

**UNIVERSITY OF CRAIOVA
FACULTY OF ECONOMICS AND BUSINESS
ADMINISTRATION**

DOCTORAL DISSERTATION

- ABSTRACT-

Craiova, 2010

**METHODS AND TECHNIQUES OF
MANAGEMENT
APPLIED IN SMALL AND MEDIUM
ROMANIAN ENTERPRISES**

**SCIENTIFIC COORDINATOR,
Prof. univ. dr. DUMITRU CONSTANTINESCU**

**GRADUAND,
CORINA – ANA MERFU
(married BORCOȘI)**

In recent decades speaks increasingly entrepreneurial economy, economic growth is sustained by small businesses, which are the result of realization of entrepreneurial initiative.

Romanian SMEs sector development in a global economy based on competition and risk is a priority. Romanian economy, business sector development is an important component of economic restructuring policy, which positively affects economic growth sustainable. Their characteristics: innovation, high flexibility, optimal exploitation of local resources, employment creation, small and medium-impact development, especially at local and regional level. Entrepreneurship is the result of ideas and projects that reflect the attitude and interest towards the identification and recovery entrepreneur opportunities that arise at a time.

A dynamic and efficient management involves using the most appropriate solutions implemented in practice. These solutions are the methods and techniques of management.

Management methods and techniques are tools available to policy makers to achieve goals. Management approach is a combination of multiple and coherent principles, ideas, guidelines, procedures and case studies, the relatively low degree of formalization and formulation are flexible. Management approach pays special attention to the constructive imagination, in a creative manner possible application of procedures, case studies, etc., to specific conditions of each enterprise.

Need to find new methods of management is determined by the dynamic events taking place in business and that managers must face. The main purpose of practicing these methods is to increase efficiency in coordinating activities of employees and managers in training to achieve their business goals.

A particular method of management applied in an SME requires that all or almost all managers to use specific procedures and techniques, so as to be able to quantify results and determine the economic effects resulting from its application.

Technique of management, in management practice is hardly distinguish the method of management, only difference being that the management technique is "simple design, through exercising its management is a specific task, its impact is limited a manager level "(Nicolescu, 2000, p. 24). A technique can be used in various methods of management. Applying one or more techniques in the management process contributes to achieving superior economic performance.

This study addresses some of these issues is a challenge which means the application of methods and techniques of management in Romanian SMEs, identifying management methods unique to SMEs.

Succession stages reflecting the approach to the topic covered by this study is essentially the following: definition of SMEs and the environment in which they operate - the organizational structure of SMEs - methods and management techniques specific operational and functional processes (value chain, benchmarking, and reengineering case studies that reflect how their implementation in Romanian SMEs) - methods typical SME management (management of proximity, the application specifying in the Romanian SMEs) - project management, applied to Romanian SMEs (case study).

The whole scientific approach was based on several questions which were constantly looking for answers: What are small businesses?, "What is their importance in the Romanian economy? How SMEs can be distinguished by large enterprises? What are the methods and management techniques? What are the most modern management methods and techniques? They apply to Romanian SMEs? How to apply management methods and techniques in Romanian SMEs? What are the specific methods and management techniques for SMEs? What

management methods applied in SMEs, could lead to overcoming the current economic crisis period?

Responses theoretical and practical, assumptions are advanced in personal considerations and case studies in each chapter of this study and are the result of information supplied by various institutions, direct observation and bibliographical information.

Thesis is structured in five chapters, which are as many axes of research underlying the development work.

The first axis aims at the theoretical research on the definition of SMEs, the environment in which they operate, highlighting their importance in the Romanian economy. It analyzed the economic situation of Romanian SMEs in the period 2004 -2009, with emphasis on 2007 - the year of integration Romania in the European Union and the year 2009 - the year the global economic crisis.

Personal considerations present in the first axis of research are a summary of what an SME for an entrepreneur in Romania, presenting here the specific issues and factors leading to success or failure of an SME. Thus, the origin of small businesses are entrepreneurs, who possess certain characteristics of creative and innovative, motivated by material rewards, spiritual, moral, social and able to take risks the creation and management of micro, small or medium.

The second axis of research defines and summarizes specific types of organizational structures for SMEs. Matrix organization, project organization and based on the information are some specific organizational architectures SME current period. Coexistence of heterogeneous forms of activity in SMEs, not repetitive activities, and they have influence over the company's organizational structure.

Personal considerations, which concludes the second axis of research stresses that the organizational structure gives legitimate powers and duties of each member of the company. Delimiting the post place and role of each individual, organizational structure gives each employee and official means to carry out actions, thus removing the arbitrariness, disorder and abuse. Structure integrates office staff by certain rules and written rules. Identify the positive effects generated by the organizational structure is a difficult step because it is difficult to dissociate back as far as structure and management.

The third axis of research: rethinking operational and functional processes have modern management methods and techniques as: the value chain - research and analysis tool, benchmarking - technical environmental research company, remodeling processes through reengineering. We defined benchmarking, as a technique for environmental research, presenting, and personal contribution, a case study reflecting how to implement benchmarking in a Romanian SME's. After an extensive description of what is reengineering, in the third axis of the

present research, we have and a personal contribution, a reengineering process in a Romanian SMEs, using Hammer and Champy method.

In **the fourth axis** of research: management of the proximity of SMEs is dedicated to the management approach of SMEs: management of proximity. Proximity management reflects the need for SMEs to approach, to realize what is in their immediate vicinity, such as suppliers, customers, employees, relatives of employees, geographic area, and the organizational structure.

Applied management in SMEs is "highly centralized", focused on a single person in the company, which is the manager, applied management compared with large enterprises, where management is implemented by a team of managers. Level of centralization depends on the size of the enterprise, but also the nature of value managers and managers at all hierarchical levels. Maximum centralization of power by their manager of SME is achieved when applying proximity management, SME acting within a framework of "compact structure".

Centralization of power is even more pronounced, as the presence in the enterprise manager is becoming more and involves the pursuit and resolution of all situations that arise. In the fourth axis of the present research, the personal contribution is application of proximity management in a Romanian SMEs.

We have also prepared a study on the management practice of proximity, in the 32 companies of Gorj, which shows that, although there is insufficient knowledge of the expression "management of proximity" and "proximity manager", however, Romanian managerial practice, gorjean work environment is favorable for proximity management.

The last axis of present research is project management, namely the implementation of a project aimed at implementation and certification of Quality Management System (QMS) in an SME in Romania (generically called SC Iliana Ltd.). Here overlapping fundamentals of project management and implementation of QMS with the application, effective project implementation. Result of the implementation of the project is to obtain quality certificate, certifying that the company has implemented a Quality Management System which complies with international quality standards. Project Management allows very good control over resource use. Increase the motivation of employees of SME receiving project and the team are implemented.

The project helps SME implemented to meet the new tendencies in the world: rapidly rising volume of information and knowledge, increasing demand for goods and services more complex and highly personalized, increasing market competition, knowledge-based economy, and extension type of intelligent organization.

Enable project implementation efficiency of its business by targeting the results.

Abstract

As a proposal for further development of the themes presented in this paper we considered appropriate to develop further studies on SMEs in Romania, because it provides information on the application of different methods and specific management techniques and help in finding new methods and management techniques that Romanian SMEs to apply especially during the current crisis.