Trivent Publishing
© Trivent (2020)
Available online at http://trivent-publishing.eu/

The Dynamics of the Romanian National Management Strengths and Weakness between 2009 and 2018

Ovidiu Nicolescu[1], Ciprian Nicolescu[2]

[1] Bucharest University of Economic Studies, Romania, inst.manager@gmail.com
[2] Bucharest University of Economic Studies, Romania, ciprian.nicolescu@gmail.com

Abstract: *This study is based on the yearly evaluation of the national management characteristics in the Rommania, made by representative samples of managers, management university teachers, consultants and trainers working in the management field. Analysis of the answers provided by the sample components to the questions of two questionnaires has identified the most frequent management strenghts and weaknesses in every year taken into consideration. In the paper we examine the dynamic of the most frequent management strenghts and weaknesses which allow us to characterise the management evolution in Romania and to reveal certain trends. Last part of the paper contains a set of conclusioins regarding the dynamic of national Romanian management.*

Keywords: *National management; dynamic; evolution; strengths; weakness.*

This is an Open Access article distributed in accordance with the Creative Commons Attribution Non Commercial (CC-BY-NC-ND 4.0) license, which permits others to copy or share the article, provided original work is properly cited and that this is not done for commercial purposes. Users may not remix, transform, or build upon the material and may not distribute the modified material (http://creativecommons.org/licenses/by-nc/4.0/)

The Dynamics of the Romanian National Management Strengths and Weakness between 2009 and 2018

Ovidiu Nicolescu, Ciprian Nicolescu
Bucharest University of Economic Studies, Romania

I. Introduction

A main source for identifying the main characteristics of management in each country is to receive the opinions of the representative sample of management specialists - mainly managers, management professors, consultants and trainers - and to analyse them. We used this method during a period of ten years in Romania, based on yearly investigations. The sample of management specialists has been representative in each year as number and structure. The number of the sample's respondents was the following:

- 2009 – 1908 respondents;
- 2010 – 1988 respondents;
- 2011 – 2100 respondents;
- 2012 – 1945 respondents;
- 2013 – 2106 respondents;
- 2014 – 1689 respondents;
- 2015 – 1482 respondents;
- 2016 – 1224 respondents;
- 2017 – 983 respondents;
- 2018 – 676 respondents;

The respondents received a questionnaire[1] and they evaluated the main strengths of the Romanian national management using a list of 20 strengths formulated by specialists. Similarly, they evaluated the managerial weaknesses using a list of 24 weaknesses. The participants had the possibility to add other items on the list and to also evaluate other strengths and weaknesses according to their visions and perceptions.

In our paper we analyse the most frequent management strengths and weaknesses during the period of 10 years and we formulate a set of conclusions.

[1] The questionnaire is complex, with 20 questions containing many statements, in order to collect sufficient information for a consistent analysis.

II. The evolution of the main strengths

The respondents evaluated the 20 potential strengths of the Romanian national management (see table 1).

Table 1. Potential strengths of the Romanian management. Source: O. Nicolescu, I. Popa, C. Nicolescu, S.C. Ştefan, *Starea de sănătate a managementului din România în 2018* (Bucharest: Pro Universitaria, 2019), 72-73.

No.	Strengths
1.	Developing performant system
2.	Achieving high revenues system and profits
3.	Rigorous control assessment of the activities and performances
4.	Focusing on achieving high performance
5.	Valorification of the informational and decisional high potential of the information
6.	Intense transfer of the managerial know-how from other countries
7.	Effective organization of the organization's activities
8.	Intensive training of the employees in the organization
9.	Collaboration with the organization's internal and external stakeholders
10.	Strong initiative and entrepreneurship
11.	Effective marketing activities
12.	Rapid and effective feedback to the environment's changes
13.	High creativity and innovation
14.	Effective coordination of decisions, actions and behaviors of organization's employees
15.	Managers leaderships focused on involvement and effectiveness
16.	Performant strategies and policies
17.	Ensuring the sustainability of the organization
18.	High employees motivations
19.	Design and implementation of functional and effective management systems
20.	Widespread and effective use of modern management methods and techniques

The examination of the managerial strengths is performed not globally, but at the level of the most intense five in each year 2009-2018. In the figures 1, 2, 3, 4, 5, 6, 7, 8, 9 and 10 we present which are the main managerial strengths in each of the years considered, specifying their intensity.

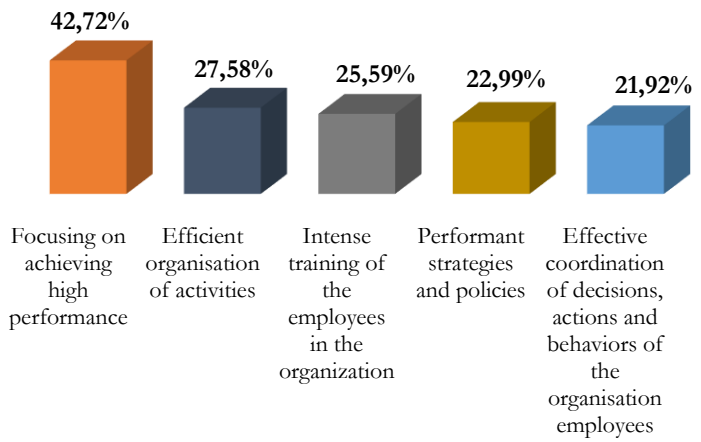

Fig. 1. The first five strengths of the management in Romania in 2009
Source: O. Nicolescu, I. Verboncu, M. Profiroiu, A. Isaic-Maniu, C. Nicolescu, F. Anghel, *Starea de sănătate a managementului din România şi ieşirea din criză* (Bucharest: Media 10, 2010), 91.

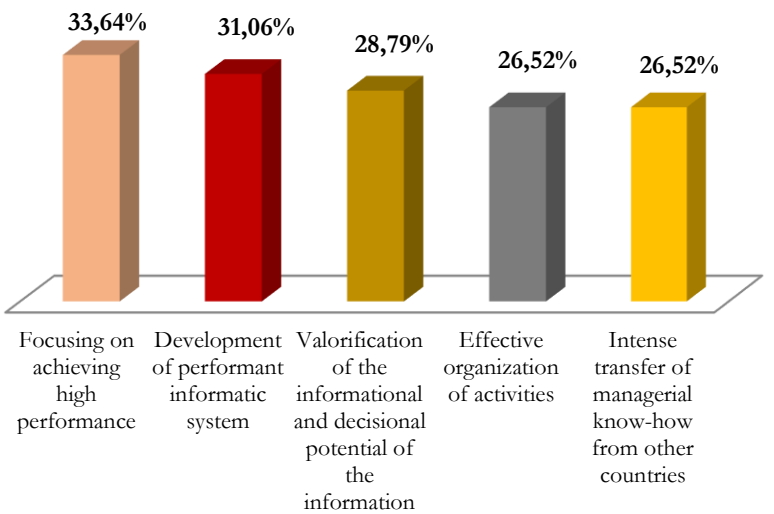

Fig. 2. The main five strengths of the management in Romania in 2010
Source: O. Nicolescu, I. Verboncu, M. Profiroiu, C. Nicolescu, F. Anghel, *Starea de sănătate a managementului din România în 2010* (Bucharest: Pro Universitaria, 2011), 44.

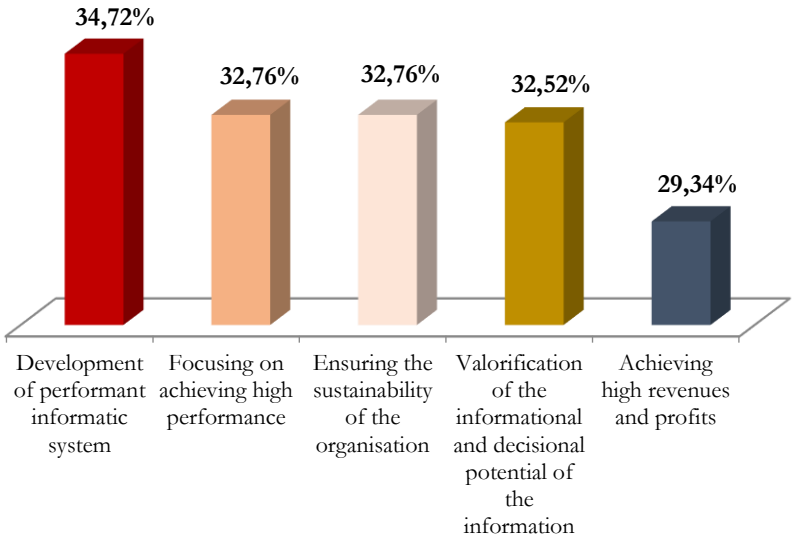

Fig. 3. The main five strengths of the management in Romania in 2011
Source: O. Nicolescu, I. Verboncu, M. Profiroiu, C. Nicolescu, F. Anghel, *Starea de sănătate a managementului din România în 2011* (Bucharest: Pro Universitaria, 2012), 52.

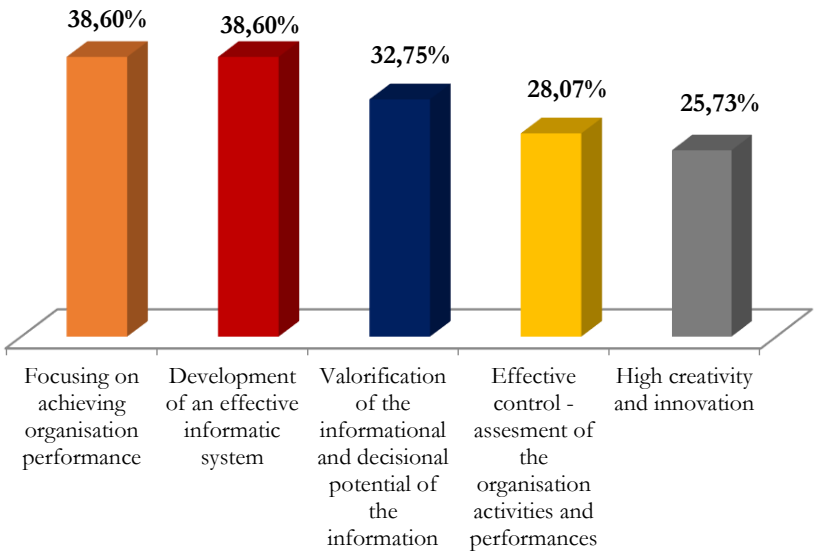

Fig. 4. The main five strengths of the management in Romania in 2012
Source: O. Nicolescu, I. Popa, C. Nicolescu, *Starea de sănătate a managementului din România în 2012* (Bucharest: Pro Universitaria, 2013), 64.

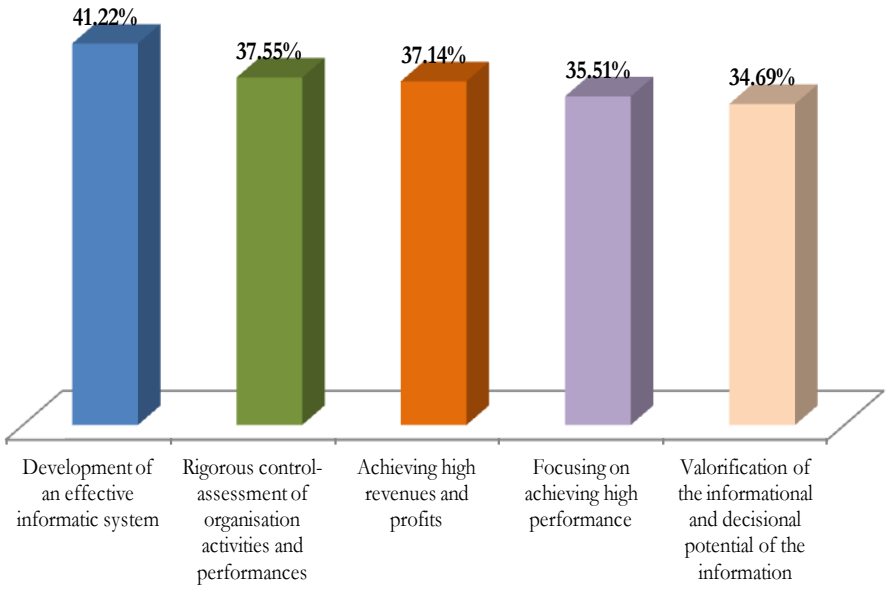

Fig. 5. The main five strengths of the management in Romania in 2013
Source: O. Nicolescu, I. Popa, C. Nicolescu, *Starea de sănătate a managementului din România în 2013* (Bucharest: Pro Universitaria, 2014), 77.

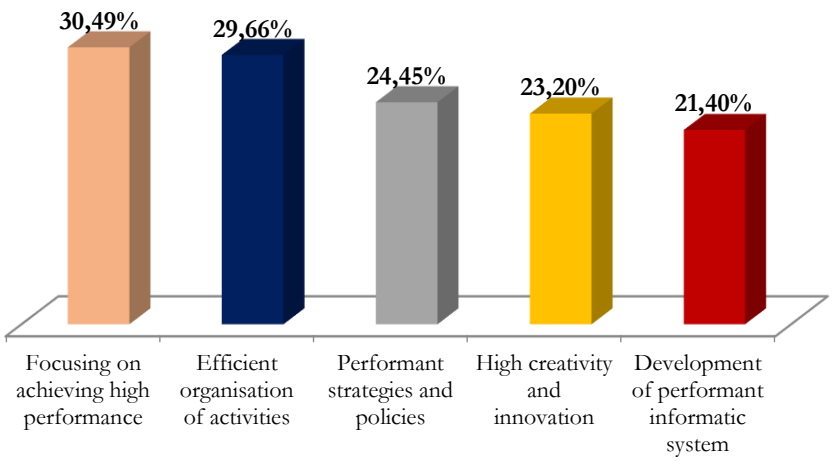

Fig. 6. The main five strengths of the management in Romania in 2014
Source: O. Nicolescu, I. Popa, C. Nicolescu, *Starea de sănătate a managementului din România în 2014* (Bucharest: Pro Universitaria, 2015), 70.

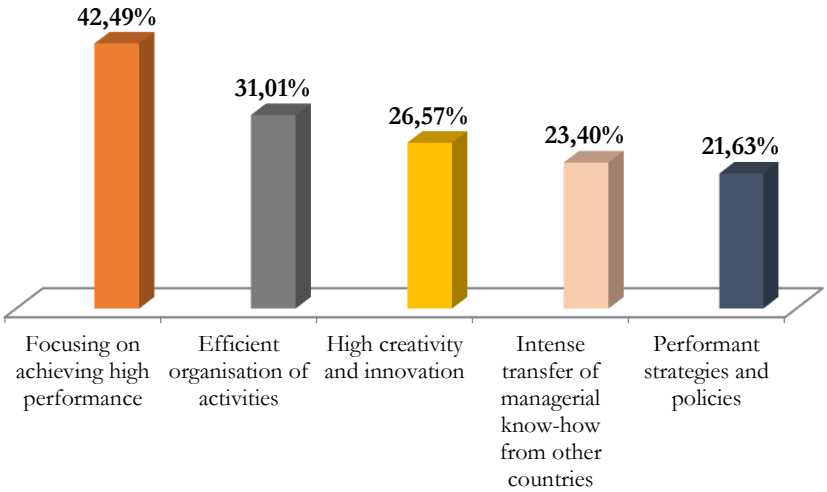

Fig. 7. The main five strengths of the management in Romania in 2015
Source: O. Nicolescu, I. Popa, C. Nicolescu, S. C. Ştefan, *Starea de sănătate a managementului din România în 2015* (Bucharest: Pro Universitaria, 2016), 85.

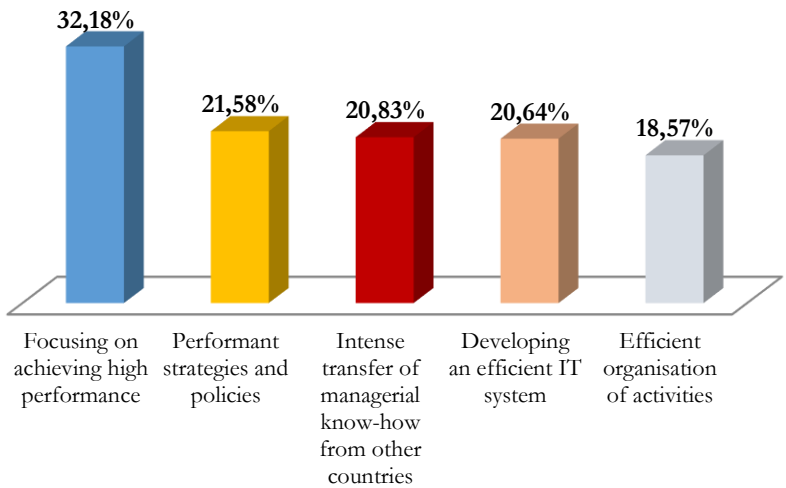

Fig. 8. The main five strengths of the management in Romania in 2016
Source: O. Nicolescu, I. Popa, C. Nicolescu, S. C. Ştefan, *Starea de sănătate a managementului din România în 2016* (Bucharest: Pro Universitaria, 2017), 77.

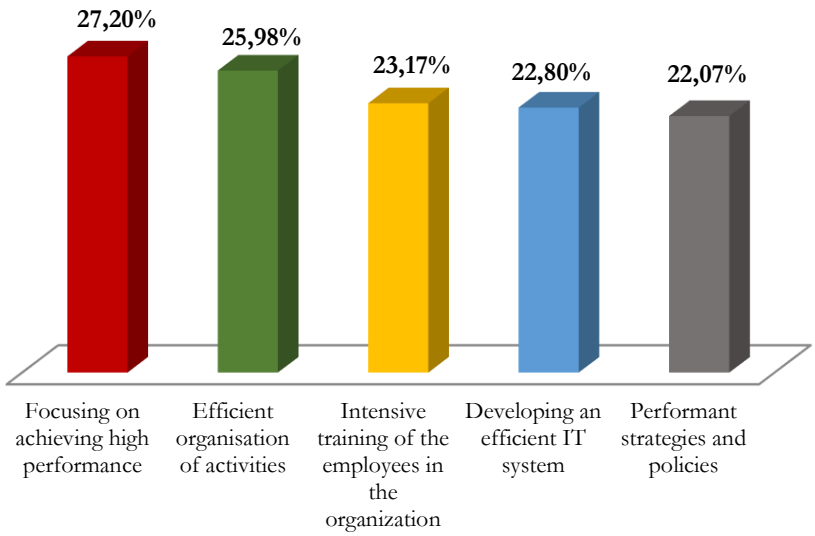

Fig. 9. The main five strengths of the management in Romania in 2017
Source: O. Nicolescu, I. Popa, C. Nicolescu, S. C. Ştefan, *Starea de sănătate a managementului din România în 2017* (Bucharest: Pro Universitaria, 2018), 76.

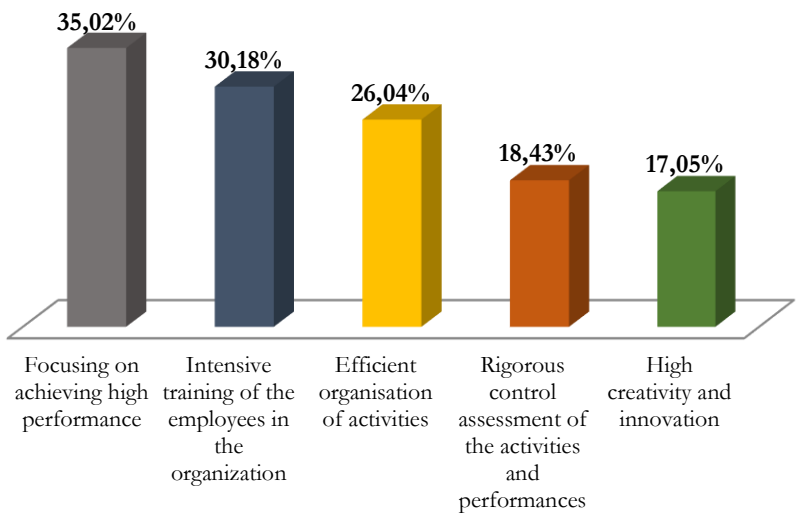

Fig.10. The main five strengths of the management in Romania in 2018
Source: O. Nicolescu, I. Popa, C. Nicolescu, S. C. Ştefan, *Starea de sănătate a managementului din România în 2018* (Bucharest: Pro Universitaria, 2019), 75.

The examination of the main five strengths of the Romanian national management during 2009-2018 allows us to formulate the following main characteristics:

- A relatively high dynamic of the main national management strengths in the course of ten years, reflected by the fact that 12 strengths are rolling under those – one in each year, one in seven years, one in six years, one in five years, three in four years, two in three years, one in two years and two in one year;
- Focusing on achieving high performance is the only strength, which can be found in the first five each of the 10 years considered;
- Development of performant informatics system and effective organization of the activities are part of the first five strengths in seven years and, respectively six years;
- Performant strategies and policies can be found in the first five strengths in five years;
- Valorization of the informational and decisional potential of the information, intense training and high creativity and innovation are among first five strengths in four years;
- Intense transfer of managerial know-how from other countries and effective control-assessment can be found in the first five strengths in three years;
- Achieving high revenues and profits, are placed in the first five managerial strengths in two years;
- Ensuring the sustainability of the organization and effective coordination of the decisions, actions and behaviours of the organization employees can be found in the first five managerial strengths in just one year;
- Intensity of main five managerial strengths in each year varies between limits, wide, enough; the largest limits are 20 percent in 2015 and the lowest, 7 percent, in 2017;,
- Focusing on achieving high performance records the highest level in 2010, with 42.72%, decreasing to 32.76% in 2011 and increasing again to 38.60% in 2012 and 41.22% in 2013; in 2018 the level is 35.02%, which is higher than in 2017, when was 27.20%.

The average intensity of the first five managerial strengths has, also, an interesting dynamic (see figure 11).

The conclusion to be drawn is obvious, as this intensity has an upward trend during the period 2009-2013. The only syncope year was 2010, the year of maximum crises in Romania. Between 2014 and 2018, there was an oscillatory evolution. This dynamic of the last years reflects the tense situations - political, juridical and ecological, mainly in Romania, but also in European Union, like Brexit and the scenarios with a European Union development with several speeds.

Finally, we could state that although it is a certain fluidity in the main management strengths assessment, the focusing on achieving high performance – the key management objective – remains a constant in the top of the first five strengths of the national Romanian management, having every year over 29%.

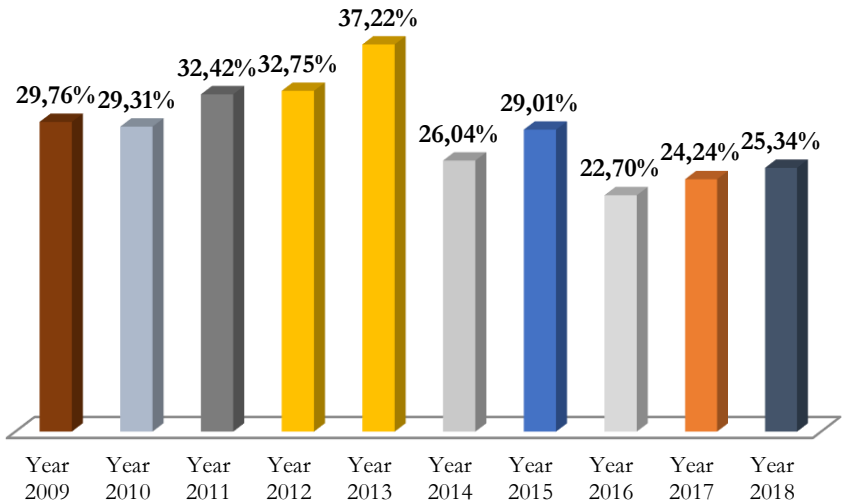

Fig. 11. The average intensity of the main five managerial strengths in 2009-2018
Source: O. Nicolescu, I. Popa, C. Nicolescu, S. C. Ştefan, *Starea de sănătate a managementului din România în 2018* (Bucharest: Editura Pro Universitaria, 2019), 225.

III. The dynamic of the main management weaknesses

For the assessment of the managerial weaknesses of the national Romanian management we have used a list with 24 potential items (see table 2).

Table 2. Potential weaknesses of the management in Romania. Source: O. Nicolescu, I. Popa, C. Nicolescu, S.C. Ştefan, *Starea de sănătate a managementului din România în 2018* (Bucharest: Editura Pro Universitaria, 2019), 79-81.

No.	Items
1.	Low capacity to motivate employees
2.	Delayed and inefficient feedbacks to the opportunities and the threats of social and economic environment
3.	Strategies and policies deficient or nonexistent "de facto"
4.	Unfocusing on priorities
5.	Weak economic background for decisions
6.	Insufficient concern to valorize the knowledge and human resources
7.	Use of empirical managerial systems, unprofessionally proiected
8.	Ineffective organization of activities
9.	Poor transfer of the managerial know-how from other countries
No.	**Items**
10.	Ineffective coordination of the employees
11.	Ineffective control-assessment of the activities
12.	Weak creativity and managerial innovation

No.	Items
13.	Low emphasis on the employees training
14.	Faulty communication with managers and subordinates
15.	Insufficient knowledge and taking into account of the developments in the domestic and/or international markets
16.	Low economic performance
17.	Insufficient knowledge and use in management of the economic elements relating to productivity, price, cash-flow, liquidity, profit, etc.
18.	Low social performance
19.	Neglecting of the internal and external stakeholders
20.	Insufficient valorization of the managerial opportunities provided by modern informatics
21.	Insufficient taking into consideration of the organizational culture
22.	Low environmental credentials
23.	Weak initiative and entrepreneurship
24.	Low functionality of the management systems

We used the same approach as for the managerial strengths. Information relating to the main weaknesses in the period 2009-2018 is presented in figures 12, 13, 14, 15, 16, 17, 18, 19, 20 and 21.

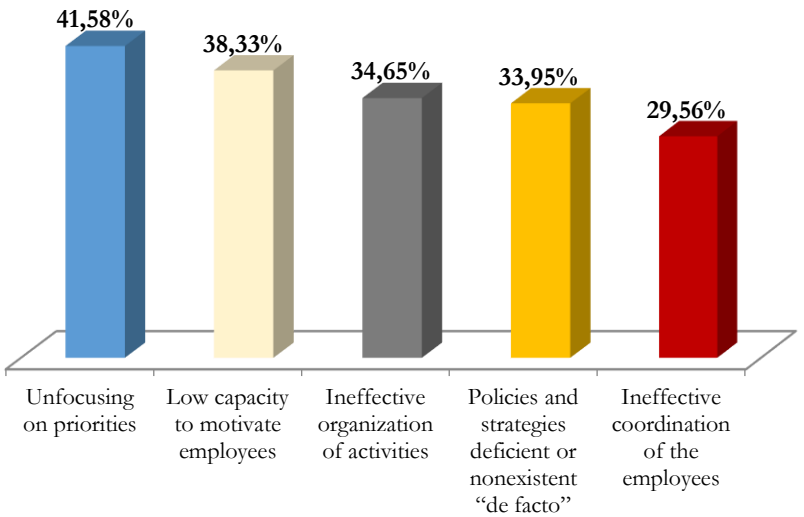

Fig. 12. The main five weaknesses of the management in Romania in 2009
Source: O. Nicolescu, I. Verboncu, M. Profiroiu, A. Isaic-Maniu, C. Nicolescu, F. Anghel, *Starea de sănătate a managementului din Romania şi ieşirea din criză* (Bucharest: Editura Media 10, 2010), 110.

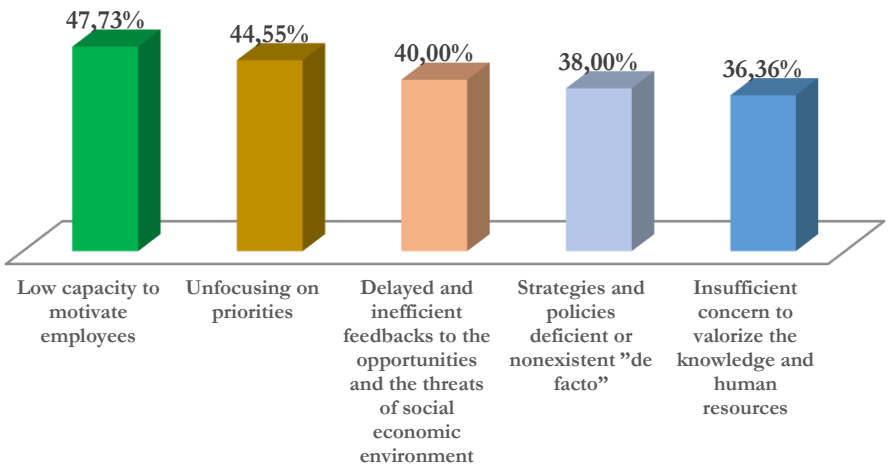

Fig. 13. The main weaknesses of the management in Romania in 2010
Source: O. Nicolescu, I. Verboncu, M. Profiroiu, C. Nicolescu, F. Anghel, *Starea de sănătate a managementului din Romania în 2010* (Bucharest: Pro Universitaria, 2011), 51.

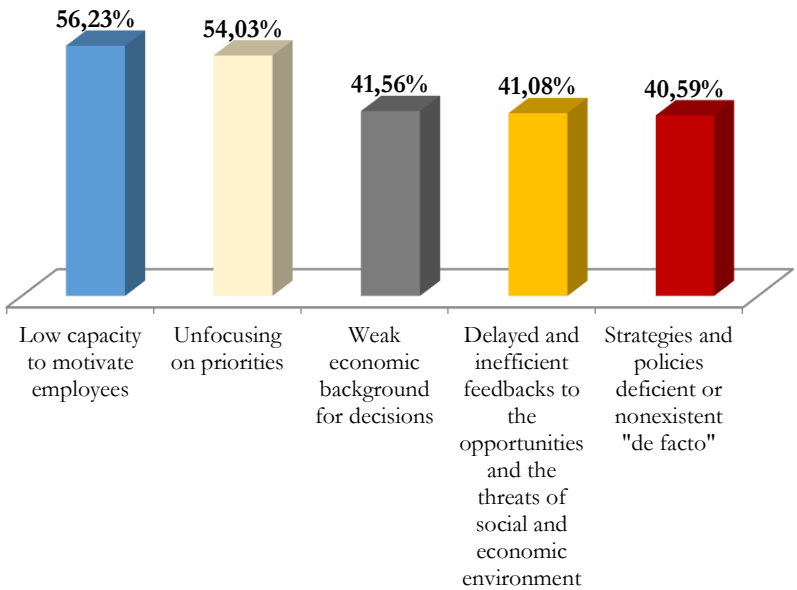

Fig. 14. The main five weaknesses of the management in Romania in 2011
Source: O. Nicolescu, I. Verboncu, M. Profiroiu, C. Nicolescu, F. Anghel, *Starea de sănătate a managementului din Romania în 2011* (Bucharest: Pro Universitaria, 2012), 58.

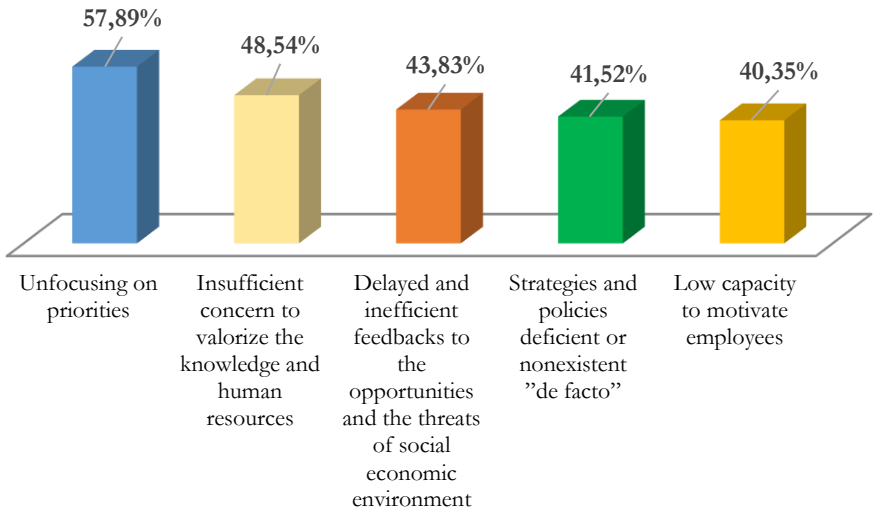

Fig. 15. The main five weaknesses of the management in Romania in 2012
Source: O. Nicolescu, I. Popa, C. Nicolescu, *Starea de sănătate a managementului Din Romania în 2012* (Bucharest: Pro Universitaria, 2013), 70.

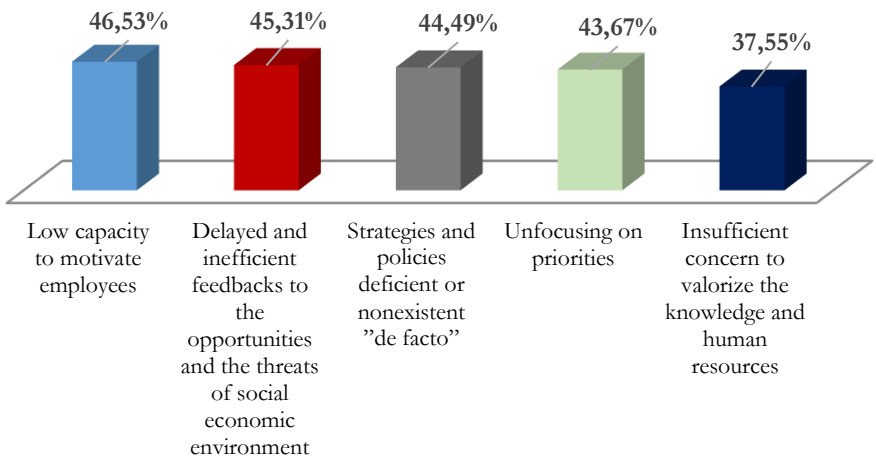

Fig. 16. The main five weaknesses of the management in Romania in 2013
Source: O. Nicolescu, I. Popa, C. Nicolescu, *Starea de sănătate a managementului din Romania în 2013* (Bucharest: Pro Universitaria, 2014), 77.

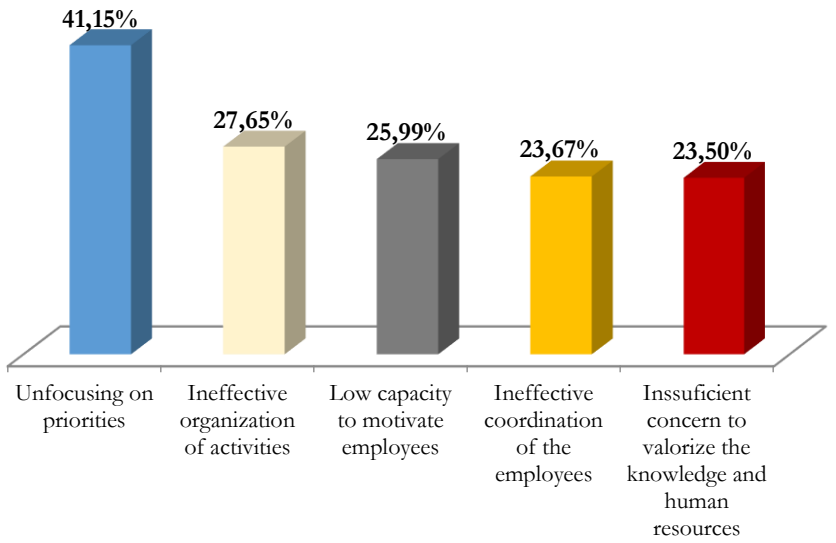

Fig. 17. The main five weaknesses of the management in Romania in 2014
Source: O. Nicolescu, I. Popa, C. Nicolescu, *Starea de sănătate a managementului din Romania în 2014* (Bucharest: Pro Universitaria, 2014), 76.

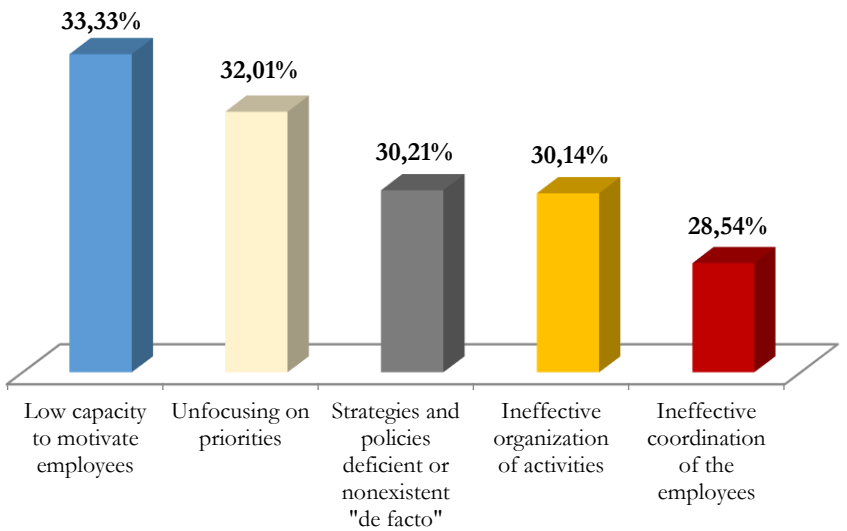

Fig. 18. The main five weaknesses of the management in Romania in 2015 Source: O. Nicolescu, I. Popa, C. Nicolescu, S. C. Ştefan, *Starea de sănătate a managementului din România în 2015* (Bucharest: Pro Universitaria, 2016), 93.

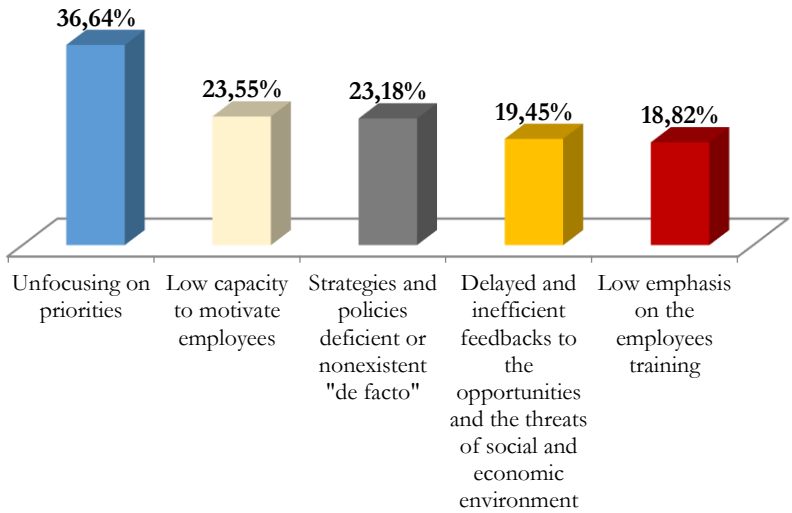

Fig. 19. The main five weaknesses of the management in Romania in 2016
Source: O. Nicolescu, I. Popa, C. Nicolescu, S.C. Ştefan, *Starea de sănătate a managementului din România în 2016* (Bucharest: Pro Universitaria, 2017), 87.

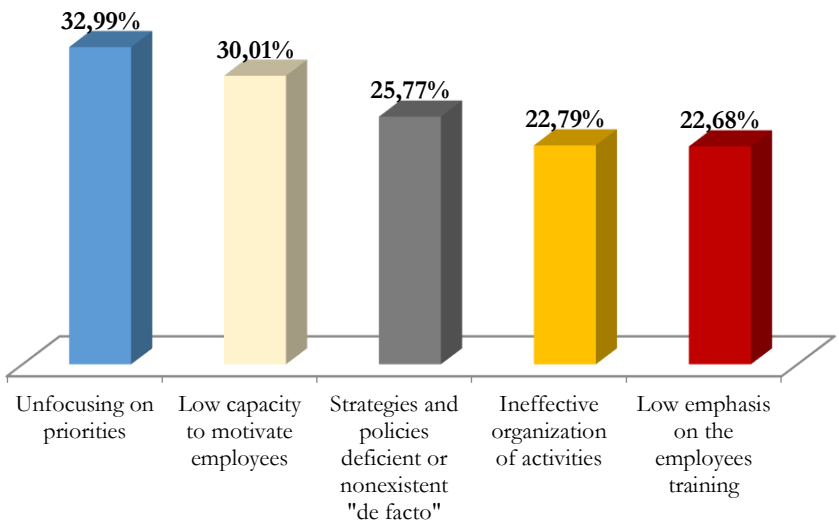

Fig. 20. The main five weaknesses of the management in Romania in 2017
Source: O. Nicolescu, I. Popa, C. Nicolescu, S.C. Ştefan, *Starea de sănătate a managementului din România în 2017* (Bucharest: Pro Universitaria, 2018), 84.

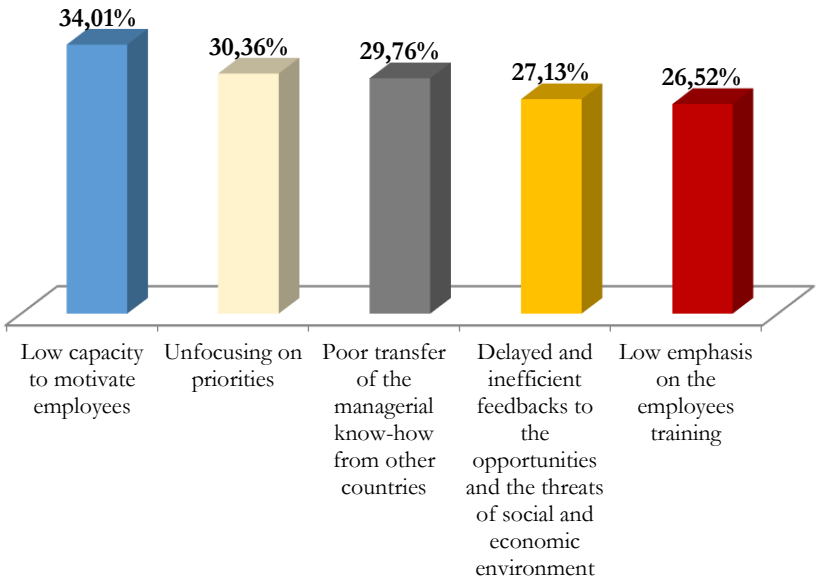

Fig. 21. The main five weaknesses of the management in Romania in 2018
Source: O. Nicolescu, I. Popa, C. Nicolescu, S.C. Ştefan, *Starea de sănătate a managementului din România în 2018* (Bucharest: Pro Universitaria, 2019), 83.

Analysis of the dynamics of the first five managerial weaknesses during 2009-2018 allows us to make the following remarks:

- A moderate dynamic of the main five weaknesses, reflected in the fact that two weaknesses are permanently in this group, one weakness is present in eight years, one in six years, two in four years, two in three years and two in one year;
- Not focusing on priorities and low capacity to motivate employees are permanently presented in the first five weaknesses in every year of the period, occupying the first two places in six years;
- Strategies and policies deficient or non-existent "de facto" are placed in the first five weaknesses in eight years;
- Delayed and inefficient feedbacks to the opportunities and the threats of social and economic environment have been included in the first five weaknesses in six years;
- Insufficient concern to valorise the knowledge and human resources together with poor organization of activities are part of the first five weaknesses in four years;
- Low emphasis on the employees training and Ineffective coordination of the employees are among the first five weaknesses in three years;
- Weak economic background for decisions and ineffective managerial know-how transfer from other countries appear in the first five weaknesses only in one year;

- Intensity of the manifestation of the main five managerial weaknesses in each year varies largely, having even a trend of increasing during the period, with the exception of the last two years 2017 and 2018. Limits of variation have been 12 percent in 2009 and maximum 18 percent in 2014.
- As too the indicator "average intensity of the first five managerial weaknesses" (see figure 22) we could see a trend of amplification in the first four years, followed by a decreasing, having a minimum in 2014 (23.38%) and increasing again almost gradually until 29.55% in 2018.

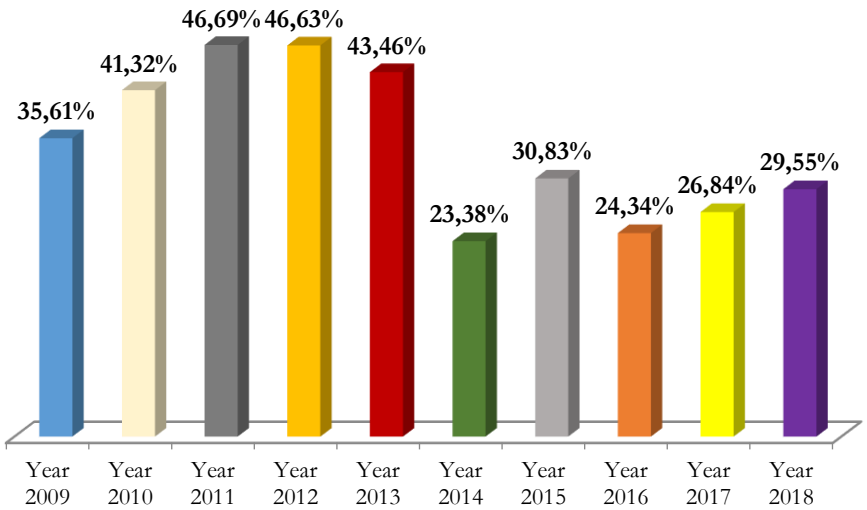

Fig. 22. Average intensity of the main five managerial weaknesses during 2009-2018
Source: O. Nicolescu, I. Popa, C. Nicolescu, S.C. Ştefan, *Starea de sănătate a managementului din România în 2018* (Bucharest: Pro Universitaria, 2019), 231.

The first five managerial weaknesses, compared with the first five strengths are higher both as frequency and intensity, which indicates a stronger persistence of certain managerial deficiencies. Our final remark is that in Romanian national management are typical errors, which should be faced by acting on the causes generating them. Priority should be given to the low capacity to motivate employees, not focusing on priorities, strategies and policies deficient or non-existent "de facto", delayed and inefficient feedbacks to opportunities, the threads of social-economic environment and inefficient concern to valorise the knowledge and human resources.

IV. Conclusions and features of the management development in Romania in recent years

Based on the analysis concerning managerial developments in the period 2009-2018[2], which are substantiated by results and conclusions regarding the dynamic of the management in Romania, using also, several qualitative analysis[3], we formulate some conclusions which, are valid not only for 2009-2018, but also for the entire period after 1990.

A. **Analysis of management practiced in Romania as a whole and in the evolution of content and its performance within the last 20 years indicates a positive dynamic**. Positive changes are evident in the vision, the approaches, the management styles and the quality of managers at all level of economy. Without these advances, Romania would not have been able to record, especially after 2000, a period of fast economic growth, entry in NATO and the European Union integration. The labeling of Romania as tiger of Carpathian area during the period 2002-2008, was undoubtedly also due to the management's significant contribution.

B. **Management's evolutions in Romania are marked by the EU, in particular after 2000**, when the entry into the European Union became certain. The agreements concluded and carried out in the pre-accession period had a major role in this respect. A large part of *acquis communautaire* - represented by the more than 60.000 pages of documents translated in Romanian - have had an appreciable impact, directly and indirectly, on management, in particular on the public management. The many trainings, study visits, documentary materials, which managers and specialists at the level of Parliament, Government, ministries, government agencies, counties, municipalities, etc. have benefited from – amplified with the entry in the European Union – have generated a significant dissemination of managerial approaches practiced in the European Union, and in particular of the best practices. It is found that, unfortunately, only a part of the managerial knowledge transferred thereto is to be found in a systematic manner in the management practiced by the local and central public administration.

C. **Disposal of considerable human resources, with a good ratio price (salary) – quality, which is an advantage for carrying out a rational**

[2] *** PWC Global Survey Romania 2017, https://www.pwc.ro/en/publication/ceosurvey2017.html (last time accessed: June 16, 2019); Ş. Toader, V. Iancu, D. Olteanu, *Evoluţia bunăstării în România*, KPMG, 2016, https://assets.kpmg/content/dam/kpmg/ro/pdf/welfare-ro-web.pdf (last time accessed: June 18, 2019); *** Raportul de ţară din 2018 privind România, https://ec.europa.eu/info/sites/info/files/2018-european-semester-country-report-romania-ro.pdf (last time accessed: June 20, 2019).

[3] O. Nicolescu, C. Nicolescu, D. Urîtu, Ş.F. Corcodel, S.C. Ştefan, A.P. Truică, A. Bontea, *Carta Albă a IMM-urilor din România 2018* (Bucharest: Pro Universitaria, 2018).

management to all levels of the economy. Good quality of a great number of the domestic human resources – generated by the quality of education in urban areas – has been one of the main factors, which have contributed to the establishment and development of more than 700.000 new firms in the last 20 years, of which more than 15% are with foreign capital.

D. **Valorization only partially of the human resources that Romania has, a large part of them emigrating**. Within the last two decades, almost three million people from Romania emigrated, a large part being qualified, more than two hundred thousand having higher education. The causes of the definitive or temporary migration are multiple, linked with the economy and society development in Romania, with the policies and economic and social practices put into work by the political and economic national management, with the conditions and incentives offered by other countries, with the political and social climate in Romania, etc. It is certain, that by emigration of the human resources, Romania loses substantially on many fields.

E. **Quality of managers in Romania - which has a decisive role on the functionality and performances in all economic and social system – is very uneven, but with a slight tendency to decrease**. The inequality of quality and efficiency of the managers is caused by numerous causes: the level of training of managers, economists, engineers, IT people, etc. is very different from one university to another; the selection for a managerial jobs, especially in the public sector, is not often done after rigorous criteria, in particular due to excessive politicization and nepotism; a large part of those who hold top political and administrative positions do not have a consistent training in management; practicing lifelong learning does become a habit for only a minority of the Romanian managers, and in particular of multinational companies, large and medium-sized enterprises; the public opinion only in the last few years has begun to understand the major consequences that quality of management has on the economic performance and quality of life. The quality and efficiency of the private managers are higher than those from public administration, in particular because of higher motivation, lower bureaucracy and conditioning the company's survival of by a quality of the managerial decisions.

F. **The national management has a strong social dimension, to the detriment of the economic one**. The most convincing argument is represented by the decisions taken by political and administrative bodies. Excessive increase of pensions and wages in the state sector without economic reforms, without being tied to productivity generated deficits of the state budget.

G. **The insufficient innovational and educational dimension of the management at the national level**. The substantially lower percentage of the expenditure from the national budget for research, development and education in Romania, in comparison with most European Union countries, is eloquent in this respect.

H. **The management and Romanian society is characterized by a relatively high degree of bureaucratization and corruption**. Although there have been some progress, still bureaucratization and corruption creates numerous problems for companies and individuals.

I. **Instability in the managerial structures of public administration** at the national, regional, local and county councils. Instability is caused firstly by the political changes triggered by the elections every four years and the changes in the political coalitions and in the ruling parties. The arrival and the departure of the political clientele, which often do not possess strictly necessary management competences, generates, in addition to structural discontinuity, malfunctions and, by default, inappropriate results in achieving forecasted economic, social, educational or environmental objectives. Without stability and professionalism of the specialists in administration, Romania cannot recover the gaps separating it from the developed countries in the European Union.

J. **Significant improvement of some elements of management at national level** in last decade as demonstrated by the answers of the managers and specialists and by the increasing of GDP, among the highest in the European Union. Of course, this positive development should be enhanced and enriched on multiple levels.

In conclusion we can say that in Romania in the last decades have been developed many professional managerial elements based on the computerization, transfer of the best practices, especially, from European Union, the increase of the manager's quality, mainly in the private sector, focusing on the knowledge and internationalization. The progress is made in many management fields, but to a modest pace. It is necessary to accelerate the implementation of the strategically improvements proposed by specialists from the Academic Management Society in Romania - SAMRO, National Council of Small and Medium-Sized Private Enterprises in Romania - CNIPMMR, PWC, KPMG and European Union. Managerial strengths and weaknesses represent a very helpful support for future development of the Romanian management.

References

Nicolescu, O., Nicolescu, C., Urîtu, D., Corcodel, Ş.F., Ştefan, S.C., Truică, A.P., Bontea, A. *Carta Albă a IMM-urilor din România 2018*. Bucharest: EdituraPro Universitaria, 2018.

Nicolescu, O., Verboncu, I., Profiroiu, M., Isaic-Maniu, A., Nicolescu, C., Anghel, F. *Starea de sănătate a managementului din Romania şi ieşirea din criză*. Bucharest: Editura Media 10, 2010.

Nicolescu, O., Verboncu, I., Profiroiu, M., Nicolescu, C., Anghel, F. *Starea de sănătate a managementului din Romania în 2010*. Bucharest: Editura Pro Universitaria, 2011.

_____. *Starea de sănătate a managementului din Romania în 2011*. Bucharest: Editura Pro Universitaria, 2012.

Nicolescu, O., Popa, I., Nicolescu, C. *Starea de sănătate a managementului din Romania în 2012*. Bucureşti: Editura Pro Universitaria, 2013.

_____. *Starea de sănătate a managementului din Romania în 2013*. Bucharest: Editura Pro Universitaria, 2014.

_____. *Starea de sănătate a managementului din Romania în 2014*. Bucharest: Editura Pro Universitaria, 2015.

Nicolescu, O., Popa, I., Nicolescu, C., Ştefan, S.C. *Starea de sănătate a managementului din România in 2015*. Bucharest: Editura Pro Universitaria, 2016.

_____. *Starea de sănătate a managementului din România in 2016*. Bucharest: Editura Pro Universitaria, 2017.

_____. *Starea de sănătate a managementului din România în 2017*. Bucharest: Editura Pro Universitaria, 2018.

_____. *Starea de sănătate a managementului din România in 2018*. Bucharest: Editura Pro Universitaria, 2019.

Toader, Ş., Iancu., V., Olteanu, D. *Evoluţia bunăstării în România*, KPMG, 2016, *https://assets.kpmg/content/dam/kpmg/ro/pdf/welfare-ro-web.pdf* (last time accessed: June 18, 2019).

*** PWC Global Survey Romania 2017, *https://www.pwc.ro/en/publication/ceosurvey2017.html* (last time accessed: June 16, 2019).

*** Raportul de ţară din 2018 privind România, *https://ec.europa.eu/info/sites/info/files/2018-european-semester-country-report-romania-ro.pdf* (last time accessed: June 20, 2019).