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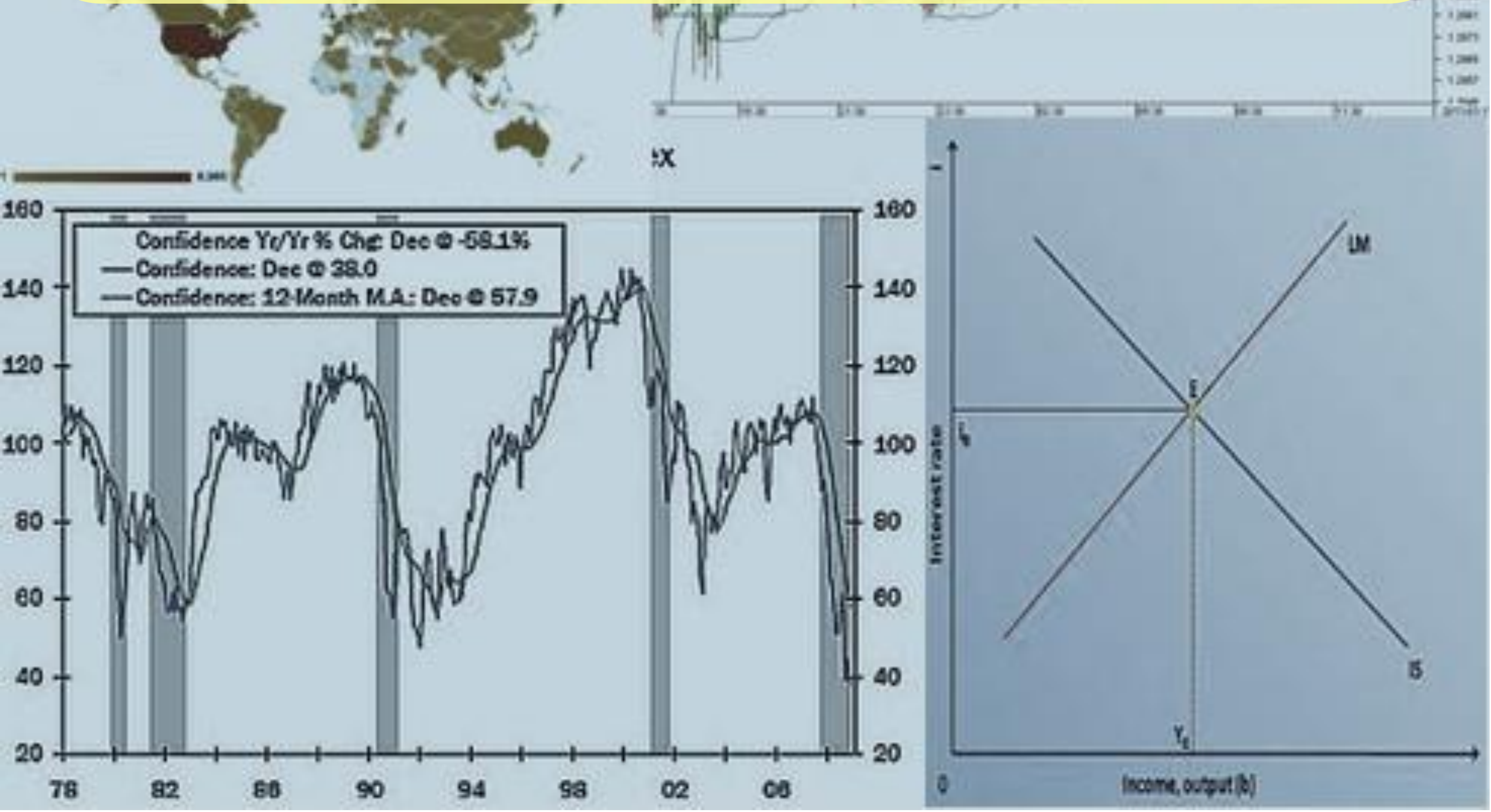

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CONTENTS

METHODS OF ADMINISTRATIVE CONTROL OVER PUBLIC INSTITUTIONS AND EFFECTIVENESS

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Abstract: *There are many methods of control in terms of their comprehensiveness and the accuracy of what these methods deal with, such as. The methods that the manager can use vary from traditional and general methods to precise and specialized methods. The control should not be detailed; otherwise, it is a way to waste the manager's time in one part or function of the process. Administrative at the expense of other functions, and oversight should be an exception, i.e. the amount of information or data that is provided to the administration and to review the important deviations from the plans in place, as a basis for taking corrective measures, and the purpose is to reduce the number of details contained in the administrative reports and statistics to the extent possible about it take measures. The methods of control allow the management to hear the alarm, and on the contrary, the bell remains silent and the managers focus on the basic problems and important matters, so they present the problems that require management's direction, and leave other problems to the subordinates to solve them, as the system of control by exception only works to warn about serious matters and is silent when things are It is running normally, and the control system, by exception, focuses on knowing deviations only, and it does not care about the details of the workflow. Examples of this type of control are looking at the status of the institution and the services it provides in the market, especially the quality of the goods produced and the demand for them compared to their counterparts, and the productivity of workers*.

Keywords: administration; definition; organization's; control; objectives; management;

JEL cod: M41

INTRODUCTION

The absolute authority of the administration may lead to major administrative corruption and abuse of public money on the one hand and the rights of individuals and prejudice their legal positions, on the other hand, hence the importance of oversight over the work and actions of the administration, the most important of which is administrative and judicial oversight as a means to ensure that the administration adheres to the limits of the regulatory legislation, and not to delinquency for others public good.

Administrative control is essentially self-control and includes, in its entirety, basic matters, the most important of which is to ensure that the objectives set by the drawn plans, policies, and directed instructions are implemented accurately and with high efficiency, and that the achieved results correspond to what the administration expects. It also includes the detection of obstacles that may hinder the achievement of the objectives, or lead to Deviations occur, and for this purpose, organizations use effective control methods to achieve these goals.

In this research, we decided to study effective administrative control means because of their great importance at the level of management and its decisions. Weakness and defects to treat them first, correct them, and avoid recurrence.

FIRST: THE IMPORTANCE OF THE STUDY

The subject of the means of control is one of the most prominent and most important topics that affect the organization in the current era. It is necessary to protect public and private utilities and the continuity of its work by discovering errors and recommending their treatment through the control bodies operating in these facilities, and they indicate the defects and suggest appropriate solutions, and from here The importance of the study emerges from the importance of the subject itself and the need for it, as the subject of our study focuses on the means of control and its role in achieving the desired goals and objectives, with the aim of developing performance and maximizing production for these facilities. This study also derives its importance through the scientific and practical addition that we can reach. And provide the necessary recommendations to raise the efficiency, methods, and effectiveness of control.

SECOND: THE AIM OF THE STUDY

Each study or scientific research has a goal or objectives that the researcher seeks to achieve through his interest in the studied phenomenon, which is summarized in the basic objectives of the means of administrative control and the extent of assistance in achieving the objectives of the plan with the highest possible goal.

This is done by correcting the errors and deviations that are discovered and considered as the permanent activity aimed at follow-up and ensuring that the tasks are achieved and implemented to the fullest so that the good performance of the functioning of public utilities is ensured and the exercise of full supervision over them that prevents deviation and secures the legal system to protect the rights of others and ensure the public interest. Oversight, whether internal or external, administrative or judicial, is one of the basic pillars that must be exercised with sufficient efficiency, to prevent abuses and mistakes and impose penalties, and on the other hand, measures must be taken to stimulate and reward.

THIRD: THE STUDY PROBLEM

The importance of public administration is increasing in the modern era with the expansion of state activity to include all fields, and this has led to the need for the administration in it to be strong and effective, to be able to provide the largest number of services, the highest quality, and the lowest cost. Its goals are high productivity and efficiency.

From this point of view, the problem of the study is focused on answering the following main questions: What are the methods of administrative control? What are the features of effective control? How effective is the exercise control over management and its decisions?

FOURTH: THE STUDY METHODOLOGY

In our study, we followed this descriptive -analytical approach, which finds its justification in being compatible with this study, through an extensive explanation that clarifies the administrative control tools on (public and private utilities), dismantling them and placing them in a group of titles that benefit the purpose of the study, so we support the analytical approach The descriptive, which depends on the study of the subject as it exists in reality, and is concerned with it as an accurate description by explaining the role of this body, the nature of its work and the procedures for applying and implementing the terms of its supervisory competence with reference to the legal texts regulating its work.

FIFTHLY: THE RESEARCH PLAN

The plan of our study in this chapter will be for the subject of administrative control methods over management, according to the following:

- The first topic: traditional methods
- The second topic: Specialized methods
- The third topic: total quality control
- Findings and Recommendations

We divide this chapter into three sections that deal in detail with the methods of control in general, which are the traditional methods and the specialized and comprehensive methods:

The first topic: traditional methods: Among these methods:

1- **Personal observation**: The use of personal observation is one of the methods of control that is practiced in particular in small or medium-sized facilities. This type of control complements control through budgets, and this method is still followed in many private and public organizations.

2- **All kinds of budgets**: Budgets are considered one of the means of control because good or defective management is always reflected in the form of direct or indirect financial costs. There are several types of budgets that can be used as control tools, including:

Estimated budget: The budget is considered the oldest of the control means, as it is an expression in numbers of the expected expenditures and revenues for a future period, as budgets enable the manager to identify the spending doors and sources of revenue and those responsible for disbursement and monitoring of these bodies and the monitoring of expenditures.

This type of budget has several types, including:

A- Balance sheets: production, resource and time budget, capital budget, revenue, and expenditure budget.

Where such budgets mostly deal with revenues and expenses, and figures about expected imports such as the number of allocations to a particular government department and the expenditure item that includes employee wages, material costs, and other fixed capital costs, and represents the accuracy or inaccuracy of forecasts, a mechanism to identify the efficiency of the administration

B- Cash balances: This type of budget represents forecasting what cash will be available during a certain period in the form of receipts and what will be disbursed to pay the material obligations that will be due to be paid, and trying to find a kind of balance so that less or more than what is required of cash is not kept because this will affect the company's reputation and production and the level of its operation of capital.

C- Capital budgets: These budgets relate to capital expenditures that pertain to non-recurring expenditures and that are intended to provide the institution's infrastructure and strengthen its position, such as owning land for expansion or constructing buildings and purchasing machinery.

D- Production, resource, and time budgets: Some institutions set estimated budgets for the services they intend to provide or for the units to be produced, or for the time that the work will take to produce them. Such budgets facilitate actual control because they lay quantitative bases that facilitate verification of the work performed on their basis.

E- Balance Sheets: These budgets show the financial position of the institution, which consists of assets and liabilities at the end of a certain period. For control purposes, the budget of the previous year can be compared with the budget of the expected year in order to analyze the expected changes.

F- Program budgets: This method links budgets with the plans that those budgets aim to achieve, as the budget is not a control tool, but a planning tool as well.

The second topic: specialized control methods:

There are many control methods that rely on detailed and numerical information and not just general observations, and these methods include:

Information management systems: It has become known and in the information age that control is not sound unless it is based on an information base, as the various institutions do work and deal with a lot of data, and a system must convert these data into information to act on its basis.

1- Getting to know the decision-making system and the information that is required of managers at various levels when making decisions

2- Then decide what kind of information they need

3- Determining the areas of common information that you need from more than one party, as the sales manager and production manager may need the same information about a particular commodity in terms of the volume of demand for it, and this would reduce the repetition of information transmitted by the information system.

4- Designing an appropriate system for collecting, storing, exchanging, and retrieving information as needed. This allows managers at various levels and through a good information system to follow up on everything that falls within their powers and discover errors as they occur.

The third topic: Total quality control:

Production processes are monitored by drawing maps that show areas of deviation from acceptable levels of performance in the field of producing goods and providing services during specific periods, according to acceptable upper and lower limits, and calculated statistically. It is known and statistically acceptable that the standard deviation of the distribution wanted a sample on the normal distribution curve ranges between +2 and -2. In practice, the acceptable limits are 3 degrees standard deviation, meaning that 99.7% of the units must fall within the acceptable limits, even if we take a practical example This means that a company monitors the accuracy of the weights of the goods that are being packed in certain bags. It determines in advance that the acceptable margin of error is in increasing or decreasing the weight in the bags, and by taking a sample it is possible to identify the reality of what is going on in practice so that if the margin of difference is greater or less than the levels Accepted, this calls for process control procedures and follow-up production carefully.

Break-even point analysis: The break-even map in the industry is an important tool in the field of analysis and control. This tool shows the relationship between costs, sales, and prices at different volumes, as well as their impact on profits. The break-even point analysis method is a means through which the level of production and sales quantities are determined at which the break-even point is achieved between revenues and expenditures, and then the different levels of production are determined according to the levels of demand for them, and what is achieved as a result of selling different quantities of them according to different pricing policies. It is important in this analysis to determine the fixed costs that the institution must bear regardless of the production quantities, such as building wages and administrators' salaries, as well as knowing the variable costs that are related to the number of units produced and are represented by raw materials, workers' wages, spare parts and others whose consumption is related to the level of production. The total costs are the sum of the fixed, and variable costs incurred by the enterprise to produce goods and services. It is important to note that there is a minimum fixed cost to be borne by the institution, regardless of the level of production in it. Where the fixed costs curve does not start from zero, as is the case in the variable costs that are related to the number of units produced. This analysis shows that for any profit for the organization to be achieved, the total revenues must be equal to all the total and variable costs, and that a minimum amount of goods must be produced and sold in order to cover the total costs, as the revenues consist of the total goods produced multiplied by the selling price of the unit of them. As for the profit, it is the difference between all the fixed and variable costs and the realized revenues. The figure below shows No. (2) That the point of intersection of total revenues with total costs is the break-even point that determines the number of units that must be produced and sold to achieve break-even. Exceeding this point in the volume of sales means achieving profit, and not reaching it means loss, and accordingly, it requires identifying the reasons and adjusting the goals. The relationship between these factors is expressed as follows:

$$\textbf{Break} - \textbf{even point} = \frac{\textbf{Total fixed costs}}{\textbf{Unit sale price} \ - \ \textbf{variable cost}}$$

If we take an example of a factory that produces laptop computers, and we know that the fixed costs of the factory are 400,000 Euros, that the selling price of one device is 400 Euros, and that the variable cost of producing each device is 200 Euros, then the break-even point is achieved when 2,000 computers are sold.

Extract data the following from one of the industrial companies of:

- Number of units sold 30000 units
- Unit selling price € 4
- Variable costs 60,000 €
- Fixed costs € 30,000

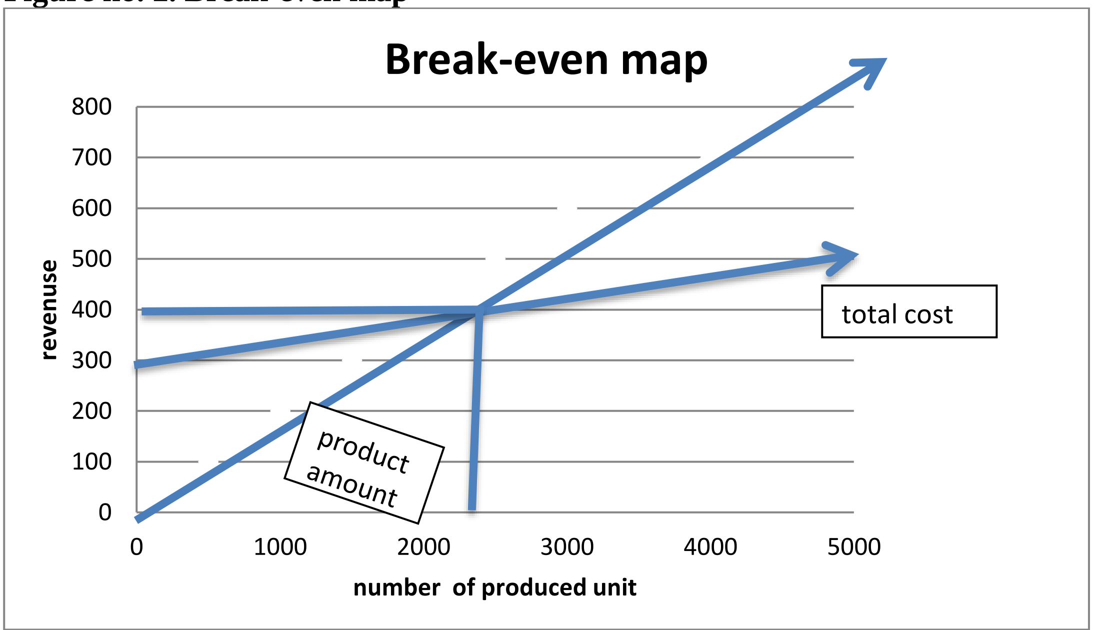
Required:

- break-even point calculator

$$\text{The solution} = \text{fixed costs} \div \frac{\text{Sales revenue} - \text{variable costs}}{\text{Number of units sold}}$$

$$= 300 \ \div \frac{30000 \text{ x } 4 \ - \ 60000}{300} = 1500 \ alone$$

Figure no. 2. Break-even map



CONCLUSION

What has been shown in this research is that the means of administrative control and the multiple methods it includes is one of the important management functions at the level of the organization as a whole. We see that institutions use the method that is appropriate with the nature of their work. Through the reports, but if a control system is activated on a flexible and clear legal basis with all jobs according to advanced methods and means, based on continuous updating and technology, this will lead to a stimulating environment for production and workers together, and as a result, improve and increase performance in general.

Accordingly, we can conclude that administrative control over public and private sector organizations is necessary, but it must be practiced in sound and well-studied scientific ways so that these organizations can maintain continuity and be able to provide their services and goods with high quality and with less effort, time and money. Findings and recommendations:

After analyzing and discussing the topic of the research, a number of results and recommendations were reached, which can be highlighted as follows:

1- Since budgets are one of the methods of control, I recommend the necessity of the participation of all employees in the facility in preparing and discussing the estimated budget of the organization.

2- Those in charge of administrative control should use appropriate control methods for work and focus on detecting errors and working on them and avoiding their recurrence.

3- Relying on effective control methods and focusing on the total quality system, the break-even point, and others

4- Continuous training for the employees of the oversight bodies to enable them to understand the modern and advanced methods and not be satisfied with the traditional methods.

5- Take what is necessary to enable those in charge of the administrative control system not to succumb to external pressures, foremost of which are political, economic, and social pressures, especially in countries where nepotism and administrative and financial corruption increase.

6- Spreading the culture of participation among the employees of the organization, whether in understanding the plans and goals, in order for the employees and their superiors to know the plans and goals that they seek to achieve to become the best among the competing institutions.

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WAYS TO INCREASE TRANSPARENCY IN THE EXECUTION OF PUBLIC EXPENDITURE AT THE LEVEL OF LOCAL ADMINISTRATION

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Abstract: *This paper proposes an analysis of the organization of public finances in local government in Romania, the share of local revenues and expenditures in order to establish the place of the local budgets in the general consolidated budget, the level and structure of local budgets revenues and expenditures, how to consolidate their sources of funding and the destination of the money. The allocation of resources at the local level must be in line with the preferences and needs of the community. Finding a compromise between limited public resources and an unlimited range of needs that required to be met through public spending will be the key to developing balanced, sustainable budgets in any policy option. Thus, local budgets must follow a dichotomous evolution, from financial planning and control tools to performance measurement tools, fiscal discipline and results management. The paper contains a comparative study between two territorial administrative units in Prahova County, one located in urban areas and the other in rural areas. The adoption of digitalization in financial-budgetary management will counteract the negative effects of the lack of transparency in the execution of budgets. To these must add an honest management of the execution and an increased transparency in the spending of public money, doubled by stable and predictable legislation, with unequivocal rules of application.*

Keywords: *local administration, public resources, budget execution, budget transparency, digitalization*

JEL Classification: *M410, H610, H830*

1. INTRODUCTION

In carrying out this study, we chose two territorial administrative units from Prahova County, respectively Câmpina Municipality and Cornu Commune.

Given the importance and complexity of the topic, the present study aims to provide an overview of local budgets, without claiming to exhaust all aspects related to them. We thus raise a series of questions, to the solution of which we invite both the decision-makers and the executive staff from the territorial administrative units.

Are there differences in the approach to the planning and execution of the local revenue and expenditure budget between the territorial administrative units?

What are the methods of analysis and sizing of budgetary indicators, so that we can have the best possible concordance between the establishment of financial resources, their allocation and efficient management?

What are the main problems currently facing public institutions in managing budgetary resources?

To what extent the development of the methodology of substantiation and analysis of the revenue and expenditure budget, by using a modern financial-budgetary management will lead to an optimization of the activity of the budgetary system, financed entirely or partially from public funds, addressed to public institutions and authorities, financed from public money?

2. PERFORMANCE-ORIENTED BUDGET: TRANSPARENCY, EFFICIENCY AND ACCOUNTABILITY

The traditional approach to the budgeting process starts from ***the principle that it is planned on the basis of the previous year's budget, compared to which a percentage increase is expected, depending on a number of factors determined by local public policies.*** In order to ensure the efficiency of budgetary expenditures, a public and budgetary policy with objectives, analyzes, recommendations is not enough. It is necessary to establish certain rules and principles, to use techniques and methods that ensure budgetary performance, that promote transparency, efficiency and accountability in achieving and respecting budgetary discipline. Achieving budgetary performance directly contributes to economic, social, cultural, ecological development.

The main idea of a performance-based budget is to allocate resources to programs and projects that produce results. In this form of budget elaboration and execution, the budget is presented according to a theoretical model that links it to the policy of measurable objectives, and the expenditures are correlated with the policy of results achieved. The performance-oriented budget contributes to increasing the transparency of the development phases, as the administration must specify in its budget documents its core objectives, programs, actions and related costs and use indicators to measure results. Also, the performance-oriented budget improves accounting and streamlines the allocation of resources, as the administration is required to report through the annual accounts on the results actually obtained.

Thus, the performance-oriented budget provides the basic information to assess the actual cost of the programs and to see if the administration has spent public money operationally and effectively.

Under an ideal system, the financial resources set out in local budgets should be able to fully cover the proposed expenditure, in order to meet the needs and requirements of local governments. To achieve this goal, the responsibilities and competences of local authorities must be correlated with the revenues of local budgets, but in reality there is no country in the world where this can be fully achieved. That is why central authorities need *to give local administrative units greater autonomy and financial responsibility.* The financial system on which these resources depend must be sufficiently diversified and evolving to enable local governments to achieve the objectives they set correctly. The efficient functioning of local public finances and services is the condition for a modern socio-economic development. The experience of many countries has shown that local authorities are better able to mobilize and manage resources by setting ***priorities, levels and criteria*** *for the production and distribution of public goods and services closer to the needs and standards of the community*, to which they respond directly and effectively. who are in constant contact. In accordance with the ***principle of the reality*** - local budgets must reflect the concrete amount of resources that can be procured locally, as well as the needs of the community. In accordance with this principle, *the most prudent options should be taken into account* in the realization of budget revenues and expenditures, in order to avoid possible imbalances that could exist in the budget execution.

3. STUDY ON THE ELABORATION OF LOCAL BUDGETS IN 2020

The draft budget of revenues and expenditures was elaborated according to the provisions of Law no. 273/2006 on local public finances, with subsequent amendments and completions and of Law no. 5/2020 - Law on the state budget for 2020, the distribution on administrative-territorial units of the quotas deducted from the income tax and of the amounts deducted from the VAT for balancing the local budgets.

The main factors underlying the substantiation of budget revenues and expenditures were:

- the incomes established by HCL no. 172/2019 regarding the local taxes and fees for 2019;
- the priorities established in the formulation of the budget proposals;
- the opinions of the citizens collected from audiences, mass media, greetings, addresses to the mayor's office;
- the detailed expenditure proposals of the tertiary authorizing officers;
- economic and social development programs in perspective at local level.

3.1. **THE DRAFT BUDGET OF REVENUES AND EXPENDITURES OF CÂMPINA MUNICIPALITY**

Local budget revenues of Câmpina Municipality consist of:

* Own income: taxes, fees, contributions, other payments and other income;

* Quotas deducted from the income tax, in the amount of 27,522.00 thousand lei;

* The amounts deducted from the income tax for balancing the local budget, in the amount of 1,022.00 thousand lei;

* Amounts deducted from the value added tax in the amount of 8,185.80 thousand lei, for financing the decentralized expenses at the level of communes, cities, municipalities, related to the standard cost per student according to art. 104 paragraph (2) of Law 1/2011 on national education, housing heating aid, the rights established by Law 248/2015 on stimulating the participation in preschool education of children from disadvantaged families, the rights of children with special educational needs according to H.G. 904/2014 received by Decision of the Director General of D.G.R.F.P. Ploiesti;

* Amounts deducted from the value added tax for balancing the local budgets, in the amount of 1,772.00 thousand lei, received by the Decision of the General Director of the D.G.R.F.P. Ploiesti.

According to art. 26 of Law no. 273/2006, on local public finances, amended and supplemented, *the draft budget was built on two sections:*

1. **Operation Section;**
2. **Development Section.**

If the revenues of the development section are lower than the expenditures of the same section, the budgetary balance is ensured by payments from the revenues of the operating section to the development section and the use of the surplus of previous years.

At the end of 2019, a surplus of 1,767,337.73 lei resulted, which is used as a source of financing for the objectives proposed in the development section.

Through the draft local budget of Câmpina Municipality for 2020, **revenues** in the amount of 85,646.28 thousand lei and **expenses** in the amount of 87,413.62 thousand lei were established.

Budget revenues are ordered by chapter and subchapters.

The amounts resulting from the sale, in accordance with the law, of some goods belonging to the private domain will be included in the local budget by budgetary rectification only after their collection, according to art. 29 of Law 273/2006, amended and supplemented.

Budget expenditures are ordered by parts, chapters, subchapters, titles, articles, as well as alienated and paragraphs, as appropriate.
The level of expenditures included in the draft local budget can be rectified during the budget execution as the collection of additional revenues scheduled to be attracted (respectively bank loan / refinancing, capitalization of goods, sponsorships).

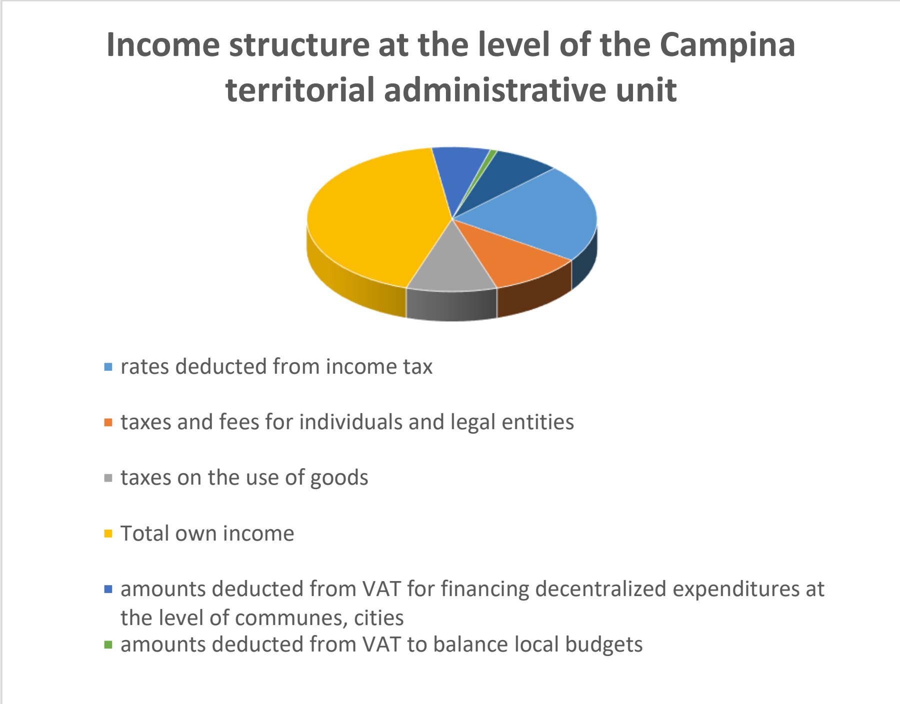

Figure 1. Campina ATU revenue structure
Source: own processing

The expenses of the operation section are in the amount of 61,818.41 thousand lei and are presented on **each chapter of expenses as follows:**

- Chapter 51.02: Local public administration, 11,950.65 thousand lei, of which:
  - personnel expenses 9,648.33 thousand lei;
  - goods and services 2,261.39 thousand lei;
  - transfers 1.00 thousand lei;
  - other expenses 39.93 thousand lei.
- Chapter 54.02: Other public services, 1,231.53 thousand lei is provided, of which:
  - personnel expenses 996.53 thousand lei;
  - goods and services 125.00 thousand lei;
  - reserve fund 100.00 thousand lei;
  - other expenses 10.00 thousand lei.
- Chapter 55.02: Transactions regarding public debt and loans, 620.00 thousand lei:
  - goods and services 20.00 thousand lei;
  - donating 600.00 thousand lei.
- Chapter 61.02: Public order and national security, 3,671.47 thousand lei, of which:
  - personnel expenses 3,236.97 thousand lei;
  - goods and services 388.00 thousand lei;
  - other expenses 46.50 thousand lei.
- Chapter 65.02: Education, 7,042.19 thousand lei is provided, of which:
  - personnel expenses 260.00 thousand lei;
  - goods and services 5,794.50 thousand lei;

- social assistance 137.69 thousand lei;
- other expenses 850.00 thousand lei.

* Chapter 66.02: Health, 1,565.81 thousand lei is provided, structured as follows:
    - personnel expenses 1,336.86 thousand lei;
    - goods and services 25.45 thousand lei;
    - transfers between public administration units 200.00 thousand lei;
    - other expenses 3.50 thousand lei.
* Chapter 67.02: Culture, recreation and religion, 4,603.83 thousand lei, structured:
    - personnel expenses 647.48 thousand lei;
    - goods and services 372.85 thousand lei;
    - transfers between units of public administration 3,202.00 thousand lei;
    - other transfers 70.00 thousand lei;
    - other expenses 311.50 thousand lei.
* Chapter 68.02: Insurance and social assistance, 9,491.94 thousand lei, structured:
    - personnel expenses 4,954.74 thousand lei;
    - goods and services 1,200.00 thousand lei;
    - social assistance 3,164.50 thousand lei;
    - other expenses 172.70 thousand lei.
* Chapter 70.02: Housing, services and public development, 11,176.45 thousand lei:
    - personnel expenses 2,103.62 thousand lei;
    - goods and services 6,789.83 thousand lei;
    - other expenses 43.00 thousand lei;
    - loan repayments 2,240.00 thousand lei.
* Chapter 74.02: Environmental protection, 4,589.65 thousand lei structured:
    - goods and services 4,387.00 thousand lei;
    - other transfers 202.65 thousand lei;
* Chapter 84.02: Transports, 4,322.89 thousand lei is provided, structured as follows:
    - personnel expenses 730.33 thousand lei;
    - goods and services 1,864.75 thousand lei;
    - subsidies 150.00 thousand lei;
    - other transfers 124.31 thousand lei;
    - other expenses 13.50 thousand lei;
    - loan repayments 1,440.00 thousand lei.
* Chapter 87.02: Other economic actions, 1,552.00 thousand lei, as follows:
    - goods and services 300.00 thousand lei;
    - transfers between public administration units 1,252.00 thousand lei;

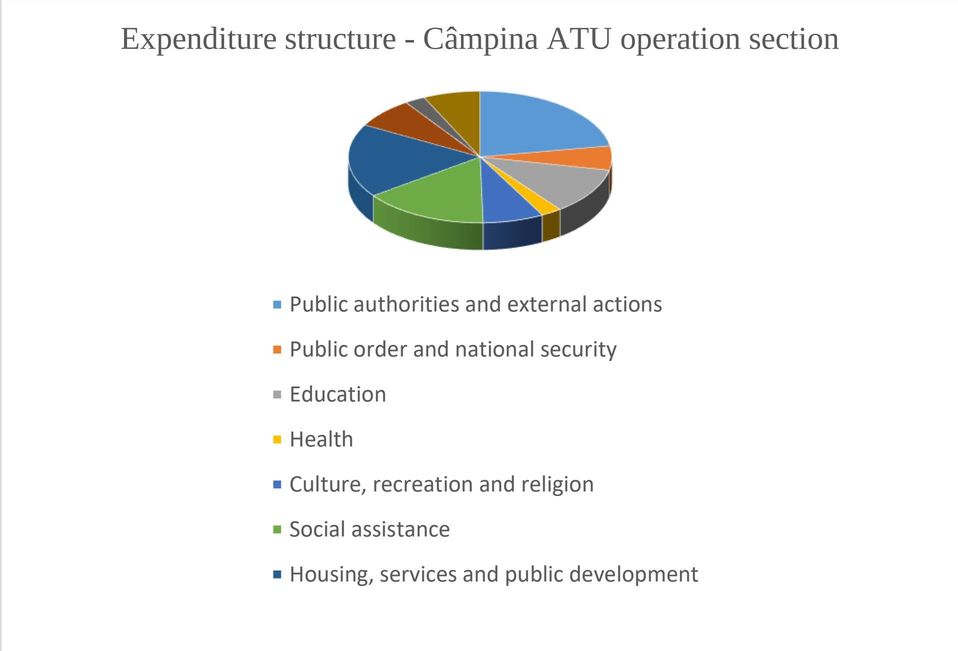

Figure 2. Expenditure structure ATU Campina
Source: own processing

The expenses of the development section amount to 25,595.21 thousand lei and are distributed as follows:

- capital expenditures of 6,769.15 thousand lei;
- amounts distributed for education 500.00 thousand lei;
- amounts distributed for health 1,300.00 thousand lei;
- amounts distributed for culture, recreation and religion 50.00 thousand lei;
- amounts distributed for other economic activities 180.00 thousand lei;
- projects with financing from non-reimbursable external funds related to the financial framework 2014 - 2020 of 16,796.06 thousand lei.

The budget of internal credits for 2020 is in the amount of 4,552.11 thousand lei.
The budget financed entirely or partially from own revenues and subsidies for 2020 is in the amount of 141.46 thousand lei.

3.2. THE DRAFT BUDGET OF REVENUES AND EXPENDITURES OF THE CORNU TERRITORIAL ADMINISTRATIVE UNIT

At the level of the Cornu territorial administrative unit, the budget consists of:

I. *The detailed local budget for* ***revenues*** by chapters and subchapters for 2020 in the amount of 11,041.00 thousand lei and estimates for the years 2021-2023, on the two sections of operation and development;

II. *The detailed local budget for* ***expenditures*** by chapters and subchapters for 2020 in the amount of 12,488.00 thousand lei and estimates for the years 2021-2023, on the two sections of operation and development.

The surplus of the local budget is in the total amount of 1,446,814 lei.

I. ***The Local Revenue Budget*** detailed on chapters and subchapters for 2020 is presented below.

According to art.26 of Law no. 273/2006 on local public finances, with subsequent amendments and completions, the Local Budget was established on the two sections:

1. **Operating Section**

2. Development Section

If the revenue of the development section is lower than the expenditure of the same section, the budgetary balance shall be ensured by payments from the revenue of the operating section.
The total revenues of the Local Budget for 2020 are in the amount of 11,041.00 thousand lei, consisting of:

- ***Own income*** 4698.00 thousand lei
- ***Amounts deducted from VAT*** 951.00 thousand lei

Own revenues for 2020 represent 42.55% of the total revenues of the local budget. Their foundation was based, according to art. 5, par. (2) of Law no. 273/2006 on local public finances, with subsequent amendments and completions: "on the finding and assessment of the taxable matter and the tax base" according to which the related taxes and fees are calculated, as well as on other specific elements, as well as the provisions of art .14, paragraph (7) of the same law "at the level of revenues from the previous year".
Own revenues consist of:
- quotas and amounts deducted from the income tax 2519.00 thousand lei
- taxes and fees for natural and legal persons 1733.30 thousand lei
- taxes on the use of goods 445.70 thousand lei

The amounts deducted from VAT are structured as follow:
* The amounts deducted from VAT for financing decentralized expenditures at the level of communes are in the total amount of 149.00 thousand lei and represent:
-expenses according to art. 104, (2), b) and d) of the National Education Law no. 1/2011 with subsequent amendments, 108.00 thousand lei
-housing heating aid 1.00 thousand lei
-children's rights with special educational requirements 40.00 thousand lei
* Amounts deducted from VAT for balancing local budgets are in the amount of 802.00 thousand lei.

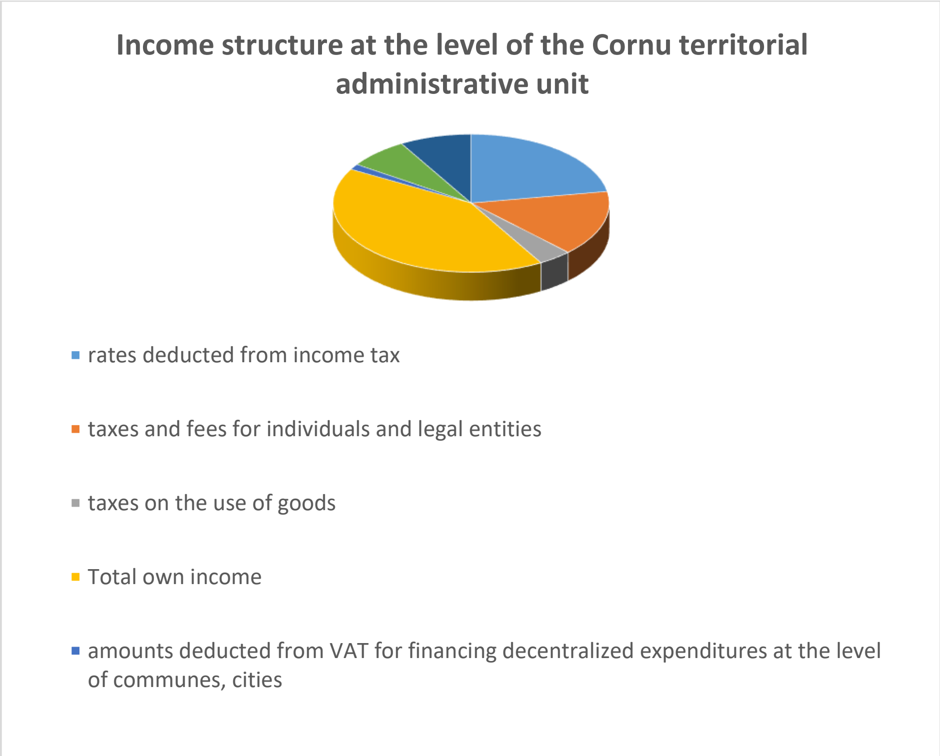

Figure 3. UAT Cornu revenue structure
Source: own processing

II. ***The detailed local budget for expenditures*** by chapters and subchapters for 2020 is presented as follow.
For 2019, the local budget expenditures are based and dimensioned on the two sections:

- ***Operation Section*** in the amount of 5,051.50 thousand lei;
- ***Development Section*** in the amount of 7,436.50 thousand lei.

The surplus of previous years, in the amount of 1,446,814 lei, is found in the development section and is used to finance capital expenditures.
The expenses of the operating section are presented by chapters, subchapters, titles of expenses, articles and paragraphs as follow:
1. Chapter 51.02: Public authorities and external actions, subchapter Executive authorities, in the total amount of 1,515.00 thousand lei, (the necessary amount being 1,809.00 thousand lei) includes the titles:
- personnel expenses in the amount of 875.00 thousand lei
- goods and services in the amount of 640.00 thousand lei.
2. Chapter 61.02: Public order and national security, in the total amount of 136.20 thousand lei for the following subchapters:
2.1. Civil protection and fire protection, for financing the expenses for emergency situations, civil protection, PSI, respectively goods and services in the amount of 6.70 thousand lei;
2.2 Public order, to finance the expenses of the local police department, includes:
- personnel expenses in the amount of 114.00 thousand lei;
- expenses with goods and services in the amount of 22.20 thousand lei.
3. Chapter 65.02: Education, in the total amount of 285.80 thousand lei, includes:
-primary education-16.40 thousand lei
-secondary education-264.60 thousand lei
4. Chapter 67.02: Culture, recreation and religion, with the following subchapters:
4.1 Communal libraries, the distributed amount is 81.60 of which:
-staff expenses, 53.40 thousand lei (the necessary amount being 70.40 thousand lei);
-goods and services, in the amount of 28.20 thousand lei.
4.2 Culture-distributed, amount is 49.00 thousand lei of which:
-goods and services in the amount of 49.00 thousand lei.
4.3 Sports and youth, the amount distributed is 166.80 thousand lei (the necessary amount being 177.50 thousand lei) of which:
-personnel expenses in the amount of 33.00 thousand lei (the necessary amount being 43.70 thousand lei);
-goods and services in the amount of 131.30 thousand lei.
4.4. Maintenance of public gardens and green spaces, the amount allocated is 36.00 thousand lei for goods and services.
4.5 Other services in the fields of culture and recreation, 473.00 thousand lei, of which:
-goods and services in the amount of 200.00 thousand lei;
-transfers to associations and foundations and religion, 273.00 thousand lei.
5. Chapter 68.02: Social assistance, 1,599.00 thousand lei (the necessary amount being 1,801.00 thousand lei) of which:
-personnel expenses, 649.00 thousand lei (the necessary amount 851.00 thousand lei);
-social assistance, 950.00 thousand lei for allowances for the disabled, emergency aid, heating of wooden houses in the cold season.

6. Chapter 70.02: Housing, services and public development, the distributed amount is 470.80 thousand lei (the necessary amount being 556.80 thousand lei) of which:
-personnel expenses in the amount of 276.50 thousand lei (the required amount 362.50 thousand lei);
-goods and services in the amount of 194.30 thousand lei for financing the maintenance and operation expenses of the greenhouse and public lighting.
7. Chapter 74.02: Environmental protection, the amount distributed is 18.60 thousand lei for goods and services.
8. Chapter 83.02: Agriculture and forestry, the amount distributed is 1.70 thousand lei for goods and services.
9. Chapter 84.02: Transports, the distributed amount is 218.00 thousand lei for goods and services.

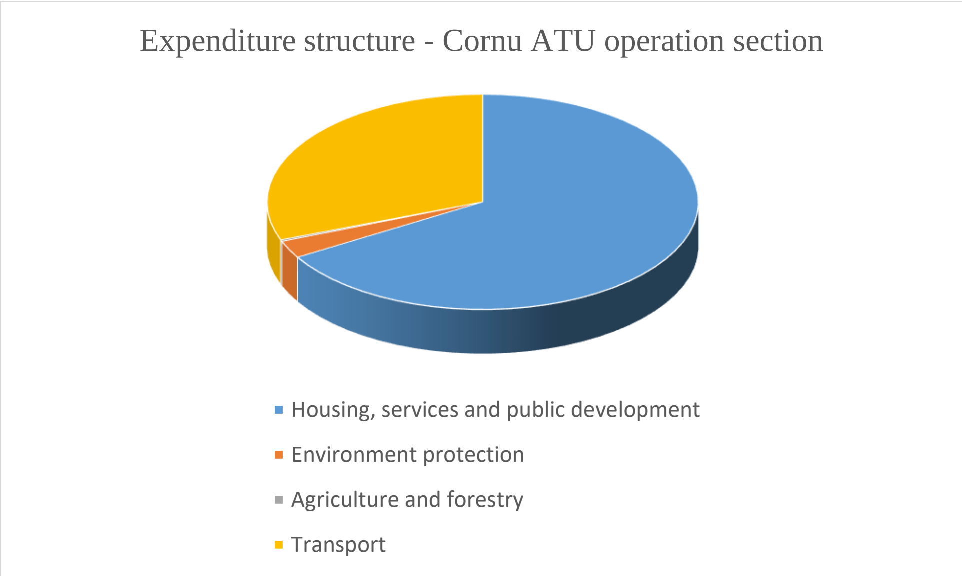

Figure 4. ATU Cornu expenditure structure
Source: own processing

For the development section, the expenses proposed to be made in 2020, in a total amount of 7,436.50 thousand lei are presented by chapters and sources of financing, which form an integral part of this decision, with the following details:

- Chapter 51.02: Public authorities and external actions, 400 thousand lei;
- Chapter 65.02: Education, 2,411.00 thousand lei;
- Chapter 67.02: Culture, recreation and religion, 968.00 thousand lei;
- Chapter 70.02: Housing, services and public development, 1,429.50 thousand
- Chapter 74.02: Environmental protection, 143.00 thousand lei;
- Chapter 84.02: Transports, 2,085.00 thousand lei.

3.3 INTERPRETATION OF RESULTS

The municipality of Campina expected for the year 2020 revenues in the amount of 85,646.28 thousand lei, of which estimated own revenues - 28,173.31 thousand lei, specifying that in the "basket" of revenues for the current year will be found, among other amounts , and the surplus resulting from the end of the budget year 2019, but also the amounts received from the European Union, as a result of the development of some projects.

From the structure of expenditures we chose some more suggestive indicators for the influence of the quality of life of the citizens from each locality, resulting in the following situation:

	ATU Câmpina	ATU Cornu	Remarks
Share of expenditures for the functioning section from the total budgetary expenditures	70,72%	40,45%	Although located in rural areas, Cornu City Hall has paid more attention to development expenditures, in order to finance investment objectives.
Share of expenditures for the development section from the total budgetary expenditures	29,28%	59,55%	
Allocation of education expenditure from the total budget	8,05%	2,29%	ATU Câmpina provided for education expenses approximately 3.52 times higher
Allocation of social assistance expenditures from the total budget	10,86%	12,80%	The allocations of funds for social assistance are slightly higher at the level of ATU Cornu
Allocation of environmental protection expenditures from the total budget	5,25%	0,15%	In the urban environment there is a higher share of allocations of funds for environmental protection

The share of own revenues in the total revenues is 32.89%, compared to Cornu commune, where the share of own revenues is higher, respectively 42.55%. Regarding the surplus of the previous year (2019), ATU Câmpina starts with a higher surplus (1767.33 thousand lei), and ATU Cornu with a slightly smaller surplus (1446.81 thousand lei). Also in the income structure of the two territorial administrative units we notice differences in terms of amounts deducted from VAT to balance local budgets, namely a share at least double for ATU Campina (1772 thousand lei), compared to ATU Cornu (802 thousand lei).

The analysis of the budget execution at the end of 2020 shows that both territorial administrative units ended 2020 with a budget surplus.

Câmpina City Hall ended 2020 without debts, but with a big problem: at the end of the year, unpaid invoices in the amount of 1.6 million lei remained, which will be found in the 2021 budget.

This is because jobs that were executed in 2020 were hired from non-existent funds. This was made possible by overestimating income.

According to the current mayor, the old administration started works having as funding source the following year, there are works with payment term in 2021.

Comparing the initially planned budget with the execution account made at the end of the year, at the level of ATU Cornu there is a greater caution in substantiating the revenue and expenditure budget and in the budget execution.
The year 2020 was a difficult year for the budgets of the territorial administrative units. This is due to the coronavirus pandemic that seriously affected the collection of taxes and budgets in local budgets, on the one hand, and on the other hand the local elections in September. With the change of mayors and the composition of local councils, public policies and the vision on how to substantiate and size the revenue and expenditure budgets are changing.
Numerous mistakes were made in the administration of public funds, during the state of emergency and alert, a period full of uncertainties: unjustified increase in expenditures, quality of economic and financial management, accuracy and reality of data reflected in financial statements, but also mistakes related to non-compliant purchases to control COVID-19 infection.
In the elaboration of the budget, the territorial administrative units must start from some realistic premises, without oversizing the revenue chapters. The investment area must be prioritized. There must also be a fair, transparent, complete communication from the responsible factors regarding the sources of budget formation and the expenditures made from the budget.

CONCLUSIONS

Despite the progress that has been made in recent years, in Romania it is still not possible to speak of a ***real local autonomy.*** Local budgets depend very much on the resources they receive from the central level, the proportion of the latter exceeding 50% in many cases. Very few local communities are able to make enough of their ***own income***. At the same time, balancing local budgets is a necessity. Currently, a large part of the Romanian local communities have a pronounced rurality character, which does not allow them to generate enough income.
In addition, we must not forget that principles such as solidarity and the elimination of existing imbalances between areas or localities are principles adopted by the European Union and that we should assume. The way in which the balancing is achieved, however, provokes heated discussions every year, until now not finding an optimal formula in this respect. In fact, ***the criteria*** are also changing. Most suspicions are related to the distribution of these amounts to the counties in the conditions in which there are no clear legal provisions to regulate it, there are ***influences of a political and economic nature.***
A solution agreed with both representatives of the communities of developed localities and those with insufficient incomes was for ***a higher percentage of income tax to remain locally***, in this case the number of localities that would need sums. for balancing obviously decreasing. ***Increasing revenues locally*** in this way would be a solution in the case of decentralization. Although considered in itself a positive thing and in full agreement with the democratic process, the implementation of decentralization raised problems, the most important being the lack of necessary financial resources as well as the lack of previous training. These issues lead to a single conclusion and the lack of a clear and common knowledge strategy on decentralization.
There is not yet a national vision initiated by the central authorities in consultation with the local ones, but there are no local development strategies in accordance with the specific issues reported. Insufficient funds are both a cause and a reason for developing appropriate local public policies. In the spirit of this idea, local authorities in cooperation with national ones and including on their support, should consider ***a multiannual budget projection.*** Precisely for this reason, it becomes imperative to acquaint the members of the local councils

with ***local management practices and techniques*** as well as with the particularities of elaborating the local public policies. Even if the state still provides important resources, they are mostly for special purposes, which does not allow local communities to have freedom in managing funds. In this case, ***increasing the income tax rate is a solution in the sense of a wider autonomy*** that allows local authorities to spend according to their own needs. At the same time, the responsibility for ensuring sufficient local revenues does not have to lie largely with the central authorities.

Local authorities should be primarily concerned with finding additional revenue solutions locally and only then with raising funds at the central level.

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THE IMPACT OF THE CRISIS GENERATED BY COVID-19 ON THE ACCOUNTING PROFESSION. A POSITIVE OUTLOOK

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Abstract

Some analysts believe that the crisis generated by the SARS-COV-2 virus is the strongest challenge for the economic environment since the economic crisis of the '30s. Given that this crisis has affected all the major areas of activity, also the accounting profession had to find the necessary resources to adapt to the new reality and learn how to respond to the new challenge. However, following the events evolution in the last year, we have found, that formulating a response to this crisis has also meant positive changes. Thus, this paper aims to identify how the crisis generated by Covid-19 has positively influenced the accounting profession. Also, we will try to formulate an optimistic perspective for the future, regarding the new defining characteristics of the accounting profession.

Keywords: the accounting profession, covid-19 crisis, internal audit, positive outlook, challenges

JEL cod: M41

Introduction

We live in a dynamic economic world, which is making rapid progress, despite this pandemic it has gone through. If we pay attention to some of the most important moments in history, like big economic crisis, natural disasters, wars, etc., we will see that the humanity, the professionals, the business, all the small wheels of the system have proved being capable to adapt to the new installed order. Despite the pain felt, the anxiety, the fear, the world has learned to stand up every time and start over, to understand the ways to move forward.

The covid-19 pandemic hurt a lot of people, being one of the most important health crisis of all times. The way we lived, worked, traveled, learned has been destabilized and the mankind, the goverments, the private sector was forced to adapt to the new reality. However, we saw that the pandemic brought a lot of chaos, but what if it brought some positive aspects? What if this sad and frightening crisis helped us to see new solutions in the way we work and maybe there are some positive aspects we might take into consideration to be able to meet progress and development.

In other words, this qualitative research aims to discover if there could be some valuable transformation in the accounting proffession and to design an optimistic future perspective regarding the evolution of the area. For that, we intend to answer to the following questions: *Are there any positive aspects generated by the covid-19 pandemic that have influenced the accounting profession?*; *Is there any possibility to return to what we knew as „normal" in the accouting profession before the pandemic?; What is the future of the profession?*

Motivation for Study and Literature Review

We chose to study the impact of the crisis generated by covid-19 pandemic on the accounting proffesion, because we think that the sudden turns of the events, the restrictions, the fear installed in the business environments founded a new way to practice accountancy. We, as professionals in the field, understood from live events that the profession as we used to know is changing every day. Also, we realized that this pandemic tought us a lot of lessons and that we are capable of practice this job more efficient for our clients and for our accountancy firms, even if we are talking about large or small accounting firms.

The positive impact of the coronavirus crisis on the accounting profession

Our lives suffered so many changes since the beginning of the pandemic: the way we interract with our family and friends, the way we live, travel, and last, but not at least, the way we work. The coronavirus crisis brought a lot of panic among the accountants and their clients because of the permanent fear of losing their business. So, since March 2020 we are waiting to go back to what we knew to be familiar and „normal". However, many voices say that it is imposible to completely return to that normality and that is because we start discovering some advantages and some positive steps we made during the pandemic.

First of all, working from home made us happier, more efficient and more involved in our work. We began to trust each other more and we could see some other abilities of the acoountants which could be very important assets for a company. So, we finaly understand that **the flexibility is a very important asset.** This is why, also in this moment, there are so many companies that have found benefits in giving employees more leeway with their schedules and settled a permanent flex-work policy by giving employees 2-3 day work-from-anywhere options. The most important benefit here, is that considering their accountants needs, the companies succeed to retain qualified professional staff, happier with their jobs and more efficient (Hood, 2021).

In order to achieve successful results on long-terms, it is important to create remote teams, which will benefit of:

- working from home
- allowing flexible working hours
- implementing alternate working shifts, etc

Also, it is even more important for accounting professionals to have an efficient staff communication strategy in place. This will help maintaining loyalty as well as employee retention. It is vital not to focus only on beneffits. This is why, a remote working strategy implemented on a long-term basis must be defined by giving clear instructions with regards to deadlines, deliverables, whom to communicate with, frequency of communication, etc (Pradeepa).

Another positive impact is the **increased adoption of technology**. The accountants had to adapt to the new conditions of the business enviroment. According to American Institute of Certified Public Accountants (AICPA) and Chartered Institute of Management Accountants (CIMA) 2020 Report on the digitalisation of the accountacy, the biggest advances in terms of digitalisation of the accountant profession are (AICPA & CIMA, 2020):

1. Everyone understood that it was the time for change – the accountants had to adapt to the new conditions imposed by the coronavirus pandemic, and so they learned or have perfected themselves of how to deliver their services through digital and remote technologies. Being capable of flexibility, the accountants succeeded in keeping their full clients portfolio. Like we saw in the previous paragraph flexibility proved to be important for both sides – the companies, but also the accountants.

2. Accountants had to progress in order to adapt to the new pandemic environment – The professional accountants understood that it is no longer about only keeping books. In order to keep the clients and to become an important pylon in the company, they had to develop digital solutions, in order to respond to their customers requests during the pandemic crisis.

3. Professional accountants working in small companies finally understood that digital tools are not suitable only for big accountancy companies – this new challenge forced the accountants working in smaller companies to adapt to the new digital tools and online communication systems, cloud accounting, remote working etc, which we can suppose that it wouldn't have happened in terms of normal environment.

4. Digitalization means benefits – today the accountants know that taking advantage of the technology, they can provide to their customers quality accounting services, no matter the place or the time they are located. Digital solutions offered everyone involved in the business the opportunity to have access to the most important informations in real time.

We can talk about **defining the accountant of the future.** Professional accountants are and must continue to be strategic partners, even if it is about private or public sector. The new conditions imposed by the pandemic tested the accountants as business drivers, and the most of them embrace the occasion. This is a very important moment for the accountancy profession, with changes of paradigms and new skills needed for redefining the profession. Right now, the opportunity for positive change is immense and professional accountants must be highly strategic, collaborative, problem solvers who can and must help businesses and governments to move forward (IFAC, 2020). Since the pandemic, it became clear that traditional accounting skills have shifted to the need for a strong technological knowledge base. As companies adopted cloud-based technologies that automate many processes for clients, having staff trained is a necessity (Britton, 2020). In our opinion, there is a big opportunity for early-career accountants, who are familiar with the new technology and are more likely to appear prepared for technology for this new transition (Karbon Magazine). Thus, for the more experienced professional accountants, this is the perfect moment to cross their own boundaries, to discover the new technological tools that could transform their work, into more efficient and professional results for the companies they are working for.

New needs, new requests are revealed once with the pandemic. The clients found in their accountants a real support for analyze options, provide information on subsidies or just to talk about the current situation (Craig-Bourdin, 2021). 2019 was the last year when we could talk about a traditional accountant. Soon, this profession, as we knew it, will suffer major changes and will reach new dimensions.

The accounting profession has reconfirmed itself as an indispensable function in the organization. There were voices that claimed that in a few years, the accounting profession could be replaced by new digital solutions. The Covid-19 pandemic showed every one that this profession is indispensable in the company, especially in areas severely affected by the pandemic. For example, even if in H.O.R.E.C.A the activity took place at the limit of survival, the role of the accountant did not diminished, on the contrary. The professional accountant has become a pillar in the company, offering his support and all the accumulated knowledge, to support the management in identifying the most reliable solutions for adapting the business to the new conditions.

Redesigning the relationship between accountant and clients was another step forward made because of the pandemic. Accountants' value has historically come from completing tasks like processing payroll and compliance. Soon, technology providers saw the opportunity to automate these tasks, which, in certain circumstances, brought misunderstandings between accountants and their clients. When the pandemic hit, choices about payroll, benefits and hiring became make-or-break business decisions. The urgency of the situation redesigned the relationship between the accountants and their clients, who stand so many hours on Zoom calls to discuss different prblems, from cash flow to keeping their business afloat and ways to keep people employed. These conversations provided new visibility into the people and cultures that define their clients' businesses (Lopez, 2020).

As we mentioned before, the pandemic thought the professional accountants that it is no longer enough being excellent at bookkeeping, their role is changing every day, until it became clear that **advisory services provided by the accountants are now a very important part of their role in the company.** The pandemic showed that the work of an accountant is so important for the company. One example is regarding the financial aids offered by the governments, because in most of the cases they proved to be a labyrinth of bureaucratic papers. In those moments, the professional accountants became real heroes who help their clients with their appliance. However, it is important to understand that the accountant profession is changing for real and for a long time. Since the pandemic, new advisory services has been revealed: (Botkeeper Blog, 2020)

1. Transaction Advisory Services – the economic difficulties generated by the pandemic lead to mergers, acquisitions, bankruptcies. Being capable to guide clients to a profitable way is one of the opportunity for the accountants to obtain advantageous advisory projects.

2. Decisions taken based on data – companies will be forced to have some important decisions that will affect their activity on a long term. Having good analysis skills and professional attitude, the accountants will become the most valuable asset of a company.

3. Hop on technology - as accounting firms are developing and implementing the new technology in their working process, they also can obtain informations about the digital solutions that could help their clients to improve their results.

Accounting profession - a stable career choice - accountants will be in demand to help companies restructure, identify unnecessary spends and navigate complex tax laws. In the immediate future, accountants will be busy, as companies dealing with the financial havoc caused by the Covid-19 will be calling upon their help. This is why the accounting profession will evolve. Automation would relieve accountants of trivial administrative tasks, leaving them with more time to focus on parts of their job that machines can not do, like advising clients, problem-solving and interpreting data - allowing the company making strategic decisions (Jennings Morton Friel Associates).

A new perspective on professional accountants' education

Given all the findings made above, The International Federation of Accountants (IFAC) has implemented an approach to advancing accounting education, to re-imagine the future accountant and prepare future-ready accountants. It is absolutely necessary for each one of the professional accountants to take on a personal responsibility to learn and to develop their career. They must transform the learning process from a passive, compliance-based one, into a personalized, reflective and based on the personal needs of each. Changing business models and the evolving needs of businesses create new opportunities for accountants to learn. The most important skills for the future professional accountants are (Vitale, 2020):

Flair in business. Nowadays, strategic business decisions are increasingly based on how professionals can integrate large amounts of data, properly analyzed, using professional judgment.

Behavioral competence. It refers to how people can use intellectual curiosity, critical thinking, adaptability and lifelong learning to respond effectively to changes in the technological environment, while demonstrating the intellectual agility needed to accept new ways or alternatives for carrying out the activity and adapting quickly to changing circumstances.

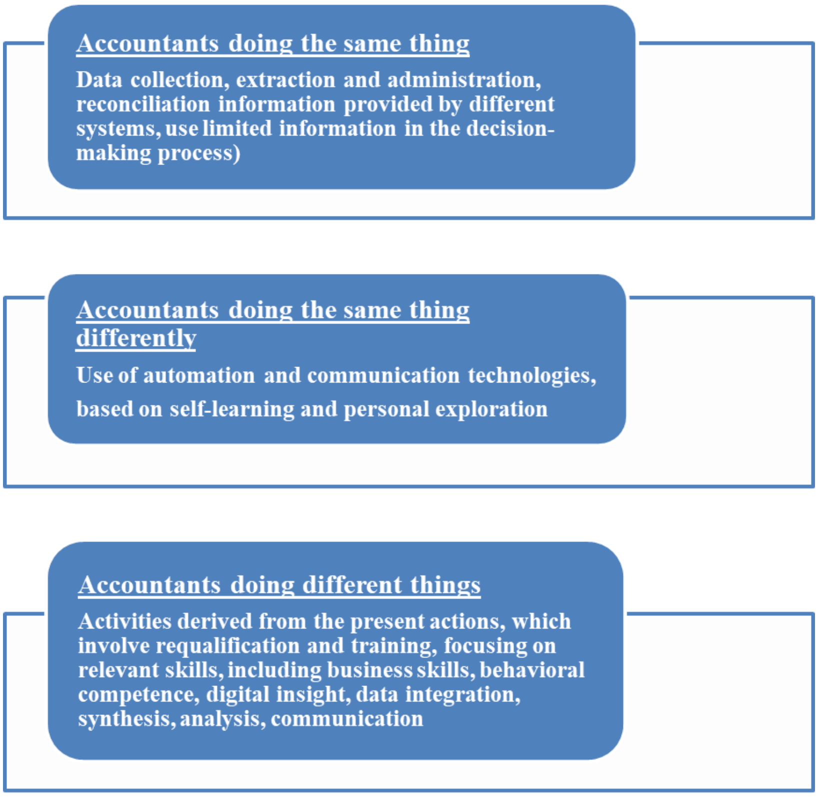
Digital competences. Accountants should understand the impact of new and emerging technologies on their current activities that should be realised in an environment characterized by "developments" and "revolutions" and how such technologies work, how they are used and affect generations, processing and flow of data and information.

Communication. New and emerging technologies have led to changes in the communication channels between systems.

Querying, synthesizing and analyzing data. This requires the necessary skills to be able to use structured and unstructured data effectively, for example, to evaluate if the data is complete, correct and relevant, as well as to understand the exceptions to the rule.

According to IFAC, it is important to understand the path of the new accountant proffesion:

Figure no. 1. Where is the accounting profession heading to?



Source: Adaptation after Vitale A. (2020), „ Re-imagining the Future Accountant—Our Call to Action", IFAC & Sova R. &Popa A. (2020), „ Educația contabilă, între digitalizare și criza generată de pandemia de COVID-19", CECCAR Business Review, No. 10, p.5

The Covid-19 pandemic showed us once again that continuous improvement of skills and knowledge is the key of the progress and the best way to avoid economic disasters. The new pandemic environment has caused significant disruption in the traditional education and training system and led to the need to adopt fast and innovative digital measures. For example, as a first adaptation reaction, we had the transition from traditional education, face-to-face, in the classroom, to the virtual one, through online courses and webinars, video conferencing, online conferencing, television broadcasts, e-mail and telecommunications. The purpose of these alternatives is to keep continuous professional development accessible and adaptable under the restrictive conditions (Sova & Popa, 2020).

Conclusions

As final words, we can conclude that the role and skills of the proffessional accountant will evolve. The accountants would need to expand the area of information they report, to include data about environmental, social and governance factors, which would become increasingly central to businesses' operations. After the pandemic, companies could also ask their accountants to pay particular attention to risk management, to identify the level of preparation for other catastrophic events and identifying assets, that could become future solutions for emergent future crisis. The accountants must ensure their clients of trust, build personalized and locally focused relationships with them, and become dependable insiders in a world wary of outsiders. Also, it is very important to permanently familiarize themselves with emerging technologies such as artificial intelligence, blockchain and Big Data (Rinaldi, 2020).

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THE IMPACT OF THE COVID-19 PANDEMIC AND THE EVOLUTION OF THE FINANCIAL FIELD IN AN UNCERTAIN ECONOMY

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Abstract: *In the following pages I have carried out research on the challenges of the new decade in the field of financial services. During the research I discussed about the impact of the Coronavirus Pandemic in the previous year, which was the response of the financial field in front of the crisis, but also what measures and changes were implemented. The motivation for choosing this topic is due to the current economic context. The incidence of the Coronavirus Pandemic has had a major impact on Romania, by triggering the double crisis, the health and economic crisis, thus demonstrating the degree of importance of digitization, the concrete proof coming from companies that have invested in lawsuits and had a greater degree of resistance in front of the Coronavirus Pandemic. Due to the current context, digitalization and information technology have registered an accelerated growth, so that the economic field has had to turn to new innovative systems, to make investments in database development and process technology. These investments are necessary because in the field of financial services, data are the basis of decision-making processes and directly influence any decision on the allocation of the budget. The main results obtained during the study were based on concrete information from specialized studies carried out by institutions representing the financial field. During this study we analyzed the process of Digitalization, what essential points it has pursued, what practices it has adopted, the extent to which it has been influenced by the European Commission, the level at which it was located on the territory of Romania compared to the other Member States of the European Union and the advantages and opportunities it has offered to the collapsing economy due to the Covid-19 Epidemic launched in Romania in 2020.*

Keywords: The concept of digitization, Covid-19, information technology, the financial field, European Commission.

JEL Classification: G2, N2, M2

INTRODUCTION

In the pandemic situation we are going through, it was absolutely necessary to adopt an accelerated technological process because the economic field depended to a large extent on this issue. Given that most companies have moved their business to the online environment, digitalization and information technology within companies has benefited from a significant investment, aimed at developing databases and technological processes, the fact which impacts companies in a positive way.

In the context of accelerated digitization, the way of working has been changed from an organizational point of view, with more and more companies opting for telework and frequently using information technology in the process of carrying out activity.

In the first chapter of the research we exemplified the motivation of the chosen topic, confirming the fact that the Digitalization represents a generally valid necessity developed definitely by the Covid-19 Epidemic. In the same part of the study we discussed the strategy adopted by the European Commission and how it influenced the development of the action focused around digitalization.

Another key point of the research was Chapter 2 which describes in detail the advantages of the digitization process, the impact on the processes, the type of investment and how it influenced investments in the process of digitization at national level.

In the third chapter we analyzed the challenges that the process of digitization determines during its development, how the existing domains on the territory of the country mainly impacted and what were the values recorded by the DESI Index within the Member States of the European Union .

In chapter four we carried out SWOT analysis of the digitization process, highlighting the conclusive factors underlying the process, what strengths and weaknesses are highlighted at the level of the process itself, what threats it reflects and what opportunities exist. The analysis aims to briefly place the determinig factors underlying the digitization process.

The study ends with a chapter of conclusions, meant to structure the information studied during the research and to concretely exemplify the content of the research concluding the studied facts, but also to highlight the personal conclusions developed during the research.

1. Digitalization- a necessity in the Covid-19 era

The digitalization is considered a transformation in the public and private environment, a global trend, which used the tehnology of informations and comunications, to optimize at maximum the information and to offer the best services. (Lappi, 2019)

Thanks to the Coronavirus Epidemic, digitalization has undergone a strong acceleration, which has been felt on the way of organizing work. For this reason, optimal solutions were needed to respond to the current demands and situation, but at the same time respect the safety of work and not restrict the rights of employees.

The year 2020 triggered a transformation in terms of operations, as most of them moved to the virtual environment, thus limiting contact between people and at the same time allowing the activities to be carried out normally.

Becoming the characteristic term for the new normality we are going through, digitalization has become a necessity of the financial field. As the future is uncertain, the outlook is accelerating and the main factors in the economic market are aimed at strengthening security and automating the whole set of operations.

Digitalization, called by the specialists the 4th Industrial Revolution, also has an important contribution in terms of the quality of services. According to statistical research studies, it was observed that in the first week after the pandemic was triggered, the percentage of use of digital applications increased by 72%.

The Fourth Industrial Revolution is composed of Steam, Electric, Electronics and Digitalization, Klaus Schwas describes the world where the technology manage the life, and the new reality are in the offline. (Miller, 2015)

In the last part of the Fourth Industrial Revolution it is included the artificial intelligence, the robots and the digital process, they make the transition from analog to digital.

According to the study made by McKinsey Global in 2017, with participation of 46 countries, the result of the study was the major impact of digitization will be in the countries with an developed economic system.

The European Commission is of the opinion that the future, in of finances, will be a digital one, due almost entirely to the Covid-19 pandemic triggered in the previous year. Both businesses and consumers have resorted to digital financial services, which has led to changes in business models, but also the emergence of new technologies designed to simplify the entire financial process. Financial digitization was an asset, which allowed users to continue their activities even if the country was going through a difficult scenario both financially and sanitary.

For example, the possibility to verify identity online has allowed financial institutions to collaborate more easily with users, in case of a bank transfer, in case of opening an account, or in case of accessing a credit. Payments have also moved to the digital environment, through online or contactless payments, which have partially or completely eliminated cash payments.

Online commerce, in turn, has enjoyed an impressive growth, with more and more economic agents opting for this type of activity. The Covid-19 pandemic has undoubtedly demonstrated that the financial system can work very well in digital format, bringing benefits the activity.

The European Commission fully supports financial digitization, considering that it is the main factor in the economic recovery and also the main pawn in modernization of the world economy.

Digitalization implicitly brings innovation and development, due to the opportunities it offers to enterprises, operations become easier, the services offered and savings increase qualitatively, due to lower costs.

Another essential factor is the fact that digital platforms have the ability to communicate through technology, so that the information arrives in a relatively shorter time and benefits from an amplified fairness, aspect that directly impacts the financial services offered.

The possibility of storing data in the cloud, for example, offers easy access, a concrete analysis, the possibility of long-term research and also increases the protection of the final consumer and his data.

Digital development is also due to the emergence of more and more startups specialized in information technology, due to the fact that the demand of enterprises has increased, this market sector has developed considerably, due to the financial stability it offers.

In this context, the European Commission has adopted a strategy for the digitization of financial services, which includes: Principles; Priorities; Regulations.

Following the study of market trends and taking into account the view of the participating respondents, the European Union has established four priorities:

- the first priority is focused on cross-border services and on European consumers, mainly pursuing the expansion due to the fact that online services involve high costs, so that massive development would bring higher revenues aimed to exceed costs;
- the second priority would be the existence of a regulation, meant to protect the market and the final consumer, in the sense that it guarantees the conformity of an innovation in the field of financial services;
- the third priority is to create a space at European level in which the financial data is collected, thus facilitating access to databases and data exchange;
- the fourth priority is represented by risks and challenges, aiming at balancing the competition both for the financial institutions and for the competitors on the new or old market.

Therefore, the European Commission is committed to implementing by 2024 the strategy proposed by achieving the objectives, taking into account the fundamental priorities.

According to statistics produced by the Bank for International Settlements in 2018, the volume of financing through digital platforms was worldwide at the value of 304.5 million dollars, Europe having a percentage of 6% of the total value, which represents a very small share, aspect represented in figure no. 1.

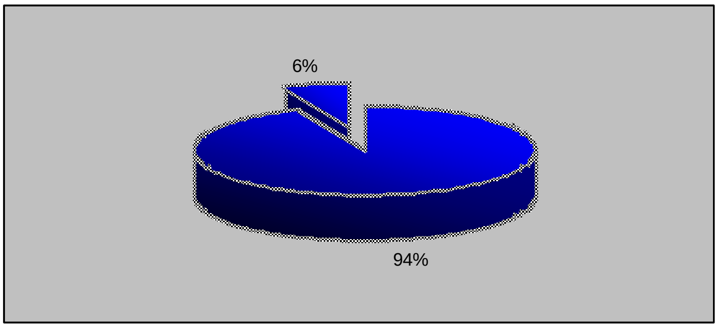


Figure No. 1 Volume of financing through digital platforms
Source: https://www.bis.org/statistics/

2. THE ADVANTAGES OF THE DIGITIZATION PROCESS

Digitalization is an continuous process that requires changes in business models, operating mode, requires changes at the level of the company's competence and why not at the level of customer interaction. Like any long-term investment, digitalization comes with a number of advantages: Increase in revenue; Simplification of processes; Supplier-customer interaction.

When I say revenue growth, I mean that by investing in digitalization, various opportunities come to the fore, which become profit-generating, a concrete example would be the development of an online application that is automatically productive.

The simplification of the processes requires numerous investments in automation, so that the processes are carried out in an automatic way, avoiding human errors, the time allocated to the process is reassessed, being possible a larger production volume in a shorter time.

The interaction between supplier and customer can be improved through digital technology, because the data are at hand and can be analyzed concretely to understand the needs of customers and to be able to work in the direction of improving the quality of the products offered.

The defining role belongs to human capital when pursuing digital development in a business. It is necessary to analyze in detail the capacity of the staff at the present time and the skills they have. Also, the investment in their preparation is impetuously necessary, because only in this way the digitization process will be total and will offer the expected results.

Companies that have opted for digitization, have recorded impressive growths, they have enjoyed process optimization, have considerably increased the percentage of quality and customer satisfaction, which has led to a more financially sound company and a long-term returnable investment.

Romania receives significant financing through the funds provided by the European Union in the period 2021-2028, the budget being 79.9 billion euros, money that will be invested in the country's recovery. From this budget, 20 million euros is allocated to investments in digitalization, such as investments in the cyber security, investments in IT infrastructure, software investments, the source for this informations was the official site of European Union. (https://ec.europa.eu/romania/)

Public institutions also need to implement digital processes. As we well know, the existing systems are technologically insufficient, the response time increases frequently, due to delays caused by poor or non-existent connectivity.

According to the data analyzed by The Economist Intelligence Unit, a percentage of 88% of the heads of governments consider digitization and automation a priority aspect, but only a percentage of 35% are taking concrete steps in this regard.

Among the main benefits that governments would have from the implementation of digital systems are:

- increasing the degree of productivity;
- total elimination of human errors;
- qualitative results;
- low costs;
- process automation.

3. THE CHALLENGES OF THE DIGITALIZATION PROCESS

The process of digitization like any other new concept, must overcome certain challenges in order to complete its implementation process in its entirety, among the challenges that may appear in this process we find:

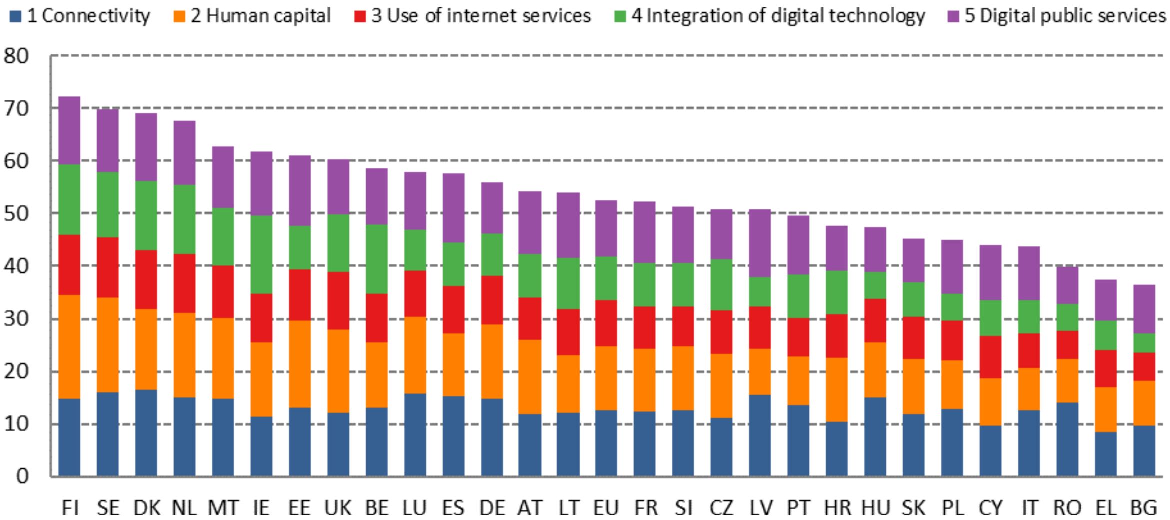
• Bureaucracy – proves to be reluctant to change, because it perceives digitalization as a restructuring of staff in the service of the state, which represents a decreasing number of officials and a growing number of digital applications;

• The mentality – is a conservative one, people are not open to novelty, but this can be changed to the extent that the opportunities and benefits that digitization brings are presented;

• Specialists – due to the wage difference, most specialists in the field have migrated to the private sector, so that the state has a less trained staff in the IT field;

The DESI Index (Digital Economy and Society Index) is used to determine the degree of digitization in each State of the European Union:

Figure No. 2 DESI ranking at European level



Source:
https://ec.europa.eu/romania/news/20200611_ digital resilience report ro

According to the data reported by the European Commission, Romania is on the 26th place in terms of digital performance, followed by two states, namely Greece and Bulgaria. The results obtained by Romania are the result of the progress that is being carried out at a slow pace and the evolution that the country's policy has had in recent years. (European Commision, 2020)

So the emergence of the Covid-19 Pandemic caught Romania totally unprepared for such a scenario, not being sufficiently familiar with the online system, the whole country encountered difficulties during the lock period. A concrete example would be the postponement of the payment of state debts spent last year in the middle of the pandemic in order to avoid crowding at the counters.

Another example is education, forced by the epidemic crisis to close its doors and opt for digital platforms, has encountered difficulties in implementation due to the fact that not all units were equipped with systems that allow the support of online courses, or students did not have digital equipment, especially those in rural areas. But in this case, the mobilization was massive, major companies on the Romanian market supported the initiative, both financially and through donations of digital equipment, which determined a promising start for a digitalized education.

The desire for digitization should start first of all from the political class, which should support the investment and opt for quality digitization. The process of digitization can be a gradual one, to take place over a period of several years, the most important being final result. Applications should be easy and understood by all, so it will be available to any person regardless of their training. And it would also be a real plus if the applications were connected to each other, so that the transfer of data would be possible, and the roads between state institutions would be considerably reduced.

In Romania there is a specialized agency in this regard, namely, ADR (Authority for the Digitalization of Romania), but also some digital systems, but most of them work on outdated systems, the activity is difficult, they are not made for access of users large enough, for this reason the connection is not realized, the lost time is much longer than expected, so people refuse to use them and go on the old technique , the physical one at the counter.

The need for a strategy in the process of digitization is essential, it should contain essential aspects such as:

- What is the allocated budget;
- What is the duration of the implementation;
- What we want to achieve;
- Which institutions will be part of the digitization process;
- What is the order in which the applications will be created;
- How to achieve connectivity between applications;
- What is the time allocated to testing.

The investment in the digitization process is an expensive one, but in the long run it pays off and proves its usefulness in terms of cost-benefit, because it brings multiple benefits at significantly lower costs.

4. SWOT ANALYSIS OF THE DIGITIZATION PROCESS

In this chapter we have carried out a SWOT analysis on the concept of digitization, in order to establish concretely following the information presented in the previous pages:

Strong points	**Weaknesses**
• Increase productivity; • Elimination of human type errors; • Operational flow becomes faster; • The quality reaches a much higher degree; • Decrease in long-term costs; • Long-term income growth; • Existence of a specialized national agency.	• Massive restructuring; • Reducing human interaction; • Implementation difficulties; • The allocated budget.

Threats	Opportunities
• Reluctance of the population to change; • Lack of specialized staff; • Lack of financial support from the political class; • Slowness caused by bureaucracy.	• Support from the European Commission; • Real development opportunities; • Optimization and simplification of processes; • Increased degree of innovation; • Digitization of Romania.

CONCLUSIONS

The Covid-19 pandemic represented a dramatic change in everyone's lives, but it also brought with it good aspects, such as awareness of the need for digitization. Thus, the importance of digitization in society was reconsidered and it was observed that it is an absolutely necessary factor in such a crisis.

It is also important to become aware of what the concept of digitization represents, what risks are associated with it, it is necessary to study the approach of this new concept, because a transformation of this magnitude will have strong repercussions on each individual, because of social isolation.

Digitalization has become a necessity in the financial field, simplifying processes and increasing the degree of innovation of the field located in a permanent development, this proves to be an asset in any process.

The banking field has developed its own digital applications, designed to facilitate transactions, while keeping existing customers providing them with services to the requirements and keeping the social distance so necessary in the times we are going through.

The advantages are immeasurable and among them we find an increasing degree of productivity, the elimination of human errors, so the information will become even more accurate by simplifying the processes, the quality of the activity undertaken through digital environment is improved considerably, the costs adjacent to the activities are gradually reduced to the extent that the activities are digitized, the processes become automated so that the time in the production process is reduced.

The double crisis triggered in the previous year, the health and financial crisis, had serious repercussions for the Romanian State, the sectors of activity being affected in a large proportion, but also represented a different normal, the digital, based on limited interactions, in which the technology plays the main role, a normal in which we realized the importance of things and we learned to focus on the really important ones , we started to invest in development on various sectors, maybe why not in the not too distant future we will become a digitalized Romania according to the European structure.

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MANAGERIAL ASPECTS REGARDING THE PERFORMANCE MOTIVATION RELATED TO THE INDIVIDUAL HUMAN VALUES

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ABSTRACT: *The employees motivation during periods with the rapid economic changes is one of the important challenges for employers. The specific features as well as the conditions induced by the contemporary contextual framework require an adequate managerial approach to work motivation. Therefore, in our paper we have approached the issue of motivation related to the individual human values in the current economic activity. We focus on the managerial aspects that could support organizations and we make some useful suggestions regarding how certain motivational factors can be efficiently used.*

Keywords: motivation, employees personality, work commitment

JEL cod: M12, O15, J01

INTRODUCTION

From the perspective of socio-economic theory, the most important resource in creating added value is the human one, it is in fact the only active resource of a company. Therefore, in the modern economy, employee behavior and interpersonalrelationships at work are two of the most important points of interest in analyzing the performance of organizations.

From the point of view of the classical human resources theory, the organizational behavior is circumscribed to the conceptual space determined by the notions such as work commitment, motivation, job satisfaction as well as by the implications arising from their association.

While, an adequate motivation is the source of organizational productivity (Vagu and Stegaroiu, 2007, pp. 45) but it is also one of the premises for increasing employee skills and competences that lead to stimulate innovotion and especially have a key role in creating co-create value at the level of company (Balan, 2019).

The treatment of any reasoning intended for motivation cannot be justified by disregarding the placement of this subject in the area of influence of the human behavior research ield which is strongly influenced by behavioral attitudes, also called commitment, that precede and determine a certain behavior towards work.

1. CORROBORATING OF MOTIVATIONAL MANAGEMENT WITH INDIVIDUAL HUMAN VALUES

Following the definition given by Savall and Zardet (2012, pp. 334), the economic organization itself is a complex based on two main elements, in constant interaction, namely, the structure of the organization and the human behavior. Moreover, the component given by the human behavior is essential, it having a major influence on the effective course of economic activity and even contributing to changes in the organizational structure.

Approaching precisely this complexity of causality, the classical managerial theory extends the definition of the concept, by introducing the term of work commitment. Thus, employees' actions are an expression of their own, individual traits, manifested according to the degree of commitment to work (Kiesler and Sakamura 1966).

From a structural point of view, work commitment is considered to have five forms:

- ✓ *work ethic* from the perspective of belonging to a certain cultural group, represents the totality of preconceptions and personal beliefs about work, formed and transmitted over time in the social, cultural or religious environment to which the individual belongs, materialized, according to Neveu (2012, pp. 758, 759), in the degree of importance that a person considers to have work for himself.
- ✓ *career commitment* (Carson and Bedeian 1994), is given by the attitude of a person towards the profession he pursues, materialized in the appreciation of personal interests in favor or against professional interests.
- ✓ *commitment to organizational continuity* is reflected (Meyer and Allen 1991) in the value that an employee attributes to reteing or changing the employer, more precisely in the assessment of the costs of leaving the job in that company.
- ✓ *organizational affective commitment*, according to Blau 1987, shows the level of identification of the employee with the employing organization and has the effect of creating the personal desire to achieve the objectives of the organization.
- ✓ *job involvement* or commitment in the job or the occupied position, is definitive (Blau, 1987) as a measure in which, the employed person identifies or not with the job or the occupied position from the organization, fact that is externalized by interest that the individual assigns work task.

These constitute one of the models established in the literature for the topic involved, namely the Morrow Model of the five forms of work commitment, presented by Cohen 1999. In fact, Cohen's contribution is a major one, this author contributing to the development research in the field, by providing rigorous and detailed results on the relationship between the five forms, results obtained using the method of confirmatory factor analysis to establish the validity of correlations.

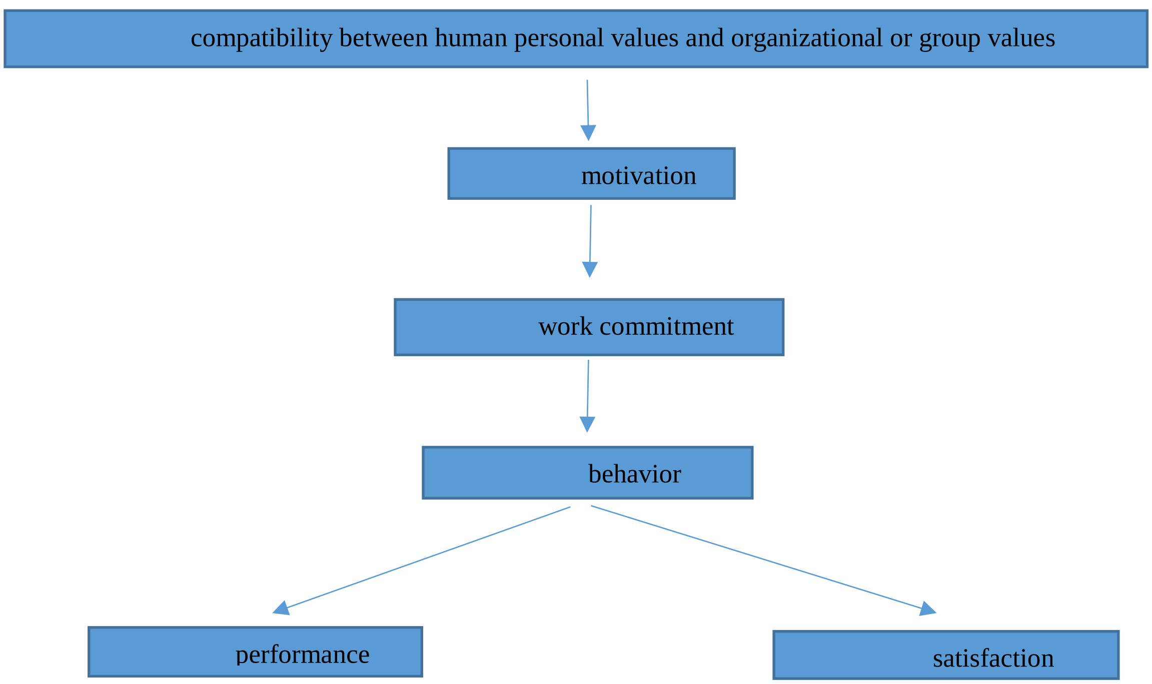
Of particular importance in carrying out our research, we highlight here the idea communicated by Cohen 2009, according to which there are well-established links between individual human values defined by Schwartz 1992 and the work commitment forms.

In his theory, Schwartz 1992, defines human values as those aspirations, objectives or principles that individuals have and after which they guide all their lives, without being influenced or changed over time. These values, according to Schwartz, are ten (power, hedonism, socio-professional achievement, independence, openness to the new, tolerance of the environment, cordiality, discipline, traditionalism and security) and are classified into three broad categories (values that respond to the need for coordinated social interaction, values based on biological requirements and values meant to support the unity of groups or community), differing from each other by the degree of importance given to them but especially by the type of motivation they trigger.

Moreover, Schwartz 1992 emphasizes the fact that all ten individual human values are foci of motivation, the detection of dominant values at the individual level being one of the premises from which motivation can be initiated.

Cohen 2009, corroborates the personal results with those published by Berings et al. 2004, using and verifying the hypothesis, launched by Berings, regarding the positive influence of the concordance between personal and organizational human values, on well-being, motivation, work involvement and consequently on behavior, performance and of employee satisfaction, which is schematically represented in Figure 1.

Figure 1. Work commitment and motivation based on the theory of human values, Cohen-Schwartz-Berings Theory



Source: Own projection

Summarizing the previous exposition, we can distinguish two triking features of workplase behavior: measurability, behavioral acts being easy to observe and quantify, and individuality, the connection between the individual and his/her actions being mediated by commitment or involvement in work.

All the previous arguments lead to the one of the fundamental principles of motivation:

„*Harmonization of motivational management with individual human values*".

2. EMPLOYEE MOTIVATION

Employee motivation is the managerial action of using certain motivational factors to catalyze, animate, the interest, the involvement and the results in work.

We can define the notion of Motivation as a condition, a plurivalent element, which animates the behavior and decisions of the individual depending on the context or general in which it is at a given time. The interest given to this subject is present throughout the history of mankind, since antiquity, but the definition of Motivation as an independent concept and the implications of its research in the activity of social groups in general and organizations in particular, are introduced for the first time, using a structured approach, by psychologists Tolman (1932, pp. 269) and Lewin (1936, pp. 168).

Due to the plurivalence and the multitude of aspects involved in motivation, several classifications of Motivational Factors are currently used.

However, one of the most recent classifications, is the classification presented by Amin et al. 2021, in which the Motivational Factors are considered to be classified into four main categories, namely: Motivational Factors related to professional identity, Financial Motivational Factors, Motivational Factors related to the recognition of personal value and Motivational Factors related to career opportunities.

Regardless of the type of classification used, current research addressing the topic of motivation, deals with motivational factors closely related to various other concepts such as employee behavior, commitment, position in the organization, feelings of insecurity or type of employer (Constantinescu 2021).

CONCLUSION

We conclude that, at the organizational level, the motivation action is part of a succesion of stages included in the gear of a complex managerial process cosisting of the following phase:

- Observation and evaluation of work behavior.
- Determining the human potential related to individual attitudes toward work.
- Correlation of the types of motivational factors both with the human potential but also with the particularities of the work environment, followed by the determination of the adequate individual motivation meant to enhance the qualities of the human resource.
- Application of the individual or group motivation actions.

- Measuring the effect of the human resources motivation approach, using the settlement of the variation of indices that describe labor productivity, the level of employee satisfaction or the performance.

Therefore, work behavior is the result of an accumulation of internal forces, specific to the individual or external to him, related to the organizational enviroment or interpersonal relationships, having the quality of being able to be measured both directly and by evaluating characteristics that it determines, such as job satisfaction or productivity.

As most empirical studies show, most of the individuals surveyed about the hierarchy or choice of the preferred motivational factor place financial, extrinsic motivation, on the first place. Such a result, treated superficially, may lead practitioners to the conclusion that the application of monetary motivation will implicitly determine an increase in productivity and quality of work of employees.

So, the use of motivational factors must be made by separating the financial factor and establish its weight in motivation using general, measurable economic criteria. For professional identity, recognition and career opportunities motivational factors, the ideal combination must be found, in which their weights reflect as well as possible on the one hand the type of organization and on the other hand the individual human component.

From a managerial point of view, the results of our approach suggest that by choosing and using strategies adapted and suitable for each type of employees, we can reduce or avoid possible negative effects caused by the economic environment and current life.

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TRADITIONAL LEARNING VERSUS ONLINE LEARNING: MOMENTARY COHABITATION OR SYNERGISTIC INTERACTIVITY

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ABSTRACT: *This paper investigates the educational process during the pandemic, identifies solutions to the challenges generated by the pandemic imposed limitations, opportunities for pedagogical adaptation and school ethos. The paper aims to analyze new ways of communicating with students, using traditional and online learning, studying the importance of combining these two types of education and looking for creative and innovative educational activities adapted to current needs of students, to create the quality of the educational process.*

Keywords: pandemic, online learning, traditional learning, the quality of the educational process

JELL CODE: I20, M14, M18

INTRODUCTION

The society in which we live is in a continuous development in all fields. The learning process defines people at any age. Human existence itself is conditioned by learning. Education has also become a way of directing social evolution and is the basis of all the transformations that take place in society. The vicious circle of education represents in today's society that system that creates values and norms, which it imposes and modifies depending on the stage reached by science, technology, knowledge. Therefore, any society and any being are the fruit of education, this generating effects and results that should be superior to the previous level of knowledge (Dobrescu, 2008).

We are constantly facing many challenges, having to adapt to social, political, moral and economic conditions. Regardless of the area to which it relates, at the base of society is located education. The transmission of knowledge, skills and discoveries from generation to generation is a condition of evolution.

Researching in the literature we notice that lately there is more and more discussion about online and traditional (classic) learning, forming pros and cons for each of them. The paper *Traditional learning versus online learning: momentary cohabitation or synergistic interactivity* aims to identify solutions to improve students' school performance, by providing a comparative analysis of the two types of learning. The study of the strengths and weaknesses of online learning and traditional learning, addressed during this paper, allow us to formulate the conclusion that the synergistic effect of combining the two types of learning will support the achievement of the educational ideal of the Romanian school.

1. ONLINE LEARNING

In the context of the global pandemic, online learning seemed the only responsible possibility to ensure continuity in learning. UNESCO (2020) stated that as of May 17, almost

1.21 billion students had been affected, representing 69.3% of the total school population globally. Studies and analyzes have been conducted to use information and communication technologies (ICTs) to reform the entire education system in the midst of this coronavirus epidemic and to provide online and distance learning in return. This concept of online learning is a type of distance learning conditioned by a certain financial situation, access to electricity, access to devices, internet access, etc. New pedagogical approaches are also needed, which are more effective in maintaining the motivation and involvement of students during the online learning process. It is well known that the drop-out rate in distance learning is generally higher than in the case of face-to-face education.

In a short period of time there was a transition from a relatively stable society to a society defined by changes and discontinuities. Under these conditions, ensuring the continuity of learning during the pandemic, inevitably generated gaps between what had to be taught according to the program, what was taught and what retained the student after the teaching process. The reduction of these differences to a minimum was due to each teacher to his actions in the educational process, to the maximum use of digital technologies for teaching-learning, to the efficiency he showed in transmitting the contents, in the formation of skills and attitudes, beyond the limitations imposed by the educational and health context, as a result of the evolution of the pandemic.

The unprecedented situation puts the greatest pressure on the educational process to be put on the teacher, quality assurance in teaching and didactic interaction depending on individual didactic creativity, the creation and responsible use and efficiency of educational resources, patience and understanding. proof of the participants in the educational process, regardless of the degree of technology available to the educational unit.

Thus, the teacher focuses on the sustainability of student involvement, creating useful experiences for students that would best generate learning, modeling students' discussions and activities to facilitate the acquisition of learning objectives through the use of contemporary types of learning. The quality of education is produced, generated and ensured at the level of the fundamental educational relationship, that between teacher and student, defined at the level of education beneficiaries.

In the EU Council's press release of 17 June 2020 on combating the crisis caused by the COVID-19 pandemic in education and training, the EU Council called on Member States to examine the possibilities for innovation and digital development, developments in digital skills and competences of staff didactic. It also recommends the exchange of information, experience and good practices on optimal solutions to adapt to the situation, depending on the evolution of the possibilities for innovation and digital development, developments in digital skills and competences of staff didactic. It also recommends the exchange of information, experience and good practices on optimal solutions to adapt to the situation, depending on the evolution of the pandemic.

In order to ensure the safety of students, their families, teachers, non-teaching and support staff, as well as society in general, and to ensure the right to education at the same time, educational institutions have made significant efforts to develop alternative digital options to support learning and distance teaching. These changes have provided challenges for teachers, students and their families accompanied by valuable learning experiences, accelerating digital progress at the institution level. The availability of digital learning equipment and materials and the training of teachers to carry out distance teaching activities have undergone continuous improvements.

Digital learning has been able to play a crucial role in education by making students more interested in learning and broadening their horizons through learning.

Currently, we find everything we want online, discovering endless possibilities. Then why not use them as long as they are available just a click away? Without realizing it, because they learn in an active, engaged and involved way, students who use digital technology to learn become more involved in this process and are more interested in developing their knowledge base. The education of the future can no longer be conceived without digitization, it would be necessary to become more attentive, all those interested in education (parents, students, teachers) to the experience of other countries in the top best performing education systems

Educator Gaston Berger proposed, as a solution to reconcile the slow pace of change in education with the accelerated and continuous pace of change taking place in society, the integration in education of technical means similar to those used outside school, including the media, which plays an important role in interpersonal and educational communication, being a real institutional catalyst. In a recent call, UNESCO (2020) stated: “The Covid-19 crisis has led to a paradigm shift in how learners of all ages, worldwide, can access learning. It is therefore essential, now more than ever, for the entire global community to come together to promote universal access to information and knowledge.”

Part of today's education, the online environment is the chance for people to get information easily, quickly, in any field, not being conditioned by a physical support (paper books) or an intermediary (teacher). There are no classroom experts, things are moving fast, and teachers and students need to team up to create a learning environment using modern technologies. Today, the best and most important distribution channel is online. The online environment supports 21st century skills such as collaboration, communication and creativity.

2. TRADITIONAL LEARNING

At the same time, despite the growing popularity of online courses, traditional training is struggling and trying to adopt newer ways to maintain the interest of students. There are always two sides of a coin. For some individuals, online training is more appropriate, while for others classroom training is the preferred method. However, regardless of its adequacy, the online pedagogical process has become a necessity. The success of distance learning is a result of a collaborative effort between the teacher, computer scientist, system engineer, school manager, the performance of the communication network and not an exclusive attribute of the teacher;

Education must be rebuilt at the level of interdependence between the requirements of society and the psychological requirements of the student; the curriculum must ensure continuity between socially developed scientific knowledge and the student's psychological experience; the philosophy of education is projecting the ideal and the positive pedagogical goals, necessary for the formation and development of the personality in the context of an economically industrialized society and politically democratic (J. Dewey, 1992).

Ensuring success in learning according to the child's physical and mental potential, on the one hand, and overcoming school failure, on the other hand, are educational objectives of great complexity. Human beings have different talents, abilities, passions, motivations, and compliance, which is a feature of the current education system, leads to decreased student interest, increased dropout rates, bad results in both standard tests and in real life. In a society like ours, students face a multitude of situations that affect their school and professional development –from individual risk factors to systemic ones. Thus arises the need for educational resilience. Educational resilience is defined as “the ability to achieve school performance in the face of risk factors that threaten school success,” or “the ability to cope with the challenges and pressures of the school environment” (Alva & Padilla, 1995). School success is interpreted as an indicator of high psychological resilience (Kumpfer, 1999).

Browsing through the previously planned content is not the teacher's only mission. It is more difficult to maintain the student's desire to learn, to maintain a dynamic communication in the educational process that will generate in the student an ease in content retention, by keeping the concentration for a period of time, in order to support learning. Excessive focus on learning outcomes to the detriment of the learning process does not increase efficiency. Distance learning, unlike traditional education, tries to cover the instructive dimension of training, having fewer virtues of education and structuring of personality, respectively the formation of behaviors, attitudes, values.

The principle according to which the quality of a product or service is achieved by the manufacturer but is defined by the customer has a special importance in the evaluation and quality assurance in education. In other words, the direct beneficiaries of education (preschoolers, pupils, students, adults who learn) and the indirect ones (parents of direct beneficiaries, employers, the whole society) are the ones who establish the characteristics and indicators of the training programs to be provided by the school. based on values such as: democracy, tolerance, humanism, equity, intellectual and moral autonomy, quality of interpersonal relationships, community progress, optimal social and professional insertion, the individual as a critical and responsible member of the community. Children, pupils, young people need behaviors (of the adults around them) to encourage them, to teach them responsibility, to help them overcome their fear of failure, to increase their self-esteem. A great pedagogue said that: "The school must teach the child to learn, to discover, to do on his own" (Maria Montessori), this being the major role of the school.

For these theoretical landmarks to occur in reality, it is important for teachers, students and families to give meaning to education, to accept that, until the macro-scale transformations, individual effort, passion, empathy, a very good professional and pedagogical training in on the part of teachers, a genuine involvement of the family in shaping the personality of children, with respect for authentic values, the guarantee of a healthy society can be a good start in changing the general perception of education.

School is not only a space for academic learning, but also for learning social skills, for learning emotional skills. Students have extremely deep emotional, psychological needs: the need to belong, the need for connection, the need to relate to a model, the need of having a menthor, a teacher or a colleague, an informal leader of the school community. The courses taught online deprive children of a social environment and a relationship that has much deeper values than the simple accumulation of knowledge.

3. COMBINED LEARNING, AN ATTRACTIVE ADVANTAGE IN THE EDUCATIONAL PROCESS

Passionate about smart gadgets, interesting applications or spectacular online games, teenagers resonate quite hard with the old methods of learning. Fortunately, the development of technology has presupposed the development of educational products created in perfect agreement with the new generations of students of the digital age.

Remarkable advances in computers and microcomputers and, in parallel, the development of cognitive psychology, have opened the perspective of new training technologies: computerized information techniques, computer-assisted training and multimedia learning, based on the use of new information and communication technologies (M. Ionescu, 2011). The same author states that, "not the use of computer and multimedia technologies, in itself, has educational effects, but their integration into a well-thought-out training and self-training strategy." (M. Ionescu, 2011)

We can talk about blended learning that combines face-to-face learning opportunities with online learning opportunities. The strategy of combining online learning with face-to-face school instruction is useful to adapt the various learning styles of the learners and to allow each learner to study at their own pace. The whole teaching and learning process becomes more interesting and adapted to the digital student. Thus, a personalization of learning is achieved. "Even if the online environment offers children an opening at a click away from what the world means, human, physical interaction can never be replaced. This mix between talking to my friend on a social networking platform and going back to school and seeing him physically and talking to him is good during this period because online has taken the place of physical interaction. But he can't replace her. That's a rule we have to keep in mind. These generations who have access to social platforms and a lot of technology, have an advantage over past generations, but if these children will close only in the online environment, it means that they will not know how to socialize normally, to man to man.” remarks the psychotherapist Marilena Gheorghiță.

Psychologist Nicoleta Albert has a more optimistic approach. "Accessing online learning certainly belongs to the future! A mix is already shaping up, but maybe not 100%, as it has been so far. I think that the pandemic also brought us this good thing, because it brought us closer to the reality we have in the field. We've seen how prepared we are for change, and we've found new resources to adapt to that change. "

"How these generations will relate to something so new, which humanity has never faced, we will find out much later. We will find out when they will become adults ", concludes the psychotherapist Marilena Gheorghiță

In the paper “Online school elements for educational innovation, Evaluation research report”, Bucharest, May 2020, a team of reputable specialists in psychology and education records a series of dilemmas that must be in the attention of those who will rethink the national training system in the future: what will be the division between traditional and distance education, which it is the optimal technological load of an educational process so that the focus on technology is not detrimental to the content, to side effects or unwanted.

At the same time, it is found that in online learning, regardless of the performance of the technical framework, the skills of teachers, the degree of adaptation of content to the new context, the teaching, learning, assessment process is diminished, loses consistency, quality, naturalness. The relational aspect, the cooperative dimension, the objective evaluation process, the feedback, the monitoring and stimulation of the performances, the individualization and personalization of the learning underwent undesirable changes (Botnariuc P., Cucoș C., Glava C., Daniel E., Iancu M., Ilie D., Istrate O., Labăr O.V., Pânișoară I-O., Ștefănescu D., Velea S.,2020).

4. CONCLUSIONS

The implementation of digital education in the learning process does not mean the exclusion of traditional education. Although it complements classical learning, digitization is a better environment, which offers a broader perspective and much more attractive activities than traditional teaching methods, but the transmission of knowledge is not the only goal of learning. Social and psychological skills training are difficult to achieve online. The ideal approach in the process of optimal education of children both professionally and personally is a combination of traditional learning opportunities with online learning opportunities. The synergetic effect of combining the two types of learning will support the realization of the educational ideal of the Romanian school, the objective to which the Education Law aspires through its vision, namely, promoting an education oriented on values, creativity, cognitive abilities, volitional abilities and action abilities, knowledge fundamentals and knowledge, skills and abilities of direct utility, in the profession and in society.

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