STUDY ON SMEs THROUGH SUSTAINABLE DEVELOPMENT

ROMANESCU MARCEL LAURENȚIU,
associate professor PHD,
Constantin Brâncuși University of Targu Jiu

Abstract: The current paper analyses the strategy and sets definite goals for passing in a reasonable and realistic timeframe to a high added value development generator pattern, fueled by the interest for knowledge and innovation, oriented towards the continuous improvement of the value of people’s life quality and their relations in connection to the natural environment. With all the progress of the latest years it is a known fact that Romania still has an economy based on intensive resources consumption, a society and an administration still in search of a unitary vision and a natural capital affected by the risk of damages that can become irreversible.

Key words: management, economy, development

1. Determining characteristic premise private SMEs structure for sustainable development

The enterprise is the most important component of economy and society. The enterprise or company – meaning an organisation of one or more people that provide certain activities by usually using economic means for a profit – is the most encountered form of organisation.

Its extreme importance comes from:
- it is the main creator of economical substance in any country, without which the contemporary society can not exist;
- it provides jobs for the most part of the population;
- its performances condition the state and the performances of every country’s economy and the standard of living for the population that inhabits it.

The SMEs represent the largest and most importance segment for the enterprises, by fulfilling multiple economical, technical and social functions.

The arguments for this premise are as follows:
- it generates most part of GDP in each country, usually between 55%-95%;
- offers jobs for most of the able population;
- generates most of the technical innovations applicable in the economy;
- in the laster years in almost all of the World countries including the EU, SMEs are the only ones that generate jobs;
- they offer high dynamics in the actual market economy, which is reflected in the evolution of their number, the volume of the turnover and the size of the workload, quite superior to those of the large enterprises;
- they offer products and services at a lower cost than the larger companies; the main factors that determine this situation are the expenses which are conventionally smaller, the superior volume and intensity of the workload when the enterpriser is constantly present in the company and, mostly, a more intense motivation of the personnel;
- proves high flexibility and adaptability to the requirements and changes of the market, favoured by the reduced charge, the fast decision making process specific to the enterpriser and by its uninterrupted involvement in the current activities;
- it represents one of the main sources of income for the state budget (tax, VAT, etc.);
- offers the opportunity to most of the population to be professionally and socially accomplished, mainly to the most active and innovative sector, which “drags” the economy;
- provides the main component for a friendly economical background for the market economy, characterised by flexibility, innovation and dynamics;
- represents the seeds for future large companies, especially in new areas of the economy, in its top branches that are based on complexe and performant technic and technology;
- the actual trends of technical, economical and social nature favourise mostly the creation of SMEs. We are reffering to the minimising of equipments, robotics, information, communications and transport development, increase in the degree of preparation of the population, fast reduction of differences in life conditions between areas and cities, administrative decentralisation, that not only make possible, but also generate superior economical performances, mostly in the small and medium size companies.
Underlining the importance of SMEs in today’s economy is not by far the underestimation of the role of large companies. The economy of any country, in order for it to be performant, requires a strong component of large companies, especially in the industrial and transportation areas. The economical realities prove the existence of strong complementary relations between the large companies on one side and the SMEs on the other. An economy is ”as healthy and performant as it shows a sectorial and dimensional balanced structure, thus obtaining superior synergy effects”.

SMEs have structurally appreciated ”weeknesses” whose knowledge and countermeasuring is essential. Without being exhaustive, we show these ”weeknesses” specific to SMEs:
- small amount of blend-in resources and few resources it provides;
- usually decisive dependance of its existance to just one person, usually the enterpriser;
- the insufficient taking into account of the specific interes and characteristics by the decisive factors in the environment;
- the technical level which is frequently lower, in comparison with larger companies;
- the stability and perenniality more ”volatile” because of the previous specific features.

As in any other type of firm, the performances of SMEs are dependant to how efficient are the concepts, approaches, methods, techniques and other elements supplied by the science of management are implemented. More than that, given the constructively and functionally pronounced specificness of SMEs, they require a specific management, called entrepreneurial management.

2. Society and the business environment as a determinant in the formation of adaptation strategies in sustainable development

The sectors that are vulnerable to climatic changes in Romania and that require a more detailed analysis are: biodiversity, agriculture, water resources, forestry, infrastructure-constructions, transportation, tourism, energy, industry, healthcare. A special attention must be given to the poorer societies that depend mostly on the direct use of local natural resources. These hold limited survival means and of limited capacity to face the climatic variables and the natural disasters.

- **Orizont 2020**

National objective: Providing efficient and safe functioning for the national energy system, reaching the current average level of EU regarding the intensity and effectiveness of energy; fulfilling the obligations assumed by Romania within the legislation package ”Climatic changes and energy from sustainable sources” at an international level after signing a new global agreement in this sense; promoting and applying adapting measures to the effects of climatic changes, and holding to the principles of sustainable development.

According to the impact study made in view of maintaining a fair balance between the efforts made by member states of the EU to reach the goal of unilateral reduction in the year 2020 of the greenhouse effect gases by 20% from the level recorded in 1990, the non-ETS sectors (outside the emissions certificates vending scheme) in Romania, represented by small sources in the energy and industry sectors, transportation, construction, agriculture, waste, etc. sectors could benefit from a growth of 19% of the greenhouse gas emissions reported in 2005.

The emissions in the ETS sectors (economic agents that are part of the emissions certificates vending scheme) will be settled by the european level uniformisation of the allocation and distribution means of the certificates. It is foreseen that for the year 2020, the total number of certificates for greenhouse effect gas emissions at a European level should be reduced by 21% from the level recorded in 2005.

According to the legislation package that is debated in the European Parliament and the EU Council, Romania should increase its quorum of regenerable resources (solar, wind, hydro, geothermal, biogas, etc.) in the final consumption of energy from 17,8% in 2005 to 24% in 2020 (based on the EU average of 8,5% in 2005, with a goal to reach 20% in 2020). The target in mind by Romania is that in 2020 the weight of electric energy from sustainable sources reaches 38%. By growth of the energetic efficiency the primary energy consumption will be reduced by 20%, and that of final energy by 18% compared with the consumption average in 2001-2005.

The intensity of primary energy will drop to 0,26 tep/1.000€uro 2005 (close to the EU average in 2006), and the intensity of final energy to 0,17 tep/1.000€uro 2005 (under the EU average in 2006). The level of usage of biofuels and other sustainable fuels in transportation will represent a minimum of 10%, percentage which is calculated based on the energetic content of all types of gasoline and diesel fuel used, and by holding to all sustainable criteria of these products, with an intermediate target of 5,75% in 2010. The process of energetic rehabilitation will continue with approximately 35% of the multistory living facilities fond, administrative and commercial buildings.

New units to produce electric energy will be put to practice and linked to the national system in order to cover the demand, including two new nuclear reactors to the Cernavoda plant and finalising some hydroenergetic projects.

In Romania there have been identified for each sector potential negative effects caused by the climatic changes, as well as recommendations regarding the adapting measures and necessary studies in view of a better
scientific approach of adaptation. Following a preliminary evaluation, without sectorial studies and climatic scenarios sufficiently detailed at Romania’s level, the following actions are suggested:

- Integration of adjustment to the climatic changes effects when applied and modifying of current and future legislation and politics;
- Revisement of the budget, of all strategies and national programmes so that all aspects regarding adjustments in the sectorial politics are included;
- Setting means of communication in view of implementing adjustment measures at a local level. A great part of the decisions that influence directly or indirectly adjustment to climatic changes are taken locally;
- Growth of the awareness degree regarding adjustment to the effects of climatic changes. The behavioral changes within societies and communities are in a great degree dependant of the level of awareness of the problem.

- **Orizont 2030.**

  National objective: Aligning to the average performances of the European Union regarding energetic and climatic changes indicators; fulfillment of commitments in the field of reduction greenhouse effect gasses in accordance with the international agreements and current communitary settlements and implementing means to adapt to the climatic changes effects. Romania will continue to contribuate effectively according to the contracts in order internationally and communitary, to implementing the common objectives of the EU in the field of climatic changes by reduction of the greenhouse effect gasses and implementing measures to adapt to the effects of climatic changes.

  By growth of the energetic efficiency the primary energy consumption will be reduced by 30%, and the final energy consumption by 26% compared to the average consumption in 2001-2005. Lighting by means of efficient lamps will become general. The use of clean technologies that produce electricity and heat based on energy sources and electrical plants with a low level of carbon emissions will extend, and will be provided with facilities to geologically capture and store the carbon dioxide.

  The construction of hydrotechnical plants and facilities will continue, that will process 1520% of the possible but still not valued hydroenergetic potential.

  In view of covering the electrical energy necessary for consumption and economical development another 2 nuclear-electrical facilities will be built.

  The thermal rehabilitation of approximately 40% of the existing multistory buildings fond will continue, as well as the development of passive buildings projects development or with ery low energy consumption (15-50 kWh per square metre and year).

3. **Business growth in the competitive market in terms of SMEs**

When promoting businesses by merging the clients’ wishes with the conditions the business team works in a goal to find the most profitable solutions for both parties is set out to reach. The optimisation of comercial networks starts with the study of technical issues for a reduction of expenses and decrease of fees. A method used by the wide market range companies is convergent engineering that allows a decrease of the designing and production times simultaneously with the time passed after each product reaches the market. This convergent engineering technique works only if the empathy of each team member is at its highest level.

Before designing neurofuzzy leading systems an opportunity study must be carried on that answers the following issues:

- What is the most adequate fuzzy leadership configuration;
- How a neurofuzzy network should be programmed and learned;
- What are the practical performances of neurofuzzy networks;
- How to implement a neurofuzzy network through equipment.

The neurofuzzy networks are practically implemented through programmes and equipment. The language most frequently use dis C and Pascal, but some high level procedural and technical languages are used. The equipments projected for implementing the neuro networks are completely programmable. Electronic and numeric circuits are used for implementing neurofuzzy networks. In the annalogic circuits the sinapsys connections are resisors and the neurons are operational amplifiers.

At the start of this millenium the competitors in any business field is highly agressive and the companies are more and more dependant on their reason to exist: the client. The client becomes more informed, exigent and more careful with the money he spends. These factors have made the companies that wish to survive on the market to try to understand the customer and orient their products, services and activities towards the customer. It must be considered that on the long term, the success of a company is rendered by the superiority of its products in comparison with those of the competition, thus the study and quality of the economical administration processes of a company lead to superior benefits to those obtained from the competition.

Now when:

- the competition is more agressive;
• the basic information is altered extremely fast, it is almost impossible to gain market segments by using outdated means and strategies. It is necessary that:
  - the company reacts almost instantaneously to the evolution of the clients’ needs;
  - the leadership must set a goal to create a company that considers all the factors involved as important to the evolution of the product;
  - the company personnel is aware of the fact that all efforts must lead to obtaining products that meet the customer’s expectations, moreover, of products that anticipate those expectations.

Direct Marketing means any activity that creates and exploits a direct relation between a company and its clients or possible clients.

Direct Marketing is an interactive sales system that uses one or more media channels to influence an answer and/or a transaction that is measurable and the use of that response as base for the programmes that track the loyalty of a customer for a company on the long term.

The purpose for Direct Marketing is to isolate customers and potential customers of a company as individuals with specific needs and to build a continuous relation in permanent evolution with them for a high benefit for the customers and a high profit for the business.

As a result of the unprecedented development of IT, by implementing it in the marketing activities, a new concept appeared, that of Database Marketing (DBM):

Direct Marketing + Information Technology = Database Marketing

Database Marketing means the use of customers, potential customers and market related information to coordinate all the elements of marketing, from marketing planning to actions regarding the customer as individual.

Database Marketing is an interactive approach on marketing that uses marketing means and channels individually addressed (like the postal services, telephone and directional sales) for:
• offering help to the audience of a company;
• stimulating customers’ requests;
• being close to the customers by recording and keeping an IT database regarding the customers, potential customers and all commercial changes and contacts, in order to improve future contacts and provide a much more realistic planning of marketing.

The concept of Customer Relationship Management (CRM) refers to the ergonomics of customer relations.

Based on Database Marketing and taken into consideration an extremely important aspect, that of building customer relations, comes the need to keep these relations under control and to administrate them.

Database Marketing + Relationship Building = CRM

Database Marketing divides the idea of customer relations development in a number of distinct elements, then builds relations by using a series of techniques that lead the customer to a perception that a very solid relation is developing.

Customer Relationship Management (CRM) is a business strategy that allows the selection and management of customers to optimise long term advantages.

CRM requires a business philosophy in which the customer and his cultivation is the main element that allows an efficient marketing and effective sales and services processes. The CRM applications allow an efficient management of the customer relations and provides optimal management, strategy and culture for the business.

CRM is more than a technology: it’s a complex crossroad of five dimensions: strategy; processes; tactics; capabilities; technology, thus being informed.

The path towards change of creating processes can be accomplished by re-engineering businesses (Business Reengineering). This procedure calls for rethinking and reshaping the business processes for optimising performance indicators (cost, quality, services etc.). Reengineering must be fundamental (everything is done from the beginning), radical (all the way to the root of the processes), spectacular (giant leaps in the results), oriented towards unitary bound processes (the process is a series of activities that have types on incomes and creates values for the customer when exiting. The incomes are made of orders and the exista of quality products.

Conclusions

A schematic presentation of the sustainable development concept underlines three major pillars – economical, social and environmental; it is mentioned thus of an economical sustainability, a social one and an environmental one.

In a sustainable development process it is actually needed of the harmonious use of three types of capital in balance – economical, social and natural. This is the – triple – perspective of which the role of small and medium size enterprises will be analysed in the process of sustainable development, especially the role of marketing communication in providing the goals of sustainable development. The SMEs will be equally regarded upon as initiators/generators of sustainable development, so that we will deal with a sustainable offer as well as a sustainable demand, at a macro, middle and micro level.

Within the politics in the field of industrial development for 2008-2013 strategic directions will be regarded upon as well as the general objectives of the Romanian economy and the fundamental elements of evolution within the EU, according to the principles of sustainable development. As a general guidance, the paper aims at the following short, medium and long term strategic objectives:

- Orizont 2013: Organic incorporation of the principles and practices of sustainable development in the group of public politics and programmes of Romania as member state of the EU.
- Orizont 2020: Reaching the current medium level of EU countries of the sustainable development main indicators.
- Orizont 2030: Significantly closeness of Romania to the average level of that year of the EU member countries in regard to the sustainable development indicators.

Romania’s development strategy for 2007-2013 is concentrated on investments and collective services that are necessary for a growth in competitiveness on a long term, creating new jobs and a sustainable development.

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