PERSPECTIVES OF STRATEGIC MANAGEMENT OF ROMANIAN ENTERPRISES FROM THE VIEW OF PROMOTING THE COMPETITIVE STRATEGIES OF DEVELOPMENT

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Using an appropriate strategic management may be a way of surviving in a world of increasing competition but also to withstand the so called „tyranny of choise". Actually what pushed us to deal with such a theme for this conference too, because we were vexed by two questions: Why some organisations have success and others don't? What do organizations do to seek profit, excellent performances year after year, while others go through periods when they struggle to survive? An answer may be found in the subject matter of this article: strategic management. We consider advantages those resulting from the organizations that think strategically, examining the way they understand their own operating environment and their own strength and weakness, which can lead to successful strategies.

Keywords: knowledge, leadership, strategy, management

1. Introduction

The techniques we address are relevant in many ways considering the dimensions of an organization: large enterprises, small and medium enterprises but also state enterprises, which, with all, seek to make a profit. Although, we tend to think, first, that strategic management is connected to the pursuit of profit for all types of organizations, we must remember the fact that even a small non-profit organization, such as the local theatre or church, has to own a decision-making system which will aim how to generate incomes, an informational system connected to the environment that underlies the formulation of an image on the organisation's own power or weakness. Such decisions are, by their nature, strategic in form and content, involving factors such as an analysis of "competition" in order to identify the competitive factors.

The strategy can describe the actions that an organization intends to take in its approach to obtain and maintain the competitive advantage. The organization that has competitive advantage can provide to customers a superior standard at a competitive price or an acceptable standard at a lower price.

The profitability and market share are the results of creating a superior value. Henry Ford was driven by his ambition to produce on a large scale a reliable car at a low price. Lairy Page and Sergey Brin were motivated to create a better search engine. For Ford, Page and Brin, as well as for many other businessmen, making money was the consequence of providing a service or a product desired by consumers. What matters is, therefore, that the strategy is to create a higher standard, while capping the cost of its creation. The higher the difference between creation of value and cost is, the greater the economic contribution made by the organization is and, thus, the greater is the probability of occurrence of competitive advantage.

In any case, the strategy is not a game where someone's gain is equal to the loss suffered by someone else, not always happens for some to win, and others to lose. Many of the strategic successes are achieved when the organizations or the individuals cooperate with each other. Even the direct competitors cooperate from time to time to create winning scenarios in one way or another.

The term that describes the situation where the competitors cooperate with each other to achieve strategic objectives, we will call it Co-opetition[21] (cooperating competition).

In conclusion, we can say that in order to achieve a competitive advantage an organisation needs to provide either goods or services that consumers appreciate more than the ones of the

[21] Brandenburger A. M., B. J. Nalebuff (1996) – „Co-opetition", New York, Currency Doubleday și Gnyawali D. J. He, R. Madhavan (2006) – „Impact of co-opetition on firm competitive behavior: An empirical examination", Journal of Management, 32, pp. 507-530.

competition, or goods or services similar to those of the competition, but at lower prices. That is why the essence of the strategy is to be different of rivals and, therefore, unique. The managers get this difference by strategic positioning, or a performant strategic management, aiming to obtain a unique position in a particular industry, which allows the organization to provide value to customers while controlling the costs.

The strategy in Porter's view may be also the optimal choice of the types of activities of the company. The success of the strategy depends on many functions –and only for a few- on their integration. If this thing is not, then there is neither excellent strategy nor its stability"[22].

Strategic positioning also requires compromises. As a retailer of products with low prices, Penney J.C. has a clear strategic profile and offers services to a well-defined segment of the market. Luxury retailer Neiman Marcus has also built a clear strategic profile by providing a superior service of relations with customers for a specific market segment (the luxury one)[23]. While the organizations are part of the same industry, their areas of customers intersect very little, or not intersect at all, thus they are not in direct competition. To maintain this thing their managers have to make aware compromises that will allow them to gain the competitive advantage in the same industry.

As Porter M. emphasized, the strategy refers as much to deciding what not to do as well as to deciding what to do. Since resources are not unlimited, managers need to consider the alternatives of their business strategy in their mission to achieve the competitive advantage. Trying to be everything to everyone can be a recipe for lower productivity.

Their managers fall victims to the illusion that they can master a position to reduce costs (already well served by Southwest Airlines) and their particular strategy to serve a large number of destinations.

A strategy of an organization can be seen as the theory of the manager about how to obtain and maintain the competitive advantage. One theory answers to questions such as: „What is the cause of something and why?"[24] It is an implicit assertion based on hypothesis regarding the way of functioning of the world. Based on the law of gravity, we can predict what will happen if we take something out the window without doing anything to discover this. As they say, nothing is more practical than a good theory. Based on their hypothesis regarding the competitive conditions-more precisely, the relative value of resources and abilities of their company compared to those of their collaborators and competitors, predictions on the actions that competitors may initiate and the evolution of trends in the external environment- managers formulate their theory regarding the way to obtain and maintain the competitive advantage within the strategy established for the firm. As we know a company can achieve competitive advantage by adjusting its internal resources, capabilities and resources to exploit the opportunities offered by the external environment[25].

The strategy, as a theory of how to compete, supplies to managers a map to navigate on the territory of race. The more accurate the map is, the more managers make better strategic decisions. In the world of competition, the managers test their theories in the market.

The relative productivity of a firm in a competitive market provides to managers the necessary feedback to estimate how well their strategy goes in achieving competitive Therefore, the process of strategic management is a continuous cycle of analysis, formulation implementation and feedback.

2. The identification and determination of interdependence of factors of strategic management in enterprises

In order to identify and determine the interdependence of strategic management factors in companies in Romania, we have used a research through statistical survey. Lack of primary or secondary internal statistical data on this phenomenon and the identification of qualitative factors imposed this type of observation.

The statistic survey is based on concepts, methods and procedures clearly defined and it applies to larger or smaller fractions of the population.

Defining the hypotheses of this research is connected to the objectives that we have set to be developed in this article. The established hypotheses are actually answers that we assumed that we will get from the research. The formulation of hypotheses was done taking into account the results of

[22] Ibidem, pag. 75-76.
[23] Rothaermel F. T. (2013) – „Srategic Management. Concepts and Cases", McGraw Hill Irwin, p. 6.
[24] Christensen C.M. (2003) – „Why hard-nosed executives should care about management theory", Harvard Business Review, September, pp.1-10.
[25] Drucker P. (1994) – „The theory of business", Harvard Business Review, September-October, pp. 95-105.

some previous research, of the experience gained, the results of some documentary studies, the opinion of some specialists.

The accuracy and veracity of the study conducted was somewhat ensured by the topic, form and content of the questionnaire which was filed both electronically and physically; so we can say that the people who participated in the study are concerned with this issue, are mature, are very active, have a high degree of awareness of the issue brought to attention.

For start there has been tried an analysis of correlation and trajectory to determine the validity of measurements and models. A statistical support will be realised for the econometric test of the hypotheses and relations. The results wanted to be obtained may offer valuable views regarding the generalisation of using modern approaches connected to the importance of strategic management for the enterprises in Romania. We consider that the practical implications that this study may bring through the challenges connected to the perspectives of measuring and evaluating the strategic management of prime interest for the managers in the organisations in Romania.

In the first instance, the identification of the strategic management is defined as the determination of the existing risks or dangers that can be anticipated, their characteristics, and remoteness in time, the lasting period, and possible outcomes. Also, it includes the necessity of existence and the way of professional development of the employees at individual level. Therefore, the following proposed hypothesis is:

Hypothesis 1: Identification of strategic management is positively influenced by the place and role of management within the enterprise. This hypothesis is explained by the following equation:

Identification of strategic management = $\alpha_0 + \alpha_1 (L_{MS}) + \alpha_2 (R_{MS})$

where:

L_{MS}= *The place of strategic management*

R_{MS} = The *role of strategic management*

α_1, α_2, The parameters that wait to be positive.

Based on statistical and econometric methods, will be analysed and interpreted the items established in determining the strategic management at the level of enterprises in Romania. According to the model of research the questionnaire was structured in a logical succession on II sections:

- Section I – The place of strategic management;
- Section II– The role of strategic management –the effort made at enterprise level.

After analysing the last 10 questions from section I and 6 questions from section II we can conclude that:

Nr. crt	ITEMS						
		1	2	3	4	5	6
1.	To what extent the vision of developing the organization is found in the announced mission of the organization?	117	161	177	184	207	144
2.	What importance do you give to the mission of the organization in which you work?		141	367	229	192	61
3.	Do you consider that the activities the organization carries out comply with the announced mission of the organization?	12	91	235	307	279	66
4.	To what extent does the staff participate to the improvement of the organisation's mission?	50	228	271	136	191	114
5.	Do you consider necessary the periodical review of the organization's mission?	60	205	281	135	200	109
6.	The revising of the mission of the organization is carried out in transparent conditions?	50	154	141	147	341	157
7.	How do you appreciate communication in the process of developing strategies?		108	234	236	262	150
8.	To what extent, for the development of strategies, is taken into account the opinion of the employees?	109	332	177	109	185	78
9.	Do you consider that the concept of strategy (the existence of a specialized department) is necessary in an organization?	54	193	181	165	271	126
10.	To what extent long-term objectives are included in the development strategy of the organization?		29	194	273	332	162

From the table above it can be observed that to 5 items (from 10) more than 27,4% of the respondents consider important and very important: the development of strategic management. While to the question "The revising of the mission of the organization is carried out in transparent conditions?" over 34,4% of the respondents consider important and necessary the "review" of the mission of the enterprises in Romania. Thus, we can say that the interviewed actors are aware of the role and the importance of the strategic management, but cannot participate in developing strategies.

Nr. crt	ITEMS						
		1	2	3	4	5	6
1.	To what extent aspects of the strategy are discussed at Board meetings?	110	330	110	165	165	110
2.	How are the members of the Board involved in the process of developing strategies by launching strategic initiatives?	55	55	110	110	220	440
3.	Is there willingness from the members of the Board for a change within the organization?	165	110	165	55	165	330
4.	The organizational structure of the organization allows the development of performant strategies?	110	165	330		275	110
5.	How do you appreciate the current practices of assessing strategic initiatives within the organization?	165	220	275	55	165	110
6.	To what extent the corrections proposed by the employees are taken into account?	385	110	110	110	165	110

From the table above it can be observed that at 2 items (from 6) more than 44,4% of the respondents consider very important: the launching of strategic initiatives and the need of change within the organization.

Determining the indicators of central tendency of items, it can be observed that, their level is quite high and are in the range 1, 06661- 4,408. Thus we can say that the average levels are representative of the series, and the general perception over the items taken into account is unanimous. From the point of view of the modal level we have scale 5- with the grade important.

Indicators of central tendency and of variation regarding the items

Nr. crt	Items	Indicators of central tendency and of variation			
		Average	Way	Standard deviation	The coefficient of variation%
1.	To what extent the vision of development of the organization is reflected in the announced mission of the organization?	3,641	5	1,59932	19,22
2.	What importance do you give to the mission of the organization in which you work?	3,661	3	1,12587	57,35
3.	Do you consider that the activities that your organization carries outs comply with the announced mission of the organization?	3,957	4	1,12343	75,08
4.	To what extent does the staff participate in the improvement of the mission of the organization?	3,537	3	1,44607	48,90
5.	Do you consider necessary the periodical review of the mission of the organization?	3,542	3	1,44663	47,98
6.	The revising of the organization's mission is realised in transparent conditions?	4,056	5	1,48223	57,68

Nr. crt	Items	Indicators of central tendency and of variation			
		Average	Way	Standard deviation	The coefficient of variation%
7.	How do you appreciate communication in the process of developing strategies?	4,113	5	1,23781	33,16
8.	To what extent, for the development of strategies are taken into account the employees' opinions?	3,164	2	1,52239	55,73
9.	Do you consider that the concept of strategy (existence of a specialized department) is required in an organization?	3,791	5	1,48165	43,80
10.	To what extent the long-term objectives are found in the strategy of development of the organization?	4,408	5	1,06661	58,38

Determining the indicators of the central tendency of items for the second section, it can be observed that, their level is quite high and are in the range from 3,944 to 1,900. Thus we can say that the average levels are representative for the series, and the general perception over the items taken into account is unanimous. From the point of view of modal level we have scale 6 - with the grade important.

Indicators of central tendency and variation regarding the items

Nr. crt	Items	Indicators of central tendency and of variation			
		Average	Way	Standard deviation	The coefficient of variation%
1.	To what extent aspects of the strategy are discussed in the meetings of the Board?	3,278	2	1,593	51,64
2.	How are involved the members of the Board in the process of development of strategies by launching of strategic initiatives?	4,722	6	1,521	89,44
3.	Is there willingness from the part of members of the Board for a change within the organization?	3,944	6	1,900	55,78
4.	Does the organizational structure of the organization allow the development of performant strategies?	3,500	3	1,573	50,46
5.	How do you appreciate the current practices of assessment of strategic initiatives within the organization?	3,167	3	1,608	47,14
6.	To what extent the corrections proposed by the employees are taken into account?	2,889	1	1,854	66,67

3. The modelling and testing of components through which is identified the place and role of strategic management within the enterprises in Romania

In the following lines will be analysed and interpreted the items established in determining the interdependence of components that allow the identification and characterization of the place and role of strategic management within enterprises in Romania.

The logical architecture of the questionnaire allowed us to quantify each item in the established hypotheses, by subdividing the components and classifying the variables after the criterion of causality.

Classification of variables after the criterion of causality of components in the "Identification of Strategic Management" (IMS)

Items		Symbol	Type of variable
1	**Section I „ The place of strategic management" - L_{MS}**	Y_1^{Locul}	***Resultative***
1.1.	To what extent the vision of development of the organization is found in the announced mission of the organization?	$x_{11}^{MVDOMAO}$	Factorial
1.2.	What importance do you give to the mission of the organization in which you work?	x_{12}^{IAMOL}	Factorial
1.3.	Do you consider that the activities carried out by the organization comply with the announced mission of the organization?	$x_{13}^{ADOCMAO}$	Factorial
1.4.	To what extent does the staff participate to the improvement of the mission of the organization?	x_{14}^{MPPIMO}	Factorial
1.5.	Do you consider necessary the periodical review of the organization's mission?	x_{15}^{NRPMO}	Factorial
1.6.	The revising of the mission of the organization is carried out in transparent conditions?	x_{16}^{RMORCT}	Factorial
1.7.	How do you appreciate communication in the process of developing the strategies?	x_{17}^{ACPES}	Factorial
1.8.	To what extent, for the development of strategies are the employees' opinions taken into account?	$x_{18}^{MESTCOA}$	Factorial
1.9.	Do you consider that the concept of strategy (existence of a specialized department) is required in an organization?	x_{19}^{CSNO}	Factorial
1.10.	To what extent the long-term objectives are found in the strategy of development of the organization?	$x_{1.10}^{MOTLRSDO}$	Factorial
2.	**Section II „The role of the stress management" – R_{MS}**	Y_2^{Rolul}	***Resultative***
2.1.	To what extent aspects of the strategy are discussed in the Board meetings?	$x_{21}^{MASDSCA}$	Factorial
2.2.	How are the members of the Board involved in the process of developing the strategies by the launching of strategic initiatives?	$x_{22}^{IMCAPESLIS}$	Factorial
2.3.	Is there willingness from the members of the Board for change within the organization?	$x_{23}^{DMCASCO}$	Factorial
2.4.	Does the organizational structure allow the development of performant strategies?	$x_{24}^{SOOPESP}$	Factorial
2.5.	How do you appreciate the current practices of assessment of strategic initiatives within the organization?	$x_{25}^{CAPCEISCO}$	Factorial
2.6.	To what extent the corrections proposed by the employees are taken into account?	x_{26}^{MCPALC}	Factorial

A first criterion of causality derives from the fact that "the Identification of Strategic Management at company level" may be established by:

a. The place of strategic management

$$Y_1^{Locul} = \alpha_0 + \alpha_1 (x_{11}^{MVDOMAO}) + \alpha_2 (x_{12}^{IAMOL}) + \alpha_3 (x_{13}^{ADOCMAO}) + \alpha_4 (x_{14}^{MPPIMO}) + \alpha_5 (x_{15}^{NRPMO}) + \alpha_6 (x_{16}^{RMORCT}) + \alpha_7 (x_{17}^{ACPES}) + \alpha_8 (x_{18}^{MESTCOA}) + \alpha_9 (x_{19}^{CSNO}) + \alpha_{10} (x_{1.10}^{MOTLRSDO})$$

After estimating the parameters the equation resulted:

$$Y_1^{Locul} = 0{,}476 + 0{,}019 (x_{11}^{MVDOMAO}) + 0{,}288 (x_{12}^{IAMOL}) + 0{,}181 (x_{13}^{ADOCMAO}) + 0{,}249 (x_{14}^{MPPIMO}) + 0{,}424 (x_{15}^{NRPMO}) + 0{,}156 (x_{16}^{RMORCT}) + 0{,}123 (x_{17}^{ACPES}) + 0{,}019 (x_{18}^{MESTCOA}) + 0{,}210 (x_{19}^{CSNO}) + 0{,}175 (x_{1.10}^{MOTLRSDO})$$

b – represents the parameter that expresses the unregistered factors, considered with constant action, beside those considered as factorial characteristics. The influence of unregistered items on identifying the existence of risk management is of 0,476.

$\overline{m_1 : m_{10}}$ - the regression coefficients show how much the resultative characteristics changes if the factorial feature changes with a conventional unit. All the parameters of the equation have positive values according to expectations.

The linear model used is valid in the sense of test F as the calculated level (F=234,7843) is superior to the tabled one (3,41) with one level of significance of 5%

As the coefficient of determination is equal ($r^2 = 0{,}70272$) results the fact that the connection between the analysed items is strong, and the size of free term compared with the parameters of independent items confirms this fact.

ANOVA

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	635,154	10	63,515	234,784	,000[b]
	Residual	264,846	979	,271		
	Total	900,000	989			

b. The role of stress management

$$Y_2^{Rolul} = \alpha_0 + \alpha_1 (X_{21}^{MASDSCA}) + \alpha_2 (X_{22}^{IMCAPESLIS}) + \alpha_3 (X_{23}^{DMCASCO}) + \alpha_4 (X_{24}^{SOOPESP}) + \alpha_5 (X_{25}^{CAPCEISCO}) + \alpha_6 (X_{26}^{MCPALC})$$

After estimating the parameters the equation resulted:

$$Y_2^{Rolul} = 1{,}2015 + 0{,}264 (X_{21}^{MASDSCA}) + 0{,}1485 (X_{22}^{IMCAPESLIS}) + 0{,}4953 (X_{23}^{DMCASCO}) + 0{,}1112 (X_{24}^{SOOPESP}) + 0{,}2539 (X_{25}^{CAPCEISCO}) + 0{,}4567 (X_{26}^{MCPALC})$$

b – represents the parameter that expresses the unregistered factors, considered with constant action, beside those considered as factorial features. The influence of unregistered items on the predefined identification of risk, a coefficient of 1,2015.

Compared with the regression coefficients and the parameters of the model determined above, we can say that the level of coefficient is quite high, which denotes the fact that it is easier to identify the necessity/utility of strategic management, than the effective identification of it.

$\overline{m_1 : m_6}$ - regression coefficients show how much the resultative feature changes if the factorial feature changes with a conventional unit. All the parameters of the equation have positive values as expected.

The linear model used is valid in the sense of test F as the calculated level (F=865,347) is superior to the one in the table (3,41) with a level of significance of 5%.

As the *coefficient of determination* is equal ($r^2 = 0{,}006103$) results that the connection between the analyzed items is moderated, and the size of the free term compared with the parameters of the independent items confirms this.

4. Conclusions

The linear model of regression is one correctly estimated in the two sections that assume that "the Identification of strategic management from the view of promoting the competitive development strategies is positively influenced by the place and role of the strategic management in the enterprise". If we hierarch the level of the two coefficients, we can see that the identification of strategic management is perceived by location (0,6876) assigned in managerial activities, subsequently is perceived through its role too (0,4634).

The identification of strategic management= 0,4567 + 0,6876 (L_{MS}) + 0,4634 (R_{MS})

In this article we tried to deal with the issue of the existence of strategic management at the level of enterprises in Romania, the efficiency and advantages of implementing a program of strategic management, its role in the good functioning of the company, in order to reach the established objectives.

The importance of addressing this issue is proved by the actual situation with which the world economy confronts and as well as the firms that activate on international market. From the beginning of the financial crisis and until now it could be attended to the apparent effects of this crisis, but especially approaching an inefficient management or some unviable plans.

Under these conditions, the companies that managed to develop before this crisis an efficient management or were able to maintain themselves on the market in this period, and some even managed to be profitable. It is true that the past cannot be changed but due to him alarm signals can be drawn, we can learn from mistakes, we can return on our plans and decisions that have not been implemented yet.

Treatment of strategic management and its impact on all the plans becomes therefore relevant for the companies that can still learn from the mistakes made and from the examples of others and being also a current topic and of interest for those who study and analyze this process.

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