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## EDITORIAL

### SUCCESS AND PERFORMANCE

Managers and organizations are being appreciated by their success. Success implies achieving a certain scope (effectiveness); it also implies the acknowledgment of the achieved goal, putting a certain effort to achieve the scope (efficiency), minimum resource utilization (cost-effective). In the XX century, success was measured based on profit maximization, in XXI century success begun to be measured based on added value maximization.

There are a set of known factors that lead to success. In general, a company's success is gained through increasing its results. This takes place based on A.D. Little model due to market demand increase, technology development (capability), resource allocation, supplier management, business strategy, company size, personal ambitions, management style, internal process correlations, industry, circumstances, business ties coherence of the system.

Another explanation for organizational success is provided by X efficiency theory, which emphasizes on five factors: selective rationality (organizations make choices according to their own values and environmental restrictions); analysis manner (at individual and/or organization level); effort (contracts between the organization and its beneficiaries are incomplete, elliptical and extra effort is required); amount of inertia in making the effort; organization's entropy (there are tendencies of disorganization and the person / organization adjusts the effort in the detriment of the organization or its clients).

The PIMS data bank shows that success depends directly (+) or indirectly (-) on the following: capital required (-), productivity (+) market growth (+), market position (+), product quality achieved (+), the degree of product innovation (+), the obligation to vertically integrate (-), maturity range (+), cost pressure (-), youth enterprise (-) or maturity (+).

T. Peters mentioned in his book *In Search of Excellence* the following success criteria: orientation towards action, the existence of simple structures, partnering with customers, increased productivity, employee autonomy, big business orientation, persistence in the known areas and products, strict control.

The 7S model takes into consideration the organizational structure, strategy, systems, leadership style, management personnel (staff), abilities (skills, organizational capacity of the company) and shared values (shared values).

A specific instrument used for performance realization consists in the Method BSC (Balance Score Card). This method consists in a prospective dashboard with objective indicators: financial indicators (liquidity, value added - EVA - and investment efficiency – ROI), marketing indicators (satisfaction, customer satisfaction), for administrative processes (order company, value to society, the degree of employees' satisfaction, the length of trials, quality of results), organizational capacity (staff training, employee satisfaction, cultural attitude). The method appeared because it was used to assess especially the financial performance, but the results depend on past events. The method also uses non-financial indicators that indicate the future status of the company and the contribution brought by intangible assets.

Achieving success involves identifying critical success factors (KFS - Key Factor for Success), a concept introduced by K. Ohmae. KFS are specific to each industry. Their absence leads to losses. In order to determine the key factors of success we need to analyze the entire value chain in the sector, from raw materials to service. Key factors of success may be the source of raw materials, their quality, production management, design capability, production technology, product variety, sales force, distribution network, service etc.

Other known critical success factors are economies of scale (a phenomenon to reduce costs while increasing the number of products made), the economy of purpose (which requires the usage of the same resources in different activities), network economy (allows the use of skills) and time economy (occurring benefits from learning process).

These aspects are already known. The articles published in this journal are trying to reveal other factors that can lead organizations to success.

*Sorin Ionescu*  
*Editor - in - Chief*

## ABSTRACTS

### THE IMPACT OF INFORMATION MANAGEMENT

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**Abstract:** *Information management is a relatively young discipline of the modern science. It represents a new approach to management in organizations and enterprises as well as to managing information systems and information and communications technology (IS/ICT). The general goal of the Information Management is to assure data for satisfying manager's information need as well as to realize so called data logistics – to transport relevant data to relevant persons in the right time. Information management has a multidisciplinary character on the borders of management, system science, theoretical informatics, business informatics, IS/ICT management, philosophy etc. Some experts declare that information management is very near to Web Content Management or to Data Mining. This orientation is mainly focused on technical and technological dimensions of the problem, other ones give accent to the managerial dimension of it: how to manage managers? How to realize metamangement – management of the management? There could be distinguished, according to the author's opinion, three main levels of information management – data assurance, data logistics and managerial dimension (competences). Several aspects of the managerial dimensions on information management are presented and discussed in this contribution. Synergy effects of information management approach to IS/ICT management in organizations in this contribution are not discussed.*

**Keywords:** *Information management, IS/ICT Management, Information society*

## YOUNG CUSTOMERS LOYALTY

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**Abstract:** *In the current economic context, consumers act on short-term by purchasing affordable products and in many cases, it is the underlying variable made when deciding to purchase. A very good selling strategy is to build a strong bond between the brand and the customer, which will generate long-term loyalty and overcome the price barriers. As a result, a number of companies organize loyalty campaigns using loyalty cards or coupons. The goal of this abstract is to highlight the usability of the loyalty cards amongst the young people between 16 and 35 years old, to determine the main types of companies that provide the cards which the young people use, and to prove the effect that the loyalty cards have on the sales of products and services.*

**Keywords:** *customer loyalty, loyalty cards, customer value, loyalty indicators.*

## THE INFLUENCE OF RENEWABLE ENERGY ON PERFORMANCE

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**Abstract:** *In order to avoid the global warming and the climate changes which may lead to a dramatic impact on life on Earth, all major emitting countries have adopted national strategies for a low carbon development, based on varied activities that contribute to greenhouse gas (GHG) emission reduction. The first part of the article will provide a state of the art of the EU GHG mitigation strategies with a closer look on the Romanian national renewable energies sources (RES) support schemes, followed by a technical and economic case study, on a 40 MW Steam Power Plant using biomass as main fuel. The RES Power Plant behavior will be analyzed in the presence and in the absence of the Green Certificates (GC). These two possible scenarios are taken into account due to the actual political and economic situation, when the number of some RES GC has already been reduced. The case study will reveal how vulnerable the RES Power Plants became in the absence of a stable support scheme, unbalancing the entire EU GHG mitigation strategy.*

**Keywords:** *green certificates, renewable energy sources, steam turbine, biomass*

## THE IMPACT OF RURAL DEVELOPMENT ON A COUNTY

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**Abstract:** *The success of a country is closely connected with the ability to adapt to the local dynamic, national and international economic market. Strategic planning is increasingly used in order to strengthen the local economic capacity of an area to improve the investment. An understanding of the principles and practices of strategic planning positions the states in order to improve their quality of life, in order to create new economic opportunities. Rural tourism in the current period is an opportunity for the development of rural perimeters and represents a real opportunity for disadvantaged rural areas. This contributes to the development of the region both economically and socially, as it provides better conditions for local residents by offering them jobs.*

**Keywords:** *regional development, regional development policy, economic development, rural tourism*

## THE TERTIARY RESERVE USED IN NATIONAL POWER GRID

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**Abstract:** *Transelectrica SA Company (national company for power distribution in Romania) has the responsibility of maintaining the permanent operation the National power grid in safe conditions and in compliance with the quality standards provided by the Technical code of RET (power transmission network). For this purpose, the Company uses its own resources named operating system services, and purchases technological system services from the electricity producers. The technological system services are provided by the RET users and they are used by Transelectrica in order to ensure: compensation of the load variation in the national power grid, respectively the adjustment of frequency and balance in the National power grid; compensation of the differences between the operating program of the national power grid units and the maintaining of the active power reserve capacities; adjustment of voltages in RET; restoration of the operation of the national power grid after a total collapse or an area collapse. Also, in order to balance the production and consumption in real time, the company uses the energy market balance mechanisms.*

**Keywords:** *power, system services, tertiary adjustment, energy market balancing*

## THE DEVELOPMENT OF MANAGERIAL ABILITIES

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**Abstract:** *The present paper aims to identify a set of managerial skills that can be grown and developed through coaching programs such as executive coaching and management coaching and that have an impact on managerial performance and efficacy. The set was identified based on the models resulted from the bibliographical study and the interview responses of members from the Romanian Coaching Association. The skills identified had to fulfill a series of requirements in order to be eligible for the model for future research. This set will be included in future doctoral research regarding coaching impact on managerial performance.*

**Keywords:** *coaching, managerial skills, performance, development.*



## THE POTENTIAL OF SOCIAL SERVICES

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**Abstract:** *Social enterprising represents a form of doing business that is a carrier of social innovations and social progress. Therefore the emergence of the social enterprising and its getting spread among other business forms is the consequence of social and economic changes. Their source is development of the third sector orientated to support civil society and provide the community with public and social services. Social enterprises are not-for-profit private organizations providing goods or services directly related to their explicit aim to benefit the community.*

**Keywords:** *social innovations, social progress, social enterprises, changes*