



Faculty of Finance-Accounting of Pitesti  
Center of Financial-Accounting Research of Pitesti

**INTERNATIONAL SCIENTIFIC  
CONFERENCE**

*- 4th edition -*

**ACCOUNTING AND FINANCE -  
THE GLOBAL LANGUAGES IN BUSINESS**



**Partners:**

**April 12, 2019**



**INCE**

INSTITUTUL NAȚIONAL DE CERCETARE ȘTIINȚIFICĂ ECONOMICĂ



CĂMINUL ASISTENȚILOR FINANCIARI  
DIN ROMÂNIA



Foundation for Education,  
Science and Culture  
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THANK YOU FOR INVESTING IN SCIENTIFIC RESEARCH!



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## CONFERENCE PROGRAMME

Friday, April 12, 2019

9:30 – 10:00	Participants registration Book Exhibition, Independența Economică Publishing House
10:00 – 10:30	Official opening ceremony of the <i>International Scientific Conference "Accounting and Finance – the global languages in business"</i> , Aula Magna Message of Professor OVIDIU PUIU, Rector, "Constantin Brâncoveanu" University of Pitești Messages of guests
10:30 – 11:00	Coffee-break
11:00 – 13:00	<i>Parallel Sections (Oral Presentations)</i>
13:00 – 14:00	Lunch Break
14:00 – 16:00	<i>Parallel Sections (Oral and Virtual Presentations)</i>
16:00	Closing conference in Aula Magna

## I. SPECIAL SECTION: REGIONAL DEVELOPMENT STRATEGIES AND POLICIES – SMART SPECIALIZATION – IN THE PROJECT PN-III-P1-1.1-TE-2016-1630

**Moderators:** Associate Professor RODICA PERCIUN, Ph.D.  
Associate Professor CRISTINA ȘERBĂNICĂ, Ph.D.  
Lecturer IULIANA TALMACIU, Ph.D.

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

### 1. POLICY ACTIONS TO SUPPORT HIGH-GROWTH ENTERPRISES

**Author:** Associate Professor RODICA PERCIUN, Ph.D., National Institute for Economic Research, The Academy of Sciences of Moldova, The Ministry of Education, Culture and Research, Republic of Moldova

**Abstract:** The high growth firms (HGF's) have become a focal point for public policies in many developed countries. More of them, the research have highlighted the role of HGEs in fostering economic growth. A recent report from the World Bank (High-growth firms, facts, fictions and policy options, 2019) states that HGEs " make up just 3–20 percent of manufacturing and services firms, they create more than half of all new jobs and sales in these sectors taken together." Also, HGEs are relevant for their direct contribution to employment and growth as well as for their indirect contribution, enhancing growth across other sections of the enterprise population through positive spill-over effects. In this article, the author aims to analyze the policy actions to support high-growth enterprises. These actions the author grouped under four categories: actions to increase enterprise growth potential, actions to remove obstacles to enterprise growth through regulatory reforms, better access to land, energy and infrastructures, to finance; actions to maximize positive spill-overs etc.

### 2. A SYSTEMATIC OF THE IMPACT OF PUBLIC GOVERNANCE ON ENTREPRENEURSHIP DEVELOPMENT IN ROMANIA

**Authors:** Associate Professor OANA – RAMONA LOBONȚ, Ph.D., West University of Timișoara, Romania; Student RAUL PURCĂRIȚĂ, Finance and Banking Bachelor, West University of Timișoara, Romania; Ec. MĂDĂLIN DOGARU, Ph.D., West University of Timișoara, Romania

**Abstract:** This study aims to expose the impact of the public governance on entrepreneurship development, both from a theoretical perspective and an empirical research one. For obtaining a conclusive result, a systematic review of literature was applied, by collecting and analysing research academic papers published between 2008 and 2018, on public governance and entrepreneurship particular research area. The systematic review aims at the following objectives: the concept of governance, the notion of entrepreneurship, the channels through which public governance influences entrepreneurship and recent developments of entrepreneurship in Romania. Through empirically supported models, the results obtained support the idea that certain governance features have a significant impact on entrepreneurship. Also, the theoretical and empirical academic research on public governance and entrepreneurship could suggest a number of implications for policy makers. As a research limit, we considered entrepreneurship as the process of creation of new businesses, but it would be also quite relevant to investigate the success and the evolution of these new businesses over time.

### 3. PROBLEMS AND BARRIERS IN THE TOURISM DEVELOPMENT OF THE DEVELOPMENT REGIONS OF THE REPUBLIC OF MOLDOVA

**Author:** ALIONA VEȘCA, Ph.D. Student, The Academy of Public Administration, Republic of Moldova

**Abstract:** The analysis of the main problems and dysfunctions of the tourist field in the development regions, as well as the effects they produce separately or aggregated, suggests the formulation of some challenges for the development of the tourism industry in the Republic of Moldova. The major problems of the Moldavian tourism industry, which are systematized and overlapped on the attributions of the deciding factors in tourism, allows through this research to present a systematized framework of problems to be solved for the country's development as an attractive tourist destination in all development regions. In this respect, the state policy and strategy regarding the tourism development of the Republic of Moldova must be elaborated and realized based on the concept of sustainable development.

### 4. THE ADVANTAGES OF IMPLEMENTING A SYSTEM OF SOCIAL RESPONSIBILITY MANAGEMENT IN PUBLIC INSTITUTIONS IN THE REPUBLIC OF MOLDOVA

**Author:** Lecturer VERONICA BUTNARU, Ph.D., The Academy of Public Administration, Republic of Moldova

**Abstract:** This article represents a theoretical investigation of several scientific points of view which, in our view, converge towards the validation of the premise underlying the present approach. This highlights the fact that the role of the sustainable development manager is crucial for any entity - be it economic or non-profit - that wants to develop by assuming, on the one hand, the concepts of social responsibility and, on the other hand, the requirements of the new public management. While also promoting a leadership of social responsibility, which will eventually lead to the change of organizational culture in the sense of accepting, at the level of all managerial levels within a public institution, passing the final appreciation of the performance through the sustainability filter. Further, taking into account the present situation in the Moldavian socio-economic and ethical space, we consider that the application of the conclusion of this analysis in our country is an action of stringent necessity.

### 5. SPECIFIC REALIZATION OF REGIONAL DEVELOPMENT POLICY IN THE REPUBLIC OF MOLDOVA

**Author:** Associate Professor TATIANA TOFAN, Ph.D., The Academy of Public Administration, Republic of Moldova

**Abstract:** This article describes the specific realization of the regional development policy in the Republic of Moldova. The implementation of regional development policies in the Republic of Moldova is a relatively new field. Since the 1990s, under the aegis of the ministries responsible for economic policies, public policies have been implemented aimed at the balanced development of the country's regions, but only at the end of 2009, the regional development process was stimulated by institutionalizing the instruments for implementing the regional development objectives.

### 6. MEASURES TO PREVENT THE RISK OF LENDING TO IMPROVE THE FINANCIAL PERFORMANCE. ANALYSIS OF THE CREDIT RISK SITUATION WITHIN BRD – GROUPE SOCIÉTÉ GÉNÉRALE S.A.

**Authors:** Associate Professor VIOLETA ELENA DRĂGOI, Ph.D., "Valahia" University of Târgoviște, Romania; Lecturer ELENA LARISA PREDA, Ph.D., "Valahia" University of Târgoviște, Romania; Master Student ADELINA NICOLETA NICOLESCU, "Valahia" University of Târgoviște, Romania

**Abstract:** Risk management within BRD is based on an integrated concept that takes into account statutory and regulatory standards as defined and provided by the NBR and the European Supervisory Authorities, Société Générale risk management standards and generally accepted banking practices. The purpose of the research is to analyse the global exposure of the bank to credit risk, quantified by weighted and relative indicators, deepened by studying the risk at the segments of the clientele, by sectors of activity, by seniority groups of overdue loans, of not impaired loans and without arrears, as well as the coverage of credits with guarantees, and it is relevant to corroborate it with the indicators that express the financial performance of the credit institution.



## 7. INTERDEPENDENCE BETWEEN THE COMPETITIVENESS OF THE NATIONAL ECONOMY AND THE COMPETITIVENESS OF GOODS

**Author:** Scientific Researcher **TATIANA GUTIUM, Ph.D., National Institute for Economic Research, The Academy of Sciences of Moldova, The Ministry of Education, Culture and Research, Republic of Moldova**

**Abstract:** The article is devoted to studying the interdependence of competitiveness at macroeconomic and microeconomic level. The change in the year 2018 of the Global Competitiveness Index estimation method has influenced the compatibility of the value for 2018, as per the new ICG 4.0, with the values obtained for previous years. In order to be able to perform the analysis of the competitiveness dynamics of the national economy evaluated according to different versions of the index, the author has developed a new indicator. The scientific innovation of this article consists not only in the proposal of a new indicator for the estimation of competitiveness in the pillar division, but also in the application of the Likert scale for the first time in answering the question whether if the pillar is competitive or not.

## 8. INNOVATIVE AND EFFICIENT INITIATIVES OF THE LOCAL PUBLIC ADMINISTRATION THE REPUBLIC OF MOLDOVA

**Author:** **MANOLE DINU, Ph.D. Student, The Academy of Public Administration, Republic of Moldova**

**Abstract:** The local public administration of the Republic of Moldova evolves with the political, economic, social changes, implementing new management principles, performing management technologies, thus ensuring the irreversibility of democratic processes in society. In this article we propose to present some reflections on the efficiency of the way of provision of services by the local public administration of the citizens and to identify the theoretical-methodological and applicative content of the process of continuous modernization of the local public administration in the Republic of Moldova in the context of European integrationist processes.

## 9. THE ROLE OF SMALL TOWNS OF THE REPUBLIC OF MOLDOVA IN THE CONTEXT OF REGIONAL DEVELOPMENT

**Author:** **MIHAIL LUPAȘCU, Ph.D. Student, The Academy of Public Administration, Republic of Moldova**

**Abstract:** The sustainable regional development is an imperative assumed by the Republic of Moldova in front of the European Union for equitable distribution of development opportunities throughout the country. In Republic of Moldova, the role of small towns in the context of regional development is discussed in several strategic documents, in the regional development policy, priority is given to small towns, which ensure social, economic and territorial cohesion with the rural areas higher, compared with the middle cities. The achievement of this goal is supported by development projects, with an increased impact on rural communities as well. This article will research the country's policy framework and development strategies to identify, separately, cities that can become poles of economic growth and cities as urban development poles for balanced regional development rather than development peripherals proposed so far in the Republic of Moldova.

## 10. STRESS MANIFESTATIONS DEPENDING TO THE TYPES OF LEADERSHIP

**Authors:** Professor **CONSTANȚA POPESCU, Ph.D., "Valahia" University of Târgoviște, Romania;** **DIANA - NICOLETA GEORGESCU, Ph.D. Student, "Valahia" University of Târgoviște, Romania;** **GEORGIANA - TATIANA BONDAC, Ph.D. Student, "Valahia" University of Târgoviște, Romania**

**Abstract:** The ever-changing environment determines man to adapt heavier to the demands it generates. In these conditions, the stress has become a problem with which we are confronted permanently, in both the extra-professional and the professional environment. Due to stress consequences generated by work situations, in recent years, most of the research were mostly oriented towards this. Initially, occupational stress has been studied at the managers level ("staff stress with executive power ") subsequently, has been expanded depending to types of leadership existing. The purpose of this paper is to present stress factors associated with types of leadership and to identify effective leaders behavior for the purpose of diminishing level of stress in the organization.

**11. THE CHALLENGES OF THE EUROPE 2020 STRATEGY: THE CASE OF MURES COUNTY**

**Author:** Assistant VERONICA DEAC, Ph.D., University of Medicine, Pharmacy, Sciences and Technology of Târgu-Mureș, Romania

**Abstract:** The purpose of this paper work is to present to what extent the main objectives of the Europe 2020 Strategy regarding the creation of more jobs by age categories and better living conditions, respectively, have been achieved in the center of the country, namely in Mures County. The paper represents an analysis of the evolution of several relevant indicators starting with 2010 until now, in comparison with other counties in Transylvania, in order to reveal certain weaknesses or opportunities in the model of the public service operation in the interest of the Mures citizens.

**12. TRENDS IN THE FOREIGN TRADE EVOLUTION OF THE REPUBLIC OF MOLDOVA**

**Authors:** Scientific Researcher TATIANA IAȚIȘIN, Ph.D., National Institute for Economic Research, The Academy of Sciences of Moldova, The Ministry of Education, Culture and Research, Republic of Moldova; Associate Professor, Scientific Research Coordinator LILIA GHIȚIU, Ph.D., National Institute for Economic Research, The Academy of Sciences of Moldova, The Ministry of Education, Culture and Research, Republic of Moldova

**Abstract:** Foreign trade and economic cooperation have a particular importance for economic development in general as well as for national economies. The Republic of Moldova does not have energy resources, it does not produce many types of goods needed for domestic production and consumption. That is why the Moldovan economy is geared towards promoting foreign economic relations, in particular by boosting exports, by protecting the national economy based on competition and transparency, by regulating and monitoring imports and maintaining balance of trade. The paper aims to analyze the current trends of the trade relations of the Republic of Moldova by analyzing the flow of goods in dynamics with an emphasis on the period of 2000-2017. For this research paper there were used such research methods as: monographic, analysis and synthesis, statistics, comparison, etc. A particular attention was paid to the preferential trade regime which has contributed to a gradual opening of the Community market for Moldovan exports.

**13. MOTIVATIONAL FACTORS IN THE EDUCATIONAL AND PROFESSIONAL OPTION THE TEHNOLOGY LEARNING ABSOLVENTS**

**Author:** Professor ELENA DINCULESCU, "Maria Teiuleanu" Economic College of Pitești, Romania

**Abstract:** The moment when secondary school graduates choose their path of education and training is extremely important for themselves, family and society. This option is developed in time during formal education, and it is the result of a complex and specialized activity taking place in schools. Choosing the career path is also a subtle process of learning that makes the individual able to society, transition, adaptation, flexibility, flexicurity and not just a simple receptor and storage of information. Decision looms in the educational and vocational guidance, during the process of harmonization of personal and social aspirations seen as a source of individual satisfaction and the main way of economic progress that generally implies competence, competition, success, failure, learning, continuous professional training and responsibility assumption. Finally, all taken measures should result in personal development and students equip with the knowledge and skills necessary to manage their own lives, to inform students about the opportunities for education and training in Romania, to facilitate access to the entire range of professional education and training, to support an adequate socio-professional insertion for the future and the continuous improvement process for the use of human resources that society has at a certain time.

**14. ANALYSIS AND MANAGEMENT OF MACROECONOMIC RISKS OF THE REPUBLIC OF MOLDOVA**

**Authors:** Scientific Researcher TATIANA PETROVA, National Institute for Economic Research, The Academy of Sciences of Moldova, The Ministry of Education, Culture and Research, Republic of Moldova; Scientific Researcher CORINA GRIBINCEA, Ph.D., National Institute for Economic Research, The Academy of Sciences of Moldova, The Ministry of Education, Culture and Research, Republic of Moldova

**Abstract:** Macroeconomic risks have a complex effect on the level of business activity, liquidity and financial stability of the economy of the Republic of Moldova. Risks and vulnerabilities can develop endogenously within the

financial system, but can also occur in the real economy and be transferred to the financial system. The systems approach determines the reform of the macroeconomic risk management system as part of the strategic planning process for the development of the banking sector, the financial system and the country as a whole. The methodology used to calculate indicators of the macroeconomic risks were based on IMF methodology. Authors conclude that Moldova's is lagging in terms of per capita income and weak social development emphasizes the need for faster and more comprehensive growth. However, the existence of an export-oriented economy development model, along with a weak financial system, makes the real sector vulnerable to external shocks and does not allow for a sustainable economic growth.

#### 15. STRESS GENERATED BY THE DIGITAL ENVIRONMENT

**Authors:** Professor CONSTANȚA POPESCU, Ph.D., "Valahia" University of Târgoviște, Romania; GEORGIANA – TATIANA BONDAC, Ph.D. Student, "Valahia" University of Târgoviște, Romania; OANA – MIHAELA ILIE, Ph.D. Student, "Valahia" University of Târgoviște, Romania

**Abstract:** At present, people daily make a compromise between being permanently connected or staying intimate. The more Internet services are used, the harder it is to keep confidential personal information. The more Internet services are used, the more difficult it is to keep confidential personal information. Thus, the digital world has become important, even giving us stress: too many passwords to remember or fear we may be the victims of some cyber attacks. So, we believe that each user needs a special protection that suits their digital lifestyle, because if we do not take protective measures, this lack of action can lead to stress.

#### 16. SMART SPECIALIZATION AND INNOVATION CLUSTERS IN THE LESS DEVELOPED REGIONS IN CENTRAL AND EASTERN EUROPE

**Authors:** Associate Professor CRISTINA GĂNESCU, Ph.D., "Constantin Brâncoveanu" University of Pitești, Romania; Associate Professor CRISTINA ȘERBĂNICĂ, Ph.D., "Constantin Brâncoveanu" University of Pitești, Romania; Associate Professor SEBASTIAN ENE, Ph.D., "Constantin Brâncoveanu" University of Pitești, Romania; Lecturer IULIANA TALMACIU, Ph.D., "Constantin Brâncoveanu" University of Pitești, Romania

**Abstract:** The smart specialization is the ability of an economic system or a region to generate new specializations by discovering new areas that offer opportunities as well as to concentrate resources and skills in these areas. Innovation clusters are equivalent to industrial clusters or cluster initiatives and involve the creation of an interconnected network of enterprises, suppliers, institutions, universities, local and regional authorities that promote innovation and economic growth at regional level. In regions lagging behind, innovation clusters are important development vectors that allow the discovery of areas with potential whose influence on the growth of smart regional specialization may be important. This study explained the importance of clusters in supporting smart regional specialization. The European Cluster Observatory and the Cluster Stars indicator allowed for a classification of less developed regions in the European Union, identifying the economic sectors with a clear role in regional growth.

#### 17. FACTORS INFLUENCING STRATEGIES TO PROMOTE MOLDOVAN WINE ON THE NEW MARKETS

**Authors:** Associate Professor AURELIA DUCA, "Dimitrie Cantemir" State University, Republic of Moldova; UGBO JOHNBULL, Ph.D. Student, University of European Political and Economic Studies "Constantin Stere", Republic of Moldova

**Abstract:** In today's competitive business environment, coupled with the economics recession which has left many companies closed and some bankrupt, the organizations that survived the recession are now trying to pull their foot back to status quo. These organizations tend to increase or expand their business, and the only way this could be successful is for them to move from the highly competitive and saturated Western markets and explore new market and opportunities. It is against this background that Stratbull Leaders LTD in Republic of Moldova is trying to expand its sales volumes and profit margin by extending its product to a new market which is Africa (Nigeria). The paper aims to investigate factors that influence strategies to promote Moldovan wine on the Nigerian market.

**18. ECONOMIC GLOBALIZATION VERSUS SUSTAINABLE DEVELOPMENT**

**Authors:** Professor Habil. ALEXANDRU GRIBINCEA, Ph.D., Free International University of Moldova, Republic of Moldova; ALEXANDRU GRIBINCEA, Ph.D. Student, Universidad de Cadiz, Spain

**Abstract:** The obvious achievements in the development of the world economy were accompanied by the increased concern of politicians, businessmen, scientists and elites, fear of risks of further prospects for the development of destructive processes in national economies, industries and entities. The pursuit of profit forces resource users to save on costs in the performance of two fundamentally important economic functions related to nature: the extraction of resources, which leads to its excessive destruction, and the disposal of waste of the production cycle, which leads to pollution. At the same time, the effect of these functions leads to a further decrease in the ecological capacity of the planet. Globalization has shown that the idea of a high degree of environmental development of the West is a myth that allows a certain country to solve environmental problems safely only on its territory. "Prosperous countries" solve the problems of their "dirty economy" at the expense of the periphery of developing countries. Polluting enterprises of fuel and energy, agriculture, forestry, fisheries, industrial, energy and other sectors of the economy were brought to the periphery of the world market economy. Therefore, the scale of global problems, from which it is impossible to hide behind national borders, is increasing.

**19. THE CHALLENGE OF SMART SPECIALIZATION**

**Authors:** Associate Professor SEBASTIAN ENE, Ph.D., "Constantin Brâncoveanu" University of Pitești, Romania; Associate Professor CRISTINA ȘERBĂNICĂ, Ph.D., "Constantin Brâncoveanu" University of Pitești, Romania; Associate Professor CRISTINA GĂNESCU, Ph.D., "Constantin Brâncoveanu" University of Pitești, Romania; Lecturer IULIANA TALMACIU, Ph.D., "Constantin Brâncoveanu" University of Pitești, Romania

**Abstract:** The smart specialization concept, created by the European Commission, was recast through work by researchers both within and outside the Commission to foster regional economic transformation and incorporated as a key principle of investment in research and innovation in the framework of the EU regional policy. The challenge of smart specialization is to implement the smart specialization strategies. The European Commission, in particular DG REGIO and the S3 Platform at DG JRC, have been putting a great effort in developing the S3 approach, making it operational, helping the regions and countries to understand it and develop their strategy and policy design.



## II. MODELING OF INFORMATION SYSTEMS FOR BUSINESS

**Moderators:** Associate Professor MIHAELA SAVU, Ph.D.  
Associate Professor DELIA TESELIOS, Ph.D.

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

### 1. TELEWORKING – A RESULT OF THE EVOLUTION OF INFORMATION AND COMMUNICATIONS TECHNOLOGY

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

**Abstract:** The continuous and rapid evolution of information and communication technology has created the premises of the remote activity, thus replacing the classical way of working as an employee working in an office at the employer's headquarters. This paper aims to present a series of statistical data on the number of employees in the European Union who usually work from home using information and communication technology. Comparing the statistical data, Romania is at the end of the ranking, but this ranking is strongly influenced by the fact that this type of work has recently been regulated in our country. The quantitative analysis of the number of employees working at home is complemented by the advantages and disadvantages of this activity.

### 2. FINANCIAL INCLUSION IN THE CONTEXT OF DIGITAL TECHNOLOGIES DEVELOPMENT. GLOBAL EVOLUTIONS

**Author:** Scientific Researcher SORIN – NICOLAE CURCĂ, Ph.D., Institute of World Economy, Romanian Academy, Romania

**Abstract:** Digital technologies development has triggered a new approach to how customers can interact with financial institutions and has significantly contributed to increasing global financial inclusion. This paper deals with this issue from the perspective of the impact that the solutions created as a result of the development of these technologies have had on the reduction of the share of the population that does not use financial products and services. In this context, it was envisaged to present the concept of financial inclusion in close connection with the Fintech companies, to review the initiatives promoted by international organizations in order to increase the degree of financial inclusion through the use of tools based on digital technologies, respectively the analysis of the degree of financial inclusion in countries where the introduction of mobile payments services or the use of digital credit platforms have contributed to reducing the share of non-business people in financial institutions.

### 3. COMPARATIVE FRAMEWORK ON MATERIALISM, ETHICS AND SPIRITUAL VALUES IN FINANCIAL MARKETS AND BANKING SYSTEMS

**Authors:** Professor TIBERIU - HORAȚIU GORUN, Ph.D., "Constantin Brâncuși" University of Târgu-Jiu, Romania; RAMONA BIRĂU, Ph.D. Student, University of Craiova, Romania

**Abstract:** This research paper aims to provide a comprehensive framework on the dichotomous co-existence of materialism, ethics and spiritual values in financial markets and banking systems. The financial world seems to be completely free of emotions, cold and profit-oriented. The development of society incorporates a multitude of human behaviors based on innate abilities and acquired skills. The interaction between environmental and genetic causation factors provides an analytical perspective in understanding human behavior. However, two completely opposite paradigms may lead to a systemic balance. Knowledge is a very complex concept with various dimensions.



As a paradox, the diagnosis of antisocial personality disorder is considered a plus in the case of a highly competitive corporate employee. Achieving performance is a priority in the case of financial markets and banking systems.

#### 4. HISTORY OF THE DEVELOPMENT OF BLOCK-CHAIN CRYPTIC TECHNOLOGY AND ITS FUTURE IN THE GLOBAL ECONOMY

**Author: Scientific Researcher MIRCEA GUTIU, National Institute for Economic Research, The Academy of Sciences of Moldova, The Ministry of Education, Culture and Research, Republic of Moldova**

**Abstract:** This article represents the case of study the block-chain technology evolution across its existing like financial, economical and social instrument. With phenomenal growing in 2017 it creates a new industry of pay instrument Bitcoin has laid the foundation for the evolution of financial instruments and information technologies, this wave may sign new changes that may occur in the near future. In addition, forecasts will be made on the future of new digital coins and block-chain technology Keywords: block-chain, bitcoin, finance, economy, technology.

#### 5. STUDY ON THE INTEGRATION OF SUSTAINABLE DEVELOPMENT EXERCISES IN THE ACCOUNTING MODEL OF A PUBLIC INSTITUTION FOR FORESTRY DOMAIN IN THE SOUTH-MUNTENIA REGION

**Author: Professor ELENA – MIHAELA ILIE (ȘERB), "Ion Ghica" Economic College of Târgoviște, Romania**

**Abstract:** Despite the fact that the topic of sustainable development has been dealt with in many international norms and standards, there are very few papers in accounting research that deal with the interconnection between the accounting model and sustainable development, respectively the extent to which the accounting of economic entities reflects the requirements of sustainable development. In this article we have proposed to answer the following questions: "To what extent is labor productivity influenced by integrating the requirements of sustainable development?", "How could the degradation of human capital in an institution be stopped?". In order to know the answers, I have undertaken a qualitative research on the members of the public forestry institution. Thus, we noticed the managerial team's desire for an increase in the satisfaction of our employees and we proposed an accounting model for integrating the requirements of sustainable development. At the local level, this integration can result in a competitive advantage of the institution on the local market, respectively in the improvement of the human development indicators.

#### 6. MODELING SYSTEMS FOR SOCIO-PROFESSIONAL INSERTION PRODUCTIVE LABOR MARKET

**Author: Lecturer LOREDANA - MARIA PĂUNESCU, Petroleum & Gas University of Ploiesti, Romania**

**Abstract:** In recent years, it found that universities attach great importance to participation in projects relating to the insertion of graduates in the labor market, both as coordinator and partner institution allocating significant human and material resources for the successful development of these projects. In this respect, the analysis carried out we started to focus on one of the problems in Romania, namely, that today, few graduates fail to integrate rapidly into the labor market. In fact, it is known that the labor market is the relationship between young graduate and employing companies. However, job security, one of the important conditions for graduates is endangered by the current economic crisis. Job loss is one of their main concerns given that supply is more limited than at the time of their enrollment in the labor market. Also, high rates of unemployment indicate their main difficulties that they experience in graduation-work transition. Better education and access to education for gaining greater stability in the labor market would allow natural insertion in the labor market. Also, high rates of unemployment indicate their main difficulties that they experience in graduation-work transition. In recent years, many young people graduate from university increased significantly in recent years. Of course we can not isolate statistical data quality workforce, amid the transformation of higher education in mass education, which often hide masked youth unemployment by delaying the integration into the labor market and further studies. However, this statement regarding the level of education required for a post became widespread labor market in Romania, in the sense that, even for jobs that would normally be performed by persons with secondary education is required diploma University studies. Also, in recent years we have witnessed an excess of demand for jobs in relation to the supply of the market. The current economic situation and the situation on the labor market leads university graduates to settle for work that you have, even if it does not meet their expectations.

**7. SYSTEMS SIMULATION MODELS TO BALANCE SOCIO-PROFESSIONAL YOUTH LABOR MARKET****Author: Lecturer LOREDANA - MARIA PĂUNESCU, Ph.D., Petroleum & Gas University of Ploiesti, Romania**

**Abstract:** A study on the labor market in Romania requires both knowledge processes, realities and trends across the country, and knowledge of phenomena manifested in this market over the years. The labor market in Romania is influenced by economic and social system of politics and the environment, so supply and demand on the labor market often have different tendencies, leading to a tense labor market. In recent years, the labor market has undergone a number of changes, so that both employees and employers have a new perspective regarding labor market insertion.

**8. THE USAGE OF NEW ICT TOOLS IN THE CLASSROOM FROM THE STUDENTS' PERSPECTIVE AT „MIHAI VITEAZUL” THEORETICAL HIGHSCHOOL- CASE STUDY****Author: MARIANA – VIORELA GRIGORE – FILIP (ȘERBAN), Ph.D. Student, "Valahia" University of Târgoviște, Romania**

**Abstract:** A study on the labor market in Romania requires both knowledge processes, realities and trends across the country, and knowledge of phenomena manifested in this market over the years. The labor market in Romania is influenced by economic and social system of politics and the environment, so supply and demand on the labor market often have different tendencies, leading to a tense labor market. In recent years, the labor market has undergone a number of changes, so that both employees and employers have a new perspective regarding labor market insertion.

**9. CASE STUDY ON THE VIEWPOINT OF PARENTS FROM A RURAL AREA CONCERNING MODERN EDUCATION AND ICT****Authors: MARIANA – VIORELA GRIGORE – FILIP (ȘERBAN), Ph.D. Student, "Valahia" University of Târgoviște, Romania; IOANA – CĂTĂLINA GHIȚĂ, Ph.D. Student, "Valahia" University of Târgoviște, Romania**

**Abstract:** Technology is present in almost all aspects of live. It is generally considered that people living in the countryside are more reluctant to adapt to innovation. This study is designed as a questionnaire aiming at discovering the viewpoint of parents with children at secondary level in education (V-VIII) towards new ICT at school and at home and their awareness on the multitude of possibilities offered by communication technology. All of the students involved in the case study attend Răscăieți Elementary School (I-VIII) in Dâmbovița.

**10. THE CARD MARKET IN ROMANIA - A CONTRAST MARKET****Authors: Associate Professor CAMELIA VECHIU, Ph.D., "Constantin Brâncoveanu" University of Pitești, Romania; Lecturer GIANINA NEGRĂU, Ph.D., "Constantin Brâncoveanu" University of Pitești, Romania**

**Abstract:** With small steps, Romania is going in the right direction in the field of electronic payments, considering the results in recent years. Banks issuing cards aim to strengthen their portfolio and, obviously, numerical and value increases for the transactions they make. Despite all the progress, the card market in Romania is one of the urban environment, unfortunately the rural environment has not been an attraction for banks in their business with cards. It is still regarded by these as an unprofitable business in the villages, the dominant feature in rural areas being the payments in cash. The cash-back law will not bring any change in card pay to the villages, although the primary purpose was to do so. The increase in the turnover threshold of 50,000 euros for traders forced to enter the card payment, compared to 10,000 euros in the first variant, cancels the beneficial impact of the law, in the context of the fact that only 10% of the rural traders have annual turnover, between 50,000 and 100,000 euros. The growth trend of the card market could however be affected by the changes made by the National Bank of Romania to Regulation no. 17/2012, which is applicable this year, which reduces the indebtedness of individuals to 40% of their net income, to lei loans, and to 20% to foreign currency loans, including credit card credits.

### III. CURRENT ISSUES OF ACCOUNTING AND FINANCIAL AUDIT

**Moderator:** Associate Professor FLORIN DIMA, Ph.D.  
Ec. DANIEL MATEI, The Body of Expert and Licensed  
Accountants of Romania, Arges Subsidiary  
Lecturer CORINA DUCU, Ph.D.  
Lecturer NICULINA STĂNESCU, Ph.D.

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

#### 1. APPROACHES TO AN ENTITY'S FINANCIAL PERFORMANCE

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

**Abstract:** Accounting is a process present in the economic and social environment, representing an information system that quantifies, processes and highlights the flows of the activities carried within an entity and communicates the financial-accounting information about the business to the people interested through the financial statements. As a result, the accuracy of the information is essential both to the entity's management and to the business environment. In order to obtain relevant, credible, intelligible, comparable financial-accounting information which can accurately present the economic-financial situation of an entity, a number of processes are underway, such as: internal control, internal audit and financial audit.

#### 2. THE SIGNIFICANCE OF FINANCIAL-ACCOUNTING INFORMATION FOR THE BUSINESS ENVIRONMENT

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

**Abstract:** The business environment, as a result of the activities carried out, generates a series of financial and accounting flows. Accounting is a process present in the economic and social environment, representing an information system that quantifies, processes and highlights the flows of the activities carried within an entity and communicates the financial-accounting information about the business to the people interested through the financial statements. As a result, the accuracy of the information is essential both to the entity's management and to the business environment. In order to obtain relevant, credible, intelligible, comparable financial-accounting information which can accurately present the economic-financial situation of an entity, a number of processes are underway, such as: internal control, internal audit and financial audit.

#### 3. RISK ASSESSMENT OF THE INTERNAL MANAGEMENT CONTROL SYSTEM IN PLANNING THE PUBLIC INTERNAL AUDIT ACTIVITY

**Author:** INGA BULAT, Ph.D. Student, National Institute for Economic Research, The Academy of Sciences of Moldova, The Ministry of Education, Culture and Research, Republic of Moldova

**Abstract:** Public internal audit is to provide advice and provide objective assurance on the effectiveness of the internal management control system, providing recommendations for improvement. The activity of public internal audit is independent and objective. Planning is a process of determining in advance what needs to be done in a year or more of activity, how, when, and what is required for audit resources. Planning public internal audit activity involves a general strategy based on identifying major entity risks for the purpose of assessing sensitive points of the internal control system. The topic addressed in this article refers to the planning of public internal audit based on the major risks in the internal control system to the achievement of the objectives by entity.

**4. MATERIALITY IN A MISSION TO REVIEW THE HISTORICAL FINANCIAL STATEMENTS**

**Author: LAURA – ALEXANDRA MORTURĂ, Ph.D. Student, "1<sup>st</sup> of December 1918" University of Alba-Iulia, Romania**

**Abstract:** Accounting is a branch of the economy that is part of the social sciences. In this sense, it comes to support the society, aiming to offer the best services for the good development of society. Financial audit also is a part of this branch of social sciences, accompanying in various forms the field of accounting over time, with the initial aim of verifying the veracity of the work carried out by the persons involved in accounting, and then, in time, the purpose of the financial audit has changed, providing today to the participants in economic activities a high degree of confidence about the information provided by the financial statements. In the financial audit, auditors can carry out several types of missions, providing two types of insurance, either reasonable or limited, or even no type of insurance. In this case, a mission to review historical financial statements by an auditor may provide only limited assurance to users. The materiality calculated in this assignment provides a value through which it may reduce the risk that information in the financial statements will contain material misstatements.

**5. ASSESSING THE RISK OF FRAUD IN THE INTERNAL AUDIT MISSION IN THE PUBLIC SECTOR**

**Author: INGA BULAT, Ph.D. Student, National Institute for Economic Research, The Academy of Sciences of Moldova, The Ministry of Education, Culture and Research, Republic of Moldova**

**Abstract:** The purpose of an internal audit is to provide advice and provide objective assurance on the effectiveness of the internal managerial control system by assessing systems, processes, high-risk activities in the presence of errors, fraud, irregularities or significant non-conformities. The reality shows that, depending on the determinants, synthesized in pressures, opportunities and attitudes, there are significant differences in the risk of fraud. Differences can be identified at different levels of the internal control system, areas of activity and in different times, between financial years. The risk of fraud and corruption must be managed by the entity's management but also regularly evaluated by the internal auditor in conducting audit engagements. The establishment, assessment of the control environment and the management of major risks with a high degree of fraud implies a concise mechanism of effective activities in the prevention of fraud and corruption at entity and process level. This article will outline the basics of fraud in the public entity, the assessment of fraud risk by internal auditors using non-statistical models and indicators.

**6. ISSUES ON CAPITALISATION OF BORROWING COSTS**

**Author: Lecturer CRISTINA AURORA BUNEA – BONTAŞ, Ph.D., "Constantin Brâncoveanu" University of Piteşti, Romania**

**Abstract:** IAS 23 Borrowing Costs prescribes the accounting when borrowings are made to acquire or construct an asset. The core principle of the standard is that borrowing costs that are directly attributable to the acquisition or construction of a qualifying asset must be capitalised. Even though in theory this principle seems simple to apply, its practical implementation often raises questions for which IAS 23 doesn't give clear guidance. Challenges in applying this standard are related to specific issues such as identifying the qualifying assets, calculating the total borrowing costs eligible for capitalisation, when to start or to suspend capitalisation, borrowing costs in separate and consolidated financial statements. Some of these practical challenges are discussed in this article.

**7. THE ROLE OF CREATIVE ACCOUNTING IN "STIMULATING" FINANCIAL PERFORMANCE**

**Author: MIHAELA – MARIA MIHALCEA, Ph.D. Student, "1<sup>st</sup> of December 1918" University of Alba-Iulia, Romania**

**Abstract:** The financial performance of an economic entity is its business card vis-à-vis its stakeholders, on the basis of which they make their investment, credit or other type of collaboration decisions. Information reflecting the financial performance is most often represented by the level of income and expense, the level of profit, the balance sheet asset and other intermediate and relative indicators deriving from them. The issue we are debating in this paper derives from the fact that the aforementioned figures are easily influenced by creative accounting techniques, and the financial performance assessed on the basis of this information is thus misleading. In this context, this paper aims to present the negative effects of creative accounting, to exemplify some creative accounting techniques, and



how these practices impinge on performance indicators, as well as to suggest ways to protect stakeholders against accounting manipulations.

#### 8. AUDIT OBJECTIVES OF ORGANIZATIONAL / INSTITUTIONAL RESILIENCE

**Author:** SIMONA - IONELA PETCUȚ (BECHERESCU), Ph.D. Student, School of Advanced Studies of the Romanian Academy, Romania

**Abstract:** When challenging the institutional organization to continue its work under uncertain conditions, the audit of organizational resilience contributes, through its mission, to assess, propose and improve administrative processes management. The paper analyzes the goal-setting process, which involves planning and establishing the mission through a systematic approach that evaluates and improves the efficiency and effectiveness of the risk management- based management system. I will show that the internal resilience audit can use levers to fortify the institutional organization so that it uses all its human and financial potential to face the challenges and that the goals are feasible. As they are formulated in the paper, the resilience audit objectives specify what kind of performance the organization can accomplish, how long the commitments can reach the proposed goal, and how efficient its management is. Simultaneously with the setting of objectives, the ways that the organization/institution is following in order to recover from a change or unfavorable situations will also be considered. It will be argued that the objective of the resilience audit should fit into the mission and strategic direction of the organization.

#### 9. THE INFLUENCE OF METHODS OF EVALUATION OF STOCKS AT THE ENTITY OUTPUT ON PERFORMANCE

**Author:** IZABELA – DIANA HADA, Ph.D. Student, "1<sup>st</sup> of December 1918" University of Alba-Iulia, Romania

**Abstract:** In an economic environment in an constantly changing, performance is a priority, an assurance of some profitable economic results, a measure of profit, productivity, growth, value creation, and a indicator hardly touched. Economic entities benefit from the great opportunities to influence the outcome and, implicitly to shape their performance. These include the choice of the method of evaluating the stocks especially in putting their consumption because the entry in the inventory entity does not generate an expense which would have impact on the performance. In this sense, this article aims to analyse the implications of stock assessment methods to the entity upon performance. The research is based on the comparative analysis of the extent to which three methods of assessment of stocks respectively first in-first out, last in first out, weighted average cost may be used depending on the needs of modeling results. The research results show that the methods of stock assessment chosen by each company, governed by the law of national accounts have considerable influences upon the cost and outcome, concealing various possibilities of performance manipulation.

#### 10. THE EXAMINATION OF THE GOING CONCERN IN A MISSION OF AUDITING THE ANNUAL FINANCIAL STATEMENTS

**Author:** LAURA – ALEXANDRA MORTURĂ, Ph.D. Student, "1<sup>st</sup> of December 1918" University of Alba-Iulia, Romania

**Abstract:** An important tool made available to the parties involved in a market economy in the era of globalization by economic practice, to provide end-users with assurance on the truthfulness and reliability of the information provided by the financial statements, is statutory audit. In addition, in order to increase the confidence of users in this information, the auditors should determine whether the audited entity complies with the principle of going concern, in which sense they must determine the bankruptcy status of the audited entity, respectively to determine the solvency level of it. In order to make this assessment, economic practice provides the necessary tools through the economic and financial analysis, using the scores method and applying the Altman model.

#### 11. CHALLENGES AND PERSPECTIVE IN ACCOUNTING

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

**Abstract:** Global economic change causes changes in the socio-economic sciences and implicitly causes changes in accounting. The future of accounting depends on a number of external factors such as: the development of automated accounting automated systems; economic volatility; the high degree of implementation of international accounting and financial reporting standards; aspirations and different expectations of future generations.



Considering these aspects and taking into account the ideas, we will present the main conceptual and technical challenges of the accounting for the future.

## 12. THE PURPOSES AND BENEFITS OF FINANCIAL STATEMENTS AUDIT

**Author: Lecturer NICULINA STĂNESCU, Ph.D., "Constantin Brâncoveanu" University of Pitești, Romania**

**Abstract:** The audit of financial statements useful to all categories of users of financial statements has in recent years been widely developed from the point of view of understanding the role of financial audit within an entity and of auditing the audit process by audit clients, potential clients, investors, business in general. The audit of financial statements has increased its benefits, restored its objectives so it has considerably improved its credibility with audited entities, corporate governance structures, and management.

## 13. TESTING THE INVESTORS' REACTION TO RED FLAGS OF CORPORATE FRAUDULENT BEHAVIOR IN FINANCIAL REPORTING – EMPIRIC FINDINGS ON BUCHAREST STOCK EXCHANGE

**Author: Lecturer IOAN OVIDIU SPĂȚĂCEAN, Ph.D., University of Medicine, Pharmacy, Sciences and Technology of Târgu-Mureș, Romania**

**Abstract:** Although the auditing profession takes a keen position against fraudulent corporate behavior in financial reporting, unfortunately some scandals have emerged in the Romanian capital market, weakening investors' confidence. Our previous research has shown that investors do not attach sufficient importance to audit reports. Moreover, some evidence of irrational investment behavior has been highlighted, for example increases in transaction prices, although audit reports included a modified opinion. In these circumstances, we have defined the following research hypothesis: investors do not take into account early signals that might be associated with potentially fraudulent financial reporting. Our research aimed to test the effectiveness of the Beneish model in the case of listed companies on the BSE that entered insolvency / bankruptcy. The research hypothesis is tested by examining the volatility of the trading prices following the publication of the financial statements.

#### IV. THE ROLE AND FUNCTIONS OF PUBLIC AND PRIVATE FINANCE

**Moderators:** Professor MARIUS GUST, Ph.D.  
Scientific Researcher II MIHAIL DIMITRIU, Ph.D.  
Associate Professor MIHAELA GÖNDÖR, Ph.D.  
Associate Professor SEBASTIAN ENE, Ph.D.

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

##### 1. THE PROFITS OF THE ROMANIAN BANKS, AFTER THE FINANCIAL CRISIS

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

**Abstract:** The Romanian banks' profits were not constant after the Romanian economy faced the financial crisis that started in 2008. Thus, if at the beginning of the analyzed period - the last decade - the years with profitable financial exercises alternated with the years in which the Romanian banks recorded losses, followed by years (from the middle of the study period) with losses, and in recent years, profitability is the main feature of the management of Romanian banks. The main cause of the losses in the banking system was the risky operations made by the Romanian banks before the crisis and during the crisis and the diminishing of bank revenues after the crisis. Loss exercises and profitable exercises have not only been a feature of banks but of the whole economy. Thus, when banks have had high profits, all enterprises have had high profits, and banks are in line with the general trend. Also, the banks' profits represent a relatively small value from the results obtained by all enterprises in Romania. Equally true is the fact that the increase in the profitability of the banks in recent years is also explained by the restructuring carried out by their management in the last years, especially at the level of the network of the counters, the staff and partly the operations with the clients.

##### 2. FINANCING THE BUDGET DEFICIT OF ROMANIA IN 2017

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

**Abstract:** The recent economic crisis has revealed the failure of some cognitive and operational models to relaunch the economic activity. The most persuasive example is the thesis that price stability is equivalent to financial stability, with the full use of resources. Nowadays, we hear more and more often of the idea that the budget deficit becomes a means of relaunching the economic activity, given the fact that it does not already have an inflationary character. It is possible to act upon the demand for public goods and services through the use of short-term funds, thus achieving a flexible budget policy. Within this framework, public spending can be resized in relation to the size of these funds. If no changes are made to tax regulation, fiscal revenues may constitute conjunctural adjustment tools. The idea that budget deficit would be a particularly important economic problem is partly true, because it must, nevertheless, exist. Through it, the redistribution of income between generations, the fiscal relaxation in the case of the variation of the income subject to taxation etc. are ensured.

##### 3. REFORMS OF ROMANIAN BANKS, AFTER 10 YEARS FROM THE FINANCIAL CRISIS

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

**Abstract:** Ten years after the financial crisis, which began in 2008, although the Romanian banking system lost about 10% of its size (the share of assets in GDP), it continues to be the main component of the Romanian financial system, with a share of three quarters of them. As regards bank resources, we note a decrease in the Romanian banks' dependence on the external environment, better financial autonomy of banks towards non-financial creditors, but also a shift of banking risk to the population and enterprises, which have increased their contribution to financing of banks' operations. The developments in the Romanian banks' assets field indicate a decrease in

banks' interest in the real economy in Romania, probably due to the increase in its risk. Also, Romanian banks preferred to obtain lower but risk-free incomes offered by the state to investments made for public debt financing and focused on placements outside Romania. Last but not least, a decrease in the liquidity of our banks due to the decrease in the receivables on the NBR.

#### **4. DISCRETIONARY VERSUS AUTOMATIC STABILIZATION IN RELATION TO INDICATORS ASSOCIATED WITH NOMINAL ECONOMIC CONVERGENCE CRITERIA**

**Author : Scientific Researcher III ALINA GEORGETA AILINCA, Ph.D., "Victor Slăvescu" Financial and Monetary Research Center, Romanian Academy, Romania**

**Abstract:** About economic convergence has been written a lot, especially about the nominal one. The nominal economic convergence criteria of the Maastricht Treaty as they are known and imposed on countries wishing to join the Eurozone are both controversial in the academic world, with voices calling for either their relaxation or completion, or at least for a better calibration of them. Without starting from redesigning, the article aims to analyse in its current form which is most effective: discretionary stabilization or the design of a mechanism rather automatic in reaching the thresholds imposed by the Maastricht criteria? The arguments formulated in this article and the results obtained can guide us towards the use of an automatic type of stabilization mechanism.

#### **5. INFLUENCES OF INSTITUTIONAL FACTORS ON THE DIMENSION OF FISCAL AND BUDGETARY MULTIPLIERS IN ROMANIA FOR THE PERIOD 2006 - 2017**

**Author: Scientific Researcher III, IONEL LEONIDA, Ph.D., "Victor Slăvescu" Financial and Monetary Research Center, Romanian Academy, Romania**

**Abstract:** In this paper, an assessment of the influences of institutional factors, on the nature of the structural and conjunctural characteristics of the economy, will be made on a set of fiscal and budgetary multipliers, for the period 2006 - 2017, for Romania. The research methods used in the paper refer to evaluations of the theory, studies and interpretations in the literature regarding the fiscal and budgetary multipliers, the methodological analysis, the economic and institutional mechanism and the interpretation of economic significance. The results expected to be obtained can be concretized in an evaluation table of the impact of the fiscal-budgetary multipliers, based on the influence of the mentioned factors.

#### **6. THE DEGREE OF ATOMICITY OF THE OWNERSHIP AND THE FIRM'S FINANCIAL PERFORMANCE - EVIDENCE FROM ROMANIA**

**Author: MILENA SCHANK, Ph.D. Student, West University of Timișoara, Romania**

**Abstract:** This paper examines the impact of the degree of concentration of the ownership on the firm's financial performance for a sample of 2,000 Romanian companies, in a time frame that range from 2009 to 2017. The effects of concentrated ownership on firm's performance is estimated using fixed effects model (FE), random effects model (RE) and a corrective model (PCSE) as methodology. The main results indicate the fact that between the financial performance, expressed by both indicators return on assets (ROA) and return on equity (ROE), and the variable which express the degree of ownership concentration is an inverse significant relationship. At the same time, other variables considered do not show significant differences in outcome: size, age, liquidity, leverage and tangibility negatively influence the financial performance of companies.

#### **7. METHOD TO FIX THE PRICE FOR "YOUR HOME" CREDIT AT RAIFFEISEN BANK**

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

**Abstract:** The price is an important element of the marketing mix that can not be fully controlled through the marketing function and an indication of value for both consumers and banking service providers. It has a leading role in ensuring the creditworthiness of the credit institution. Both directly and especially closely related to costs, the price determines the level and evolution of the supply of banking products and services. The paper aims to investigate the pricing strategies of the banking companies in order to highlight the role and importance of the price in the financial-banking marketing, to identify the factors influencing the formation of the price of financial-banking

services, to analyze the main pricing strategies in the banking activity, in particular, to set out how to fix prices within Raiffeisen Bank.

## 8. THE COSTS OF FISCAL AND BUDGETARY POLICIES FROM THE PERSPECTIVE OF SUSTAINABLE DEVELOPMENT

**Author: Scientific Researcher II MIHAIL DIMITRIU, Ph.D., "Victor Slăvescu" Financial and Monetary Research Center, Romanian Academy, Romania**

**Abstract:** The choice of the subject of this communication was based on the following considerations: fiscal and budgetary policies currently in place in Romania are not fully in line with long-term strategic objectives (sustainable development strategy at national and European level!); the mechanism for substantiating, adopting and implementing fiscal and / or fiscal policy measures in Romania does not clearly include elements for identifying costs and risks (especially those related to non-implementation of the sustainable development strategy); there is no full consensus on the implementation of long-term fiscal and budgetary policies beyond the electoral cycle, with a long-term development strategy (sustainable). The purpose of the communication is to identify and present some methods of determining the costs related to the non-application of the objectives of the sustainable development strategy, in the case of fiscal-budgetary policies in Romania.

## 9. LOCAL TAXES AND TAXES AS A SOURCE OF INCOME TO THE LOCAL BUDGET

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

**Abstract:** Public administration in counties, towns, communes is organized and functions mainly, based on the principle of local autonomy; according to the law, local autonomy means the right and the effective capacity of the local public administration authorities to solve and manage public affairs on behalf of and in the interest of the local communities they represent. The local autonomy is only administrative and financial, being exercised on the basis and within the limits provided by the law and concerns the organization, functioning, competences and attributions, as well as the management of the resources, which, according to the law, belong to the commune, the city, the municipality or the county, as the case may be. Summing up, local taxes and taxes, the main source of revenue for the local budget is based on the financial component of local autonomy.

## 10. BUDGETARY PRINCIPLES AND RULES ACCORDING TO THE LAW ON PUBLIC FINANCES

**Author: Lecturer MIHAI – ADRIAN OPRESCU, Ph.D., "Constantin Brâncoveanu" University of Pitești, Romania**

**Abstract:** The principle, as a general concept, is a basic rule of maximal generality, on which is based a scientific theory, a political system, a rational construction, any principle being the beginning of an action. Principles are found in all socio-professional and, implicitly, financial law. The law on public finances does not define the notion of principle, summing up only to enumerate them, without developing them in its content. Thus, budgetary principles can be defined as indicative norms underlying the achievement of the entire budgetary process, with the aim of establishing clear rules for the preparation and implementation of the budget.

## 11. VIRTUAL CURRENCIES, A NEW BUSINESS DEVELOPMENT MODEL

**Author: Scientific Researcher CĂTĂLIN DRĂGOI, Ph.D., "Victor Slăvescu" Financial and Monetary Research Center, Romanian Academy, Romania**

**Abstract:** On the background of the development and maturity of virtual currency markets a new type of business or company emerged. The classic method by which a company becomes public by winning funds from individual investors is by selling shares in an initial public offering. What is called "initial coin offering" is in the area of cryptoassets equivalent to an initial public offering in the world of the main investments, the initial offer of the currency acting as a collector of funds. Most often, initial coin offerings are used by new companies to circumvent the rigorous and regulated process of capital increase demanded by investment funds or banks. The paper aims to analyze how virtual currency work, what their characteristics are, and whether they can be an economic development factor.



**12. TRENDS OF VALUE ADDED TAX IN THE EUROPEAN UNION****Author: Associate Professor MIHAELA TEODORESCU, PhD, "Valahia" University of Târgoviște, Romania**

**Abstract:** Given that value added tax (VAT) represents an important source of revenue for Member States' budgets, the purpose of this paper is to analyze the main developments of value added tax at EU level, starting with 2002. The characteristics of the common system of value added tax are presented and a comparative analysis of the VAT rates applied by the Member States is carried out. Revenues from value added tax are analyzed, and their share in Member States' tax revenues, highlighting the role of VAT in the context of the economic and financial crisis as well as the economic recovery period. The limits of the common system of value added tax and the recent initiatives of the European Commission in the field of VAT are also presented.

**13. EFECTELE PROGRAMELOR DE SUSȚINERE FISCALĂ ASUPRA ACTIVITĂȚII INVESTIȚIONALE**

**Authors: Scientific Researcher VICTORIA COCIUG, Ph.D., National Institute for Economic Research, The Academy of Sciences of Moldova, The Ministry of Education, Culture and Research, Republic of Moldova; Scientific Researcher ANGELA TIMUȘ, Ph.D., National Institute for Economic Research, The Academy of Sciences of Moldova, The Ministry of Education, Culture and Research, Republic of Moldova**

**Abstract:** The implementation of projects or programs, in order to stimulate investment activity, is permanently on the agenda of majority of governments, because exactly investments generate changes in the volume and structure of GDP, by this ensuring economic growth. At the same time, the investment is such as material support of promotion of technical and scientific progress in various sectors of activity, because of it, the productive forces of the society is improving and modernizing, and at the same time it is rising to the standard of living of the population by creating improved living conditions. In order to ensure a positive investment flow, are involved various means, but the most discussed and studied is the relaxation of fiscal policy. Unfortunately, not all appropriate tax levers, whether will bring to the expected results, so that in many cases the existence of tax incentives does not ensure the increase of the investment activity. This research is on the way in which tax instruments can positively influence investment activity.

**14. THE PERSPECTIVE OF THE ROAD TRANSPORT GOVERNANCE TO CREATE PREMISES FOR SUSTAINABLE SOCIO-ECONOMIC GROWTH**

**Authors: Associate Professor OANA - RAMONA LOBONȚ, Ph.D., West University of Timișoara, Romania; Master Student ALEXANDRU FURCULIȚĂ, West University of Timișoara, Romania; Ec. FLORIN COSTEA, Head of Finance, Hella Romania, Timișoara, Romania**

**Abstract:** The research proposed in this paper aims to analyze the impact of investments with road infrastructure on economic, social and development indicators. In order to identify significant disparities in the field of the transport network relative to the financial resources needed to ensure sustainable socio-economic growth, the study considers fourteen European Union member countries (Austria, Croatia, Czech Republic, Denmark, Estonia, Finland, France, Lithuania, Poland, Romania, Slovakia, Slovenia, Sweden and the United Kingdom), for the period of analysis 1999-2016. The research methodology of this study involves the analysis of the causal relationship between the descriptors of road transport governance and the socio-economic growth variables, in order to identify the impact intensity of each variable. The set of variables available for the proposed analysis period considers the following exogenous variables: Density of roads (kilometers of streets per hundred square kilometers), Share of motorways in total road network, Foreign direct investments, Gross domestic product and Coefficient of killed persons in road accidents, respectively the exogenous variable, Road infrastructure investment per inhabitant. The recorded results reveal a significant correlation between investments in road infrastructure and socio-economic development. Thus, the EU's investment priorities must be targeted at transport investments that will remove economic blockages within travel and business networks.



**15. FISCAL POLICY THROUGHOUT ELECTIONS PERIODS**

**Authors:** Lecturer LAVINIA DUDAŞ, Ph.D., "Vasile Goldiș" Western University of Arad, Romania; LAVINIA DANIELA MIHIŢ, Ph.D. Student, Doctoral School of Economics and Business Administration, West University of Timișoara, Romania

**Abstract:** The paper brings together academic research on the elections topic. To be more precise we are focusing on studies that examine the fiscal variables behavior before, during and after elections periods. To best-achieve the purposes of our research we make use of content analysis on 3 directions, namely (1) theories and paradigms concerning elections and the fiscal policy, (2) methodologies used for measuring and (3) main findings. This paper focuses mainly on studies that are analyzing elections in emerging countries and presents the main results of over 30 studies. Our results reveal that the increase in public consumption before elections is preferred by policy makers rather than taxes cuts. Furthermore, following elections periods the economy will enter into a fiscal adjustment period that takes especially the form of government investment cuts. Basically, elections periods, especially in developing and emerging countries develop a macroeconomic cost and measurements to prevent opportunistic policy making during these periods should be put in place.

**16. IMPACT OF ELECTIONS ON THE FISCAL POLICY**

**Authors:** Associate Professor OANA – RAMONA LOBONŢ, Ph.D., West University of Timișoara, Romania; Professor NICOLETA – CLAUDIA MOLDOVAN, West University of Timișoara, Romania; Master Student SILVANA JICĂREAN, Taxation and Tax Consultancy, West University of Timisoara, Romania; Master Student LOREDANA JICĂREAN, Taxation and Tax Consultancy, West University of Timisoara, Romania

**Abstract:** The aim of this paper is to examine the impact of elections on the fiscal policy. One of the supposition is that governments manipulate fiscal policy for electoral reasons, considering that often there are taxes lowering or either public expenditure increasing level before elections. It can be observed that decision makers apply various tax tricks to reward their political donors or to handle political opponents. To test this hypothesis this study perform an analysis starting from this the following research questions: To what extent do governments increase fiscal expenditures near the elections to attract voters? Does the type of electoral systems influence fiscal policy around elections? The research methodology, GMM-system estimator, is focused on elections in 15 major democratic states from 2000 to 2017. The impact of electoral elections is considered relevant for different macroeconomic variables, namely in the field of: Government consumption, public investment, GDP growth rate, Fiscal balances, Taxes on goods and services, Direct taxes ratio, Trade taxes ratio. Also, the dataset is considering some relevant dummy variables such are: Election, Pre-election monetary stimulus, pre-election fiscal stimulus, National fiscal rule, New/Old democracy. We apply the GMM estimators because it became very popular in the empirical economic growth literature and is a powerful tool in applied econometrics. Our results reveal that it is not just a coincidence that governments reduce taxes near elections. We also discover that during election years, government consumption increases and leads to higher fiscal deficits.

**17. EVOLUTION OF DIRECT TAXATION IN ROMANIA. TAX REGULATIONS AND COSTS**

**Author:** Scientific Researcher III NICOLETA MIHĂILĂ, Ph.D., "Victor Slăvescu" Financial and Monetary Research Center, Romanian Academy, Romania

**Abstract:** In this paper we present the main tax measures regarding the profit tax and the income tax that were implemented during the period 2005-2017 and we try to identify the share of direct taxes (income and profit taxes) in the total costs for the population and for the companies, as well as the amount allocated by National Agency for Fiscal Administration (NAFA) to administer these direct taxes. In order to achieve these objectives, we use a descriptive methodology, as well as an analysis based on the balance sheet, the documents needed being the Consolidated General Budget of the Ministry of Finance, the NAFA Expenditure Balance, Financial State (Centre for Financial and Monetary Research „Victor Slăvescu”, 2017, „Financial Indicators of the population ”), as well as tax legislation in Romania.

**18. PROGRESSIVITY VERSUS A FLAT TAX RATE IN COMBATING SOCIAL INEQUALITY?**

**Author: Scientific Researcher III, ALINA GEORGETA AILINCĂ, Ph.D., "Victor Slăvescu" Financial and Monetary Research Center, Romanian Academy, Romania**

**Abstract:** On the automatic stabilization capabilities of the progressive tax regimes much has been written and argued. Equally, the flat tax rate has often been indicated as a promoter and stimulator of business, but also as a factor for the perpetuation and widening of social inequalities. Therefore, the article reproduces some of the themes of previous articles trying to discern between the qualities and defects of the two types of taxation regimes: progressive or single quota. The empirical analysis on the data gathered for the EU28 countries following the two tax regimes is interesting and surprising and deserves further reflection. This analysis supports the results shown in the literature on progressive tax regimes, but equally points to a number of key tax elements that use the flat tax rate, investigating whether or not it acts as a regressive tax by its effect on the Gini coefficient.

**19. SOVEREIGN EXTERNAL DEBT MANAGEMENT IN THE REPUBLIC OF MOLDOVA – CHALLENGES AND SOLUTIONS**

**Authors: CIOBU STELA, Investments and Bank Activity Department, Academy of Economic Studies of Moldova, Republic of Moldova; Scientific Researcher VICTORIA IORDACHI, Ph.D., National Institute for Economic Research, The Academy of Sciences of Moldova, The Ministry of Education, Culture and Research, Republic of Moldova**

**Abstract:** One of the major international problems continues to be considered the sovereign external debt. A lot of countries use external loans when domestic savings are insufficient to finance consumption and national investment. Each state, as a debtor, is required to manage correctly and maintain the sustainability of the sovereign external debt. Excessive and inappropriate external indebtedness will generate sovereign risk, which negatively affects future economic policy. In addition, fiscal, monetary, currency and trade policies directly influence the volume of contracted loans. In order to successfully avoid the difficulties created by external debt, policies must be chosen so that key economic variables, such as interest rate, exchange rate of the national currency, international reserves to express real costs for decision-making authorities, and governments to accompany their public investment programs with efficient measures to capture budget resources and mobilize domestic and attracted savings. The scope of this work paper is to determine the sustainability of the sovereign external debt of the Republic of Moldova, the efficiency of its management and the impact on the national and world economy.

**20. IMPLEMENTATION OF THE BASEL III AGREEMENT FOR THE REHABILITATION OF THE MOLDOVAN BANKING SECTOR**

**Author: Scientific Researcher OLGA TIMOFEI, Ph.D., National Institute for Economic Research, The Academy of Sciences of Moldova, The Ministry of Education, Culture and Research, Republic of Moldova**

**Abstract:** The implementation of Basel III regulations in the Moldovan banking system in response to the recent financial crisis implies a fundamental overhaul of the regulatory and supervisory framework of the banking industry, the objective being to strengthen the stability of the financial system. The purpose of this article is to analyze the impact of the introduction of Basel III on the Moldovan banking system. If, at a European level, a substantial capital and liquidity deficit is expected, with a major impact on profitability indicators, the impact of Basel III on the Moldovan banking system is considered to be limited. The measures that credit institutions might adopt to mitigate the impact of alignment with new standards are business model adjustment and bank balance sheet restructuring.

**21. COMPARATIVE PERFORMANCE ON METHODOLOGIES TO ESTIMATE THE POTENTIAL OUTPUT**

**Author: Associate Professor MIHAELA GÖNDÖR, Ph.D., University of Medicine, Pharmacy, Sciences and Technology of Târgu-Mureș, Romania**

**Abstract:** The present study focuses on the cyclicity of the fiscal policy as determinant of economic output, by taking into consideration the fiscal effort, i.e., the discretionary component of the fiscal policy. As a result of the economic and social processes during the contemporary financial crisis, the effect of pro-cyclicality on the economic output has become an important debate. As it regards the cyclicity in developing countries, there is strong

evidence on pro-cyclical fiscal policy. Regarding the cyclicity of the fiscal policy in developed countries the scientific literature reveals different points of view, and the empirical findings are not conclusive, especially with regard to the cyclicity of discretionary fiscal policy. The results depend on the time period covered and on the methodology used, mainly the indicators to measure the fiscal effort and the economic cycle. The literature points to the importance of the output gap as the main indicator to measure the economic cycle. Although the cyclicity represents a key role in the design of sustainable public finance, it still does not exist an agreed methodology to estimate the potential output which creates difficulties to establish the real position in the economic cycle, influencing the analysis results. In this context, the aim of the paper is to provide indications on the comparative performance of the different existent methodologies, particularly by comparing the European Commission methodology with the OECD methodology and IMF one. The paper uses official EU data for the period 2000-2018.

## 22. THE LOCAL BUDGET AS A LOCAL DEVELOPMENT TOOL

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

**Abstract:** The local budget is the main financial and budgetary policy instrument through which the local authorities ensure both the functioning of the local public services and the development of the administrative-territorial units. As such, the local budget is the leading tool for establishing the local development directions that are correlated with the sources of financing of the respective objectives. This paper sheds light on the main financing sources, the mechanisms for selecting and including in the local budget the local development objectives - according to the sources of financing - in the context of financial decentralization and autonomy at local level.

## V. SUSTAINABILITY AND INNOVATION FOR ECONOMIC PERFORMANCE

**Moderators:** Professor OVIDIU PUIU, Ph.D.  
Professor ION SCURTU, Ph.D.  
Professor EMIL DINGA, Ph.D., Senior Researcher  
Lecturer ANDREEA GANGONE, Ph.D.

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

### 1. FROM DISCIPLINARITY TO TRANS-DISCIPLINARITY

**Author:** Professor EMIL DINGA, Ph.D., Senior Researcher I, "Victor Slăvescu" Center for Financial and Monetary Research, National Institute of Economic Research, Romanian Academy, Romania

**Abstract:** Scientific research, but also the taxonomy of sciences, are confronted with relatively unclear concepts, going to terminological and even conceptual confusions about entities such as discipline/disciplinarity, multidisciplinary or pluridisciplinarity, interdisciplinarity or transdisciplinarity. The paper aims to examine this conceptual family in a logical and semantic manner and suggests definitions and distinctions of content that avoid the ambiguity of the use of related terms and help construct arguments about the phenomenology of research and scientific knowledge. Finally, the study proposes a specific paradigm for moving from disciplinarity, through intermediary stages, to transdisciplinarity (the latter seen as a secondary disciplinarity).

### 2. ON THE SOCIONOMIC MODEL OF RATIONALITY

**Author:** Professor EMIL DINGA, Ph.D., Senior Researcher I, "Victor Slăvescu" Center for Financial and Monetary Research, National Institute of Economic Research, Romanian Academy, Romania

**Abstract:** The economic behaviour is modelled, logically and quantitatively, on the basis of the assumption of rationality, understood as the means-to-goal suitability, representative of this approach being the famous model of rationality homo oeconomicus. Although this model has been adjusted, amended, and reformulated in order to bring it closer to the real man, all these "improvements" have proven to be simple superficial changes, not producing a qualitative leap in shaping the pattern of economic behaviour. The paper aims to start not from an economic perspective on human action, but from a social/sociological one. In this context, the study introduces a series of axioms that focus not on the economic interest, but on the social one, proposing a new rationality model of the individual, respectively of the group, namely the homo socionomicus rationality model. Finally, the study performs a qualitative analysis of proposed axioms demonstrating their consistency, coherence and completeness.

### 3. THE ROLE OF ENTREPRENEURSHIP AND THE BUSINESS ENVIRONMENT IN SUPPORT OF SUSTAINABLE DEVELOPMENT

**Authors:** Professor MIHAELA DIACONU, Ph.D., University of Pitești, Romania; Associate Professor AMALIA DUȚU, Ph.D., University of Pitești, Romania

**Abstract:** Starting from the fact that the economic development model has at its center the small and medium enterprise, the paper aims to present the role of the business and entrepreneurial environment at national and European level in support of the sustainable development, the EU's effort to support entrepreneurial initiatives and the competitiveness of SMEs, the organizational framework of their development in the vision of the EU and Romania, initiatives to facilitate access to finance for SMEs and the development of youth entrepreneurship through universities. Consideration will also be given to making proposals to increase the contribution of small and medium-sized enterprises to promoting sustainable development, starting with issues arising from official sources such as



EUROSTAT, the National Institute of Statistics, the White Paper of the National Council of Small and Medium Private Enterprises from Romania.

#### 4. HUB EFFECT OF ECONOMIC INEQUALITY AND SOCIAL SUSTAINABILITY

**Author: GABRIELA – MARIANA IONESCU, Ph.D. Student, School of Advanced Studies, Romanian Academy, Romania**

**Abstract:** Economic inequality (or economic polarization) is seen and studied as a characteristic of society generated by a causality which is distinct from inequality itself (i.e. generated by unfair principles of distribution of the economic product). The paper aims to examine from a scientific point of view what might be called the internal (i.e. endogenous) causality of economic inequality. More specifically, the author identifies, conceptualizes and interprets a hub effect (i.e. positive feedback) that appears and catalyses from the inside the phenomenon of economic inequality. This scientific outcome is relevant not only to scholars, but also to decision-makers of economic and social policy, which means that the adjustment measures for economic polarization must be directed not only towards its exogenous causality, but also on the endogenous causality of it, by "breaking" the polarization self-catalyzing in question.

#### 5. THREE MACROECONOMIC SUSTAINABILITY QUANTIFICATION INDICATORS. CASE STUDY - ROMANIA

**Author: GABRIELA – MARIANA IONESCU, Ph.D. Student, School of Advanced Studies, Romanian Academy, Romania**

**Abstract:** In general, macroeconomic sustainability is studied and quantified at the level of macroeconomic indicators. The paper rejects such an approach, especially based on the idea that the value of a particular macroeconomic indicator is the aggregate result of several micro- or macroeconomic processes or phenomena. This means that economic sustainability should be examined not at the level of the indicators, but at the level of the processes themselves. The author applies this principle on the basis of the proposal of three macroeconomic variables to quantify three fundamental processes in the economy, "responsible" for the state of macroeconomic sustainability. The three variables are calculated and traced over the period spent by Romania within the European Union, thus establishing a "path" of macroeconomic sustainability in Romania.

#### 6. ANALYSIS OF THE CONCEPT OF SUSTAINABILITY FROM THE LOGICAL LIVING SYSTEM PERSPECTIVE

**Author: MIHAI TRANDAFIR, Ph.D. Student, School of Advanced Studies, Romanian Academy, Romania**

**Abstract:** Concept with different meanings, depending on the domain in which it is involved, sustainability is represented in the literature as a synergy between society, economy and the environment. The paper addresses the concept of sustainability from a wider perspective of the living logical system whose evolutionary tendency is to preserve the qualitative identity, but not punctually, rigidly, but maintaining its in a "sustainability tunnel", within which it may suffer alterations of punctual identity, but not of "tunnel" identity. In order to clarify the concept of a living logical system, the work presents a logical construction of the system, the poetic system, the self-poetic system, and defines the concept of a auto-poetical societal entity based on the predicates of sufficiency.

#### 7. ON THE YIELD CURVE OF ACQUIRING KNOWLEDGE

**Author: MIREA – GHEORGHE BERECHET, Ph.D. Student, School of Advanced Studies, Romanian Academy, Romania**

**Abstract:** The postindustrial society concept, as it was theorized in 1971 by French sociologist Alain Touraine and later developed by Daniel Bell, is based on knowledge as the main factor of production in the economy. Human knowledge is not just a mere accumulation of knowledge but the whole of the cognitive domains that act synergistically in the cognitive background of a subject of knowledge. The acquisition of new cognizance is gradually achieved by learning, which consists of receiving information and integrating it into the pre-existing cognitive "deposit" of the receiving subject. This process takes place over time and is not linear, the graph consisting of a curve. The purpose of this paper is to analyze the logical chain of information - cognizance - knowledge, as well as the yield curve of acquiring cognizance.

**8. ECONOMIC SUSTAINABILITY VS. ECONOMIC OPTIMALITY**

**Author: GRAȚIELA – DENISA IORDACHE, Ph.D. Student, School of Advanced Studies, Romanian Academy, Romania**

**Abstract:** The present paper aims to define the relationship between economic sustainability and economic optimality. Clarification of this relationship between two major concepts will contribute to a better understanding of the importance of using sustainability principles in formulating public policies for economic growth comparing to the use of the principles of optimality. Firstly, I will define the concepts of economic sustainability and optimality using logical analysis- method of sufficiency predicates. Secondly, I will analyse the relationship between economic sustainability and economic optimality.

**9. SOUTH KOREA'S PATH TO SUSTAINABLE ECONOMIC DEVELOPMENT**

**Authors: Professor SORIN-GEORGE TOMA, Ph.D., University of Bucharest, Romania; Lecturer IONUȚ CONSTANTIN, Ph.D., University of Bucharest, Romania**

**Abstract:** As one of the most admired countries in the world when it comes to sustainable economic development, South Korea has succeeded in building a highly competitive economy in the last five decades. After the end of the Second World War, the Soviet Union and the United States of America split Korea in two countries: the Democratic People's Republic of Korea in the north and the Republic of Korea in the south. The northern part of the Korean Peninsula inherited most of the industry while the southern part received most of the agricultural areas. At its creation in 1948, South Korea was among the poorest states of the world and remained so until the 1960s. In the beginning of the 1950s the destructive Korean War aggravated the socio-economic situation of South Korea. The economic take-off started in the early 1960s under the political coordination of a military government. The designing and implementation of developmental policies transformed South Korea into a developed state at the end of the 1990s. The aim of the paper is to present and analyse the South Korea's "economic miracle". The methodological approach is based on a quantitative method and a case study.

**10. LESSONS FROM A SMART ASIAN STATE: SINGAPORE**

**Author: Professor SORIN-GEORGE TOMA, Ph.D., University of Bucharest, Romania**

**Abstract:** Rarely in the course of world history has the pace of socio-economic and political transformation been so fast as in the case of Singapore since the mid-1960s. In spite of its lack of natural resources, the tiny Asian state achieved an impressive economic development and a high living standard in a short period of time. The successful story of Singapore shows clearly why the Asian state needed to be smart in the sense of being strategically oriented towards building a welfare society with a pronounced technological footprint. Visionary and strong political leadership, economic pragmatism, developmental policies, technological sophistication, and exceptional living conditions are among the key features of Singapore. The aim of the paper is to present and analyse the concept of smart state in the case of Singapore. The methodological approach is based on a quantitative method and a case study.

**11. STRATEGIA DE FINANȚARE SUSTENABILĂ A ÎNVĂȚĂMÂNTULUI SUPERIOR DIN REPUBLICA MOLDOVA**

**Authors: Professor habil. ALEXANDRU STRATAN, Ph.D., Corresponding Member, National Institute for Economic Research, The Academy of Sciences of Moldova, The Ministry of Education, Culture and Research, Republic of Moldova; Professor habil. TATIANA MANOLE, Ph.D., National Institute for Economic Research, The Academy of Sciences of Moldova, The Ministry of Education, Culture and Research, Republic of Moldova**

**Abstract:** În acest articol, autorii cercetează noua modalitate de finanțare a învățământului superior în Republica Moldova. Dacă finanțarea învățământului pre-universitar în Republica Moldova din 2014 se efectuează în baza costului - standard per elev ponderat, în instituțiile superioare finanțarea se făcea în baza principiului egalității "echilibrismului", neluându-se în seama diferența de complexitatea studiilor. Din anul 2019, Ministerul Educației, Culturii și Cercetării, propune o noua formula de finanțare pe baza de coeficient de cost. Noi propunem ca în baza coeficientului de cost să se determine finanțarea în baza determinării "studentului echivalent-unitar".

## 12. REPUBLIC OF MOLDOVA'S RANKING IN THE GLOBAL INNOVATION INDEX: SUGGESTIONS FOR PUBLIC POLICIES

**Author:** ANDREI TIMUȘ, Ph.D. Student, National Institute for Economic Research, The Academy of Sciences of Moldova, The Ministry of Education, Culture and Research, Republic of Moldova

**Abstract:** The Global Innovation Index (GII) was conceived at INSEAD in 2006-2007 as a formal model to help show the degree to which countries currently respond to the challenge of innovation. Today, Innovation is not limited to the most advanced economies or to the high-technology sectors. Innovation has today become a global phenomenon, affecting all sectors of the economy. Feeding the world, while contributing to protecting the environment and providing quality and balanced nutrition to growing populations with different lifestyles and consumption patterns, remains a complex challenge. Innovation has a key role to play in addressing this challenge. In this paper, is given the Republic of Moldova's ranking in 2011 – 2018, according to seven pillars: (1) institutions, (2) human capital and research, (3) infrastructure (ICT, energy, ecological sustainability), (4) market sophistication, (5) business sophistication, (6) Knowledge and technology outputs, (7) creative outputs. Ranking Republic of Moldova in GII 2011-2018 could help authorities not only to determine a country's relative response capacity, but also gives a clearer picture of its strengths and deficiencies in respect to innovation related strategies, policies and practices.

## 13. FOSTERING EDUCATION FOR TRANSITION TO THE GREEN ECONOMY

**Author:** Scientific Researcher CRISTINA UNGUR, Ph.D., National Institute for Economic Research, The Academy of Sciences of Moldova, The Ministry of Education, Culture and Research, Republic of Moldova

**Abstract:** The country's ability to pass to a green economy model depends on the volume of resources, competence and the knowledge it holds. In adopting "green" development practices, it is important to study the possibilities and the limits of the implementation of green business models, which can be achieved by establishing and calculating the performance indicators of the green economy in the main sectors of the economy. This article presented the theoretical analysis of the "green" economy concept and analyzed the performance indicators of the "green" economy in education. The research approach was inductive using traditional research methods: bibliographic research, systemic observation, statistical and comparative analysis. The study is focused on education data from the Republic of Moldova. Period for calculating the indicators included study years 2013-2018. The results showed that education indicators in the Republic of Moldova are decreasing. In conclusion, the development of human capital must be a real priority for the Republic of Moldova, as this is one of the main factors that can positively influence the long-term development of the country. For this, increased efforts are needed, especially at the regulatory level.

## 14. THE ROLE OF MANDATORY OBLIGATIONS IN FINANCING THE TRANSFORMATION OF THE EUROPEAN ENERGY SECTOR

**Author:** GEANINA - IULIA BOȚOTEANU (RĂDĂCINĂ), Ph.D. Student, University of Craiova

**Abstract:** The transition to a low-carbon, resource-efficient economy implies multiple environmental benefits. Financial stability is threatened by the consequences of climate change that can lead to major economic losses in case of droughts or floods, soil erosion. The financial system has an important role to play in tackling the impact of climate change by securing funding for green investment. The current level of investment is not enough to promote an environmentally sustainable economy and to combat climate change and depletion of resources. To achieve the objectives of the European Union, the Paris Agreement requires additional investment of € 180 billion, so more private capital flows need to be directed towards sustainable investment. In this context, the objective of the research is to determine the level and trends of financing through green bonds of the capital requirement for transforming the European energy sector into a sector that uses renewable energy to produce energy.

**15. A POSSIBLE MODEL FOR THE FINANCIAL INTERMEDIATION IN ROMANIA**

**Author: Scientific Researcher SILVIU-MARIUS ȘEITAN, Ph.D., "Victor Slăvescu" Financial and Monetary Research Center, Romanian Academy, Romania**

**Abstract:** The financial intermediation plays a very important role in the evaluation and administration of a national economy, being both a criterion of qualitative rating of the stability and performance of a national economy, and an important indicator by which the central bank can forecast the economic trends, managing therefore the smooth running of the national economy. The evolution of the financial intermediation, in Romania and in Europe, finds important some correlative aspects between the evolution of the credit and the evolution of the gross domestic product since, as conceptual basis of this study, drawing credits for investments and economic development is a source for subsequent economic growth.

**16. THE GLOBAL EFFECTS OF CYBERCRIME AND ORGANIZATIONAL RISK ON SOCIAL ECONOMY SECTOR IN EUROPEAN UNION: THEORETICAL AND PRACTICAL ASPECTS**

**Authors: RAMONA BIRĂU, Ph.D, University of Craiova, Romania; Student ANDREI - CRISTIAN SPULBAR, The Bucharest University of Economic Studies, Romania; ABDULLAH EJAZ, Ph.D, ABM College Calgary, Canada**

**Abstract:** The main aim of this book chapter is to investigate the global effects of cybercrime and organizational risk on social economy sector based on theoretical and practical aspects. The Social Economy Sector (SES) highlights a number of special features being a hybrid entity, non-assimilated to the public sector. The Social Economy Sector (SES) includes certain specific categories such as: voluntary associations, cooperatives, associations, mutual societies, non-profit and non-governmental organizations, social enterprises and foundations. However, the Social Economy Sector plays a significant role in the field of employment. In other words, the Social Economy Sector is a distinct category which differs both from private and public sectors. In the recent past there was a significant growth in the social economy sector. This phenomenon also led to the propagation of cybercrime and organizational risk on social economy sector. Moreover, official statistics provide a worrying perspective in this respect. Cyberspace provides a distorted reality so things are not always what they seem. Nevertheless, social networking technologies eliminates geographical, linguistic or emotional barriers. The European Commission suggested that social economy enterprises play an essential role due to three basic pillars: membership (up to 160 million people in Europe), objectives (given the considerable contribution in terms of the EU's employment, social cohesion, regional and rural development, environmental protection, consumer protection, agricultural, third countries development, and social security policies) and size (mostly micro, small, and medium-sized enterprises or SMEs).

**17. STATISTICAL SURVEY ON PEOPLE AT RISK OF POVERTY OR SOCIAL EXCLUSION IN THE EUROPEAN UNION**

**Authors: RAMONA BIRĂU, Ph.D, University of Craiova, Romania; Student ANDREI - CRISTIAN SPULBAR, The Bucharest University of Economic Studies, Romania; ABDULLAH EJAZ, Ph.D, ABM College Calgary, Canada**

**Abstract:** The main aim of this research paper is to conduct a statistical survey on people at risk of poverty or social exclusion in the European Union. Poverty and social exclusion highlight multidimensional sociological aspects with significant implications for the level of economic growth and sustainable development, especially in the case of emerging countries. People at risk of poverty or social exclusion represent a vulnerable group of high risk but implementing sustainable public policies can be an effective solution in order in order to minimize or even to eradicate social inequalities. Moreover, the research article provides a comparative analysis of the concepts of relative poverty and absolute poverty based on a set of international standards. Legally, everyone has the right to an adequate standard of living and basic social protection. However, empirical results reveal significant differences between developed countries and developing countries in the European Union in terms of poverty or social exclusion.



**18. CONCEPTUAL APPROACHES TO ECONOMIC GROWTH IN EMERGING COUNTRIES**

**Authors:** Professor Habil. **CRISTI SPULBAR, Ph.D, University of Craiova, Romania;** **DANIEL DOAGA, Ph.D. Student, University of Craiova, Romania**

**Abstract:** The purpose of this research paper is to provide an exhaustive conceptual framework on the evolution of economic growth in emerging countries. An emerging economy is characterized by a particular set of features such as: lower per-capita income level, rapid economic growth, high volatility, political instability, high social inequities, high-risk investment opportunities, rapid industrialization, customer segmentation, high levels of consumption, low foreign investment, high return expectations, financial illiquidity. Moreover, this research paper also investigates the impact of environmental, social and governance (ESG) factors on the economic development of emerging countries. The empirical research is based on an interdisciplinary perspective that contributes to increasing the level of understanding about emerging countries and their impact on the global economy.

**19. INSTRUMENTS FOR THE ASSESSMENT OF WORK MOTIVATION IN ROMANIA – A CRITICAL ANALYSIS**

**Author:** Lecturer **LAURA MORARU, Ph.D., "Constantin Brâncoveanu" University of Pitești, Romania**

**Abstract:** The purpose of the present paper is to carry out a critical analysis of the main instruments that assess work motivation in Romania. We also intend to investigate whether these tools are adapted to the demands generated by changes in the dynamics of intra-psychic mechanisms of the new generations. In this paper we present updated studies and research on work motivation among young and adult employees. In order to respond to the purpose of the research, we have used the following research techniques: scientific observation, content analysis, and statistical methods for data analysis and interpretation of results. The main research results aim at the need to create new instruments to analyze employee motivation, adapted to the psychosocial peculiarities of the new generations or to modify and adapt the existing ones.

**20. PARADIGME CHANGES: FROM TRADITIONAL GOVERNANCE TOWARDS TRANSGOVERNANCE, SUSTAINABLE GOVERNANCE AND KNOWLEDGE DEMOCRACY**

**Author:** **SIMONA BUCURA-OPRESCU, Ph.D., "Mihai Viteazul" National Intelligence Academy, Romania**

**Abstract:** This paper suggests developing a survey of the most important milestones of good governance and their evolution from the origins to the present, as well as of the forecasts and projections on the concept of good governance. An underlying objective of the paper is to propose for analysis and investigation the opportunity to conceptualise good governance from the perspective of national security, in an approach adapted to the national specificity. The methodology of the scientific research which represented the basis of this study focuses on the following research techniques: analysis of documents, respectively of the official documents of the following international organisations: The United Nations, The World Bank, The International Monetary Fund, The United Nations Development Program, The Organization for Economic Cooperation and Development, as well as the reports and regulations of the European Commission. Another research technique that facilitated our achieving the results according to the objectives set is the analysis of the content of the most representative indicators of the good governance. The research results allowed us to identify the most representative indicators specific to the good governance from a national security perspective, based on a conceptual model.

**21. SYNERGY OF RESEARCH, DEVELOPMENT AND INNOVATION ACTIVITIES, SUPPORT FOR SUSTAINABLE DEVELOPMENT**

**Author:** Associate Professor **MĂDĂLINA ALBU, Ph.D., Petroleum-Gas University of Ploiești, Romania**

**Abstract:** The main role of research, development and innovation, RDI, is to improve people's living conditions through the sustainable development of organizations. To find solutions to environmental challenges, organizations need to implement new projects that create synergy between science and society by involving all stakeholders in the sustainable development of society in general. Research, development and innovation activities should be seen as an investment in the harmonious development of future agribusinesses. Capitalizing on all the strengths and opportunities offered by the current environment and the current level of society development must stimulate innovative solutions to develop an economy in harmony with nature. Competition between states is also manifested through fiscal or other facilities offered to local or foreign investors. Among other factors, the attractiveness of a

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country for investors is also given by the incentives they can get for RDI activities. To this end, Romania has to align with EU standards in order to overcome the limits and to contribute directly to the well-being of European society and citizens by allocating resources to finance significant RDI activities.

## 22. IMPLEMENTING ENVIRONMENTAL ISSUES IN THE RESPONSIBLE MANAGEMENT OF ORGANIZATION

**Author: Associate Professor MĂDĂLINA ALBU, Ph.D., Petroleum-Gas University of Ploiești, Romania**

**Abstract:** The responsible management of the organization can be defined as a way in which an organization's activities are planned, organized and evaluated taking into account the global environment's interests for the development and prosperity of both the present generation and the future. An important aspect in achieving this goal is the implementation of environmental aspects in the sustainable development of the organization. Sustainable development policy helps the organization to avoid, reduce or control the harmful impact of the sale of activities on the environment and the population, to comply with legal requirements. The goal of all parties involved is to respect environmental legislation, with a view to harmonious development of the area and of the world. Addressing responsible management implies the involvement of all stakeholders in adopting those decisions that lead to the sustainable development of an organization. This paper presents theoretical aspects regarding the integration of environmental aspects in the concept of responsible management at the level of an organization and practical transposition on the example of SNTGN Transgaz SA.

## 23. DEVELOPMENT AND PERSPECTIVES OF SMEs IN THE EUROPEAN UNION

**Author: Senior Researcher GABRIELA PICIU, Ph.D., "Victor Slăvescu" Center for Financial and Monetary Research, National Institute of Economic Research, Romanian Academy, Romania**

**Abstract:** The article includes a brief overview of SME development in the EU, in the context of their sustainable development. Following the financial crisis of 2007-2008, SMEs in the EU-28 have contributed significantly to the recovery and further expansion of its economy. This contribution of SMEs to the European economy has exceeded expectations, the number of newly established SMEs has far outstripped the growth of already existing SMEs. New and expanded businesses have benefited from economic growth, especially for fast-growing businesses, based on innovative products and a growth strategy. In the years 2008-2018 it was intended to improve the entrepreneurship approach in Europe, to impose regulatory and SME policy and to remove remaining barriers to their development. Also, the article proposes solutions for improving the activity of SMEs by implementing the circular model and their transition from the linear economy to the circular economy.

## 24. PROMOTING THE USE OF THE CIRCULAR MODEL AND ITS RELEVANCE TO BUSINESS

**Author: Senior Researcher GABRIELA PICIU, Ph.D., "Victor Slăvescu" Center for Financial and Monetary Research, National Institute of Economic Research, Romanian Academy, Romania**

**Abstract:** The purpose of the article is to identify and evaluate a circular economic model for economic agents within a sustainable development paradigm. Understanding the concept of circular economy, its different dimensions, and the difficulties economic agents experience in implementing specific activities can facilitate a major transformation of current production and consumption patterns that will have a significant impact on the economy, environment and society. Understanding these effects is important for decision-makers involved in future policy making in the field. Promoting the use of the concept of enterprise circular economy and policy-making requires an analysis of the potential opportunities and benefits that a circular economy approach could bring to businesses and economies.

## 25. THE ROLE OF COMPETITIVENESS ON THE SUSTAINABILITY OF THE NATIONAL REAL ECONOMY

**Author: OTILIA MANTA, Ph.D., "Victor Slăvescu" Center for Financial and Monetary Research, National Institute of Economic Research, Romanian Academy, Romania**

**Abstract:** The sustainability of the real economy is interdependently influenced by the increase in the productivity and competitiveness of the economic sectors, as well as by the current challenges facing the economic environment not only at national level, but also globally, including: trust (lack of collaboration) between the market actors (firms, institutions, authorities), entrepreneurship (demographics, structure, business environment resilience), the

dynamics of the economy, human resources and education (critical mass and quality of workforce), innovation (demand and supply research resources, critical mass of researchers and innovative firms), creativity (entrepreneurial culture, innovation community), resource efficiency and excellence (priority sectors and international competitiveness). Moreover, the influence of digital technologies (especially in the field of finance), i.e. their integration into the economic sectors, leads us to the hypothesis that they can also be introduced in the range of the current challenges, with impact on the competitiveness and the sustainability of the real economy. The objective of the paper is to integrate these challenges into a coherent, medium-term vision, support for the concrete proposals package for the sustainable development of the national economy, in line with the strategic and competitive priority areas based on the economic data resulting from the analysis of the balance sheets of economic agents at national level.

## 26. REGIONAL ASPECT OF LABOR MARKET: THE CASE OF MOLDOVA

**Authors:** Associate Professor, Scientific Researcher GALINA SAVELIEVA, Ph.D., National Institute for Economic Research, The Academy of Sciences of Moldova, The Ministry of Education, Culture and Research, Republic of Moldova; Scientific Researcher SVETLANA ZAHAROV, National Institute for Economic Research, The Academy of Sciences of Moldova, The Ministry of Education, Culture and Research, Republic of Moldova

**Abstract:** The problem of population economic activity in the Republic of Moldova is actual in the conditions of population decline, population ageing and labour migration processes. The economic activity rate of work age population decreased by 2.1 percentage points (pp), and the employment rate, respectively, by 2.0 pp, while the number of employed population decreased by 43.5 thousand people. At the same time, it should be noted that the share of employed population in economically active has practically not changed and amounts to 96%, that is, the average unemployment rate for this period varied between 4-5%. However, if we analyze the involvement of work age population in the regional aspect, then there are differences in these indicators, which is associated with the possibility of being employed, the existing socio-economic infrastructure, age-sex structure of population and other factors. Therefore, the evaluation of demo-socio-economic processes impact on labour market formation has of scientific and practical importance for determining the main strategic directions of stable long-term development of the country, which determines the actuality of topic. The purpose of research is to analyze the regional characteristics of labour market in conditions of changes in age-sex structure of labour market, the motives for the presence of non-working population that is not involved in labour market for any reason, including the youth of NEET, employment in urban-rural aspect, including the tendencies in labour market changes mun. Chisinau in regional aspect (mun. Chisinau, Center, South, North). Such methods as analysis, synthesis, induction, deduction, grouping, and a systematic approach will be used in the process of research. As a result of research, recommendations have been made to improve the efficiency of employment policies of work age population, which can be used by public officials, as well as students, doctoral students, and scientific researchers.

## 27. DUAL LEARNING-A NEW FORM OF ATTRACTION FOR PROFESSIONAL EDUCATION

**Authors:** ALINA BIDIREANU (NĂSTASE), Ph.D. Student, "Valahia" University of Târgoviște, Romania; MARILENA CONSTANTINESCU (PEICHEA), Ph.D. Student, "Valahia" University of Târgoviște, Romania; ISABELA - FLORINA BARBU (MARINESCU) Ph.D. Student, "Valahia" University of Târgoviște, Romania

**Abstract:** Dual vocational education is an innovative form of organizing the professional education that is organized only at the request of economic agents, educational authorities are responsible for ensuring human and financial resources and organizes technical theoretical training in the school (1-2 days per week) and the employer must provide human and financial resources and organize practical training, from work (3-4 days). This paper analyzes the attractiveness of students for dual learning. Quantitative research was carried out on a sample of 100 pupils at the professional level, using the interview technique and the questionnaire as a research tool, with the purpose of validating working hypotheses. The results highlight the importance of adapting vocational and technical education schools to the needs of its direct beneficiaries and social partners, thus enhancing qualification and insertion into the labor market.

**28. THE INFLUENCE OF EDUCATION ON SOCIAL AND ECONOMIC DEVELOPMENT**

**Authors:** MARILENA CONSTANTINESCU (PEICHEA), Ph.D. Student, "Valahia" University of Târgoviște, Romania; ALINA BIDIREANU (NĂSTASE), Ph.D. Student, "Valahia" University of Târgoviște, Romania; ISABELA - FLORINA BARBU (MARINESCU), Ph.D. Student, "Valahia" University of Târgoviște, Romania; ROXANA SURCEL (GEORGESCU), "Ion Ghica" Economic College of Târgoviște, Romania

**Abstract:** The social and global context involves numerous structural and functional changes, and the task of education is unprecedented and difficult. The education is related to well-being and competitiveness. Countries that have invested over time in the education system are the ones who today, are gathering the fruits of development, being at the top of the human development index in the world. The present paper analyzes the influence of expectancy of schooling on the degree of well-being of the population. To show the relationship between the two variables, we use the simple regression method, to construct a linear model for the period 2010 and 2017. The independent variable is considered expected years of schooling and the dependent variable is Gross Domestic Product. The calculations resulting led to the conclusion that the variation of Gross Domestic Product is explained at a rate of 71% by the variation of expected years of schooling.

**29. OBJECTIVES AND STRATEGIES THAT REQUIRE A LEADER TO ACHIEVE EFFECTIVE MANAGEMENT WITHIN A CLINICAL SECTION OF A STATE HOSPITAL UNIT. PARTICULAR FEATURES OF THE ROLE**

**Authors:** IOANA - ANTOANETA PONEA (RADU), Ph.D. Student, "Valahia" University of Târgoviște, Romania; BOGDAN ȘTEFĂNESCU, Ph.D. Student, "Valahia" University of Târgoviște, Romania; ELENA - LOREDANA COMĂNESCU, Ph.D. Student, "Valahia" University of Târgoviște, Romania; MARIA - GEORGIANA PONEA, Ph.D. Student, "Valahia" University of Târgoviște, Romania

**Abstract:** The management of a hospital unit from a health system subject to higher-level reforms and changes requires a coherent direction with internal solutions adapted to the local contextual plan to the existing resources and needs demanded by the beneficiaries. At the level of each section, their leaders must establish objectives meant to optimize the activity of each section, in order for the medical service offered to be of high quality, meet the requirements of the population segment served by the hospital unit and find opportunities, which according to specific cases to offer on demand medical services to supplement the income that the section establishes. We will discuss the case of a psychiatric section of chronicles, where the main source of financing is the settlement of the medical services provided in the frame contract with the National Health Insurance House and the hospitalization with payment consisting in the payment of the period of hospitalization lasting at least 14 days. These paid hospitalizations are ways of increasing their own incomes by providing medical services upon request.

**30. THE EFFICIENCY OF MATERIAL RESOURCES. POLICY TARGETS AT THE COUNTRIES LEVEL**

**Author:** Scientific Researcher GEORGIANA CHIȚIGA, "Victor Slăvescu" Center for Financial and Monetary Research, National Institute of Economic Research, Romanian Academy, Romania

**Abstract:** We are currently confronted with a general picture in which the benefits of resource efficiency and the benefits of resource use circularity are increasingly recognized and acted upon. General policy objectives are a statement of intent and an indication of the objectives to be achieved in terms of resource use and their efficiency. The analysis aimed to highlight the conceptual complexity of the problems we face, further supporting the need to improve political initiatives and their implementation. Countries are encouraged to develop resource efficiency strategies because while there is a vague scope, is and will be difficult to make a profound assessment of progress towards resource efficiency targets. It indicates the need awareness of the importance of material resources efficiency and opportunities that promotes and supports.

**31. THE DRIVING FORCES OF THE EFFICIENCY OF MATERIAL RESOURCES**

**Author:** Scientific Researcher GEORGIANA CHIȚIGA, "Victor Slăvescu" Center for Financial and Monetary Research, National Institute of Economic Research, Romanian Academy, Romania

**Abstract:** During the last decade, use resources in a sustainable way and their efficient management throughout the lifecycle, has benefited from increased attention within the European Union, presenting itself as a smart way of addressing environmental, climate, economic and safety objectives. The starting point of the paper is the question of



what are the major factors and concerns that lead the policies of material resource efficiency in each country. The analysis aimed to identifying the major factors who were reported by each country and that lead to the efficiency of material resources and the existing concerns. The most countries reported a combination of three or four categories, although some other countries mentioned more. The overall picture that results is that the economic benefits of improving the efficiency and circularity of resource use are increasingly recognized and acted.

### 32. EDUCATION - COMPONENT OF HUMAN CAPITAL - DEFINING THE CONCEPT

**Authors: Professor Ec. CAMELIA ISTRATE, "Ion Ghica" Economic College of Brăila, Romania; Professor STELUȚA - CLAUDIA BERECHET, "Ion Ghica" Economic College of Brăila, Romania**

**Abstract:** Education is a subject analyzed by specialists from various fields, including economists, so much for individuals and for politicians. Many studies, theoretical and empirical, have tried to highlight the relationship between education (as a source of accumulation of human capital) and economic development have demonstrated the positive effects of education for the individual and for society. Education is an area of utmost importance for society. Education policy is oriented towards the development of a coherent and efficient education system, to monitor the quality of educational process, efficiency monitoring, implementation of government programs as a factor of support for the educational process. Macroeconomic research on the accumulation of human capital through education leads to improve work productivity, increasing the return on capital, facilitating technological innovations leading to sustainable economic growth and supporting poverty reduction. Studies conducted at the microeconomic level have led to the idea that education increases the possibility of being easily engaged in the labor market, increasing the earning capacity. Thus, human capital is regarded as an important component of education, which directly contributes to increase labor productivity and earnings, being an important factor in economic growth.

### 33. THE COMPARATIVE ANALYSIS OF THE INVESTMENT MODELS IN THE HUMAN CAPITAL

**Authors: Professor DOINIȚA ZAFIU, Ph.D., "Ion Ghica" Economic College of Brăila, Romania; Professor CĂTĂLIN - FULGER ISTRATE, "Ion Ghica" Economic College of Brăila, Romania**

**Abstract:** The empiric studies referring to the investment in the human capital, applied to the countries with a high demographic rate (Argentina, Brazil, India, Central Europe and Eastern Europe) signal the fact that the financial efforts risk to become vulnerable, comparatively with the results. One of the most controversial problems of the investment in the human capital in general and also in education, is the multiplication in time of all the costs of the training both in education in the school systems as a basis of professional training, but also the continuation of education after getting the qualification. The investment in the human capital and in education – as a source of economic growth and tenure of the work force – is approached as a global issue, from which global effects of economic revitalizing are expected, while the real problems on the work market need important strategies. From all the subordinate models from the European Union, the northern model proved to be the most performant in achieving all the objectives from the Lisbon Strategy, because it generated both macroeconomic efficiency and social equity. The northern subordinate – model which was analysed refers to Holland, Finland and Denmark, it has a high degree of distribution, by promoting social inclusion, social assistance, social dialogue and a high degree of cooperation between the social partners and the government. The economics from the northern countries are some of the most competitive European economies.

### 34. STRENGTHS & WEAKNESSES IN FAMILY BUSINESS

**Authors: ADRIANA CIOCA, Ph.D. Student, "Valahia" University of Târgoviște, Romania; Professor DELIA POPESCU, Ph.D., "Valahia" University of Târgoviște, Romania**

**Abstract:** The influence family power degree over the business comes with various strengths and weaknesses resulted on the one hand, from the family pattern, as well as from the exterior challenges. The family business varies regarding industry, size, international context or degree of involvement. This Article addresses these issues by analysing and comparing the most important internal and external family business specific impact factors, such as: the owners' interests, efficient lean leadership, the resource system, time horizon, culture and succession challenges, but also the family dependence, exterior conflicts, constrains in resources, entrepreneur vision and roles confusion.

The analysis of the relationship between family cause and effects over business will highlight the growth of family business opportunities for future development. Notwithstanding, the identity and reputation of the family business will be strengthened. The Article will contribute to the family business research by showing critical family aspects which can be improved into a new value system, on both directions, internal and external directions, and it will show, as well, the methods to protect the alteration of the management efficiency within the family business.

### 35. PERSONAL DEVELOPMENT - A DRIVING FORCE OF CHANGING THE EDUCATIONAL ORGANIZATION

**Authors:** FLORENTINA CIULEI (IONESCU), Ph.D. Student, "Valahia" University of Târgoviște, Romania; ANGELA MORLOVEA, Ph.D. Student, "Valahia" University of Târgoviște, Romania

**Abstract:** This paper presents the role and importance of personal development of human resources in the context of organizational change in the pre-university education system. Personal development is essential to all actors involved in the educational act and causes changes from the individual level to the organizational level. The teacher has to cope with all the confrontations that take place in the process of change at the organizational and educational level, but also in the relationships with others as well as with oneself.

### 36. INNOVATION AND DEVELOPMENT OF SUSTAINABLE CITIES IN ROMANIA

**Authors:** Associate Professor MIHAELA ASANDEI, Ph.D., "Constantin Brâncoveanu" University of Pitești, Romania; Lecturer ANDREEA – DANIELA GANGONE, Ph.D., "Constantin Brâncoveanu" University of Pitești, Romania

**Abstract:** The present paper aims at conceptual delimitation of sustainable innovation, sustainability and development, comparative analysis of the theory regarding these concepts and identification of the connections between sustainable innovation and development of sustainable cities in Romania, starting from the European experience of the last decades. Cities have entered a new phase of transformations that have highlighted their evolution in this global context in the modern age. Now, just as 100 years ago, innovation plays a key role in the development of society through changes brought about by new technologies. People are changing with the help of innovations the environment where they live and the services that the private companies or the public administration offer, provide and find solutions through innovations for solving certain issues regarding transportation issues, public safety, energy efficiency, sanitation, health, economic development, street maintenance, relationship with citizens. Also, this paper highlights the advantages of sustainable cities and the stage of urban area from Romania in term of innovation sustainable.

### 37. IMPLEMENTATION OF SUSTAINABLE DEVELOPMENT – PRIORITY FOR THE STATES OF THE WORLD

**Authors:** Associate Professor ALINA VOICULEȚ, Ph.D., "Constantin Brâncoveanu" University of Pitești, Romania; Associate Professor NICOLETA BELU, Ph.D., "Constantin Brâncoveanu" University of Pitești, Romania

**Abstract:** In the current context in which most states of the world register economic growth and the economic development process is now very desired because it highlights not only the quantitative evolution of an economy, but also the qualitative and structural changes, a new challenge rises: implementation of sustainable development. The evolution of humanity, the spectacular industrialization over the last decades and the focus put on the growing satisfaction of the needs of a growing global population, have determined the world's states and international bodies to realize that the environmental situation is increasingly dramatic. The exploitation of the planet's resources and the extremely low regeneration capacity of many of them creates an unparalleled situation. Mankind is facing a new challenge, even if the technological progress, innovation, computerization, etc. have led to new backup solutions, world's states have to realize that if they do not focus on future developments on environmental protection, the future is uncertain.

**38. THE LEADERSHIP, STIMULATING FACTOR IN MANAGEMENT IMPROVEMENT. CASE STUDY: CULTURAL INSTITUTIONS OF ARGEȘ COUNTY****Author: DIANA - ELENA ZAHARIA (ȘTEFĂNESCU), "Valahia" University of Târgoviște, Romania**

**Abstract:** The current premise is given by leadership as a moral factor in the process of management improvement within the organization. The research methods used are the following: Observation and analysis of documents and quantitative analysis based on questionnaires. The question of this research: Is the leadership in the cultural institutions of Argeș County accepted as the most performing form of management? The leadership is a stimulating force in improving organizational management into the cultural institutions in Argeș and influence organizational performance. The purpose of this research: Leadership positively influences organizational performance.

**39. ANALIZA DATORIEI PUBLICE ÎN UNIUNEA EUROPEANĂ****Author: Scientific Researcher CAMELIA BĂLTĂREȚU, "Victor Slăvescu" Center for Financial and Monetary Research, National Institute of Economic Research, Romanian Academy, Romania**

**Abstract:** The global financial crisis of 2007-2008 has led to a rapid build-up of public debt in some euro area countries, highlighting the vulnerabilities of indebted economies - this accumulation being perceived as a problem for the European Union as a whole. In an environment of financial instability, the rapid rise in public debt and low economic growth have determined the increase of the concerns about the need for debt sustainability assessment in many EU countries since the crisis. There has been a significant increase in government debt rates in the EU Member States, reaching in 2017 over 87% of GDP. In Romania, the public debt trend, over the period 2006-2017, the period under review, has been steadily rising, reaching in 2017 EUR 66647.10 million, compared to EUR 12585.6 million in 2007, indicating financing needs with an ascending trajectory and inevitably leading to increased interest rates. Reducing public debt is essential for restoring market confidence and generating room for maneuver for the state so that in the event of a future crisis, macroeconomic stabilization measures can be promoted.

**40. IDENTIFYING RISKS IN EDUCATIONAL ORGANIZATIONS****Authors: GHEORGIȚA DUMITRACHE (TORCICĂ), Ph.D. Candidate, "Valahia" University of Târgoviște, Romania**

**Abstract:** Risk management within educational organization is an important activity which must integrate recognition of risk, risk assessment, developing strategies to manage it, and mitigation of risk using managerial tools. Objective of risk management is to reduce different risks related to a pre-selected domain to an acceptable. It may refer to numerous types of threats caused by environment, technology, humans, organizations and politics. The process of risk identification within educational organizations is the most important in the process of risk management. If a risk is not identified correctly, then the risk manager will not be able to quantify it and find the proper method of counteracting the significant results of risk exposures.

The paper describes the different risk identification tools and techniques in the risk management process, which methods are used in the different steps in order to risk identification, and provides some examples for risks in educational area.

**41. ORGANIZED COMMUNICATION - CHARACTERISTICS, RISK FACTORS AND IMPLICATIONS ON ORGANIZATIONAL EFFICIENCY****Authors: IONELA BUCĂLOIU, Ph.D., "Valahia" University of Târgoviște, Romania; Professor MIHAI MIEILĂ, Ph.D., "Valahia" University of Târgoviște, Romania; CECILIA MĂNTESCU (TILVAN), Ph.D., "Valahia" University of Târgoviște, Romania**

**Abstract:** The organizational communication process has as major support the information system, bringing together channels and communication networks, with an essential role in ensuring organizational functioning. The communication system aims to ensure the effectiveness of the activities carried out, to ensure the cohesion of the groups, to involve the personnel in the fulfilment of the objectives so that the organization minimizes the influence of the disturbing factors. The paper highlights the risk factors that influence the quality of the communication act, with the presentation of the implications at the level of the organization. The effectiveness of the act of communication is an essential condition for ensuring organizational efficiency. The presented conclusions refer to

the requirements of conducting a process of communication of the quality organization, according to the characteristics of the organizational climate, taking into consideration the expectations and the requirements of the participants in the communicative act individually and globally.

#### 42. THE EXIT OF THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND FROM THE EUROPEAN UNION - IMPLICATIONS FOR ROMANIA'S FOREIGN TRADE

**Author: Scientific Researcher CAMELIA MILEA, Ph.D., "Victor Slăvescu" Center for Financial and Monetary Research, National Institute of Economic Research, Romanian Academy, Romania**

**Abstract:** After briefly presenting the legal framework for the exit of the United Kingdom of Great Britain and Northern Ireland from the European Union, a series of indicators on the trade relations between Romania and the United Kingdom are analyzed in dynamics. Thus, it is shown an increase in exports and imports between these countries, but also the fact that starting with 2013, the United Kingdom ranks first among the countries with positive balance of goods in favor of our country. There is an improvement in the structure of exports toward the United Kingdom, namely an increase in the share of medium and high-tech products. Romania's imports from the United Kingdom are dominated by medium and high-tech products, towards the end of the period under review, there is a tendency of concentration of the commodity groups imported. In the article there are used qualitative and quantitative assessments, interpretations, comparative analysis and correlations. The analysis is conducted for the period 1991-2017 and it concludes that although the size of the trade between Romania and the United Kingdom is not high, due to the existence of a balance of goods surplus in favor of our country and considering the size of the British market, in view of the direct interests of Romania, it is necessary to have a trade agreement between Romania and the United Kingdom in case of the Brexit.

#### 43. THE IMPACTS OF SBM MODEL ON THE ISRAELI EDUCATION SYSTEM

**Author: AYED LEVNAWI, Ph.D. Student, Free International University of Moldova, Republic of Moldova**

**Abstract:** The trend era of globalization and networks is pushing individuals, organizations, societies and companies to survive fast changes of this trend and its' consequences. The main theme is the ability of passing and flowing this transformation trend that being less expensive and more productively efficient by meeting the global market requirements, via conducting self-changes based self-management and self-economic mobility whose match globalization spirit. There is a deep relationship between education and economics, namely there is no adopt that economy based-knowledge system of a globalized economy, and knowledge-based economy behavior and values are the major tool of easily jump on survival boat to flow with the transformation of the new-age of globalization. The aim of the research is to evaluate and analyze the SBM model as an integration model of economic-educational testing, by conducting a comparative examining of traditional schools (NSBM) and schools based management (SBM), via exploiting various methods of management analysis, comparative descriptive data of schools numeric outcomes; and comparative descriptive data of schools survey outcomes, according to school management type.

#### 44. LINGUISTIC STEPS LEADING TO ECONOMIC EXCELLENCE

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

**Abstract:** The development of linguistic knowledge and training is a compulsory step for any national economy to adapt to the highest standards. The changing global economy and international settings require nowadays high levels of foreign language skills that should be seriously taken into account while conducting business. In particular, the linguistic skills of top managers and key personnel positions are considered to be a source of competitive advantage leading to economic excellence in international markets. The present paper examines the steps to be taken in order to increase the role and impact of foreign language skills on the international economic performance and the success of some small and medium-sized enterprises (SMEs) from Romania. Our findings support the hypothesis that foreign language skills positively affect the success of a company. Therefore, we strongly suggest that it is crucial for domestic SMEs to adopt strategies for dealing with linguistic barriers upon entering a new foreign market, as this will surely help domestic companies in achieving improved international performance.



**45. BENEFITS AND LIMITS OF THE MANAGEMENT CONTROL SYSTEM IN ROMANIA****Author: Associate Professor LAURA PĂNOIU, Ph.D., "Constantin Brâncoveanu" University of Pitești, Romania**

**Abstract:** Any public or private entity wants to create a management system in order to implement their own strategy and policy, and ensure that their mission and vision are accomplished through the rational use of (often limited) resources and at the same time through meeting stakeholders' requirements. Business development and diversification activity performance in a turbulent, interconnected and globalized economic system, management technique diversification have all generated an increased interest in control. Thus, management control becomes an important step that generates multiple benefits to all organizations to the extent that they are prepared to develop systems and procedures according to legal regulations at the same time adaptable to the environment. Control is the activity that assures the board of real and preventive dynamic information which gives value and quality to decisions made. Management control provides managers with the opportunity to identify real issues as it captures the core of phenomena and the ability to define a scientific and efficient management system. When control is limited not only to finding negative elements but also to identifying and predicting how performance is carried out, it can determine the maximization of advantages and the prevention of phenomena that require corrective decisions.

**46. POSITIVE COMMUNICATION SYSTEM – AN INNOVATIVE SOLUTION TO MOTIVATE EMPLOYEES****Authors: Associate Professor LAURA PĂNOIU, Ph.D., "Constantin Brâncoveanu" University of Pitești, Romania; Assistant ANDREEA STROIE, Ph.D., "Constantin Brâncoveanu" University of Pitești, Romania**

**Abstract:** The present is putting more and more pressure on managers as they have to identify the most appropriate solutions for attracting and retaining high-quality employees, employees involved in meeting strategic and tactical goals. The employees viewed as strategic resources at the organizational level must be managed so as to become the engine of an organization's progress. Creating and implementing optimal motivational systems thus becomes an objective necessity. If financial motivation can be applied over short periods of time because capital is limited, managers are forced to find other solutions, at lowest costs, but with a major impact on individuals. Positive communication may be the answer. Ensuring a positive communication system can generate changes in an individual's inner structure and can facilitate adaptation to changes affecting an organization.

**47. ENGLISH AS GLOBAL LANGUAGE: THREATS AND TRAPS IN TRANSLATION****Author: Lecturer GEORGIANA MÎNDRECI, Ph.D., "Constantin Brâncoveanu" University of Pitești, Romania**

**Abstract:** Nowadays we live in a world of fast changes in all fields, especially related to technology, research, IT, etc., in a world in which multidisciplinary approaches are essential to coping with these developments and one of the global links for all seems to be, first and foremost, the very language used to communicate and convey all the information: English. 21<sup>st</sup> century is the era of the fastest IT developments, providing reliable solutions to all problems, regardless the field of interest and the issue of computer-assisted translation systems is more and more complex, offering both advantages and disadvantages. This article aims to identify the main theoretical approaches to computer-assisted theories and the major risks, traps and threats that occur in this type of translation. More and more people resort to computer-assisted translations, such as Google translation motor, when dealing with translating various texts. Nevertheless, the gap between common language and specialized language is very important and, if left unsolved, it makes the average English speaker/translator run huge risks related to falling into traps that can later on lead to errors and misinterpretations. There are important differences, not only of words, but also differences in concepts, both at theoretical and practical levels, that must be correctly dealt with –something which computer-assisted translation cannot deal with entirely, at least not yet. That is why these aspects should be tackled carefully.

**48. EUROPEAN MODELS OF PROGRESS AND INNOVATION IN EDUCATIONAL MANAGEMENT****Author: Professor JIANU EUGENIA, Ph.D., Arges County School Inspectorate, Romania**

**Abstract:** The fundamental mission of education is the creation for each individual of their ability to develop their full potential and to become a complete human being. The whole process of education is a responsible assumption of social existence, consisting in the accumulation of knowledge and skills, character modeling, personality

development; in essence, it is a response to the urge of society. The role of the school is fundamental and the extent to which it manages to respond to European imperatives depends both on the formulation of educational policies at the level of each Member State and on the capacity of the school's management to articulate a coherent managerial vision oriented to quality and efficiency. The present paper aims to make an introduction to the concepts of educational management and also to present a series of examples of good practice extracted from the context of the British and Portuguese education systems reflected in schools that have managed to harmonize their human, material and financial resources, and subordinate them to an inspired and efficient managing vision. The result of this mechanism is, in fact, the visiting card of these schools: well-trained students for professional or university life, with a high level of access to the labor market.

#### 49. THE COMPETITIVENESS OF THE EUROPEAN TOURISM INDUSTRY IN THE CONTEXT OF A SUSTAINABLE DEVELOPMENT

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

**Abstract:** The competitiveness of the European tourism industry is closely linked to its sustainability, and the European Commission is considering a series of initiatives to support this. EU financial support for the development of tourism businesses is a solution if we analyze the proportion of tourism revenue in relation to a country's GDP. Competitiveness and sustainability are both influenced by the environment in which businesses operate, by integrating them into local economic development, by striking a balance between economic, socio-cultural and ecological sustainability. The agenda for a sustainable and competitive European tourism involves: governments, companies, tourists, educational and research institutions, NGOs and international organizations, in implementing actions to support Europe as the most popular tourist destination in the world but also its durability.

#### 50. THE ROLE OF CREATIVITY AND INNOVATION IN TOURISM DEVELOPMENT

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

**Abstract:** The competitiveness of this sector can only be achieved through a permanent continuity of the creative and innovative process, aimed at meeting the increasingly complex needs of tourists or using new tourist development approaches. The globalization of the activities, the application of information technologies as well as the evolution of demand and attitude in tourism, creates a dynamic sector in which creativity, innovation and entrepreneurship have become of a major importance. This study tries to achieve a conceptual analysis of the terms of creativity and innovation in tourism, to present the main factors that determine the level and pace of innovation in tourism and to highlight the imperative need for the process of innovation in tourism.

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