of a successful entrepreneur are: perseverance, availability to work, initiative, self-confidence, a positive attitude towards failure, the ability to grasp the emerging opportunities on market, acceptance of risk and uncertainty. Entrepreneurship is a mindset, and in Romania does not exist a tradition of entrepreneurship as it exists in developed countries. Therefore it is encouraging that future economists do not reject the idea of getting involved in a business and take into account the option of becoming entrepreneurs.

#### **40. STRATEGIES AND POLICIES TO STIMULATE THE KNOWLEDGE ECONOMY IN ROMANIA – THE CURRENT STATE AND PERSPECTIVES**

**Authors: Associate Professor MĂDĂLINA-CRISTINA TOCAN, Ph.D.; Associate Professor OANA CHINDRIS-VASOIU, Ph.D., University Ecologica of Bucharest, Romania**

**Abstract:** Today, knowledge is considered to be the driving force of economic growth, productivity growth and a resource that can provide sustainable competitive advantage and this fact generates a great interest in understanding, knowledge, information, technology, learning and their role in social economic life. The aim of this paper is to present the main strategies and policies adopted to stimulate the knowledge economy in Romania, highlighting the current state of achievements in the field and also the perspectives, taking into consideration the Romania's position as a member state of EU. In the knowledge economy the government and public authorities has an important role of promoting public policies to stimulate investment in research and development sector - considered the "engine" of development of this type of economy. For this reason, the paper presents the main strategies and policies to stimulate the knowledge economy at the national level.

#### **41. BUSINESS MODELS OF CIRCULAR ECONOMY**

**Author: Scientific Researcher GABRIELA-CORNELIA PICIU, Ph.D., Centre for Financial and Monetary Research „Victor Slăvescu”, Romanian Academy, Bucharest, Romania**

**Abstract:** This article considers the role of circular business models in efficient and sustainable growth. Circular economy is a fundamental change in the way products are designed, manufactured, sold and consumed. Companies that assimilate circular economy principles must adopt new business models, especially this means the transition from selling products to selling services. In these business models, companies retain property rights on products. Thus, companies have an incentive to reduce environmental impact through design for prolonging the life of the product. Because reuse is taken for a circular economy, the role of the consumer is replaced by the user. For companies, this change requires a different way of thinking about implicit contract with clients. In a linear economy based on purchasing and consumption, the goal is to sell the product. In a circular economy, the aspiration would be to rent it to ensure that its materials were returned for reuse. Where products are to be sold, would create incentives for companies to ensure their return and reuse. Leasing models are a rarity in many industries, although it would benefit both customers and companies from these models.

#### **42. SOCIAL BUSINESS MODELS IN THE CONTEXT OF ROMANIAN RURAL ENVIRONMENT**

**Authors: Professor DANIELA PAȘNICU, Ph.D., Senior Researcher; Senior Researcher GABRIELA TUDOSE, Ph.D., National Scientific Research Institute for Labor and Social Protection, Bucharest, Romania**

**Abstract:** The labor market in rural areas face a new challenge, which is to increase employment through entrepreneurship development and transfer of labor from subsistence agriculture sectors to non-agricultural competitive sectors under the conditions of the existence of a high percentage of the population aging, living in poverty and with low level of education and training. The paper

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underlines the importance of developing another type of business towards to solve social problems facing rural environment, an equitable redistribution of income, reinvest profits to create new jobs and not to accumulate of it in order to deepen the economic and social inequalities. It also emphasizes socio-economic characteristics of rural Romanian area, and the framework of regulations regarding the development opportunities of social entrepreneurship as a modern form adapted for solving serious social problems. The paper concludes with proposal of social business models adapted to Romanian rural areas which contribute to economic growth and inserting the certain categories of disadvantaged persons on the labor market.

#### **43. IMPORTANT BENCHMARKS IN THE CREATIVITY AND INNOVATION OF A BUSINESS MODEL. WILHELM LAYHER GmbH & Co.KG COMPANY**

**Author:** Ph.D. Student MIHAELA RADU, "Valahia" University of Târgoviște, Romania

**Abstract:** Creativity and innovation play an essential part in organization life, being a condition for success. Moreover, when operational conflicts are well managed, organizations may focus on finding new, better and more creative solutions to persevere in becoming a model. On the ground of a fiercer competitiveness and of the significant global challenges, the innovating practices and the creative solutions represent a springboard towards the economic growth and the welfare of the company. I have chosen, as business model, the enterprise Wilhelm Layher GmbH & Co. KG, the biggest producer of scaffold systems in the world, because: it has a historical background, combines harmoniously and successfully the experience, talent, creativity of three generations and, more importantly, it has a future. Applying an integrated management, a strategic vision, Layher is expanding in a very calculated way on 5 continents and in over 35 countries, among which Romania as well. What started in 1945 with the manufacturing of farming tools made of wood has developed and has become a company with corporate philosophy, giving new vital pulses to the finished product, which is more and more modern, mobile and efficient. Layher is a business model, an innovative genius, with products of high quality corresponding to the highly increasing requirements of the clients. By means of integrated solutions, Layher makes higher success possible with only 1,500 employees who are extremely qualified and dedicated, chosen from various schools, exigently trained in the company, to be able to permanently answer the required standards.

#### **44. TERRITORIAL MANAGEMENT PERFORMANCE THROUGH INTERACTIVE NETWORK COMMUNICATION**

**Author:** Ph.D. Student GEORGE-BOGDAN DRĂGAN, "Valahia" University of Târgoviște, Romania

**Abstract:** The current paper proposes the furthering of the current debate on the territorial design of adequate coordination mechanisms with a view to increasing the effectiveness of the decision making process. The justification for choosing this theme is constituted by the insufficient explicative power of the current institutional decision making models, due to the limited capability of administration to identify the critical success factors, relevant for territorial branding. The proposed reconfiguration outcomes ensure the visibility of the territorial expertise groups, which will act as knowledge multiplying factors through the appropriate implementation of community

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learning mechanisms. The evaluation of the interaction level in the specific territorial community is empirically investigated through a market research on a representative sample of 600 respondents which will validate the assumption regarding the level and the span of intervention. The conclusions are aligned to recent studies on the field cited in the paper, regarding the inadequate level of expertise in communication in strategic management and marketing. The paper fructifies the inter-dependent approach of the newest results in managerial theory and practice, regarding the strategic role of communication, having as a main goal the setting up of an adequate institutional framework for reaching the proposed objectives.

#### **45. EFFECTIVENESS THE FUNDING OF EDUCATION**

**Authors: Professor CAMELIA ISTRATE, Professor NARCISA-LILIANA LEICIU, "Ion Ghica" Economic College, Brăila, Romania**

**Abstract:** Education is a productive investment from economic and moral point of view. In many developing countries education is funded and provided mainly by the state, the expansion of education depending on the size of fiscal resources. The funding reform of education, of tuition, represents a component of education reform in general, on one hand, and the reform of financial systems and mechanisms of funding, on the other hand. In this regard, education funding reform implies a coherent and consistent approach to human capital formation needs and to direct financial implications of beneficiaries and users of education, detaching the following aspects: the individual invests in himself, in his education and in his training, he decides if he uses or not the knowledge, the competences and the abilities obtained through education; the individual cannot be forced to be educated or trained in a particular way, or forced to use what he learned. Because individuals and their families often don't have money to finance their education or have difficulties in obtaining loans from banks, the educational institutions, of education, are currently funded, mainly, by the state.

#### **46. ENTREPRENEURSHIP AND INNOVATION, PILLARS OF COMPETITIVENESS**

**Authors: Professor IULIANA CIOCHINĂ, Ph.D., Associate Professor CARMEN IORDACHE, Ph.D., "Constantin Brâncoveanu" University of Pitești, Romania**

**Abstract:** In the current global context, in which economies, developed or in development, have distinct evolutions in regards to competitiveness and economic growth, entrepreneurship and innovation are pillars of competitiveness, for a durable development, a motor for productivity and efficiency. The objectives launched through the Lisbon Strategy define the European context of the European Union's transformation into the most competitive and dynamic economy in the world. Analysis of the indicators in European statistics, allows for the emphasis of the strong points on which it can be built, but also identifies the challenges it must overcome, in order to become competitive on global scale. This paper's goal is to analyse entrepreneurship in Romania in relation to the degree of competitiveness, on national and European level, in order to establish the relationships between it, competitiveness and innovation. The concept of competitiveness which, in essence, is tied to the economic productivity and performance, also concerns itself with social and durable prosperity. Entrepreneurship stimulates productivity growth and economic competitiveness, and a good positioning at European level is important for general economic

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development. The creation, development and promotion of an entrepreneurial culture that can accelerate the development of successful business and promote innovation are desirable for consolidating competitiveness.

#### **47. THE ROLE OF ENTREPRENEURSHIP IN INCREASING COMPETITIVENESS. COMPARATIVE ASPECTS IN ROMANIA VS. EUROPEAN UNION**

**Author:** Scientific Researcher III NICOLETA MIHĂILĂ, Ph.D., Centre for Financial and Monetary Research „Victor Slăvescu”, Romanian Academy, Bucharest, Romania

**Abstract:** The characteristics, dynamics, determinants and manifestation forms of entrepreneurship vary from country to another or from one region to another. But it is certain that the level of general economic development and prosperity of a country is closely linked to entrepreneurial development based on existing knowledge and sophisticated business in that country. Recognizing the role of entrepreneurship in Europe has acquired new dimensions, by including it in the Europe 2020 Strategy, as one of the key factors for smart, sustainable and inclusive growth. Therefore, encouraging entrepreneurial initiatives and unlocking the growth potential of European business are major objectives of the European Union's current agenda, translated also in Entrepreneurship Action Plan 2020. There are three strategic directions: development of education and training in entrepreneurship; creating a favorable business environment; dissemination of models and the development of entrepreneurial attitude all over Europe. In this paper we propose the approach of the following issues: determinants for entrepreneurship in the European Union, perceptions on different types of occupations, the role and perception of entrepreneurship in Romania and the role of education in entrepreneurship development.

#### **48. CONSUMPTION AND SAVING**

**Author:** Lecturer CECILIA-ELENA VĂDUVA, Ph.D., "Constantin Brâncuși" University of Târgu-Jiu, Romania

**Abstract:** The dynamics of global demand, real income fluctuations are explained by the monetarists through the amount of currency used to purchase economic goods, Keynesians focus their attention to the reasons that cause people to consume or invest. The essence of Keynesian theory is the analysis by taking into account its components, consumption, investments, government spending and exports. Consumption has its source in income. The size of consumption spending depends both on the size of available income, and the proportion in which the disposable income is used for consumption or saved. The non proportional relationship between consumption and available income reflects the fact that the increase of income levels is associated with a higher rate of saving or the average inclination to consumption will decrease with the increase of income.

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#### **49. MANAGERIAL PRACTICES VERSUS THE ATTITUDES AND BEHAVIORS OF EMPLOYEES**

**Authors:** Lecturer ROXANA-LUCIA MIHAI, Ph.D., Academy of Economic Studies, Bucharest; Ph.D. Student CĂTĂLIN-GEORGIAN MIHAI, "Valahia" University of Târgoviște, Romania

**Abstract:** Relationships are an integral part of our lives as human beings and they will be always treated our own conscience and their objectivity will be very uncertain. Recent studies of the labor market show that one of the reasons why employees quit the company refers precisely to the relationship with the direct manager. Effective managerial communication within an organization helps to connect with employees, create positive relationships, but also the attitudes and frame behaviors of their workplace. Managers represent their organizations and how communication can influence employee behavior. While relations were pivotal in the management of research for decades, meanings of communication between employees and management have become increasingly prominent. Organizations can train supervisors to develop communication practices focusing on people to implement flexible working arrangements, improve design job, involving employees in important decisions and give them independent tasks and challenging employees to achieve full potential and to become an integral part of their organization.

#### **50. IMPLICATIONS OF SUSTAINABLE DEVELOPMENT ON CORPORATE COMMUNICATION**

**Author:** Lecturer ROXANA-LUCIA MIHAI, Ph.D., Academy of Economic Studies, Bucharest, Romania

**Abstract:** The sustainable development strategy combining the interests of different audiences (businesses, employees, partners, customers) around a common axis whose purpose is not only to make a profit or margin. Abraham Maslow demonstrated in his works that the basic needs of people can be ranked at the elementary and basic, centered around their physiological and safety to those needs less material, which start networking within a group (belonging, respect ) to personal fulfillment (self-esteem, personal fulfillment). Maslow pyramid described the reasoning applied to an individual's needs, can be adapted a legal entity such as a company. The most developed companies go further and seek more than a profit, focusing on the search for meaning and values in a accountable approach. This attempt to transpose the individual aspirations illustrates the company's internal implications of such an approach: greater social responsibility. Corporate social responsibility projects acquired a increasing momentum, earning the credibility of generating tools of involving society in the broad sense - employees, customers, employees, the general public.

#### **51. GREEN SUPPLY CHAIN MANAGEMENT AND THE LONG TERM SUSTAINABILITY**

**Author:** Associate Professor CRISTINA GĂNESCU, Ph.D., "Constantin Brâncoveanu" University of Pitești, Romania

**Abstract:** Supply chains can have adverse environmental and social consequences in terms of polluting the environment, health and human safety risks and the costs of waste. In this concern, sustainability has become a central theme in supply chain management. The green supply chain

management (GSCM) is the process of using environmentally friendly inputs and transforming these into outputs, re-used at the end of their lifecycle, creating a sustainable supply chain. The purpose of this paper is to review the literature to establish the relationship between GSCM and long term sustainability and to explain the positive impact of GSCM practices of a long term sustainability.

## **52. LANGUAGE LEARNING – IMPERATIVE FOR ECONOMIC AND SOCIAL DEVELOPMENT AT EUROPEAN AND GLOBAL LEVEL**

**Author:** Lecturer CAMELIA RIZEA, Ph.D., "Constantin Brâncoveanu" University of Pitești, Romania

**Abstract:** The latest economic evolutions have generated significant changes in the positioning of foreign language learning on the educational trajectory at European and global level. The increase of globalizing economies has led to a fundamental growth of the language learning process and to a constant concern to improve the knowledge of a foreign language. During this age of globalization, the proficiency in a foreign language is not longer the only proof of interest, intelligence and position in society, but also a necessary adaptation to the present and an obligatory economic requirement to accelerate transition and recuperate the gap with the industrialized countries. Language learning should be a priority in the education of an individual as it is the basic factor in the transmission and creation of new cultural and general human values, in developing the human capital, in promoting the aspirations of European and global integration, playing a vital role in setting the stage for sustainable human development.

## **53. THE PROCEDURE PRIOR ADMINISTRATIVE PROCEEDINGS**

**Author:** Associate Professor NICOLAE GRĂDINARU, Ph.D., "Constantin Brâncoveanu" University of Pitești, Romania

**Abstract:** The right to appeal the court is not an absolute right, it may be limited by law to the extent that it does not restrict access to a court of law. Free access to justice is done only in respect of equality of citizens before the law and public authorities, so that any exclusion that would mean violation of equal treatment in law is unconstitutional. The absence of the procedure may be invoked by a exception background the preliminary procedure being a condition of exercise of the action is preemptory /dirimated because it results in cancellation of the admission of the application of summons, and is relative because it can only be invoked by the defendant in the defense lapse. Acceptance or rejection of the plea by the court or failure to be resolved is a reason for appeal or recourse. By establishing the preliminary procedure of conciliation the legislator sought to put into practice the principle of celerity of settlement of disputes between the parties - more prominent in commercial matters - and to relieve the work of the courts. Therefore, the role of the procedural rule criticized is to regulate extrajudicial proceedings to provide the parties an opportunity to understand the potential claims of the applicant, without the involvement of the competent judicial authority. Compared to these major reasons, conditioning the notification of the court on the completion of the conciliation procedure with the opposing party



can not be regarded as affecting the access to justice in the sense prohibited by the Constitution of reference, as long as the interested party may apply to the court with the request of summons.

#### **54. THE SALE OF THE MORTGAGED ASSET AND PROPERTY TAKING IN THE ACCOUNT OF THE CLAIM**

**Author:** Associate Professor NICOLAE GRĂDINARU, Ph.D., "Constantin Brâncoveanu" University of Pitești, Romania

**Abstract:** The mortgaged may petition the court enforceability the mortgage securities by selling the mortgaged movable asset. At the request of for the approval will be attached documents proving the existence of the mortgages and mortgage securities along with proof of perfecting the mortgage. The court will consider the existence of debt, and mortgage legally perfected, and will approve the sale, summoning stakeholders. Application for a declaration of enforceability of the mortgage securities by selling the mortgaged movable asset interrupt the prescription of the right to obtain enforcement. The mortgagee can sell mortgaged movable in the state are or by taking commercially reasonable measures to their recovery. The lender may sell the mortgaged movable property by public auction or by private treaty through one or more contracts, block or separately in any time or place, on reasonable commercial terms. The lender may take for himself the mortgaged asset to settle the claim, unless the law provides otherwise, the settlor consents and individuals are not opposed. The consent of the settlor to take over the property, by the creditor in the account the claim must be expressed in writing and be after non-performance. The lender who wishes to take over the mortgaged asset to settle his claim will score in the archive, a notice of taking in the account the claim and notify this offer to the persons mentioned.

#### **55. THE ROLE OF TRANSFORMATIONAL LEADERSHIP IN ORGANIZATIONAL CHANGE**

**Authors:** Professor ION STEGĂROIU, Ph.D.; Ph.D. Student IULIANA TALMACIU, "Valahia" University of Târgoviște, Romania

**Abstract:** Organizations are operating in an increasingly complex and dynamic environment, where change is a demand of the day. They have to understand, adopt and implement changes in their business model in response of changing trends, in order to survive. This paper explores the role of leadership, and the transformational leadership, in particular, in the phenomena of organizational change. The issues leaders need to manage during an organizational transformation can be categorized as the technical aspect and the emotional aspect. We consider that leaders are change facilitators and they have to manage organizational resources to achieve strategic vision. Transformational leadership is a important ingredient required to make change successfully happen.

#### **56. COMPARATIVE ANALYSIS OF THE RESULTS FOR THE MULTIANNAL FINANCIAL EXERCISE IN BULGARIA, ROMANIA, POLAND AND HUNGARY**

**Authors:** Ph.D. Student CRISTINA VOICU-OLTEANU, "Valahia" University of Târgoviște, Romania

**Abstract:** Projects financed from the EU budget, known generically as projects financed from European Funds, aims supporting European Policies in reaching targets, representing the way

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that can be accessed European Funds allocated to member countries. The beginning of 2016 is the period of quantification in terms of funds absorption and concrete results in economies involved by analyzing the impact on GDP, investment and jobs. Adapting best practices from those countries requires the following: a small number of programs can lead to a better coordination for the management system of the Structural and Cohesion Funds, harmonization of legislation on public procurement with the European Directives, in particular those relating to remedies decisions of contracting authorities, can provide the conditions for eliminating delays in project implementation, improving informational management through the implementation of an information system with different usage rights for everyone involved in the implementation and control of Structural and Cohesion Funds, simplifying financial flow will reduce the time between application for payment / reimbursement and the effective receipt of eligible amounts.

#### **57. IMPORTANCE OF SPECIALISED LANGUAGES IN COMMUNICATION**

**Author:** Lecturer **GEORGIANA MÎNDRECI, Ph.D.**, "Constantin Brâncoveanu" University of Pitești, Romania

**Abstract:** Language has different dimensions in communication, according to the purpose of its use. This is the reason why scientific researchers have distinguished between common language and specialised language. The aim of this article is to offer some theoretical insight on the issue and the importance of Language for Specific Purposes, especially on English for Specific Purposes since in this global era, English is the universal language operating as main communication mediator and facilitator between the Source Language and the Target Language. Much of the success of any business is based on good and efficient communication and that is why the correct use of a specialised language has a key role. This article also tries to pinpoint the main problems related to knowing how to use correctly and how to convey the information properly through translation of specialised languages, which is only possible based on expert knowledge and use of the specialised fields and of the language used for communication.

#### **58. CAUSES OF RESISTANCE TO CHANGE. WHAT SHOULD MANAGERS DO?**

**Authors:** Ph.D. Student **IULIANA TALMACIU**; Professor **ION STEGĂROIU, Ph.D.**, "Valahia" University of Târgoviște, Romania

**Abstract:** Change is considered, in more and more cases, an inevitable process and the development of an organization largely depends on how it reacts and adapts to transformations occurring. Change has both positive and negative aspects, it implies experiment and creation of something new and different, but it also means destruction of familiar facts and relationships. The implementation failure rate of organizational change remains high and one of the most common causes of this is considered to be the resistance to change. Although the resistance to change is considered a natural reaction, it is necessary to understand the causes and identify the measures for its reduction. Using content analysis of representative works, as a research method, we identified a number of factors that cause resistance to change and methods that can be used to decrease it, in order to successfully implement the organizational change.